

Syllabus

George Mason University

Draft

**Econ 415     Law and Economics - Spring 2015**

Professor Yong J Yoon

Office: Buchanan House upstairs, (703) 993-2332

Office Hours: 1:30-2:30pm TTh and by Appointment

Class: 9:00 – 10:15AM TTh, Planetary Hall 224

Email: [yyoon@gmu.edu](mailto:yyoon@gmu.edu), Webpage: Blackboard

Final: 5/7Th 7:30-10:15am

**Overview**

The course is concerned with the core concepts of law and economics, or the economic analysis of law. The major issues studied in this course are: the **property law** that defines property rights, the **contract law** that covers transfer of property, and **tort law** and **criminal law** that protect property. Economic markets are shaped by legal institutions such as property rights and freedom of contracts. Thus the focus of economic analysis of law is **efficiency**. (What is legal efficiency?) The main positive theory of legal efficiency states that the common law (judge-made law) is efficient. We will examine the limits of this theory. After the midterm, after covering the core concepts, students will participate in moot court by writing testimonies for the court hearing.

**Prerequisites:** Intermediate Microeconomics (ECON 306)

**Texts**

Robert Cooter and Thomas Ulen, *Law and Economics*, 6<sup>th</sup> edition 2012, Addison-Wesley

Richard Epstein, *Overdose: how excessive government regulation stifles pharmaceutical innovation*, The University of Chicago Press, 2006. ISBN 978-0-300-14326-3

Gordon Tullock, *The Case Against the Common Law*, Durham, N.C. Carolina Academic Press, 1997, 0-89089-958-4

(Another useful text is, Richard Posner, *Economic Analysis of Law*, 8<sup>th</sup> edition, 2011)

**Reading lists.**

Articles:

Buchanan and Yoon, 2000. "The symmetric tragedies: commons and anticommons" *Journal of Law and Economics*, April 2000

Posner, R.A. (1980). "A Theory of primitive society, with special reference to law" *Journal of Law and Economics*, XXIII(1), April, 1-53

\*Guido Calabresi and A. Douglas Melamed, Property rules, liability rules, and inalienability: One view of the Cathedral, 85, *Harvard L. Rev.* 1089, 1094-95, -1127 (1972) (discussing the implication of the Coase theorem).

\*Paul Rubin (1977). “Why is the common law efficient?”, *Journal of Legal Studies*, VI(1), January, 51-63

\*Ronald Coase, 1960. “The problem of social cost” *Journal of Law and Economics*, III, October 1-44

\*Gary Becker, 1968. “Crime and Punishment: An Economic Approach.” *Journal of Political Economy* 76, 169-217

\*Harold Demsetz

Garrett Hardin, “The Tragedy of the Commons”,

James Buchanan, “Miller vs skone cole/grossman p.83, fn 50

Yoon, “Anticommons and Patent System,” manuscript

### **Assignments and Requirements**

The grades are based on two midterm (20% each), final (30%), paper (20%), homework and quiz (10%). The quiz will be announced a week before and will be based on the reading assignments of the week. **Midterm** exam will consist of multiple choices and define/identify (in full sentences) (25%), short essays (25%), problem solving (25%) and cases (25%). The **Final** exam will be cumulative. There will be **no makeups**.

The **paper** will be 6-8 pages long. You can write on an aspect of intellectual property rights discussed in Epstein. You can also pick a topic from Tullock, a criticism of the common law system. I will provide a list of topics in the class from which you can choose a topic. If you choose to write on other topics mentioned above, you may discuss with me beforehand.

The course is “lecture driven” in that most relevant material is covered in class. There will be handout (PPT notes) in the class.

**Spring Break 3/9-15,**

**Midterms. 2/19; 3/19,**

**Paper due: 4/30,**

**Final Exam: 5/7Th 7:30-10:15am**

### **Schedule of Topics** (subject to revisions)

Topic 1. Introduction; Ancient law - Posner. Moral community – Buchanan

Topic 2. economic theory of property

Topic 3. Property; Intellectual Property

Topic 4. Contract rights and remedies; zoning

Topic 5. Contract law

Topic 6. Tort law

Topic 7. Criminal law

Topic 8. Special topics: Monopoly and monopsony and antitrust.

Epstein: Overdoze; Tullock; common law and spontaneous order

“Yet, although the problem of an appropriate **social order** is today studied from the different angles of *economics*, *jurisprudence*, *political science*, *sociology*, and *ethics*, the problem is one which can be approached successfully only as a whole. - F. Hayek

Suggested paper topics

1. criticism of the common law system (Tullock)
2. patent system in pharmaceuticals

1 [Al Shami, Sukaina H.](#)  
2 [Benyasut, Pansorn](#)  
3 [Capitel, Aaron W.](#)  
4 [Corcoran, Kevin D.](#)  
5 [Dinh, Robert D.](#)  
6 [Galeano, Edwin N.](#)  
7 [Gushin, Aaron M.](#)  
8 [Han, Jungyul](#)  
9 [Hankin, Steven J.](#)  
10 [Herman, Louis D.](#)  
11 [Hudnall, Alyson R.](#)  
12 [Kennedy, Michael R.](#)  
13 [Leary, Brian P.](#)  
14 [Mahakian, Joseph P.](#)  
15 [Mocabee, Michelle L.](#)  
16 [Moyer, Katie E.](#)  
17 [Panholzer, Madeleine M.](#)  
18 [Park, Edward](#)  
19 [Phan, William T.](#)  
20 [Rubin, Brandon L.](#)  
21 [Siebor, Anna](#)  
22 [Six, Kari](#)  
23 [Smalls, Da'Quan J.](#)  
24 [Stockwell, Sarah T.](#)  
25 [Thomas, Gayle B.](#)  
26 [Thompson, Albert R.](#)  
27 [Thompson, Lauren S.](#)  
28 [Thompson, Zachary T.](#)  
29 [Tran, Ngoc-Nu T.](#)  
30 [Usmayo Macedonio, Leonel D.](#)  
31 [Wilcox, Robert M.](#)  
32 [Willard, Stephen](#)  
33 [Winchester, Colin R.](#)  
34 [Zhang, Qifei](#)  
35 [Zhou, Zixiao](#)