

DANIEL OVERBECK

Citizenship: US, German

University of Mannheim ◊ L7, 3-5 ◊ 68161 Mannheim ◊ Germany

daniel.overbeck@uni-mannheim.de ◊ www.danieloverbeck.github.io ◊ +49 621 181-1792

RESEARCH FIELDS

Public Economics, Development Economics, Environmental 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.

WORK IN PROGRESS

"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 presents the first comprehensive analysis of how firms respond to carbon taxation in emerging economies. Our evidence builds on exhaustive administrative data from South Africa, the 13th largest emitter worldwide. The results are twofold. First, we establish stylized facts on the types of firms that are affected, how much revenue is generated from which sector, and which share of national emissions the tax is able to capture. Second, we study the

dynamic impacts of the carbon tax on firm-level outcomes such as profits, sales, capital, and labor inputs. We show that the design of the South African carbon tax leads to substantial heterogeneity across sectors in terms of how strongly firms are affected. Contrary to the concern that carbon tax may hinder economic growth we measure no negative effects on firm performance on average.

”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.

”The Taxation of SMEs in Rwanda”

Work in Progress.

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 (for survey + experiment in Zambia)	2023/2024
£2,000 from International Growth Center, P.I. and sole applicant (for collaboration with the Rwanda Revenue Authority)	2024/2025
\$10,000 from UNU-WIDER, Co P.I. (for project: ”Carbon Taxation in Emerging Economies”)	2023/2024
Full scholarship for PhD coursework from German Research Foundation (DFG)	2019-2021

CONFERENCES & INVITED SEMINARS

2025

Paris School of Economics (invited, scheduled), International Monetary Fund (invited, scheduled), 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

Prof. Eckhard Janeba
University of Mannheim
Department of Economics
L7, 3-5, 68161 Mannheim
Germany
janeba@uni-mannheim.de

Prof. Arthur Seibold
University of Mannheim
Department of Economics
L7, 3-5, 68161 Mannheim
Germany
seibold@uni-mannheim.de

Prof. Nadine Riedel
University of Münster
Department of Economics
Am Stadtgraben 9, 48143 Münster
Germany
nadine.riedel@wiwi.uni-muenster.de

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