

Boston College
Chestnut Hill, Massachusetts

LAW AND ECONOMICS
(Economics 338)

Spring Term, 2000
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 report legal battles. Our judicial system has incorporated many economic expressions in legal decisions. This course introduces students to recent applications of economic analysis to important areas where legal and economic concerns interface and considers their public policy implications. The performance and efficiency of legal institutions will be evaluated and issues in the common law fields of property, torts, and contract law will be featured. The economics of crime and punishment will be briefly considered.

Presentation of the Course:

The course will be a combination of lectures and discussion. Students will have opportunity to express their ideas in oral presentations, written papers, and class discussions. Dates and topics for 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 23 and March 29. A final examination is scheduled for Thursday, May 11, at 12:30 p.m. These tests aim to discover the degree of student mastery of the factual knowledge and intellectual tools used by economists. Questions will focus on key topics and cases discussed in lectures, text, and class discussions. Students will write a brief paper [6 pages, double-spaced] analyzing a court case relevant to a topic considered in the course. This paper is due on April 26. Factors entering into the determination of paper grades include quality of analysis, documentation, effectiveness of writing style, and, of course, grammar, 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 change in the event of extenuating circumstances.

Spring 2000
Economics 338
M. Oates

COURSE OUTLINE

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

Class Schedule

January 19:

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

January 26:

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

Discussion:

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

February 2:

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 9:

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 16:

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 23:

HOOR-TEST 1

An Economic Theory of Contract
C & U, chapter 6

March 1:

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

Discussion:

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

March 15:

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 22:

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 29:

HOOR-TEST 2

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

April 5:

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 12:

Crime and Punishment
C & U, chapter 11

Discussion:

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

April 19:

Crime and Punishment
C & U, chapter 12

Discussion:

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

April 26:

Student Reports