

Harry Tsang

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Home:

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Cell Phone: (217) 621-3206
Citizenship: U.S.
Birthplace: Los Angeles, California

Education

Ph.D. in Economics, University of Illinois at Urbana-Champaign (expected May 2009)
M.S. in Economics, University of Illinois at Urbana-Champaign (May 2006)
M.S. in Public Policy & Management, Carnegie Mellon University (May 2002)
B.S. in Business Administration, Carnegie Mellon University (May 2001)

Primary Fields:

Public Economics, Labor Economics

Research Interests:

Public economics, environmental economics - applied and theoretical

Research Papers:

“Non-linear Engel Curves and the Incidence of Environmental Taxes”
with Firouz Gahvari (job market paper)
“Optimal Taxation of Energy in the United States.” with Firouz Gahvari (working)
“Education Savings Bonds and Savings Behavior” (working)

Conference Presentations:

National Tax Association 101st Annual Conference on Taxation - Philadelphia, PA
“Non-linear Engel Curves and the Incidence of Environmental Taxes”
Midwest Economics Association 2008 Annual Meeting - Chicago, IL
“Non-linear Engel Curves and the Incidence of Environmental Taxes”
Western Social Science Association 2006 Annual Meeting - Phoenix, AZ
“Education Savings Bonds and Savings Behavior”
Midwest Economics Association 2006 Annual Meeting - Chicago, IL
“Education Savings Bonds and Savings Behavior”
Public Economics Seminar, University of Illinois, March 2006 - Champaign, IL
“Education Savings Bonds and Savings Behavior”

Research Experience:

Summer Research Associate, Congressional Budget Office, Washington D.C.
Summer 2006

Honors and Awards:

Robert Willis Harbeson Memorial Dissertation Fellowship
Department of Economics, University of Illinois, 2007
Robert E. Demarest Memorial Award for Teaching Excellence
Department of Economics, University of Illinois, 2006
University of Illinois Incomplete List of Teachers Ranked Outstanding/Excellent
by Students: Fall: 2002, 2004, 2005, 2006, 2007
Spring: 2004, 2005, 2006, 2007, 2008

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Teaching Experience

Lecturer:

Principles of Microeconomics: Summer 2005

Head Teaching Assistant:

Principles of Microeconomics: Spring 2005, 2006, 2007, Fall 2008

Economic Statistics I: Fall 2004, 2005, 2006

Teaching Assistant:

Principles of Microeconomics: Fall 2002, Spring 2003, Fall 2003

Principles of Macroeconomics: Spring 2004

Economic Statistics I: Fall 2007

Economic Statistics II: Spring 2008

Public Economics: Fall 2007

Grader:

Public Economics: Fall 2005, Spring 2006, Fall 2006

University Service:

Economics Graduate Student Organization President, Spring 2004 - Fall 2005

Department of Economics Awards Committee, Spring 2004 - Fall 2005

References:

Firouz Gahvari

Dissertation Supervisor

Professor of Economics and Director, Master of Science Program

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Abstract of Research Papers

“Non-linear Engel Curves and the Incidence of Environmental Taxes” (Job Market Paper)

This paper uses two different estimation procedures to calculate the incidence of environmental taxes and compares the results. Both estimation procedures assume non-separability of leisure and so the labor response is included in estimates of household behavior. The first method is the Almost Ideal Demand System (AIDS) model of Deaton and Muellbauer. The AIDS model assumes linear Engel curves and if this assumption is violated then welfare estimates are biased. The Quadratic Almost Ideal Demand System (QUAIDS) model of Banks, Blundell and Lewbel extends the AIDS model to allow for non-linear Engel curves. Households consume three goods - a composite clean good, a composite energy good and leisure. Data on household consumption is from the Consumer Expenditure Survey. The AIDS model finds the energy good and leisure to be substitutes while the QUAIDS model finds no relationship between the two goods. Moreover the AIDS model is found to overestimate the welfare loss of environmental taxes on low-income households but underestimate the welfare loss of environmental taxes on high-income households.

“Optimal Taxation of Energy in the United States”

This paper examines the optimal tax design problem with externalities, and the structure of environmental taxes, within the context of modern optimal tax theory. This issue has been addressed by Cremer, Gahvari and Ladoux (JPubE, 1998) at a theoretical level and by Cremer, Gahvari and Ladoux (JPubE, 2003) numerically for a model calibrated on data from the French economy. The current paper extends those studies in three broad areas. First, we specify preferences that are non-separable in goods and labor supply; second we estimate the model empirically based on the U.S. data; third, we use the estimated model to simulate the optimal environmental taxes and the accompanying income taxes for the U.S. economy.

“Education Savings Bonds and Savings Behavior”

This paper examines the effect of tax incentives on household savings for education. I analyze the impact of the 1990 Education Savings Bond program, which allows for interest earnings to be exempt from income taxes in years where the household incurs a qualified education expense. Using the 1989 and 1992 Survey of Consumer Finance data sets, I use a difference-in-difference methodology to measure how asset levels and asset shares have changed over time for households with college-bound children as opposed to those without. Households without college-bound children do not need to save for education and thus are not affected by the program. The comparison between the savings behavior of the two groups, correcting for individual characteristics, reveals the impact of the Education Savings Bond Program. The results indicate that there is no significant response on the part of households to the tax incentives.