

NAFE MEMBER NEWS

National Association of Forensic Economics

NAFE Member News
Volume 18, Issue 2
May 2004

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Note from the President

Ethics Should Not be Optional

The current NAFE Statement of Ethical Principles and Tenets of Practice (SEPTP) has evolved over the years, with principles being added and clarified, as members have reported various ambiguities and deficiencies. Sometimes these changes have broadened the scope of the document. Sometimes, the scope of a principle has been narrowed.

In the 1998 version of the NAFE statement of ethical principles, the preamble stated:

As a practicing forensic economist and a member of the National Association of Forensic Economics, I pledge to provide fair and accurate economic analysis associated with any litigation in which I am involved, to strive to improve the science of forensic economics, and to protect the integrity of the profession through adherence to the following tenets of ethical behavior:

In the 2002 version, the preamble was substantially re-written:

The primary missions of the National Association of Forensic Economics (NAFE) are research and education in the field of forensic economics. NAFE is not a credentialing organization that has assessed whether its members have met certain qualifications or whether those wanting to become members meet certain qualifications. *NAFE does not require its members to pledge to follow a particular code of professional or ethical conduct, nor does it have a formal mechanism to sanction those who might violate such a code.* However, because NAFE members are interested in protecting and elevating the integrity of the profession, they have voted to adopt and promulgate the following statement of ethical principles and tenets of practice: (*emphasis added*)

The sentence in italics has sometimes been cited in testimony, with the implication being that NAFE's official position is

that ethics are optional. The NAFE Ethics Committee, Jim Rodgers, Frank Tinari, and Bob Male, as well as the NAFE Board, believed that this is a serious misperception that should be corrected, and embarked on the current round of revisions. The NAFE Board is proposing that NAFE Members consider the statement of ethical principles to be a pledge of every member. The purpose of publishing a statement of ethical principles is to provide information to ourselves and others.

We will be saying that there are limits to professional forensic economic practice on which forensic economists can agree. It is not the intention of the Board that NAFE embark on a journey toward direct enforcement by NAFE itself, but only to provide information that will facilitate enforcement through the normal litigation process and the market for forensic economic services. I believe very strongly that direct enforcement by NAFE is beyond our human and financial resources.

As a pledge of every member, it is important that practices that nearly every one of us would consider ethical not inadvertently be labeled as unethical. To minimize this possibility, the NAFE Board has taken comments submitted by NAFE Members through email, telephone conferences, and the special website set up for the purpose.

The process of revising the NAFE Statement of Ethical Principles and Tenets of Practice (SEPTP) is continuing. I have every confidence that soon you will be presented with the opportunity to register your vote on a greatly improved document of which this organization can be proud. Once these changes have been approved, NAFE members will be able to say that being a member of NAFE is not just a matter of paying your dues, but a matter of something much more important. Members will be saying to the world that they believe that ethics should not be optional.

Stephen M. Horner



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West 2004—Vancouver, BC

**WESTERN ECONOMIC ASSOCIATION INTERNATIONAL
VANCOUVER, BC—JUNE 29-JULY 3, 2004
Organizer: Tyler W. Bowles, Vice-President, Western Region**

The 79th Annual Conference of the Western Economic Association International will be held in Vancouver, British Columbia, June 29-July 3 at the Sheraton Wall Centre. NAFE sessions are scheduled for July 1 and 2 as follows:

THURSDAY, JULY 1

8:15-10:15 AM

Session 1

Vocational Rehabilitation: Topics of Interest for Forensic Economists

SESSION ORGANIZER & CHAIR: Terrance B. Dinneen, DeVinney & Dinneen

Presenters:

Terrance B. Dinneen, DeVinney & Dinneen

Lawrence J. Deneen, Martin-Deneen Associates, Inc.

