

**THE 2008 MEETINGS OF
THE CANADIAN LAW AND ECONOMICS
ASSOCIATION**

SEPTEMBER 26 – 27, 2008

PROGRAMME

CLEA PUBLIC LECTURE

*Identification Strategies in Corporate Governance
Research*

by

Professor Bernard Black

Hayden W. Head Regents Chair for Faculty Excellence

Professor of Finance, McCombs School of Business

Director, Center for Law, Business, and Economics

University of Texas at Austin

Bennett Lecture Hall
78 Queen's Park
University of Toronto

Friday, September 26, 2008
1:30 – 2:30 PM



**BANK OF CANADA
BANQUE DU CANADA**

The Canadian Law & Economics Association wishes to thank the Bank of Canada for its generous support of the CLEA 2008 conference.

FRIDAY, SEPTEMBER 26, 2008

12:00 – 1:30 **REGISTRATION with a light lunch**
Location: Rowell Room, Flavelle House, 78 Queen's Park

1:30 – 2:30 **PUBLIC LECTURE**
Professor Bernard Black
Identification Strategies in Corporate Governance Research
Location: Bennett Lecture Hall

2:30 – 2:45 **Coffee and Juice**
Location: Rowell Room

2:45 – 4:15 **Session: COMPETITION POLICY**
Location: FLA
Chair: Edward Iacobucci

Daniel Ershov and **Marc Duhamel** - *Benchmarking Competition Intensity in Canada and the US: Estimating Boone's Profit Elasticities, 1985-2005*

William Kovacic and **David A. Hyman** – *How Institutional Design Affects Statutory Implementation: Lessons from Competition Law*

Mitsuru Sunada - *Vertical Integration in the Japanese Movie Industry*

2:45 – 4:15 **Session: CRIMINAL LAW I**
Location: FLB
Chair: David Bjerk

Louis Hotte , Fabrice Valognes and Tanguy Van Ypersele - *Property Crime with Private Protection: A Market-for-Offenses Approach*

Phil Curry - *Malice Aforethought*

David Scoones - *Optimal Unconditional Parole*

FRIDAY, SEPTEMBER 26, 2008

2:45 – 4:15 **Session: INTERNATIONAL CORPORATE GOVERNANCE**
Location: FLC
Chair: Frederick Tung

Anita Anand, Frank Milne, Lynette Purda - *Do Independent Boards Behave Differently? Examining the Voluntary Adoption of Corporate Governance Guidelines*

Martin Gelter - *The Dark Side of Shareholder Influence: Toward a Holdup Theory of Stakeholders in Comparative Corporate Governance*

Ole-Kristian Hope, Wayne B. Thomas and **Dushyantkumar Vyas** - *The Cost of Pride: Why Do Firms from Developing Countries Bid Higher?*

2:45 – 4:15 **Session: SECURITIES LAW**
Location: Bennett Lecture Hall
Chair: Janis Sarra

Cally E. Jordan, Pamela S. Hughes - *Which Way for Market Institutions? The Fundamental Question of Self-Regulation*

Michael P. Ilg - *The 'Fraud-on-the-Market' Theory for Securities Litigation Arrives in Canada: Two Steps Forward and One Back?*

William Forbes - *No Conflict, No Interest: On the Economics of Conflicts of Interests Faced by Analysts*

2:45– 4:15 **Session: LAWYERS, LAWYERING AND DISPUTE RESOLUTION**
Location: Abella Moot Court Room
Chair: Margaret F. Brinig

Matthew Jennejohn - *Contract Adjudication in a Collaborative Economy*

Rosa Ferrer - *The Effect of Lawyers' Career Concerns in Litigation*

Margherita Saraceno - *Access to Justice and Litigation Trade-Off: A Theoretical Analysis*

FRIDAY, SEPTEMBER 26, 2008

4:15 – 4:30 **Coffee and Juice**
Location: Rowell Room

4:30 – 6:00 **Session: CORPORATE GOVERNANCE**
Location: FLA
Chair: Anita Anand

Giulio Ecchia , **Martin Gelter**, Piero Pasotti - *Corporate Governance, Corporate and Employment Law, and the Costs of Expropriation*

James C. Spindler - Vicarious Liability for Bad Corporate Governance: Are We Wrong About 10b-5?

