

LAW & ECONOMICS CENTER, GEORGE MASON UNIVERSITY SCHOOL OF LAW
Henry G. Manne Program in Law & Economics Studies
Thirty-Fourth Economics Institute for Law Professors
Sunday, June 16 through Friday, June 28, 2019

Hotel & Classes: The Stanley Hotel, 333 East Wonder View Avenue, Estes Park, CO 80517

Agenda

Sunday, June 16

Arrival

Monday, June 17

All classes held in the Billiard Room

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| 7:00 – 7:50 am | Breakfast, Pinon Room |
| 8:00 – 9:15 am | WELCOME * Henry N. Butler , Dean and Professor of Law, George Mason University Antonin Scalia Law School CLASS 1: Economics in Action Butler <u>Reading Assignment:</u> Butler, Drahozal, and Shepherd, <i>Economic Analysis for Lawyers</i> , 3 rd ed., Carolina Academic Press (2014): Chapters I and II |
| 9:30 – 10:45 am | CLASS 2: Economics in Action Butler <u>Reading Assignment:</u> Heyne, Boettke, and Prychitko, <i>The Economic Way of Thinking</i> , 13 th ed., Pearson (2014): Chapter 1 |
| 11:00 am – 12:15 pm | CLASS 3: Economics in Action Butler <u>Reading Assignment:</u> Heyne, et al, Chapters 2 and 6 |
| 12:15 – 1:00 pm | Lunch, Presidential Patio |
| 1:15 – 2:30 pm | CLASS 4: Individual Choice, Demand, and Welfare * John M. Yun , Associate Professor of Law and Director of Economic Education, Global Antitrust Institute, George Mason University Antonin Scalia Law School <u>Reading Assignment:</u> Heyne, et al, Chapter 3 |
| 2:45 – 4:00 pm | CLASS 5: Cost, Production, and Supply * Murat C. Mungan , Professor of Law, George Mason University Antonin Scalia Law School <u>Reading Assignment:</u> Heyne, et al, Chapter 4 Alchian, “Costs”, <i>Economic Forces at Work</i> , Liberty Fund (1977), pp 180-201 |
| 4:15 – 5:30 pm | CLASS 6: Equilibrium, Markets, and Prices Yun <u>Reading Assignment:</u> Heyne, et al, Chapter 5 |
| 6:30 – 7:15 pm | Reception, Music Room Veranda |
| 7:15 – 9:00 pm | Dinner, Music Room |

Tuesday, June 18

All classes held in the Billiard Room

7:00 – 7:50 am

Breakfast, Pinon Room

8:00 – 9:15 am

CLASS 7: Transaction Costs and the Nature of the Firm | Yun

Reading Assignment: Alchian & Demsetz, "Production, Information Costs, and Economic Organization," *American Economic Review* 62, pp. 777-795 (1972)

Lafontaine & Slade, "Vertical Integration and Firm Boundaries: The Evidence", 45 *Journal of Economic Literature* 629 (2007)

9:30 – 10:45 am

CLASS 8: Monopoly and Perfect Competition | Mungan

Reading Assignment: Butler, et al, Chapter IX

Heyne, et al, Chapter 9

11:00 am – 12:15 pm

CLASS 9: Monopolist Competition and Oligopoly | Yun

Reading Assignment:

Klein, "Brand Names," from *The Concise Encyclopedia of Economics*

Carlton & Peltzman, "Introduction to Stigler's Theory of Oligopoly", 6 *Competition Policy International* 237 (2010)

12:15 pm

Adjourn for the Day

Wednesday, June 19

All classes held in the Billiard Room

7:00 – 7:50 am

Breakfast, Pinon Room

8:00 – 9:15 am

CLASS 10: Economics of Innovation and Dynamic Competition | Yun

Reading Assignment: Ginsburg & Wright, "Dynamic Analysis and the Limits of Antitrust Institutions", 78 *Antitrust Law Journal* 1 (2012)

