Instructor: Dr. Barnett  
Semester: Fall, 2007  
Class meetings: Mondays & Wednesdays, 3:30 p.m.-4:45 p.m.  
Room: 112 Miller Hall  
Office hours: Mondays and Wednesdays 9:30 - 10:15, and by appointment  
Office: 319 Miller Hall  
Phone nos.: Office: 864-7950; Home: 737-9498  
E-mail: wbarnett@loyno.edu

**Course Prerequisites:** Economics B201 and junior standing.

**Only those students who have completed at least 56 credit hours may enroll in 300 or 400 level business courses.**

**Catalog description:** Economic analysis is used to consider the effects of legal rules on people’s actions. Alternative rules are considered, with particular attention paid to the differing effects each is likely to have on the structure of incentives, and thus on human actions.

**Course purpose:** Law and Economics, the study of law from the economic point of view using the tools of economic analysis. It is a controversial field of study. This course has two major goals: 1) to expose the students to applications of economic analysis in order that they may develop their skills in applying the basic tools of the economist; and, 2) to develop an understanding of the substantive results of such analyses with respect to the differing effects alternative rules of law are likely to have on society.

**Course Learning Objectives**
Students completing this course successfully will:
1) be able to explain the importance of various legal institutions for the proper functioning of an economy;  
2) be able to apply the basic tools of economics in analyzing alternative rules of law;  
3) be able to explain the Coase theorem and its implications for law;  
4) be able to explain the relevance for economics of private and public property;  
5) be able to explain the relevance for economics of restrictions on the use of private property;  
6) be able to explain the “takings” issue, including regulatory takings;  
9) be able to explain the economic issues involved with intellectual property;  
7) be able to explain the economics of contracts; and,  
8) be able to compare and contrast alternative rules of tortuous liability from the perspective of economics.

**This is a seminar.** I will act as the seminar guide; each of you is expected to come to class each day and participate in the discussion of the relevant material in a meaningful way.
Grading: There will be two exams. Each will count for one-third of your final grade; the remaining third will be determined by your class performance. The grading scale is: 100≥A≥90; 89≥B+≥85; 84≥B≥80; 79≥C+≥75; 74≥C≥70; 69≥D+≥65; 64≥D≥60; 59>F.

Attendance: You will be held responsible for all class discussions as well as all of the reading assignments. Therefore, although there is no formal attendance requirement, you are strongly urged to attend all class meetings.

Communications: All Loyola email correspondence will be directed to students’ Loyola email address only. You are responsible for any communications addressed to your Loyola email account.

Academic Integrity Statement: I consider honesty and integrity to be of the utmost importance and presume that my students do also, and thus that each and every one of you is a person of integrity. Therefore, I have one simple rule: you are to do your own work. I will not tolerate academic dishonesty in any way, shape, or form. The penalty in my class for cheating, no matter how minor the infraction might appear to be, is an F for the course. If you have any doubt whatsoever as to whether a particular course of action or inaction would constitute academic dishonesty, you should consult me immediately.

Readings:

Disabilities: A student with a disability that qualifies for accommodations should contact Sarah Mead Smith, Director of Disability Services at 865-2990 (Academic Resource Center, Room 405, Monroe Hall). A student wishing to receive test accommodations (e.g., extended test time) should provide the instructor with an official Accommodation Form from Disability Services in advance of the scheduled test date.
All dates, except that of the final exam, are approximate

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<td><strong>Introduction to Law and Legal Institutions</strong></td>
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<td>Civil and common law; civil, criminal, and administrative law; the federal and state court systems in the U. S.; some aspects of the legal process; and, the evolution of law.</td>
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<td><strong>The Coase Theorem</strong></td>
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<td>Economic Analysis of Property Law</td>
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<td>The nature of property; bargaining theory; transactions costs, the Coase theorem, and legal rules; enforcement of property rights/remedies; limits to property - what may not be privately owned; limits to property rights- what owners may not do with their property; redistribution and the stability of property rights; the problem of the “commons;” intellectual property – patents, copyrights, trademarks, and trade secrets; the establishment and verification of property rights; and, the “taking” of private property.</td>
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