

Public Economics: Tax & Transfer Policies

(Master PPD & APE, Paris School of Economics)

Thomas Piketty

Academic year 2014-2015

Syllabus & Course Material

(check [on line](#) for updated versions)

- Email : piketty@psemail.eu
- Office hours: Tuesdays 9h-12h, Jourdan B101

- Course web page :
<http://piketty.pse.ens.fr/teaching/10/18>
(check on-line for updated versions)

- The objective of this course is to present the basic tools and concepts of modern public economics, with special emphasis on the incidence of tax and transfer policies, both in developed countries (EU, US) and in the developing world
(for a course focusing on distributional issues and trying to explain existing distributions of income and wealth, see [Economics of Inequality](#); both courses are complementary)
- The course is organized in 8 lectures of 3 hours (7 lectures + 1 exam).
- To validate the course, students are required
 - (1) to attend and actively participate to all lectures;
 - (2) to take the exam
(past exams are available [here](#))

A quick roadmap of the lectures

- **Lecture 1: Taxes & transfers: why and how much?**
(Tuesday December 9th 2014, 13h45-16h45)
- **Lecture 2: Tax incidence: macro & micro approaches**
(Tuesday December 16th 2014, 13h45-16h45)
- **Lecture 3: Externalities & corrective taxation: illustration with global warming and carbon taxes**
(Tuesday January 6th 2015, 13h45-16h45)

- **Lecture 4: Income taxes over time & across countries**

- **Lecture 5: Optimal taxation of labor income**

(Tuesdays January 27th and February 3rd 2015, 13h45-16h45)

- **Lecture 6: Capital taxes over time & across countries**

- **Lecture 7: Optimal taxation of capital**

(Tuesdays February 10th and March 3rd 2015, 13h45-16h45)

- **Lecture 8: Exam**

(Tuesday March 10th 2015, 16h30-19h30)

General references

- No textbook; but a few general references
- Reforming the Tax System for the 21st Century : [The Mirrlees Review](#), OUP 2010-2012
- The Economics of Climate Change: [The Stern Review](#), 2007
- The Role of Tax Policy in Times of Consolidation, [EC Report](#), 2013
(see also Taxing Times, [IMF Fiscal Monitor](#), 2013)
- P. Diamond & E. Saez, "The Case for a Progressive Tax: From Basic Research to Policy Recommendations", [JEP 2011](#)
- T. Piketty & E. Saez, "Optimal Labor Income Taxation", 2013, [Handbook of Public Economics, vol. 5](#)

- T. Piketty, E. Saez, “Rethinking Capital & Wealth Taxation”, [PSE 2013](#)
- P. Lindert, Growing Public – Social spending & economic growth since the 18th century, CUP, 2004
- B. Salanié, Théorie économique de la fiscalité, Economica, 2002 (The Economics of Taxation, MIT Press, 2003)
- C. Landais, T. Piketty & E. Saez, Pour une révolution fiscale - Un impôt sur le revenu pour le 21e siècle, Le Seuil, 2011, www.revolution-fiscale.fr