Mohsen Mohaghegh

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Citizenship and Visa Status
Iran (F-1 visa)

Education
Ph.D. Economics, Ohio State University, 2019 (expected)
    Dissertation: "Essays In Wealth Dynamics"
    Committee: Professor Aubhik Khan (chair), Professor Julia Thomas, Professor Kyle Dempsey
M.A. Economics, Ohio State University, 2014
M.A. Economics, East Carolina University, 2013
M.A. Economics, University of Tehran, 2011
B.Sc. Mechanical Engineering, University of Tehran, 2007

Research Fields
Primary fields: Macroeconomics, Economic Development, Quantitative Methods
Secondary fields: Economic Theory

Research Papers
"Evolution of Inequality In the US: Entrepreneurial Activity and Financial Intermediation" **(Job Market Paper)**

There are two major trends in US entrepreneurship since 1975: (1) entrepreneurs' leverage has risen; and (2) their number has fallen. This paper investigates the extent to which these trends have contributed to the rise in wealth inequality. I develop a general equilibrium, overlapping-generations model with occupational choice where entrepreneurs borrow for investment and may default on debt. The cost of borrowing, for an entrepreneur, is consistent with their individual default risk. Three mechanisms generate inequality in this economy: endogenous credit rationing driven by default risk, heterogeneous returns to saving and explicit entrepreneurial investment portfolio choices. To capture dynamics of wealth inequality, I investigate four channels: the willingness of financial intermediaries to make risky loans; the cost of starting a business; the unit cost of borrowing and exemptions in the bankruptcy code. The first two channels prove to be important for explaining the overall rise in inequality seen in the data. When capturing changes in both the intensive and extensive margins of entrepreneurship, the model accounts for almost all of the rise in the share of top 1 percent and just under half of the rise in the share of top 0.01 percent of households between 1975 and 2007. Intensive margin changes imply a 10 percent increase in aggregate TFP.

"Evolution of Inequality In the US: A Test of Earnings Risk Models of Wealth Inequality"

Most models of uninsurable individual earnings risk do not generate empirical levels of wealth inequality. However, Castaneda et al. (2003) show that an extremely skewed distribution of earnings risk can successfully reproduce the distribution of wealth. The unavailability of data, however, prevented them from using direct empirical evidence to support their earnings process. In this paper, I take advantage of new data moments from Guvenan et al. (2016) to validate the existing theory and

study its implications for wealth dynamics. I propose a stochastic non-linear earnings process that accurately accounts for (1) moments on earnings changes reported in Guvenan et al. (2016) (2); the cross sectional distribution of earnings; and (3) skill premia. Despite earning risk having a skewed and leptokurtic distribution, as assumed in Castaneda et al. (2003), I show that when the earnings process is disciplined using new data, the precautionary saving motive is not strong enough to capture the wealth share of the top one percent of households. I extend the analysis to account for changes in the distribution of earnings and skill premium between 1989 and 2013. My findings suggest that, among the rich, the precautionary motive has strengthened over this period. For wealth groups other than the top one percent, the model captures both the cross sectional shares and transitional dynamics accurately suggesting that earnings risk has an important role in explaining the savings behavior of these groups.

Research Experience and Other Employment

2011-2012	UN Population Fund (UNPF) and Economic Cooperation Organization (ECO), Research Associate
2010-2012	Department of Economics, University of Tehran, Research Associate
2006-2009	Research Institute for Science Policy, Iran, Research Associate

Honors, Scholarships, and Fellowships

2018	Burton Abrams Dissertation Award, Department of Economics, OSU
2016-2017	Bringing it Home Award, University Center for the Advancement of Teaching, OSU
2013-2014	Graduate Fellowship, Ohio State University
2013	Outstanding Graduate Student, Department of Economics, East Carolina University
2012	Ranked 3rd in the National Entrance Exam for Ph.D. Programs of Economics, Iran
2011	Ranked 1st Master's Student, Department of Economics, University of Tehran

Teaching Experience

2016-2019	Macroeconomic Theory I (1st year graduate), OSU, Teaching Assistant for Professor Aubhik Khan
2016-2018	Macroeconomic Theory IV (1st year graduate), OSU, Teaching Assistant for Professor Pok-Sang Lam
2016-2017	Quantitative Methods (2nd year graduate), OSU, Teaching Assistant for Professor Aubhik Khan
2018	Principals of Macroeconomics, OSU, Instructor
2016	Intermediate Macroeconomics, OSU, Instructor
2015	Intermediate Microeconomics, OSU, Instructor
2015	Principals of Macroeconomics, OSU, Teaching Assistant for Professor Darcy Hartman
2012-2013	Intermediate Macroeconomics, ECU, Teaching Assistant
2012-2013	Intermediate Microeconomics, ECU, Teaching Assistant
2011-2012	Statistics I, University of Tehran, Teaching Assistant
2009-2011	Calculus I and II, University of Tehran, Teaching Assistant

References

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