# KULDEEP SINGH

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# ACADEMIC POSITION

Indian Institute Of Management-Bangalore, India Assistant Professor	Sept 2024-
EDUCATION	
Washington University in St. Louis, MO, US Ph.D. in Economics	2017-2024
<b>Indian Statistical Institute</b> , New Delhi, India MSc. in Quantitative Economics	2015-2017
<b>University of Delhi</b> , New Delhi, India BSc. in Economics	2012-2015
FIELDS	

Primary: Macroeconomics, Macroeconomic Development Secondary: Public Economics, Financial Economics

# RESEARCH

#### Working Papers

• Universal Basic Income for Developing Economies (Job Market Paper)

Abstract: Universal Basic Income (UBI) has gained traction as an anti-poverty policy for developing economies, but financing it poses challenges due to the vast informal sector that remains outside the income tax net. This paper analyzes the feasibility of financing UBI under alternative financing schemes and studies the long-term aggregate and distributional effects of UBI in developing countries. I build a general equilibrium life cycle model with incomplete markets that incorporates the decision to work in either the formal or informal sector. After calibrating it to Indian data, I find that a UBI equal to half the international poverty line cannot be financed through labor income taxes. An increase in labor income tax shrinks the formal sector, decreases labor supply and reduces human capital accumulation, ultimately leading to reduced tax revenues. Financing UBI via consumption taxes is feasible but results in lower output, capital, and aggregate labor, as well as an increase in income and wealth inequality. Furthermore, I highlight that UBI and taxes have opposing effects on the size of the formal sector.

• Risky Business and the Process of Development (with Paco Buera, Jeremy Majerovitz, Yongseok Shin)

Abstract: Risk is an important factor that affects investment decisions, especially for undiversified entrepreneurs in less developed economies. Yet standard macro models of financial frictions do not incorporate risk: short-term returns are known in advance, and investment is fully reversible. Thus, even if entrepreneurs are risk averse and credit constrained, they will invest all of their assets in the firm, until the marginal product of capital equals the interest rate. As a result, standard models often find that productive entrepreneurs quickly save their way out of credit constraints, limiting the effect of financial frictions on output and aggregate productivity. We incorporate risk into a model of financial frictions, by making investment partially irreversible. Productive entrepreneurs accumulate capital substantially more slowly than in the first-best, leading to a reduction in aggregate productivity. Credit can play a role in undoing these frictions if firms have an option to default. Default creates a state-contingent contract, in which the entrepreneur repays if productivity stays high and defaults if productivity falls; this encourages investment and improves welfare through risk-sharing with the bank.

# PRESENTATIONS

- 2024: ABLE Workshop (Ahmedabad, India), North America Summer Meeting of Econometric Society (Nashville, US), Korean Economic Review International Conference (Pyeongchang, Korea)<sup>1</sup>, China International Conference in Macroeconomics (Hong Kong, China)<sup>1</sup>
- 2023: Society for Economic Dynamics Annual Meeting (Bogota, Colombia)<sup>1</sup>

 $^{1}\ Presented$  by co-authors

# **TEACHING EXPERIENCE**

#### Instructor

- Intermediate Macroeconomics
- Introduction to Macroeconomics

#### **Guest Lecturer**

• Economic Growth (Graduate course)

#### **Teaching Assistant**

- Graduate Macroeconomics
- Introduction to Macroeconomics

# **REFEREE SERVICES**

• Journal of Macroeconomics

# **AWARDS & FELLOWSHIPS**

- University Fellowship, Washington University in St. Louis
- University Scholarship, Indian Statistical Institute, New Delhi
- Gold Medalist, BA Economics (Hons), Zakir Hussain Delhi College, New Delhi

# MISCELLANEOUS

- Programming Skills: MATLAB, Julia, Stata, Python
- Languages: English (Fluent), Hindi (Fluent/Native)
- Citizenship: India

# REFERENCES

# Prof. Yongseok Shin (Chair)

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Prof. Francisco Buera Department of Economics Washington University in St. Louis St. Louis, MO - 63105 fjbuera@wustl.edu

Spring 2023 Summer 2019

Fall 2020, Fall 2021, Fall 2022

Fall 2018, Spring 2019 Fall 2019, Spring 2020

> 2017-2022 2015-2017

2015