Linda M. Ferra, Ferra and Associates

10:30-12:00 AM

Session 2

Economic Damages in the States I

SESSION ORGANIZER: Tyler J. Bowles, Utah State University

CHAIR: W. Cris Lewis, Utah State University

Assessing Economic Damages in Personal Injury and Wrongful Death Litigation: The State of Idaho,
Gary R. Wells, Idaho State University

Assessing Economic Damages in Personal Injury and Wrongful Death Litigation: The State of Kentucky,
Frank L. Slesnick, Bellarmine University

Assessing Economic Damages in Personal Injury and Wrongful Death Litigation: The State of Virginia,
Robert W. Cook, University of Richmond

Discussants

Barry Ben-Zion

James D. Rodgers

Robert A. Male

12:00-2:00 PM

NAFE Board Luncheon

2:30-4:15 PM

Session 3

Business Valuation/Commercial Damages Panel Discussion

SESSION ORGANIZER: Tyler J. Bowles

CHAIR: Merle F. Dimbath, Dimbath Economics

Participants:

Mark Leicester, RSM McGladrey, Inc.

Patrick Fitzgerald, Oklahoma City University

Thomas M. Roney, Thomas Roney LLC

Merle F. Dimbath, Dimbath Economics

4:30-5:30 PM

NAFE Members Meeting

6:00-7:00 PM

NAFE Reception

(continued)

West 2004—Vancouver, BC (continued)

FRIDAY, JULY 2

8:15-10:00 AM

Session 4

Economic Damages in the States

SESSION ORGANIZER: Tyler J. Bowles

CHAIR: James D. Rodgers, Consulting Economist

Assessing Economic Damages in Personal Injury and Wrongful Death Litigation: The State of Wyoming,
Tyler J. Bowles, Utah State University

Assessing Economic Damages in Personal Injury and Wrongful Death Litigation: The State of Utah,
W. Cris Lewis, Utah State University

Assessing Economic Damages in Personal Injury and Wrongful Death Cases: The State of California,
Barry Ben-Zion, Consulting Economist

Discussants

Robert W. Cook, University of Richmond

Frank L. Slesnick, Bellarmine University

Gary R. Wells, Idaho State University

10:15 AM-12:00 PM

Session 5

A Comparison of U.S. and U.K. Personal Injury and Wrongful Death Damages Analysis in Litigation

SESSION ORGANIZER and CHAIR: John O. Ward, John Ward Economics

Participants:

John O. Ward, John Ward Economics

Frank D. Tinari, Tinari Economics, Inc.

Michael L. Brookshire, Marshall University

1:30-3:15 PM

Session 6

Forensic Economics Issues

SESSION ORGANIZER: Tyler J. Bowles

CHAIR: Frank D. Tinari, Tinari Economics

Loss of Chance Rules and Valuation of Loss of Chance Damages, Ralph R. Frasca, University of Dayton
Personal Consumption Rates in Canada by Income Levels, Cara L. Brown, Brown Economics Assessments Inc.

Discounting Bases: Canadian vs. U.S. Approaches, Peter Ross, Forecs LTD

Discussants:

Michael L. Brookshire, Marshall University

W. Cris Lewis, Utah State University

David Conners, Brueggeman and Johnson Capital, PC

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**EXCEPTIONAL OPPORTUNITY
FOR FINANCIAL ECONOMIST**

Position with highly-regarded consulting firm specializing in forensic economic studies with heavy emphasis on courtroom presentation. NYC-NJ metro location.

Requirements: advanced degree in economics/finance (or CPA with valuation credentials) and successful experience in related professional activities.

The candidate we seek places a high value on early partnership and is prepared for the opportunities and challenges that come with it. Competitive starting salary and benefits.

Send Resume to: LEE22222@aol.com

North 2004—Nashville

MISSOURI VALLEY ECONOMIC ASSOCIATION
 NASHVILLE—OCTOBER 14-16, 2004
 Organizer: Gary Skoog, Vice President, Northern Region

CALL FOR PAPERS DEADLINE JUNE 15, 2004

Years ago, the NAFE Midwest VP organized sessions at regional meetings, notably the Missouri Valley Economics Association (MVEA) and the Midwest Economics Association. Those latter meetings float between Chicago and St. Louis in March. This year, the MVEA held a February meeting in Kansas City; a small number of NAFE members from the region attended. NAFE had a small presence.

