

Public Finance
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The objective of the course is to introduce students to the state of the art research in public finance — the economic analysis of government policies. The class will be tilted toward the discussion of taxation, although some issues in social insurance and low income support will be discussed as well.

The class will be a mix of theory and empirical applications. It will also include the discussion of standard empirical approaches used in applied microeconomics (IV, diff-in-diff, regression discontinuity and kink designs, kinks and notches). It assumes graduate level preparation in microeconomics and econometrics.

Please note that the course will start on Sunday, July 30, in the evening with a welcome meeting at 19:00 followed by dinner. The course will finish at 16:00 on Friday, August 4.

From Monday through Thursday, the course schedule will be as follows:

Daily schedule:

9:00-10:30 First lecture

10:30-11:00 Coffee break

11:00-12:30 Second lecture

12:30-14:00 Lunch

14:00-15:30 Third Lecture/Individual work/Papers

15:30-16:00 Coffee break

16:00-17:30 Discussion

17:30-19:00 Free time

19:00 Dinner

The Friday schedule will be almost the same except that it will finish at 16:00.

The morning sessions will be lecture style. Depending on the day, the first afternoon session will be devoted to individual work on problem assignments and reading specific empirical papers to be discussed in the last session. The last session will be devoted to analyzing (and taking apart) a specific recent paper.

Preliminary outline of the sessions:

Monday: Efficiency cost of taxation (excess burden, Marginal Cost of Funds) and optimal taxation (basic structure, solution methods and results; commodity and income taxation, externalities).

Tuesday: Introduction to empirical approaches, behavioral responses to taxation (labor supply and taxable income, income shifting, other margins).

Wednesday: Tax evasion, avoidance and administration.

Thursday: Social insurance, welfare and low income support.

Friday: Capital, wealth and inheritance taxation; corporate tax; reforms.

The precise reading list will be provided closer to the class. The reading list for a related class (significant but not exact overlap) taught at Columbia in the Fall 2016 is attached.

Reading List (Fall 2016 Columbia PhD course)

The required readings are in bold.

Reference books

Atkinson, A. B. and Stiglitz, J. E. (1980). *Lectures on Public Economics*. McGraw-Hill Book Co., London; New York
Myles, G. D. (1995). *Public Economics*. Cambridge University Press, Cambridge, New York
Salanié, B. (2011). *The Economics of Taxation*. The MIT Press, Cambridge, MA and London, England, 2nd edition
Slemrod, J. and Bakija, J. (2008). *Taxing Ourselves. A Citizen's Guide to the Great Debate Over Tax Reform*. The MIT Press, Cambridge, Massachusetts and London, England, 4th edition
Laffont, J. J. (1988). *Fundamentals of Public Economics*. MIT Press, Cambridge, Mass. and London
Steurler, E. C. (2004). *Contemporary U.S. Tax Policy*. The Urban Institute Press, Washington, D.C
Persson, T. and Tabellini, G. E. (2000). *Political Economics*. MIT Press
Handbooks of Public Economics (<http://www.columbia.edu/cgi-bin/cul/resolve?clio5402387>)

Empirical methods

Angrist, J. and Krueger, A. B. (2001). Instrumental Variables and the Search for Identification: From Supply and Demand to Natural Experiments. *Journal of Economic Perspectives*, 15(4):69–85
Bertrand, M., Duflo, E., and Mullainathan, S. (2004). How Much Should We Trust Differences-in-Differences Estimates? *Quarterly Journal of Economics*, 119(1):249–275
Wooldridge, J. M. (2002). *Econometric Analysis of Cross Section and Panel Data*. The MIT Press, Cambridge, MA and London, England
Angrist, J. D. and Pischke, J.-S. (2010). The Credibility Revolution in Empirical Economics: How Better Research Design is Taking the Con out of Econometrics. *Journal of Economic Perspectives*, 24(2):3–30
Angrist, J. D. and Pischke, J.-S. (2008). *Mostly Harmless Econometrics: An Empiricist's Companion*. Princeton University Press

