Macroeconomics and Public Economics

Felix Bierbrauer

Cologne – February 10, 2017
Topics

- Taxes
  - on labor income
  - on capital income and savings
  - on consumption expenditures

- Public debt

- Public goods and externalities

- Political economy of tax and expenditure policies

- Fiscal federalism
Methods

Theory:
- Constrained Optimization (static and dynamic)
- Game Theory
- Mechanism Design

Applied Public Finance:
- Generational Accounting
- Sustainability analysis for public finances
People

Responsible for courses in the Master’s program:

- Felix Bierbrauer, chair of public economics
- Michael Thöne, managing director, Finanzwissenschaftliches Forschungsinstitut (FiFo)

Public economics at the Center for Macroeconomic Research:

- Martin Barbie, Prof.
- Emanuel Hansen, J-Prof.
- Laura Kohlleppel, PhD-Student
- Marius Vogel, PhD-Student
Formats

- Lectures
  - with computer-based tutorials
  - with tutorials that focus on research papers
  - with tutorials that deepen the theoretical understanding

- Seminars

- Block courses
Courses I

Tax Policy

- Overview optimal taxation
- Optimal redistributive income taxation: a primer
- Political economy of redistributive income taxation
- Lecture with tutorials that focus on research papers
- Felix Bierbrauer
- Winter term, 4 hours per week
Courses II

Advanced Public Economics: Theory of Taxation

- Key results in the theory of optimal taxation
  - Optimal income taxation
  - Direct versus indirect taxation
  - Capital income
  - New dynamic public finance

- Focus on formal rigor

- Lecture, possibly with tutorials

- Felix Bierbrauer

- On demand, 2-4 hours per week
Advanced Public Economics: Mechanism Design

- Introduction to mechanism design
- Validity of the Coase-Theorem/ Efficiency and coercive power
- Distinction between public and private goods
- Tutorials that deepen the theoretical understanding
- Felix Bierbrauer
- Summer, 4 hours per week
Courses IV

Advanced Public Economics: Taxes and Public Goods

- Advanced introduction to the theory of public goods
- Efficiency conditions for economies with public goods or externalities
- Private and public provision of public goods
- Distortionary taxation and public goods provision
- Felix Bierbrauer
- This summer, block course, week after Pentecost
Courses V

Seminar in Public Economics

- Different instructors, formats and topics
- Winter 2016/17: Piketty in his critics
  - Role-playing game of the publication process
  - Block seminar, 2 hours
  - Felix Bierbrauer, Laura Kohlleppel, Christof Weinmann
Courses VI

Fiscal Federalism

- Advantages and disadvantages of (de)centralization
- Tax competition between jurisdictions
- Fiscal transfer systems (Finanzausgleichssysteme)
- Lecture with computer-based tutorials
- When? hours per week?
- Michael Thöne
Courses VII

Sustainability of Public Finances

- Measuring the sustainability of public finances (Tragfähigkeitssanalysen)
- Demographic change and the sustainability of public finances
- Generational Accounting (Generationenbilanzen)
- Lecture with computer-based tutorials
- When? hours per week?
- Michael Thöne
Courses VIII

Public Expenditure Reform

- Public sector accounting
- Transparency of public expenditures
- Evaluation of public expenditures
- Lecture with tutorials that focus on academic policy-advising
- When? hours per week?
- Michael Thöne