



NIPFP-IIPF INTERNATIONAL CONFERENCE ON “PAPERS IN PUBLIC FINANCE” JUNE 29-30 2021 NEW DELHI

Keynote Address June 29, 2021 (16.00-17.30 IST)

“THE IMPACT OF THE CORONA CRISIS ON PUBLIC FINANCES”



Clemens Fuest,
President Ifo Institute and President, International
Institute of Public Finance, Munich



Chair : Pinaki Chakraborty,
Director, National Institute of Public Finance And Policy,
New Delhi

NIPFP-IIPF Scientific Committee Chairs

Paola Profeta , Professor, BOCCONI UNIVERSITY and Member, IIPF
Board of Management

Lekha Chakraborty, Professor, NIPFP and Member, IIPF Board of
Management.

Conference Co-ordinator

Amandeep Kaur, Economist, NIPFP

DAY 1- June 29, 2021

SESSION I - FISCAL POLICY, DEBT/DEFICITS AND ECONOMIC ACTIVITY

Tuesday, June 29 (9.00-10.40 IST)

Chair: **ILA PATNAIK**, Professor, NIPFP and former Principal Economic Advisor, Government of India, New Delhi, INDIA

- 1. Fiscal Dominance in India: Through the Windshield and the Rearview Mirror (India 09.00)**
Author: Anshuman Kamila (Department of Economic Affairs, Ministry of Finance, Government of India, New Delhi, INDIA)
Discussant: Piyali Das
- 2. Public Debt in India: A Security Level Analysis (India 09.00)**
Author: Piyali Das (Indian Institute of Management Indore, INDIA) and Chetan Ghate (Economics and Planning Unit, Indian Statistical Institute – Delhi, INDIA)
Discussant: Tarun Jain
- 3. Lights out? COVID-19 Containment Policies and Economic Activity (India 09.00)**
Author: Robert C M Beyer (Macro, Trade and Investment Global Practice, World Bank, Washington DC, US), and Tarun Jain (Indian Institute of Management, Ahmedabad, INDIA), Sonalika Sinha (Reserve Bank of India, Mumbai, INDIA)
Discussant: Binod Kumar Behera
- 4. Effect of Fiscal Deficit on Economic Growth Performance of Indian States (India 09.00)**
Author: Binod Kumar Behera (Centre for Development Studies, Thiruvananthapuram, Kerala, INDIA)
Discussant: Anshuman Kamila

SESSION II: INTERNATIONAL TAXATION

Tuesday, June 29 (11.30-13.10 IST)

Chair: **KAVITA RAO**, Professor, NIPFP, New Delhi, INDIA

- 5. Profit Shifting and Equilibrium Principles of International Taxation (Paris 08.00)**
Author: Manon Francois (Paris School of Economics, FRANCE)
Discussant: Johannes Becker
- 6. Second-best source-based Taxation of Multinational Firms (Germany 08.00)**
Author: Johannes Becker (University of Münster, GERMANY)
Discussant: Marika Viertola
- 7. Profit shifting of Multinational Enterprises: Evidence from the Nordics (Finland 09.00)**
Author: Marika Viertola (VATT Institute of Economic Research, Helsinki, FINLAND)
Discussant: Suranjali Tandon
- 8. Analysing Factors Influencing Firm Capital Structure in India (India 11.30)**
Author: Suranjali Tandon, National Institute of Public Finance and Policy (NIPFP) and Akshay Garg
Discussant: Manon Francois

SESSION III: FISCAL DECENTRALISATION, LOCAL GOVERNMENTS AND THE POLITICAL BUDGET CYCLES

Tuesday, June 29 (13.30-15.10 IST)

Chair: **Prof. N R BHANUMURTY**, Vice Chancellor, Base University, Bangalore, INDIA

- 9. Fiscal Consequences of Municipal Mergers (Munich 10.00)**
Author: Luisa Doerr (ifo Center for Public Finance and Political Economy, University of Munich, GERMANY)
Discussant: Dilek Demirbaş
- 10. Fiscal Decentralisation or Centralisation : A comparative study on Turkey and Argentina (Istanbul 11.00)**
Author: Dilek Demirbaş (Istanbul University, TURKEY)
Discussant: Muhammed Shameer K
- 11. The Political Budget Cycle: Evidence from Indian Municipal Corporation Elections (India 13.30)**
Author: Muhammed Shameer K (University of Hyderabad, INDIA)
Discussant: Shikha Dahiya/ Aditi Pathak
- 12. Health Dynamics in India and Empowerment of Local Bodies (India 13.30)**
Author: Shikha Dahiya (Ministry of Finance, Government of India, INDIA) and Aditi Pathak (Ministry of Finance, Government of India, INDIA)
Discussant: Luisa Doerr

KEYNOTE ADDRESS: THE IMPACT OF THE CORONA CRISIS ON PUBLIC FINANCES

Tuesday, June 29 (16.00-17.30 IST)

CLEMENS FUEST, President of Institute and President, International Institute of Public Finance, Munich

CHAIR: PINAKI CHAKRABORTY, Director, NIPFP and Economic Advisor 14th Finance Commission, INDIA

DAY 2- June 30, 2021

SESSION IV: TAX AND INCOMPLETE MARKETS

Wednesday, June 30 (8.00-9.40 IST)

Chair: Prof. M GOVINDA RAO, Former Director, NIPFP & Member, 14th Finance Commission, INDIA

