

# **American Law and Economics Association**

## **Twenty-Fourth Annual Meeting May 8-9, 2014**

**University of Chicago  
School of Law**

*All sessions to be held at the  
Gleacher Center  
450 North Cityfront Plaza Drive  
Chicago, IL*

**Preliminary Draft: April 16, 2014**

**Thursday, May 8**

***(All sessions to be held at the Gleacher Center)***

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

8:00 – 9:00: **Registration and Continental Breakfast**

9:00 – 10:30: **Session I:**

**Panel IA: Administrative Law**

*Panel Chair:*

**Amy Semet**, “Political Decisionmaking at the National Labor Relations Board: An Empirical Examination of the Board’s Unfair Labor Practice Decisions through the Clinton and Bush Years”

**Kathryn Judge**, “The Federal Reserve: A Study in Soft Constraints on Regulatory Authority”

Bentley Coffey, **Patrick McLaughlin**, and Pietro Peretto, “A Structural Estimation of the Aggregate Cost of Regulations in an Endogenous Growth Context”

**Panel IB: Antitrust (Theory)**

*Panel Chair:*

**Abraham L. Wickelgren**, “When Should Tacit Collusion be Regulated? An Economic Model”

**Ming Gao**, “Platform Pricing in Mixed Two-Sided Markets”

**Aaron Edlin** and Rebecca Haw, “Cartels by Another Name: Should Licensed Occupations Face Antitrust Scrutiny”

**Panel IC: Cognition and Decisionmaking**

*Panel Chair:*

**Sue H. Mialon**, “Prejudice and Competitive Signaling”

**Arden Rowell**, “Numeracy and Legal Decision Making”

**Barak Orbach**, “Red Flags”

*Thursday (cont.)*

**Panel ID: Consumer Debt**

*Panel Chair:*

**Kathryn Fritzdixon**, “Bankruptcy and Auto Title Lending”

**Benjamin J. Keys** and Jialan Wang, “Perverse Nudges: Minimum Payments and Debt Paydown in Consumer Credit Cards”

Arpit Gupta, **Edward R. Morrison**, Catherine R. Fedorenko, and Scott Ramsey, “Endogenous Health Shocks: Evidence from Cancer and Consumer Bankruptcy”

**Panel IE: Corporate Governance I**

*Panel Chair:*

**Steven M. Davidoff**, Matthew D. Cain, and Stephen B. McKeon, “Do Takeover Laws Matter? Evidence from 45 Years of Hostile Takeovers”

**K.J. Martijn Cremers**, Lubomir P. Litov, and Simone M. Sepe, “Staggered Boards and Firm Value, Revisited”

**Emiliano Marambio Catan**, “The Irrelevance of Active Poison Pills”

**Panel IF: Courts (Empirical)**

*Panel Chair:*

**Benjamin Alarie** and Andrew Green, “Docket Control at the Supreme Court of Canada: What's Behind the Screen?”

**Sofia Amaral-Garcia** and **Nuno Garoupa**, “Judicial Politics at the Privy Council: Empirical Evidence”

**Jonathan R. Nash**, “Interparty Judicial Appointments: A Study of New York’s Bipartisan Senatorial Nomination System, 1977-1998”

*Thursday (cont.)*

**Panel IG: Economics of Discrimination I**

*Panel Chair:*

Benjamin Edelman and **Michael Luca**, “Digital Discrimination: The Case of Airbnb.com”

Darcy Steeg Morris, Daniel Schwarcz, and **Joshua C. Teitelbaum**, “Do Credit-Based Insurance Scores Proxy for Income in Predicting Auto Claim Risk?”

