SUMMARY OF APPLICATION

Applicant

Name: Ararat Gocmen

Email: ararat.gocmen.19@ucl.ac.uk

Phone: +44 7395 345637

Address: University College London
Department of Economics
Drayton House
30 Gordon Street
London WC1H 0AX
United Kingdom

School: University College London

Main areas of interest: labor, finance, firm dynamics, applied microeconomics.

Year of entry into PhD program: 2021

Expected year of completion: 2026/2027

Recommender

Name: Clara Martínez-Toledano

Relation to applicant: coauthor

Email: c.martinez-toledano@imperial.ac.uk

University: Imperial College Business School

Faculty position: Assistant Professor of Financial Economics

Ararat Gocmen

ararat.gocmen.19@ucl.ac.uk | +44 7395 345637 | UCL, Drayton House, 30 Gordon Street, London WC1H 0AX, UK

RESEARCH INTERESTS

Labor, finance, firm dynamics, applied microeconomics, inequality, history.

EDUCATION

University College London September 2022 to June 2026/2027 (expected)

- PhD in Economics (MPhil awarded in October 2023).
- Supervisors: Christian Dustmann, Uta Schönberg.
- Elective modules: Empirical Methods for the Study of the Labor Market; Financial Intermediation Theory; Firm Dynamics; Topics in Applied Economics; Topics in Empirical Finance.

University College London September 2021 to September 2022

- MRes in Economics (1st year of PhD), distinction.
- Average module grade: 82/100.
- Dissertation: "The Wage Effects of Immigration in Boom Times: Evidence from Germany's 'Golden Decade'"; supervisor: Christian Dustmann; grade: 80/100.

Queen Mary University of London and University College London September 2020 to September 2021

- MA in the History of Political Thought and Intellectual History, distinction.
- Average module grade: 76/100.
- Dissertation: "*Hay, Yabancı, Mensch:* National Difference and Multinational Society in the Political Thought of Armenian Workers from Turkey in Postwar Germany"; supervisor: Dina Gusejnova; grade: 74/100.

University College London September 2019 to September 2020

- MSc in Economics, distinction.
- Average module grade: 89/100.
- Dissertation: "The Impact of Immigration along the Distribution of Native Wages: Evidence from Germany in the 2000s"; supervisor: Christian Dustmann; grade: 82/100.

Princeton University September 2013 to June 2017

- BA in History, summa cum laude.
- Grade point average: 3.95/4.
- Dissertation: "The Age of Extremes in Colonial Context: The Mass Politics of Left and Right in the Department of Alger, 1935-1939"; supervisor: Anson Rabinbach; grade: A.

WORKS IN PROGRESS

- Immigration and Labor Market Tightness (with Thomas Cornelissen, Christian Dustmann, and Uta Schönberg).
- Private Capital Markets and Inequality (with Clara Martínez-Toledano and Vrinda Mittal).
- Immigration and Firm Investment.
- Climate Adaptation Technologies and Emigration (with Marco Castelluccio, Anton Reinicke, and Yasuka Tateishi).
- High-Speed Internet Access and School Performance (with Clara von Bismarck-Osten and Urs Maier).

TEACHING

University College London

- Economic History (undergraduate module taught by Ramin Nassehi). 2024-2025
- Topics in Labor Economics (graduate module taught by Christian Dustmann). 2023-2024
- Economics of the Public Sector (undergraduate module taught by Silvia Dal Bianco/Lucas Conwell). 2022-2023

HONORS, AWARDS & GRANTS

- Mercatus Center Adam Smith Fellowship, 2024.
- Stone Centre at UCL External Research Support Grant, 2023, co-grantee of Clara Martínez-Toledano (£50,000).
- University College London Faculty of Social and Historical Sciences Dean's List, 2020 and 2022.
- University College London Department of Economics MSc Prize, 2020, for the top-performing student.
- University College London Department of Economics Outstanding Dissertation Prize, 2020.
- Marshall Scholarship, 2019.
- Phi Betta Kappa Society, 2017.
- Gamma Kappa Alpha National Italian Honor Society, 2017.
- Princeton University Department of History Laurence Hutton Prize, 2017, for the top-performing student.
- Princeton University Department of History Walter Phelps Hall Prize, 2017, for the best thesis on Europe.
- Princeton University Department of French André Maman Prize, 2017, for an outstanding thesis on France.

