Topics in Public Economics

This course is one of four Ph.D. courses in the Major Area: Public Economics of the BDPEMS.

The course is under the joint responsibility of the professors G. Corneo (FU Berlin), M. Runkel (TU Berlin) and R. Schöb (FU Berlin). The course to be held in the winter term 2014-2015 is organized and graded by prof. G. Corneo.

This course is a reading course yielding 6 ECTS. Each participant has to present in a detailed way an important recent research article and to actively discuss the presentations made by the other participants. Grades depend on presentation and discussion. The course in the winter term 2014-2015 deals with new developments in public economics related to inequality.

The course is on Thursdays 10 – 12 a.m. and takes place in room 315 in the building of the Economics Department of the Free University (Boltzmannstr. 20, 14195 Berlin).

Date of beginning: October 16, 2014.

Information requests on the course can be addressed to: Giacomo.Corneo@fu-berlin.de.

Topics in Public Economics – 2014/15

Papers will be chosen among the following:

Andersen, T. and C. Kreiner (2013): Baumol's cost disease and the sustainability of the welfare state, CEPR DP 9772. (An analysys of Baumol's cost disease when public services are financed by a distorting income tax).

Ben-Porath, E., Gilboa, I. & D. Schmeidler (1997): On the measurement of inequality under uncertainty, JET 75, 194-204.

Besley, T. and S. Coate (2001): Lobbying and welfare in a representative democracy, Review of Economic Studies 68, 67-82. (A politico-economic model where public goods are financed by a poll tax).

Bierbrauer, F. and Boyer, P. (2014): Efficiency, welfare, and political competition, CESifo DP 4814.

Costrell, R. (1994): A simple model of educational standards, AER 84, 956-971. [J. König]

Cremer, H. and Roeder, K. (2013): Long-term care and lazy rotten kids, CESifo DP 4372.

De Nardi, M. (2004): Wealth inequality and intergenerational links, RES 71, 743-768. [C. Westermeier]

Fleurbaey, M. and F. Maniquet (2006): Fair income tax, RES 73, 55-83. [M. Metzing]

Ghatak, M. and N. Jiang (2002): A simple model of inequality, occupational choice, and development, JDE 69, 205-226. [A. Gaentzsch]

Lazear, E. (2001): Educational production, QJE.

Lee, W. and J. Roemer (2005): The rise and fall of unionized labour markets: A political economy approach, EJ 115, 28-67. [M. Stockhausen]

Michau, J. (2014): Optimal redistribution: A life-cycle perspective, JPubE 111, 1-16.

Piketty, T. and E. Saez (2013): A theory of optimal inheritance taxation, CEPR DP 9241 and Econometrica. [M. v. Werder]

Piketty, T., E. Saez & S. Stantcheva (2014): Optimal Taxation of Top Labor Incomes: A Tale of Three Elasticities. American Economic Journal: Economic Policy 6(1) 230-271 [K. Jenderny]

Plott, C. (1967): A notion of equilibrium and its possibility under majority rule, AER 57, 787-806.

Sandroni, A. and F. Squintani (2007): Overconfidence, insurance, and paternalism, American Economic Review 97, 1994-2004. [M. Preuß]

Stiglitz, J. (1969): Distribution of income and wealth among individuals, Eca 37, 382-398.

Stiglitz, J. (1975): The theory of "screening", education, and the distribution of income, AER 65, 283-300.

Area "Optimal Taxation":
Cremer, H. and Roeder, K. (2013)
Fleurbaey, M. and F. Maniquet (2006)
Michau, J. (2014)
Piketty, T., and E. Saez (2013)
Piketty, T., E. Saez & S. Stantcheva (2014)

Area "Political economy":
Besley, T. and S. Coate (2001)
Bierbrauer, F. and Boyer, P. (2014)
Lee, W. and J. Roemer (2005)
Plott, C. (1967)

Area "Welfare state":
Andersen, T. and C. Kreiner (2013)
Sandroni, A. and F. Squintani (2007)

Area "Education":
Costrell, R. (1994)
Lazear, E. (2001)
Stiglitz, J. (1975)

Area "Wealth inequality":
De Nardi, M. (2004)
Ghatak, M. and N. Jiang (2002)
Stiglitz, J. (1969)

Area "Social choice":
Ben-Porath, E., Gilboa, I. & D. Schmeidler (1997)

Program 2014-2015

November 6 – T. Bönke [Begin at 10:00!]
Stiglitz, J. (1969): Distribution of income and wealth among individuals, Eca 37, 382-398.

November 13 – C. Westermeier [Begin at 10:15, same in all following sessions]
De Nardi, M. (2004): Wealth inequality and intergenerational links, RES 71, 743-768.

November 20 – A. Gaentzsch
Ghatak, M. and N. Jiang (2002): A simple model of inequality, occupational choice, and development, JDE 69, 205-226.

November 27 – L. Mergele
Lazear, E. (2001): Educational production, QJE.

December 4 – J. König
Costrell, R. (1994): A simple model of educational standards, AER 84, 956-971.

December 11 – M. v. Werder
Piketty, T. and E. Saez (2013): A theory of optimal inheritance taxation, CEPR DP 9241 and Econometrica.

December 18 – K. Jenderny
Piketty, T., E. Saez & S. Stantcheva (2014): Optimal Taxation of Top Labor Incomes: A Tale of Three Elasticities. American Economic Journal: Economic Policy 6(1) 230-271

January 8 – M. Metzing
Fleurbaey, M. and F. Maniquet (2006): Fair income tax, RES 73, 55-83.

January 15 – H. Lüthen
Michau, J. (2014): Optimal redistribution: A life-cycle perspective, JPubE 111, 1-16.

January 22 – C. Bartels
Chetty, R. and Saez, E. (2010): Optimal Taxation and Social Insurance with Endogenous Private Insurance, American Economic Journal: Economic Policy 2, 85-114.

January 29 - M. Stockhausen
Lee, W. and J. Roemer (2005): The rise and fall of unionized labour markets: A political economy approach, EJ 115, 28-67.

February 5 – N. Pardo
Besley, T. and S. Coate (2001): Lobbying and welfare in a representative democracy, Review of Economic Studies 68, 67-82.

February 12 – M. Preuß
Sandroni, A. and F. Squintani (2007): Overconfidence, insurance, and paternalism, American Economic Review 97, 1994-2004.