Kalyani Padmakumar

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EDUCATION

Ph.D. in Economics, Pennsylvania State University (PSU)	2017-Present
M.A. in Economics, Delhi School of Economics (DSE)	2012-2014
B.A. (Honors) in Economics, Lady Shri Ram College, University of Delhi	2009-2012

FIELDS OF INTEREST

Macroeconomic Development, International Trade, Labor Economics

RESEARCH PAPERS

Small By Choice? Reassessing the Aggregate Implications of Size-Based Regulations
(Job Market Paper)

Abstract: India's employment protection legislation applies to manufacturing plants after they employ more than 100 full-time workers. While one would expect plants to bunch at the regulatory threshold in response to costly rules, there is no bunching at 100 workers in the Indian plant size distribution. This paper sheds light on this puzzle, and argues that size-based rules should be evaluated based on how they impact transitions of plants around the regulatory threshold. Using the Indian employment protection legislation, this paper provides novel reduced-form evidence that costly rules lower transitions of plants from below to above the regulatory threshold, and induce those near the threshold to substitute towards other factors of production on which these rules do not apply. To shed light on aggregate implications, this paper develops and estimates a dynamic heterogeneous firm model with multiple factors of production and labor-search costs, and links the regulation to hiring decisions and entry decisions of plants. Estimates from this model suggest that removing the burden of this legislation would make more plants enter and hire full- time workers faster. As a result, average full-time employment and average output in the manufacturing sector would increase by 7% and 3% in the long run.

RESEARCH IN PROGRESS

No Country for Dying Firms: Evidence from India
(*with Shoumitro Chatterjee, Kala Krishna & Yingyan Zhao*)

Abstract: Schumpeterian creative destruction is necessary for economic growth. It is the incessant mechanism by which new and better production units replace outdated ones and ensures that the economy is close to the technology frontier. Structural impediments to this process can become a major drag on productivity growth and economic development. In this paper, we argue that Indian institutions create frictions to firm exit and adjustment. We document this by showing that the way manufacturing firms respond to these frictions is in line with simple theory. We then develop and estimate a dynamic heterogeneous firm model with entry, exit and input (labor and capital) adjustment costs. This allows us to pin down the magnitudes of exit and adjustment costs and their implications for firm development and aggregate manufacturing total factor productivity.

CONFERENCE AND SEMINAR PRESENTATIONS

Annual Conference of the Royal Economic Society, London (virtual)	2022
16th Annual Conference on Economic Growth and Development, Indian Statistical Institute (virtual)	2021
Trade & Development Student Workshops, Pennsylvania State University	2019-2022

Research and other work experience

Graduate Research Assistant for Prof. Kala Krishna, PSU	2019-2022
Research Assistant for Prof. Parikshit Ghosh, DSE	2016
Market Risk Analyst, Goldman Sachs & Services Pvt Ltd, Bangalore, India	2014-2015

Teaching Experience

Intermediate Microeconomic Analysis, TA for Prof. Mark Mcleod, PSU	Spring 2022
Intl. Finance & Open Economy Macroeconomics, TA for Prof. Fernando Parro, PSU	Fall 2020, 2021
Urban Economics, TA for Prof. Shoumitro Chatterjee, PSU	Spring 2020, 2021
Economic Growth & Development, TA for Prof. Bee Roberts, PSU	Fall 2019
Introductory Microeconomic Analysis & Policy, TA for Prof. Paul Kagundu, PSU	Fall 2017 - Spring 2019

Skills

Economics: Structural Estimation, Causal Inference, Quantitative Economic Modelling
Programming: Cluster Computing, MATLAB, STATA, Python, LaTeX
Languages: Malayalam (native), English (fluent), Hindi (fluent)