

# LAW & ECONOMICS CENTER, GEORGE MASON UNIVERSITY SCHOOL OF LAW

Economics Institute for Judges, Week Two

Saturday, December 1 through Friday, December 7, 2012

Classes: Robert and Judy Prokop Newman Alumni Center, University of Miami, 6200 San Amaro Drive,  
Coral Gables, FL 33146

Hotel: Biltmore Hotel, 1200 Anastasia Avenue, Coral Gables, FL 33134

## Agenda

### Saturday, December 1 **Welcome**

*Registration at the Biltmore Hotel: No program*

6:30 – 8:00 pm **Registration**

6:30 – 9:00 pm **Optional Tailgate and NCAA Football Game Viewing, 19<sup>th</sup> Hole**

### Sunday, December 2 **Incentives, Property Rights, and Transactions Costs**

*Classes held at the Biltmore Hotel*

11:00 – 1:00 pm **Registration**

11:00 – 1:00 pm **Brunch, Bowman**

1:00 – 2:15 pm **Welcome and Class, Merrick**

**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)

2:30 – 3:45 pm **Tragedy of the Commons; The Coase Theorem | Anderson**

4:00 – 5:15 pm **Property Rights and Environmental Entrepreneurs | Anderson**

5:15 pm **Adjourn**

### Monday, December 3 **Statistics & Policy Analysis**

*Classes held at the Robert and Judi Prokop Newman Alumni Center at the University of Miami, Multi-Purpose Room*

7:00 & 7:15 am **Buses depart** the Biltmore for the University of Miami

7:15 – 8:00 am **Breakfast, University of Miami Alumni Center**

8:00 – 9:15 am	<p><b>Statistics in an Hour</b>  <b>Jonathan Klick</b>, Professor of Law, University of Pennsylvania Law School</p> <p><u>Reading Assignment</u>: David H. Kaye and David A. Freedman, <i>Reference Guide on Statistics</i>; and Daniel L. Rubinfeld, <i>Reference Guide on Multiple Regression</i>, <a href="http://www.nap.edu/catalog.php?record_id=13163">Reference Manual on Scientific Evidence: Third Edition</a> (2011)  <a href="http://www.nap.edu/catalog.php?record_id=13163">http://www.nap.edu/catalog.php?record_id=13163</a></p>
9:30 – 10:45 am	<p><b>When is Correlation Causation?   Klick</b></p> <p><u>Reading Assignment</u>: Joshua D. Angrist and Jörn-Steffen Pischke, <i>The Credibility Revolution in Empirical Economics: How Better Research Design Is Taking the Con out of Econometrics</i>, <i>Journal of Economic Perspectives</i>, 24(2): 3-30 (2010)  <a href="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</a>.</p>
11:00 – 12:15 pm	<b>Using Empirical Research to Guide Policy Making   Klick</b>
12:15 – 1:15 pm	<b>Lunch</b>
1:30 pm	<b>Buses</b> tour the University of Miami and drop off at the Biltmore Hotel

## Tuesday, December 4

## Economics of Accounting Data

*Classes held at the Robert and Judi Prokop Newman Alumni Center at the University, Miami Multi-Purpose Room*

7:00 & 7:15 am	<b>Buses depart</b> the Biltmore for the University of Miami
7:15 – 8:00 am	<b>Breakfast</b> , <i>University of Miami Alumni Center</i>
8:00 – 9:15 am	<p><b>Introduction to Financial Statements</b>  <b>Glenn M. Pfeiffer</b>, Warren and Doris Uehlinger Endowed Professorship in Business, Argyros School of Business &amp; Economics, Chapman University</p> <p><u>Reading Assignment</u>: Robert C. Pozen, <i>Is it Fair to Blame Fair Value Accounting for the Financial Crisis?</i>, <i>Harvard Business Review</i> (November 2009);</p> <p>Glenn Pfeiffer and David Porter, <i>Bubbles and Fair Value Accounting</i>, <i>Economic and Business Review</i> (December 2011).</p>
9:30 – 10:45 am	<b>Historical Costs and Opportunity Costs; Accounting Values v. Financial Valuation; Accounting Values and Market Values   Pfeiffer</b>
11:00 – 12:15 pm	<b>Off-Balance Sheet Financing; Fair Value Reporting and The Banking Crisis   Pfeiffer</b>
12:15 pm	<p><b>Adjourn</b>  <b>Buses depart</b> the University of Miami for the Biltmore Hotel and South Beach</p>
4:30 pm	<b>Buses depart</b> Biltmore Hotel for Joe's Stone Crab
5:00 – 8:15 pm	<b>Reception and Dinner</b> , <i>Joe's Stone Crab, Miami Beach</i>
8:15 pm	<b>Buses depart</b> Joe's Stone Crab for Biltmore Hotel

## Wednesday, December 5

### Public Choice Economics

*Classes held at the Robert and Judi Prokop Newman Alumni Center at the University of Miami, Multi-Purpose Room*

7:00 & 7:15 am

**Buses depart** the Biltmore for the University of Miami

7:15 – 8:00 am

**Breakfast**, University of Miami Alumni Center

8:00 – 9:15 am

**Rent Extraction**

**Fred S. McChesney**, *de la Cruz-Mentschikoff Endowed Chair in Law and Economics*, University of Miami

Reading Assignment: J. Gregory Sidak, *The Petty Larceny of the Police Power*, 86 Cal. L. Rev. 655 (1998) <http://scholarship.law.berkeley.edu/californialawreview/vol86/iss3/10>

Fred S. McChesney, *Historic Self-Preservation*, Library of Economics and Liberty <http://www.econlib.org/library/Columns/Mcchesneypreservation.html#>

Malcolm B. Coate, et al., *Bureaucracy and Politics in FTC Merger Challenges*, Journal of Law and Economics, Vol. 33, No. 2 (Oct. 1990).

9:30 – 10:45 am

**Empirical Evidence on Public Choice | McChesney**

11:00 – 12:15 pm

**Empirical Evidence on Public Choice (continued)| McChesney**

12:15 pm

**Buses depart** the University of Miami for the Biltmore Hotel

## Thursday, December 6

### Law and Economics Applications

*Classes held at the Biltmore Hotel, Merrick*

7:00 – 8:00 am

**Breakfast**, Bowman

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 – 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**

6:30 pm

**Buses depart** the Biltmore Hotel for Monty's Raw Bar

7:00 – 9:00 pm

**Reception and Dinner**, *Monty's Raw Bar, Coconut Grove*

9:00 pm

**Buses depart** Monty's Raw Bar for Biltmore Hotel

**Friday, December 7**

**Scientific Method**

*Classes held at the Biltmore Hotel, Merrick*

7:00 – 8:00 am

**Breakfast**, *Bowman*

8:00 – 9:15 am

**The Scientific Method**

**James Trefil**, Robinson Professor of Physics, George Mason University

Reading Assignment:

James S. Trefil, *What is Science?*, Science in World, 1:1-13 (Routledge 2012).

9:30 – 10:45 am

**Elements of Scientific Decision Making | Trefil**

10:45 – 11:15 am

**Break**, *Check Out of Hotel – Check Bags*

11:15 – 12:30 pm

**The Extinction of the Dinosaurs: The Scientific Method in Action | Trefil**

12:30 pm

**Adjourn**

12:40 pm

**Buses Depart** the Biltmore Hotel for Miami International Airport (MIA)