

**THE DEPARTMENT OF ECONOMICS VISITING LECTURER SERIES
WELCOMES**



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Presenting

“Decentralized Enforcement of National Legislation: Political Influence on Environmental Fines in Swedish Municipalities”

Tuesday, January 22, at 3:30 in the Rasmussen Library (OSH 336)

Abstract:

A potential problem with local enforcement of national legislation is the varying degrees of implementation that the decentralized structure may create. To study the severity of this problem, induced by the mismatch of local and national incentives, I look at the enforcement of the Swedish Environmental Code which is a national legislation enforced on the local level. I measure enforcement in terms of environmental fines issued in each of Sweden's 290 municipalities. The main political tradeoff in enforcement is between business and environmental friendliness. I utilize the fact that the Green Party values this tradeoff differently from other parties. Using both a difference in differences approach and IV, I conclude that municipalities with the Green Party in the ruling coalition issue more environmental fines than other municipalities. This is problematic from an efficiency and equality perspective. The result suggests that the level of centralization of enforcement is an important aspect to take into account when creating national public policy.