

**LAW & ECONOMICS CENTER, GEORGE MASON UNIVERSITY SCHOOL OF LAW**  
*Economics Institute for Judges, Week Two*  
Saturday, March 10 through Friday, March 16, 2012

**Classes:** Chapman University, 1 University Drive, Orange, CA 92866  
**Hotel:** Doubletree by Hilton, 100 The City Drive, Orange, CA 92868

**Agenda**

**Saturday, March 10**

**Welcome**

*Registration at the Doubletree Hotel; No program*

**6:00 - 7:30 pm**

**Registration, Lobby**

**6:30 - 7:30 pm**

**Optional Reception, Patio**

**7:30 - 9:00 pm**

**Optional Dinner, Atrium**

**Sunday, March 11**

**Incentives, Property Rights, and Transactions Costs**

*Classes held at the Doubletree Hotel, Laguna/Newport Room*

**8:30 - 9:15 am**

**Registration and Breakfast, Atrium & Patio**

**9:30 - 10:45 am**

**Welcome**

**D. Bruce Johnsen**, Professor of Law, George Mason University School of Law, and Director, Judicial Education Programs, Law & Economics Center

**Free Market Environmentalism**

**Terry L. Anderson**, Executive Director, Property and Environment Research Center (PERC); Senior Fellow, Hoover Institution, Stanford University

Reading Assignment: Terry L. Anderson and Laura E. Huggins, *Property Rights: A Practical Guide to Freedom & Prosperity*, Hoover Institution Press Publication 515, Stanford University (2003)

**11:00 am - 12:15 pm**

**Tragedy of the Commons; The Coase Theorem | Anderson**

**12:30 - 2:00 pm**

**Lunch, Atrium**

**Property Rights and Environmental Entrepreneurs | Anderson**

**2:15 pm**

**Bus departs**

Doubletree Hotel for Laguna Beach

**5:00 pm**

**Bus departs**

Doubletree Hotel for Laguna Beach

**6:00 - 8:00 pm**

**Reception and Dinner, Las Brisas Restaurant, Laguna Beach**

**8:00 pm**

**Bus departs**

Las Brisas for Doubletree Hotel

**Monday, March 12**

**Economics of Accounting Data**

*Classes held at Chapman University, Kennedy Hall 237B*

**7:00 & 7:30 am**

**Buses depart**

Doubletree Hotel for Chapman University

**7:15 - 8:00 am**

**Breakfast at Chapman University, Kennedy Hall Room 237A**

**8:00 - 9:15 am**

**Introduction to Financial Statements**

**Glenn M. Pfeiffer**, Warren and Doris Uehlinger Endowed Professorship in Business, Argyros School of Business & Economics, Chapman University

Reading Assignment: Robert C. Pozen, *Is it Fair to Blame Fair Value Accounting for the Financial Crisis?*, Harvard Business Review (November 2009);

Glenn Pfeiffer and David Porter, *Bubbles and Fair Value Accounting*, Economic and Business Review (December 2011).

- 9:30 – 10:45 am**                    **Historical Costs and Opportunity Costs; Accounting Values v. Financial Valuation; Accounting Values and Market Values | Pfeiffer**
- 11:00 am – 12:00 pm**            **Off-Balance Sheet Financing; Fair Value Reporting and The Banking Crisis | Pfeiffer**
- 12:15 – 1:15 pm**                    **Lunch, Argyros Forum Room 209AB**
- Welcome**  
**Thomas J. Campbell**, Dean, Chapman University School of Law
- 1:15 pm**                                **Bus departs**  
Chapman University for the Doubletree Hotel

**Tuesday, March 13**                **Statistics and Policy Analysis**  
*Classes held at Chapman University, Argyros Forum Room 209AB*

- 7:00 & 7:30 am**                    **Buses depart**  
Doubletree Hotel for Chapman University
- 7:15 – 8:00 am**                    **Breakfast at Chapman University, Argyros Forum Room 209AB**
- 8:00 – 9:15 am**                    **Statistics in an Hour**  
**Jonathan Klick**, Professor of Law, University of Pennsylvania Law School
- Reading Assignment: David H. Kaye and David A. Freedman, *Reference Guide on Statistics*; and Daniel L. Rubinfeld, *Reference Guide on Multiple Regression*, Reference Manual on Scientific Evidence: Third Edition (2011) [http://www.nap.edu/catalog.php?record\\_id=13163](http://www.nap.edu/catalog.php?record_id=13163)
- 9:30 – 10:45 am**                    **When is Correlation Causation? | Klick**
- Reading Assignment: Joshua D. Angrist and Jörn-Steffen Pischke, *The Credibility Revolution in Empirical Economics: How Better Research Design Is Taking the Con out of Econometrics*, Journal of Economic Perspectives, 24(2): 3-30 (2010)  
[http://www.aeaweb.org/atypon.php?return\\_to=/doi/pdfplus/10.1257/jep.24.2.3](http://www.aeaweb.org/atypon.php?return_to=/doi/pdfplus/10.1257/jep.24.2.3).
- 11:00 am – 12:15 pm**            **Using Empirical Research to Guide Policy Making | Klick**
- 12:15 pm**                                **Adjourn**
- 12:15 & 2:00 pm**                    **Buses depart**  
Chapman University for the Doubletree Hotel
- 6:45 pm**                                **Bus departs**  
Doubletree Hotel for Citrus City Grille
- 7:00 – 9:00 pm**                    **Reception and Dinner, Citrus City Grille, Old Town Orange**
- 9:00**                                        **Bus departs**  
Citrus City Grille to Doubletree Hotel

