

NAFE MEMBER NEWS

National Association of Forensic Economics

NAFE Member News
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November 2007

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President's Message

Fellow NAFE Members,

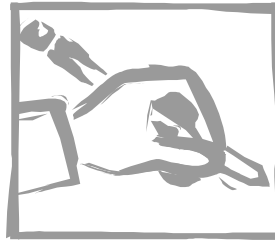
You have received a few weeks ago ballots for the next NAFE President, the Eastern VP, and an At-Large VP. As well, you have received a copy of the proposed new by-laws, and an explanation from George Schieren and me about the reasoning behind the changes.

I would urge you, if you have not voted yet, to read through the materials, to approve our excellent slated candidates, and to approve the by-laws. It costs a 41 cent stamp and a little time. Let me provide a personal anecdote on point. On Election Day in 1980, I remember walking to lunch at the Quadrangle Club with Bob Lucas. I asked Bob, Mr. Rational Expectations, if he had voted. He answered that he had, and that the inability to explain why any individual votes was the core question in political science, and had no rational or coherent answer. Since the odds were miniscule that any individual's vote would tip any election, a cost-benefit analysis would always conclude that rational behavior implies that one would not vote. Since both Bob and I had acted against rational expectations in voting, I asked him why he voted. His answer was that it made him feel better. I ask you to vote, not only because it may make you feel better, but also because it produces an externality – those who serve NAFE are encouraged to do so by the strength of confidence that you show to the organization, and that they receive. End of sermon.

I have known Ed Foster, the candidate for President-Elect, for almost 40 years. He was the Director of Graduate Studies in the Minnesota Economics Department when I began my study there, and I attended two of his courses and served as his graduate teaching assistant. We have since co-authored a *JFE* paper, and he was doing FE work for over a decade before NAFE began. Since Ed currently serves as a Board member, he is up

to speed on all NAFE issues, and is a wonderful successor. David Schap is likewise an ideal candidate for Eastern Vice-President. David brings a strong publication record and participation at Eastern conferences to the Board. He has done our state study for Massachusetts, and is working on studies for other nearby states. I fully support Dave, as well as Marc Weinstein, who is slated to be an At-Large Vice-President. Marc, who brings an actuarial as well as an economics background, has helped organize the Eastern meetings, actively serves on an important committee (described below), is a frequent NAFE-L participant, and, finally, embodies the kind of younger member, with many years of NAFE service ahead of him, which our organization needs.

Additionally, please approve the proposed bylaws changes, which have been thoroughly vetted, and which have been unanimously accepted by both the current and the prior Boards. Steph Horner, Frank Slesnick and I served on the committee that modified them, and the current and past Boards have provided final input. I will not repeat the discussion which accompanies them and their ballot, but refer you to it.



NAFE
National Association of Forensic Economics

Finally, I am pleased to report to you that NAFE now has this official logo, which comes to us through the fine work of a committee chaired by Beth Gundersen and includes Stephanie Rizzardi-Pearson, Barry Ben-Zion and Marc Weinstein. This committee is now drafting a NAFE brochure, which we have needed for economics meetings for some time.

Future NAFE activity is well described elsewhere in this Newsletter. Hotel space at the ASSA New Orleans meeting is nearly if not entirely sold out.

As always, please communicate any concerns, ideas, or suggestions to any of the Board, or directly to me at either (847) 729-6154 or via e-mail at gskoog@umich.edu.

Gary R. Skoog

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National 2008—New Orleans

ALLIED SOCIAL SCIENCE ASSOCIATIONS NEW ORLEANS – JANUARY 4-6, 2008

**Organizers: Frank Slesnick, Bellarmine University;
William Pearson, Spectrum Economics; Shael Wolfson, Forensic Economics Corp.**

