

**Ninth Winter School on Inequality and Collective Welfare Theory (IT9)
"PUBLIC POLICY AND INTER/INTRA-GENERATIONAL DISTRIBUTION"**

EUROMOD: a EU-wide tool for economic analysis

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Reading list

Sutherland, H. and F. Figari (2013) "EUROMOD: the European Union tax-benefit microsimulation model" *International Journal of Microsimulation* 6(1) 4-26.

Figari, F., A. Paulus and H. Sutherland (2013) "Microsimulation and Policy Analysis", in *Handbook of Income Distribution Volume 2*, edited by A. B. Atkinson and F. Bourguignon, Elsevier, forthcoming.

Microsimulation-based indicators

Adam, S., M. Brewer, and A. Shephard (2006b). *The poverty trade-off: Work incentives and income redistribution in Britain*. The Joseph Rowntree Foundation. Bristol: The Policy Press.

Brewer, M., E. Saez, and A. Shephard (2010). Means-testing and tax rates on earnings. In J. Mirrlees, S. Adam, T. Besley, R. Blundell, S. Bond, R. Chote, M. Gammie, P. Johnson, G. Myles, and J. Poterba (Eds.), *Dimensions of Tax Design: The Mirrlees Review*, Institute for Fiscal Studies (IFS), Chapter 2, pp. 90–173. Oxford University Press.

Dolls, M., C. Fuest, and A. Peichl (2012). Automatic stabilizers and economic crisis: {US} vs. Europe. *Journal of Public Economics* 96(3-4), 279–294.

Fernández Salgado, M., F. Figari, H. Sutherland, and A. Tumino (2013). Welfare compensation for unemployment in the Great Recession. *Review of Income and Wealth*.

Figari, F., A. Paulus, and H. Sutherland (2011). Measuring the size and impact of public cash support for children in cross-national perspective. *Social Science Computer Review* 29(1), 85–102.

Immervoll, H. (2004). Average and marginal effective tax rates facing workers in the EU: A micro-level analysis of levels, distributions and driving factors. *Social, Employment and Migration Working Papers* 19, OECD.

Immervoll, H. and C. O'Donoghue (2004). What difference does a job make? The income consequences of joblessness in Europe. In D. Gallie (Ed.), *Resisting Marginalisation: Unemployment Experience and Social Policy in the European Union*, Chapter 5. Oxford: Oxford University Press.

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Jara, H. X. and A. Tumino (2013). Tax-benefit systems, income distribution and work incentives in the European Union. *International Journal of Microsimulation* 6(1), 27–62.

Decomposing static and behavioural effects

Bargain, O. (2012). Decomposition analysis of distributive policies using behavioural simulations. *International Tax and Public Finance* 19(5), 708–731.

Bargain, O. (2012). The distributional effects of tax-benefit policies under New Labour: A decomposition approach. *Oxford Bulletin of Economics and Statistics* 74(6), 856–874.

Bargain, O. and T. Callan (2010). Analysing the effects of tax-benefit reforms on income distribution: A decomposition approach. *Journal of Economic Inequality* 8(1), 1–21.

Accounting for individual behavioural reactions

Aaberge, R. and U. Colombino (2013). Designing optimal taxes with a microeconomic model of household labour supply. *Scandinavian Journal of Economics* 115(2), 449–475.

Aaberge, R., J. K. Dagsvik, and S. Strøm (1995). Labour supply responses and welfare effects of tax reforms. *Scandinavian Journal of Economics* 97(4), 635–659.

Bargain, O., K. Orsini, and A. Peichl (2013). Comparing labor supply elasticities in Europe and the US: New results. *Journal of Human Resources* forthcoming.

Colombino, U. (2013). A new equilibrium simulation procedure with discrete choice models. *International Journal of Microsimulation* 6(3), 25–49.

Creedy, J. and A. Duncan (2002). Behavioural microsimulation with labour supply responses. *Journal of Economic Surveys* 16(1), 1–39.

Creedy, J. and G. Kalb (2005). Discrete hours labour supply modelling: Specification, estimation and simulation. *Journal of Economic Surveys* 19(5), 697–734.

Haan, P. (2010). A multi-state model of state dependence in labour supply. *Labour Economics* 17(2), 323–335.

Peichl, A. and S. Siegloch (2012). Accounting for labor demand effects in structural labor supply models. *Labour Economics* 19(1), 129–138.

van Soest, A. (1995). Structural models of family labor supply: A discrete choice approach. *The Journal of Human Resources* 30(1), 63–88.

Macroeconomic effects

Aaberge, R., U. Colombino, E. Holmoy, B. Strøm, and T. Wennemo (2007). Population ageing and fiscal sustainability: integrating detailed labour supply models with CGE models. In A. Harding and A. Gupta (Eds.), *Modelling Our Future: Population Ageing, Social Security and Taxation*, Volume 15 of *International Symposia in Economic Theory and Econometrics*, Chapter 10, pp. 259–290. Amsterdam: Elsevier.

