Discussion of

Why do we Redistribute so Much but Tag so Little?

by Matthew Weinzierl

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Wharton

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Introduction

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- My discussion:
  - Mirrleesian approach to optimal taxation
  - It's implications about Matthew's paper

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- interim vs ex-ante efficiency: cardinal vs. ordinal utility

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- Rawlsian: $\min_i v_i$

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- When G is high: not clear

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- Implication: less scope for tagging

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- Which one is more natural?

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- Some of the tags mentioned are really endogenous: family size, retirement; should be solution to the mechanism design problem