Charles K. Whitehead - *The Evolution of Debt: Covenants, the Credit Market, and Corporate Governance*

4:30 – 6:00 **Session : ENVIRONMENTAL LAW & ECONOMICS**
Location: FLB
Chair: David Duff

Vinoli Thampapillai - *Limits to Government Water Buy-Backs in the Murray-Darling Basin, Australia*

Andrew Green - *Was that Really Necessary? Some Implications of Trade Law for Alternative Energy*

Heather Eckert - *Environmental Regulation and Rationalization in the Retail Gasoline Industry*

4:30 – 6:00 **Session: INTELLECTUAL PROPERTY**
Location: FLC
Chair: Michael P. Ilg

Jing-Yuan Chiou - *The Patent Quality Control Process: Can We Afford an (Rationally) Ignorant Patent Offices?*

Ariel Katz - *Depreciation of Goodwill: Law and Economics Perspective*

Mohammed Rafiquzzaman - *Intellectual Property Protection and Innovation*

FRIDAY, SEPTEMBER 26, 2008

4:30 – 6:00 **Session: FINANCIAL REGULATION**
Location: Bennett Lecture Hall
Chair: Edward Iacobbuci (University of Toronto)

Donato Masciandaro - *Politicians and Financial Supervision Unification Outside the Central Bank: Why Do They Do It?*

Cecile Carpentier and Jean-Marc Suret - *The Economic Effects of Low Listing Requirements: An Analysis of Reverse Merger Listings*

Anna Gelpern – *Choices at the Precipice: Containment and Distribution in Financial Crisis*

4:30 – 6:00 **Session: THEORY**
Location: Abella Moot Court Room
Chair: Shubha Ghosh

Jacob Nussim - *Distributive Aspects of Legal Standards*

Dan Markel – *How Should Punitive Damages Work?*

Jonathan Nash - *Null Preemption*

6:15 – 7:00 p.m.

Cocktails
Trinity College, Sealy Hall
University of Toronto
6 Hoskin Avenue

7:00 p.m.

Dinner
Trinity College, Sealy Hall

SATURDAY, SEPTEMBER 27, 2008

8:30 – 9:00 **Coffee and Pastries**
Location: Rowell Room

9:00 – 10:30 **Session: JUDGES, JUDGING AND THE LITIGATION PROCESS**
Location: FLA
Chair: Jonathan Nash

Royce de Rohan Barondes - *Want Your Opinions Questioned or Reversed? Hire a Yale Clerk*

Benjamin Alarie, Andrew James Green and Edward Iacobucci - *Is Bigger Always Better? Choosing Panel Size on the Supreme Court of Canada*

Paul J. Stancil - *The Practical Economics of Pleading*

9:00 – 10:30 **Session: CRIMINAL LAW II**
Location: FLB
Chair: Phil Curry

Pedro H. Albuquerque and Prasad R Vemala - *A Statistical Evaluation of Femicide Rates in Mexican Cities Along the US-Mexico Border*

David Bjerk - *How Much Can We Trust Causal Interpretations of Fixed-Effects Estimators in the Context of Criminality?*

Nicolas Sahuguet and Stéphane Mechoulan - *Assessing Racial Discrimination in Parole Release in the U.S.: An Approach Based on Outcome Tests*

9:00 – 10:30 **Session: CORPORATE LAW**
Location: FLC
Chair: Martin Gelter

Claire A. Hill, Brett McDonnell - *Netsmart, Topps and Lear: Delaware Corporate Law's Optimal Penumbra*

Christina L. Boyd and **David A. Hoffman** - *A Closer Look at Veil Piercing in Federal District Courts*

Bruce H. Kobayashi and **Larry E. Ribstein** - *The Non-Uniformity of Uniform Laws*

SATURDAY, SEPTEMBER 27, 2008

10:30 – 10:45 Coffee & Juice
Location: Rowell Room

10:45 – 12:15 **Session: CREDITORS & DEBT**
Location: FLA
Chair: Shubha Ghosh

Sergio A. Muro - *Lender Control Liability Functional Examination: The Firm and Heuristics*

Frederick Tung - *Private Debt and Corporate Governance.*

Lucia Dalla Pellegrina and **Lisa Crosato**, *Improving bankruptcy proceedings or strengthening punishment? An assessment on anti-usury policies*

10:45 – 12:15 **Session: BEHAVIOURAL LAW & ECONOMICS**
Location: FLB
Chair:

Claire Hill - *Rationality in an Unjust World*

Margaret F. Brinig - *Do Fathers Prefer Sons?*

Augusto C. Lima - *When Harry Met Kreutziger: A Look into Unconscionability Through the Lenses of Culture*

