KRITI KHANNA

Macroeconomist integrating structural models and micro evidence to study how institutional frictions and policy design shape resource allocation, productivity, and growth in emerging economies.

Founding Faculty & Founding Program Chair (Data Science, Economics, Business Major), Plaksha University

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EDUCATION

- **Ph.D., Economics** — University of Houston, USA, 2016–2021
- **MPhil, Economics** — Jawaharlal Nehru University, New Delhi, 2012–2015
- **M.A., Economics** — Jawaharlal Nehru University, New Delhi, 2010–2012
- **B.Sc. (Hons), Mathematics** — St. Stephen's College, University of Delhi, 2005–2008

FIELDS OF INTEREST

Macro Development; Macroeconomic Theory; Applied Econometrics

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WORKING PAPERS AND RESEARCH PROJECTS

Credit Enforcement, Misallocation, and Income Disparities across Indian States (*Job market paper*)

A dynamic heterogeneous-agents general equilibrium model with voluntary entrepreneurs and involuntary self-employed individuals is developed and calibrated to state-level measures of financial frictions in India to quantify the contribution of credit contract enforcement to resource misallocation and income disparities. Stronger enforcement relaxes borrowing constraints for high-talent but low-wealth entrepreneurs, improving the allocation of capital, expanding productive entrepreneurship, and raising aggregate output. An extension featuring a common credit market incorporates capital mobility across states and captures general-equilibrium spillovers from enforcement reforms. Complementing the model, empirical evidence using NSS microdata and variation in judicial speed—including reforms that accelerate civil case resolution—shows that improved enforcement reduces the share of voluntary entrepreneurship while increasing formal wage worker and involuntary self-employment shares, consistent with the general equilibrium mechanism highlighted by the model.

Targeting Winners: Aggregate Effects of India's PLI Scheme (with Priyam Verma)
This paper evaluates India's Production-Linked Incentive (PLI) scheme as a targeted industrial policy intervention. We first implement a difference-in-differences strategy using CMIE Prowess data to estimate the short-run causal effects of PLI eligibility on firm-level outcomes including sales, profits, exports, investment, employment, and input use, as well as potential spillovers on non-PLI firms through market competition and supply linkages. These empirical results inform a dynamic heterogeneous-firms model where firms differ in productivity and make endogenous entry and exit decisions under policy-induced distortions. In the model, the PLI operates as a targeted production subsidy that advantages higher-productivity firms and reshapes the stationary distribution of firm size and productivity. We calibrate the model to observed firm dynamics and size dispersion in the Indian manufacturing sector to

quantify the aggregate and distributional consequences of "picking winners," including its effects on efficiency, reallocation, and welfare.

The 2020 Labor Code Reform and Resource Allocation in India (with Shreya Kapoor)
This project investigates how easing India's employment protection thresholds affects firm behaviour and aggregate productivity. A difference-in-RDD design exploits state-level reforms that relaxed dismissal restrictions at the 100- and 300-worker cutoffs, comparing discontinuities before and after reform across treated and untreated states. Using ASI data, the analysis examines impacts on labor composition, capital and other operating costs, R&D, firm output, and productivity. To quantify reallocation gains, a difference-in-differences Hsieh–Klenow misallocation exercise measures change in the variance of TFPR and marginal products across industries before and after reform, capturing the TFP improvements from reducing size-based labor regulation.

Employment Protection Thresholds and Firm Dynamics: A Quantitative GE Model
The paper develops a general equilibrium model with heterogeneous firms and households supplying three labor types—regular, contractual, and female—to quantify the macroeconomic effects of relaxing dismissal thresholds. Firms face a regulatory cost when employment exceeds the IDA cutoff, distorting labor demand, input mix, and scale decisions. Raising the threshold reduces the share of constrained firms, enabling firm expansion and labor reallocation across types. Model simulations quantify resulting gains in aggregate productivity, capital accumulation, and wage structure under a more flexible regulatory environment.

