

## CURRICULUM VITAE

April 2018

**Firouz Gahvari**

<b>Personal</b>	Born on May 2, 1948 Married with two sons Citizen of U.S.
<b>Home Address</b>	1216 Wilshire Court Champaign, Illinois 61821
<b>Business Address</b>	University of Illinois at Urbana-Champaign Department of Economics 225D David Kinley Hall 1407 West Gregory Urbana, Illinois 61801 Phone: (217) 244-5178 Fax: (217) 244-7368 Email: fgahvari@illinois.edu

### Education

Ph.D., Economics, University of California, Los Angeles, 1981.

C.Phil., Economics, University of California, Los Angeles, 1981.

M.Sc., Econometrics and Mathematical Economics, University of London (London School of Economics), 1971.

B.Sc., Economics, University of London (Queen Mary College), 1970.

### Employment

Department of Economics, University of Illinois at Urbana-Champaign, Urbana, Illinois 61801:

Leiby S. Hall Distinguished Endowed Chair in Economics, 2008–present.

Professor of Economics, 1994–present.

Director, Master of Science in Economics Program, 1994–2016.

Department of Economics, Virginia Polytechnic Institute and State University, Blacksburg, Virginia 24061:

Professor, 1994–1995.

Associate Professor, 1986–1994.

Director of Graduate Studies, 1991–1993.

Acting Head, January 1988–June 1988.

Assistant Professor, 1981–1986.

Economist, Economics Research Department, Central Bank of Iran, 1972–1977.

Actuarial Trainee, Pearl Assurance Company, London, England, 1971–1972.

### **Visiting Positions**

Visiting Scholar, Department of Economics, Uppsala University, Sweden, May 2009, April 2012.

Visitor, Center for Economic Studies, University of Munich, Germany, September 2008.

Visiting Professor, Institut d'Economie Industrielle, Université des Sciences Sociales, Toulouse, France, June 1996, June 1999, November 2006, January–June 2008.

Visiting Professor, Department of Economics, University of Southampton, Southampton, S09 5NH, England, 1988–1989.

Lecturer, School of Business Administration and Economics, California State University, Northridge, California, January 1980–June 1980.

Lecturer, Department of Economics, University of Tehran, Iran, 1974–1977.

Lecturer, Banking Institute of Iran, 1976–1977.

Lecturer, Department of Economics, Karaj Institute of Mathematics and Managerial Economics, Iran, 1972–1976.

## **Teaching Experience**

Graduate level (PhD and MS): Public Economics.

Undergraduate level: Public Economics, Environmental Economics, Urban Economics, Managerial Economics, Microeconomics, Principles.

## **Honors**

UIUC Incomplete List of Excellent Teachers: Spring 95, Spring 96, Fall 97, Spring 98, Spring 2000, Spring 2002, Fall 2003, Fall 2005, Spring 2009, Spring 2011, Fall 2017.

Excellence in Refereeing Award, *American Economic Review*, 20008.

Alumni Discretionary Award, College of Arts and Sciences, UIUC, 2004.

VPI & SU College of Business Award for Teaching Excellence, 1985.

VPI & SU Economics Club Award for Teaching Excellence, 1983.

Earhart Foundation Fellowship, 79/80.

Central Bank of Iran full Scholarship: 66–71, 77–81.

## **Editorial service**

Associate Editor, *Journal of Public Economic Theory*, January 1998–2016.

Associate Editor, *Journal of Public Economics*, January 1998–2012.

Associate Editor, *Economics Bulletin*, January 2001–2016.

Associate Editor, *B.E. Journals of Economic Analysis & Policy*, April 2001–2013.

Associate Editor, *Quarterly Review of Economics and Finance*, April 2014–present.

## **Professional Activities**

CESifo Research Network Fellow, December 2008–present.

Outside reviewer for the Interim Evaluation of the National Research Network (NFN), Austria, May 2011.

Outside consultant to appraise Doctoral and Master Programs in Economics

at York University, Ontario, Canada, April 2009.

