

Shania Bhalotia

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Placement Director: Matthias Doepke
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Doctoral Studies

London School of Economics

PhD in Economics	2022-2026 (<i>expected</i>)
MRes Economics, Distinction	2020-22

REFERENCES

Dr. Thomas Sampson Department of Economics London School of Economics T.A.Sampson@lse.ac.uk	Dr. Swati Dhingra Department of Economics London School of Economics S.Dhingra@lse.ac.uk
Dr. Catherine Thomas Department of Management London School of Economics C.M.Thomas@lse.ac.uk	Professor Silvana Tenreyro Department of Economics London School of Economics S.Tenreyro@lse.ac.uk

Prior Education

London School of Economics

MSc Economics, Distinction	2016-18
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St. Stephen's College, University of Delhi

BA Economics (Honours), First Division	2013-16
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Research Fields

Primary: International Trade
Secondary: Macroeconomics, Finance

Job Market Paper

Trade in Services under Regulatory Barriers: Evidence from UK Banking, *with Sophie Piton and John Woods*

Abstract: Barriers to trade in services remain poorly understood. This paper investigates how regulatory barriers affect cross-border lending and deposit-taking by banks. We build a theoretical framework of banking across borders to model how trade costs shape trade in banking services. We test the predictions of the model using changes in regulations due to the UK's withdrawal from the EU. Using bilateral data from the Bank for International Settlements and confidential bank-level data from the Bank of England, we find that UK-resident banks substantially reduced lending to and deposit-taking from EEA countries after Brexit, with some effects observed after the referendum itself. Banks that lost the ability to provide services across the EEA without additional authorisation reduced their stocks of loans to and deposits from EEA countries by about 45 percent more than banks that did not have such authorisation when UK was a part of EU, relative to their activities with non-EEA countries. Moreover, banks with higher pre-referendum exposure to the EEA had lower lending and deposit-taking with the EEA after the referendum. We find limited evidence of multinational banks successfully circumventing the new barriers by using foreign affiliates. These results demonstrate the critical role of regulatory access in shaping the pattern of banking across borders and trade in services.

Working Papers

Deglobalisation in Disguise? Brexit Barriers and Trade in Services, *with Swati Dhingra and Danyal Arnold*. CEP Discussion Paper No. 2110. Coverage: Financial Times

Abstract: Deglobalisation policies promote the vision that pulling back from economic integration can help correct international imbalances and reposition national economies for renewed prosperity. A core vision of Brexit was to transform the UK to a new Global Britain - a sovereign trading nation free from EU constraints, and capable of reinvigourating its historical comparative advantage in the world economy. Central to this was the idea of “taking back control” of regulations, particularly in high-value-added services where EU rules were seen as limiting the UK's longstanding global competitiveness. We develop granular and comprehensive measures of UK's departure from regulatory alignment with the EU, and find that they have introduced significant new bilateral trading frictions that have not been offset by increased competitiveness in markets beyond the EU. UK exports to the EU in services that have got these new Brexit barriers have declined by 16 percent relative to other bilateral trade flows. Overall, UK services exports are estimated to be 4 to 5 percent lower, indicating that five years on, Brexit has fallen short of delivering its vision of Global Britain.

Work in Progress

Navigating Non-Tariff Barriers: Response of UK Services Firms to the TCA, *with Swati Dhingra*

Build or Borrow? Innovation versus Adoption under Import Competition

Policy Research

Trading Up: The role of the post-Brexit trade approach in the UK's economic strategy, *with Swati Dhingra, Emily Fry and Sophie Hale*. Resolution Foundation, June 2023. Media coverage: [Financial Times](#)

City of dreams no more: the impact of Covid-19 on urban workers in India, *with Swati Dhingra and Fjolla Kondirolli*. CEP Covid-19 Analysis, September 2020. Media coverage: [The Guardian](#), [NDTV](#), [Bloomberg](#), [Hindustan Times](#)

Teaching

London School of Economics, Teaching Assistant:

- International Trade, EC338 (Undergraduate)	2021-
- International Macroeconomics, EC339 (Undergraduate)	2021-
- Introductory Courses in Mathematics for Micro and Macro, EC400 (Graduate)	2021-24
- International Economics, EC351 (Summer School)	2023, 24
- Public Policy in Practice: Globalisation, PP4G9E (Executive MPA)	2023
- Global Market Economics, PP421E (Executive MPP)	2021, 22
- Intermediate Macroeconomics, EC202 (Summer School)	2021
- Macroeconomic Principles, EC210 (Undergraduate)	2017-18, 19-20

Relevant Experience

Academic Visitor, Structural Economics Divisions, MA, Bank of England	2023-
PhD Intern, Trade/Corporate Team, Structural Economics Division, MA, Bank of England	2022-23
Pre-doctoral Research Assistant to Dr. Swati Dhingra, London School of Economics	2018-20
Research Assistant to Prof. Frank Cowell, London School of Economics	2017-18
Research Intern to Dr. Tarun Jain. Indian School of Business	2017

Awards, Grants and Scholarships

CITP Innovation Fund (Co-Investigator) (£20k)	2024
UK in a Changing Europe Small Grant (Co-Investigator) (£30k)	2023
LSE PhD Studentship, London School of Economics	2020-25
LSE Economics Departmental Award, London School of Economics	2020-25
Rohit Ranjen Memorial Prize (Best All-Round Student), St. Stephen's College	2016
N. C. Ray Memorial Scholarship, St. Stephen's College	2015-16
Goutham Krishna Research Fellowship, St. Stephen's College	2015

Presentations (* scheduled)

- 2025 CITP Seminar*; CEP-LSE-Warwick Junior Trade Workshop; 26th Annual European Trade Study Group Conference; 56th Annual Conference of the Money, Macro and Finance Society; CEPR VI Economics Job Market Bootcamp; Bank of England; 2nd Midlands Trade and Investment Network ECR Conference; CGR Annual Globalisation Workshop; 23rd Annual GEP/CEPR Postgraduate Conference
- 2024 5th Conference on Empirical Investigations in Services Trade; Bank of England; Conference on Trade and Welfare Effects of European (Dis)Integration
- 2023 NIER Workshop on the Economic Impact of Brexit; Euroshocks Workshop; 54th Annual Conference of the Money, Macro and Finance Society; Number 10 Policy Unit (*invited*); Conference on the Economic Effects of Free Trade Agreement; JIE Summer School in International Economics (*poster*); Bank of England

Academic Service

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| Organiser, International Workshop, London School of Economics | 2023-25 |
| Organiser, Junior Macro Workshop, London School of Economics | 2022-25 |

Languages

English (Fluent), Hindi (Native)