

Law and Economics II

Empirical Law and Economics

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Office Hours: M: 3-6, W: 1:30-3:30. If you are on the Fairfax campus, feel free to drop by any time or call for an appointment. Email is a good way to contact me. **All students should periodically check their GMU email account for important information.**

Abstract: The theory of law and economics exploded in the 1970s and 1980s and today is a well accepted approach to law adopted by all the major law schools in the United States. In the past 15 years greater attention has focused on testing, illustrating and expanding the theory with empirical methods. In this class we will do two things. First, we will review and explain some important techniques in econometrics that are widely used in empirical law and economics. Second we will examine empirical studies of property law, divorce, torts, crime, discrimination, and the effect of law on freedom and economic growth. Attention will be paid to research methods as well as to substantive conclusions and open areas for more research.

Grading

Your grade will be determined by a midterm, homework, class participation, presentation and a paper according to the following division.

Midterm: 30%
Homework: 15%
Class Participation: 15%
Presentation: 10%
Paper: 30%

There will be no final exam. Ideally, the paper will serve as a draft for a dissertation chapter and eventually a publication. I am looking for a 10-20 page, well-written empirical paper in law and economics, a theory paper is also acceptable if you explain how the model might be tested. You may work in a group of two or at most three but note that you cannot all have the same dissertation chapter! Papers are due last day of class – no exceptions. You are encouraged to think about topics early and see me for some possible guidance. You will also be required to make a 15 minute class presentation.

STATA: All PhD students should have a copy of STATA, the premier package for sophisticated econometrics. If you do not already own STATA GMU has a Grad Plan and you can get a fully functional, permanent license for [STATA 12/IC](#) for just \$179 – this is very cheap!

Review of Empirical Methods and Sources of Data

Tabarrok, Alexander, Eric A. Helland, and Paul S. Heaton. 2010. The Measure of Vice and Sin: A Review of the Uses, Limitations and Implications of Crime Data. In *Handbook On The Economics Of Crime*, ed. Bruce Benson and Paul Zimmermann. Cheltenham, England: Edward Elgar.

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Divorce

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Wolfers, Justin. Did Unilateral Divorce Laws Raise Divorce Rates? A Reconciliation and New Results. [http://bpp.wharton.upenn.edu/jwolfers/Papers/Divorce\(AER\).pdf](http://bpp.wharton.upenn.edu/jwolfers/Papers/Divorce(AER).pdf)

Data [here](#).

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Torts

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Contingency Fees

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Gertler, Paul, et al. (Forthcoming) ["Risky Business: The Market for Unprotected Commercial Sex."](#) *Journal of Political Economy*.

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