Keynote Speaker, International Tax and Public Finance World Conference, Maastricht, Netherlands, August 2008.

Member of the Jury “de l’Habilitation à Diriger des Recherches en Science économiques,” University of Toulouse, March 2008.

Outside referee on tenure and promotion:

Central European University, Budapest, Hungary, 2015.

Wellesley College, 2013.

The American University of Paris, 2013.

Universidade Nova de Lisboa, Portugal, 2010.

East California University, 2009.

Ben Gurion University, Israel, 2008.

Academia Sinica, Taiwan, 2002, 2007.

City University of Hong Kong, 2006.

Williams College, 2004.

Rutgers University, 2003.

Ohio State University, 1996.

Scientific Committee Member/Session Organizer:

6th World Congress of Environmental and Resource Economists (WCERE), to be held in Gothenburg, Sweden, June 2018.

14th Conference of the Society for the Advancement of Economic Theory, Tokyo, Japan, August 2014.

Second Conference of the International Iranian Economic Association, Istanbul, Turkey, June 2013.

18th Annual Conference of the European Association of Environmental and Resource Economists, Rome, Italy, June-July 2011.

Association of Public Economic Theory World Conference, Bloomington, Indiana, June 2011.

Association of Public Economic Theory World Conference, Istanbul, Turkey, June 2010.

Association of Public Economic Theory World Conference, Galway, Ireland, July 2009.

Conference on Iranian Economy, Champaign, Illinois, December 2008.

International Tax and Public Finance World Conference, Maastricht, Netherlands, August 2008.

Association of Public Economic Theory World Conference, Seoul, Korea, June 2008.

International Tax and Public Finance World Conference, Cyprus, August 2006.

Conference on “Regional Strategies, Decentralization, and Subsidiarity,” University of Toulouse, 1996.

Referee for:

*Academic Press*

*American Economic Journal–Economic Policy*

*American Economic Review*

*B.E. Journal of Economic Analysis & Policy*

*Bulletin of Economic Research*

*Canadian Journal of Economics*

*Columbia Press*

*Contemporary Economic Policy*

*Economica*

*Economic Inquiry*

*Economics Bulletin*

*Economics Letters*

*Elsevier*

*European Economic Review*

*European Journal of Political Economy*

*Explorations in Economic History*

*French National Research Agency*

*International Economic Review*

*International Tax and Public Finance*  
*Journal of Development Economics*  
*Journal of Economic Dynamics and Control*  
*Journal of Economic Growth*  
*Journal of Economics*  
*Journal of Economics and Business*  
*Journal of Economic Education*  
*Journal of Economic Inequality*  
*Journal of Economic Surveys*  
*Journal of Economic Theory*  
*Journal of Environmental Economics and Management*  
*Journal of Environmental and Resource Economics*  
*Journal of International Economics*  
*Journal of Macroeconomics*  
*Journal of Monetary Economics*  
*Journal of Money Credit and Banking*  
*Journal of Pension Economics and Finance*  
*Journal of Political Economy*  
*Journal of Population Economics*  
*Journal of Public Economic Theory*  
*Journal of Public Economics*  
*Journal of the European Economic Association*  
*Journal of Urban Economics*  
*Journal of Urban Affairs*  
MIT Press  
National Science Foundation  
National Tax Journal  
Oxford Economic Papers  
Public Choice  
Public Finance / Finances Publiques  
Public Finance Review (formerly, Public Finance Quarterly)  
Quantitative Economics  
Quarterly Journal of Business and Economics  
Quarterly Review of Economics and Finance  
RAND Journal of Economics  
Review of Development Economics  
Review of Economic Studies  
Review of Income and Wealth  
Scandinavian Journal of Economics  
Scientific Research Fund (F.R.S.-FNRS), Brussels

*Social Choice and Welfare*  
*Southern Economic Journal*  
*University of Illinois Research Board*

## **Publications**

### *I. Peer Refereed Journals*

Heterogeneity, monetary policy, Mirrleesian taxes, and the Friedman rule, with Luca Micheletto, *Economic Theory*, published online March 2018, 1–36.