Baumol et al, *Good Capitalism, Bad Capitalism, and the Economics of Growth and Prosperity* (2007), pages 15-59

9:30 – 10:45 am

CLASS 11: Differential Pricing and Welfare | Mungan

Reading Assignment: Varian, "Differential Pricing and Efficiency," *First Monday* 1, pp. 1-10 (1996)

Stigler, "United States v. Loew's Inc.: A Note on Block-Booking," *The Supreme Court Review* 1963, pp. 152-157

Global Antitrust Institute Comment on the Canadian Competition Bureau's White Paper, "Big Data and Innovation: Implications for Competition Policy for Canada" (2017), pp. 9-12

11:00 am – 12:15 pm

CLASS 12: Economics of Intellectual Property | Yun

Reading Assignment: Posner, "Intellectual Property: The Law and Economics Approach", 19 *Journal of Economic Perspectives* 57 (2005)

12:15 pm

Adjourn for the Day

Thursday, June 20

All classes held in the Billiard Room

7:00 – 7:50 am Breakfast, Pinon Room

8:00 – 9:15 am CLASS 13: The Social Cost of Monopoly | Butler

9:30 – 10:45 am CLASS 14: Vertical Restraints | Butler

Reading Assignment: Ramseyer and Rasmusen, "Exclusive Dealing: Before, Bork, and Beyond," *Journal of Law and Economics* 57, pp. S145-S160 (2014)

Carlton and Heyer, "Extraction vs. Extension: The Basis for Formulating Antitrust Policy Towards Single-Firm Conduct," *Competition Policy International* 4, pp. 285-305 (2008)

11:00 am – 12:15 pm CLASS 15: Horizontal Mergers – Market Definition and Fundamentals | Mungan

Reading Assignment: Demsetz, *The Market Concentration Doctrine: An Examination of Evidence and a Discussion of Policy* (1973)

Baker, "Market Definition: An Analytical Overview", 74 *Antitrust Law Journal* 129 (2007)

12:15 – 1:00 pm Lunch, Presidential Patio

1:15 – 2:30 pm CLASS 16: Horizontal Mergers – Competitive Effects, Entry, & Efficiencies | Yun

Reading Assignment: Werden, "Unilateral Competitive Effects of Horizontal Mergers I: Basic Concepts and Models", 2 *Issues in Competition Law and Policy* 1319 (2008)

Carlton, "Barriers to Entry", in 1 *Issues in Competition Law and Policy* 601 (2008)

2:45 – 4:00 pm CLASS 17: Economics of Network Effects and Power | Yun

Reading Assignment: Evans, "The Antitrust Economics of Multi-Sided Platform Markets," *Yale Journal of Regulation* 20, pp. 325-381 (2003)

Liebowitz & Margolis, "Network Externalities: An Uncommon Tragedy," *Journal of Economic Perspectives* 8, pp. 133-150 (1994)

4:15 – 5:30 pm CLASS 18: Big Data, Barriers to Entry, and Market Power | Yun

Reading Assignment: Global Antitrust Institute Comment on the Canadian Competition Bureau's White Paper, "Big Data and Innovation: Implications for Competition Policy for Canada" (2017)

Wright and Dorsey, "Antitrust Analysis of Big Data," *Competition Law & Policy Debate* 2, pp. 35-41 (2016)

Lambrecht & Tucker, "Can Big Data Protect A Firm from Competition," *Competition Policy International* (2017)

6:30 – 7:15 pm Reception, Longs Peak Lawn

7:15 – 9:00 pm Dinner, Presidential Patio

Friday, June 21

All classes held in the Billiard Room

7:00 – 7:50 am Breakfast, Pinon Room

8:00 – 9:15 am CLASS 19: Crime and Punishment | Mungan

Reading Assignment: Posner, [An Economic Theory of the Criminal Law](#), 85 *Columbia Law Review* 1193 (1985)

Butler, et al, Chapter VII

Mungan, "Positive Sanctions versus Imprisonment", George Mason Law & Economics Research Paper No. 19-03 (January 17, 2019), available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3317552

