



INTERNATIONAL PUBLIC ECONOMICS

SYLLABUS FOR WINTER TERM 2014/15

This block course includes lecture and class and is taught on graduate level aiming at Master and PhD students. We offer the course at the Department of Economics at LMU Munich. It qualifies students for 6 ECTS or a doctoral course certificate respectively and can be converted into 2 CES-Lecture series.

Lecture: Prof. Dr. Kai A. Konrad
Class: Tim Stolper, M.Sc.

Language: English

Course assessment: exam (120 min.)

To sign up or for further questions, please contact

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Deadline to sign up: January 25, 2015

CONTENT

The strengthened internationalization of modern economies constitutes a new framework to public spending and revenue policies, creating new challenges for policy makers. This course analyses the incentives for and effects of state actions in an international setting. Topics include, among others, the theory of tariffs, strategic trade policy, tax competition, and further cooperative and non-cooperative interactions between countries that affect public finances.

OUTLINE (PRELIMINARY)

1. Theory of tariffs
 - a. Incidence of import tariffs and other trade instruments
 - b. Optimal tariffs
 - c. Tariff war
 - d. Strategic trade policy
2. International public goods
 - a. Non-cooperative provision of public goods
in the field of international climate policy and the European debt crisis
3. Tax competition
 - a. Tax competition between welfare states
 - b. Tax competition and political economy



READING LIST (PRELIMINARY)

1. Burbridge, John B., James A. DePater, Gordon M. Myers and Abhijit Sengupta, 1997, A Coalition-Formation Approach to Equilibrium Federations and Trading Blocs, *American Economic Review* 87(5), 940-956.
2. Keen, Michael, and Kai A. Konrad, 2014, The Theory of International Tax Competition and Tax Coordination, in Alan J. Auerbach, Raj Chetty, Martin Feldstein and Emmanuel Saez (eds.), *Handbook of Public Economics*, Vol. 5, 257-328, North Holland, Amsterdam.
3. Konrad, Kai A., and Marcel Thum, 2014, Climate Policy Negotiations with Incomplete Information, *Economica* 81(322), 244-256.
4. Markusen, James R., James R. Melvin, William M. Kaempfer and Keith Maskus, 1995, *International Trade: Theory and Evidence*, McGraw-Hill, New York.
5. Myles, Gareth D., 1995, *Public Economics*, Cambridge University Press, Cambridge.
6. Panagariya, Arvind, 2000, Preferential Trade Liberalization: The Traditional Theory and New Developments, *Journal of Economic Literature* 38(2), 287-331.
7. Yarbrough, Beth V., and Robert M. Yarbrough, 1994, *The World Economy: Trade and Finance*, Hartcourt, Fort Worth.

Further readings will be announced during the course.

LOCATION

LMU Munich, Ludwigstr. 28 (Rgb.), room 024

DATES – BLOCK COURSE

02.02.2015	14:00-18:00h	Lecture
03.02.2015	14:00-18:00h	Lecture
04.02.2015	14:00-18:00h	Lecture
05.02.2015	14:00-18:00h	Class
06.02.2015	14:00-18:00h	Class
09.02.2015	14:00-18:00h	Lecture
10.02.2015	14:00-18:00h	Class
11.02.2015	14:00-18:00h	Lecture
12.02.2015	14:00-18:00h	Class
26.02.2015	10:00-12:00h	Exam