The 2008 ASSA Meetings will be held January 4-6, 2008, Friday, Saturday, and Sunday in New Orleans at the New Orleans Hilton. There will be four NAFE sessions, which are listed below. Please note the date and times for the NAFE Board meeting, NAFE members meeting and the NAFE Reception below. As the 2008 ASSA meetings approach "Laissez Le Bon Temps Rouler!" or "Let the Good Times Roll!" as they say down in the Crescent City. The city will be electrified as the meetings are squeezed between the Sugar Bowl and the BCS National Championship game. A few cultural suggestions include the National WWII Museum (www.ddaymuseum.org), The Historic New Orleans Collection (www.hnoc.org) and the Ogden Museum of Southern Art (www.ogdenmuseum.org). Snug Harbor (www.snugjazz.com) is a great place to hear live music. Visit the local food critics' guide (www.nomenu.com) for listings of all your favorite restaurants, you will most likely want to search in the CBD or French Quarter and make reservations ahead of time. Keep an eye on the list serve for more information as the meetings approach.

Friday, January 4

NAFE Board lunch – 11:30 A.M. - 2:30 P.M.

2:30 P.M.

Session Chair: William M. G. Pearson, Spectrum Economics, Inc.

Gary R. Skoog, Legal Econometrics, Inc. and De Paul University, and James Ciecka, De Paul University,
"The Dynamic Structure of the Present Value Function."

Lawrence M. Spizman, State University of New York at Oswego, and Marc Weinstein, Team Econometrics, LLC,
"Geometric v. Arithmetic: Which Mean Should the Forensic Economist Utilize?"

Kevin E. Cahill, Analysis Group, Inc., Michael D. Giandrea, U.S. Bureau of Labor Statistics, Joseph F. Quinn, Boston College,
"The Role of Re-entry in the Retirement Process."

Discussants:

Edward Foster, University of Minnesota
Priyanka Singh, University of Texas at Dallas
Barry Ben-Zion, Consulting Economist

NAFE Membership meeting — Frontenac Room — JW Marriott — 5:00 P.M. - 5:45 P.M.

NAFE Reception — Conde Room — JW Marriott — 6:00 P.M. - 8:00 P.M.

Saturday, January 5

8:00 A.M.

Session Chair: Frank L. Slesnick, Bellarmine University

David H. Ciscel, Professor Emeritus, University of Memphis and David C. Sharp, Managing Economist, Nathan Associates, Inc.
"Selling Fried Chicken: Issues of Combining Business Losses with Personal Injury – A Case Study."

Boyd L. Fjeldsted, University of Utah,
"Stationarity of the Real Earnings Growth Rate with Implications for Determination of a Net Discount Rate."

Shael N. Wolfson, Forensic Economics, Corp.,
"Forensic Economic Issues In the Post Katrina Gulf South."

Discussants:

Marc A. Weinstein, Team Economics, LLC
Christopher J. Bruce, University of Calgary
Thomas Roney, Thomas Roney LLC

(continued on pg. 3)

National 2008—New Orleans (continued)

10:15 A.M.

Panel Discussion: Hedonic Damages – One More Time

Session Chair: Peter A. Marks, Rhode Island College

Session Organizer: Thomas R. Ireland, University of Missouri, St. Louis

Brian McDonald, Economic Consultant, “Loss of Enjoyment of Life Damages in New Mexico.”

Ted Miller, Pacific Institute for Research and Evaluation, “Hedonic Damages: Were the Crippling Blows Well-Founded?”

W. Kip Viscusi, Vanderbilt Law School, “Why Lives Have Different Values.”

John O. Ward, University of Missouri, Kansas City,

“Time Use Valuation as an Alternative to Lost Enjoyment of Life Measures in Calculating Wrongful Death Damages.”

2:30 P.M.

Session Chair: Michael L. Brookshire, Marshall University Graduate College

David Schap, College of the Holy Cross, Steven J. Shapiro, University of New Haven and Caitlin Street, College of the Holy Cross,
“Assessing Economic Damages in Personal Injury and Wrongful Death Litigation: The State of Rhode Island.”

Stephen M. Horner, Economic Consulting, “Stationarity of Medical Net Discount Rates.”

Michael J. Piette, Analytical Economics, Inc. and Frank Slesnick, Bellarmine University,
“Net Accumulation to the Estate: Meaning and Measurement.”