9:30 – 10:45 am CLASS 20: Crime and Punishment | Mungan

11:00 am – 12:15 pm CLASS 21: Crime and Punishment | Mungan

12:15 – 1:00 pm Lunch, Presidential Patio

1:15 – 2:30 pm CLASS 22: The Basic Economics of Externalities and the Environment | Butler

Reading Assignment: Butler, et al, Chapter IV

Heyne, et al, Chapter 10

2:45 – 4:00 pm CLASS 23: Free Market Environmentalism: Hats Matter

*Terry L. Anderson, Senior Fellow, Property and Environment Research Center (PERC), and John and Jean DeNault Senior Fellow, Hoover Institution, Stanford University

Reading Assignment: Anderson, Terry, and Donald Leal, eds. *Free market environmentalism for the next generation*. Springer, 2015: Chapter 1 "Visions of Environmentalism"

4:15 – 5:30 pm CLASS 24: Is Government Regulation the Solution? | Anderson

Reading Assignment: Anderson, Terry L., and Gary D. Libecap. *Environmental markets: a property rights approach*. Cambridge University Press, 2014: Chapter 2, "Is Government Regulation the Solution?" and Chapter 5, "The Politics of Property Rights"

5:30 pm Adjourn for the Day

Saturday, June 22

All classes held in the Billiard Room

7:00 – 7:50 am Breakfast, Pinon Room

8:00 – 9:15 am CLASS 25: There Ain't No Such Thing as an Externality | Anderson

Reading Assignment: Anderson, Terry L., and Gary D. Libecap. *Environmental markets: a property rights approach*. Cambridge University Press, 2014: Chapter 3, "Property Rights for the Common Pool"

9:30 – 10:45 am CLASS 26: The Evolution of Property Rights | Anderson

Reading Assignment: Anderson, Terry L., and Peter J. Hill. *The Not so Wild, Wild West: Property Rights on the Frontier*. Stanford University Press, 2004: Chapter 2, "The Institutions that Tamed the West"

11:00 am – 12:15 pm CLASS 27: Applications of the Property Rights Approach: Land, Water, Wildlife, and Air | Anderson

Reading Assignment: Anderson, Terry L., and Gary D. Libecap. *Environmental markets: a property rights approach*. Cambridge University Press, 2014: Chapter 6, "From Property Rights to Markets"

Anderson, Terry, and Downey, Hannah. "Hunting Can Be Good for Lions and Elephants." *Wall Street Journal*. New York, N.Y.: Dow Jones & Company Inc, November 29, 2017
<https://www.hoover.org/research/hunting-can-be-good-lions-and-elephants>

Anderson, Terry. "Sea Level Rise is Pushing Coastal Property Owners to Seek Higher Ground" CNN. June 3, 2018 <https://www.cnn.com/2018/06/03/opinions/sea-level-rise-coast-property-opinion-anderson/index.html>

12:15 pm

Adjourn for the Weekend

Sunday, June 23

No Scheduled Events

Monday, June 24

All classes held in the Billiard Room

7:00 – 7:50 am

Breakfast, Pinon Room

8:00 to 9:15 am

CLASS 28: Experimental Economics

*Kathryn M. Zeiler, Nancy Barton Scholar and Professor of Law, Boston University School of Law

Reading Assignment: Croson, "Why and How to Experiment: Methodologies from Experimental Economics," *University of Illinois Law Review* 2002, 921 (2002)

Zeiler, "Cautions on the Use of Economics Experiments in Law," 166 *Journal of Institutional and Theoretical Economics* 178 (Vol.1, 2010)

9:30 – 10:45 am

CLASS 29: Behavioral Law & Economics | Zeiler

Reading Assignment: Zamir and Teichman, *Behavioral Law and Economics*. Oxford University Press, (2018): Chapter 2, Chapter 3, and Chapter 4

Wright and Ginsburg, "Behavioral law and economics: Its origins, fatal flaws, and implications for liberty" 106 *Nw. UL Rev.* 1033 (2012)

