

Contents

<i>Acknowledgements</i>	ix
<i>Introduction</i> Jennifer H. Arlen and Eric L. Talley	xv

PART I EXPERIMENTAL TESTS OF THE COASE THEOREM

1. Elizabeth Hoffman and Matthew Spitzer (1982), 'The Coase Theorem: Some Experimental Tests', *Journal of Law and Economics*, **XXV**, April, 73–98 3
2. Stewart Schwab (1988), 'A Coasean Experiment on Contract Presumptions', *Journal of Legal Studies*, **XVII**, June, 237–68 29
3. Rachel Croson and Jason Scott Johnston (2000), 'Experimental Results on Bargaining Under Alternative Property Rights Regimes', *Journal of Law, Economics, and Organization*, **16** (1), 50–73 61

PART II LOSS AVERSION: ENDOWMENT EFFECTS, FRAMING EFFECTS, AND STATUS QUO BIAS

A Endowment Effects

4. Daniel Kahneman, Jack L. Knetsch and Richard H. Thaler (1990), 'Experimental Tests of the Endowment Effect and the Coase Theorem', *Journal of Political Economy*, **98** (6), 1325–48 89
5. Jennifer Arlen, Matthew Spitzer and Eric Talley (2002), 'Endowment Effects within Corporate Agency Relationships', *Journal of Legal Studies*, **XXXI**, January, 1–37 113
6. Charles R. Plott and Kathryn Zeiler (2005), 'The Willingness to Pay–Willingness to Accept Gap, the "Endowment Effect", Subject Misconceptions, and Experimental Procedures for Eliciting Valuations', *American Economic Review*, **95** (3), June, 530–45 150

B Framing Effects

7. Edward J. McCaffery, Daniel J. Kahneman and Matthew L. Spitzer (1995), 'Framing the Jury: Cognitive Perspectives on Pain and Suffering Awards', *Virginia Law Review*, **81**, 1341–87, 1403–20 169
8. Russell Korobkin and Chris Guthrie (1997), 'Psychology, Economics, and Settlement: A New Look at the Role of the Lawyer', *Texas Law Review*, **76**, 77–121, 137–41 234

PART III SETTLEMENT BEHAVIOR, SELF-SERVING BIAS, AND THE ROLE OF LAWYERS

9. Linda Babcock, George Loewenstein, Samuel Issacharoff and Colin Camerer (1995), 'Biased Judgments of Fairness in Bargaining', *American Economic Review*, **85** (5), December, 1337–43 287
10. George Loewenstein and Don A. Moore (2004), 'When Ignorance is Bliss: Information Exchange and Inefficiency in Bargaining', *Journal of Legal Studies*, **33** (1), January, 37–58 294
11. Linda Babcock, George Loewenstein and Samuel Issacharoff (1998), 'Creating Convergence: Debiasing Biased Litigants', *Law and Social Inquiry*, **22**, 913–25 316
12. Greg Pogarsky and Linda Babcock (2001), 'Damage Caps, Motivated Anchoring, and Bargaining Impasse', *Journal of Legal Studies*, **XXX**, January, 143–59 329

PART IV FAIRNESS, TRUST, AND CROWDING OUT

13. Elizabeth Hoffman, Kevin McCabe, Keith Shachat and Vernon Smith (1994), 'Preferences, Property Rights, and Anonymity in Bargaining Games', *Games and Economic Behavior*, **7**, 346–80 349
14. Elizabeth Hoffman, Kevin McCabe and Vernon L. Smith (1996), 'Social Distance and Other-Regarding Behavior in Dictator Games', *American Economic Review*, **86** (3), June, 653–60 384
15. Robert H. Frank, Thomas Gilovich and Dennis T. Regan (1993), 'Does Studying Economics Inhibit Cooperation?', *Journal of Economic Perspectives*, **7** (2), Spring, 159–71 392
16. Ernst Fehr, Alexander Klein and Klaus M. Schmidt (2007), 'Fairness and Contract Design', *Econometrica*, **75** (1), January, 121–54 405
17. Iris Bohnet, Bruno S. Frey and Steffen Huck (2001), 'More Order with Less Law: On Contract Enforcement, Trust, and Crowding', *American Political Science Review*, **95** (1), March, 131–44 439
18. Daylian M. Cain, George Loewenstein and Don A. Moore (2005), 'The Dirt on Coming Clean: Perverse Effects of Disclosing Conflicts of Interest', *Journal of Legal Studies*, **34** (1), January, 1–25 453

PART V REASONING ABOUT RISK AND LOSS

A Legal Rules and Deterrence

19. Lewis Kornhauser and Andrew Schotter (1990), 'An Experimental Study of Single-Actor Accidents', *Journal of Legal Studies*, **XIX**, January, 203–33 483

20. Uri Gneezy and Aldo Rustichini (2000), 'A Fine Is a Price', *Journal of Legal Studies*, **XXIX**, January, 1–17 514

B Assessment of Risk by Judges and Juries

21. Kim A. Kamin and Jeffrey J. Rachlinski (1995), 'Ex Post ≠ Ex Ante: Determining Liability in Hindsight', *Law and Human Behavior*, **19** (1), 89–104 533
22. Alison C. Smith and Edith Greene (2005), 'Conduct and its Consequences: Attempts at Debiasing Jury Judgments', *Law and Human Behavior*, **29** (5), October, 505–26 549
23. W. Kip Viscusi and Richard J. Zeckhauser (2004), 'The Denominator Blindness Effect: Accident Frequencies and the Misjudgment of Recklessness', *American Law and Economics Review*, **6** (1), 72–94 571

C Impact of Decision Rules on Juries

24. Chris Guthrie, Jeffrey J. Rachlinski and Andrew J. Wistrich (2001), 'Inside the Judicial Mind', *Cornell Law Review*, **86**, 777–830 597
25. David Schkade, Cass R. Sunstein and Daniel Kahneman (2000), 'Deliberating About Dollars: The Severity Shift', *Columbia Law Review*, **100**, 1139–75 651
26. Serena Guarnaschelli, Richard D. McKelvey and Thomas R. Palfrey (2000), 'An Experimental Study of Jury Decision Rules', *American Political Science Review*, **94** (2), June, 407–23 688

Name Index 705