Course Outline
EE403 Law and Economics

Semester: 1/2014 (18 August - 6 December 2014)
Instructor: Dr. Pichit Likitkijsomboon
Room 461 Faculty of Economics, Tha Prachan Campus
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Time: Wednesday and Friday, 14:00-15:30 hrs.
Venue: Economics Faculty Building, Tha Prachan Campus
Prerequisites: a) EE210 or
b) EE211 and EE212 or
c) EE213 and EE214

I. Course Description

Study of the relationship between laws and economics. Emphasis is on the use of economic theories to analyze the rationales behind existing laws, such as property, contracts, torts, the legal process, and crimes and punishment. Topics also cover the impacts of laws on economic behaviors.

II. Evaluation

Homework	20	points
Mid-term examination	30	points
Final examination	50	points
	100	points

Mid-term exam date:	Wednesday 8 October 2014 14:00 – 15:30 hrs.
Final exam date:	Wednesday 17 December 2014 9:00 - 12:00 hrs

III. Textbook

Cooter, Robert and Ulen, Thomas. 2011. ***Law and Economics***, 6th edn. MA, Boston: Pearson-Addison Wesley.

IV. Topics

1. Introduction
    a. What is the economic analysis of law?
    b. Efficiency versus equity (distribution)
    c. Why should lawyers study economics?
    Reading: C&U, Ch. 1.

2. Review of Microeconomics
    a. Consumer choice and demand
    b. The theory of supply
    c. Market equilibrium
    d. Basic game theory
    e. General equilibrium and welfare economics
    Reading: C&U, Ch. 2

3. Introduction to Law and Legal Institutions
    a. The civil law and the common law traditions
    b. The Thai legal system
    c. The nature of a legal dispute
    Reading: C&U, Ch. 3

4. An Economic Theory of Property
    a. The legal concept of property
    b. Bargaining theory
    c. How are property rights protected?
    d. What can be privately owned?
    e. What may owners do with their property?
    Reading: C&U, Ch. 4

5. Topics in the Economics of Property Law
    a. Information economics and intellectual property law
    b. Patents, copyright, trademark
    c. Fugitive property
    d. Stolen and lost property; adverse possession
    Reading: C&U, Ch. 5

6. An Economic Theory of Tort Law
    a. Economic essence of tort law
    b. An economic theory of tort liability
    c. Liability rule and negligence rule
    Reading: C&U, Ch. 6

7. An Economic Theory of Contract Law
    a. Bargain theory and agency game
    b. Performance and reliance
    c. Rational gaps and perfect contracts
    Reading: C&U, Ch. 8

8. An Economic Theory of Crime and Punishment
    a. Rational crime
    b. Crime deterrence and efficient punishment
    Reading: C&U, Ch. 12