

Boston College  
Chestnut Hill, Massachusetts

LAW AND ECONOMICS  
(Economics 338)

Spring Term, 2001  
Prof. Mary Oates

W 3-5 p.m.  
Office hours: W 2-3 p.m.  
Carney 144

Aim of the Course:

Economic issues are a recurring source of litigation, and the media regularly reports on legal decisions. Our judicial system has incorporated many economic expressions in legal decisions. This course introduces students to recent applications of economic analysis to important legal issues and economic concerns interface and considers their public policy implications. The performance and efficiency of legal institutions will be evaluated and in several areas. The fields of property, torts, and contract law will be featured. The economic aspects of criminal punishment will be briefly considered.

Presentation of the Course:

The course will be a combination of lectures and discussion. Students will be encouraged to express their ideas in oral presentations, written papers, and class discussions. The number of oral presentations will be determined at the first class meeting. Students are expected to attend all classes.

Two hour-tests will be given on February 21 and March 28. A final examination will be given on Friday, May 4, at 12:30 p.m. These tests aim to discover the degree to which students have acquired the factual knowledge and intellectual tools used by economists. Questions will be asked on topics and cases discussed in lectures, text, and class discussions. Students will be required to write a paper [6 pages, double-spaced] analyzing a court case relevant to a topic considered in class. The paper is due on April 25. Factors entering into the determination of paper grade will be the quality of analysis, documentation, effectiveness of writing style, and, spelling, and punctuation.

Course Grade:

2 hour-tests	20% each
final examination	30%
class presentation and discussion	10%
term paper	20%

These procedures and the course schedule that follows are subject to changing extenuating circumstances.

Spring 2001  
Economics 338  
M. Oates

#### COURSE OUTLINE

Text: Robert Cooter and Thomas Ulen. Law and Economics. Reading, MA: Addison-Wesley, 2000. [3<sup>rd</sup> edition] On sale in bookstore.

#### \_\_\_\_\_ Class Schedule

January 17:

An Introduction to Law and Economics  
Cooter and Ulen (C & U), chapters 1, 2

January 24:

An Introduction to Law and Legal Institutions  
C & U, chapter 3

Discussion:

Butterfield v. Forrester (1809); and  
Davies v. Mann (1842)

January 31:

An Economic Theory of Property  
C & U, chapter 4

Discussion:

Hammonds v. Central Kentucky Natural Gas Co. (1934); and  
Boomer v. Atlantic Cement Co. (1970)

February 7:

Topics in the Economics of Property Law  
C & U, chapter 5

Discussion:

Vincent v. Lake Erie Transport Co. (1910); and  
Ploof v. Putnam (Supreme Court of Vermont (1908)

February 14:

Topics in the Economics of Property Law (cont.)  
C & U, chapter 5

Discussion:

Pierson v. Post (1805); and  
Sony Corporation of America v. Universal Studios, Inc. (1984)

February 21:

HOOR-TEST 1

An Economic Theory of Contract  
C & U, chapter 6

February 28:

Topics in the Economics of Contract Law  
C & U, chapter 7

Discussion:

Hawkins v. McGee (1929)  
Hadley v. Baxendale (1854)

March 14:

Topics in the Economics of Contract Law (cont.)  
C & U, chapter 7

Discussion:

Williams v. Walker-Thomas Furniture Co. (1964); and  
Obde v. Schlemeyer (1960)

March 21:

An Economic Theory of Tort Law  
C & U, chapter 8

Discussion:

U.S. v. Carroll Towing Co. (1947); and  
Reyes v. Wyeth Laboratories (1974)

March 28:

HOUR-TEST 2

Topics in the Economics of Tort Liability  
C & U, chapter 9

April 4:

Topics in the Economics of Tort Liability (cont.)  
C & U, chapter 9

Discussion:

Escola v. Coca Cola Bottling Co. (1944); and  
Davis v. Consolidated Rail Corp. (1986)

April 11:

Crime and Punishment  
C & U, chapter 11

Discussion:

Perez v. Brownell (1958)  
Jacobson v. Commonwealth of Massachusetts (1905)

April 18:

Crime and Punishment  
C & U, chapter 12

Discussion:

Apodaca v. Oregon (1972)  
Gregg v. Georgia (1976)

April 25:

Student Reports

Friday, May 4: FINAL EXAMINATION at 12:30 p.m.