Uncertain altruism and the provision of long term care, with Helmuth Cremer and Pierre Pestieau, *Journal of Public Economics*, Vol. 151, 2017, 12–24.

Restoring Ramsey tax lessons to Mirrleesian tax settings: Atkinson–Stiglitz and Ramsey reconciled, with Helmuth Cremer, *Social Choice & Welfare*, Vol. 49, 2017, 11–35.

Capital income taxation and the Atkinson–Stiglitz theorem, with Luca Micheletto, *Economics Letters*, Vol. 147, 2016, 86–89.

Export constraint and domestic fiscal reform: Lessons from 2011 subsidy reform in Iran, with Seyed Mohammad Karimi, *Quarterly Review of Economics and Finance*, Vol. 60, 2016, 40–57.

On the optimal linkage of social security benefits to payroll taxes, with Randy Beach, *Research in Economics*, Vol. 70, 2016, 110–121.

Atkinson and Stiglitz theorem in the presence of a household production sector, with Helmuth Cremer, *Economics Letters*, Vol. 126, 2015, 91–95.

Energy taxes and oil price shocks, with Helmuth Cremer and Norbert Ladoux, *The B.E. Journal of Economic Analysis & Policy: Advances*, Vol. 15, 2015, 475–501.

The Friedman rule in an overlapping-generations model with nonlinear taxation and income misreporting, with Luca Micheletto, *Journal of Public Economics*, Vol. 119, 2014, 10–23.

Second-best Pigouvian taxation: a clarification, *Environmental and Resource Economics*, Vol. 59, 2014, 525–535.

Second-best taxation of incomes and non-labor inputs in a model with endogenous wages, *Journal of Public Economic Theory*, Vol. 16, 2014, 917–935

Endogenous altruism, redistribution, and long term care, with Helmuth Cremer and Pierre Pestieau, *The B.E. Journal of Economic Analysis & Policy: Advances*, Vol. 14, 2014, 499–525.

The Friedman rule in a model with endogenous growth and cash-in-advance constraint, *Journal of Money, Credit and Banking*, Vol. 44, 2012, 787–823.

Accidental bequests: a curse for the rich and a boon for the poor, with Helmuth Cremer and Pierre Pestieau, *Scandinavian Journal of Economics*, Vol. 114, 2012, 1437–1459.

Principle of targeting in environmental taxation: corrigendum, *Korean Economic Review*, Vol. 28, 2012, 261–264.

Fertility, human capital accumulation, and the pension system, with Helmuth Cremer and Pierre Pestieau, *Journal of Public Economics*, Vol. 95, 2011, 1272–1279.

Fiscal reforms in general equilibrium: theory and an application to the subsidy debate in Iran, with Farzad Taheripour, *The B.E. Journal of Economic Analysis & Policy: Contributions*, Vol. 11, 2011, Article 36, 1–52.

Stochastic fertility, moral hazard, and the design of pay-as-you-go pension plans, with Helmuth Cremer and Pierre Pestieau, *CESifo Economic Studies*, Vol. 57, 2011, 332–348.

Principle of targeting in environmental taxation, *Korean Economic Review*, Vol. 26, 2010, 223–266.

Income tax reform in France: a case study, with Helmuth Cremer and Norbert Ladoux, *FinanzArchiv: Public Finance Analysis*, Vol. 66, 2010, 121–133.

Tagging and income taxation: theory and an application, with Helmuth Cremer and Jean-Marie Lozachmeur, *American Economic Journal: Economic Policy*, Vol. 2, 2010, 31–50.

Environmental tax design with endogenous earning abilities: an application to France, with Helmuth Cremer and Norbert Ladoux, *Journal of Environmental Economics and Management*, Vol. 59, 2010, 82–93.



Pensions and fertility: in search of a link, *International Tax and Public Finance*, Vol. 16, 2009, 418–442.

