

Table 2: Effect of Federal Appellate Takings Law Decisions on Economic Outcomes

	Home Prices			GDP
	log(FHFA)	log(Non-Metro)	log(Case-Shiller)	log(GDP)
Sample Size	312	110	183	312
OLS	0.0114	0.0108	0.0152	0.0099
s.e.	0.0132	0.0066	0.0132	0.0048
2SLS	0.0262	0.0480	0.0604	0.0165
s.e.	0.0441	0.0212	0.0296	0.0162
FS-W	28.0859	82.9647	67.7452	28.0859
Post-LASSO	0.0369	0.0357	0.0631	0.0133
s.e.	0.0465	0.0132	0.0249	0.0161
FS-W	44.5337	243.1946	89.5950	44.5337
S	1	4	2	1
Union	0.0314	0.0348	0.0628	0.0144
s.e.	0.0366	0.0127	0.0245	0.0131
FS-W	73.3010	260.9823	105.3206	73.3010
S	3	6	3	3
Spec. Test	-0.2064	0.5753	-0.0985	0.1754

Note: This table reports the estimated effect of an additional pro-plaintiff takings decision, a decision that goes against the government and leaves the property in the hands of the private owner, on various economic outcomes using two-stage least squares (2SLS). The characteristics of randomly assigned judges serving on the panel that decides the case are used as instruments for the decision variable. All estimates include circuit effects, circuit-specific time trends, time effects, controls for the number of cases in each circuit-year, and controls for the demographics of judges available within each circuit-year. Each column corresponds to a different dependent variable. log(FHFA), log(Non-Metro), and log(Case-Shiller) are within-circuit averages of log-house-price-indexes, and log(GDP) is the within-circuit average of log of state-level GDP. OLS are ordinary least squares estimates. 2SLS is the 2SLS estimator with the original instruments in Chen and Yeh (2010). Post-LASSO provides 2SLS estimates obtained using instruments selected by LASSO with the refined data-dependent penalty choice. Rows labeled s.e. provide the estimated standard errors of the associated estimator. All standard errors are computed with clustering at the circuit-year level. FS-W is the value of the first-stage Wald statistic using the selected instrument. S is the number of instruments chosen by LASSO. Hausman test is the value of a Hausman test statistic comparing the 2SLS estimate of the effect of takings law decisions using the Chen and Yeh (2010) instruments to the estimated effect using the LASSO-selected instruments.