1 Overview

1.1 Government

Boadway, R. and Keen, M. (2000). Redistribution. In Atkinson, A. B. and Bourguignon, F., editors, *Handbook of Income Distribution*. Elsevier/North Holland, Amsterdam; New York
Sinn, H. W. (1995). A Theory of the Welfare State. *Scandinavian Journal of Economics*, 97(4):495–526
Kaplow, L. (1989). Horizontal Equity: Measures in Search of a Principle. *National Tax Journal*, 42(2):139–154
Auerbach, A. J. and Hassett, K. A. (2002). A New Measure of Horizontal Equity. *American Economic Review*, 92(4):1116–1125
Mankiw, N. G. and Weinzierl, M. (2010). The Optimal Taxation of Height: A Case Study of Utilitarian Income Redistribution. *American Economic Journal: Economic Policy*, 2(1):155–76
Kaplow, L. and Shavell, S. (2001). Any Non-Individualistic Social Welfare Function Violates the Pareto Principle. *Journal of Political Economy*, 109(2):281–86
Coate, S. (1995). Altruism, the Samaritan's Dilemma, and Government Transfer Policy. *American Economic Review*, 85(1):46–57
Rothschild, M. and Stiglitz, J. (1976). Equilibrium in Competitive Insurance Markets: An Essay on Economics of Imperfect Information. *Quarterly Journal of Economics*, 90(4):629–49

1.2 The U.S. tax system

Tax Policy Center web site <http://www.taxpolicycenter.org/>
Slemrod, J. and Bakija, J. (2008). *Taxing Ourselves. A Citizen's Guide to the Great Debate Over Tax Reform*. The MIT Press, Cambridge, Massachusetts and London, England, 4th edition
Steurler, E. C. (2004). *Contemporary U.S. Tax Policy*. The Urban Institute Press, Washington, D.C

2 Efficiency cost of taxation and optimal taxation

2.1 The cost of taxation — excess burden and the MCF

Auerbach, A. J. and Hines Jr., J. R. (2002). Taxation and Economic Efficiency. In Auerbach, A. J. and Feldstein, M. S., editors, *Handbook of Public Economics*, volume 3. Elsevier/North Holland, Amsterdam; New York (also NBER WP 8181)

Slemrod, J. and Yitzhaki, S. (2001). Integrating Expenditure and Tax Decisions: The Marginal Cost of Funds and the Marginal Benefit of Projects. *National Tax Journal*, 54(2):189–201

Goulder, L. H. and Williams III, R. C. (2003). The Substantial Bias from Ignoring General Equilibrium Effects in Estimating Excess Burden, and a Practical Solution. *Journal of Political Economy*, 111(4):898–927

Hausman, J. A. and Newey, W. K. (1995). Nonparametric Estimation of Exact Consumers Surplus and Deadweight Loss. *Econometrica*, 63(6):1445–1476

Fullerton, D. (1991). Reconciling Recent Estimates of the Marginal Welfare Cost of Taxation. *American Economic Review*, 81(1):302–308

Sandmo, A. (1998). Redistribution and the Marginal Cost of Public Funds. *Journal of Public Economics*, 70(3):365–382

Kleven, H. J. and Kreiner, C. T. (2006). The Marginal Cost of Public Funds: Hours of Work versus Labor Force Participation. *Journal of Public Economics*, 90(10-11):1955–1973

2.2 Commodity tax, production efficiency, externalities

Salanie, Chapter 3

Diamond, P. A. and Mirrlees, J. A. (1971). Optimal Taxation and Public Production. *American Economic Review*, 61(1,3):8–27,261–78 (parts 1 and 2).