Bourguignon, F. and M. Bussolo (2013). Income distribution in computable general equilibrium modelling. In P. B. Dixon and D. W. Jorgenson (Eds.), *Handbook of Computable General Equilibrium Modelling*, Volume 1A and 1B, Chapter 21, pp. 1383–1437. Elsevier.

Robilliard, A.-S., F. Bourguignon, and S. Robinson (2008). Examining the social impact of the Indonesian financial crisis using a macro-micro model. In F. Bourguignon, M. Bussolo, and L. A. Pereira da Silva (Eds.), *The Impact of Macroeconomic Policies on Poverty and Income Distribution: Macro-Micro Evaluation Techniques and Tools*, Chapter 4, pp. 93–118. New York: The World Bank and Palgrave Macmillan.

Nowcasting and forecasting the income distribution

Navicke, J., O. Rastrigina, and H. Sutherland (2013). Nowcasting indicators of poverty risk in the European Union: a microsimulation approach. *Social Indicators Research*, forthcoming.

Brewer, M., J. Browne, and R. Joyce (2011). Child and working-age poverty from 2010 to 2020. Technical report, The Institute for Fiscal Studies, London.

Challenges and limitations

Non take-up

Hancock, R., S. Pudney, G. Barker, M. Hernandez, and H. Sutherland (2004). The take-up of multiple means-tested benefits by British pensioners: Evidence from the Family Resources Survey. *Fiscal Studies* 25(3), 279–303.

Zantomio, F., S. Pudney, and R. Hancock (2010). Estimating the impact of a policy reform on benefit take-up: The 2001 extension to the minimum income guarantee for UK pensioners. *Economica* 77(306), 234–254.

Non-compliance

Ceriani, L., C. V. Fiorio, and C. Gigliarano (2013). The importance of choosing the data set for tax-benefit analysis. *International Journal of Microsimulation* 6(1), 86–121.

Matsaganis, M. and C. Leventi (2013). The distributional impact of the Greek crisis in 2010. *Fiscal Studies* 34(1), 83–108.

Statistical reliability

Creedy, J., G. Kalb, and H. Kew (2007). Confidence intervals for policy reforms in behavioural tax microsimulation modelling. *Bulletin of Economic Research* 59(1), 37–65.

2013Goedemé, T., L. Salanauskaite, K. Van den Bosch, and G. Verbist (2013). Testing the Statistical Significance of Microsimulation Results: A Plea. *International Journal of Microsimulation* 6(3), 50-77.

Pudney, S. and H. Sutherland (1994). How reliable are microsimulation results? An analysis of the role of sampling error in a U.K. tax-benefit model. *Journal of Public Economics* 53(3), 327–365.

Pudney, S. and H. Sutherland (1996). Statistical reliability in microsimulation models with econometrically-estimated behavioural responses. In A. Harding (Ed.), *Microsimulation and Public Policy*, Number 232 in Contributions to economic analysis, Chapter 21, pp. 473–503. Amsterdam: North-Holland, Elsevier.

Broadening the Scope

In-kind benefits, income vs consumption, indirect taxes

Aaberge, R., A. Langørgen, and P. Lindgren (2010). The impact of basic public services on the distribution of income in European countries. In A. B. Atkinson and E. Marlier (Eds.), *Income and Living Conditions in Europe*, Eurostat statistical books, Chapter 15, pp. 329–344. Luxembourg: Publications Office of the European Union.

Decoster, A., J. Loughrey, C. O’Donoghue, and D. Verwerft (2010). How regressive are indirect taxes? A microsimulation analysis for five European countries. *Journal of Policy Analysis & Management* 29(2), 326–350.

Decoster, A., J. Loughrey, C. O’Donoghue, and D. Verwerft (2011). Microsimulation of indirect taxes. *International Journal of Microsimulation* 4(2), 41–56.

Figari, F. and A. Paulus (2013). The distributional effects of taxes and transfers under alternative income concepts: the importance of three ‘i’s’. *Public Finance Review* forthcoming.

Paulus, A., H. Sutherland, and P. Tsakoglou (2010). The distributional impact of in-kind public benefits in European countries. *Journal of Policy Analysis & Management* 29(2), 243 – 266.

Dynamic microsimulation and lifetime redistribution

Li, J. and C. O’Donoghue (2013). A methodological survey of dynamic microsimulation models. *International Journal of Microsimulation* 6(2), 3–55.

Bourguignon, F. and M. Bussolo (2013). Income distribution in computable general equilibrium modelling. In P. B. Dixon and D. W. Jorgenson (Eds.), *Handbook of Computable General Equilibrium Modelling*, Volume 1A and 1B, Chapter 21, pp. 1383–1437. Elsevier.