**Evelina Gavrilova** and Nadia Campaniello, “Gender in the Crime Market: Arrest and Wage Gaps”

**Panel IH: Taxation**

*Panel Chair:*

**Chris William Sanchirico**, “Self-Constructed Assets and Efficient Tax Timing”

**Jacob Goldin**, “Optimal Tax Salience”

**Alex Raskolnikov**, “The Uneasy Case for Graduated Tax Penalties”

10:30 – 11:00: *Coffee Break*

11:00 – 12:30: *Session II:*

**Panel IIA: Contracts I**

*Panel Chair:*

**Edward M. Iacobucci**, “Market Conditions, Reputation and Contract Design”

**Juliet P. Kostritsky**, “What Lawyers Say Determines Choice of Law in Merger Agreements”

**Zev J. Eigen**, “An Experimental Test of the Effectiveness of Terms & Conditions”

**Panel IIB: Corporate Governance and Shareholder Voting**

*Panel Chair:*

Eric A. Posner and **E. Glen Weyl**, “Quadratic Voting as Efficient Corporate Governance”

Yair Listokin and **Eric Van Nostrand**, “The Numbers Don’t Add Up: Discrepancies in Corporate Election Results”

**Fabrizio Ferri** and David Oesch, “Management Influence on Investors: Evidence from Shareholder Votes on the Frequency of Say on Pay”

*Thursday (cont.)*

**Panel IIC: Economics of Regulation I**

*Panel Chair:*

**David Weisbach**, “Distributionally-Weighted Cost Benefit Analysis: Welfare Economics Meets Organization Design”

Di Guo, Yan Guo, and **Kun Jiang**, “Government Subsidized R&D and Innovation Outputs”

**Victor Fleischer**, “The Inferiority of Pigouvian Taxes”

**Panel IID: Government Structure and Behavior**

*Panel Chair:*

Hans Degryse, **Thomas Lambert**, and Armin Schwienbacher, “The Political Economy of Financial Systems: Evidence from Suffrage Reforms in the Last Two Centuries”

**Max Schanzenbach**, “The State and Local Pay Penalty: the Effect of Institutions, Skill, and College Major”

Daniel L. Chen and **Jo Thori Lind**, “The Political Economy of Beliefs: Why Fiscal and Social Conservatives and Liberals Come Hand-in-Hand”

**Panel IIE: International Law**

*Panel Chair:*

**Eugene Kontorovich**, “The Penalties for Piracy: An Empirical Study of National Punishment for International Crime”

**Katerina Linos** and Tom Pegram, “Does the Form of International Agreements Shape State Behavior?”

**Adam Chilton**, “The Politics of the United States' Bilateral Investment Treaty Program”

**Panel IIF: Patents I**

*Panel Chair:*

Alan Marco, **Shawn Miller**, and Ted Sichelman, “Do Economic Downturns Dampen Patent Litigation?”

**Eric Helland** and Seth A. Seabury, “Are Settlements in Patent Litigation Collusive? Evidence from Paragraph IV Challenges”

Christopher A. Cotropia, Jay P. Kesan, and **David L. Schwartz**, “Unpacking Patent Assertion Entities (PAEs)”

*Thursday (cont.)*

**Panel IIG: Priest-Klein Hypothesis**

*Panel Chair:*

**Yoon-Ho Alex Lee** and Daniel Klerman, “The Priest-Klein Hypotheses: Proofs and Generality”

**Daniel Klerman** and Yoon-Ho Alex Lee, “Inferences from Litigated Cases”

**Jonah B. Gelbach**, “Is Everything You Know About Litigation Selection and the Plaintiff’s Win Rate Wrong?”

**Panel IIIH: Torts I**

*Panel Chair:*

**Rosa Ferrer** and Helena Perrone, “Consumers' Response to Product Safety Threats: Evidence from the Mad Cow Disease”

Tim Friehe and **Éric Langlais**, “On the Political Economy of Public Safety Investments”

**Ezra Friedman** and Abraham Wickelgren, “Who (if anyone) Should be Liable for Injuries from Generic Drugs”

*12:30 - 1:45: Lunch*

*1:45 – 3:15: Session III:*

**Panel IIIA: Agency Costs and Firms**

*Panel Chair:*

Suman Banerjee, **Mark Humphery-Jenner**, and Vikram Nanda, “Harnessing CEO Overconfidence”

**Antonio Falato**, Dalida Kadyrzhanova, and Ugur Lel, “Distracted Directors: Does Board Busyness Hurt Shareholder Value?”

