



Nanyang Technological University
**ECONOMICS AND ECONOMIC
GROWTH CENTRE** Seminar Series

Economics and Economic Growth Centre invite you to a seminar by
Prof Maik Schneider

- Speaker** : **Prof Maik Schneider**
Associate Professor
Department of Economics
University of Bath
- Topic** : **"Taxation, Innovation, and Entrepreneurship"**
- Chairperson** : **Prof James Ang**
Associate Professor
Division of Economics
School of Social Sciences
- Date** : **14 September 2017 (Thursday)**
- Time** : **3.30pm to 4:30pm**
- Venue** : **HSS Meeting Room 4 (HSS-04-71)**
School of Humanities and Social Sciences
Nanyang Technological University
14 Nanyang Drive, Singapore 637332

About the Speaker:

Maik T. Schneider is an Associate Professor (Senior Lecturer) in Economics at the University of Bath.

Maik studied Industrial Engineering at the Karlsruhe Institute of Technology, Germany, completing his studies with a Master's degree. He then earned a Ph.D. in Economics from the Ruprecht-Karls-University in Heidelberg, Germany, supported by a scholarship from the German National Science Foundation (DFG). After finishing his Ph.D., he became a Post-Doc and later Assistant Professor at ETH Zurich, Switzerland, and was a visiting scholar at the Economics department at Stanford University, USA.

Maik's main research interests lie in the fields of Innovation and Economic Growth and in Political Economy. His research has been supported by several research funding bodies and has been published in top leading journals such as the Journal of Monetary Economics, European Economic Review, Games and Economic Behavior and the Journal of Economic Growth. He is also a Co-organiser of an annual Workshop series in Political Economy.

Abstract:

We explore optimal and politically feasible growth policies in the form of basic research investments and taxation. Basic research is a public good that benefits innovating entrepreneurs, but its provision and financing also affect the entire economy – in particular, occupational choices of potential entrepreneurs, wages, dividends, and aggregate output. We show that the impact of basic research on the general economy rationalizes a taxation pecking order to finance basic research. More specifically, in a society with desirably dense entrepreneurial activity, a large share of funds for basic research should be financed by labor taxation, while a minor share should be left to profit taxation. Such tax schemes will induce a significant proportion of agents to become entrepreneurs, thereby rationalizing substantial investments in basic research that fosters their innovation prospects. These entrepreneurial economies, however, may make a majority of workers worse off, giving rise to a conflict between efficiency and equality. We discuss ways of mitigating this conflict and thus strengthening the political support for growth policies.

Reservation:

Admission is free. Please reply to e-egc@ntu.edu.sg for any enquiries.