The MVEA is having a second meeting this year, with an eye toward moving into a Fall annual meeting. The NAFE Board has authorized Gary Skoog to put together a session or two, to offer a member benefit to local FE's, and potentially to encourage new members to join. *NAFE will sponsor two sessions Friday afternoon, October 15*, at the MVEA meetings in Nashville. The first session will contain papers; s second session will feature the president of the MVEA, Gary Latanich, and will be about starting a FE practice. His two brothers are attorneys, and one may attend. The MVEA will attend the Grand Ole Opry Friday night and more. Information can be found on the MVEA website at

<http://ecedweb.unomaha.edu/mvea.htm>

This meeting will be modest, and is not designed to compete with the NAFE meetings featuring many more papers. Nevertheless, if you'd like to present, or would like an excuse to enjoy a pleasant weekend in Nashville, this is a great opportunity. If you would like to present a paper, please send to Gary Skoog at:

gskoog@umich.edu

South 2004—New Orleans

SOUTHERN ECONOMIC ASSOCIATION
 NEW ORLEANS—NOVEMBER 21-23, 2004
 Organizer: Kurt V. Krueger, Vice-President, Southern Region

CALL FOR PAPERS DEADLINE: JUNE 1, 2004

The annual meeting of the Southern Economic Association will be held in New Orleans, LA at the Fairmont Hotel, November 21-23, 2004 (Sunday to Tuesday). There will be three NAFE sessions slated for Sunday, November 21.

Registration and schedule information can be found, as it becomes available, on the SEA website at:

<http://www.okstate.edu/economics/journal/south1.html>

If you would like to present a paper or be a discussant, please contact: Kurt Krueger at:

Krueger@JohnWardEconomics.com or 913-381-9420

National 2005—Philadelphia

**ALLIED SOCIAL SCIENCE ASSOCIATIONS
PHILADELPHIA— JANUARY 7-9, 2005**

Organizers: Frank Slesnick, Bellarmine University and Frank Tinari, President-Elect

CALL FOR PAPERS DEADLINE: JUNE 15, 2004

NAFE will sponsor four sessions at the 2005 ASSA meeting to be held in Philadelphia January 7-9, 2005. The tentative schedule includes a guest speaker from the BLS Friday afternoon, January 7, and three paper sessions on Saturday, January 8. The Board meeting, membership meeting, and reception will be held on Friday.

We presently have a few paper submissions, but still require more individuals to submit their abstracts as soon as possible. We also need volunteers to serve as discussants and session leaders.

Please submit the title, author(s), and a brief description of the paper to:

Frank Slesnick
Professor of Economics
Bellarmine University
2001 Newburg Road
Louisville, KY 40205
(502) 452-8244
fslesnick@bellarmine.edu

We hope to see the usual large and enthusiastic NAFE crowds at the ASSA Meeting. Also, please let me know if you wish to volunteer as a discussant or session leader.

East 2005—New York City

**EASTERN ECONOMIC ASSOCIATION
NEW YORK CITY, MARCH 4-6, 2005**

Organizers: Rick Gaskins, Vice-President, Eastern Region

CALL FOR PAPERS

The 2005 Eastern Economic Association conference will be held in New York City at the Sheraton New York Hotel and Towers, March 4–6. If you have a paper or would like to be a participant/discussant, please contact:

Rick R. Gaskins
Gaskins Associates, PC
7183 Stillwater Court
Frederick, MD 21702-2988
301-698-9777
FAX: 301-698-9779
rrgaskins@aol.com

As more information becomes available it will appear on the EEA website at:

http://www.iona.edu/academic/arts_sci/orgs/eea/conf2005/NYhome.html

FYI etc.

CALL FOR NOMINEES

Deadline July 1, 2004

This year, pursuant to the NAFE bylaws, the Nominating Committee (NC) is to select potential candidates to fill the two expiring terms on the NAFE Board: Eastern Vice President, currently held by Rick Gaskins, and the At Large VP position, currently held by Jerry Martin. The Vice Presidents are each elected to three-year terms.

The NAFE Board has appointed the following members to serve as the 2004 NAFE Nominating Committee: Rick Gaskins (outgoing Board member); Bob Taylor; Jim Ciecka and Stephanie Rizzardi Pearson. The NC has selected Stephanie Rizzardi Pearson to serve as chair.