Bovenberg, A. L. and Goulder, L. H. (1996). Optimal Environmental Taxation in the Presence of Other Taxes: General Equilibrium Analyses. *American Economic Review*, 86(4):985–1000

Sandmo, A. (1975). Optimal Taxation in the Presence of Externalities. *Swedish Journal of Economics*, 77(1):86–98

Micheletto, L. (2008). Redistribution and Optimal Mixed Taxation in the Presence of Consumption Externalities. *Journal of Public Economics*, 92(10-11):2262–2274

Kopczuk, W. (2003a). A Note on Optimal Taxation in the Presence of Externalities. *Economics Letters*, 80(1):81–86

Fullerton, D. (1997). Environmental Levies and Distortionary Taxes: Comment. *American Economic Review*, 87(1):245–51

Bovenberg, A. L. and de Mooij, R. A. (1994). Environmental Levies and Distortionary Taxation. *American Economic Review*, 84(4):1085–89

Bovenberg, A. L. and van der Ploeg, F. (1994). Environmental Policy, Public Finance and the Labour Market in a Second Best World. *Journal of Public Economics*, 55(3):349–90

Diamond, P. (2006). Optimal tax treatment of private contributions for public goods with and without warm glow preferences. *Journal of Public Economics*, 90(4-5):897–919

2.3 Mirrlees model

Salanie, chapter 4

Saez, E. (2001). Using Elasticities to Derive Optimal Income Tax Rates. *Review of Economic Studies*, 68(1):205–29

Werning, I. (2007). Pareto Efficient Income Taxation. MIT, mimeo, <http://econ-www.mit.edu/files/1281>

Rothschild, C. and Scheuer, F. (2011). Optimal Taxation with Rent-Seeking. Working Paper 17035, National Bureau of Economic Research

Brewer, M., Saez, E., and Shephard, A. (2010). Means-testing and tax rates on earnings. In Mirrlees, J. A., Adam, S., Besley, T., Blundell, R., Bond, S., Chote, R., Gammie, M., Johnson, P., Myles, G. D., and Poterba, J., editors, *Dimensions of Tax Design: the Mirrlees Review*. Oxford University Press

Kleven, H. J., Kreiner, K. T., and Saez, E. (2009b). The Optimal Income Taxation of Couples. *Econometrica*, 77(2):537–60

Mirrlees, J. A. (1971). An Exploration in the Theory of Optimum Income Taxation. *Review of Economic Studies*, 38(114):175–208

Naito, H. (1999). Re-examination of Uniform Commodity Taxes under a Non-Linear Tax System and Its Implication for Production Efficiency. *Journal of Public Economics*, 71(2):165–188

Varian, H. R. (1980). Redistributive Taxation as Social Insurance. *Journal of Public Economics*, 14(1):49–68

Eaton, J. and Rosen, H. S. (1980). Taxation, Human Capital and Uncertainty. *American Economic Review*, 70(4):705–715

- Diamond, P. (1998). Optimal Income Taxation: An Example With U-Shaped Pattern of Optimal Tax Rates. *American Economic Review*, 88(1):83–95
- Dahan, M. and Strawczynski, M. (2000). Optimal Income Taxation: An Example with a U-Shaped Pattern of Optimal Marginal Income Tax Rates: Comment. *American Economic Review*, 90(3):681–86
- Saez, E. (2004). Direct or Indirect Tax Instruments for Redistribution: Short-run versus Long-run. *Journal of Public Economics*, 88(3-4):503–18
- Aghion, P. and Bolton, P. (1997). A Theory of Trickle-Down Growth and Development. *Review of Economic Studies*, 64(2):151–172
- Ebert, U. (1992). A Reexamination of the Optimal Nonlinear Income Tax. *Journal of Public Economics*, 49(1):47–73
- Seade, J. (1977). On the Shape of Optimal Tax Schedules. *Journal of Public Economics*, 7(2):203–35
- Seade, J. (1982). On the Sign of the Optimum Marginal Income Tax. *Review of Economic Studies*, 49(4):637–43
- Myles, G. D. (2000). On the Optimal Marginal Rate of Income Tax. *Economics Letters*, 66(1):113–119
- Slemrod, J., Yitzhaki, S., Mayshar, Y., and Lundholm, M. (1994). The Optimal Two-Bracket Linear Income Tax. *Journal of Public Economics*, 53(2):269–90
- Weymark, J. A. (1987). Comparative Statics Properties of Optimal Nonlinear Income Taxes. *Econometrica*, 55(5):1165–1185
- Atkinson, A. B. and Stiglitz, J. E. (1976). The Design of Tax Structure: Direct versus Indirect Taxation. *Journal of Public Economics*, 6(1-2):55–75
- Chone, P. and Laroque, G. (2010). Negative Marginal Tax Rates and Heterogeneity. *American Economic Review*, 100(5):2532–2547
- Laroque, G. (2005). Indirect Taxation is Superfluous under Separability and Taste Homogeneity: A Simple Proof. *Economics Letters*, 87(1):141–44
- Saez, E. (2002c). The Desirability of Commodity Taxation under Non-Linear Income Taxation and Heterogeneous Tastes. *Journal of Public Economics*, 83(2):217–320

