## **American Law and Economics Association**

**Seventeenth Annual Meeting** 

May 5-6, 2007

Harvard Law School

#### American Law and Economics Association 2006-2007

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## (All sessions to be held at the Law School)

(Author's name in bold indicates person presenting paper)

- 8:00 8:45: Registration and Continental Breakfast
- 8:45 9:00: Welcome by Dean Elena Kagan. (Ropes Gray Room, Pound Hall, 2<sup>nd</sup> floor)
- 9:00-10:30: Session I:

## Panel IA: <u>Public and Administrative Law (I)</u> (Pound 101)

Panel Chair: Matthew Spitzer

Christopher Avery, **Christine Jolls**, Richard Posner, Alvin Roth, "The New Market for Federal Judicial Law Clerks"

**Daniel E. Ho**, "Congressional Agency Control: The Impact of Statutory Partisan Requirements on Regulation"

Alexander Volokh, "Privatization and the Effectiveness of Monitoring Agencies"

## Panel IB: <u>Empirical Bankruptcy</u> (Pound 102)

Panel Chair: Mark Roe

Edward R. Morrison, "Bargaining Around Bankruptcy: Small Business Distress and State Law"

**Lawrence A. Weiss** and Vedran Capkun, "Bankruptcy Resolution: Priority of Claims with the Secured Creditor in Control"

**Douglas G. Baird**, Arturo Bris, and Ning Zhu, "The Dynamics of Large and Small Chapter 11 Cases: An Empirical Study"

## Panel IC: <u>Behavioral Law and Economics/Social Norms (I)</u> (Pound 107)

Panel Chair: Richard McAdams

**Robert D. Cooter**, Yuval Feldman, and Michal Feldman, "The Misperception of Norms: The Psychology of Bias and the Economics of Equilibrium"

**Tonja Jacobi**, "Acknowledging Guilt: Forcing Self-Identification in Post-Conviction DNA Testing"

Leigh Linden and Jonah Rockoff, "There Goes the Neighborhood? Estimates of the Impact of Crime Risk on Property Values from Megan's Laws"

## Panel ID: <u>Contracts and Commercial Law (I)</u> (Pound 100)

#### Panel Chair: Avery Katz

Kenneth M. Ayotte and Patrick Bolton, "Optimal Property Rights in Financial Contracting"

**Ricard Gil** and Francine Lafontaine, "The Role of Revenue Sharing in Movie Exhibition Contracts"

Tai-Yeong Chung and Alan Chan, "Contract Damages and Investment Dynamics"

## Panel IE: Corporate, Securities, and Organizational Law: Comparative and International (I) (Pound 200)

#### Panel Chair: Katharina Pistor

**Anita I. Anand** and **Laura N. Beny**, "Why Do Firms Adopt Insider Trading Policies? Evidence from Canadian Firms"

Douglas J. Cumming and Sofia A. Johan, "Global Market Surveillance"

Michal Barzuza, "Lemon Signaling in Cross-Listings"

- 10:30-10:45: Coffee Break (Pound Hall, 1<sup>st</sup> floor)
- 10:45-12:15: Session II:

## Panel IIA: <u>Corporate Finance</u> (Pound 102)

Panel Chair: Alan Schwartz

**Efraim Benmelech** and Nittai K. Bergman, "Liquidation Values and the Credibility of Financial Contract Renegotiation: Evidence from U.S. Airlines"

Frank Partnoy and David A. Skeel Jr., "The Promise and Perils of Credit Derivatives"

Stephen J. Lubben, "Credit Derivatives & the Future Of Chapter 11"

## Panel IIB: <u>Empirical Studies of Tort Reform</u> (Pound 101)

Panel Chair: Omri Ben-Shahar

**Ronen Avraham** and Alvaro Bustos, "The Unexpected Effect of Tort Reform: Do Caps Delay Settlements? Evidence from Medical Malpractice Cases"