Discussants:

Peter A. Marks, Rhode Island College

Rebecca Summary, Southeast Missouri State University

Frank D. Tinari, Tinari Economics Group

NAFE Winter Meeting 2008—Curacao

NINETH NAFE WINTER MEETING

Marriott Curacao Resort, Willemstad, CURACAO—FEBRUARY 1-2, 2008

Organizers: Jim Rodgers and Art Eubank

In 2008, the NAFE Winter Meeting will be held on the island of Curaçao on February 1 and 2, 2008. Curaçao is part of the Netherlands Antilles island group and is at about 12 degrees latitude. If you want to attend, you have until **Friday, December 14, 2007**, to make your reservations, as the hotel has to know the final number of attendees by December 17. The conference will take place at the Marriott Curaçao Resort, an ocean-front hotel located on Piscadera Bay. For reservations, contact Sandy Berardis at Centre for Travel, 114 Heister Street, State College, PA 16801, by calling 1-800-255-2140, Ext. 121. Sandy’s email address is sandy@cftrav.agencymail.com. The registration fee for NAFE members attending the conference is \$75.00. This fee is levied to cover the cost of the breakfast to be served in the conference room before the start of the session each morning, and to cover any other charges associated with the conference room. There is no registration fee for spouses or others traveling with a NAFE member. The cost of a hotel room at the conference hotel will be \$251.00 per night for either a single or a double room. To this room rate must be added taxes, currently at a level of 19.84%. Hence, the charge per room per night will be \$300.80. There may be other incidental charges for maid service and fees, and for baggage handling. The room rates are available for the nights of Thursday, January 31 through Saturday, Feb. 2, and, subject to availability, for the previous Monday through Wednesday nights, January 28-30, and for three nights (Sunday, Monday and Tuesday) following the meeting, February 3, 4, and 5.

We currently have seven forensic economists registered for the meeting. I hope some more of you will be able to attend. In addition to paper sessions, other sessions are planned on (a) recent case experiences and (b) topics related to running a forensic economic practice. Please contact Jim Rodgers at jdr@psu.edu or Art Eubank at art@eubankeconomics.com for additional information.

East 2008—Boston

**EASTERN ECONOMIC ASSOCIATION
BOSTON—MARCH 7-9, 2008
Organizer: Lawrence Spizman**

LAST CALL FOR PAPERS

The 2008 Eastern Economic Association Meetings will be held in the Boston Park Plaza Hotel March 7-9, 2008, the hotel is located at 64 Arlington Street in Boston. For more information see the website at:

<http://www.iona.edu/faculty/mlessler/eea/conferences/conferences.htm>

Anyone wishing to organize a session, present a paper or workshop or be a discussant please contact Larry Spizman spizman@oswego.edu or call 315-343-7631.

International 2008—Turkey

**5TH NAFE INTERNATIONAL MEETING
TURKEY—MAY 20-22, 2008
Organizer: Patrick Anderson**

A Transatlantic Dialogue

Hotel and Conference

Ilhan Geckil, our arrangements chair, visited Istanbul this summer and arranged a very favorable rate for conference attendees at the Ritz-Carlton Istanbul. This luxury hotel features Turkish décor, marble bathrooms with Turkish tiles, broadband Internet access with redundant service, concierge service, and an in-room safe. The business center also has document and courier services if needed.

We will use the hotel facilities for the conference proceedings and luncheons. The conference proceedings, including the spouse's session, will include refreshments.

More information on the hotel is available on their web site at: <http://www.ritzcarlton.com/en/Properties/Istanbul/>

To make reservations at the conference hotel, contact the hotel via telephone at (90) 212 334 44 44 and ask for the special rate for attendees at the NAFE/Anderson conference. (You may also try the Ritz Carlton US reservation number at 800 542 8680, but they may not have the special conference rate.) The rate we arranged is 240 Euros per night per double-occupancy deluxe room, plus 18% VAT, which includes a continental breakfast. (This is a savings of 100 euros per night over the regular rate.) Other rooms are also available at a higher rate.