3 Inequality of income and wealth

- Atkinson, A. B., Piketty, T., and Saez, E. (2011). Top Incomes in the Long Run of History. *Journal of Economic Literature*, 49(1):3–71
- Katz, L. F. and Autor, D. (1999). Changes in the Wage Structure and Earnings Inequality. In Ashenfelter, O. and Card, D., editors, *Handbook of Labor Economics*. Elsevier/North Holland, Amsterdam; New York
- Piketty, T. and Saez, E. (2003). Income Inequality in the United States, 1913-1998. *Quarterly Journal of Economics*, 118:1–39
- Lemieux, T., MacLeod, W. B., and Parent, D. (2009). Performance Pay and Wage Inequality. *Quarterly Journal of Economics*, 124(1):1–49
- Kopczuk, W., Saez, E., and Song, J. (2009). Earnings Inequality and Mobility in the United States: Evidence from Social Security Data since 1937. *Quarterly Journal of Economics*, 125(1):91–128
- Autor, D. and Dorn, D. (2013). The Growth of Low-Skill Service Jobs and the Polarization of the U.S. Labor Market. *American Economic Review*, 103(5):1553–1597
- Autor, D. (2015). Why Are There Still So Many Jobs? The History and Future of Workplace Automation. *Journal of Economic Perspectives*, 29(3):3–30
- Autor, D. H. (2014). Skills, education, and the rise of earnings inequality among the “other 99 percent”. *Science*, 344(6186):843–851
- Goldin, C. (2006). The Quiet Revolution That Transformed Women’s Employment, Education, and Family. *American Economic Review Papers and Proceedings*, 96(2):1–21
- The world top income database, <http://g-mond.parisschoolofeconomics.eu/topincomes/>
- Davies, J. B. and Shorrocks, A. F. (2000). The Distribution of Wealth. In Atkinson, A. B. and Bourguignon, F., editors, *Handbook of Income Distribution*. Elsevier, Amsterdam; New York
- Bricker, J., Henriques, A. M., Krimmel, J. A., and Sabelhaus, J. E. (2016). Measuring Income and Wealth at the Top Using Administrative and Survey Data. *Brookings Papers on Economic Activity*. Forthcoming
- Saez, E. and Zucman, G. (2016). Wealth Inequality in the United States since 1913: Evidence from Capitalized Income Tax Data. *Quarterly Journal of Economics*, 131(2):519–78
- Kopczuk, W. (2015). What Do We Know About the Evolution of Top Wealth Shares in the United States? *Journal of Economic Perspectives*, 29(1):47–66
- Kopczuk, W. and Saez, E. (2004). Top Wealth Shares in the United States, 1916-2000: Evidence from Estate Tax Returns. *National Tax Journal*, 57(2 (part 2)):445–488
- Piketty, T. and Zucman, G. (2014). Capital is Back: Wealth-Income Ratios in Rich Countries 1700-2010. *Quarterly Journal of Economics*, 129(3):1255–1310

