large number of precedents, more than 40, rejecting the law as it was understood in 1980.

What may be most remarkable about the judicial revolution, in addition to how "stunningly successful" it has been, Sunstein says, is "that most people have not even noticed it."

ECONOMICS, LABOR & BUSINESS

# The End of Music?

THE SOURCE: "Rockonomics: The Economics of Popular Music" by Marie Connolly and Alan B. Krueger, in ***The Milken Institute Review***, Third Quarter 2007.

Recording industry officials have tried legal, legislative, and technical methods to stop teenagers from downloading free music. Nothing has worked. Now performers are responding with their own economic strategies: They are taking their music on the road and boosting ticket prices. The results suggest that the music industry may be facing a deeper crisis than many imagined.

The top 35 pop artists worldwide now earn most of their money from concerts, not recordings. Paul McCartney grossed $64.9 million from concerts in 2002, and $2.2 million from recordings. For Céline Dion, the figures were $22.4 million and $3.1 million; for Britney Spears, $5.5 million and $1.8 million.

"Income from touring exceeded income from record sales by a ratio of 7.5 to 1 in 2002," write Marie Connolly, a Ph.D. candidate, and Alan B. Krueger, an economist, both of Princeton. "The top 10 percent of artists make [some] money selling records," manager Scott Welch told the economists. "The rest go on tour."

Since 1996, the authors write, concert ticket prices have risen 8.9 percent a year, nearly four times the overall inflation rate. Prices for prime seats have gone up at a notably faster rate than those for less desirable seats. But as prices have escalated, the number of concerts has dwindled. Pop stars sold some 30 million concert tickets in 2000, but only 22 million in 2003, when a quarter of all seats went unsold.

**The Rolling Stones' concert performances produced 91 percent of their $44 million gross in 2002.**

Connolly and Krueger see in the trend a deeper explanation of declining sales of recorded music: a "shift in leisure activities" away from music listening, whether the music is live or recorded. The portion of teenagers who said they had attended a rock concert in the previous year fell from 40 percent in 1976 to 31 percent in 2000. By contrast, the portion of teens who said they attended a professional sports event rose from 43 to 63 percent during the same period.

It's not just sports that lure the young away. The Internet offers an ever-growing cornucopia of alternatives to musical entertainment. Like print media, the music industry may be feeling the effects of a change more profound than it had reckoned.

ECONOMICS, LABOR & BUSINESS

# Meet and Spend

THE SOURCE: "Meetings: The Biggest Money Pit of Them All" by John Buchanan, in ***The Conference Board Review***, Sept.–Oct. 2007.

The 2002 Sarbanes-Oxley accounting reform act isn't winning any popularity contests in America's executive suites, but it might prompt a hallelujah from the cubicles if it sheds light on one of the darkest corners of modern business: the meeting.

The legislation, passed in the aftermath of the Enron scandal and other corporate iniquities to require greater financial disclosure, is forcing company boards to demand justification for "long-unexamined expenditures—very much including meetings," writes John Buchanan, a Georgia journalist and author.

Off-site meetings for sales staff and other groups are a vast and largely untracked area of business expense. For instance, pharmaceutical giant Pfizer was surprised to learn that it was spending as much as $1 billion annually on meetings, not including airfare—twice its estimate.

Meetings in hotels, conference centers, restaurants, and other venues for fewer than 50 people cost corporate America more than $8 billion every year, according to a recent estimate. Large as that sum may seem, one business travel researcher thinks that it represents only about 10 percent of the cost of all off-site corporate gatherings.

Traditionally, industry's meeting planners have been administrative assistants and others who book rooms and flights, decide between surf and turf and chicken for the banquet, and call up the speaker's bureau for the keynote address. Their expenditures could be buried in a host of budgets—marketing, sales, advertising, promotion, or human relations. Meeting planning has been an entrenched, secretive world, Buchanan says. And it is highly resistant to change. The vast majority of CEOs, according to a study, are still clueless about what their companies spend on business powwows.

While there is a trend toward holding virtual gatherings as a way to cut down on the number of people who have to be flown to meetings, housed, and fed, fewer than a third of all meeting planners told researchers they would position themselves as the go-to person for videoconferencing or webcasting. Despite a host of new technologies available to help them, the old hands had scant interest in trying out new ways of matching attendees with relevant courses, vendors, and peers, or facilitating networking or sharing conference content.

Now, cost-conscious companies have reined in the planners, establishing "strategic meeting management programs," which expose meeting staff to an unprecedented level of scrutiny. It's "a brutal form of accelerated evolution," Buchanan says, that may well lead to the extinction of the traditional logistical planner. No longer judged on the quality of the rooms and the wittiness of the speaker, meeting organizers are now evaluated on how good they are at "addressing the underlying business objectives of meetings, then assessing their effectiveness." That's the overarching issue, Buchanan concludes: Are most meetings really necessary? Down in the cubicles, the minions think they already know the answer.

SOCIETY

# Mindless Donors

**THE SOURCE:** "Why Give to a College That Already Has Enough?" by Steve O. Michael, in ***The Chronicle of Higher Education***, July 6, 2007.

Last February, when Jerry Yang, CEO and cofounder of Yahoo, donated $75 million to Stanford University, where he is a trustee, it did little to satisfy Stanford's hunger for money. The university is in the midst of a $4.3 billion fundraising campaign, launched last year *after* it was ranked the top dollar-getter for the academic year 2005–06, having amassed a whopping $911 million. Harvard took in $595 million that year, and Yale $433 million. The total endowments of the three institutions at the top are truly eye-popping: Harvard's stood at $29 billion as of June 2006, Yale's at $18 billion, and hard-driving Stanford's at $14 billion. Yet the dollars just keep coming. Why do philanthropists continue to donate so generously to the institutions that need the money least?

There is a natural tendency to give to one's alma mater, allows Steve O. Michael, vice provost of Kent State University. But "when your alma mater is already fabulously wealthy, it is advisable, indeed wise . . . to adopt other institutions that can yield better returns," just as investors redirect their cash to better-performing stocks. Michael