

PUBLIC ECONOMICS LECTURES

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This is the first of two courses in the graduate public economics sequence at Harvard. This one-semester course covers basic issues in the optimal design of tax and social insurance policies, with emphasis on combining theoretical models with empirical evidence. Topics include efficiency costs and incidence of taxation, income taxation, transfer and welfare programs, public goods and externalities, optimal social insurance (excluding social security), and welfare analysis in behavioral models.

The course consists of 28 lectures, each lasting 1.5 hours. The slides and reading list are divided into eight parts:

Part 1: Introduction

Part 2: Tax Incidence [3 lectures]

Part 3: Efficiency Cost of Taxation [3 lectures]

Part 4: Optimal Taxation [5 lectures]

Part 5: Income Taxation and Labor Supply [4 lectures]

Part 6: Social Insurance [5 lectures]

Part 7: Public Goods and Externalities [4 lectures]

Part 8: Corporate Taxation [4 lectures]

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Tax Incidence and Efficiency

Tax Incidence

Partial Equilibrium Incidence

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R. Chetty, A. Looney, and K. Kroft. "Salience and Taxation: Theory and Evidence." *American Economic Review* 99(4): 1145-1177, 2009. Section V.C.

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Excess Burden

Theory

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