

Seminar Public Economics 2, Winter Term 2021/2022

Prof. Buettner / Prof. Wrede

Course Description:

During the seminar, participants will discuss a broad range of topics. A first set of topics address questions related to **public and spatial economics** (Prof. Wrede). A second set also relates to **public economics** (Prof. Buettner). The list of topics below provides more details, including references and brief comments on the research questions covered in the respective literature.

The seminar has two consecutive parts. **In the first part, students write a thesis (15 pages)** under the guidance of their advisor. In an introductory session, students learn about the principles of scientific work and the scope of analysis that is expected. The thesis elaborates on the literature (see the list of topics for the main article(s) to be covered). Students are expected to search for additional literature and then work independently on their topic. Advisors provide close guidance during this process. **The deadline to hand in the thesis is December 12, 2021. The second part consists of a two-day seminar (January 13-14, 2022) of students' presentations.** Before preparing their presentations, supervisors will provide students with detailed feedback on their thesis. During the seminar students present their thesis. Each presenter has 25 minutes for her/his presentation, followed by 25 minutes of discussion.

Organisational details and grading:

- The seminar is jointly organized by the chairs of Prof. Buettner and Prof. Wrede.
- Students who want to participate should express their interest by submitting a participation form (see webpage of Prof. Buettner's chair) to tobias.goerbert@fau.de until **August 8, 2021**.
- Please indicate your preferred topics. Preference will be given to the earliest submissions.
- After being assigned to a specific topic, students can repeal their participation within a week's time. After that deadline has passed, participation in the seminar is mandatory. Students not handing in a thesis in time will be graded a 5.0.
- Please note that the maximum number of participants is 10 students.
- Additional information on how to write a seminar paper, how to search for literature, etc. will be provided in an introductory session.
- Grading: The overall grade will reflect the quality of the thesis (50%), the presentation in the seminar (30%), and the student's contributions to the discussion following each of the presentations (20%).

List of Topics

Block 1: Public economics (Prof. Wrede)

1. Unemployment Insurance and Asymmetric Information (n.a.)

Q: Can adverse selection rationalize a universal mandate for unemployment insurance?

Landais, Camille, Nekoei, Arash, Nilsson, Peter, Seim, David & Spinnewijn Johannes (2021). Risk-Based Selection in Unemployment Insurance: Evidence and Implications. *American Economic Review*, 111 (4): 1315-1355.

2. Statutory Retirement Age and Retirement Behavior (n.a.)

Q: How do statutory retirement ages affect retirement behavior? What does this imply for pension policies?

Seibold, Arthur (2021). Reference Points for Retirement Behavior: Evidence from German Pension Discontinuities. *American Economic Review*, 111 (4): 1126-1165.

3. How to Improve Tax Compliance? (n.a.)

Q: How do simplification, deterrence, and tax morale affect tax compliance?

De Neve, Jan-Emmanuel, Imbert, Clément, Spinnewijn, Johannes, Tsankova, Teodora & Maarten, Luts (2021). How to Improve Tax Compliance? Evidence from Population-Wide Experiments in Belgium. *Journal of Political Economy* 129 (5): 1425-1463.

4. Securing Property Rights (n.a.)

Q: How to protect property rights if subversion of justice is an issue?

Behrer, A. Patrick, Glaeser, Edward L., Ponzetto, Giacomo A. M. & Shleifer, Andrei (2021). Securing Property Rights. *Journal of Political Economy* 2021 129 (4): 1157-1192.

5. Paternalism: Motivation and Policies (n.a.)

Q: When, why, and how people intervene in others' choices. What does this imply for public support for actual paternalistic policies.

Ambuehl, Sandro, Bernheim, B. Douglas & Ockenfels, Axel (2021). What Motivates Paternalism? An Experimental Study. *American Economic Review*, 111 (3): 787-830.

Block 2: Public economics (Prof. Büttner)

6. Voluntary Giving: Time vs. monetary donations

Q: Is the choice of giving time and/or money affected by the price of giving?

Brown A. L., Meer J., Williams, J. F. (2019) Why Do People Volunteer? An Experimental Analysis of Preferences for Time Donations. *Management Science* 65 (4):1455-1468.

Feldman, N. E. (2010). Time is money: Choosing between charitable activities. *American Economic Journal: Economic Policy*, 2(1), 103-30.

7. Budget and Shocks

Q: How do governments deal with adverse fiscal shocks?

Bohn, H. (1998). The Behavior of U. S. Public Debt and Deficits. *Quarterly Journal of Economics* 113 (3), 949-963.

Poterba, J. M. (1994). State Responses to Fiscal Crises: The Effects of Budgetary Institutions and Politics. *Journal of Political Economy* 102 (4), 799-821.

8. Border effects of EU integration

Q: Does integration affect population development in border regions?

Brakman, S., Garretsen, H., van Marrewijk, C., & Oumer, A. (2012). The border population effects of EU integration. *Journal of Regional Science*, 52 (1), 40-59.

Heider, B. (2019). The impact of EU Eastern enlargement on urban growth and decline: New insights from Germany's Eastern border. *Papers in Regional Science*, 98 (3), 1443-1468.

9. Income and Pollution

Q: Does environmental quality rise with countries' income?

Levinson, A., O'Brien, J. (2019). Environmental Engel curves: Indirect emissions of common air pollutants. *Review of Economics and Statistics*, 101(1), 121-133.

Andreoni, J., Levinson, A. (2001). The simple analytics of the environmental Kuznets curve. *Journal of Public Economics*, 80(2), 269-286.

10. Firms as Tax Intermediaries

Q: Do firms help collecting taxes?

Kleven, H. J., Kreiner, C. T., Saez, E. (2016). Why can modern governments tax so much? An agency model of firms as fiscal intermediaries. *Economica*, 83(330), 219-246.