

# Problem Set 3

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Figure 1 uses data from the Tax Introduction Database. This database includes information on when different types of taxes were introduced in different countries. This particular sample is from 1850 to 2000 and includes 18 countries: Argentina, Australia, Brazil, Canada, Chile, Columbia, Denmark, Finland, Ireland, Japan, Mexico, Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, and the United States. It shows that countries tend to implement an income tax first, and most countries had instituted an income tax by the 1940s. In the 1960s and 70s, countries tend to start implementing a value added tax (VAT), though not all countries have started collecting this tax yet.

Figure 2 uses data from the Behavioral Risk Factor Surveillance System (BRFSS). This data includes a variety of physical and mental health related variables, including the number of days of poor mental health respondents have experienced in the last month. I previously have combined and collapsed this data to find the percentage of the population by state, month, and year who experienced 0 poor mental health days, 0-14 poor mental health days, and 14+ poor mental health days. This figure looks at the proportion of these three groups over time in Illinois. Clearly, something is amiss in the early 2000s, which you can see by the massive dip in all groups. My coauthor and myself are working to discover the reason for this issue. Generally, however, we can see that the proportion of people with poor mental health is trending up, while the proportion of people with good mental health is trending down slightly.

Figure 3 also uses BRFSS data, but looks at the percentage of people experiencing 14+ poor mental health days in January of 2019 across all states. We see that generally Northeastern and Western states have the smallest mentally ill populations, while Southern and Midwestern states have the largest mentally ill populations.

FIGURE 1: ADOPTION OF DIFFERENT TAX TYPES

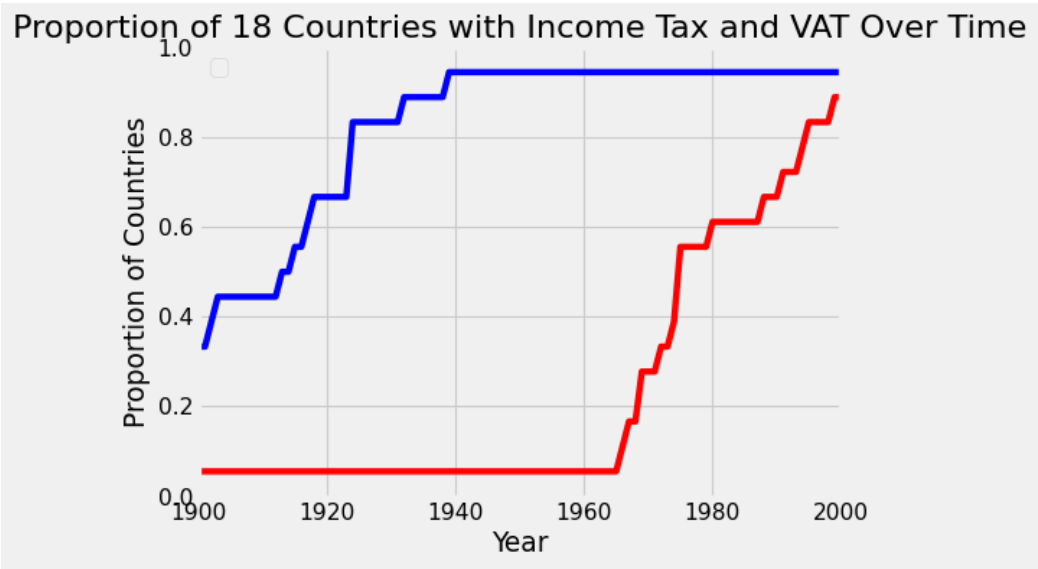


FIGURE 2: EVOLUTION OF MENTAL HEALTH IN ILLINOIS

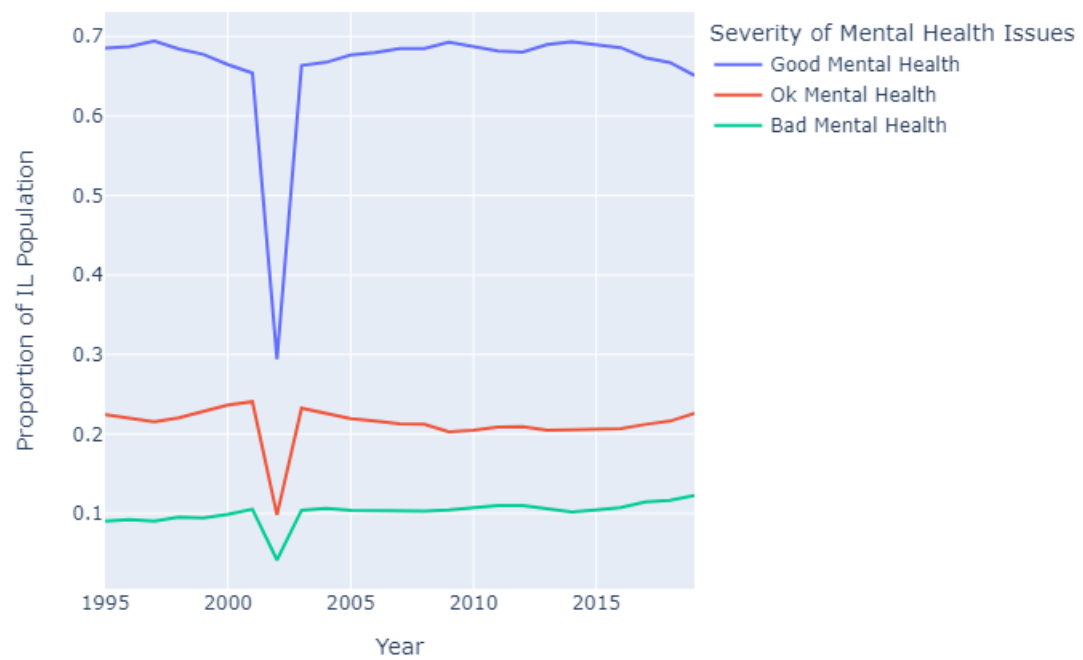


FIGURE 3: PROPORTION OF POPULATION WITH 14+ BAD MENTAL HEALTH DAYS IN JANUARY 2019

