

LAW & ECONOMICS CENTER

Workshop on Antitrust Economics

Sunday, January 27 - Thursday, January 31, 2019
Islamorada, Florida



Agenda

Sunday, January 27

Cheeca Lodge, Islamorada

3:00 – 5:00 pm

Registration (*Lobby*)

5:00 – 6:30 pm

Welcome, Introductions (*Bougainvillea Ballroom*)

Class 1: The Economics Perspective: Incentives Matter — Butler

Reading Assignment:

Butler, Drahozal, & Shepherd, *Economic Analysis for Lawyers*, 3rd ed., Carolina Academic Press (2014): Chapter I, pp.3-53

6:30 pm

Welcome Reception and Dinner (*Sunrise Ballroom & Terrace*)

The History of the Law & Economics Center — Butler

(*Spouses welcome*)

Monday, January 28

Cheeca Lodge (all classroom sessions held in Bougainvillea Ballroom)

7:00 – 8:00 am

Breakfast (*Mia Cucina*)

(*Spouses Welcome*)

8:00 – 9:15 am

Class 2: Individual Choice, Demand, and Welfare — Yun

Reading Assignment:

Peter Cohen et al., *Using Big Data to Estimate Consumer Surplus: The Case of Uber* (Nat'l Bureau Econ. Research, Working Paper 22627, 2016)

Butler, Drahozal, & Shepherd, *Economic Analysis for Lawyers*, 3rd ed., Carolina Academic Press (2014), pp. 55-58.

9:15 – 9:30 am

Break

9:30 – 10:45 am

Class 3: Cost, Production, and Supply — Wright

Reading Assignment:

Armen A. Alchian, *Cost* (1968), *reprinted in* *Economic Forces at Work: Selected Works* 301 (1977).

Butler, Drahozal, & Shepherd, *Economic Analysis for Lawyers*, 3rd ed., Carolina Academic Press (2014), pp. 58-62.

10:45 – 11:00 am

Break

11:00 am – 12:15 pm

Class 4: Equilibrium, Markets, and Prices & Goals of Antitrust — Yun

Reading Assignment:

Joshua D. Wright & Douglas H. Ginsburg, *The Goals of Antitrust: Welfare Trumps Choice*, 81 *Fordham Law Review* 2405 (2013).

Butler, Drahozal, & Shepherd, *Economic Analysis for Lawyers*, 3rd ed., Carolina Academic Press (2014), pp. 62-63, 73-78.

12:15 pm

Adjourn for Day: Afternoon Study Session

Tuesday, January 29

Cheeca Lodge (*all classroom sessions held in Bougainvillea Ballroom*)

7:00 – 8:00 am

Breakfast (*Mia Cucina*)
(*Spouses Welcome*)

8:00 – 9:15 am

Class 5: The Theory of the Firm, Vertical Integration, and Contracts — Yun

Reading Assignment:

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

Benjamin Klein, *The Economics of Franchise Contracts*, 2 *Journal of Corporate Finance* 9 (1995).

9:15 – 9:30 am

Break

9:30 – 10:45 am

Class 6: Models of Competition - Wright

Reading Assignment:

Benjamin Klein (1993), "Market Power in Antitrust: Economic Analysis After Kodak," *Supreme Court Economic Review* 3, pp. 43-92. [Read only 71-82]

Timothy J. Brennan (2000), "*The Economics of Competition Policy: Recent Developments and Cautionary Notes in Antitrust and Regulation*," RFF Discussion Paper 00-07.

10:45 – 11:00 am

Break

11:00 am – 12:15 pm

Class 7: Horizontal Mergers I: Market Definition and Fundamentals — Yun

Reading Assignment:

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

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

12:15 pm

Adjourn for Day: Afternoon Study Session

Wednesday, January 30

Cheeca Lodge (*all classroom sessions held in Bougainvillea Ballroom*)

7:00 – 8:00 am

Breakfast (*Mia Cucina*)
(*Spouses Welcome*)

8:00 – 9:15 am

Class 8: Horizontal Mergers II: Competitive Effects, Efficiencies, & Entry — Wright

Reading Assignment:

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

Janusz Ordover, *Coordinated Effects*, *Issues in Competition Law and Policy* 1359 (2008).

