



**Prof. Dr. Sebastian Eichfelder  
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**Summer Term 2017**

**Master Seminar (6 CP)**

**Environmental Taxation and EU ETS:  
Energy consumption and efficiency**

**Subject**

Climate change, energy consumption, and environmental policy are important topics of the political debate. While some economists argue that energy consumption and carbon leakage are externalities that should be internalized by higher tax burdens and environmental regulations, such “climate-saving” policies have also been criticized for endangering industrial competitiveness and curtailing economic efficiency. Thus, it remains an open question if higher energy taxes or restrictions of carbon emissions are a promising strategy to ensure a sustainable economic development. Until recently, empirical evidence on these issues has been scarce. However, the availability of new firm-level data on energy consumption has promoted a high number of current research papers with exciting results. Our seminar discusses this on-going research with a focus on two topics: 1) the taxation of energy and 2) the European Emissions Trading System (ETS).

**Organisation**

The seminar covers 6 CP. The number of seminar participants is restricted to 12 students. The application deadline begins on March 7th, 2017 and goes over two rounds. The first 8 seminar places are assigned until March 31st, 2017 (deadline 1). The remaining places and further 4 places will be assigned until April 6th, 2017 (deadline 2). The selection of applicants is based on their course credits with a main focus on taxation, finance, accounting, economics and statistics. Please send your application to [steuern@ovgu.de](mailto:steuern@ovgu.de). The application should include a student record.

The **assignment of subjects/research papers** as well as the **compulsory enrolment** will take place in the **first seminar session on April 6th, 2017**. After a short introduction into the topics of the seminar and the research methods, we will analyze a number of basic seminar papers in the following weeks as teamwork (group literature sessions). Afterwards, seminar groups of two students will analyze and present each an actual top research paper on environmental taxation and EU ETS in the seminar. In addition, each student will write a research proposal with regard to the seminar topics.

Papers discussed in the group literature sessions:

- Bosquet, B. (2000), Environmental tax reform: Does it work? A survey of the empirical evidence, *Ecological Economics* 34, 19-32.
- Martin, R., Muûls, M., Wagner, U. J. (2016), The impact of the European Union emissions trading scheme on regulated firms: What is the evidence after ten years? *Review of Environmental Economics and Policy* 10, 129-148.
- Bjørner, T. B., Jensen, H. H. (2002), Energy taxes, voluntary agreements and investment subsidies – a micro-panel analysis of the effect on Danish industrial companies' energy demand, *Resource and Energy Economics* 24, 229-249.
- Petrick, S., Wagner, U. J. (2014), The impact of carbon trading on industry: Evidence from German manufacturing firms, *Kiel Working Paper No. 1912*, IfW Kiel.