

Empirical Law and Economics
Institute of Law and Economics
University of Hamburg
June 30 – July 4, 2008
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1. Subject Matter: Modern law and economics scholarship is becoming increasingly empirically oriented. This course will provide a background for the critical consumption of the modern econometric law and economics literature. Further, we will discuss issues such as the development of testable hypotheses from (usually indeterminate) theory, research design strategies, and causal inference.
2. Course Materials: All materials covered in the course are described in the reading schedule below.
3. Requirements
4. Availability: I will be available for student meetings before and after class. My email is jklick@law.upenn.edu
5. Schedule:

Monday

Statistics in 4 hours

David H. Kaye and David A. Freedman (2000). “Reference Guide on Statistics” in *Reference Manual on Scientific Evidence*, 2nd ed., Federal Judicial Center, 83-178 available for free download at [http://www.fjc.gov/public/pdf.nsf/lookup/sciman00.pdf/\\$file/sciman00.pdf](http://www.fjc.gov/public/pdf.nsf/lookup/sciman00.pdf/$file/sciman00.pdf)

Daniel L. Rubinfeld (2000). “Reference Guide on Multiple Regression” in *Reference Manual on Scientific Evidence*, 2nd ed., Federal Judicial Center, 179-227 available for free download at [http://www.fjc.gov/public/pdf.nsf/lookup/sciman00.pdf/\\$file/sciman00.pdf](http://www.fjc.gov/public/pdf.nsf/lookup/sciman00.pdf/$file/sciman00.pdf)

Tuesday

1. *Cross Sectional Analysis*

Eric Helland and Jonathan Klick (2007). “The Effect of Judicial Expedience on Attorney Fees in Class Actions.” *Journal of Legal Studies*, 36(1): 171-188.

Jonathan Klick (2006). “Salvation as a Selective Incentive.” *International Review of Law and Economics*, 26(1): 15-32.

2. *Time Series Analysis*

Jonathan Klick and Robert Sitkoff (2008). "Agency Costs, Charitable Trusts, and Corporate Governance: Evidence from Hershey's Kiss-Off." *Columbia Law Review*, 108: forthcoming (focus on "Empirical Findings" Section).

Wednesday

Panel Data, Longitudinal Analysis, and Natural Experiments

Jonathan Klick and Thomas Stratmann (2006). "Subsidizing Addiction: Do State Health Insurance Mandates Increase Alcohol Consumption?" *Journal of Legal Studies*, 35(1): 175-198.

Jonathan Klick and Sara Markowitz (2006). "Are Mental Health Insurance Mandates Effective? Evidence from Suicides." *Health Economics*, 15(1): 83-97.

Jonathan Klick and Thomas Stratmann (2007). "Medical Malpractice Reform and Physicians in High Risk Specialties." *Journal of Legal Studies*, 36(s2): s121-s142.

Jonathan Klick and Alexander Tabarrok (2005). "Using Terror Alert Levels to Estimate the Effect of Police on Crime." *Journal of Law and Economics*, 48(1): 267-279.

Thursday

Research Design and Causal Inference

Jonathan Klick and Thomas Stratmann (2003). "The Effect of Abortion Legalization on Sexual Behavior: Evidence from Sexually Transmitted Diseases." *Journal of Legal Studies*, 32(2): 407-433.

Jonathan Klick and Thomas Stratmann (2008). "Abortion Access and Risky Sex Among Teens: Parental Involvement Laws and Sexually Transmitted Diseases." *Journal of Law, Economics, and Organization*, 24(1): 2-21.

Friday

Advanced Topics

1. Dichotomous/Categorical Dependent Variables
2. Count Data Models
3. Duration/Survival Models
4. Regression Discontinuity
5. Propensity Score Matching
6. Quantile Regression
7. Non-Parametric Inference
8. Instrumental Variables
9. Dependence/Clustering

10. Bootstrapping