11:00 am – 12:15 pm

CLASS 30: Behavioral Law & Economics | Zeiler

12:15 – 1:15 pm

Lunch, Presidential Patio

1:15 pm

Adjourn for the Day

Tuesday, June 25

All classes held in the Billiard Room

7:00 – 7:50 am

Breakfast, Pinon Room

8:00 – 9:15 am

CLASS 31: Transaction Costs, Contracting, and Theory of the Firm

*Scott E. Masten, Professor of Business Economics and Public Policy, Ross School of Business, University of Michigan

Reading Assignment: Masten, excerpts from "Introduction," *Case Studies in Contracting and Organization* (1996), pp 3-25

Ellickson, "A Hypothesis of Wealth-Maximizing Norms: Evidence from the Whaling Industry", 5 *Journal of Law, Economics, and Organization* 83 (No. 1, Spring 1989)

9:30 – 10:45 am

CLASS 32: Transaction Costs, Contracting, and Theory of the Firm | Masten

Reading Assignment: *Lake River Corp. v Carborundum. Co.*, 769 F.2d 1284 (1985) (abridged, with cost and profit worksheet)

11:00 am – 12:15 pm

CLASS 33: Transaction Costs, Contracting, and Theory of the Firm | Masten

Reading Assignment: [*PSI Energy v Exxon Coal USA*](#), 991 F.2d 1265 (1993)

12:15 pm

Adjourn for the Day

Wednesday, June 26

All classes held in the Billiard Room

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| 7:00 – 7:50 am | Breakfast, <i>Pinon Room</i> |
| 8:00 – 9:15 am | CLASS 34: Risk, Injury, Liability, and Insurance Mungan <u>Reading Assignment:</u> Butler, et al: Chapter VI |
| 9:30 – 10:45 am | CLASS 35: Risk, Injury, Liability, and Insurance Mungan |
| 11:00 am – 12:15 pm | CLASS 36: Risk, Injury, Liability, and Insurance Mungan |
| 12:15 pm | Adjourn for the Day |

Thursday, June 27

All classes held in the Billiard Room

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| 7:00 – 7:50 am | Breakfast, <i>Pinon Room</i> |
| 8:00 – 9:15 am | CLASS 37: Public Choice Economics: Interest Group Theory *Todd J. Zywicki, George Mason University Foundation Professor of Law, George Mason University Antonin Scalia Law School <u>Reading Assignment:</u> Stearns, Zywicki, and Miceli, <i>Law and Economics: Private and Public</i> (West Academic Publishing, 2018): Chapters 11 and 12 |
| 9:30 – 10:45 am | CLASS 38: Public Choice Economics: The Legislature Zywicki <u>Reading Assignment:</u> Stearns, Zywicki, and Miceli: Chapters 17 and 18 |
| 11:00 am – 12:15 pm | CLASS 39: Public Choice Economics: The Executive Branch and Agencies Zywicki <u>Reading Assignment:</u> Stearns, Zywicki, and Miceli: Chapters 19 and 20 |
| 12:15 – 1:15 pm | Lunch, <i>Presidential Patio</i> |
| 1:15 – 2:30 pm | CLASS 40: Labor Economics Mungan <u>Reading Assignment:</u> Butler, et al: Chapter VIII Mungan, "Statistical (and Racial) Discrimination, 'Ban the Box', and Crime Rates", 20 <i>American Law and Economics Review</i> 512 (Issue 2, Fall 2018), available at: https://academic.oup.com/aler/article/20/2/512/5123595 |
| 2:45 – 4:00 pm | CLASS 41: Labor Economics Mungan |
| 4:15 – 5:30 pm | CLASS 42: Labor Economics Mungan |
| 6:30 – 7:15 pm | Reception, <i>Concert Hall Veranda</i> |
| 7:15 – 9:00 pm | Dinner, <i>Concert Hall</i> |

Friday, June 28

Departure