

From: [Ayres, Ian](#)
To: [Ayres, Ian](#);
Subject: Ayres Newsletter (formerly "More Ayres Spam")
Date: Sunday, December 27, 2009 2:48:08 PM
Attachments: [image002.png](#)
[image003.png](#)

Greetings for Disney World,

Here is what I've been writing this past semester:

- 1) Here is a lecture on counteroffers that indulges in one piece three of my obsessions. First, I get to discuss one of the most perverse defaults which arguably gives the drafter/offeror a reason to reiterate a default. Second, I point out a mild way that the default economizes on offeree's information. And finally, I indulge my Why Not? problem-solving obsession by discussing several examples where I've had fun counteroffering rather than merely rejecting offers. Schwartz Lecture, [Never Say No: The Law, Economics and Psychology of Counteroffers](#), Ohio State Law Review (forthcoming 2010).
- 2) This is a very short essay that will appear in a Symposium commemorating Scott Turow's "One-L." I tell the story of how my mom's struggle with MS drove me away from God. Thinking about the story after all these years suggests a possible rationale for secular chaplains. [Theodicy and the Law](#), UMKC Law Review (forthcoming 2010).
- 3) In November, Barry Nalebuff and I published a column in Forbes that really just tries to tout a great idea of Joe Bankman's – government should compensate people who are randomly selected for tax audits.

[Winning the Audit Lottery](#) November 13, 2009

Compensation could turn audit participation into an act of patriotism.

What really interests me about Joe's argument is that audit compensation is an example where ["Just Compensation" Can Lead to More Government Takings](#).

And I continue to crank out regular posts to the [Freakonomics blog](#):



December 23, 2009, 3:03 pm

[Prediction Markets vs. Super Crunching: Which Can Better Predict How Justice Kennedy Will Vote?](#)

By [IAN AYRES](#)

One of the great unresolved questions of predictive analytics is trying to figure out when [prediction markets](#) will produce better predictions than good old-fashioned mining of historic data. I think that there is fairly good evidence that either approach tends to beat the statistically unaided predictions of traditional experts.



December 8, 2009, 2:30 pm

[A New Method to the Freakonomics Madness](#)

By [IAN AYRES](#)

Contributor Ian Ayres sees two subtle shifts in methodology between *Freakonomics* and *SuperFreakonomics*.



December 4, 2009, 9:54 am

[Monetizing Frustration](#)

By [IAN AYRES](#)

When I'm upset about the minor annoyances of life, I sometimes find it helpful to think of the price I'd charge for enduring the annoyance. For example, when my wallet was stolen, I wondered how many dollars would someone have had to pay me to consent to the taking.



November 23, 2009, 2:25 pm

[Why California's Tuition Hike Might Be a Good Thing](#)

By [IAN AYRES](#)

Students at University of California schools have been protesting the decision of the Board of Regents "to raise undergraduate fees — the equivalent of tuition — 32 percent next fall." But higher tuition, if it is accompanied with higher financial aid for lower- and middle-income students, improves equity. As Aaron Edlin and I wrote back in 2003:



November 18, 2009, 1:11 pm

["Just Compensation" Can Lead to More Government Takings](#)

By [IAN AYRES](#)

We are trapped in a world with far too few IRS audits. Law abiding tax payers hate being audited and their representatives in Congress have heard the message loud and clear – strangling the ability of the IRS to conduct field examinations. The problem with the current state of affairs is that non-law-abiding tax payers find it far too easy to avoid paying their fair share.



November 11, 2009, 1:37 pm

[Let Me See You Wash Your Hands!](#)

By [IAN AYRES](#)

One of the heroes of SuperFreakonomics is Ignatz Semmelweis — who crunched numbers in the 1840's to champion

the benefits of doctors washing their hands.