- Piketty, T. (2014). *Capital in the Twenty-First Century*. Bellknap Press
- Gabaix, X., Lasry, J.-M., Lions, P.-L., and Moll, B. (2016). The Dynamics of Inequality. *Econometrica*. Forthcoming
- Roine, J. and Waldenström, D. (2009). Wealth Concentration over the Path of Development: Sweden, 1873-2006. *Scandinavian Journal of Economics*, 111(1):151-187
- Edlund, L. and Kopczuk, W. (2009). Women, Wealth and Mobility. *American Economic Review*, 99(1):146-78
- Björklund, A., Roine, J., and Waldenström, D. (2012). Intergenerational top income mobility in Sweden: Capitalist dynasties in the land of equal opportunity? *Journal of Public Economics*, 96(5-6):474-484
- Philippon, T. and Reshef, A. (2012). Wages and Human Capital in the U.S. Finance Industry: 1909-2006. *Quarterly Journal of Economics*, 127(4):1551-1609
- Bertrand, M. and Mullainathan, S. (2001). Are CEOs Rewarded for Luck? The Ones Without Principals Are. *Quarterly Journal of Economics*, 116(3):901-32
- Gabaix, X. and Landier, A. (2008). Why Has CEO Pay Increased So Much? *Quarterly Journal of Economics*, 123(1):49-100
- Gabaix, X. and Edmans, A. (2016). Executive Compensation: A Modern Primer. *Journal of Economic Literature*. Forthcoming
- Kaplan, S. N. and Rauh, J. (2010). Wall Street and Main Street: What Contributes to the Rise in the Highest Incomes? *Review of Financial Studies*, 23(3):1004-50
- Zimmerman, S. D. (2015). Making Top Managers: The Role of Elite Universities and Elite Peers. University of Chicago, mimeo
- Chetty, R., Stepner, M., Abram, S., Lin, S., Scuderi, B., Turner, N., Bergeron, A., and Cutler, D. (2016). The Association Between Income and Life Expectancy in the United States, 2001-2014. *The Journal of the American Medical Association*, 315(169):1750-1766
- Chetty, R. and Hendren, N. (2016). The Effects of Neighborhoods on Intergenerational Mobility: Childhood Exposure Effects and County Level Estimates. Stanford and Harvard, mimeo
- Chetty, R., Hendren, N., Kline, P., and Saez, E. (2014). Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States. *Quarterly Journal of Economics*, 129(4):1553-1623

4 Behavioral responses to individual taxation and welfare programs

4.1 Taxable income and labor supply

- Saez, E., Slemrod, J. B., and Giertz, S. H. (2012). The Elasticity of Taxable Income with Respect to Marginal Tax Rates: A Critical Review. *Journal of Economic Literature*, 50(1):3-50
- Blundell, R. and MaCurdy, T. E. (1999). Labor Supply: A Review of Alternative Approaches. In Ashenfelter, O. and Card, D., editors, *Handbook of Labor Economics*, volume 3. Elsevier/North Holland, Amsterdam; New York
- Gruber, J. and Saez, E. (2002). The Elasticity of Taxable Income: Evidence and Implications. *Journal of Public Economics*, 84(1):1-32
- Kopczuk, W. (2005). Tax Bases, Tax Rates and the Elasticity of Reported Income. *Journal of Public Economics*, 89(11-12):2093-2119
- Chetty, R., Friedman, J., Olsen, T., and Pistaferri, L. (2011). Adjustment Costs, Firm Responses, and Micro Labor Supply Elasticities: Evidence from Danish Tax Records. *Quarterly Journal of Economics*, 126(2):749-804
- Saez, E. (2010). Do Taxpayers Bunch at Kink Points? *American Economic Journal: Economic Policy*, 2(3):180-212
- Kopczuk, W. (2012). Polish Business Flat Tax and Its Effect on Reported Incomes. Columbia University, mimeo
- Weber, C. (2014). Toward obtaining a consistent estimate of the elasticity of taxable income using difference-in-differences. *Journal of Public Economics*, 117(C):90-103
- Kleven, H. J. and Schultz, E. A. (2011). Estimating Reported Income Responses Using Danish Tax Reforms. LSE, mimeo
- Kleven, H. J. and Waseem, M. (2013). Using Notches to Uncover Optimization Frictions and Structural Elasticities: Theory and Evidence from Pakistan. *Quarterly Journal of Economics*, 128(2):669-723
- Blomquist, S. and Selin, H. (2010). Hourly Wage Rate and Taxable Labor Income Responsiveness to Changes in Marginal Tax Rates. *Journal of Public Economics*, 94(11-12):878-89
- Blomquist, S., Eklof, M., and Newey, W. (2001). Tax Reform Evaluation Using Non-parametric Methods: Sweden 1980-1991. *Journal of Public Economics*, 79(3):543-568
- Blomquist, S. and Newey, W. (2002). Nonparametric Estimation with Nonlinear Budget Sets. *Econometrica*, 70(6):2455-2480
- Blau, F. D. and Kahn, L. M. (2007). Changes in the Labor Supply Behavior of Married Women: 1980-2000. *Journal of Labor Economics*, 25(3):393-438
- Heim, B. T. (2007). The Incredible Shrinking Elasticities: Married Female Labor Supply, 1978-2002. *Journal of Human Resources*, 52(4)

