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Curriculum Vitae Fall 2009

CEYHUN ELGIN

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Major Fields of Concentration

Macroeconomics, Growth and Development, Political Economics, Public Economics

Education

<i>Degree</i>	<i>Field</i>	<i>Institution</i>	<i>Year</i>
Ph.D.	Economics	University of Minnesota (expected)	2010
M.A.	Economics	University of Minnesota	2009
B.A.	Economics	Bogazici University	2005

Dissertation

Title: "Essays on Dynamic Macroeconomics"

Dissertation Advisors: Professor V. V. Chari and Professor Larry Jones

Expected Completion: Summer 2010

References

Professor V. V. Chari	(612) 626-7151 (612) 204-5518 chari@res.mpls.frb.fed.us	Department of Economics University of Minnesota 4-101 Hanson Hall 1925 Fourth Street South Minneapolis, Minnesota 55455
Professor Larry Jones	(612) 624-4553 (612) 204-5519 lej@umn.edu	
Professor José-Víctor Ríos-Rull	(612) 625-0941 vr0j@umn.edu	
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Honors and Awards

- Summer 2009 *Scholarly Travel Grant*, Graduate and Professional Student Association, University of Minnesota, Minneapolis, Minnesota
- 2008 Third Prize in the Third Year Hardy Paper Competition, Department of Economics, University of Minnesota, Minneapolis, Minnesota
- Summer 2008 *Graduate Research Partnership Program Fellowship*, University of Minnesota, Minneapolis, Minnesota
- 2008 - 2009 *Graduate School Block Grant*, University of Minnesota, Minneapolis, Minnesota.
- 2008 *Distinguished Instructor Award*, Department of Economics, University of Minnesota, Minneapolis, Minnesota
- 2006 *Faculty of Economics and Administrative Sciences Award* for having the highest grade point average among 450 faculty graduates, Bogazici University, Istanbul, Turkey
- 2005 *Professor Demir Demirgil Award* for having the highest grade point average among economics graduates, Bogazici University, Istanbul, Turkey
- 2001 - 2005 *Merit and Textbook Scholarship*, Bogazici University, Istanbul, Turkey
- 2001 *IsBank Award* for being in the 0.001 percentile in the University Entrance Examination

Teaching Experience

- 2006 - present *Instructor*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Taught *Principles of Macroeconomics*, *Intermediate Macroeconomics*, *Intermediate Microeconomics*, *Labor Economics* and *Quantitative Analysis of the Macroeconomy*. Prepared lecture notes, homework assignments, exams, and answer keys.
- 2008 - 2009 *Guest Lecturer*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Presented "Inflation in Turkey and the New Turkish Lira" to introductory level economics classes.
- Summer 2008 *Instructor*, Department of Economics, Bogazici University, Istanbul, Turkey.
- Summer 2007 Taught *Special Topics in Economics: Macroeconomics* and *Special Topics in Economics: Statistics*. These are special courses designed for the incoming master's class.
- 2005 - 2006 *Teaching Assistant*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Led recitation sections for *Principles of Microeconomics*.
- 2003 - 2005 *Teaching Assistant*, Department of Economics, Bogazici University, Istanbul, Turkey. Led recitation sections for *Mathematics for Economists*, *Econometrics*, and *Advanced Econometrics*.

Research Experience

- 2008 - 2009 *Visiting Scholar*, Research Department, Federal Reserve Bank of Minneapolis, Minneapolis, Minnesota.

Professional Experience

- 2005 Research Intern, Economic Research Unit, Fortis Bank Turkey, Istanbul, Turkey
- 2004 Intern, State Planning Organization, Ankara, Turkey

Papers

- "Political Turnover, Taxes, and the Shadow Economy," job market paper.
- "Not-Quite-Great Depressions of Turkey: A Quantitative Analysis of Economic Growth over 1968-2004," with Deniz Cicek, under submission.
- "A Theory of Economic Development with Endogenous Fertility," under submission.
- "Business Cycle Accounting for Turkish Economy," with Deniz Cicek.
- "Central Bank Independence and Inflation: Delegation vs. Seesaw Effect," with Deniz Cicek, in progress.
- "Government Commitment and the Informal Sector," with Mario Solis-Garcia, in progress.
- "Great Depression of South Africa," in progress.

Presentations

- "A Theory of Economic Development with Endogenous Fertility," presented at Joint Congress of the European Economic Association and the Econometric Society European Meeting (EEA-ESEM), Barcelona, Spain, August 2009.
- "Not-Quite-Great Depressions of Turkey: A Quantitative Analysis of Economic Growth over 1968-2004," presented at the Society for Economic Dynamics Annual Meeting, Istanbul, Turkey, July 2009.
- "Political Turnover, Taxes, and the Shadow Economy," presented at the Mondragone-La Pietra-Moncalieri Doctoral Workshop, Collegio Carlo Alberto, Turin, Italy, June 2009.

Professional Affiliations

Student Member of the Econometric Society, the European Economic Association, and the American Economic Association

Computer Skills

MATLAB, Microsoft Office, Gauss, EViews, WinEdt, STATA, Mathematica, FORTRAN, Demetra, Maple

Languages

Turkish (native), English (fluent), German (fluent), Spanish (intermediate), Russian (elementary)

Dissertation Abstract

“Political Turnover, Taxes and the Shadow Economy,” (job market paper)

Several cross-section empirical studies argue that a higher tax burden or different indicators of statutory tax rates are associated with a smaller informal economy. I show that the turnover of governments provides the key to understanding this relation. To this end, I present evidence that once political turnover is controlled for, the data shows no association between the tax burden and the size of the informal economy. This result is empirically robust in a panel data consisting of 80 countries and 5 years. To account for this observation, I develop a dynamic political economy model with two political parties alternating in office. In equilibrium, if the incumbent party faces a higher probability of staying in office, it sets a higher tax rate to invest more in productive public capital, while spending less for current office rent. I argue that public capital is mainly utilized by the formal sector and this implies that countries in which incumbent parties are more likely to stay in power, have a higher tax burden but a smaller informal sector. Finally, I compare the model against the data and present evidence that my theory is consistent with empirical observations.

“A Theory of Economic Development with Endogenous Fertility”

In this paper I integrate Hansen and Prescott (2002) with Barro and Becker (1988, 1989) to account for the time-series evolution of output, fertility and population in transition through the industrialization of an economy. Specifically, I extend a standard two-sector overlapping generations model with endogenous fertility and human capital decisions. Initially, the aggregate human capital and return to education are low and parents invest in quantity of children. Once sufficient human capital is accumulated, with the activation of the modern human capital intensive sector, parents start to invest in quality of their children. The simulation of the model economy successfully captures the evolution of fertility, population and GDP of the British economy between 1750 and 2000.

“Not-Quite-Great Depressions of Turkey”

Following the great depressions methodology suggested by Kehoe and Prescott (2002, 2007), we use growth accounting and a perfect foresight dynamic general equilibrium model to study growth performance of Turkey from 1968 to 2004. We calculate the TFP from the growth accounting exercise and obtain the consumption tax rate and the effective marginal tax rates on labor and capital income from the data and feed them into the model. Our model accounts for 60% of the observed decrease in hours worked per-working age person and 75% of the change in GDP per-working age person from 1968 to 2004. Also, we identify that the Turkish economy experienced a depression from 1977 to 1983 and the model performs remarkably well to account for the observed change in GDP per-working age person and hours worked during this depression period. Our findings generally suggest that rigidities affecting capital accumulation and government policies using distortionary taxes have a crucial role in explaining the evolution of the selected variables of the Turkish economy.