

ALFRED-  
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# Newsletter 11/2012

ALFRED-WEBER-INSTITUT FÜR WIRTSCHAFTSWISSENSCHAFTEN  
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## AWI This Week

### **Tuesday, 29.5.12**

14.15-15.15

AWI 02.036

### **Economics & Politics Seminar**

Daniel Finke, University of Heidelberg

"Does Domestic Level Parliamentary Scrutiny Influence EU Legislation?"

### **Wednesday, 30.5.12**

17.15-18.45

AWI 00.010

### **Departmental Workshop**

Boris Wiesenfarth, University of Heidelberg

"Active Learning under Ambiguity"

### Economics & Politics Seminar

Daniel Finke

"Does Domestic Level Parliamentary Scrutiny Influence EU Legislation?"

Does domestic-level parliamentary scrutiny improve democratic representation and accountability in the European Union? From a theoretical perspective, scrutiny has the potential to enhance democratic accountability by drawing the attention of national parties and voters to the behavior of their elected representatives in the European Parliament. Therefore, it should be increasingly difficult for European political groups to successfully discipline MEPs with dissenting interests. The present paper tests this argument empirically using data on the observed voting behavior during the 6<sup>th</sup> European Parliament. Our results indicate that under scrutiny, MEPs from opposition parties are less likely to give away their own policy positions by following voting instructions of their political group. However, this is not true with respect to MEPs from governing parties. Although scrutiny has an even stronger positive effect on their likelihood to defect, it does not reinforce the representation of their domestic electorate.

### Departmental Workshop

Boris Wiesenfarth

"Active Learning under Ambiguity" \*

Agencies charged with regulating food safety, pharmaceuticals, or industrial processes frequently need to take decisions in settings characterized by ambiguity. What rules should guide those decisions? Since the 1990s, the Precautionary Principle (PP) has emerged as the preferred decision rule in policy circles, challenging traditional Cost-Benefit Analysis (CBA). We add to the debate on the relative merits of PP and CBA as the agency's rule from a novel angle, namely the impact of the choice of the decision rule on the agency's information gathering behavior. We find two countervailing effects. On the one hand, an agency mandated to employ the PP has a higher demand for precise information relative to CBA, affirming the common notion of the PP leading to better informed decisions. On the other hand, use of the PP leads to a reluctance to learn an inconvenient truth and hence to a lower demand for signal precision. For a broad set of parameters, this net result is that in settings in which ambiguity can be reduced, an agency employing the PP will prefer to stay uninformed. We discuss the implications for setting agency decision rules.

\* with Timo Goeschl and Daniel Heyen

## Talks and Research Visits

**Christina Gathmann** gave a talk on "Taxing Childcare: Effects on Family Labor Supply and Children", University of Helsinki, May 18.

**Hans Diefenbacher** presented a paper on "Gesellschaftliches Monitoring zur Unterstützung eines nachhaltigen Wohlfahrtskonzepts" at the Workshop "Eckpunkte eines tragfähigen Wohlfahrtskonzepts als Grundlage für umweltpolitische Innovations- und Transformations-prozesse", Freie Universität Berlin.

**Hans Diefenbacher** gave a talk on "Nationale und kommunale Nachhaltigkeitsberichterstattung", at the 4th Kongress "Umweltökonomische Gesamtrechnungen der Länder", Landesbetrieb Information und Technik Nordrhein-Westfalen, Düsseldorf.

## Publications

Rainer Öhlschläger/Hartmut Sangmeister (Hrsg.): *Neue Formen und Instrumente der Entwicklungszusammenarbeit*, Baden-Baden: Nomos Verlag 2012 (= Weltwirtschaft und internationale Zusammenarbeit, 11); mit Beiträgen von Erika Günther, Bernd Lämmlin, Katja Hilser, Julia Rückert, Alexa Schönstedt u.a.

Hans Diefenbacher: *Ausländische Direktinvestitionen in landwirtschaftliche Nutzflächen und die globalen Preisentwicklungen bei Agrargütern*, in: Schoch, Bruno/Hauswedell, Corinna/Kursawe, Janet/Johannsen, Margret (Hrsg.) (2012): *Friedensgutachten 2012*. Münster: Lit-Verlag, 196 – 208.

**Editorial deadline for issue 12/2012 of the newsletter:  
Wednesday, May 30, 2012, 12 o'clock  
newsletter@awi.uni-heidelberg.de**

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