ACADEMIC EXPERIENCE

Founding Faculty & Assistant Professor of Economics, Plaksha University, Mohali, India
October 2021 – Present

- **Founding Program Chair**, *Data Science, Economics & Business (DSEB) Major* (2022–2023).
    - Contributed to the launch and development of the Data Science, Economics & Business (DSEB) undergraduate major, including curriculum planning, course sequencing, and program administration.
    - Helped establish DSEB as a high-demand major**, enrolling ~30% of the cohort in its first offering**, while serving as the only full-time Economics faculty in the founding phase.
    - Advanced program outreach and visibility via school outreach, public seminars, and collaborations with academic and industry experts.
    - Contributed to building early-stage academic processes, hiring coordination for Economics faculty and staff, and mentoring of initial student cohorts.
- **Developed 6 new courses** across undergraduate and PhD levels
- Supervised students on macro-development research projects involving large-scale Indian datasets

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COURSES TAUGHT

Plaksha University

- **PhD Level**
    - Advanced Macro-Development (Fall 2022)
    - Applied Econometrics (Fall 2023)
- **Undergraduate Level**
    - Macro-Development (Spring 2025)
    - Macroeconomics (Spring 2023, Spring 2024, Fall 2025)
    - Applied Econometrics (Fall 2023, Fall 2024)
    - Microeconomics (Spring 2022)
    - Fundamentals of Economics (Spring 2024, Spring 2025)
    - Universal Human Values (Fall 2024)

University of Houston (Instructor / Lecturer)

- Principles of Microeconomics (Spring 2020, Summer 2019)
- Principles of Macroeconomics (Fall 2018)

University of Houston (Graduate Teaching Assistant)

Courses Assisted - Introduction to Statistics, Mathematics for Economics, Intermediate Microeconomics, Introduction to Econometrics, History of Economic Thought, Behavioural Economics

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MENTORSHIP ON RESEARCH PROJECTS

- Implications of Labor Laws on R&D and Innovation (Sarvnipun Kaur, PhD student)
- Labor Law Reform and Firm Dynamics in India (Suhani Jain, Shaurya Singhania, Alli Ajagbe, Khushi Goel, UG ILGC Project)
- Punjab Conflict and Firm-Level Responses in India (Suhani Jain, Tanushi Khandelwal, Tushar Garg, UG ILGC Project)
- Solving Indian Cab Crisis (Shivank Joshi, UG ILGC Project)
- Predicting Start-up failure and success (Tushar Garg and Priyanshu Singhal, UG ILGC Project)

ADDITIONAL SERVICE AND INSTITUTIONAL CONTRIBUTIONS

- University Co-coordinator for Implementing University Human Values Curriculum in UG Curriculum
- POSH Committee Member

CONFERENCE & SEMINAR PRESENTATIONS

- STEG Annual Conference, University of Oxford, January 2025

- Research Seminar presentations – RBI (2025), Ashoka University (2025)
- Selected Other Conference Presentations – AMES-CSW (2024), Ahmedabad University (2024), SERI Annual Workshop (2023), CESP JNU (2023), SNU Annual Macro Conference (2023), ISI Annual Growth Conference (2022, 2021)

INDUSTRY & POLICY CONSULTING EXPERIENCE

Economic Consultant, Benori Solutions, Haryana, India
November 2022 – March 2024

- Worked on macroeconomic and sector-level assessments for private and policy clients.
- Key Projects: Macro-economic implications of launching 5G technology, building data centres, Female Labor Force Participation in Bahrain, Impact of Sporting Activities on Health

Software Analyst, Tata Consultancy Services, Bangalore, India
2008 – 2010

- Worked on software development and analysis in a large IT services environment, gaining experience with structured problem solving, client interaction, and large-system implementation.

HONORS & AWARDS

- **Dr. Walter J. Primeaux Jr. & Natalie A. Primeaux Scholarship**, University of Houston, 2020
    - Awarded to a promising research student in Economics.
- **Graduate Tuition Fellowship**, University of Houston, 2016–2021
- **UGC NET – Lectureship Eligibility**, India, 2015
- Research Scholarship, Jawaharlal Nehru University, New Delhi

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SKILLS & DATA EXPERIENCE

- **Programming & Software:** MATLAB, Stata, R, C++, LaTeX
- **Data & Sources:** NSS Employment & Unemployment Surveys, PLFS, ASI, CMIE Prowess, RBI Handbook of Statistics on Indian States, NJDG (judicial data)

LANGUAGES

- English (Proficient)
- Hindi (Native)

REFERENCES

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