



The Political Economy of Taxation

Seminar, 2nd term 2016-2017

Organised by Philipp Genschel and Laura Seelkopf

Monday, 17.00-19.00 – Seminar Room 2, Badia Fiesolana

DRAFT PROGRAMME

Please register with Adele.Battistini@eui.eu

Description

The modern state is a 'tax state' (Schumpeter 1917). The level and structure of tax revenue determines what a government can and cannot do, how many civil servants it can hire, how many services it can deliver, how modestly or ambitiously it can define its goals, and how effectively it can constitute its authority domestically and internationally. The level and structure of taxation also shapes the society the government governs. It determines who has to pay for the state and who not, who gains and who loses, who is empowered and who is disempowered. The aim of this class is to provide students with an historical and comparative understanding of taxation around the world.

Requirements

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Schedule

The seminar takes place on **Mondays at 17:00-19:00**, in Seminar Room 2 in the Badia, and will run **from** The full list of the seminar sessions is the following:

Session 1:	Monday 9 January	17:00 – 19:00	Seminar Room 2
Session 2:	Monday 16 January	17:00 – 19:00	Seminar Room 2
Session 3:	Monday 23 January	17:00 – 19:00	Seminar Room 2
Session 4:	Monday 30 January	17:00 – 19:00	Seminar Room 2
Session 5:	Monday 6 February	17:00 – 19:00	Seminar Room 2
Session 6:	Monday 13 February	17:00 – 19:00	Seminar Room 2
Session 7:	Monday 20 February	17:00 – 19:00	Seminar Room 2
Session 8:	Monday 27 February	17:00 – 19:00	Seminar Room 2
Session 9:	Monday 6 March	17:00 – 19:00	Seminar Room 2
Session 10:	Monday 13 March	17:00 – 19:00	Seminar Room 2

SYLLABUS

1. Tax Structure (9 January)

Harley H Hinrichs, *A General Theory of Tax Structure Change during Economic Development* (Cambridge: Law School of Harvard University, 1966): Chapter 5

B. Guy Peters, *The Politics of Taxation: A Comparative Perspective* (Cambridge, Mass: Blackwell Pub, 1991): Chapter 2

Lawrence W. Kenny and Stanley L. Winer, "Tax Systems in the World: An Empirical Investigation into the Importance of Tax Bases, Administration Costs, Scale and Political Regime," *International Tax and Public Finance* 13, no. 2–3 (May 1, 2006): 181–215, doi:10.1007/s10797-006-3564-7;

Roy W. Bahl and Richard M. Bird, "Tax Policy in Developing Countries: Looking Back—and Forward," *National Tax Journal* 61, no. 2 (June 2008): 279–301, doi:10.17310/ntj.2008.2.06.

2. Presentation of project proposals (16 January)

3. History of Taxation (23 January)

Encyclopedia Britannica: *Income taxation*

Margaret Levi, *Of Rule and Revenue* (University of California Press, 1989), ch. 1-5.

4. Direct Taxation (30 January)

Kenneth Scheve and David Stasavage, *Taxing the Rich: A History of Fiscal Fairness in the United States and Europe* (Princeton, NJ: Princeton University Press, 2016).

5. Indirect Taxation (6 February)

Junko Kato, *Regressive Taxation and the Welfare State* (Cambridge University Press, 2010), ch. 1 and 2

Pablo Beramendi and David Rueda, "Social Democracy Constrained: Indirect Taxation in Industrialized Democracies," *British Journal of Political Science* 37, no. 4 (October 2007): 619–41, doi:10.1017/S0007123407000348;

6. Transition Economies (13 February)

Cameron G. Thies, "War, Rivalry, and State Building in Latin America," *American Journal of Political Science* 49, no. 3 (July 1, 2005): 451–65, doi:10.1111/j.1540-5907.2005.00134.x;

Hilary Appel, *Tax Politics in Eastern Europe: Globalization, Regional Integration, and the Democratic Compromise* (Ann Arbor: University of Michigan Press, 2011), ch. 2;

Daniel Berkowitz and Wei Li, "Tax Rights in Transition Economies: A Tragedy of the Commons?" *Journal of Public Economics* 76, no. 3 (June 2000): 369–97, doi:10.1016/S0047-2727(99)00091-2.

Evan S. Lieberman, "National Political Community and the Politics of Income Taxation in Brazil and South Africa in the Twentieth Century," *Politics & Society* 29, no. 4 (December 1, 2001): 515–55, doi:10.1177/0032329201029004003

7. Developing Countries (20 February)

IMF, "Revenue Mobilization in Developing Countries," IMF Policy Paper (Washington, D.C: IMF, 2011), <https://www.imf.org/external/np/pp/eng/2011/030811.pdf>;

Jonathan Di John, "The Political Economy of Taxation and Tax Reform in Developing Countries," *WIDER Research Paper* 74 (2006), http://www.wider.unu.edu/publications/working-papers/research-papers/2006/en_GB/rp2006-74/;

Thomas Piketty and Nancy Qian, "Income Inequality and Progressive Income Taxation in China and India, 1986–2015," *American Economic Journal: Applied Economics* 1, no. 2 (April 1, 2009): 53–63, doi:10.1257/app.1.2.53.

Thandika Mkandawire, "On Tax Efforts and Colonial Heritage in Africa," *The Journal of Development Studies* 46, no. 10 (November 1, 2010): 1647–69, doi:10.1080/00220388.2010.500660.

8. Taxation and Globalization (27 February)

Steffen Ganghof, *The Politics of Income Taxation*. Colchester: ECPR Press, ch. 3 and 4.

Erik Wibbels and Moisés Arce, "Globalization, Taxation, and Burden-Shifting in Latin America," *International Organization* 57, no. 1 (January 2003): 111–36, doi:10.1017/S0020818303571041;

Hilary Appel and Mitchell A. Orenstein, "Ideas Versus Resources: Explaining the Flat Tax and Pension Privatization Revolutions in Eastern Europe and the Former Soviet Union," *Comparative Political Studies* 46, no. 2 (2013): 123–52;

Duane Swank, "The New Political Economy of Taxation in the Developing World," *Review of International Political Economy* 23, no. 2 (March 3, 2016): 185–207, doi:10.1080/09692290.2016.1155472.

9. Taxation and Inequality (6 March)

Lawrence R. Jacobs and Joe Soss, "The Politics of Inequality in America: A Political Economy Framework," *Annual Review of Political Science* 13, no. 1 (2010): 341–64, doi:10.1146/annurev.polisci.041608.140134.

Pablo Beramendi and Philipp Rehm, "Who Gives, Who Gains? Progressivity and Preferences," *Comparative Political Studies* 49, no. 4 (March 2016): 529–63, doi:10.1177/0010414015617961.

Sean Higgins and Nora Lustig, "Can a Poverty-Reducing and Progressive Tax and Transfer System Hurt the Poor?," *Journal of Development Economics* 122 (September 2016): 63–75, doi:10.1016/j.jdeveco.2016.04.001.

Matthew Carnes and Isabela Mares, "Explaining the 'Return of the State' in Middle-Income Countries: Employment Vulnerability, Income, and Preferences for Social Protection in Latin America," *Politics & Society* 43, no. 4 (December 2015): 525–50, doi:10.1177/0032329215602893.

10. Project Presentations (13 March)