- 13. Welfare Effects of the Labor Income Tax Changes on Married Couples` (Minneapolis, US 21.30)**
Author: Egor Malkov (University of Minnesota and Federal Reserve Bank of Minneapolis, US)
Discussant: Xincheng Qiu
Economics, University of British Columbia, CANADA), Max Norton (Vancouver School of Economics, University of British Columbia, CANADA)
Discussant: Laura Zimmermann
- 14. Precautionary Mismatch (Pennsylvania 22.30)**
Author: Xincheng Qiu (University of Pennsylvania, US) and Eric Huang (University of Pennsylvania, US)
Discussant: Egor Malkov
- 15. How Well-Targeted are Payroll Tax Cuts as a Response to COVID-19? Evidence from China (British Columbia , Canada 19.30)**
Author: Wei Cui (Allard Law School, University of British Columbia, CANADA), Jeffrey Hicks (Vancouver School of
- 16. Production and Evasion Responses with Limited State Capacity – Evidence from Major Tax Reforms in India (Georgia, US 22.30)**
Author: David R Agrawal (University of Kentucky, Martin School of Public Policy and Administration and Department of Economics, US) and Laura Zimmermann (Department of Economics and Department of International Affairs, The University of Georgia, US)
Discussant: Wei Cui

SESSION V: FISCAL POLICY, SANCTIONS, ECOLOGY AND GROWTH CYCLES

Wednesday, June 30 (10.00-11.40 IST)

Chair: LEKHA CHAKRABORTY, Professor, NIPFP, New Delhi, INDIA and Governing Board Member, IIPF

- 17. The Impact of Smart and non-smart Sanctions on Government Health Expenditures: Evidence from Developing resource-based Countries (Tehran 09.00)**
Author: Sajjad Faraji Dizaji (University of Tehran, IRAN) and Zeinab Sadat Ghadamgahi (University of Tehran, IRAN)
Discussant: Magulsha George
- 18. Debt Sustainability: Empirical Evidence from BRICS Countries (India 10.00)**
Author: Magulsha George (Madras School of Economics, INDIA) and K R Shanmugam, (Madras School of Economics, Chennai, INDIA)
Discussant: Mathew Koshy
- 19. Regime Switching Fiscal Policy and Growth Cycles; The Case for Countercyclical Fiscal Policy (India 10.00)**
Author: Mathew Koshy Odasseril (Madras School of Economics, Chennai, INDIA) and K R Shanmugam (Madras School of Economics, Chennai, INDIA)
Discussant: Ranjan Kumar Mohanty
- 20. Ecological Fiscal Transfers and State-level Budgetary Spending in India: Analysing The Flypaper Effects in India (India 10.00)**
Author: Amandeep Kaur (National Institute of Public Finance and Policy, INDIA), Ranjan Kumar Mohanty (XIM University, Bhubaneswar, INDIA), Lekha Chakraborty,(NIPFP, INDIA), Divy Rangan (National Institute of Public Finance and Policy, INDIA)
Discussant: Sajjad Faraji Dizaji

SESSION VI: TAXATION, INEQUALITY AND CORRUPTION

Wednesday, June 30 (12.00-13.40 IST)

Chair: **PAOLA PROFETA**, Professor, Bocconi University, and Governing Board Member, IIPF Milan, ITALY 8.30 AM

21. **Bunching by owners of small corporations: Targeted Tax Incentives and Firm Heterogeneity (Netherlands 08.30)**
Author: Gabriella Massenz (Tilburg University, Fiscal Institute Tilburg, The NETHERLANDS) and Nicole Bosch (Dutch Tax Authorities, Tilburg University, The NETHERLANDS)
Discussant: Katinka Holtsmark
22. **The Costs of Taxation in the Presence of Inequality (Norway 08.30)**
Author: Katinka Holtsmark (University of Oslo, NORWAY) and Bjart Holtsmark (Research Department, Statistics, NORWAY) and Asmind Sunde Valseth (The Norwegian water resources and Energy Directorate, NORWAY)
Discussant: Corrina Claus
23. **Can Moral Reminders Curb Corruption? Evidence from an Online Classroom Experiment (Germany 08.30)**
Author: Corinna Claus (Chair for Constitutional Political Economy and Competition Policy, Breisgau, GERMANY), Ekkehard Köhler (University of Siegen, Walter Eucken Institute, Freiburg, GERMANY) and Tim Krieger (Walter Eucken Institute, University of Freiburg, GERMANY)
Discussant: Olle Hammar
24. **The Cultural Assimilation of Individualism and Preferences for Redistribution (Sweden 08.30)**
Author: Olle Hammar (Uppsala University, SWEDEN)
Discussant: Gabriella Massenz

SESSION VII: PUBLIC EXPENDITURE, CONVERGENCE AND GRANT RATIONALISATION

Wednesday, June, 30 (14.00-15.40 IST)

Chair: **Mr. A N JHA**, Former FINANCE SECRETARY (INDIA) & Member, 15th Finance Commission (INDIA)

25. **Public Expenditure Quality of States for Education and Health, Does Rationalisation of Grants Matter? (India 14.00)**
Author: Vikas Dixit (Jadavpur University, Kolkata, INDIA)
Discussant: Sandhya Garg
26. **Inter-governmental Transfers and Convergence in Public Expenditure: Evidence from States in India (India 14.00)**
Author: Sandhya Garg (Institute of Economic Growth, New Delhi, INDIA)
Discussant: Jyotsna Rosario
27. **Determining Fiscal Equalization Transfers For Elementary Education To Major Indian States (India 14.00)**
Author: Jyotsna Rosario (Madras School of Economics, INDIA) and K.R. Shanmugam, (Madras School of Economics, Chennai, INDIA)
Discussant: Vikas Dixit