Transfers in cash and in-kind: Theory meets the data, with Janet Currie, *Journal of Economic Literature*, Vol. 46, 2008, 333–383.

Pensions with heterogeneous individuals and endogenous fertility, with Helmuth Cremer and Pierre Pestieau, *Journal of Population Economics*, Vol. 21, 2008, 961–981.

Political competition within and between parties: an application to environmental policy, with Helmuth Cremer and Philippe De Donder, *Journal of Public Economics*, Vol. 92, 2008, 532–547.

Energy Taxes in Three Political Economy Models, with Helmuth Cremer and Philippe De Donder, *The B.E. Journal of Economic Analysis & Policy: Advances*, Vol. 7, 2007, 1–27.

Conditional cash transfers, public provision of private goods and income redistribution, with Enlinson H.C. de Mattos, *American Economic Review*, Vol. 97, 2007, 491–502.

The Friedman rule: old and new, *Journal of Monetary Economics*, Vol. 54, 2007, 581–589.

On optimal commodity taxes when consumption is time consuming, *Journal of Public Economic Theory*, Vol. 9, 2007, 1–27.

Pensions with endogenous and stochastic fertility, with Helmuth Cremer and Pierre Pestieau, *Journal of Public Economics*, Vol. 90, 2006, 2303–2321.

Which border taxes? origin and destination regimes with fiscal competition in output and emission taxes, with Helmuth Cremer, *Journal of Public Economics*, Vol. 90, 2006, 2121–2142.

Optimal taxation with consumption time as a leisure or labor substitute, with Robin Boadway, *Journal of Public Economics*, Vol. 90, 2006, 1851–1878.

On the marginal cost of public funds and the optimal provision of public goods, *Journal of Public Economics*, Vol. 90, 2006, 1251–1262.

Environmental taxation in open economies: Unilateralism or partial harmonization, with Helmuth Cremer, *Southern Economic Journal*, Vol. 72, 2005,

352–371.

Political sustainability and the design of environmental taxes, with Helmuth Cremer and Philippe De Donder, *International Tax and Public Finance*, Vol. 11, 2004, 703–719.

Environmental taxes and majority rule, with Helmuth Cremer and Philippe de Donder, *Public Choice*, Vol. 119, 2004, 335–358.

Environmental taxation, tax competition and harmonization, with Helmuth Cremer, *Journal of Urban Economics*, Vol. 55, 2004, 21–45.

Environmental taxes with heterogeneous consumers: an application to energy consumption in France, with Helmuth Cremer and Norbert Ladoux, *Journal of Public Economics*, Vol. 87, 2003, 2791–2815.

Effets externes et taxation optimale: une application à la taxation de l'énergie en France, with Helmuth Cremer and Norbert Ladoux, *Revue Économique*, Vol. 53, 2002, 933–949.

Imperfect observability of emissions and second-best emission and output taxes, with Helmuth Cremer, *Journal of Public Economics*, Vol. 85, 2002, 385–407.

Nonlinear pricing, redistribution and optimal tax policy, with Helmuth Cremer, *Journal of Public Economic Theory*, Vol. 4, 2002, 139–161.

Second-best taxation of emissions and polluting goods, with Helmuth Cremer, *Journal of Public Economics*, Vol. 80, 2001, 169–197.

Second-best pollution taxes and the structure of preferences, with Helmuth Cremer and Norbert Ladoux, *Southern Economic Journal*, Vol. 68, 2001, 258–280.

Tax evasion, fiscal competition and economic integration, with Helmuth Cremer, *European Economic Review*, Vol. 44, 2000, 1633–1657.

Uncertainty and optimally uniform commodity taxes, with Helmuth Cremer, *Southern Economic Journal*, Vol. 66, 1999, 156–167.

La taxation des biens polluants, with Helmuth Cremer and Norbert Ladoux, *Revue Française D'Économie*, Vol. 14, 1999, 33–60.

Uncertainty, commitment and optimal taxation, with Helmuth Cremer, *Jour-*

*nal of Public Economic Theory*, Vol. 1, 1999, 51–70.