**Paul H. Rubin** and Joanna M. Shepherd, "The Demographics of Tort Reform: Winners and Losers"

Janet Currie and W. Bentley MacLeod, "First Do No Harm? Tort Reform and Birth Outcomes"

## Panel IIC: Property and Environmental Law (Pound 107)

Panel Chair: Christopher Snyder

Yeon-Koo Che and Ian Gale, "Market versus Non-Market Assignment of Initial Ownership"

**Howard F. Chang** and Hilary Sigman, "The Effect of Joint and Several Liability under Superfund on Brownfields"

Antonio Nicita, Matteo Rizzolli, and Alessandra Maria Rossi, "Towards a Theory of Incomplete Property Rights"

#### Panel IID: <u>Antitrust and Governance</u> (Pound 100)

Panel Chair: Daniel Rubinfeld

**Dean V. Williamson**, "Organization, Control and the Single Entity Defense in Antitrust"

Jonathan Klick and **Robert H. Sitkoff**, "Agency Costs, Charitable Trusts, and Corporate Control: Evidence from Hershey's Kiss-Off"

**Eric Helland** and Jonathan Klick, "The Tradeoff Between Regulation and Litigation: Evidence from Insurance Class Actions"

#### Panel IIE: Law and Politics: Ideology and Decision-Making (Pound 200)

Panel Chair: John de Figueiredo

**Joshua B. Fischman**, "Decision Making Under a Norm of Consensus: An Analysis of Three-Judge Panels"

**Stephen Choi** and Mitu Gulati, "Bias in Judicial Citations: A Window into the Behavior of Judges?"

Minoru Nakazato, J. Mark Ramseyer and **Eric B. Rasmusen**, "The Industrial Organization of the Japanese Bar: Levels and Determinants of Attorney Income"

12:15-1:30: Lunch (Ropes Gray Room, Pound Hall, 2<sup>nd</sup> floor)

1:30-3:00: Session III:

#### Panel IIIA: <u>Theoretical Bankruptcy</u> (Pound 102)

#### Panel Chair: George Triantis

Michelle J. White, "Personal Bankruptcy Law: Abuse Prevention versus Debtor Protection"

Michel A. Robe and Eva-Maria Steiger, "Human Capital and the Toughness of Consumer Bankruptcy Law"

Robert K. Rasmussen, "Where are all the Transnational Bankruptcies?"

## Panel IIIB: Corporate, Securities, and Organizational Law: Comparative and International (II) (Pound 101)

#### Panel Chair: Katharina Pistor

**John Armour**, Audrey Hsu, and Adrian Walters, "The Costs and Benefits of Secured Creditor Control in Bankruptcy: Evidence from the UK"

Bernard S. Black and **Vikramaditya Khanna**, "Can Corporate Governance Reforms Increase Firms' Market Values: Evidence From India"

**Bernard S. Black** and Woochan Kim, "The Effect of Board Structure on Firm Value in an Emerging Market: IV, DiD, and Firm Fixed Effects Evidence from Korea"

## Panel IIIC: <u>The Dynamics of Settlement</u> (Pound 100)

Panel Chair: Kathryn Spier

Oren Bar-Gill and Omri Ben-Shahar, "The Prisoners' (Plea Bargain) Dilemma"

Kevin E. Davis and Katrina M. Wyman, "Sovereigns, Settlement, Delay and Trial"

**Yasutora Watanabe**, "Estimating the Degree of Expert's Agency Problem: The Case of Medical Malpractice Lawyers"

## Panel IIID: Patents and Litigation (Pound 200)

Panel Chair: Josh Lerner

**Scott E. Atkinson**, Alan C. Marco, and John L. Turner, "The Economics of a Centralized Judiciary: Uniformity, Forum Shopping, and the Federal Circuit."