Claudia M. Landeo and **Kathryn E. Spier**, “Incentives for Teams: Experimental Evidence”

*Thursday (cont.)*

**Panel IIIB: Criminal Law I**

*Panel Chair:*

**Cristiano de Oliveira** and **Giácomo Balbinotto Neto**, “A Real Options Approach to Criminal Careers”

Claire S.H. Lim, **Bernardo Silveira**, and James M. Snyder, Jr., “Preference Heterogeneity of the Judiciary and the Composition of Political Jurisdictions”

**Crystal S. Yang**, “Justice Vacated? The Impact of Judicial Vacancies on Prosecutorial Behavior”

**Panel IIIC: Economics of Regulation II**

*Panel Chair:*

**Ian Ayres** and Joshua Mitts, “Anti-Herding Regulation”

**Bert I. Huang**, “Concurrent Damages”

**Michael Gilbert**, “Insincere Rules”

**Panel IIID: Health Care Regulation**

*Panel Chair:*

Quoc-Anh Du, Trang Van Nguyen, and **Anh Tran**, “Do People Pay Higher Bribes for Urgent Services? Evidence from Informal Payments to Doctors in Vietnam”

**Peter Molk**, “Co-Opting Co-Ops: Health Insurance Cooperatives and the Affordable Care Act”

**Christopher T. Robertson**, “Scaling Cost-Sharing To Wages: How Employers can Reduce Health Spending and Provide Greater Economic Security”

**Panel IIIE: Litigation I**

*Panel Chair:*

**David Hyman**, Mohammad Rahmati, Bernard Black, and Charles Silver, “Do Plaintiffs’ Lawyers Add Value? Lessons from Illinois”

**Neel U. Sukhatme**, “Litigation Costs and Settlement Rates in Diversity Cases: A Theoretical and Empirical Study of Forum Shopping”

**Daniel L. Chen**, “Can Markets Stimulate Rights? On the Alienability of Legal Claims”

*Thursday (cont.)*

**Panel IIIF: Political Economy I**

*Panel Chair:*

**Daria Roithmayr**, Alexander Isakov, and David Rand, “Should Law Keep Pace with Society? An Evolutionary Game Theory Approach”

**Gillian K. Hadfield** and Barry R. Weingast, “The Microfoundations of the Rule of Law”

**Melissa F. Wasserman**, “Deference Asymmetries: Distortions in the Evolution of Law”

**Panel IIIG: Property Law I**

*Panel Chair:*

**Shitong Qiao**, “Small Property, Adverse Possession and Legal Entitlements: An Optional Law Solution to a Chinese Conundrum”

**Jordan M. Barry**, John William Hatfield, and Scott Duke Kominers, “Coasean Keep-Away: Voluntary Transaction Costs”

**Abraham Bell** and Gideon Parchomovsky, “Registries”

**Panel IIIH: Public Finance**

*Panel Chair:*

**Terrance O'Reilly**, “A Public Pensions Bailout: Economics & Law”

**Zachary Liscow**, “Are Court Orders Responsible for the “Return to the Central City”?: The Consequence of School Finance Litigation”

**Ferran Elias**, “Do Non-Discriminatory Electoral Rules Increase Local Public Goods? Evidence from US Municipalities”

3:15 – 3:45: *Coffee Break*



*Thursday (cont.)*

3:45 – 5:15: *Session IV:*

**Panel IVA: Comparative Corporate Governance**

*Panel Chair:*

Joel Malen, **Paul M. Vaaler**, and Ivy Zhang, “Country- and Firm-Level Determinants of Legal Internationalization By Emerging-Market Firms”

**Bernard Black**, Antonio Gledson de Carvalho, Vikramaditya Khanna, Woochan Kim, and Burcin Yurtoglu, “Methods for Multicountry Studies of Corporate Governance: Evidence from the BRIKT Countries”

**Matthew Dimick** and Neel Rao, “Wage-Setting Institutions and Corporate Governance”

**Panel IVB: Contracts II**

*Panel Chair:*

**Joshua Mitts**, “How Effective is Mandatory Disclosure?”

Florian Ederer and **Alexander Stremitzer**, “Promises and Expectations”