An alternative is the nearby Swissôtel Bosphorus. Please note that first-class hotels in this section of Istanbul usually cost upwards of 325 euros per night. We recommend you reserve your room well in advance either in the conference hotel or elsewhere.

Nominations are welcome for program and session chairs.

Conference Organization

Patrick Anderson (panderson@andersoneconomicgroup.com) will be the Conference Chair, and Ilhan Geckil (igeckil@andersoneconomicgroup.com) the Arrangement Chair, for the Conference. You may contact the conference chair via email.

We are seeking nominations for one program chair, and a session chair for each session, to coordinate the presentations. We estimate 20 conference attendees, plus perhaps 4 guests. We will give first notice to past International attendees.

Arrival May 20

Informal dinner(s) may be arranged by conference attendees

Conference Day 1, May 21

Conference sessions in morning:

Tentative session 1: topics in personal injury and wrongful death damages

Tentative session 2: topics in commercial damages

Tentative session 3: the business of forensic economics

Luncheon with informal discussion (speaker may be arranged)

Afternoon free time

Bosphorus Cruise and Dinner(optional evening program at extra cost)

(continued on pg. 5)

International 2008—Turkey (continued)

Conference Day 2, May 22

Conference in morning

Tentative session 4: comparison of US, EU, and Turkish practice

Guest speaker(s) from Turkey, including Dr. Ali Berker, Abant Izzet Baysal University, "Expert Testimony in Turkey"

Tentative session 5: surveys of practice; new methods; other topics

Tentative session 6: planning for 2009 conference; suggested venues

Morning Spouse's session: The Business of Forensic Economics

Closing luncheon

Afternoon (optional) Spice and Grand Bazaar tour

An updated schedule will be posted on the web site of the conference organizer after January 1, 2008:

<http://www.andersoneconomicgroup.com>

Topics; Papers to be Presented

Past International conferences have featured comparisons of US and EU practice in forensic economics, including topics such as damages for terrorist attacks, antitrust damages, and the role of experts in courts. In addition, surveys of methodology and practice in the United States, economic data significant to the work of a forensic economist, and newly developed techniques have been described in papers presented at the conferences. Similar topics will be welcome this year. In addition, attendees at the 2007 conference suggested topics on the business of forensic economics, and we have reserved one session for this purpose. Possible topics include: transition issues, quality standards, and management of the office.

Presenters should submit a one-page abstract, with a title and a suggested session, to the conference chair by December 15, 2007. A preliminary speaker list with topics will be completed by February 1, 2008 and distributed to all registrants. Additional topics may be added later, if time permits.

Presenters are expected to have a brief outline, or a printed paper, completed in advance of the conference in a form that can be distributed to attendees. Please let us know of audio visual equipment you may need for your presentation; if an attendee is planning on bringing a laptop or projector and does not mind allowing other presenters to borrow his or her equipment, please let us know.

Conference Registration

Registration fee covers the conference materials, conference lunches, spouses' meeting and luncheon, scheduled transportation, and conference rooms.

The advance registration fee for the conference is \$350 USD + \$35 currency surcharge if received by Dec 31, 2007. The late registration fee is \$400 + \$35 currency surcharge after January 1, 2008, and \$450 + \$35 currency surcharge after April 1, 2008. Late registrations are subject to availability. A partial refund will be available for registrants that must cancel their registration; please see cancellation policy below.

As we are paying for some activities in advance and the dollar has been declining against the euro, we unfortunately must add a currency surcharge. All or part of this may be refunded if the dollar-cost of conference expenses does not exceed our revenue.

The Bosphorus cruise dinner will be scheduled if enough conference attendees and spouses request. Please include \$135 per person for this optional event. A full refund will be given in the event the cruise is not fully subscribed.

Please make checks payable to Anderson Economic Group LLC, 1555 Watertower Place, East Lansing MI 48823; and note "NAFE International Conference" in the memo line. A conference registration form will be posted on the web site of Anderson Economic Group at <http://www.andersoneconomicgroup.com> for your convenience. You may send an email to lknechtel@andersoneconomicgroup.com to indicate interest or confirm registration. Please allow at least 48 hours for a response.

