

DANIEL OVERBECK

Citizenship: US, German

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RESEARCH FIELDS

Public Economics, Development Economics, Urban Economics

EDUCATION

University of Mannheim - Economics, Ph.D.	ongoing
University of Bonn - Economics, M.Sc.	2019
University of Heidelberg - Economics, B.Sc.	2017

JOB MARKET PAPER

”Bargaining Over Taxes”, with Eliya Lungu (Zambia Revenue Authority)

This paper shows that bargaining over tax payments is an important feature of tax compliance and enforcement in lower income countries. Analyzing the universe of administrative tax filings from Zambia, we document sharp bunching in (i) dominated regions above tax schedule discontinuities, inconsistent with standard models of tax compliance and (ii) at round number tax payments, implying that certain payments are being targeted. Additional evidence from our own survey suggests that discussing tax payments with tax officials before filing taxes is widespread, in line with tax payments being the outcomes of bargaining. Such bargaining over taxes is consistent with fact (ii), as bargaining outcomes are often round and salient numbers, and with fact (i), because tax schedule discontinuities restrict the set of feasible bargaining outcomes. Finally, we generalize the conventional Allingham Sandmo (1972) model to allow for bargaining as a mode of tax compliance. We show that bargaining leads to Pareto-improvements for both taxpayers and the state as long as state capacity is sufficiently low.

PUBLICATIONS

”Place-based policies, structural change and female labor: Evidence from India’s Special Economic Zones”, with Johannes Gallé (MCC Berlin), Nadine Riedel (U Münster) and Tobias Seidel (U Duisburg-Essen)
Journal of Public Economics, Volume 240, December 2024, 105259

This paper quantifies the local economic impact of Special Economic Zones (SEZs) that were established in India between 2005-2013. Based on a novel data set that combines census data on the universe of Indian firms with georeferenced data on SEZs, we find that SEZs increased manufacturing and service employment with positive spillover effects up to 10km. This employment gain was paralleled by a decline in local agricultural employment, in particular of women, suggesting that the policy contributed to structural change. We find no evidence for heterogeneous effects between privately and publicly run SEZs or zones with different industry denominations.

WORKING PAPERS

”Carbon Taxation and Firm Behavior in Emerging Economies: Evidence from South Africa”, with Johannes Gallé (MCC Berlin), Rodrigo Oliveira (UNU-WIDER), Nadine Riedel (U Münster) and Edson Severnini (Boston College)

This paper provides the first comprehensive analysis of how firms in emerging economies respond to carbon taxation, leveraging detailed administrative data from South Africa – a potential trailblazer for other developing countries with limited state capacity amid the growing global push for carbon pricing. We examine the dynamic impacts of the carbon tax on firm-level outcomes – such as profits, sales, capital, and labor inputs – across manufacturing and

mining firms, which are key sectors in the context of the carbon tax. Contrary to concerns that carbon taxes may hinder economic growth or reduce employment, our findings show no evidence of negative average impacts on firm performance or jobs. However, this overall result masks significant heterogeneity in the tax's effects across sectors, driven by the sector-specific design elements of the South African carbon tax. Firms expecting higher effective tax rates may have intensified their use of emission-intensive machinery and depreciated capital in anticipation of the tax. This behavior appears to stem from firms resolving regulatory uncertainty or seeking to recover costs from stranded assets.

"Taxing FDI in a developing economy: the case of informality"

This paper introduces a new model which captures the effect of foreign direct investment (FDI) on a developing economy with an informal sector. The informal sector evolves endogenously as economic agents choose between working and setting up a firm and whether to do so formally or informally. FDI induces a uniform increase in labor costs but heterogeneous productivity increases for domestic formal firms. Accordingly, some of these firms may opt for informality with increased FDI. This reduction in the domestic tax base may offset any revenue gains from additional FDI. It is shown that the revenue-neutral tax rate on FDI is decreasing in the government's efficiency in screening tax avoidance. Empirical evidence from panel data supports both key theoretical results.

