

University of California, San Diego
Department of Economics

Class Syllabus – Spring 2001

Econ 118A Law and Economics

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Class schedule: Mon & Wed 4:40-6:00, HSS 2250

This course uses economic theory as the basis for evaluating the economic efficiency of both actual and theoretical legal doctrines in several legal fields. Basic principles of law will be discussed and economic theory applied to questions posed by the law. The legal fields to be discussed include torts (accidents), property, and contracts, plus the economics of law enforcement and the legal system itself. Issues of risk bearing and why people buy insurance will also be discussed.

There are two textbooks for this course: *An Introduction to Law and Economics*, 2nd edition, by A. Mitchell Polinsky, and *Law and Economics*, 3rd edition, by Robert Cooter and Thomas Ulen. The Polinsky book provides a theoretical framework, while the Cooter-Ulen book provides background on the law and discussion of policy issues.

There will be an in-class midterm on May 2 and a final exam at the scheduled time. There will also be 3 or 4 problem sets that will be graded. Final grades will be based on the two exams and the problem sets, with each having a weight of one-third. Additional questions and problems for study purposes will be posted every week on the course website.

Reading assignments (the number of weeks to be devoted to each topic is approximate).

I. Introduction (1 lecture)

Cooter/Ulen, chs. 1 and 3.

II. Risk Aversion and Insurance (1 lecture)

Cooter/Ulen, ch. 2 (pp. 44-52).

Polinsky, ch. 7.

II. Litigation Behavior---Why are lawsuits filed and how are they resolved? (1 wk)

Cooter/Ulen, ch. 10.

Polinsky, ch. 14.

III. Tort (Accident) Law (2 1/2wks)

Cooter/Ulen, chs. 8.

Polinsky, chs. 6,7 and 9,13.

IV. Criminal Law (1 wk)

Cooter/Ulen, ch. 11

Polinsky, ch. 10.

V. Property Law and the Coase Theorem (2 wks)

Cooter/Ulen, ch. 5.

Polinsky, chs. 3,4 and 12

VI. Contract Law (1 wk)

Cooter/Ulen, ch. 6.

Polinsky, chs. 5 and 8.