NEWSLETTER 2023|24

CALENDAR

Departmental Seminar
Allesandra Fenizia (George Washington University)

"The (In)effectiveness of Targeted Payroll Tax Reductions"

Lunch Seminar
Karoline Ströhlein (University of Regensburg)

"Shaping Social Norms and Combatting Climate Change: The Power of Regulatory Instruments"

Attention:
Mon, Nov 13
15:30 - 17:00
Zoom-Meeting

Wed, Nov 15
12:00 - 13:00
H 26

Departmental Seminar

Allesandra Fenizia (George Washington University)

"The (In)effectiveness of Targeted Payroll Tax Reductions"

Joint work with Nicholas Li and Luca Citino

This paper studies the effectiveness of a relative payroll tax reduction targeted to apprenticeship contracts. It uses rich administrative data and leverages an Italian reform that raised social security contributions for apprenticeship contracts but granted a substantial discount for firms with 9 employees or less. Relative to a counterfactual where costs increase equally for all firms, the reform is ineffective at incentivizing demand for apprentices by increasing the number of apprenticeship contracts and it subsidizes inframarginal hires. This reform is not cost-effective from a fiscal standpoint. 1 million euros of lost social security contributions support the employment of 347 apprentices for one month.

Info:
https://uni-regensburg.zoom-x.de/j/92822525842

Lunch Seminar

Karoline Ströhlein (University of Regensburg)

"Shaping Social Norms and Combatting Climate Change: The Power of Regulatory Instruments"

Joint work with Alexander Hellgardt and Joanna Tyrowicz

Existing law serves as an expression of values, actively shaping social norms. The literature consistently emphasizes the influence of legal systems in molding societal conventions (Sunstein, 1996; Lessig, 1995), such as through the legalization of same-sex marriage (Tankard Paluck, 2017) and efforts to combat violence against women (Htnun Jensenius, 2022). This study explores the role of regulatory instruments in shaping social norms, with a focus on climate change mitigation. We conduct an incentivized lab experiment that orchestrates a horse race between regulatory instruments with participants making choices related to their daily commutes, considering factors like CO_2 emissions, time, and costs. This investigation sheds light on the complex relationships between regulatory instruments, social norms, and environmental decisions. By quantifying the value participants attribute to CO_2 emissions under different legal frameworks, our research provides insights into how legal systems can drive societal change. It promises to enhance our economic understanding of the expressive function of law and its potential to address one of our most pressing challenges – climate change. In doing so, it offers a pathway for policy to reshape societal norms and promote a sustainable future.

Info:
in person

PUBLICATIONS

Julia Bachtrögler-Unger, Mathias Dolls, Carla Krolage, Paul Schüle, Hannes Taubenböck and Matthias Weigand: "EU cohesion policy on the ground: Analyzing small-scale effects using satellite data", Regional Science and Urban Economics, Vol. 103, November 2023.

CONFERENCES

Regulation Research Conference 2023 on 04.-05.12.2023 in Regensburg
Regulatory instruments aim to elicit a concrete response on the part of the regulatory addressees. This reaction regularly consists of a concrete action or omission. To obtain such a behavior, the law may use different regulatory instruments. Some seek to deter disapproved behavior ("stick"), others rely on rewards ("carrots") to induce desired behavior. Law thus makes use of the insights of economics and social psychology to achieve the most precise control of behavior. But what happens when different people respond differently to such incentives? What frightens one person off leaves another cold. Do we need different regulatory instruments for different groups? Or do we need fully personalized law that provides for each person exactly the regulatory instruments that best govern them? Can AI be used to target individual people or would that be the end of government regulation?
Program and further information:
https://regulationresearch.net/2023/11/rr-conference-2023-program
Should you have any questions or want to participate in the conference please contact the conference organizers at Karoline.Stroehlein@ur.de until 24.11.2023.