INTERNATIONAL PUBLIC ECONOMICS

SYLLABUS FOR WINTER TERM 2021/22

This block course consists of lectures and classes and is taught on a 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.

Lecture: Prof. Dr. Kai A. Konrad
Class: Yixuan Shi, M.Sc. in Economics

Language: English

To sign up (please state your name, your matriculation number, and the programme you are enrolled in; deadline: February 07, 2022) or for further questions, please contact:

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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 international public goods, optimal tariffs, strategic trade policy, and tax competition.

ORGANIZATION

All relevant information and material is provided on Moodle. Please enrol to the Moodle course “International Public Economics” on Moodle. To obtain the enrolment key and to sign up to the course, please contact Yixuan Shi (Yixuan.Shi@tax.mpg.de). You will receive the enrolment key to the Moodle course in the beginning of February.
1. Lecture

Lectures will take place on the following dates:

15/02/2021  14:00 – 18:00
16/02/2021  14:00 – 18:00
17/02/2021  14:00 – 18:00
21/02/2021  14:00 – 18:00
23/02/2020  14:00 – 18:00

The lectures will take place in a hybrid form (online + in-person, provisional, subject to university regulation and covid situation). The lecture rooms will be Raum Geschw.-Scholl-Pl. 1 (A) - A 015 (Feb.15-18) and Leopoldstr. 13, H2 – 2102 (Feb.21-28). Additional, lecture notes and recommended literature will be available online on Moodle. Lecture slides will not be published.

2. Class

Classes will take place on the following dates:

18/02/2021  14:00 – 18:00
22/02/2021  14:00 – 18:00
24/02/2021  14:00 – 18:00
25/02/2021  14:00 – 18:00
28/02/2021  14:00 – 18:00

The classes will take place in a hybrid form (online + in-person, provisional, subject to university regulation and covid situation) at Raum Geschw.-Scholl-Pl. 1 (A) - A 015 and Leopoldstr. 13, H2 – 2102. Problem sets will be available on Moodle and it is highly recommended that students try to solve these prior to the classes taking place.

3. Exam

The exam will take place on March 04, 2022 from 10:00 to 12:00. It will take the form of a written exam (provisional).

OUTLINE

1. International Public Goods

   Part I: Theory of non-cooperative provision of public goods
   
   - The normative benchmark
   - Non-cooperative provision – the BBV-Model
   - Multiple public goods
   - Other composition functions
   - Step-level provision
Part II: Applications

- Global warming and generous pre-commitment
- Clubs of country clubs – the example of golden passports
- The economics of European border control effort
- The economics of defence alliances

Recommended literature (shortlist):
Lecture Notes, Part I

Suggestions for further reading:
See the references in Lecture Notes, Part I

2. Trade and Trade Policy

Introduction and motivation
Optimal tariffs
Trade agreements
Political economy of tariffs
Strategic trade policy

Recommended literature
- Lecture Notes, Part II

Suggestions for further reading:
See the references in Lecture Notes, Part II

3. Tax Competition and Cooperation

Motivation and illustrative examples
The Wildasin-Wilson model
Coordination and tax unions
Leviathan governments
Dynamic aspects
Market analysis of tax havens

Recommended literature: