

**Legal Studies 145 - Law and Economics I**  
**Introduction to Law and Economics**  
**Spring 2014**

Tu & Thur, 8:00 - 9:30 a.m. in room 2 Leconte

**Professor Robert D. Cooter**

792 Simon Tower, Law School

Tel: 510-642-0424, Email: rcooter @[law.berkeley.edu](mailto:rcooter@law.berkeley.edu)

Office hour: Tuesdays, 2-3:00 pm

Office hour by appointment: Mondays, 2-3:00pm  
(Schedule appointment with [Ida Ng](#) )

GSIs: Ryan Copus and Caitlin Unkovic

**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/](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 (see *Syllabus*) 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 March 20 and final exam will be on May 15. 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.

## Tentative Reading Schedule (subjected to adjustment during the semester)

Session #	Date	Day	Topic
1	Jan 21	Tuesday	Chapter 1 and 2
2	Jan 23	Thursday	Chapter 2 and 3
3	Jan 28	Tuesday	Chapter 4
4	Jan 30	Thursday	Chapter 4
5	Feb 4	Tuesday	end Chapter 4; begin Chapter 5
6	Feb 6	Thursday	Chapter 5
7	Feb 11	Tuesday	Chapter 5
8	Feb 13	Thursday	Chapter 5
9	Feb 18	Tuesday	Chapter 6
10	Feb 20	Thursday	Chapter 6
11	Feb 25	Tuesday	Chapter 6
12	Feb 27	Thursday	Chapter 7
13	Mar 4	Tuesday	Chapter 7
14	Mar 6	Thursday	Chapter 8
15	Mar 11	Tuesday	Chapter 8
16	Mar 13	Thursday	Chapter 8
17	Mar 18	Tuesday	Chapter 9
18	Mar 20	Thursday	<b>Midterm</b>
	Mar 25-27	Tues/Thurs	Spring Break
19	Apr 1	Tuesday	Chapter 9
20	Apr 3	Thursday	Chapter 9
21	Apr 8	Tuesday	Chapter 10

<b>22</b>	Apr 10	Thursday	Chapter 10
<b>23</b>	Apr 15	Tuesday	Chapter 10
<b>24</b>	Apr 17	Thursday	Chapter 11
<b>25</b>	Apr 22	Tuesday	Chapter 11
<b>26</b>	Apr 24	Thursday	Chapter 12
<b>27</b>	Apr 29	Tuesday	Chapter 12
<b>28</b>	May 1	Thursday	Chapter 13
<b>29</b>	May 6	Tuesday	Chapter 13; selected topics
<b>30</b>	May 8	Thursday	Review
	May 15	Thursday	<b>Final exam (Time: 7-10pm)</b>