Doug Lichtman and **Scott A. Baker**, "Discouraging Patent Holdouts through Reciprocal Commitments"

Ronald J. Mann and John Allison, "The Disputed Quality of Software Patents"

## Panel IIIE: <u>Empirical Analyses of Judges and Juries</u> (Pound 107)

#### Panel Chair: Jennifer Reinganum

**Theodore Eisenberg** and Geoffrey Miller, "Do Juries Add Value?: Evidence from an Empirical Study of Jury Trial Waiver Clauses in Large Corporate Contracts"

Jacob K. Goeree and Leeat Yariv, "An Experimental Study of Jury Deliberation"

**Jeffrey J. Rachlinski**, Andrew J. Wistrich, Sheri Johnson, Chris Guthrie, "Does Unconscious Bias Affect Trial Judges?"

*3:00-3:15: Coffee Break (Pound Hall, 1<sup>st</sup> Floor)* 

3:15-4:45: Session IV:

#### Panel IVA: <u>Contracts and Commercial Law (II)</u> (Pound 102)

Panel Chair: Ian Ayres

Luca Anderlini, Leonardo Felli, and Andrew Postlewaite, "Should Courts Always Enforce What Contracting Parties Write?"

George Triantis and Albert Choi, "Completing Contracts in the Shadow of Costly Verification"

Marcel Kahan, **Shmuel Leshem**, and Rangarajan K. Sundaram, "Rights of First Refusal"

# Panel IVB: Corporate, Securities, and Organizational Law: Evaluating Governance Reforms (Pound 101)

Panel Chair: Paul Mahoney

Mira Ganor, "Why do Managers Dismantle Staggered Boards?"

Kate Litvak, "Sarbanes-Oxley and the Cross-Listing Premium"

Martijn Cremers and **Roberta Romano**, "Institutional Investors and Proxy Voting: The Impact of the 2003 Mutual Fund Voting Disclosure Regulation"

## Panel IVC: <u>Antitrust Policy</u> (Pound 100)

#### Panel Chair: William Bishop

**Barak D. Richman** and Christopher R. Murray, "Rebuilding Illinois' Bricks: Toward a New Approach to Indirect Purchaser Standing"

Mikko Packalen, "Market Share Exclusion"

David Gilo, "The Subtle Virtues of Prohibiting Excessive Pricing by Dominant Firms"

## Panel IVD: <u>Criminal Law: Empirical (I)</u> (Pound 200)

#### Panel Chair: Jeff Stnad

**JJ Prescott,** Leigh Linden, and Jonah Rockoff, "The Effects of Sex Offender Notification Laws"

**Mirko Draca**, Stephen Machin, and Robert Witt, "Panic on the Streets of London: Police, Crime and the July 2005 Terror Attacks"

David S. Abrams and Albert Yoon, "The Returns to Legal Representation"

#### Panel IVE: <u>Theoretical Models of Civil Procedure: Evidence and Litigation</u> (Pound 107)

Panel Chair: Andrew Daughety

**Warren F. Schwartz** and Abraham L. Wickelgren, "The Profitability of Sinking Costs in Negative Expected Value Claims"

Chris William Sanchirico, "A Primary Activity Approach to Proof Burdens"

Alan O. Sykes, "Transnational Tort Litigation as a Trade and Investment Issue"

- 5:30-6:45: Cocktails (John Chipman Gray Room, Pound Hall, 2<sup>nd</sup> floor) Sponsored by the Analysis Group
- 7:00: Dinner (Ropes Gray Room, Pound Hall, 2<sup>nd</sup> floor) Speaker: Lucian Bebchuk, Harvard University "Self-Regulation by Public Firms"

8:00-9:00: Continental Breakfast

*9:00-10:30: Session V:* 

#### Panel VA: <u>Public and Administrative Law</u> (Pound 200)

Panel Chair: Matthew Spitzer

Michael D. Gilbert and Josh Levine, "Less Can Be More: Conflicting Ballot Proposals and the Highest Vote Rule"

Jonathan Masur, "Judicial Deference and the Credibility of Agency Commitments"

Eugene Kontorovich, "What Standing Is Good For"