Excise tax evasion, tax revenue and welfare, with Helmuth Cremer, *Public Finance Review*, Vol. 27, 1999, 77–95.

Externalities and optimal taxation, with Helmuth Cremer and Norbert Ladoux, *Journal of Public Economics*, Vol. 70, 1998, 343–364. [Reprinted in *Environmental Policy Making in Economies with Prior Tax Distortions*, Edward Elgar, 2002.]

On optimal taxation of housing, with Helmuth Cremer, *Journal of Urban Economics*, Vol. 43, 1998, 315–335.

Tax competition and tax evasion, with Helmuth Cremer, *Nordic Journal of Political Economy*, Vol. 24, 1997, 89–104.

In-kind transfers, self-selection and optimal tax policy, with Helmuth Cremer, *European Economic Review*, Vol. 41, 1997, 97–114.

Tax evasion and the optimum general income tax, with Helmuth Cremer, *Journal of Public Economics*, Vol. 60, 1996, 235–249. [Reprinted in *The Economics of Tax Avoidance and Evasion*, The International Library of Critical Writings in Economics Series, Edward Elgar publishing, 2017.]

Uncertainty, optimal taxation and the direct versus indirect tax controversy, with Helmuth Cremer, *Economic Journal*, Vol. 95, September 1995, 1165–1179.

Uncertainty and optimal taxation: in defense of commodity taxes, with Helmuth Cremer, *Journal of Public Economics*, Vol. 56, February 1995, 291–310.

In-kind versus cash transfers in presence of distortionary taxes, *Economic Inquiry*, Vol. 33, January 1995, 45–53.

Tax evasion, concealment and the optimal linear income tax, with Helmuth Cremer, *Scandinavian Journal of Economics*, Vol. 96, 1994, 219–239.

In-kind transfers, cash grants and labor supply, *Journal of Public Economics*, Vol. 55, 1994, 495–504.

Taxation and government expenditures in a life-cycle growth model, *Public Finance / Finances Publiques*, Vol. 48, 1993, 33–56.

Optimal commodity taxation and household consumption activities, with C.C. Yang, *Public Finance Quarterly*, Vol. 21, October 1993, 479–487.

Tax evasion and optimal commodity taxation, with Helmuth Cremer, *Journal of Public Economics*, Vol. 50, February 1993, 261–275.

Tax evasion and the structure of indirect taxes and audit probabilities, with Helmuth Cremer, *Public Finance / Finances Publiques*, Vol. 47, 1992 (supplement), 351–365.

Separability and diminishing marginal utility, *Oxford Economic Papers*, Vol. 43, 1991, 684–688.

Labor supply and tax rates in a many-person economy, *Scottish Journal of Political Economy*, Vol. 38, November 1991, 343–351.

Tax rates, labor supply and the structure of preferences, *Public Finance Quarterly*, Vol. 19, October 1991, 466–476.

Tax rates, government expenditures and labor supply: clarifying the record, *Scandinavian Journal of Economics*, Vol. 92, September 1990, 525–530.

The nature of government expenditures and the shape of the Laffer Curve, *Journal of Public Economics*, Vol. 40, November 1989, 251–260.

Licensing and nontransferable rents: comment, *American Economic Review*, Vol. 79, September 1989, 906–909.

Lump-sum taxation and the superneutrality and the optimum quantity of money in life cycle growth models, *Journal of Public Economics*, Vol. 36, August 1988, 339–367.

Does the Laffer Curve ever slope down?, *The National Tax Journal*, Vol. 41, June 1988, 267–269.

Demand and supply of housing in the U.S. : 1929-1978, *Economic Inquiry*, Vol. 24, April 1986, 333–347.

Labor supply and tax rates; comment, *American Economic Review*, March 1986, Vol. 76, 280–283.

A note on additivity and diminishing marginal utility, *Oxford Economic Papers*, Vol. 38, March 1986, 185–186.

