Field Course: Public Sector Economics

MSc Economics Specialization - Info Session on June 6

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Department of Economics

Jointly taught by Martin Halla and Simon Loretz

- ▶ Martin Halla
  - ▶ Professor for Economics (in particular Health Economics)
  - ▶ Research interests
    - ▶ Primary: Applied Microeconometrics in Family, Labor and Health
    - ▶ Secondary: Political economy, tax evasion, demographics of the Austro-Hungarian Empire

- ▶ Simon Loretz
  - ▶ Senior Economist at Austrian Institute of Economic Research (WIFO)
  - ▶ Research interests
    - ▶ International corporation tax
    - ▶ Tax competition
    - ▶ Applied empirical research in public sector economics, fiscal forecasting

Topics covered in this course & schedule

No.	Topic	Date	Lecturer	Type	No. of presentations
	Prepatory meeting	04.03.24	Halla/Loretz	L	
1	Trends in (Public) Economics	04.03.24	Halla	L	
2	VAT & Pass-through of VAT changes	11.03.24	Loretz	L	
3	VAT & Pass-through of VAT changes	18.03.24	Loretz	P	4
4	Tax evasion	08.04.24	Halla	L	
5	Tax evasion	15.04.24	Halla	P	4
6	Personal income taxation in AT	22.04.24	Loretz	L	
7	Commuting Tax Allowances in AT	29.04.24	Loretz	P	3
8	Incidence of Corporate Income Tax	06.05.24	Loretz	L	
9	Incidence of Corporate Income tax	13.05.24	Loretz	P	4
10	Redistribution Through the Government	27.05.24	Loretz	L	
11	Health Insurance	03.06.24	Halla	L	
12	Developments in the international corporate tax reform debate	10.06.24	Loretz	L	
-	*Final exam*	17.06.24	Halla/Loretz		Total 15

Our meetings

Each session is either scheduled as a lecture or reserved for classroom presentations.

- ▶ Lecture (L): We will introduce the respective topic
  - ▶ We will focus on the intuition behind concepts, but also use some algebra.
  - ▶ Institutions
  - ▶ Descriptive statistics

- ▶ Classroom presentations (P): You will study and discuss one applied paper from the recent literature
  - ▶ Each student chooses one paper (see list below)
  - ▶ Prepare and submit slides
  - ▶ Duration is 30 minutes
  - ▶ Brief discussion (with focus on the identification and policy implications).

Your tasks

- **Before the course**
  - L: Read assigned readings
  - P: Read the introduction of the papers to be presented

- **During the course**
  - Attend the course
  - Active participation

- **Deliverables**
  - Submit homework assignment
  - Prepare and give classroom presentation
  - Write final exam

Homework assignments

There will be two individual homework assignments:

- ► Incidence of Corporation tax
    - ► Small back-of-the-envelope calculations of the potential incidence of corporatin tax to illustrate the mechanism of the Harberger models

- ► Redistribution in Austria
    - ► Replication exercise of some results of the Umverteilungsstudie to learn how government activities redistribute in Austria

Classroom presentation & article report

Each student prepares a presentation of his/her article

- ▶ The classroom presentation (and the article report) should contain:
    - ▶ a concise statement of the evaluation (outcome, treatment, theory of change, hypothesis)
    - ▶ a brief discussion of related literature and existing evidence
    - ▶ a short discussion of the institutional background
    - ▶ a summary of how the author goes about achieving those goals (data, evaluation method)
    - ▶ a critical discussion of the identifying assumptions (critiques, praise, open questions)
    - ▶ a short summary of the results. (Focus on main results; do not cover robustness checks)
    - ▶ a discussion of potential policy implications
- ▶ The presentation should be 30 minutes.

Course grading

Grades for the course will be based on:
- Homework assignments (20%);
- Classroom presentation (40%);
- Final exam (40%).

The grading scale is as follows:
- **Unsatisfactory:** $x < 60\%$
- **Sufficient:** $60\% \le x < 70\%$
- **Satisfactory:** $70\% \le x < 80\%$
- **Good:** $80\% \le x < 90\%$
- **Excellent:** $90\% \le x < 100\%$