## Panel VB: <u>Corporate, Securities, and Organizational Law: Hedge Funds</u> (Pound 101)

#### Panel Chair: Eric Talley

**Randall S. Thomas**, Alon Brav, Wei Jiang, and Frank Partnoy, "Hedge Fund Activism, Corporate Governance, and Firm Performance"

Emanuel Zur and April Klein, "Hedge Fund Activism"

Douglas J. Cumming and Li Que, "A Law and Finance Analysis of Hedge Funds"

#### Panel VC: International and Comparative Law/Legal Systems (I) (Pound 100)

Panel Chair: Rachel Brewster

**Ryan Bubb**, Michael R. Kremer, and David I. I. Levine, "The Economics of International Refugee Law"

Thomas J. Miles and Eric Posner, "Treaties, State Size, and Development"

Andrew J. Green, Michael Trebilcock, and Vivien Milat, "The Enduring Problem of WTO Export Subsidies Rules"

### Panel VD: <u>Tort Law: Theory</u> (Pound 102)

Panel Chair: Jennifer Arlen

Kathryn E. Spier, "Product Safety, Buybacks, and the Post-Sale Duty to Warn"

A. Mitchell Polinsky and Steven Shavell, "The Uneasy Case for Product Liability"

Nuno Garoupa and Chris William Sanchirico, "Decoupling as Transactions Tax"

#### Panel VE: Contracts and Commercial Law (III) (Pound 201)

Panel Chair: George Barker

**Florencia Marotta-Wurgler**, "`Unfair'" Dispute Resolution Clauses: Much Ado About Nothing?"

**Ofer Grosskopf** and Barak Medina, "Rationalizing Drennan: On Irrevocable Offers, Bid Shopping and Binding Range"

**Juliet P. Kostritsky**, "Plain Meaning vs. Broad Interpretation: How the Risk of Opportunism Defeats a Unitary Default Rule for Interpretation"

#### Panel VF: Law and Development (Pound 107)

Panel Chair: Kevin Davis

Paul Wachtel and Rainer Haselmann, "Institutions and Bank Behavior"

**Vikrant Vig**, "Access to Collateral and Corporate Debt Structure: Evidence from a Natural Experiment"

Michael R. Kremer and Tom Wilkening, "Antiquities: Long Term Leases as an Alternative to Export Bans"

10:30-10:45: Coffee Break (Pound Hall, 1<sup>st</sup> floor)

10:45-12:15: Session VI:

## Panel VIA: <u>Empirical Analyses of Race and Gender (Pound 101)</u>

Panel Chair: Margaret Brinig

**Betsey A. Stevenson**, "Divorce-Law Changes, Household Bargaining, and Married Women's Labor Supply Revisited"

Joseph P. Price IV and **Justin J. Wolfers**, "Racial Discrimination among NBA Referees"

### Panel VIB: Behavioral Law and Economics/Social Norms (II) (Pound 200)

#### Panel Chair: Jeffrey Rachlinski

Alicia Davis Evans, "Do Individual Investors Affect Share Price Accuracy?"

Ehud Guttel and **Alon Harel**, "Uncertainty Revisited: Legal Prediction and Legal Postdiction"

Michael S. Barr and **Jane Dokko**, "Paying to Save: Tax Withholding and Asset Allocation Among Low- and Moderate-Income Households"

## Panel VIC: <u>Tax, Public Finance, and Social Welfare</u> (Pound 100)

#### Panel Chair: Chris Sanchirico

Louis Kaplow, "Taxation and Social Security"

**Jacob Nussim**, "On a Passé Defense: Unjust Enrichment and the Refund of Overpaid Taxes"

**Dhammika Dharmapala** and James R. Hines Jr., "Which Countries Become Tax Havens?"

## Panel VID: Corporate, Securities, and Organizational Law: Stock Market Efficiency and Firm Governance (Pound 102)

Panel Chair: Henry Hansmann

Art Durnev and Claudine Mangan, "Erroneous Accounting and Industry Investment Efficiency"

Brian Broughman and **Jesse M. Fried**, "Deviations from Contractual Priority in the Sale of VC-Backed Firms"

Alexander J. Dyck, Luigi Zingales, and Adair Morse, "Who Blows the Whistle on Corporate Fraud?"