**Wednesday, March 14**                      **Law and Economics Applications**

*Classes held at the Doubletree Hotel, Laguna/Newport Room*

**7:00 – 7:45 am**                              **Breakfast, Atrium & Patio**

**8:00 – 9:15 am**

**Mortgage Markets**

**Todd J. Zywicki**, George Mason University Foundation Professor of Law, George Mason University School of Law

Reading Assignments: Joseph D. Adamson and Todd J. Zywicki, *The Law and Economics of Subprime Lending*, 80 U. Colo. L. Rev. 1 (Winter 2009)

Gabriel Okloski and Todd J. Zywicki, *The Housing Market Crash*, Mercatus Center Working Paper No. 09-35 (September 2009)

**9:30 – 10:45 am**

**The Not-So-Good Good Old Days of Consumer Credit | Zywicki**

Reading Assignments: Todd J. Zywicki, *America's Debt Paranoia*, The Freeman (October 2009) <http://www.thefreemanonline.org/featured/americas-debt-paranoia/>

Todd J. Zywicki, *The Market for Information and Credit Card Regulation*, Banking & Financial Services Policy Report at 13 (January 2009)

Todd J. Zywicki, *Money to Go*, Regulation at 32 (Summer 2010)

Todd J. Zywicki, *Dodd-Frank and the Return of the Loan Shark*, The Wall Street Journal, January 4, 2011

<http://online.wsj.com/article/SB10001424052748704735304576058211789874804.html>

Todd J. Zywicki, *The Dick Durbin Bank Fees*, The Wall Street Journal, September 29, 2011

<http://online.wsj.com/article/SB10001424052970204831304576597173130633798.html>

**11:00 am – 12:15 pm**

**On the Efficiency of the Common Law | Zywicki**

Reading Assignments:

Todd J. Zywicki and Edward Peter Stringham, *Common Law and Economic Efficiency* (September 8, 2010); *ENCYCLOPEDIA OF LAW AND ECONOMICS*, Francesco Parisi, Richard Posner, eds., 2010; George Mason Law & Economics Research Paper No. 10-43

Todd J. Zywicki, *Spontaneous order and the common law: Gordon Tullock's Critique*, 135 Pub. Choice 35 (2008)

**12:15 pm**

**Adjourn**

**Thursday, March 15**

**Experimental Economics**

*Classes held at Chapman University, Argyros Forum Room 209AB*

**7:00 & 7:30 am**

**Buses depart**

Doubletree Hotel for Chapman University

**7:15 – 8:00 am**

**Breakfast at Chapman University, Argyros Forum Room 209AB**

**8:00 – 9:15 am**

**The Emergence of Property in the Laboratory**

**Vernon L. Smith**, Professor of Law and Economics, George L. Argyros Endowed Chair in Finance and Economics and 2002 Nobel Laureate in Economics, Chapman University

**Stephen Rassenti**, Professor of Mathematics and Economics and Director of the Economic Science Institute, Chapman University

**Bart Wilson**, Professor of Economics and Law, Donald P. Kennedy Endowed Chair in Economics and Law, Chapman University

Reading Assignment: Robert C. Ellickson, *A Hypothesis of Wealth-Maximizing Norms: Evidence from the Whaling Industry*, Journal of Law, Economics, and Organization, 5(1): 83-97 (1989)

9:30 – 10:45 am	<b>Competition and Product Bundling   Smith, Rassenti and Wilson</b>
11:00 am – 12:15 pm	<b>Cooperation, Competition, and Trust Formation: Insights and Implications from the Prisoners' Dilemma</b>  <b>Matthew W. McCarter</b> , Assistant Professor of Management, George L. Argyros School of Business and Economics, Wang-Fradkin Assistant Professorship, Chapman University  <u>Reading Assignments:</u> Max H. Bazerman, <i>The Mind of the Negotiator: When Self-interest Is Sabotag</i> , Negotiation (December 2003) Deepak Malhotra, <i>When Contracts Destroy Trust</i> , Harvard Business Review 87, no. 5 (May 2009): 25
12:15 pm	<b>Adjourn</b>
12:15 pm	<b>Bus departs</b> Chapman University for the Doubletree Hotel
6:30 pm	<b>Bus departs</b> Doubletree Hotel for Orange Hill Restaurant
7:00 – 9:00 pm	<b>Reception and Dinner, <i>Orange Hill Restaurant, Orange</i></b>
9:00 pm	<b>Bus Departs</b> Orange Hill Restaurant to Doubletree Hotel
<b>Friday, March 16</b> <i>Classes held at the Doubletree Hotel, Laguna/Newport Room</i>	<b>Scientific Methodology</b>
7:00 – 7:45 am	<b>Breakfast, Atrium &amp; Patio</b>
8:00 – 9:15 am	<b>The Scientific Method</b> <b>James Trefil</b> , Robinson Professor of Physics, George Mason University  <u>Reading Assignment:</u> James S. Trefil, <i>What is Science?</i> , Science in World, 1:1-13 (Routledge 2012).
9:15 – 9:45 am	<b>Break, <i>Check Out of Hotel – Check Bags</i></b>
9:45 – 10:45 am	<b>Elements of Scientific Decision Making   Trefil</b>
11:00 am – 12:00 pm	<b>The Extinction of the Dinosaurs: The Scientific Method in Action   Trefil</b>
12:00 pm	<b>Adjourn</b>
12:15 pm	<b>Bus Departs</b> Doubletree Hotel for John Wayne Airport (SNA)