10:45 – 12:15 **Session: CONTRACTS**
Location: FLC
Chair: Jacob Nussim

Qi Zhou - *An Economic Perspective on the Doctrine of Unilateral Mistake in English Contract Law: A Remedy-Based Approach*

Peter Mazzacano - *The Lex Mercatoria as Autonomous Law*

Benjamin Alarie - *Mutual Misunderstanding in Contract*

SATURDAY, SEPTEMBER 27, 2008

10:45 – 12:15 **Session: BANKRUPTCY LAW**
Location: Bennett Lecture Hall
Chair: Charles Whitehead

Jasmine Girgis - *Deepening Insolvency in Canada?*

Benoit Mario Papillon - *Selection of Candidates for Business Reorganization and Informational Efficiency of Canadian Bankruptcy and Insolvency Law Procedure*

10:45 – 12:15 **Session: PROPERTY**
Location: Abella Moot Court Room
Chair: Kevin Davis

Norman Siebrasse - *An Agent-Based Computational Model of the Predatory State*

Jonathan Remy Nash and **Stephanie Stern** - *Property Frames*

Cherie Metcalf - *The (Ir)Relevance of Constitutional Protection for Property Rights: Compensation for Takings in Canada and the U.S.*

12:15 – 1:15 **Lunch**
Location: Rowell Room

1:15– 2:45 **Session: INTERNATIONAL CORPORATE GOVERNANCE AND DEVELOPMENT**
Location: FLA
Chair: Vinoli Thampapillai

Alena Kimakova - *Trade, Income Inequality and Investment in Education*

Kevin Davis - *Remedies for Corruption in Government Contracting*

Dharmika Dharmapala and **Vikramaditya S. Khanna** - *Corporate Governance, Enforcement, and Firm Value: Evidence from India*

SATURDAY, SEPTEMBER 27, 2008

1:15 – 2:45 **Session: LAW & ECONOMICS OF DISEASE, RESCUE AND PRECAUTION**
Location: FLB
Chair: Stéphane Mechoulan

Danieli Arbex - *Fighting Neglected Diseases: A Double Push-and-Pull Program*

Sophie Harnay, Alain Marciano - *Altruism and Self-Interest from an Economic Analysis of Law Perspective: The Economic Analysis of Rescue Laws*

Arden Rowell – *Selective Precautions*

1:15 – 2:45 **Session: TAXATION**
Location: FLC
Chair: Ben Alarie (University of Toronto)

Bradley T. Borden - *Public Tenancies in Common*

David Duff - *Towards an Exemption Regime for the Taxation of Outbound Direct Investment*

David I. Walker - *Explicit and Synthetic In-the-Money Employee Stock Options*

2:45 – 3:00 Coffee & Juice
Location: Rowell Room

SATURDAY, SEPTEMBER 27, 2008

3:00 – 4:30 **Session: CRIMINAL LAW III**
Location: FLA
Chair: David Scoones (University of Victoria)

Benjamin A. Neil - *The Regulation of Right to Carry Laws by States and Their Impact on Violent Crime*

Ancelot Lydie - *Reflexions on Plea Bargaining Effectiveness and Equity : An Econometrical Application to the French Process*

Andrew Leigh and **Christine Neill** - *Do Gun Buybacks Save Lives? Evidence from Panel Data*

3:00 – 4:30 **Session: SECURITIES LAW & FINANCE**
Location: FLB
Chair:

M. Todd Henderson , Alan D. Jagolinzer, Karl A. Muller - *Scienter Disclosure*

Alicia Davis Evans - *Are Investors' Gains and Losses from Securities Fraud Equal Over Time? Some Preliminary Evidence*

Onnig H. Dombalagian - *Rules, Principles, and Levers in Investment Bank Regulation*

