



INTERNATIONAL PUBLIC ECONOMICS

SYLLABUS FOR SUMMER TERM 2016

This 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 FU Berlin. It qualifies students for 6 ECTS within the Master of Science in Economics or Public Economics.

Lecture: Prof. Dr. Kai A. Konrad

Class: Malte Preuss

Language: German

Course assessment: exam (120 min.); date will be announced as soon as possible.

For further questions, please contact

Malte Preuss, Boltzmannstrasse 20, 14195 Berlin, malte.preuss@fu-berlin.de, 030-838-72465

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, optimal tariffs, and tariff war
 - b. Political economy of tariffs
 - c. Strategic trade policy
2. International public goods
 - a. Non-cooperative and cooperative provision of international public goods
 - b. Applications in the field of international climate policy
3. Tax competition
 - a. Tax competition between welfare states
 - b. Tax competition and political economy



READING LIST (PRELIMINARY)

1. Brander, James A. 1995. Strategic Trade Policy, in: G. Grossman and K. Rogoff (Eds.), *Handbook of International Economics*, Vol. 3, Chapter 27, Elsevier, Amsterdam, 1395-1455.
2. Broda, Christian, Nuno Limão, and David E. Weinstein, 2008. Optimal Tariffs and Market Power: The Evidence. *American Economic Review* 98(5), 2032–2065.
3. 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.
4. Feenstra, Robert C., 2004. *Advanced International Trade*. Princeton University Press, Princeton, Chapter 7, 209-253.
5. Hoel, Michael, 1991. Global Environmental Problems - The Effects of Unilateral Actions Taken by One Country. *Journal of Environmental Economics and Management* 20(1), 55-70.
6. Hoffmann, Sönke, Benedikt Mihm, and Joachim Weimann, 2015. To commit or not to commit? An experimental investigation of pre-commitments in bargaining situations with asymmetric information, *Journal of Public Economics* 121(1), 95-105.
7. Huck, Steffen, and Kai A. Konrad, 2004. Merger Profitability and Trade Policy. *Scandinavian Journal of Economics* 106(1), 107-122.
8. 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, Chapter 5. North-Holland, Amsterdam, 257-328.
9. Konrad, Kai A., and Marcel Thum, 2014. Climate Policy Negotiations with Incomplete Information. *Economica* 81(322), 244-256.
10. Myles, Gareth D., 1995. *Public Economics*. Cambridge University Press, Cambridge.
11. Ossa, Ralph, 2014. Trade Wars and Trade Talks with Data, *American Economic Review*. 104(12), 4104-4146.
12. Panagariya, Arvind, 2000. Preferential Trade Liberalization: The Traditional Theory and New Developments. *Journal of Economic Literature* 38(2), 287-331.
13. Rodrik, Dani, 1995. Political Economy of Trade Policy, G. Grossman and K. Rogoff (Eds.), *Handbook of International Economics*, Vol. 3, Chapter 28, Elsevier, Amsterdam, 1457-1494.
14. Yarbrough, Beth V., and Robert M. Yarbrough, 1994. *The World Economy: Trade and Finance*. Hartcourt, Fort Worth.

Max Planck Institute for Tax Law and Public Finance



MAX-PLANCK-GESellschaft

LOCATION

Lecture: FU Berlin, Garystrasse 21, HS 107

Class: FU Berlin, Garystrasse 21, HS 105

DATES

18.04.2016	10:00-14:00h	Lecture	23.05.2016	10:00-14:00h	Lecture
19.04.2016	08:30-10:00h	Class	24.05.2016	08:30-10:00h	Class
25.04.2016	10:00-14:00h	Lecture	30.05.2016	10:00-14:00h	Lecture
26.04.2016	08:30-10:00h	Class	31.05.2016	08:30-10:00h	Class
02.05.2016	10:00-14:00h	Lecture	07.06.2016	08:30-10:00h	Class
03.05.2016	08:30-10:00h	Class	27.06.2016	10:00-14:00h	Lecture
09.05.2016	10:00-14:00h	Lecture	05.07.2016	08:30-10:00h	Class
10.05.2016	08:30-10:00h	Class			