Mehmet Tayyip Demir

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September 2023

Placement Director: Natalia Kovrijnykh natalia.kovrijnykh@asu.edu (480) 965-7158 Placement Coordinator: Laura-Jean Talts ltalts@asu.edu (480) 727-7931

EDUCATION

PhD in Economics, Arizona State University, 2019-present

Thesis Title: Essays on Business Taxation Expected Completion Date: May 2024

References:

Gustavo Ventura (Chair) Rajnish Mehra

Arizona State University

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MS in Economics, Arizona State University, 2021 MA in Economics, Sabanci University, Turkey, 2019

BS in Economics, Middle East Technical University, Turkey, 2017

Minor in Operations Research, Middle East Technical University, Turkey, 2017

RESEARCH FIELDS **Primary Fields**

Macroeconomics, Firm Dynamics, Taxation

Secondary Fields

Family Economics, Inequality

TEACHING EXPERIENCE Instructor at Arizona State University

EXPERIENCE Undergraduate, Intermediate Macroeconomic Theory Summer 2022

Teaching Assistant at Arizona State University

Undergraduate, Intermediate Macroeconomic Theory
Undergraduate, Applied Regression Analysis
Undergraduate, Financial Economics
Undergraduate, Macroeconomic Principles
Fall 2020, Fall 2021, Spring 2022
Fall 2020, Fall 2021, Spring 2022

Teaching Assistant at Sabanci University

Graduate, Macroeconomics II Spring 2019 Graduate, Macroeconomics I Fall 2018

RESEARCH EXPERIENCE

Research Assistant to Gustavo Ventura, Arizona State University, Summer 2022-2023

HONORS & FELLOWSHIPS

Arizona State University, Nominated as Outstanding Student for SEA Meeting, 2023

Arizona State University, CASEE Fellowship, 2019-2020 Sabanci University Full Merit Scholarship, 2017-2019

Middle East Technical University, High Honor Graduate, 2017 Erasmus Grant for Eberhard Karls Universität Tübingen, 2016

SEMINARS & CONFERENCES

Southern Economic Association, 93^{rd} Annual Meeting (Scheduled), 2023

Arizona State University, Macroeconomics Workshop, 2023

Southern Methodist University, Midwest Macroeconomics Meeting 2022

Arizona State University, Macroeconomics Workshop, 2022

COMPUTER SKILLS

MATLAB, Python, R, Stata, GAMS

LANGUAGES

Turkish (Native), English (Fluent), German (Basic)

RESEARCH PAPERS

Taxes, Regulations and Business Structure in the US, Working Paper

Abstract: The United States has experienced a dramatic shift in the distribution of output across different business structures in the US since the 1980s. The share of output of pass-through entities (S-corporations, LLCs, partnerships, sole proprietorships) almost doubled, while that of C-corporations declined by one-fourth. During this period, there have been notable changes in the tax structure and tax avoidance within these entities. Using a dynamic growth model with endogenous tax avoidance, occupation choice, and uninsurable entrepreneurial risk, I study the extent to which changes in taxation can account for the observed reallocation of output. My quantitative results indicate that changes in tax rates explain 14 percent of the reallocation of output share observed in the US. I also find that taking into account changes in the borrowing ability through financial market improvements and changes in tax avoidance, the tax changes explain 26 percent of the reallocation of output. Moreover, other regulatory changes, reflected by overhead costs, can lead to a substantial output reallocation toward pass-through entities. A policy experiment of imposing a tax on top wealth holders leads to significant increases in the net-tax gap and resources allocated to tax avoidance activities, and a decline in government revenue.

Marriage, Entrepreneurship and Female Labor Force Participation in the US, Working Paper

Abstract: The United States has experienced a remarkable decline in the rate of firm entry and the share of entrepreneurs since the 1980s. I document that entrepreneurship is more prevalent in married households and among men, but that these groups went through a greater decline in entrepreneurship. Additionally, the number of married households and the increase in female labor force participation have played a significant role in these changes. I document that these changes account for over 40 percent of the fall in entrepreneurship. To understand the relationship between demographic composition factors and entrepreneurship, I develop a model

with an occupation choice for individuals of different marital status, college skills, and gender. The model takes into account important features of the data, including the extent of marital sorting, the skill premium, the gender wage gap, and the gender business income gap. My results indicate that demographic composition (share of married households, skill composition, martial sorting) accounts for 76% of the decline in entrepreneurship, 68.4% of the fall in married entrepreneurs, and 70.5% of the decrease in male entrepreneurs. Moreover, considering all changes explain 82.8% of the observed fall in entrepreneurship.