

## Seminar Public Economics 1, Summer Term 2026

Prof. Büttner / Prof. Wrede

### Course Description:

During the seminar, participants will discuss a broad range of topics. A first set of topics is provided by the chair of Prof. Büttner and a second set by the chair of Prof. Wrede. The list of topics below provides more details, including references and a brief research question. A supervisor is specified for each topic or will be announced after the topic has been assigned.

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 June 4, 2026. The second part consists of a two-day seminar (July 25-26, 2026) of students' presentations. Attendance at the two-day seminar is compulsory.** 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. Büttner and Prof. Wrede.
- Students who want to participate should express their interest by submitting a participation form (see webpage of Prof. Wrede's chair) to [elisa.poletto@fau.de](mailto:elisa.poletto@fau.de) until **March 4, 2026**.
- Please indicate your preferred topics. Preference will be given to the earliest submissions. Students are assigned to a specific topic in a timely manner.
- 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.
- Exam registration and deregistration via Campo will take place between April 27 and 28, 2026, prior to the regular registration and deregistration period for exams.
- Please note that the maximum number of participants is 8 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 and the Q&A session (50%).
- At the conclusion of the supervisors' questions, students will have the opportunity to ask their own questions about the presentation. Active participation in the seminar will be rewarded with bonus points.

## **General Topic: Taxation and Spatial Mobility**

### **List of Topics**

#### **Block 1: Public economics (Chair Prof. Büttner)**

##### **1. Efficiency Taxation and Spatial Sorting**

Q: What are the consequences of heterogeneous agents' spatial sorting in response to taxation?

Fajgelbaum, P. D., Gaubert, C. (2020). Optimal spatial policies, geography, and sorting. *The Quarterly Journal of Economics*, 135(2), 959-1036.

Colas, M., Hutchinson, K. (2021). Heterogeneous workers and federal income taxes in a spatial equilibrium. *American Economic Journal: Economic Policy*, 13(2), 100-134.

##### **2. Tax Base Mobility and Wealth Taxation**

Q: How large are the mobility responses to wealth taxation?

Agrawal, D. R., Foremny, D., Martínez-Toledano, C. (2025). Wealth tax mobility and tax coordination. *American Economic Journal: Applied Economics*, 17(1), 402-430.

Iacono, R., Smedsvik, B. (2024). Behavioral responses to wealth taxation: evidence from a Norwegian reform.

##### **3. Tax Base Mobility and Local Tax Setting**

Q: How does tax base mobility impact local tax setting and firm entry?

Langenmayr, D., Simmler, M. (2021). Firm mobility and jurisdictions' tax rate choices: Evidence from immobile firm entry. *Journal of Public Economics*, 204, 104530.

Langenmayr, D., Simmler, M. (2024). JUE insight: Expectations about future tax rates and firm entry. *Journal of Urban Economics*, 142, 103666.

##### **4. Spatial Effects of Local Sales Taxes**

Q: How do tax differentials and shocks affect the spatial allocation of the local sales tax base?

Agrawal, D. R., Shybalkina, I. (2023). Online shopping can redistribute local tax revenue from urban to rural America. *Journal of Public Economics*, 219, 104818.

Agrawal, D. R. (2015). The tax gradient: Spatial aspects of fiscal competition. *American Economic Journal: Economic Policy*, 7(2), 1-29.

**Block 2: Public economics, social economics and spatial economics (Chair Prof. Wrede)**

**5. The Impact of Extractive Tax Institutions on Migration**

Q: How do changes in taxation regimes affect internal migration?

Giommoni, T. & Loumeau, G. (2025). Taxation with a Grain of Salt: The Long-Term Effect of Extractive Fiscal Institutions on Development. *The Review of Economics and Statistics*. 1-45.

**6. Tax Increases and Emigration of High-Income Earners**

Q: Do tax increases lead to emigration responses among high-income individuals?

Advani, A., Burgherr, D. & Summers, A. (2025). Taxation and Migration by the Super-Rich. CESifo Working Paper No. 11870.

**7. Distributional Effects of Local Taxes**

Q: How is the burden of local taxes distributed among different types of households?

Brühlhart, M., Danton, J., Parchet, R. & Schläpfer, J. (2025). Who Bears the Burden of Local Taxes? *American Economic Journal: Economic Policy* 17 (1). 464-505.

**8. Long-term Effects of Subfederal Income Taxes on Migration**

Q: How do households respond to state or local income taxes in the long term?

Cassidy, T., Dincecco, M. & Troiano, U.A. (2024). The Introduction of the Income Tax, Fiscal Capacity, and Migration: Evidence from US States. *American Economic Journal: Economic Policy* 16 (1). 359-393.