- Eissa, N. (1995). Taxation and Labor Supply of Married Women: The Tax Reform Act of 1986 As a Natural Experiment. Working Paper 5023, National Bureau of Economic Research
- Blundell, R., Duncan, A., and Meghir, C. (1998). Estimating Labor Supply Responses Using Tax Reforms. *Econometrica*, 66(4):827–61
- Moffitt, R. and Wilhelm, M. (2000). Taxation and the Labor Supply Decisions of the Affluent. In Slemrod, J., editor, *Does Atlas Shrug? The Economic Consequences of Taxing the Rich*. Harvard University Press and Russell Sage Foundation, New York
- Triest, R. K. (1992). The Effect of Income Taxation on Labor Supply when Deductions Are Endogeneous. *Review of Economics and Statistics*, 74(1):91–99
- Auten, G. and Carroll, R. (1999). The Effect of Income Taxes on Household Behavior. *Review of Economics and Statistics*, 81(4):681–693
- Carroll, R. (1998). Do Taxpayers Really Respond to Changes in Tax Rates? Evidence from the 1993 Act. Office of Tax Analysis Working Paper 78, U.S. Department of Treasury
- Feldstein, M. S. (1995). The Effect of Marginal Tax Rates on Taxable Income: A Panel Study of the 1986 Tax Reform Act. *Journal of Political Economy*, 103(3):551–572
- Feldstein, M. S. (1999). Tax Avoidance and the Deadweight Loss of the Income Tax. *Review of Economics and Statistics*, 4(81):674–680
- Goolsbee, A. (2000b). What Happens When You Tax the Rich? Evidence from Executive Compensation. *Journal of Political Economy*, 108(2):352–378
- Goolsbee, A. (2000a). It’s Not About the Money: Why Natural Experiments Don’t Work on the Rich. In Slemrod, J., editor, *Does Atlas Shrug? The Economic Consequences of Taxing the Rich*. Harvard University Press and Russell Sage Foundation, New York
- Sillamaa, M. A. and Veall, M. R. (2001). The effect of marginal tax rates on taxable income: a panel study of the 1988 tax flattening in Canada. *Journal of Public Economics*, 80(3):341–356
- Gelber, A. (2014). Taxation and the Earnings of Husbands and Wives. *Review of Economics and Statistics*, 96(2):287–305
- Gelber, A., Jones, D., and Sacks, D. W. (2016). Earnings Adjustment Frictions: Evidence from the Social Security Earnings Test. Berkeley, Chicago, Indiana, mimeo
- Kleven, H. J., Landais, C., and Saez, E. (2013). Taxation and International Migration of Superstars: Evidence from the European Football Market. *American Economic Review*, 103(5-6):1892–1924
- Akcigit, U., Baslandze, S., and Stantcheva, S. (2016). Taxation and the International Mobility of Inventors. *American Economic Review*, 106(10):2930–2981
- Kleven, H. J., Landais, C., Saez, E., and Schultz, E. (2014). Migration and Wage Effects of Taxing Top Earners: Evidence from the Foreigners’ Tax Scheme in Denmark. *Quarterly Journal of Economics*, 129(1):333–378

