



Stefanie Stantcheva Recipient of the 2020 Elaine Bennett Research Prize

Stefanie Stantcheva, Professor of Economics at Harvard University, is the recipient of the 2020 Elaine Bennett Research Prize. Established in 1998, the Elaine Bennett Research Prize recognizes and honors outstanding research in any field of economics. Professor Stantcheva will formally accept the Prize (virtually) at the Business Meeting and Award Ceremony of the American Economic Association (AEA) Committee on the Status of Women in the Economics Profession (CSWEP), held during the 2021 AEA/ASSA Meeting on January 3, 2021 at 2:30PM EST.

Stefanie Stantcheva is one of the world's leading young economists. Her work focuses on public economics, but also makes contributions to labor economics, macroeconomics, and industrial organization.

A key strand of Professor Stantcheva's work focuses on the theory of optimal taxation. Her seminal paper, "Optimal Taxation and Human Capital Policies over the Life Cycle," published in the *Journal of Political Economy*, provides a theoretical analysis of the problem of optimal taxation and optimal subsidies for human capital investments, such as higher education. In this paper, Professor Stantcheva constructs an elegant dynamic model of lifecycle behavior, with much greater richness than previous studies. She characterizes both the optimal lifetime income tax schedule and the optimal set of age-dependent government subsidies for human capital investment. She proves that unless the income tax schedule can condition a taxpayer's liability on educational investment, the voluntary nature of educational investment will reduce the optimal degree of tax progressivity. Her analysis breaks new ground by laying a foundation for the theoretical analysis of how optimal tax and human capital policies interact—a topic with important real-world applications to government policies on taxation and human capital investment.

Professor Stantcheva has written numerous other important papers on optimal taxation that extend these ideas in a variety of dimensions. These include her paper "Optimal Income Taxation with Adverse Selection in the Labor Market," published in the *Review of Economic Studies*, "Optimal Taxation and R&D Policies" (joint with Ufuk Akcigit and Douglas Hanley), "Generalized Social Welfare Weights for Optimal Tax Theory," (joint with Emmanuel Saez, and published in the *American Economic Review*), and "Optimal Taxation of Top Labor Incomes: A Tale of Three Elasticities," published in the *American Economic Journal: Economic Policy*.

Professor Stantcheva has also written an important series of papers on the impact of tax policies on innovation, that builds on her earlier work on optimal taxation and human

capital formation. In her influential paper, “Taxation and the International Mobility of Inventors,” (joint with Ufuk Akcigit and Salome Baslandze and published in the *American Economic Review*), Professor Stantcheva and her coauthors track inventors' locations over time to study how they respond to changes in top income tax rates. Professor Stantcheva extends this line of analysis in her recent work, “Taxation and Innovation in the Twentieth Century,” (joint with Ufuk Akcigit, John Grigsby, and Tom Nicholas). In this paper, Professor Stantcheva uses panel data on U.S. patents and tax rates going back almost a century to provide further evidence that higher tax rates can depress innovation.

Professor Stantcheva has also pioneered the development of large-scale Social Economics Surveys and experiments to “get into people’s minds” and study things that are invisible in other datasets, such as perceptions, beliefs, attitudes, and views. She has created the Social Economics Lab (<http://socialeconomicslab.org/>) where she addresses questions related to why people support some policies and not others, and what shapes their attitudes towards economic policies. One part of this work relates to preferences for redistribution. In Professor Stantcheva’s paper, “Intergenerational Mobility and Preferences for Redistribution,” (joint with Alberto Alesina and Edoardo Teso and published in the *American Economic Review*), she investigates how beliefs about intergenerational mobility affect individuals' preferences for redistribution in a variety of countries. The paper yields exciting new insights about what causes differences in cross-country beliefs about intergenerational mobility. Professor Stantcheva’s 2015 paper “How Elastic Are Preferences for Redistribution?” (joint with Ilyana Kuziemko, Michael Norton, and Emmanuel Saez and published in the *American Economic Review*) uses on-line survey methods to provide new insights into the nature of income and wealth inequality.

Professor Stantcheva received her Ph.D. in Economics from the Massachusetts Institute of Technology in 2014 and her work has been published in the top academic journals such as the *American Economic Review*, the *Journal of Political Economy*, and the *Review of Economic Studies*. Among many prestigious honors, she has received an Alfred Sloan Fellowship in 2019 and an NSF CAREER Award in 2017. She was a Junior Fellow at the Harvard Society of Fellows and is currently one of three co-editors of the *Quarterly Journal of Economics*.

The Elaine Bennett Research Prize is given in memory of Elaine Bennett, who made significant contributions to economic theory and experimental economics during her short professional career, and who mentored many women economists at the start of their careers. The prize is given every other year to a woman economist not more than seven years beyond her PhD (with adjustments for family responsibilities and/or medical leaves). Previous winners of this prize are: Melissa Dell (Harvard), Marina Halac (Yale), Emi Nakamura (UC Berkeley), Anna Mikusheva (MIT), Erica Field (Duke University), Amy Finkelstein (MIT), Monika Piazzesi (Stanford University), Marianne Bertrand (University of Chicago), Esther Duflo (MIT), Susan Athey (Stanford University), and Judith Chevalier (Yale University).

CSWEP is a subcommittee of the AEA charged with addressing the status of women in the economics profession. It directs mentoring activities for women at the beginning of their careers, organizes sessions at the annual meetings of the AEA and the regional economics associations, publishes a thrice yearly newsletter, monitors the progress of women within the profession, and reports annually to the AEA on the status of women in economics. CSWEP associates are women and men in the diverse areas of the profession – in academe, government and business.

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