The bylaws set forth the criteria for Board service, as follows: "The NC shall review candidates ... on the basis of their qualifications, including, but not limited to, the candidate's educational qualifications, employment history, quality and quantity of publications, past participation in forensic economic sessions at professional meetings, experience of the candidate as a forensic consultant, past work on behalf of the organization, contribution and support for excellence and high professional standards in the field of forensic economics, and anticipated contributions to the efficient functioning of the corporation and to advancing its long-term goals."

We welcome your participation in this important process. If you are interested in being considered as a nominee we request that you submit a statement of past participation in NAFE and its forensic economic sessions, professional meetings, experience as forensic consultant and most importantly what you would like to achieve in your service to NAFE. Your statement will be kept confidential and it will not be used as the bio that will be attached to the ballot, if nominated. In other words, please feel free to communicate about yourself and what you feel you can contribute to the organization. You may of course nominate others who you feel are highly qualified and committed individuals. Please submit your statement to the Committee Chair, Stephanie Rizzardi Pearson, either through e-mail, U.S. mail or fax no later than July 1.

If you have any questions about the process, feel free to communicate with any of the Nominating Committee members. The NC must complete its work in time to present its recommendations to the NAFE President at or before the summer Board meeting in Chicago on July 24 and 25, 2004. Thank you in advance for your interest and assistance.

Stephanie Rizzardi Pearson, Chair
140 South Lake Avenue, Suite 217
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Phone: 626-229-0304
Fax: 626-229-0305
srizzardi@rizzardipearson.com

Rick Gaskins
RRGaskins@aol.com

Bob Taylor
mb280sl@cablone.net

James Ciecka
jciecka@depaul.edu

Upcoming and Noteworthy

American Academy of Economic and Financial Experts Seventeenth Annual Meeting March 30-April 1, 2005 Las Vegas, NV

The 2005 AAEFE Meeting dates are March 30th (6pm - 8:30pm), March 31st (9:30am to 5:30pm), and April 1st (9:30am to about 4pm). The times noted do not include the very worthwhile discussions at our receptions. This will be the 17th annual meeting held in Las Vegas at the Imperial Palace. Full details will be provided in the Meridian (the AAEFE newsletter).

Robert Male, Ph.D.
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Clackamas, Oregon 97015-1100
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bobmale@comcast.net

American Rehabilitation Economics Association (AREA) May 12-15, 2005 Location to be announced

The 2005 AREA Spring Conference is scheduled for Thursday-Sunday, May 12-15, 2005.

Pre-Conference sessions begin Thursday, May 12th
Main Conference sessions begin Friday, May 13th

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Now Available Healthy Life Expectancy, 2001 Tables

Healthy life expectancy (HLE) is a part of a group of YHL measures. The HLE combines mortality (life expectancy or LE) and morbidity (health status) data into a single measure. The data inputs to HLE are a standard, current U.S. life table and a scaling of the health-related quality of life of the entire U.S. population. The main strength of HLE is its ability to produce a mortality/morbidity estimate for the entire population—including young and old, whether residing in a private residence or an institution, and regardless of ability to respond to survey questions. From an individual perspective, healthy life means a full range of functional capacity at each life stage, from infancy through old age, allowing one the ability to enter into satisfying relationships with others, to work, and to play. (Cost \$49)

Cited in: *The Cost of Road Trauma: Single and Multiple Injury Cases*, National Highway Safety Transportation Administration

Expectancy Data

The Dollar Value of a Day, 1999

was chosen to form the value of household productivity loss estimates presented in the book *Prevention Effectiveness* as authored by members of the U.S. Centers for Disease Control. The complete title of the book is *Prevention Effectiveness: A Guide to Decision Analysis and Economic Valuation*, Second Edition. The book *Prevention Effectiveness* is available from Oxford University Press (www.oup-usa.com). Cost of DVD, \$99.

Full-time Earnings in the United States, 2004 Edition will soon be available. This publication presents percentile views of the earnings of persons working full-time and year round by gender, age, race, and education and gender, age, and occupation.

To order, telephone 877-326-3282 or visit ExpectancyData.com for more information.



MARK YOUR CALENDARS

(Details on these meetings inside)

NAFE 2004

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EASTERN ECONOMIC ASSOCIATION
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