Dennis W. Carlton, *Barriers to Entry*, *Issues in Competition Law and Policy* 601 (2008).

9:15 – 9:30 am

Break

Agenda

9:30 – 10:45 am

Class 9: Horizontal Mergers III: Efficiencies & Entry — Yun

Reading Assignment:

Dennis W. Carlton, *Barriers to Entry*, Issues in Competition Law and Policy 601 (2008).

Paul Yde & Michael Vita, *Merger Efficiencies: Reconsidering the 'Passing-On' Requirement*, 64 Antitrust Law Journal 735 (1996).

10:45 – 11:00 am

Break

11:00 am – 12:15 pm

Class 10: Vertical Restraints: Exclusive Dealing and Loyalty Discount — Wright

Reading Assignment:

Francine Lafontaine & Margaret Slade, *Exclusive Contracts and Vertical Restraints: Empirical Evidence and Public Policy*, in Handbook of Antitrust Economics 391 (Buccirossi ed., 2008).

Derek W. Moore & Joshua D. Wright, *Conditional Discounts and the Law of Exclusive Dealing*, 22 George Mason Law Review 1205 (2015).

12:15 – 5:00 pm

Adjourn for Afternoon Study Session

5:00 – 6:30 pm

Class 11: Economics of Network Effects & Multi-Sided Platforms — Yun

Reading Assignment:

S.J. Liebowitz & Stephen E. Margolis (1994), “*Network Externality: An Uncommon Tragedy*,” *Journal of Economic Perspectives* 8, pp. 133-150.

David S. Evans & Richard Schmalensee, *The Antitrust Analysis of Multi—Sided Platform Businesses* (Univ. of Chi., Working Paper No. 623, 2012).

6:30 pm

Closing Reception and Dinner: Cheeca Beachfront (Spouses Welcome)

Thursday, January 31

Travel day, participants depart at leisure

Instructor Profiles



Henry N. Butler, JD, PhD

Dean and George Mason University Foundation Professor of Law
George Mason University Antonin Scalia Law School

Henry N. Butler is Dean and Professor of Law at George Mason University Antonin Scalia Law School and Executive Director of the George Mason University Law & Economics Center. For over 20 years, he has led judicial education programs that teach judges the basics of economics, finance, accounting, statistics, and scientific methods. He received a MA and PhD in economics from Virginia Polytechnic Institute and State University and a JD from the University of Miami School of Law. He received a bachelor's degree in economics from the University of Richmond.



Joshua D. Wright, JD, PhD

University Professor of Law
George Mason University Antonin Scalia Law School

Joshua D. Wright is a leading scholar in antitrust law, economics, intellectual property, and consumer protection. From 2013 to 2015, he served as a member of the Federal Trade Commission. Wright has published more than 100 articles and book chapters, co-authored a leading antitrust casebook, and edited several book volumes focusing on these issues. He also serves on the editorial board of the *Supreme Court Economic Review*, the *Antitrust Law Journal*, and the *International Review of Law and Economics*. His teaching and interests include Antitrust, Contracts, Administrative Law, Law and Economics, Intellectual Property and Antitrust, and Quantitative Methods. Wright graduated with honors from the University of California, San Diego and received both his JD and PhD in economics from UCLA.



John M. Yun, PhD

Associate Professor of Law and Director of Economic Education
Global Antitrust Institute

Prior to joining the GAI, John M. Yun was the Acting Deputy Assistant Director in the Bureau of Economics, Antitrust Division, at the U.S. Federal Trade Commission. Professor Yun has also served as the Economic Advisor to Commissioner Joshua D. Wright, as well as a staff economist. His experience includes the analysis of horizontal mergers, vertical restraints, and exclusionary conduct. Over an eighteen-year career at the FTC, he has presided over a number of high-profile matters and investigations in various industries including consumer products, retail, intermediate goods, and technology. His research interests include law and economics, antitrust, regulatory policy, and industrial organization, and he has published in academic journals including the *International Journal of Industrial Organization*, *Economic Inquiry*, *International Review of Law and Economics*, and *Review of Industrial Organization*. Professor Yun received his BA in economics at UCLA and his PhD in economics at Emory University.