

Legal Studies 145, Law and Economics I
Introduction to Law and Economics
Fall 2012
Tu & Thur, 9:30-11:00a.m. in 50 Birge
Professor Robert Cooter
792 Simon Tower, Law School
Tel: 510-642-0424, Email: rcooter @law.berkeley.edu,
Office hour: Monday 2-3:00 pm
Office hour by appointment: Tuesday 2-3:00pm
(Schedule appointment with [Ida Ng](#))
GSIs: James Phillips and Diego Pardow

The Sequence:

The economic analysis of law is one of the major theoretical perspectives in the study of law in American universities. Law and Economics I and II, taken together, provide a comprehensive survey of the subject. Part I (Legal Studies 145) concerns the common law (property, torts, contracts) and crimes. Part II (Legal Studies 147) concerns public law, including such areas as constitutional law, administrative law, environmental law, and regulated industries. Students can take either or both courses in any order.

Subject Matter of Law and Economics I:

Microeconomic theory will be applied to legal rules and procedures in property, torts, contracts, and crimes. We will compare the economic consequences of different legal rules and remedies.

Prerequisites:

There is no formal prerequisite, but students are strongly discouraged from taking the course unless they have had intermediate microeconomics (Econ 100A or equivalent). Graphs and algebra will be used routinely in class. A strong background in legal studies or mathematics can sometimes overcome a deficiency in microeconomics.

Materials:

The textbook for the class is Robert Cooter and Thomas Ulen, Law and Economics (Addison-Wesley, 6th ed.). The web site for the book is http://wps.aw.com/aw_cooterulen_lawecon_6/. A useful complement to the text is A. Mitchell Polinsky, An Introduction to Law and Economics.

Conduct of Class:

The class will be taught by lectures with some questions posed to students. Students should read the assigned materials before coming to class so as to be prepared to answer questions in class.

The lectures parallel the text, so lecture notes are not very valuable compared to reading the book.

Grades:

Grades will be based upon a midterm (approximately 30%), a final examination (approximately 60%), and participation in section and pop quizzes (approximately 10%). Students may use books or notes during quizzes or examinations, but anyone who must consult these materials extensively is in trouble. A student's worst grade on a pop quiz (including 0 for non-attendance) will be discarded and not counted towards the student's final grade in the class. Grades will fit the curve recommended for large classes by the Legal Studies program, which is no more than 20% A, and no more than 60% A and B. Exams should be written in blue books, and quizzes should be written on paper distributed in class.

Sample Exams:

A sample midterm exam with answers, and a sample final exam with answers, will be posed to bspace. As the date approaches for an actual exam, students should glance at the sample exam to see its form and then prepare for the actual exam. After preparing, administer the sample exam to yourself under exam conditions and then use the answers to grade it. You'll learn a lot about what you still need to do to prepare for the actual exam.

Exams Dates:

Students are obligated to take exams at the scheduled times (no exceptions). Students can use the book and notes during exams. Exams should be written in blue books. The midterm will be held on October 25 and final exam will be on December 11. I'll make a definite announcement in class well in advance.

Enrollment Issues:

TELEBEARS handles enrollment in the class by applying university rules developed to establish fair priorities. Professor Cooter will not respond to appeals to change these priorities for individuals, because doing so is unfair to others.

Schedule for Readings

<u>Session #</u>	<u>Date</u>	<u>Topic</u>
1	Thurs. 23-Aug	Chapter 1
2	Tues. 28-Aug	Chapter 2
3	Thurs. 30-Aug	Chapter 2 & 3
4	Tues. 4-Sep	Chapter 4
5	Thurs. 6-Sep	Chapter 4 - McCrary
6	Tues. 11-Sep	Chapter 4
7	Thurs. 13-Sep	Chapter 5

8	Tues.	18-Sep	Chapter 5
9	Thurs.	20-Sep	Chapter 5 - TA
10	Tues.	25-Sep	Chapter 5
11	Thurs.	27-Sep	Chapter 6
12	Tues.	2-Oct	Chapter 6
13	Thurs.	4-Oct	Chapter 6
14	Tues.	9-Oct	Chapter 6
15	Thurs.	11-Oct	Chapter 7
16	Tues.	16-Oct	Chapter 7
17	Thurs.	18-Oct	Chapter 7
18	Tues.	23-Oct	Chapter 8
	Thurs.	25-Oct	Midterm
19	Tues.	30-Oct	Chapter 8
20	Thurs.	1-Nov	Chapter 8
21	Tues.	6-Nov	Chapter 8
22	Thurs.	8-Nov	Chapter 9
23	Tues.	13-Nov	Chapter 9
24	Thurs.	15-Nov	Chapter 10
25	Tues.	20-Nov	Chapter 10
	Thurs.	22-Nov	Thanksgiving Holiday
26	Tues.	27-Nov	Chapter 10 & 11
27	Thurs.	29-Nov	Chapter 11
28	Tues.	4-Dec	Chapter 12
29	Thurs.	6-Dec	Review
	Tues.	11-Dec	Final Exam (3-6pm)