

RUBINA VERMA

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Education

Ph.D. Economics, University of Southern California (USC), Los Angeles, CA
Expected date of completion: May 2008
Dissertation Title: "Growth, Trade and Structural Change in Low Income Industrializing Economies"
M.A. Economics, USC, Los Angeles, CA, 2005
M.A. Economics, Delhi School of Economics, University of Delhi, Delhi, India, 2002
B.A. with Honors-Economics, Miranda House, University of Delhi, Delhi, India, 2000

Research and Teaching Interests

Macroeconomics, International Economics, Economic Growth and Technological Change

Fellowships and Awards

Final Year Dissertation Fellowship, College of Letters, Arts and Sciences, USC, 2007-2008
Graduate Assistantship, Department of Economics, USC, 2002-2007
Outstanding Teaching Assistant, Department of Economics, USC, 2004-05, 2005-06

Teaching Experience

Mentor Teaching Assistant, Center for Excellence in Teaching, USC (2006, 2007)
Head Teaching Assistant, Department of Economics, USC
Principles of Macroeconomics (Spring 2005, Fall 2005, Spring 2006)
Teaching Assistant, Department of Economics, USC
Principles of Microeconomics (Fall 2002)
Principles of Macroeconomics (Spring 2003, Fall 2003, Spring 2004)
Intermediate Macroeconomic Theory (Fall 2004, Fall 2006, Spring 2007)

Research and Professional Experience

Research Assistant, Prof. Kim Dietrich, Marshall School of Business, USC, Summer 2006
Project for *Asia-Pacific Economic Cooperation (APEC) Business Advisory Council*
Research Assistant, Prof. John Odell, School of International Relations, USC, Summer 2005
Assisted in paper "*Growing Power Meets Frustration in the Doha Round's First Four Years*," in
Developing Countries and Global Trade Negotiations, eds., Larry Crump and Javed Maswood (Routledge,
2007)
Research Assistant, The Milken Institute, Los Angeles, Summer 2004

Invited Presentations

United Nations University-World Institute for Development Economics Research (UNU-WIDER)
"Southern Engines of Global Growth: China, India, Brazil and South Africa", Helsinki, September 2007
Canadian Economic Association, Halifax, June 2007
Dynamics, Economic Growth, and International Trade, Jerusalem, June 2006

Conferences and Seminars

Dynamics Seminar, USC, September 2007

Harvard Project for Asian and International Relations, Singapore (Accepted), August 2006

Asia-Pacific Productivity Conference, Seoul (Accepted), August 2006

Small Open Economies in a Globalized World, Bologna (Accepted), August 2006

Discussant

Canadian Economic Association, Halifax, June 2007

Research Papers

“Productivity Driven Services Led Growth” (job market paper)

Of forty-two countries identified by the World Bank as being low income in 1980, eleven have witnessed average annual growth rates of GDP per capita in excess of 2 percent during the period 1980-2004. Of these fast growing, low income countries, five of them have experienced GDP growth that is dominated by growth of value added in the service sector, rather than by growth in the industrial sector as typifies historical evidence on structural transformation from industrialized countries. This paper accounts for the rapid growth of the service sector in one of these countries, India. A sectoral growth accounting exercise for the period 1980-2003 shows that changes in total factor productivity (TFP) were significant in accounting for the service sector value added growth in India. Measured service sector TFP growth is much higher than measured TFP growth in agriculture or industry, and increased substantially following the institution of market based liberalization policies from 1991. A three sector neoclassical growth model is carefully calibrated to Indian data in which average rates of TFP growth by sector are primary inputs. This model performs well in accounting for the evolution of value added shares and the growth rates of these shares of the three major sectors of economic activity over the period 1980-2003. The performance of the model improves significantly when the post-1991 increase in service sector TFP growth is accounted for. It is argued that liberalization policies adopted by India from 1991, and especially the deregulation and privatization of business and communications services, explain the improvement in service sector TFP, and hence the dominance of service sector activity in India's recent GDP growth.

“The Service Sector Revolution in India” (under review by UNU-WIDER journal)*

Following the initiation of economic liberalization in 1991, the Indian economy witnessed a high growth rate of service sector output while that of industry was relatively muted. As a result, the share of GDP accounted for by services in India resembles that of a rich country while the aggregate per capita income still remains that of a poor country. In this paper, I identify the service sector to be important in two respects: it witnesses unusually high TFP growth, as compared to the other sectors, and also experiences rapid expansion in its exports and imports, especially after liberalization. Using a similar framework as in Stokey (2001), I develop a three sector, open economy, growth model with two important inputs: productivity growth in each sector and trade in the industrial and services sectors. I focus on two steady state years, 1980 and 2003, and assume trade to be balanced in these two years. The model is calibrated to Indian data and can account well for the levels and the change in the composition of domestic output across the sectors for the two steady states. A counterfactual experiment indicates that growth in productivity has a relatively more important role than growth in trade in accounting for the growth in the share of services' output in aggregate GDP.

* This paper is available on request.

“Trade Reform and Structural Transformation: Evidence from Six Great Liberalizations”

(work in progress, joint work)

We investigate the relationship between trade liberalization and structural transformation for a sample of six countries. We document the key policies adopted during the large trade liberalizations which took place in Chile, China, India, Indonesia, Mexico and Turkey during the sample period 1965 through 2005. We quantify the impact of the trade liberalizations for the allocation of employment and output by sector, and for the composition of exports, imports, and total trade. We find that trade liberalization is associated with substantial de-agriculturalization, growth in the employment, value added, and trade and export shares of industry and services, and in most cases with a significant increase in the rate of economic growth as measured by increases in the growth rate of GDP per capita. We develop a two country, three sector general equilibrium model to assess whether the patterns of structural transformation observed in the data can be accounted for by trade liberalization. Specifically, we carefully calibrate the model to data from each of our six countries and ask the question: would the observed patterns of structural transformation in these countries have occurred in the absence of the reduction in trade costs implied by the growth of trade post-liberalization?

Languages

English, Hindi (native), Spanish

References

Prof. Caroline Betts (Dissertation Chair), Department of Economics, USC

Phone: (213)-740-2430, Email: cbetts@usc.edu

Prof. Robert Dekle, Department of Economics, USC

Phone: (213)-740-3528, Email: dekle@usc.edu

Prof. Guillaume Vandenbroucke, Department of Economics, University of Pennsylvania

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Prof Jeffrey Nugent, Department of Economics, USC

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