PRESENTATIONS

- Asian and Australasian Society of Labor Economics Conference. 13 December 2024
- Madrid Public Economics Workshop. 6 September 2024
- RFBerlin-CReAM Summer Workshop 30 August 2024
- University College London Department of Economics PhD Seminar. 3 May 2024
- University College London Department of Economics PhD Seminar. 29 September 2023
- University College London Department of Economics PhD Seminar. 3 March 2023
- London Inequality Workshop. 9 February 2023
- Princeton University Near Eastern Studies Program Turkish Language Talk. 22 April 2022
- 12th Annual London Graduate Conference in the History of Political Thought. 25 June 2021

EXPERIENCE

Centre for Research and Analysis of Migration, Research Officer November 2020 to present

- Disseminate the research group's latest publications and workings papers on social media platforms.
- Contributed to case studies on the Ukrainian refugee crisis and irregular migration to the United Kingdom.

BlackRock Solutions, Portfolio Analytics Group, Analyst July 2017 to August 2019

- Oversaw the testing and release of new models for projecting the cash flows of asset-backed securities, fitting yield curves for sovereign and interbank landing markets, and valuing exotic derivatives.
- Developed Python and R scripts to deliver risk and performance analytics to investment teams.
- Designed and taught lessons on the fundamentals of fixed income analytics to train new analysts and interns.

BlackRock Solutions, Portfolio Analytics Group, Intern June 2016 to July 2016

- Automated an analysis of the projected impact of the annual rebalancing of stock indices on investment portfolios.
- Created an R Shiny application to display and visualize data on liquidity risk in corporate bond markets.

Predata, Analyst Intern March 2016 to May 2016

- Constructed datasets of political events in Europe for use in the estimation of geopolitical risk models.

European Roma Rights Centre, Legal Intern July 2015 to August 2015

- Created an online tool to facilitate the reporting of hate crimes against Roma in France and Italy.
- Authored memoranda on British, French, and Italian laws related to police brutality.

SKILLS

- **Technical Skills:** Stata, Python, R, MATLAB, SQL, LaTeX, Microsoft Office.
- **Languages:** English, Armenian, Turkish (native); French (proficient); Italian (intermediate); German (beginner).

PREDOCTORAL PUBLICATIONS

- Workers' Demonstrations and Liberals' Condemnations: The Italian Liberal Press's Coverage of General Strikes, Factory Occupations, and Workers' Self-Defense Groups during the Rise of Fascism, 1919-1922. *Chicago Journal of History*, Issue 6, Spring 2016, pp. 29-43.
- The Sanders Offensive. *The Princeton Progressive*, Issue 7, May 2016, p. 9.
- Recalibrating Progressivism. *The Princeton Progressive*, Issue 6, November 2015, pp. 3-4, 17.

OTHER PREDOCTORAL RESEARCH

- Before Class Struggle: Inequality in European Political and Economic Thought, 1516-1848.
- Otto Bauer's "National-Evolutionary Politics": Cultural Nationalism as Socialist Strategy in Hapsburg Austria.
- Reinterpreting the Volcker Disinflation: The FOMC's Anti-Inflationary Resolve (or Lack Thereof?), 1979-1980.

ESSAY

Up to this point in my PhD, my research has encompassed two areas: the economics of immigration, and the economics of startup finance. To next study the intersection of these two areas, my job market paper will analyze the effects of immigration on firms' investment decisions. My hope is that this paper will be my first step in building a research agenda to use the methods of applied microeconomics to study the interactions between labor and capital markets. I expect that these interactions have already been studied in the literature on entrepreneurship, at least with regard to how labor and capital supply constraints may slow down the growth of early-stage firms, and I hope to rapidly familiarize myself with this literature while attending the NBER Entrepreneurship Research Boot Camp this summer.

In my first project (with Thomas Cornelissen, as well as with my PhD advisors Christian Dustmann and Uta Schönberg), my coauthors and I study how the effects of immigration on native workers' earnings depends on the tightness of the labor market. The intuition is that, in tighter labor markets, there should be more job vacancies that newly arriving immigrants can fill without natives having to lose their jobs. After deriving related predictions from a search-and-matching model of the labor market effects of immigration, we validate these predictions in the context of the German labor market of the 2010s. We show that, relative to in a slacker labor market, the effect of immigration on native employment in a tighter labor market was less negative, while its effect on native wages was more negative. The key idea is that, the more vacancies that firms are unable to fill using native labor, the more the labor market absorbs an immigration shock via a deceleration of the wage growth that labor shortages would have otherwise caused, rather than via immigrant labor replacing native labor.

