The Impact and Sustainability of Fiscal Redistribution: New Methods, New Tools and New Results [1]

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Presenters in bold

Methodological Innovations in Fiscal Incidence Analysis and Overview of Results
Nora Lustig, Tulane University (nlustig@tulane.edu)

> Presents the theoretical underpinnings of fiscal incidence analysis and the indicators used to assess the distributive impact and effectiveness of fiscal policy, as well as a comparative analysis of results for low and middle income countries. (Based on *Commitment to Equity Handbook. A Guide to Estimating the Impact of Fiscal Policy on Inequality and Poverty (Brookings Institution Press and CEQ Institute-Tulane University)* edited by Nora Lustig (Brookings Institution Press, 2018)
>
> JEL Codes: H22, H5, D31, I3
> Keywords: fiscal incidence, social spending, inequality, poverty, low and middle income countries

Fiscal Sustainability, Demography, and Redistribution in Latin America
Jose Maria Fanelli, UNDESA (jfanelli@udesa.edu.ar) and Ramiro Albrieu, UBA (ralbrieu@gmail.com)

This paper presents a unified framework to analyze and measure the sustainability of a fiscal compact in three dimensions: (a) fiscal or "macro" sustainability; (b) the sustainability of aggregate wealth including natural capital; (c) demographic sustainability for economies approaching or going through the "demographic window of opportunity."

JEL Codes: E62, J11
Keywords: Fiscal policy, Income Redistribution, Demographics, Sustainability

Adjusting for Top Incomes in an Almost Ideal Data Set: the Case of Uruguay
Facundo Alvaredo, Paris School of Economics (alvaredo@gmail.com), Mauricio de Rosa, U. de la Republica (mauricioderosa@gmail.com), **Sean Higgins, UC Berkeley (sean.higgins@ceqinstitute.org),** Nora Lustig, Tulane University (nlustig@tulane.edu), and **Andrea Vigorito, Universidad de la Republica (andrea@iecon.ccee.edu.uy)**

Using a unique data set which links anonymized individuals in household surveys with the same anonymized individuals in tax registries, this paper will estimate the extent of under-reporting and under-coverage present in household surveys, apply alternative methods to correct for these shortcomings, and assess the impact of these corrections on standard inequality measures.

JEL codes: C18, D31
Keywords: tax records, household surveys, income inequality, top incomes, Uruguay

The Distributional Impact of Public Spending on Education
Sergio Urzua, University of Maryland (urzua@econ.umd.edu)

This paper proposes and implements two methodologies for estimating the distributional impact of public spending in education. The empirical quantification of the private returns to education, the estimation of the elasticity of school enrollment to public spending in the sector, and the identification of age-earnings profiles are the building blocks of the analysis. These methods can be used in lieu of the average government cost approach. Results are shown for Chile and Ghana.

JEL codes: H11, H23, I24, I26, I28
Keywords: Education, Government Policy, Willingness to pay, Inequality, Chile, Ghana