



International Finance Discussion Papers: Tax Smoothing in Frictional Labor Markets (Paperback)

By David M Arseneau, Sanjay K Chugh

Bibliogov, United States, 2013. Paperback. Book Condition: New. 246 x 189 mm. Language: English . Brand New Book ***** Print on Demand *****.We re-examine the optimality of tax smoothing from the point of view of frictional labor markets. Our central result is that whether or not this cornerstone optimal fiscal policy prescription carries over to an environment with labor market frictions depends crucially on the cyclical nature of labor force participation. If the participation rate is exogenous at business-cycle frequencies -- as is typically assumed in the literature -- we show it is not optimal to smooth tax rates on labor income in the face of business-cycle shocks. However, if households do optimize at the participation margin, then tax-smoothing is optimal despite the presence of matching frictions. To understand these results, we develop a concept of general-equilibrium efficiency in search-based environments, which builds on existing (partial-equilibrium) search-efficiency conditions. Using this concept, we develop a notion of search-based labor-market wedges that allows us to trace the source of the sharply-contrasting fiscal policy prescriptions to the value of adjusting participation rates. Our results demonstrate that policy prescriptions can be very sensitive to the cyclical nature of labor-force participation in search-based environments.



READ ONLINE
[1.03 MB]

Reviews

This book is definitely not straightforward to get started on studying but extremely exciting to read. It is really simplistic but shocks in the 50 percent of the ebook. Once you begin to read the book, it is extremely difficult to leave it before concluding.

-- **Ally Reichel**

This publication is amazing. It is definitely basic but shocks in the fifty percent of your publication. You wont feel monotony at anytime of your own time (that's what catalogues are for concerning if you question me).

-- **Prof. Kirk Cruickshank DDS**

Other PDFs



Index to the Classified Subject Catalogue of the Buffalo Library; The Whole System Being Adopted from the Classification and Subject Index of Mr. Melvil Dewey, with Some Modifications . (Paperback)

Rarebooksclub.com, United States, 2013. Paperback. Book Condition: New. 246 x 189 mm. Language: English . Brand New Book ***** Print on Demand *****.This historic book may have numerous typos and missing text. Purchasers can usually download a free scanned copy of the...



Two Treatises: The Pearle of the Gospell, and the Pilgrims Profession to Which Is Added a Glasse for Gentlewomen to Dresse Themselves By. by Thomas Taylor Preacher of Gods Word to the Towne of Reding. (1624-1625) (Paperback)

Proquest, Eebo Editions, United States, 2010. Paperback. Book Condition: New. 246 x 189 mm. Language: English . Brand New Book ***** Print on Demand *****.EARLY HISTORY OF RELIGION. Imagine holding history in your hands. Now you can. Digitally preserved and previously accessible...



Two Treatises: The Pearle of the Gospell, and the Pilgrims Profession to Which Is Added a Glasse for Gentlewomen to Dresse Themselves By. by Thomas Taylor Preacher of Gods Word to the Towne of Reding. (1625) (Paperback)

Proquest, Eebo Editions, United States, 2010. Paperback. Book Condition: New. 246 x 189 mm. Language: English Brand New Book ***** Print on Demand *****.EARLY HISTORY OF RELIGION. Imagine holding history in your hands. Now you can. Digitally preserved and previously accessible only...



Southern Educational Review Volume 3 (Paperback)

Rarebooksclub.com, United States, 2012. Paperback. Book Condition: New. 246 x 189 mm. Language: English . Brand New Book ***** Print on Demand *****.This historic book may have numerous typos and missing text. Purchasers can download a free scanned copy of the original...



A Year Book for Primary Grades; Based on Froebel s Mother Plays (Paperback)

Rarebooksclub.com, United States, 2012. Paperback. Book Condition: New. 246 x 189 mm. Language: English . Brand New Book ***** Print on Demand *****.This historic book may have numerous typos and missing text. Purchasers can download a free scanned copy of the original...



Ohio Court Rules 2013, Practice Procedure (Paperback)

Createspace, United States, 2012. Paperback. Book Condition: New. 246 x 189 mm. Language: English . Brand New Book ***** Print on Demand *****. Superseded by 2014 Edition. This title is available, but should be relied upon solely for purposes of historical reference...