**Tess Wilkinson-Ryan**, “Demand for Breach”

**Panel IVC: Copyright**

*Panel Chair:*

**Guy A. Rub**, “Rebalancing Copyright Exhaustion”

Shyamkrishna Balganes, **Irina D. Manta**, and Tess Wilkinson-Ryan, “Judging Similarity”

Dotan Oliar, **Nathaniel Pattison**, and K. Ross Powell, “Who’s Copyrighting What: An Empirical Analysis of the Copyright Office Catalog”

**Panel IVD: Environmental Law**

*Panel Chair:*

**Michael A. Livermore** and Richard L. Revesz, “Rethinking Health-Based Environmental Standards”

**Shi-Ling Hsu**, “Capital Rigidities, Latent Externalities”

**Jacob P. Byl**, “Perverse Incentives of the Endangered Species Act: Evidence from Timber Harvests near Woodpeckers”

*Thursday (cont.)*

**Panel IVE: Judicial Decisionmaking**

*Panel Chair:*

Adam Badawi and **Scott Baker**, “Appellate Law-Making in a Judicial Hierachy”

**Joshua B. Fischman**, “Scaling the Law/Politics Divide: Using Interest Group Positions to Assess Claims about Political Judging”

**Anthony Niblett** and Albert H. Yoon, “Judicial Disharmony: A Study of Dissent”

**Panel IVF: Law Enforcement**

*Panel Chair:*

Berno Buechel and **Gerd Muehlheusser**, “Black Sheep or Scapegoats? Implementable Monitoring Policies Under Unobservable Levels of Misbehavior”

**Éric Langlais** and Marie Obidzinski, “Elected Versus Appointed Law Enforcers”

Itai Ater, **Yehonatan Givati**, and Oren Rigbi, “Organizational Structure, Police Activity and Crime”

**Panel IVG: Securities**

*Panel Chair:*

**James J. Park**, “Bondholders and Securities Class Actions”

**Adam B. Badawi** and Daniel Chen, “The Shareholder Wealth Effects of Delaware Litigation”

**Dhammika Dharmapala** and Vikramaditya Khanna, “The Costs and Benefits of Mandatory Securities Regulation: Evidence from Market Reactions to the JOBS Act of 2012”

**Panel IVH: Torts II**

*Panel Chair:*

**Robert Cooter** and Ariel Porat, “Disgorgement for Accidents”

**Yun-chien Chang**, Theodore Eisenberg, Tsung Hsien Li, and Martin T. Wells, “Pain and Suffering Damages in Personal Injury Cases: An Empirical Study”

**Ariel Porat** and Eric Posner, “Offsetting Benefits”

***Thursday (cont.)***

*5:30 – 6:30: Cocktails*

*6:30: ALEA Annual Dinner*

*Presiding: Douglas G. Baird, President, ALEA*

*Speaker: Robert Scott, Vice President, ALEA*

*Friday, May 9*

8:00 – 8:30: *Continental Breakfast*

8:30 – 10:00: *Session V:*

**Panel VA: Antitrust (Empirical)**

*Panel Chair:*

**Matthew Weinberg**, Orley Ashenfelter, and Daniel Hosken, “Efficiencies Brewed: Pricing and Consolidation in U.S. Brewing”

Andrea Günster, **Gerard Hertig**, and Mathijs A. van Dijk, “Cartels and Ownership Concentration”

Leslie Marx and **Jun Zhou**, “The Dynamics of Merger among (Ex)Co-Conspirators”

**Panel VB: Civil Procedure**

*Panel Chair:*

Amy Farmer and **Paul Pecorino**, “Liability Standards with an Uncertain Outcome at Trial”

Jeffrey J. Rachlinski, Andrew J. Wistrich, Chris Guthrie, **Kristoffel Grechenig**, and Christian Thöni, “Does Custodial Parent or Judge Gender Influence Outcomes in Child Relocation Disputes?”

