

Mehmet Tayyip Demir

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EDUCATION

PhD in Economics, Arizona State University, 2019-2024(*expected*)
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

ACADEMIC INTEREST

Macroeconomics, Entrepreneurship, Taxation, Inequality

RESEARCH

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 value added of pass-through entities, including 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 structure of taxes and tax avoidance strategies 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 and tax avoidance can account for the observed reallocation of output. My quantitative results indicate that change in tax rates explains roughly 14 percent of the reallocation of output share observed in the US. I also find that considering regulatory changes on the financial market improvement upon pass-through entities, the tax changes explain over one-fifth of the reallocation of output. Moreover, the rise in tax avoidance and other regulatory changes, reflected by overhead costs, can lead to a substantial output reallocation toward pass-through entities. The policy experiment of imposing a wealth tax reveal that it can lead to significant increases in the net-tax gap and resources allocated to tax avoidance activities.

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, marital 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.

Tax Avoidance and Pass-through Entities, Work in Progress

TEACHING EXPERIENCE	Instructor at Arizona State University	
	<i>Undergraduate</i> , Intermediate Macroeconomic Theory	Summer 2022
	Teaching Assistant at Arizona State University	
	<i>Undergraduate</i> Intermediate Macroeconomic Theory	Spring 2023
	<i>Undergraduate</i> Applied Regression Analysis	Fall 2022 - Fall 2021
	<i>Undergraduate</i> , Financial Economics	Spring 2022
	<i>Undergraduate</i> , Macroeconomic Principles	Spring 2022 - Fall 2021 - Fall 2020
	Teaching Assistant at Sabanci University	
	<i>Graduate</i> , Macroeconomics II	Spring 2019
	<i>Graduate</i> , Macroeconomics I	Fall 2018
RESEARCH EXPERIENCE	Research Assistant, Gustavo Ventura, Arizona State University, <i>Summer 2022-2023</i>	
FELLOWSHIPS & GRANTS	Arizona State University, Nominated as Outstanding Student for SEA Meeting, <i>2023</i>	
	Arizona State University, CASEE Fellowship, <i>2019-2020</i>	
	Sabanci University Full Merit Scholarship, <i>2017-2019</i>	
	Middle East Technical University, High Honor Certificate, <i>2017</i>	
	Erasmus Grant for Eberhard Karls Universität Tübingen, <i>2016</i>	
SEMINARS & CONFERENCES	Southern Economic Association, 93 rd Annual Meeting (Scheduled), <i>2023</i>	
	Arizona State University, Macroeconomics Workshop, <i>2023</i>	
	Southern Methodist University, Midwest Macroeconomics Meeting <i>2022</i>	
	Arizona State University, Macroeconomics Workshop, <i>2022</i>	
COMPUTER SKILLS	<i>Python, MATLAB, R, Stata, GAMS</i>	
LANGUAGES	Turkish(Native), English(Fluent), German(Basic)	