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Curriculum Vitae

Research Interests

Economics of Crime, Labor Economics, Economics of Education

Education

Ph.D., Economics, University of Helsinki	2017-2023[1]
Visiting PhD Student, Princeton University	2019-2020
M.A., Economics, University of Helsinki	2017
B.A., Economics, University of Helsinki	2015

References

Kristiina Huttunen
Aalto University
Department of Economics
Associate Professor
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Emily Nix
University of Southern California
Marshall School of Business
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Research

"How Do People React to Income-based Fines" - *Job Market Paper*
This paper studies the impact of income-based criminal punishments on crime. In Finland, speeding tickets become income-dependent if the driver's speed exceeds the speeding limit by more than 20 km/h, leading to a substantial jump in the size of the speeding ticket. Despite considerable incentives, individuals do not bunch below the fine hike. Instead, the speeding distributions are smooth at the cutoff. However, I demonstrate that the size of the realized speeding ticket has sizable but short-lived impacts on reoffending. I use a regression discontinuity design to show that 200 euros larger fines decrease reoffending by 20 percent in the following six months. After 12 months, the effect has largely disappeared. I construct a Becker model with misperception and learning that can explain all the empirical results. In the model, people make speed decisions using a rule of thumb that size of the fine increases linearly with speed, ruling out the bunching. Realized fines that are larger than expected reduce future speeding. However, due to misspecified learning, beliefs may fail to converge, leading to fade out in effect.

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"The Impact of an Early Career Shock on Intergenerational Mobility" (with Emily Nix and Krista Riukula)

Children's incomes are highly correlated with their parents' incomes. Differences in the first job explain part of this intergenerational persistence in incomes, but little is known about how subsequent labor market shocks might contribute to intergenerational mobility. In this paper, we focus on a consequential early career shock, job loss. We document three results. First, those born to lower-income parents suffer more from job loss. After an exogenous job loss, adult children born to parents in the bottom 20% of the income distribution have double the unemployment compared with those born in the top 20%, with 118% higher earnings losses. Second, this causes the rank-rank correlation, a measure of persistence of incomes, to increase by 34% for those impacted and country-level rank-rank correlations to increase as children age. Third, direct interventions by parents after their child loses a job and earlier life investments both explain our main results.

"The Punishment Ladder: Estimating the Impact of Different Punishments on Defendant Outcomes" (with Kristiina Huttunen and Emily Nix)

Most criminal justice systems use a "ladder of punishments" that starts with less severe punishments and progresses to more severe punishments according to crime severity and criminal history. Using random assignment to judges, we estimate the causal impacts of three common punishments on the ladder - fines, probation, and prison - on defendants' criminal and labor market outcomes. We find that fines increase recidivism. However, this increase is concentrated among those committing less severe crimes. Probation decreases recidivism for those committing less severe crimes and first offenders. Neither fines nor probation affects earnings. Prison has a mixed impact, decreasing future charges but also decreasing earnings.

"Financial Crime and Punishment" (with Kristiina Huttunen, David Macdonald and Emily Nix)

Financial crimes are prolific and impose significant costs on societies. In this paper, we investigate whether prison sentences reduce financial crimes. Using random assignment of judges to identify causal impacts of prison sentences from 2000 to 2018 in Finland, we show that prison reduces defendant re-offending by 42.9 percentage points in the three years following the crime. We also find that a prison sentence reduces colleagues' propensity to commit financial crimes in the future, suggesting important spillover effects of harsher punishments.

"Inequality in College Applications: Evidence from Three Continents" (with Adam Altjmed, Aspacia Bizopoulou, Martti Kaila, Christopher Neilson, Sebastián Otero, and Xiaoyang Ye)

Other Academic Positions

Research Assistant   2018
      Supervisors: Emily Nix and Kristiina Huttunen
Assistant Researcher   2017
      VATT Institute for Economic Research, Helsinki, Finland
Research Trainee   2016
      VATT Institute for Economic Research, Helsinki, Finland

Teaching Experience

Teaching Assistant

      Public Economics 1 Taxation Policy: 2023

      Advanced Macroeconomics: 2021

      Intermediate Macroeconomics 1: 2021, 2022

      Intermediate Macroeconomics 2: 2019, 2021

      Intermediate Microeconomics 1: 2018

      Intermediate Microeconomics 2: 2018

Presentations

2022 SOLE; EALE; IZA Summer School in Labor Economics; Helsinki Graduate School of Economics

2021 NBER Labor Summer Institute (coauthored); Helsinki GSE Lunch Seminar; Helsinki GSE Labor and Public Workshop; ETLA Economic Institute; Turku School of Economics

2020 Helsinki GSE Labor and Public Workshop; Criminological Seminar, University of Helsinki

2019 Princeton university; Nordic Summer Institute in Labor Economics; European Society for Population Economics Annual Conference; APPAM Fall Research Conference

2018 OECD, France

Grants

OP Financial Group Research Foundation	2022
Yrjo Jahnsson Foundation Grant	2019
Finnish Cultural Foundation Grant	2018
Yrjo Jahnsson Foundation Grant	2017

Software Skills

Stata, R, Latex, Python, Java, SQL

Personal Details

Citizenship: Finnish
Languages: Finnish (native), English (fluent), Swedish (basic)