Daniel Chen and **Holger Spamann**, “This Morning's Breakfast, Last Night's Game: Detecting Extraneous Influences on Judging”

**Panel VC: Consumer Protection**

*Panel Chair:*

Paola Bertoli and **Veronica Grembi**, “Courts, Scheduled Damages, and Medical Malpractice Insurance”

**Elissa Philip**, “Learning about Drug Ineffectiveness: Physicians’ Prescription Decisions for Off-Label Drugs”

**Oren Bar-Gill**, “Price Caps in Multi-Price Markets”

*Friday (cont.)*

**Panel VD: Contracts III**

*Panel Chair:*

Ariel Porat and **Lior Jacob Strahilevitz**, “Personalizing Default Rules and Disclosures with Big Data”

**Henrik Lando**, “Pacta Sunt Servanda versus Rebus Sic Stantibus: On Impracticability and the Trade-Off between Efficient Risk Allocation and Litigation Cost”

**Yotam Kaplan**, “Rethinking the Paradox of Compensations”

**Panel VE: Corporate Governance II**

*Panel Chair:*

**Sarfraz Khan** and John K. Wald, “Director Liability Protection, Earnings Management, and Audit Pricing”

Tat-kei Lai and **Travis Ng**, “Does Dividend Tax Impede Competition for Corporate Charters?”

**Kate Litvak**, “The Effect of Jurisdictional Competition for Corporate Charters on Financial and Accounting Measures of Firm Performance”

**Panel VF: Courts (Theory)**

*Panel Chair:*

**Ahmed Jaber**, “Hindsight Biased Courts and the Efficiency of the Legal System”

Juan José Ganuza, **Fernando Gomez**, and Jose Penalva, “Minimizing Errors, Maximizing Incentives: Optimal Court Decisions and the Quality of Evidence”

**Giri Parameswaran**, “Learning, Opinion Writing and the Efficiency of the Common Law”

**Panel VG: Financial Regulation**

*Panel Chair:*

Florian Baumann and **Tim Friehe**, “Competitive Pressure and Corporate Crime”

M. Todd Henderson and **James C. Spindler**, “Why Bank Regulation Failed . . . and Will Probably Continue to Fail”

*Friday (cont.)*

10:00 – 10:30: *Coffee Break*

10:30 – 12:00: *Session VI:*

**Panel VIA: Corporate Law**

*Panel Chair:*

**Charles R. Korsmo** and **Minor Myers**, “Appraisal Arbitrage and the Future of Public Company M&A”

**Claudia M. Landeo** and Kathryn E. Spier, “Shotguns and Deadlocks”

**Scott Hirst**, “Frozen Charters”

**Panel VIB: Creditor’s Rights**

*Panel Chair:*

**Kenneth Ayotte**, “Leases and Executory Contracts in Chapter 11”

**Anthony J. Casey**, “The New Corporate Web”

**William Mann**, “Creditor Rights and Innovation: Evidence from Patent Collateral”

**Panel VIC: Economics of Discrimination II**

*Panel Chair:*

Ronen Avraham, Kyle D. Logue, and **Daniel Schwarcz**, “Explaining Variation in Insurance Anti-Discrimination Laws”

**Jennifer Bennett Shinall**, “What Happens When the Definition of Disability Changes? The Case of Obesity”

**Sonja Starr**, “Do Ban-the-Box Laws Reduce Employment Barriers for Black Men?”

**Panel VID: Litigation II**

*Panel Chair:*

**Louis Kaplow**, “Optimal Design of Private Litigation”

Paul Pecorino and **Mark Van Boening**, “Costly Voluntary Disclosure in a Signaling Game”

**Bruce H. Kobayashi**, “An Economic Analysis of Relitigation Rules in Intellectual Property Litigation”

*Friday (cont.)*

**Panel VIE: Patents II**

*Panel Chair:*

**Tun-Jen Chiang**, “Forcing Patent Claims”

**Alan Miller** and Michal S. Gal, “A Legal and Economic Analysis of Licensees’ Legal Ability to Challenge a Patent”

**Anup Malani** and **Jonathan S. Masur**, “Two-Part Pricing and the Cost of Patents”

**Panel VIF: Property Law II**

*Panel Chair:*

**Lee Anne Fennell**, “Forcings”

Gary D. Libecap and **Dean Lueck**, “Land Demarcation and the Great Network of Ancient Rome”