4.2 Entrepreneurship and income shifting

- Romanov, D. (2006). Corporation as a Tax Shelter: Evidence from Recent Israeli Tax Changes. *Journal of Public Economics*, 90(10-11):1939–54
- Gordon, R. H. and Slemrod, J. (2000). Are “Real” Responses to Taxes Simply Income Shifting Between Corporate and Personal Tax Bases? In Slemrod, J., editor, *Does Atlas Shrug? The Economic Consequences of Taxing the Rich*. Harvard University Press and Russell Sage Foundation, New York
- Chetty, R. (2009). Is the Taxable Income Elasticity Sufficient to Calculate Deadweight Loss? The Implications of Evasion and Avoidance. *American Economic Journal: Economic Policy*, 1(2):31–52
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- Slemrod, J. and Gordon, R. H. (1988). Do We Collect Any Revenue from Taxing Capital Income. In Summers, L. H., editor, *Tax Policy and the Economy*, volume 2, pages 89–130. Cambridge, Mass.: National Bureau of Economic Research
- Gordon, R. H. and Cullen, J. B. (2007). Taxes and Entrepreneurial Risk-Taking: Theory and Evidence for the U.S. *Journal of Public Economics*, 91(7-8):1479–1505
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- Slemrod, J. (1995). Income Creation or Income Shifting? Behavioral Responses to the Tax Reform Act of 1986. *American Economic Review*, 85(2):175–180

4.3 Welfare and low income support

- Blank, R. M. (2002). Evaluating Welfare Reform in the United States. *Journal of Economic Literature*, 40(4):1105–1166
- Currie, J. (2006). The Take-Up of Social Benefits. In Auerbach, A. J., Card, D., and Quigley, J. M., editors, *Public Policy and the Income Distribution*, pages 80–148. New York: Russell Sage Foundation
- Moffitt, R. (2002). Welfare Programs and Labor Supply. In Auerbach, A. J. and Feldstein, M. S., editors, *Handbook of Public Economics*, volume 4, pages 2393–2430. Elsevier/North Holland, Amsterdam; New York
- Heckman, J. J. (2007). The Economics, Technology and Neuroscience of Human Capability Formation. Working Paper 13195, National Bureau of Economic Research
- Saez, E. (2002a). Optimal Income Transfer Programs: Intensive Versus Extensive Labor Supply Responses. *Quarterly Journal of Economics*, 117(3):1039–1073
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- Kleven, H. J. and Kopczuk, W. (2011). Transfer Program Complexity and the Take Up of Social Benefits. *American Economic Journal: Economic Policy*, 3(1):54–90
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- Besley, T. and Coate, S. (1995). The Design of Income Maintenance Programmes. *Review of Economic Studies*, 62(2):187–221
- Schoeni, R. F. and Blank, R. M. (2000). What has Welfare Reform Accomplished? Impacts on Welfare Participation, Employment, Income, Poverty and Family Structure. Working Paper 7267, National Bureau of Economic Research

4.4 EITC

- Nichols, A. and Rothstein, J. (2016). The Earned Income Tax Credit. In Moffitt, R. A., editor, *Economics of Means-Tested Programs in the United States*. The University of Chicago Press (also NBER 21211)
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- Chetty, R., Friedman, J. N., and Saez, E. (2013). Using Differences in Knowledge Across Neighborhoods to Uncover the Impacts of the EITC on Earnings. *American Economic Review*, 103(7):2683–2721
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- Jones, D. (2010). Information, Preferences, and Public Benefit Participation: Experimental Evidence from the Advance EITC and 401(k) Savings. *American Economic Journal: Economic Policy*, 2(2):147–163
- Holtzblatt, J. and McCubbin, J. (2004). Complicated Lives: Tax Administrative Issues Affecting Low-Income Filers. Brookings Institution Press
- Eissa, N., Kleven, H. J., and Kreiner, C. T. (2008). Evaluation of Four Tax Reforms in the United States: Labor Supply and Welfare Effects for Single Mothers. *Journal of Public Economics*, 92(3-4):795–816
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