More related to the subject of the boot camp, my second project (with Clara Martínez-Toledano and Vrinda Mittal) explores the implications of the growing participation of high-net-worth individuals (HNWIs) in private capital markets for income and wealth inequality. We first document the extent to which, since the 2008 financial crisis, U.S.-based HNWIs have become an increasingly important source of financing for early-stage U.S. companies. We also document that HWNIs' returns on their early-stage investments during this period were in excess of what they would have earned if they had instead simply invested in any major public stock market index. This descriptive evidence leads us to the hypothesis that, since only HNWIs had access to these excess returns from private capital markets (from which retail investors have generally been excluded), these markets may have reinforced economic inequalities. We then test this hypothesis by evaluating the effects of a newly introduced tax break for long-term capital gains from investments in certain types of early-stage companies. We show that the reforms increased HNWIs' early-stage investments and, as a result of the excess capital gains that they earned on these investments, also contributed to rising income and wealth inequality.

Finally, the third chapter of my PhD dissertation will study the effects of immigration-induced labor supply shocks on firms' capital investment decisions (as an intensive-margin adjustment) as well as on the entry decisions of new firms (as an extensive-margin adjustment). Insofar as labor and capital are complementary in production, an increase in the labor supply should increase capital demand in a way that encourages existing firms to scale up their capital stocks and entrepreneurs to set up new firms. Insofar as firms and entrepreneurs are financially constrained, however, these adjustments may not occur, leading immigrants to compete with natives for existing jobs rather than fill new jobs that firms would have otherwise created for them. With this paper, I therefore aim to link the two literatures at the center of my two other projects. Using microdata from both the payrolls and the balance sheets of firms, I will evaluate how the effects of lifting labor supply constraints (as the result of immigration) are mediated by the presence of capital supply constraints (due to limited access to financing).

Imperial College Business School

Clara Martínez-Toledano (c.martinez-toledano@imperial.ac.uk)

London, February 14th 2025

To whom it may concern

I am very pleased to write this letter for Ararat Gocmen who is applying for the NBER Entrepreneurship Research Boot Camp.

Ararat is an unusually bright and promising young scholar. I first met him during the spring of 2022 when he was a first-year PhD student in Economics at University College London. I was looking for a short-term Research Assistant over the summer to help me on a research project in which I study the interactions between private capital markets dynamics and economic inequality dynamics. Ararat was by far the best candidate among the pool of applicants and I immediately offered him the position, which he kindly accepted. I was already impressed during the interview by how mature and deep his answers were and I have felt very lucky we crossed paths since then.

During my time working with Ararat he has shown passion for research, developed a strong set of technical skills, and demonstrated to me his potential as a researcher. In particular, he first collaborated very closely with me as a Research Assistant in the early stages of the research project. He not only did an incredible hard-work cleaning and building the datasets needed for the project (e.g., Pitchbook), but he also provided original and sound ideas to improve it. His contribution as a Research Assistant to the project was so determinant that I decided to add him as a coauthor of the research project at the end of his contract. His contribution has also been crucial when applying for grants. In fact, we were recently awarded a Stoner Center Research Grant for our joint project and Ararat provided a lot of help and input for the application.

Ararat has a number of skills that make him a good researcher. He cares about every single detail. He is creative when coming up with ideas. He is extremely hard-working. He is quite entrepreneurial. He perfectly knows how to work in collaboration

Imperial College Business School

with other researchers. It is based on these qualities that I give my highest recommendation to Ararat to join the IFS with the PhD Studentship.

Ararat has great interest in becoming an academic specialized in labor economics and corporate finance, with a particular focus on migration and entrepreneurship. In particular, in his Job Market Paper he is studying how immigration affects firms' investment decisions. Beyond our research project, we discussed some of Ararat's related research ideas on several occasions and I was very impressed by his deep knowledge of the most relevant papers on these topics in the literature.

I believe our research project and his other research projects are very much related to the topics that will be covered during the boot camp, so that Ararat would be an excellent fit. Moreover, Ararat's main advisors are labor economists. Hence, he would clearly benefit from the boot camp by getting exposed to the research frontier on entrepreneurship and meeting leading scholars in that field.

Let me add a more personal note. For the past two years years, I have worked very closely with Ararat. We have had weekly and even daily meetings. He is a very enjoyable and energetic person, always open to help and contribute to improve the research project. I am sure he will be a very active participant and a terrific addition to boot camp. Ararat has all the required skills, he is interested in answering important policy-relevant questions and has clearly the potential to become a very creative researcher.

All this to say that I am very glad to support Ararat in his application for the NBER Entrepreneurship Research Boot Camp and I strongly recommend him to your attention.

In case you need any additional information, please do not hesitate to contact me.



Clara Martínez-Toledano
Assistant Professor of Financial Economics
Imperial College London