**James R. Hines, Jr.**, “Rational Choice and the Rule against Perpetuities”

**Panel VIG: Torts III**

*Panel Chair:*

Emanuela Carbonara, Alice Guerra, and **Francesco Parisi**, “Sharing Residual Liability: ‘Cheapest Cost Avoider’ Revisited”

Shmuel Leshem and **Avraham Tabbach**, “Solving the Volunteer’s Dilemma: The Efficiency of Rewards versus Punishments”

**Ronen Avraham**, “The Optimal Scope of the Duty to Warn”

*12:00 – 12:30: Lunch*

*12:30 - 1:30: Plenary Session: Presentation of the Annual Ronald H. Coase Medal to Steven Shavell*

*Presentation by the Honorable Richard A. Posner  
Speaker and Medalist: Steven Shavell*

*Friday (cont.)*

1:30 – 3:00      **Session VII:**

**Panel VIIA:      Contracts IV**

*Panel Chair:*

Oren Bar-Gill and **Omri Ben-Shahar**, “Exit from Contract”

**Albert Choi** and George Triantis, “Multi-Stage Contracting in Complex Transactions”

**Stephan Tontrup**, “Pacta Sunt Servanda”

**Panel VIIB:      Corporate Litigation**

*Panel Chair:*

Anh Tran and **Alex Yuskavage**, “The Impact of Legal Enforcement: An Analysis of Corporate Tax Aggressiveness after an Audit”

**Nicholas Bormann**, “Sarbanes-Oxley: Disciplining Executives or Enriching Attorneys? Evidence from Directors and Officers Liability Insurance”

**Quinn Curtis** and Minor Myers, “Do the Merits Matter? Evidence from Options Backdating Derivative Litigation”

**Panel VIIC:      Criminal Law II**

*Panel Chair:*

**Dmitriy Skougarevskiy** and Vadim Volkov, “Criminal justice in Russia: Towards a Unified Sentencing Model”

**Ryan Sakoda**, “Efficient Sentencing? The Effect of Post-Release Supervision on Low-Level Offenders”

**John J. Donohue**, “Logit vs. OLS: A Matter of Life and Death”

**Panel VIID:      Economics of Institutions**

*Panel Chair:*

**Yair Listokin**, “Bounded and Unbounded Institutions”

Katerina Linos and **Kimberly Twist**, “The Supreme Court, the Media, and Public Opinion: Comparing Experimental and Observational Methods”

**Laurence Tai**, “Regulatory Capture and Quality”



*Friday (cont.)*

**Panel VIII:**     **Financial Institutions**

*Panel Chair:*

**Matthew D. Cain**, Steven M. Davidoff, and Stephen B. McKeon, “Placement Agents and Private Equity: Information Production or Influence Peddling?”

Stephen G. Dimmock and **William C. Gerken**, “Assessing Risk using Self-Regulatory Organization Disclosures: FINRA’s Disclosures that Fail to Disclose”

Santosh Anagol, Shawn Cole, and **Shayak Sarkar**, “Understanding the Advice of Commissions-Motivated Agents: Evidence from the Indian Life Insurance Market”

**Panel VIIF:**     **Patents III**

*Panel Chair:*

Neel U. Sukhatme and **Judd N.L. Cramer**, “Optimal Patent Term and Cross-Industry Measures of Patent Term Sensitivity”

**Michael D. Frakes** and Melissa F. Wasserman, “Does the U.S. Patent & Trademark Office Grant Too Many Patents? Evidence from a Quasi-Experiment”

**David S. Abrams**, Ufuk Akcigit, and Jillian Popadak, “Patent Value and Citations: Creative Destruction or Strategic Disruption?”

**Panel VIIG:**     **Political Economy II**

*Panel Chair:*

Robert K. Fleck and F. **Andrew Hanssen**, “Courts, Legislatures, and Property Rule Changes: Lessons from Eminent Domain During the 19th Century Railroad Boom”

**Jeff Milyo**, “Do State Campaign Finance Reforms Increase Trust and Confidence in State Government?”

Tilman Klumpp, **Hugo M. Mialon**, and Michael A. Williams, “The Business of American Democracy: Citizens United, Independent Spending, and Elections”