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EDUCATION

Ph.D. in Economics, Stanford University,
Expected Completion: June 2023
DISSERTATION: “*Technology and the Slowdown in Skilled Labor Demand*”

M.Sc. in Economics, London School of Economics and Political Science (U.K.)
September 2015 - June 2017 (Distinction)

B.A. (with Honors) in Economics, St. Stephen’s College, University of Delhi (India)
July 2012 - June 2015 (First Division)

DISSERTATION COMMITTEE

Prof. Patrick Kehoe
Economics Department, Stanford University
(650) 725-3266
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Prof. Nicholas Bloom
Economics Department, Stanford University
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Prof. Luigi Bocola
Economics Department, Stanford University
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RESEARCH AND TEACHING FIELDS

Primary field: Macroeconomics
Secondary fields: Labor Economics, International Economics

RESEARCH PAPERS

Technology and the Slowdown in Skilled Labor Demand (Job Market Paper)

To explain the simultaneous increase in the skill premium and the share of hours worked by skilled workers between 1980 and 2000, economists have concluded that there must have been a rapid expansion in skilled labor demand over this period. Mounting evidence suggests that since 2000, growth in skilled labor demand has slowed down. This slowdown raises challenges for the main explanations for the initial

increase in the skill premium. Models emphasizing skill-biased technical change require a slowdown in the relative labor productivity of skilled workers post 2000, which seems implausible. Models emphasizing capital-skill complementarity and a declining relative price of capital predict steady increases in skilled labor demand, given that the relative price of capital has continued to decline over this period. I propose a dynamic macroeconomic model that can reconcile the initial rise in the skill premium with the subsequent slowdown, via a simple mechanism: the initial rising relative price of skilled workers generates incentives for firms to adopt capital-intensive technologies which economize on the use of skilled labor. In the model, this simultaneously slows down growth in skilled labor demand and, by reducing the costs associated with employing capital with skilled labor, allows firms to substitute away from unskilled workers as well. The model can account endogenously for the slowing growth in the skill premium, a stable labor share and the reallocation of value added toward low labor share firms.

Elections, Political Polarization, and Economic Uncertainty (with Scott Baker, Nicholas Bloom, Steve Davis and Jonathan Rodden)

We examine patterns of economic policy uncertainty (EPU) around national elections in 23 countries. Uncertainty shows a clear tendency to rise in the months leading up to elections. Average EPU values are 13% higher in the month of and the month prior to an election than in other months of the same national election cycle, conditional on country effects, time effects, and country-specific time trends. In a closer examination of U.S. data, EPU rises by 28% in the month of presidential elections that are close and polarized, as compared to elections that are neither. This pattern suggests that the 2020 US Presidential Election could see a large rise in economic policy uncertainty. It also suggests larger spikes in uncertainty around future elections in other countries that have experienced rising polarization in recent years.

RESEARCH PAPERS IN PROGRESS

Survival of the Unfit? Zombie Lending and the Macroeconomy (with Martin Souchier)

We study the costs of “zombie lending”: the phenomenon where banks continue to lend to insolvent, unprofitable and unproductive firms. Banks do this to delay recognizing large losses, which can reduce their capital and hence their lending capacity owing to capital requirements they face. We construct a model in which banks lend to firms and have private information on whether a given loan is in default. This allows them to refinance firms which are otherwise insolvent. We argue that banks facing constant capital requirements have countercyclical incentives to allow zombies to survive, and argue that a priori the welfare impact of zombie lending is ambiguous - on the one hand, following a crisis, zombie lending depresses aggregate productivity through a composition effect, but on the other, it prevents the large contraction in credit that adhering to a capital requirement would force. In the future we plan to study the optimal capital requirement policy in our environment. This would allow us to compare welfare under this policy to welfare under a realistic capital requirement in which zombie lending is permitted to occur.

TEACHING EXPERIENCE

- 2016-17 Teaching Assistant to Prof. Kevin Sheedy and Prof. Ricardo Reis, London School of Economics, EC210 (Macroeconomic Principles)
- Spring 2020 Teaching Assistant for Prof. Arun Chandrasekhar, Stanford University, Econ 125 (Economic Development, Microfinance and Social Networks)
- Fall 2020, Teaching Assistant for Prof. Anat Admati, Stanford University, Econ 143
Winter 2022 (Finance, Corporations, and Society)

Winter 2021, Teaching Assistant for Prof. Adrien Auclert, Prof. Pete Klenow and Prof. Patrick Kehoe,
Spring 2021, Stanford University, Econ 52 (Economic Analysis III, Intermediate Macroeconomics)
Spring 2022

RELEVANT POSITIONS

2015-17 Research Assistant for Prof. Jeremiah Dittmar
2016-17 Research Assistant, LSE Growth Commission-II (Prof. Gianmarco Ottaviano, Prof. Catherine Thomas, Prof. Veronica Rappoport)
2018-19 Research Assistant for Prof. Luigi Bocola, Stanford University.
2019-20 Research Assistant for Prof. Nicholas Bloom, Stanford University.
2020-21 Research Assistant for Prof. Adrien Auclert, Stanford University.
2021-22 Research Assistant for Prof. Patrick Kehoe

SCHOLARSHIPS, HONORS AND AWARDS

2014 Gautam Krishna Research Fellowship, St. Stephen's College, University of Delhi.
2015 George K. George Kollamkulum Scholarship, St. Stephen's College, University of Delhi.
2015 Rai Sahib Banarsi Das Memorial Price, St. Stephen's College, University of Delhi.
2015-17 Inlaks Scholarship, The Inlaks Shivdasani Foundation, for study at LSE.
2016 Allyn Young Prize, The London School of Economics.
2017-18 Economics Department Fellowship, Department of Economics, Stanford University.
2019-20 Outstanding Teaching Assistant Award, Department of Economics, Stanford University.
2020-21 Patricia Liu McKenna and Kenneth McKenna Graduate Fellowship,
Stanford Institute for Economic Policy Research
2022 B.F. Haley and E.S. Shaw Fellowship for Economics,
Stanford Institute for Economic Policy Research