

Lectures via Zoom Meeting at <https://berkeley.zoom.us/j/96629794770> on M, TU, W, TH from 2-4pm with Professor Bruno Meyerhof Salama, salama@berkeley.edu.

Office Hours every TH from 1-2pm via Skype or by appointment. To schedule a meeting add brunosalama18 and send a message.

GSI is Mark Leinauer, markleinauer@gmail.com.

Summary. The course introduces economics as a tool to analyze the basic laws that underpin a market economy with an emphasis on property, contract and tort law.

Learning objective. To teach students how to use microeconomics to reason about law.

Prerequisites. No previous knowledge of economics is required.

Bibliography. The course is based on Robert Cooter and Thomas Ulen, *Law & Economics*, 6th ed., 2016 ("Cooter & Ulen"). The book is available for free download from campus. One class is based on a chapter from A. Mitchell Polinsky, *An Introduction to Law and Economics*, 3rd. ed., 1989 ("Polinsky ILE"). PDFs of this chapter will be made available online.

Attendance. Not mandatory. Classes will be recorded and made available online.

Homework. Consists in solving and timely turning in the assigned review quizzes. The deadline for submitting the quizzes is 2pm of the due date. 20% of the final grade is based on turning in the review quizzes. The quizzes will not be individually graded. If you turn in all of the quizzes, you get a full grade.

Grading. There are three exams. We take the two highest grades and discard the lowest one. Students can opt to take only two exams. Each exam corresponds to 40% of the final grade. 20% comes from doing the quizzes.

How to do well in the exams. Exam questions are similar to those of the review quizzes. The key to doing well in the exams is to master the review quizzes.

Lectures. Each lecture has a PPT that summarizes the main concepts discussed during the lecture. In class, we'll also discuss part of the review quizzes. The lecture PPTs and the solved review quizzes are posted online.

Discussion sections. The main goal is to solve doubts with respect to the review quizzes. Attendance is not mandatory but highly recommended.

Sequence.

1. Introduction Rev quiz 1

A. Property

2. Private coordination and efficiency Cooter & Ulen 73-76 Rev quiz 2

3.	Incentives to produce	Cooter & Ulen 76-80	Rev quiz 3
4.	The Coase Theorem	Cooter&Ulen 81-6, 88-94	Rev quiz 4
5.	Efficient remedies	Cooter & Ulen 94-100	Rev quiz 5
6.	The tragedy of the commons	Cooter & Ulen 139-142	Rev quiz 6
7.	Intellectual property	Cooter & Ulen 116-126	Rev quiz 7
8.	Limitations to private property	Cooter & Ulen 174-181	Rev quiz 8

FIRST EXAM. PROPERTY LAW.

B. Contracts

9.	Cooperation and commitment	Cooter & Ulen 33-7, 283-6	Rev quiz 9
10.	The economics of insurance	Cooter & Ulen 43-49	Rev quiz 10
11.	The insurance function of contracts	Polinsky ILE 57-62	Rev quiz 11
12.	Costly contracting	Cooter & Ulen 291-299	Rev quiz 12
13.	Remedies	Cooter & Ulen 307-316	Rev quiz 13
14.	Defenses	Cooter & Ulen 342-353	Rev quiz 14

SECOND EXAM. CONTRACT LAW + ONE QUESTION ON PROPERTY LAW.
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C. Torts

15.	Efficient liability rules	Cooter & Ulen 199-204	Rev quiz 15
16.	Negligence vs. strict liability	Cooter & Ulen 204-208	Rev quiz 16
17.	Defenses	Cooter & Ulen 208-213	Rev quiz 17
18.	Calculus of negligence	Cooter & Ulen 213-217	Rev quiz 18

D. Conclusion

To be determined.

THIRD EXAM. TORT LAW + ONE QUESTION ON PROPERTY LAW + ONE QUESTION ON CONTRACT LAW

How to do well in the course?

- Do the readings before each class.
- Do the review quizzes.
- Ask questions and voice your concerns sooner rather than later.

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This syllabus may be adjusted slightly to accommodate topics of students' interest and other circumstances.