Cancellation Policy

A partial refund of the conference fees will be available for registrants that, due to circumstances beyond their control, must cancel their registration. The refund will be 75% of the conference fee before December 31, 2007; and 50% before April 1, 2008. Partial refunds after that date may be given, subject to the discretion of the conference organizer, after the conference has been completed and all expenses paid. The hotel has a separate reservation and cancellation policy. Subject to the discretion of the conference organizer, a registration may be transferred to another eligible attendee for a transfer fee of 25% of the conference registration fee applicable at that time.

RECENT PAPERS PRESENTED AT NAFE-SPONSORED SESSIONS

ARE AVAILABLE

See page 9

West 2008—Hawaii

WESTERN ECONOMIC ASSOCIATION
HONOLULU, HAWAII—JUNE 29–JULY 3, 2008
Organizer: Christopher Bruce, Vice-President, Western Region

Call for Abstracts of Proposed Papers DEADLINE: JANUARY 30, 2008

The 83rd Annual Conference of the Western Economic Association International will be held at the Sheraton Waikiki in Honolulu, Hawaii. **NAFE sessions will be held June 30–July 1, 2008.** Please send the abstract for your proposed paper as attachments (preferable in Word or as pdf files) to:

Chris Bruce
Vice-President
c/o Department of Economics
University of Calgary
Calgary, AB, Canada, T2N 1N4
cjbruce@ucalgary.ca

Offers to act as discussants or chairpersons would also be welcome.

South 2008—Washington, DC

SOUTHERN ECONOMIC ASSOCIATION
WASHINGTON, DC—NOVEMBER 20–22, 2008
Organizer: Robert A. Bohm, Vice-President, Southern Region

Getting a Head Start on 2008 Call for Proposals Early Decision Deadline: January 31, 2008

The 78th Southern Economic Association (SEA) will meet November 20–22 2008 at the Grand Hyatt in Washington, DC.

After some careful consideration, we have decided not to offer sessions for November 2007 at the Southern Economics Association meetings. We intend to be back in full force at the 2008 meetings, however. Three sessions are planned. Proposals are now being accepted and should be sent to:

Robert A. Bohm
Department of Economics
The University of Tennessee
Knoxville, TN 37996
865-974-1697
rbohm@utk.edu

Information about the SEA can be found at <http://www.utc.edu/Outreach/SouthernEconomicAssociation>.

FYI

The Plaintiff and Defense Attorney's Guide to Understanding Economic Damages

Editors Michael Brookshire, Frank Slesnick, John Ward

Published by Lawyers and Judges Publishing Company

Topics Include:

- Understanding economic damage experts
- *Daubert* considerations
- Plaintiff attorney's considerations and perspectives
- Defense attorney's considerations and perspectives
- Estimating lost earnings
- Valuing fringe benefits
- Household service losses
- Vocational/Rehabilitation experts
- Life care planners
- Medical care costs
- Personal injury
- Wrongful death
- Effects of age, gender, and ethnic background
- Punitive Damages
- F.E.L.A. issues
- International issues
- Mediation and trial practice
- Structured Settlements

The accompanying CD-ROM includes Internet sources with additional information, definitions of technical terminology, direct and cross-examination questions and answers, case studies, links to damage calculation sites, and more.

