

Teaching Plan

I. Description

- *Subject title: Law and Economics*
- *Academic year: 2014-2015 Course: Third and fourth Trimesters: Third*
- *Bachelor: Economia, ADE, IBE*
- *Subject code: 2I94I (ECO/ADE), 2I225 (IBE)*
- *Number of ECTS credits: 5*
- *Hours of student dedication: 125*
- *Medium of teaching: English*
- *Professors: Tahir Öztürk*

2. Presentation of the Subject

The course objective is to analyze the incentives created by laws and legal institutions, as well as their implications for economic activity. We will use microeconomic models to conduct positive and normative analysis of certain legal rules. We will complement the analysis with related empirical studies.

At the end of the course, the participant will know how to analyze legal incentives in several areas such as Property Law, Contract Law, Tort Law, and Criminal Law and have an overview of the legal process and major differences in legal systems. Overall, the course analyzes the mechanisms through which to foster efficiency in legal institutions.

The basis of the course is the most widely used textbook in law and economics (Cooter & Ullen), along with other complementary readings and recent research on law and economics.

3. Content of the Course

- Chapter 1: Torts
 - Strict liability, negligence and incentives
 - Applications: Traffic accidents, product safety, medical malpractice.
- Chapter 2: An Economic analysis of crime, punishment and law enforcement
 - The rational model of criminal behavior
 - Empirical and theoretical applications
- Chapter 3: Economic analysis of the legal process, litigation and courts
 - Legal disputes
 - Legal origins: The Civil Law and the Common Law Traditions
- Chapter 4: Property Rights
 - Acquisition of property rights and incentives
 - Conflicts: externalities and the Coase Theorem
 - Intellectual property rights: copyrights, trademarks and patents
- Chapter 5: Contract Law
 - Why do we need Contract Law?
 - Contract enforcement and remedies

4. Evaluation

The course is based on the principle of continuous evaluation of students, with a special emphasis on class participation and

1. The theory class and seminar participation together with a course project represent 50% of the final mark, while the exam represents the remaining 50%. In order to pass the course, the exam must have a minimum level of "Pass" ("Aprobado").
2. For students who fail the exam, there will be a second chance in the extraordinary July exam period.

3. If a student fails to pass the exam, the mark for participation will be retained for the July exam. Participation marks are not retained from one year to another.
4. Seminar sessions are an essential part of the course. Students missing two seminar sessions or more will have a zero in the seminar grade.

5. *Bibliography and Teaching Materials*

- Main bibliography:
 - Cooter, Robert and Ulen, Thomas (2011). Law and Economics, 6th edition (international edition), Pearson.
 - Polinsky, Mitchell A. and Shavell, Steven (2007) Handbook of Law and Economics (volumes I and II), Elsevier.
Available via UPF computers:
<http://www.sciencedirect.com/science/handbooks/15740730>
 - Shavell, Steven (2004) Foundations of the Economic Analysis of Law. Harvard University Press.
- Additional Material:
 - Additional materials for each group will be available via Aula Global.

6. *Skills to Be Acquired During the Course*

Main Skills
<ol style="list-style-type: none"> 1. To be able to justify positions with consistent arguments, as well as to defend them publically 2. To develop the capacity to reason critically about controversial subjects. 3. Consolidated habits as regards self-discipline, personal standards and thoroughness in academic work and in organization and fulfillment of timescales. 4. To have a proactive attitude in exploring often ignored matters, a fundamental skill in education and professional life. 5. To be able to apply acquired knowledge flexibly and creatively to new contexts and situations. 6. To understand microeconomic strategies and their implications for management (G17 ECO, G16 ADE, G15 IBE). 7. To apply economic reasoning to decision-making (G17 ADE). 8. To identify the key factors of a problem. 9. To demonstrate a critical perspective when faced with diverse situations. 10. To apply knowledge and appropriate procedures to a range of complex situations. <p>* The reference numbers in parenthesis correspond to the list of general skills of the "Memoria para la solicitud de verificación de títulos oficiales" for ECO, ADE and IBE studies.</p>

Specific Skills
<ol style="list-style-type: none"> 1. The course will allow the student to make use of economic analysis tools to study legal rules and problems. 2. To learn legal institutions and their economics implications under different legal systems.

7. Activity Planning

Week	Class activity grouping / activity type
Week 1	Session 1: Introduction (07.03)
Week 2	Session 1: Topic 1 Session 2: Topic 1
Week 3	Session 1: Topic 1 Session 2: Topic 1
Week 4	Session 1: Topic 2 Session 2: Topic 2
Week 5	Session 1: Topic 2 Session 2: Topic 2 Session 3: Seminar
Week 6	Session 1: Topic 3 Session 2: Topic 3 Session 3: Seminar
Week 7	Session 1: Topic 3 Session 2: Topic 4 Session 3: Seminar
Week 8	Session 1: Topic 4 Session 2: Topic 4 Session 3: Seminar
Week 9	Session 2: Topic 4 Session 3: Seminar
Week 10	Session 1: Topic 5 Session 2: Topic 5 Session 3: Seminar
Week 11	Session 1: Topic 5 Session 2: Final issues and questions (16.03)