

CONTENTS

<i>Introduction to the Series</i>	<i>ix</i>
<i>Preface</i>	<i>xi</i>
<i>List of Contributors</i>	<i>xiii</i>
1. Charitable Giving	1
James Andreoni and A. Abigail Payne	
1. Introduction	2
2. Background: Facts and Figures on Charitable Giving	5
3. Approach 1: Individuals	11
4. Approach 2: The Charitable Sector as a Market	21
5. Approach 3: Giving as a Social Act	30
6. Approach 4: The Giver's Mind	34
7. Fundraising and the Giver's Mind	39
8. Conclusion	43
References	45
2. Taxation and Development	51
Timothy Besley and Torsten Persson	
1. Introduction	51
2. Perspectives on Taxation and Development	53
3. Background Facts	56
4. Framework	63
5. Drivers of Change	74
6. Conclusion	105
Acknowledgments	107
References	107
3. Social Insurance: Connecting Theory to Data	111
Raj Chetty and Amy Finkelstein	
1. Introduction	112
2. Motivations for Social Insurance	114
3. Design of Public Insurance Programs	143
4. Challenges for Future Work	182
Acknowledgments	186
References	186

4. Urban Public Finance	195
Edward L. Glaeser	
1. Introduction	195
2. The Functions and Powers of City Governments	199
3. The Core Economics of Urban Government	205
4. A Model of Local Government Spending and Finances	216
5. The Financing and Provision of Core Urban Services	228
6. Cities, Taxes, and Redistribution	236
7. Cities, Investment, and Deferred Compensation	241
8. Urban Political Economy	246
9. Conclusion	249
Acknowledgments	250
References	250
5. The Theory of International Tax Competition and Coordination	257
Michael Keen and Kai A. Konrad	
1. Introduction	258
2. Uncoordinated Actions	262
3. Coordination	287
4. Broadening the Perspective	302
5. Concluding Remarks	320
Acknowledgments	321
References	321
6. Taxation of Intergenerational Transfers and Wealth	329
Wojciech Kopczuk	
1. Introduction	330
2. Overview of Wealth and Estate Taxation in Practice	333
3. Bequest Motives and Taxation	337
4. Redistribution	344
5. Behavioral Responses to Transfer Taxation	359
6. Tax Avoidance Responses	372
7. Other Topics	377
8. Summary and Conclusions	381
Acknowledgments	382
References	382
7. Optimal Labor Income Taxation	391
Thomas Piketty and Emmanuel Saez	
1. Introduction	392
2. Background on Actual Tax Systems and Optimal Tax Theory	394

3. Conceptual Background	404
4. Optimal Linear Taxation	410
5. Optimal Nonlinear Taxation	421
6. Extensions	445
7. Limits of the Welfarist Approach and Alternatives	459
Appendix	465
Acknowledgments	469
References	469
Index	475