

Economics 381
Law and Economics
Course outline and reading list

May 2012

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Class Schedule: 11:30-12:50TTh, EV3 4408

PLEASE NOTE: For MAY 29th the lecture will be held in HH 235 (11:30 – 12:50) and for May 31st it will be held in HH 2104 (11:30 – 12:50).

Office hours: 1-2:30 TR. If this is not conducive to your schedule, please feel free to email me so that we can set up an appointment.

Course Description

Legal rules and jurisprudence can have a significant effect on resource allocation. A key question is whether legal regimes affect the optimality of an equilibrium and succeed in bringing society closer to a welfare maximizing outcome. From another perspective, a relevant question is on the objective or motivation behind the enactment of specific legislation. Recent studies suggest that much legislation is consistent with simple welfare concepts developed by economists.

This course focuses on these issues with examples drawn from property, contract, tort, and criminal law.

Required Text

Cooter, R. and T. Ulen. 2008. Law and Economics. 5 ed. Pearson Education: Toronto. (C & U)

Course Structure and Grading

Assignments – 10% (2 worth 5% each)

Midterm - June 19th - 20%

Term paper (due on the last day of class) 25%

Final Exam 45% (on a date set by the University)

You are free to discuss and attempt to solve assignment problems by consulting each other. However, answers are expected to accurately reflect individual thought and effort, and copying solutions is not permitted. It is also not a good idea given that there will be similarities between assignment and test questions. Therefore, attempting to solve assignment questions individually is recommended.

Students who are unable to take the midterm on the set date and do not have a valid medical certificate will be assigned a mark of '0'. Those with a valid excuse will have the weight assigned to the midterm, transferred to their final exam. There is no make up test for missing the midterm. To clarify, I do not schedule separate test or exam dates in order to accommodate individual specific problems related to (but not restricted to): (1) the occurrence of other tests on the same day; or (3) whether the test/exam conflicts with vacation plans.

Neither the instructor nor the Department of Economics will respond to student enquiries regarding test marks or final grades.

Etiquette: On separate issues: (1) I do not respond to emails asking questions on material taught in class. I am more than happy to spend time explaining and clarifying concepts during office hours or by appointment; (2) Students are welcome to bring laptop computers during class. However, they are only meant to be used in a manner that is relevant to what is being taught and discussed in lectures. Browsing of the internet is not permitted as it can be extremely distracting to me and more importantly, to other students. If relevant, I will notify you whether accessing the internet during class lectures is possible; (3) finally, cell phones and blackberries or any other electronic device that can be used for communication with other individuals or access to the internet must be switched off during class lectures.

The following chapters will be covered from C & U;

1. Introduction, review, and legal institutions (Chapters 1 -3)
2. Property Law (Chapters 4-5)
3. Contract Law (Chapters 6-7)
4. Tort Law (Chapters 8-9)
5. Crime and Punishment (Chapters 11-12)