Winter term 2020/21

Current Research in International Public Economics

Topics in international trade, taxation & public goods

Instructors

Prof. Dr. Tim Lohse, Tom Günther, M.Sc.

Dates

online, WebEx

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<td>13.11.2020</td>
<td>Briefing (08:30–12:00 Uhr)</td>
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<td>January 2021</td>
<td>Intermediate presentation</td>
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<td>Mid-March 2021</td>
<td>Final presentation</td>
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<td>24.03.2021</td>
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<td>31.03.2021</td>
<td>Deadline for Ministervorlage</td>
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If you are interested in participating, please send a current transcript of records and a short motivational statement (max. 150 words) until Monday, November 9th 2020 to Tom Günther.

Recognition

Master Economics, Master Public Economics: 6 ECTS

Content & Structure

The seminar aims at deepening the understanding of the contents of the lecture in International Public Economics. Therefore, students will work on own research projects in the area of international taxation, theory & policy of international trade as well as international public goods. Within these projects, the students are supposed to answer an individually formulated research question by applying economic methodology covered in earlier studies. On that note, we want to emphasize that we do not expect the use of any particular method. Students are free to choose from the whole array of economic tools that they know of: (extensive) study of cutting-edge economic literature, theoretical modeling, empirical analyses of economic data - just to name a few.

In order to foster the students’ creativity when coming up with interesting research questions, we provide a non-conclusive list of topics/literature at the end of this document which we find important in this context. Students are free to choose among the proposed topics as well as to come forward with research topics from the mentioned field of study on their own.

The students will present the results of their projects within an academic paper of about 12-15 pages. In addition, we expect a short presentation (15 minutes) of their research at the end of the semester.
They will be able to include feedback of the ensuing discussion (15 minutes) in their final paper.

To monitor the fruitful development of the projects, we encourage students to present first results of their research half-way through the semester. This short presentation (10-15 minutes) will not be part of the final grade. However, it provides the opportunity to discuss one’s project with the course instructors and fellow students in order to gain constructive feedback for the second half of the project.

In future jobs, for example in associations or ministries, economists are often asked to explain economic issues in a manner understandable to outsiders to the field. This motivates the third part of the research project. It consists of a so-called Ministervorlage in which the students present their research in a concise and non-technical manner (1 page). By doing so, the students learn how to write a non-technical summary which is a prerequisite for any economic Master thesis written at Freie Universität Berlin.

**Course examination**

We will determine your final grade based on a weighted average of the following three components:

1. Seminar Paper (65%)
2. Final presentation & discussion (25%)
3. Ministervorlage (10%)

**Proposed topics & readings**

Topics on international Trade

1. **Recent developments on preferential trade agreements**

2. **Presence and future of the WTO**

3. **Strategic trade policy – the case of China**
4. The US-China trade war – direct causes and consequences

5. The US-China trade war – impact on global value chains

Topics International Taxation

1. Can one use Effective Tax Rate (ETR) / Effective Marginal Tax Rate (EMTR) / Effective Average Tax Rate (EATR) to identify tax havens?

2. How much “Cheating” on taxes is there? Focus on individuals

3. How much “Cheating” on taxes is there? Focus on corporations
4. What is different with digital companies and how can one deal with them?

5. Tax havens, how relevant are they?

6. Tax competition

7. How important are CIT (corporate income tax) rates for attracting investments?

8. Fundamental reforms – The EU’s CCCTB
   Nicolay, K., & Spengel, C. (2017): The European Commission’s CC (C) TB re-launch, ZEW policy brief No. 1/2017, Zentrum für Europäische Wirtschaftsforschung (ZEW), Mannheim.
1. Economics of Climate Policy

2. The future of the Paris Agreement