4:30 – 5:30
Wine & Cheese Reception
Location: Rowell Room

LIST OF PARTICIPANTS

AKPODIETE	Christmas	University of Aruba
ALARIE	Ben	University of Toronto, Faculty of Law
ALBUQUERQUE	Pedro	University of Minnesota- Duluth, Department of Economics
ANAND	Anita	University of Toronto, Faculty of Law
ANCELOT	Lydie	University of Toronto, Faculty of Law
ARBEX	Danieli	University of Illinois, Urbana-Champaign, College of Law
BARONDES	Royce	University of Missouri
BEVANS	Phillip	York University, Osgoode Hall Law School
BINETTE-PRÉFONTAINE	Léa	Industry Canada
BJERK	David	Claremont McKenna College
BLACK	Bernard	University of Texas Law School
BORDEN	Brad	Washburn University School of Law
BRINIG	Margaret	Notre Dame Law School
CHARPENTIER	Cecile	Laval University, School of Accountancy
CHEN	Jyh-Yaw Joseph	Kwantlen Polytechnic University, Economics
CHEN	Sylvia	Industry Canada
CHEVALIER	France	Industry Canada
CHIOU	Jing-Yuan	IMT Lucca
COUCHMAN	Bruce	Industry Canada
CURRY	Phil	Simon Fraser University
DALLA PELLEGRINA	Lucia	Bocconi University and University of Milan-Bicocca
DOMBALAGIAN	Onnig	Tulane Law School
DUFF	David	University of Toronto Faculty of Law
DUHAMEL	Marc	Industry Canada, Policy Analysis Branch
ECKERT	Heather	University of Alberta, Department of Economics
EVANS	Alicia Davis	University of Michigan Law School
FERRER	Rosa	Vanderbilt University
GHOSH	Shubha	University of Wisconsin Law School
GIRGIS	Jasmine	University of Calgary, Faculty of Law
GRAHAM	Bruce	Gowling Lafleur Henderson LLP
FORBES	William	Loughborough Business School
GELPERN	Anna	Rutgers School of Law
GELTER	Martin	Harvard Law School & Vienna University of Economics
GHOSH	Shubha	University of Wisconsin Law School
GIRGIS	Jasmine	University of Calgary, Faculty of Law
GRAHAM	Bruce	Gowling Lafleur Henderson LLP

GREEN	Andrew	University of Toronto, Faculty of Law
HARNAY	Sophie	University of Nanterre – Paris Ouest
HENDERSON	M. Todd	University of Chicago Law School
HILL	Claire	University of Minnesota Law School
HOFFMAN	David	Temple University, Beasley School of Law
HYMAN	David	University of Illinois
IACOBUCCI	Edward	University of Toronto, Faculty of Law
ILG	Michael	University of Calgary
JENNEJOHN	Matthew	Shearman & Sterling, LLP; Columbia University for Contract and Economic Organization
JUZDA	Nicolas	York University, Osgoode Hall Law School
HYMAN	David	University of Illinois
KATZ	Ariel	University of Toronto, Faculty of Law
KHANNA	Vikramaditya	University of Michigan Law School
KIMAKOVA	Alena	York University
KNUTSEN	Erik	Queen's University, Faculty of Law
LAZARUS	Gary	Industry Canada
LIMA	Augusto	University of British Columbia, Faculty of Law
MARKEL	Dan	Florida State University College of Law
MAZZACANO	Peter	York University, Osgoode Hall Law School
METCALF	Cherie	Queen's University, Faculty of Law
MURO	Sergio	Cornell Law School
NASH	Jonathan	Emory University School of Law
NEIL	Benjamin	Towson University
NEILL	Christine	Wilfrid Laurier University, Department of Economics
NUSSIM	Jacob	UCLA Law School and Bar Ilan University (Israel)
PAPILLON	Benoit-Mario	Université du Québec à Trois-Rivières
PURI	Poonam	York University, Osgoode Hall Law School
RAFIQUZZAMAN	Mohammed	Industry Canada
RIBSTEIN	Larry	University of Illinois College of Law
ROWELL	Arden	University of Chicago
SAHUGUET	Nicolas	HEC Montréal
SARACENO	Margherita	University Milano-Bicocca and P. Baffir Center Bocconi University
SARRA	Janis	University of British Columbia Faculty of Law
SCOONES	David	University of Victoria, Department of Economics
SPINDLER	James	USC Law School
STANCIL	Paul	University of Illinois College of Law

STERN	Stephanie	Loyola University Chicago School of Law
SUNADA	Mitsuru	Japan Fair Trade Commission, Competition Policy Research Center
SURET	Jean-Marc	Laval University
THAMPAPILLAI	Vinoli	Australian National University, Fenner School of Environment and Society
TUNG	Frederick	Emory University School of Law
VYAS	Dushyantkumar	University of Toronto, Rotman School of Management
WALKER	David	Boston University School of Law
WEINRIB	Arnold	University of Toronto, Faculty of Law
WHITEHEAD	Charles	Boston University School of Law; Cornell Law School (visiting)
ZHOU	Qi	University of Sheffield School of Law
ZIEGEL	Jacob	University of Toronto Faculty of Law