WORK IN PROGRESS

"Does Infrastructure Finance Itself? Roads and Revenues in Rwanda", with Abdou Musonera (RDA) and Aimable Nsabimana (UNU-WIDER)

"VAT Refund Delays and Firm Performance in Zambia", with Eliya Lungu (Zambia Revenue Authority) and Adu-Abaio Kwabena (UNU-WIDER)

OTHER CONTRIBUTIONS

"How can informal interactions and bargaining affect tax compliance and enforcement?", *Tax for Growth, IGC Online Blog, December 2024*

"Place-based policy in India: How Special Economic Zones promoted structural change and women's employment", *VoxDev Column, December 2024*

"Place-based policy, Structural Change And Female Labor", *Faculti Interview, November 2023*

GRANTS & SCHOLARSHIPS

£10,000 from International Growth Center, **P.I. and sole applicant** 2023/2024
(for survey + experiment in Zambia)

£2,000 from International Growth Center, **P.I. and sole applicant** 2024/2025
(for collaboration with the Rwanda Revenue Authority)

\$10,000 from UNU-WIDER, **Co P.I.** 2023/2024
(for project: "Carbon Taxation in Emerging Economies")

Full scholarship for PhD coursework from German Research Foundation (DFG) 2019-2021

CONFERENCES & INVITED SEMINARS

2025

Paris School of Economics (invited), International Monetary Fund (invited, online), Wageningen University – Development Group (invited), National University of Singapore (invited), University of Stuttgart (invited), IGC Tax for Growth Webinar, CESifo Area Conference on Public Economics (Munich, scheduled)

2024

Northeastern Universities Development Consortium (Boston), National Tax Association Conference (Detroit), German Development Economics Conference (Hannover), ZEW Public Finance Conference (Mannheim), Annual Congress

of the IIPF (Prague), Mannheim Taxation Conference (Mannheim), University of Mannheim, Walter Eucken Institut Freiburg (invited), University of Mainz (invited), University of Tübingen (invited, canceled), University of Passau (invited)

2023

University of Zambia (invited), University of Mannheim, ifo Institute Munich, International Conference on Empirical Economics (Penn State University at Altoona), Annual Congress of the EEA (Barcelona), FHM+ Workshop (Frankfurt), South-Asia Institute/Heidelberg University (invited)

2022

CEPR/STEG Theme 1 workshop, Institute for Fiscal Studies (invited), Annual Congress of the IIPF (Linz), Annual Conference of the ETSG (Groningen), RGS Doctoral Conference (Bochum), University of Mannheim, EVS-online PhD Seminar, Mannheim-Frankfurt PhD Conference (Frankfurt)

2016-2021

12th Annual Conference on Economic Growth and Development (New Delhi), University of Mannheim

ACADEMIC SERVICE

Refereeing: International Tax and Public Finance

Workshop Organization: 7th FHM Workshop in Development Economics (Mannheim, October 2024)

TEACHING

University of Mannheim - Public Finance (B.Sc.), TA and subst. instructor	Spring 2023, 2024
DHBW Karlsruhe - Philosophy of Science (B.A.), Instructor	2023-
University of Mannheim - Econometrics (B.Sc.), TA	Spring 2021, 2022
University of Bonn - Statistics (B.Sc.), TA	Winter 2018
University of Heidelberg - Mathematics for Economists (B.Sc.), TA	Winter 2014, 2015

RESEARCH ASSISTANCE

University of Bonn - RA for Moritz Schularick	2019
University of Heidelberg - RA for Axel Dreher	2015, 2016

NON-ACADEMIC WORK EXPERIENCE

Federal Ministry for Economic Cooperation and Development, Bonn, Germany - Internship	2017
Indo-German Chamber of Commerce, Pune, India - Internship	Oct 2016-Feb 2017

OTHER

Software: STATA, R, Matlab, Github

Languages: German (native), English (fluent), French (conversational, B1)

REFERENCES

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