#### Panel VIE: Vertical Relationships (Pound 107)

Panel Chair: Francine Lafontaine

Giorgio Zanarone, "Vertical Restraints as Incentive Alignment Mechanisms in Longterm Relationships"

Itai Ater and Oren Rigbi, "Vertical Restraints in Franchised Chains: The Case of McDonald's Dollar Menu"

**Ittai Paldor**, "The Vertical Restraints' Paradox: Justifying the Different Legal Treatment of Price and Non-price Vertical Restraints"

## Panel VIF: Criminal Law: Empirical (II) (Pound 201)

#### Panel Chair: Thomas Miles

Kristin F. Butcher and **Anne Morrison Piehl**, "Why are Immigrants' Incarceration Rates So Low? Evidence on Selective Immigration, Deterrence, and Deportation"

Jeff Strnad, "Should Legal Empiricists Go Bayesian?"

12:15-1:30: Lunch (Ropes Gray Room, Pound Hall, 2<sup>nd</sup> floor) Sponsored by Cornerstone Research

1:30-3:00: Session VII:

## Panel VIIA: Information, Incentives, and Efficiency in Employment and Litigation (Pound 201)

Panel Chair: Orley Ashenfelter

**Philip A. Curry** and Tilman Klumpp, "Statistical Discrimination in the Criminal Justice System: The Case for Fines Instead of Jail"

Matthew T. Bodie, "Information and the Market for Union Representation"

**Scott A. Moss**, "Illuminating Secrecy: A New Economic Analysis of Confidential Settlements"

## Panel VIIB: Corporate, Securities, and Organizational Law: Executive Compensation (Pound 102)

Panel Chair: Jeffrey Gordon

Lucian Bebchuk, Yaniv Grinstein, and Urs Peyer, "Lucky Directors and Lucky CEO's"

Urs C. Peyer, **K. J. Martijn Cremers**, and Lucian Bebchuk, "Pay Distribution in The Top Executive Team"

David I. Walker, "Unpacking Backdating: Economic Analysis and Observations"

## Panel VIIC: International and Comparative Law/Legal Systems (II) (Pound 100)

Panel Chair: Alan Sykes

**Tom Ginsburg**, Zach Elkins, and James Melkin, "The Lifespan of Written Constitutions"

**Emanuela Carbonara** and Francesco Parisi, "Choice of Law and Legal Evolution: Rethinking the Market for Legal Rules"

Abraham Bell, "Optimal Proportionality in the Law of War"

Panel VIID: Tort Law: General (Pound 107)

Panel Chair: Henrik Lando

Ariel Porat, "Offsetting Risks"

Andrew F. Daughety and Jennifer F. Reinganum, "Products Liability, Signaling and Disclosure"

Joni Hersch and W. Kip Viscusi, "Tort Liability Litigation Costs"

## Panel VIIE: Criminal Law: Theory (Pound 101)

Panel Chair: Suzanne Scotchmer

Tomer Blumkin and Yoram Margalioth, "On Terror, Drugs and Racial Profiling"

A. Mitchell Polinsky, "Optimal Sentences to Induce Prisoners to Behave Well"

Philip Bond and Kathleen Hagerty, "Preventing Crime Waves"

## Panel VIIF: Law and Politics: Legal Institutions, Taxation, and Economic Growth (Pound 200)

Panel Chair: Mark Ramseyer

**Jacob E. Gersen** and Christopher R. Berry, "Representation without Taxation: The Fiscal Consequences of Electoral Institutions"

**Dan Bogart**, "Political Institutions and the Evolution of Regulation in England: Evidence from River and Road Improvement Authorities, 1600-1750."

**Daniel Berkowitz** and Karen B. Clay, "Legal Origins and the Evolution of Institutions: Evidence from American State Courts"