

1. Read the following articles: 1) “The Effect of Abortion Legalization on Sexual Behavior: Evidence from Sexually Transmitted Diseases,” *Journal of Legal Studies*, 32(2): 407-434 (2003); 2) “Abortion Access and Risky Sex Among Teens: Parental Involvement Laws and Sexually Transmitted Diseases,” *Journal of Law, Economics, and Organization*, 24(1): 2-21(2008); and 3) “The Relationship between Abortion Liberalization and Sexual Behavior: International Evidence,” *American Law and Economics Review*, 14(2): 457-487 (2012), which are all available at <http://www.law.upenn.edu/fac/jklick/research.html> .
 - a. What is the research question involved in the papers? (10 points)
 - b. How does the research design in each paper attempt to address the research question? (10 points)
 - c. What alternate hypotheses could generate the results found in the papers? (10 points)
 - d. If there were no data limitations, provide some ideas about how these alternate hypotheses could be tested (i.e., sketch some research designs that could help distinguish between the conclusions drawn in the papers and the alternate hypotheses). (10 points)
 - e. Discuss how the papers fit together to provide more confidence than any of the papers does individually regarding the conclusions. What concerns remain? (10 points)
2. Read “Salvation as a Selective Incentive,” *International Review of Law and Economics*, 26(1): 15-32 (2006), which is available at <http://www.law.upenn.edu/fac/jklick/research.html> .
 - a. What is the research question involved in the paper? (5 points)
 - b. How does the research design address this question? (5 points)
 - c. If individual-level panel/longitudinal data were available, how could the research design be improved with respect to ruling out plausible alternative hypotheses? (5 points)
 - d. In what ways is the self-reported nature of the contribution data problematic? Are there any ways in which the research design mitigates these concerns? (10 points)
3. Read “The Effect of Judicial Expedience on Attorney Fees in Class Actions,” *Journal of Legal Studies*, 36(1): 171-187 (2007), which is available at <http://www.law.upenn.edu/fac/jklick/research.html> .
 - a. Although the authors refer to the use of criminal filings as a “proxy,” in what sense is the variable functioning like an instrumental variable? (5 points)
 - b. Given your answer to 3(a), how does the interpretation of the relationship between criminal filings and attorney fees differ from the interpretation if criminal filings had been used as an instrument for total filings? (5 points)
 - c. What constitutes a good instrument? How can this be demonstrated? (5 points)
4. Event studies are often used to demonstrate causality in securities fraud cases. In what way is the assumption of market efficiency crucial to using event studies in this way? If the relevant event being studied is the market correction related to the market discovering that a fraudulent statement had been made, if other bad news about the firm (e.g., an earnings revision) occurs on the same day, what problems does this pose for using the event study as evidence of the fraud affecting the market price of the firm’s shares? Discuss some ways that these problems might be mitigated. (10 points)