

“Malpractice Liability and Medical Costs” by Lakdawalla and Seabury

### **Overall Utility/Total Cost**

Although malpractice payments have grown significantly in recent years, this paper found that there was no reason to believe that it is not a driving factor for the rapid increase of total medical costs in the past 15 years. Data from county malpractice jury verdicts was used as a measure for malpractice costs. I found this data source to be a bit unusual, but I wasn't too concerned about the suitability of using this after reading through some of the tests run on this instrument. It would be interesting to see what results would have been if the authors had build upon their concluding remark and considered the effects of malpractice liability to overall utility rather than just the effect on higher medical cost. I would expect the hidden effects of malpractice (fewer patients get treated and patients incur higher costs from having more tests) to reveal that malpractice suits have significantly affected the overall utility. I would like to see a rough estimate of how much these effects contribute to the rising cost of medicine.

“An Investigation of Co-worker and Consumer Discrimination: The Case of Major League Baseball” by Sugarman

### **Random Comments on Fan Attendance**

This paper took a look at racial discrimination in Major League Baseball in the past 50 or so years. Overall, I really enjoyed reading the paper, and I thought the author did a great job of explaining all of the background and specifically why he was having trouble making his tests come out the way he thought they would. In analyzing data, I found that Sugarman cover most of his bases. It did not, however, consider less playing time might effect the player's statistics, which was the proxy used for "player skill".

According to Sugarman, racism can play three roles in the behavior of fans: 1) racist fans could boycott the game; 2) racist could attend the game to harass the minority players; or 3) non-racists could attend the game out of sheer curiosity. I would argue that only one of those behaviors would actually happen on regularity. I agree that racist fans would boycott the game if they didn't like a player. Why would they want to pay money to watch a player they hated? However, I don't think that racists would actually buy baseball tickets to gain enjoyment out of harassing players on their own team. I also can't think of many examples of players choosing to leave their team or settling for a non-starting role because their fans responded negatively to their race rather than their performance. As for the increase in attendance due to the curiosity factor, I would rather believe that baseball fans attend games to support their teams and would have added incentive to go if one of the players shared their race. So while curiosity may play a small part, a largerer factor of increasing attendance would be those individuals who identify with a minority player's race. In the case of Japanese baseball fans, New York (Matsui), Seattle (Ichiro) and Boston (Dice-K) are cities where fan attendance has been significantly affected by the number of Japanese baseball fans that come to watch their favorite Japanese stars play.