RECENT (Past 3 years) PAPERS PRESENTED AT NAFE-SPONSORED SESSIONS

MasterCard or Visa accepted

EMAIL (1 paper)	NAFE MEMBERS \$10	NON-MEMBERS \$50
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U.S. MAIL (full set)	NAFE MEMBERS \$25	NON-MEMBERS \$50

* \$10 minimum Postage & Handling

For U.S. mail Allow 5-21 days for shipping

Allow 24 weekday hours on papers available for email

Contact Nancy at the NAFE office for lists and orders

(See list on page 8)

FYI (continued)

**National Association of Forensic Economics
Sessions for the 2007 Western Meetings
June 29 – July 3, 2007**

Papers Available

- Frank Adams, "Commercial Damages and the Importance of Industry Data: A Case Study"
- Jonathan Shefftz, "Alternative Focuses for 'But For' Scenario Specification in Commercial Litigation"
- Kent Gilbreath, "The Coming Perfect Economic Storm"
- Christopher Bruce and Daniel Gordon, "The Impact of Childhood Sexual Abuse on Attainment and Adult Earnings of Canadian Women"
- Cara Brown, "The Impact of Disability on Earnings and Labour Force Participation in Canada: Evidence from the 2001 PALS"
- Thomas Ireland "Handout for NAFE-WEA Panel on 'Valuation of Household Services'" (Panel: Barry Ben-Zion, Tom Ireland, Francis Gallela, and Cara L. Brown)
- Matthew Cushing and David Rosenbaum, "How much confidence do we have in estimates of future net discount rates?"
- Stephen Horner, "Assessing Economic Damages in Personal Injury and Wrongful Death Litigation: The State of Texas"
- David I. Levine and David Lewin, "The New Managerial Misclassification: Challenge to Old Wage Law and Hour Work; or What is Managerial Work?"
-

Advertisement

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The Dollar Value of a Day, 2006 Valuation *NEW!!*

Cost: \$149 + \$6 shipping (150 pages)

Healthy Life Expectancy, 2003

\$59 + \$6 shipping (90 pages)

Full-Time Earnings in the United States, 2006 *NEW!!*

\$99 + \$6 shipping (206 pages)

See ExpectancyData.com for table of contents and sample pages

To order, telephone (877) 326-3282 or (913) 381-9420



NOTICE

On November 6, 2006 the NAFE Board of Directors approved NAFE's definition of forensic economics:

Forensic economics is the scientific discipline that applies economic theories and methods to the issue of pecuniary damages as specified by case law and legislative codes. Topics within forensic economics include

- (1) analyzing claims involving persons, workers, firms, or markets for evidence concerning damage liability;*
- (2) calculation of damages in personal and commercial litigation; and,*
- (3) the development and use of generally accepted forensic economic methodologies and principles.*

Upcoming and Noteworthy

**American Academy of Economic and Financial Experts (AAEFE)
Annual Meeting
LAS VEGAS—2008**

The American Academy of Economic and Financial Experts (AAEFE) will have its 2008 annual meeting in Las Vegas, NV, at The Westin Casuarina, Hotel, Casino & Spa on March 26, 27 and 29, 2008. The group rate is \$189 per night. For reservations call (702) 836-5936 or go to www.westin.com/lasvegas. Papers are welcome. To include your paper in the agenda call Creighton Frampton at (215) 951-2820.

MARK YOUR CALENDARS for AREA's 2008 Annual Spring Conference
which will be held at the Omni William Penn Hotel in Pittsburgh, Pennsylvania
Thursday, May 15, 2008 to Sunday, May 18, 2008.

Contact Margy Ashby at AREA [areaorg@cox.net] for more information.



RECENT PAPERS PRESENTED AT NAFE-SPONSORED SESSIONS

NOW AVAILABLE (see page 9)



MARK YOUR CALENDARS

(Details on meetings inside)

2008

ALLIED SOCIAL SCIENCE ASSOCIATIONS
NEW ORLEANS—JANUARY 4-6

NAFE WINTER MEETING
CURACAO—FEBRUARY 1-2

EASTERN ECONOMIC ASSOCIATION
BOSTON—MARCH 7-9

NAFE INTERNATIONAL
ISTANBUL, TURKEY—MAY 20-22

WESTERN ECONOMIC ASSOCIATION
HONOLULU, HAWAI—JUNE 29-JULY 3

SOUTHERN ECONOMIC ASSOCIATION
WASHINGTON, DC—NOVEMBER 20-22

2009

ALLIED SOCIAL SCIENCE ASSOCIATIONS
SAN FRANCISCO—JANUARY 3-5