Taxation of housing, capital accumulation and welfare: a study in dynamic

tax reform, *Public Finance Quarterly*, Vol. 13, April 1985, 132–160.

A note on inflation, taxation and interest rates, *Southern Economic Journal*, Vol. 51, January 1985, 874–879.

Incidence and efficiency aspects of differential taxation of residential and industrial capital in a growing economy, *Journal of Public Economics*, Vol. 25, November 1984, 211–234.

The optimal taxation of housing, *Public Finance / Finances Publiques*, Vol. 39, 1984, 213–225.

## II. *Reviews, Conference Proceedings, Chapters in Books*

Review of Rudolph G. Penner (ed), International Perspectives on Social Security Reform, *Journal of Economic Literature*, Vol. 47, 2009, 830–834.

Review of Ruud A. de Mooij: Environmental Taxation and the Double Dividend, *Journal of Economic Literature*, Vol. 40, 2002, 221–223.

Effets externes et cout social des facteurs de production, with Helmuth Cremer and Norbert Ladoux, in Bernard Jurion et Pierre Pestieau (eds), *Finances Publiques, Finances Privées*, les editions de l’Universite de Liege, Liege, 2000, 29–48.

Growth and Income Distribution in Iran, with M. Hashem Pesaran, in R. Stone and W. Peterson (eds), *Econometric Contributions to Public Policy: Proceedings of a conference held by I.E.A. at Urbino, Italy*, New York, St. Martin’s Press, 1979, 231–248.

## III. *Other publications*

“Why in-Kind Benefits?” with Janet Currie, VOX, *Research-based policy analysis and commentary from leading economists*, [www.voxeu.org](http://www.voxeu.org), December 2007.

## **Recently completed working papers**

Wage endogeneity, tax evasion and optimal nonlinear income taxation, with

Luca Micheletto, April 2018.

“Honor thy father and thy mother” or Not: Uncertain family aid and the design of social long term care insurance, with Chiara Canta and Helmuth Cremer, March 2018.

Optimal income taxation when time endowments differ, with Luca Micheletto, June 2017.

Principle of targeting with linear and proportional tax systems, with Luca Micheletto, July 2017.

On additivity property in environmental taxation, December 2013.

Wage endogeneity and Pigouvian taxation of polluting inputs, December 2013.

On the correct interpretation of Corlett and Hague, February 2009.

### **Working papers in progress**

Incidence of environmental taxes under quadratic almost ideal demand system, with Harry Tsang, July 2016.

Leisure at home versus shirking at the office: implications for optimal taxation, with Luca Micheletto, June 2016.

Taxation of land and structures, with Sören Blomquist and Luca Micheletto, April 2015.

Optimal taxation when time endowments differ, with Luca Micheletto, February 2015.

Partial take up as an optimal screening device in the face of varying degrees of stigma, with Helmuth Cremer, September 2014.

Welfare improving tax evasion, with Helmuth Cremer, September 2014.

Taxation and obesity, with Harry Tsang, January 2012.

Optimal capital income taxation with endogenous interest rates, with Luca Micheletto, October 2011.

Optimal environmental taxes: Ramsey versus Mirrlees, with Harry Tsang, June 2011.

Tax design in a dual economy, with Helmuth Cremer and Pierre Pestieau, April 2010.

Endogenous tagging, with Helmuth Cremer, April 2008.

### **Other work in progress**

In-kind transfers, capital accumulation and growth.

Optimal pension schemes in models with endogenous growth.

Topping up or opting out? with Helmuth Cremer.

Stigma and redistribution, with Helmuth Cremer.

Tax evasion and income distribution, with Helmuth Cremer.

The political economy of in-kind transfers, with Helmuth Cremer and Philippe De Donder.

Optimal tax calibrations under externalities, with Helmuth Cremer and Norbert Ladoux.

Tax design with formal and informal sectors, with Helmuth Cremer and Pierre Pestieau, April 2008.

Pensions and fertility, with Helmuth Cremer and Pierre Pestieau.

Second-best taxes and pollution permits, with Helmuth Cremer.