November 3, 2009, 2:49 pm

[Is the Ban on Selling Bone Marrow Unconstitutional?](#)

By [IAN AYRES](#)

I've written a fair amount about organ transplantation in the past (for example, here and here). But it was only in reading SuperFreakonomics that I learned that "the Iranian government [pays] people to give up a kidney, roughly \$1,200, with an additional sum paid by the kidney recipient." The book also tells the story of our own country's brief flirtation with donor compensation:



October 28, 2009, 12:42 pm

[A Defense of Irrational Taxation?](#)

By [IAN AYRES](#)

Here's a behavioral puzzler: Why might it be more efficient for Connecticut to change its sales tax rate from 6 percent to e^2 percent ?

Or more generally, why might using irrational numbers as tax rates be less distortionary than rational tax rates?

A hint comes from a great article of **Amy Finkelstein**, "E-ZTax: Tax Salience and Tax Rates." Her simple and powerful idea is that as the salience of tax rates declines, taxes will produce fewer distortions because taxpayers will not pay as much attention to the taxes.



October 13, 2009, 10:35 am

[Beyoncé Logic](#)

By [IAN AYRES](#)



Implicitly, Alex was arguing, “If you are an independent, then you have a mind of your own.”

From which she concludes, “Conversely, if you are not an independent,” then you do not have a mind of your own.

Alex, I think, is making both a mistake in English usage and a mistake in logic.

Her mistake in usage is that she should have said “inversely” instead of “conversely.” The converse of “If p, then q” is “If q, then p.” But the last frame concerns an inverse: “If not p, then not q.” An interesting empirical study would look to see how often newspapers or academics misuse these adverbs (I’m sure I have).



October 7, 2009, 3:00 pm

[Freakonomics Quiz: Doonesbury Logic](#)

By [IAN AYRES](#)

Here a pretty simple puzzler. Find a mistake in Alex’s logic?



October 6, 2009, 12:23 pm

[Whiffenpoof](#)

By [IAN AYRES](#)

I sang this past weekend at the Whiffenpoof Centennial Reunion Concert (you can hear examples of recent groups singing, here). And I had a chance to sing with probably the best selling Whiff, Joseph Finder. Joe is the author of 9 corporate thrillers. (My favorite is “Company Man”). It will not surprise you that, like Levitt and Dubner, his webpage offers free book plates. But you might be surprise when you see his “Bad Apple” bookplate:



September 28, 2009, 2:18 pm

[Shaq and the Case of the Missing Bribes](#)

By [IAN AYRES](#)

The extortion concern might explain a lot of our reluctance to offer bribes. But there are circumstances where a one-off bribe can work wonders. When my kids were little, I remember bribing a college student on an Amtrak train to move to another open seat so that my family could sit together.



September 25, 2009, 12:45 pm

[Etc. in the Graveyard](#)

By [IAN AYRES](#)

From my office window, I have a glorious view of the Grove Street Cemetery, where Yale students often go to read. By far, my favorite spot in this vast city of monuments is near the end of Cedar Avenue, past the graves of Eli Whitney and Noah Webster. There, just beyond the intersection with Myrtle Path, you can find the extraordinary headstones of two Yale chemists.



September 16, 2009, 10:20 am

[The Economics of Disrespect](#)

By [IAN AYRES](#)

Representative Joe Wilson's much discussed "You Lie" outburst last Wednesday during President Obama's health care speech has been compared to the 1856 savage caning that Representative Preston Brooks delivered to Massachusetts Senator Charles Sumner (for example, see [here](#) and [here](#)).



September 11, 2009, 10:44 am

[Ask Your Teachers for a Rebate](#)

By [IAN AYRES](#)

Students, if your professor has asked you to buy his or her book, ask for a rebate.



September 9, 2009, 1:39 pm

[Find My Phone](#)

By [IAN AYRES](#)

Corporations like Amazon and Sirius won't help owners recover their lost gadgets, like cell phones or Kindles or the Sirius receiver. The article points out that "iPhone owners have a number of options to search for their handsets, including features that use GPS technology to send out virtual semaphores."

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Enjoy the rest of break.

Sincerely,

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