

ECON 752: GRADUATE PUBLIC ECONOMICS II

Spring 2011

Professor Melissa S. Kearney

<u>Topic</u>	
Intro to Course and Subject	[1 lecture]
I. Cash Assistance Programs	[5 lectures]
A. Optimal design and efficiency considerations	
B. AFDC/TANF/SSI	
C. International examples	
II. Forms of taxation in the U.S. and around the world	[1 lecture]
III. Behavioral Responses to Taxation	[5 lectures]
A. Taxation and labor supply	
B. The Earned Income Tax Credit (EITC)	
C. Taxation and taxable income	[2 lectures]
D. Recent empirical work on other behaviors: e.g., education, marriage, giving – * Student presentations *	
IV. Optimal Taxation	[5 lectures]
A. Tax incidence and efficiency	
B. Optimal income taxation	[1 lecture]
* In-class discussion of student paper proposals*	
V. Other Forms of Taxation/Revenue	[2 lectures]
A. Consumption and sin taxes	
B. Legalized gambling	
VI. Taxation, wealth, and savings	[4 lectures]
A. Models of Saving	
B. Facts about Saving Behavior in the U.S.	
C. Behavioral insights	
D. Targeted tax subsidies to saving	
VII. Tax Policy as Stimulus	[1 lecture]
* In-class presentations of final paper proposals *	[2 lectures]

Readings

Bold: required reading

General References –

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A. Atkinson, *Public Finance in Action: The Flat-Tax Proposal*, Oxford: Oxford University Press, 1995.

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O. INTRODUCTION

I. CASH ASSISTANCE PROGRAMS

A. Theoretical issues in program design

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II. FORMS OF TAXATION IN THE U.S. AND AROUND THE WORLD

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III. BEHAVIORAL RESPONSES TO TAXATION

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* Suggestions only – places to start *

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IV. OPTIMAL TAXATION

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VII. Tax Policy as Stimulus

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