

Lectures on TuTh from 9:30-11 at Kroeber 160 with Professor Bruno Meyerhof Salama, salama@berkeley.edu. **Office Hours** at 2240 Piedmont # 212, on Thursdays from 12:45-1:45pm or by appointment. **GSIs** are Mark Leinauer, markleinauer@gmail.com and Reid Whitaker, whitaker@berkeley.edu.

Summary. The course introduces economics as a tool for analyzing, evaluating and interpreting the basic laws that underpin a market economy. It covers property, contract, tort and criminal law.

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. Two classes are based on a chapter from A. Mitchell Polinsky, *An Introduction to Law and Economics*, 3rd. ed., 1989 ("Polinsky ILE"). PDFs of these chapters will be made available online.

Attendance. Not mandatory. Save for technical problems, courses will be made available online through course capture (webcast).

Homework. Consists in solving and timely turning in the assigned review quizzes and doing a short reading in preparation for the next lecture. The deadline for submitting the quizzes is 9:30am 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 the quizzes.

How to do well in the exams? Most exam questions are very 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 and hold review sessions. 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.

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, 91-4	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. Risk allocation	Polinsky ILE 57-62	Rev quiz 10
11. Costly contracting	Cooter & Ulen 291-299	Rev quiz 11
12. Remedies	Cooter & Ulen 307-316	Rev quiz 12
13. Defenses	Cooter & Ulen 342-353	Rev quiz 13

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

14. Efficient liability rules	Cooter & Ulen 199-204	Rev quiz 14
15. Negligence vs. strict liability	Cooter & Ulen 204-208	Rev quiz 15
16. Defenses	Cooter & Ulen 208-213	Rev quiz 16
17. Calculus of negligence	Cooter & Ulen 213-217	Rev quiz 17

D. Public enforcement of the law

18. Criminal law	Cooter & Ulen 460-463	Rev quiz 18
19. Enforcement using fines	Polinsky ILE 79-90	Rev quiz 19

THIRD EXAM. TORT & CRIMINAL LAW + ONE QUESTION ON PROPERTY LAW + ONE QUESTION ON CONTRACT LAW**How to do well in the course?**

- Go to class.
- Do the readings before each class. They are short!
- Do the review quizzes. The exam is based on these quizzes!
- Ask questions. 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. Any changes will be posted on the course website.