University of Hawaii at Mānoa
Department of Economics

LAW AND ECONOMICS
ECON 476 (Online)
Fall 2016 (09/05/2016 – 12/16/2016)
(Tentative – subject to revision)

Instructor: Aide Mazurkeviciute, PhD
Contact: All class communication should be transmitted in writing using the Messages tool in Laulima. If the system is down, use the alternate outside e-mail - amazurke@hawaii.edu
Time/Place: Online from the first day of the term until the last day of the term.
Disclaimer: This syllabus may be modified at any time by the instructor. Students will be informed promptly of any changes.
Deadlines: All deadlines will be 11:55 p.m. Hawaiian Standard Time (HST) on the due date.
Required textbook: Title: Law and Economics
Authors: Robert D. Cooter, Thomas Ulen
ISBN: 9780132540650, 0132540657
Publisher: Pearson

The book is available for free download in PDF format at http://scholarship.law.berkeley.edu/books/2/

Additional Resources: Academic journal or newspaper articles, briefs of court cases. Additional learning material will be posted by the instructor on Laulima.
COURSE DESCRIPTION

In this course, students will study legal issues of property rights, contracts, torts, and crime; efficiency of U.S. legal process; economics of law enforcement, juries, prosecutors; and evolution of legal rules.

TECHNICAL REQUIREMENTS

It is your responsibility to ensure that you have an access to a computer with a reliable Internet connection. You will also need Microsoft Word, PowerPoint, PDF Reader, and Media Player software installed on your computer.

University of Hawaiʻi uses Laulima learning management system. If you have any technical questions and/or problems, please fill out an online request assistance form at https://www.hawaii.edu/simp/laulima-feedback.php

For more specific information about the technical requirements and Laulima system, please view the following websites:

http://www.hawaii.edu/graduate/laulima_tab/overlays/requirement.php
https://laulima.hawaii.edu/portal/site/!gateway/page/83b830e4-c4e8-4956-802c-d15534187267

COURSE PARTICIPATION AND EXPECTATIONS

Unlike traditional face-to-face environment, this course does not require attendance at a specific time, and you can log in to your online class whenever it is convenient for you. It will be expected, however, that UHM online students will complete all assigned readings, actively participate in class discussions, and submit assignments in a timely manner. I strongly encourage you to carefully plan your study schedule from the beginning of the class to ensure successful course completion. You are expected to regularly log in to the course website and check your e-mail daily. I also strongly suggest that you not wait until the last minute to complete all required activities. Please remember that distance learning depends on technologies that may fail for different reasons.

If you cannot submit your assignment by the due date, please notify the instructor as far in advance as possible.

If you are having trouble with the course material, please contact me with any questions, concerns or comments you may have at any time during the course.

COURSE PREREQUISITE

ECON 301 Intermediate Microeconomics

LEARNING OBJECTIVES

The main objective of this course is to provide students a broad overview of the role of economic analysis of law. Upon successful completion of the course, students should be able to:
• explain how the tools of economic theory can help evaluate the workings of the legal system in terms of overall social welfare;
• explain how economics can help predict the effects of legal rules on the behavior of individuals, firms, and the government and thus provide a powerful tool for choosing the best one; and
• explain how economics can be used to analyze the following five legal areas of common law in the U.S.: property law, contract law, tort law, civil procedure, and criminal law.

**COURSE EVALUATION AND GRADING:**

There are a total of 100 points possible in this course, divided among the following activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Points</th>
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<tbody>
<tr>
<td>Class Discussion</td>
<td>25</td>
</tr>
<tr>
<td>Group Project¹</td>
<td>15</td>
</tr>
<tr>
<td>Article Analysis</td>
<td>15</td>
</tr>
<tr>
<td>Exam #1</td>
<td>15</td>
</tr>
<tr>
<td>Exam #2</td>
<td>15</td>
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<tr>
<td>Exam #3</td>
<td>15</td>
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<tr>
<td><strong>Total Points</strong></td>
<td><strong>100</strong></td>
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</tbody>
</table>

No extra credit will be given for the course.

Grading Scale: letter grades will be assigned at the end of the course based on the points earned.

<table>
<thead>
<tr>
<th>Points</th>
<th>Letter Grade</th>
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<tbody>
<tr>
<td>97-100</td>
<td>A+</td>
</tr>
<tr>
<td>93-96</td>
<td>A</td>
</tr>
<tr>
<td>90-92</td>
<td>A-</td>
</tr>
<tr>
<td>87-89</td>
<td>B+</td>
</tr>
<tr>
<td>83-86</td>
<td>B</td>
</tr>
<tr>
<td>80-82</td>
<td>B-</td>
</tr>
<tr>
<td>77-79</td>
<td>C+</td>
</tr>
<tr>
<td>73-76</td>
<td>C</td>
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<tr>
<td>70-72</td>
<td>C-</td>
</tr>
<tr>
<td>67-69</td>
<td>D+</td>
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<tr>
<td>63-66</td>
<td>D</td>
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<tr>
<td>60-62</td>
<td>D-</td>
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<tr>
<td>Less than 60 points</td>
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**ASSIGNMENTS**

**Class Discussion (25 points):** There will be thirteen discussion forums during the course. In order to better understand the course material, and promote a dynamic and thought provoking exchange

¹ The project can also be carried out individually. Please see the assignment description below.
of ideas, each student is required to respond to a question posted by the instructor in Laulima’s discussion forum early in the week, but not later than Thursday, 11:55 p.m. Students should also comment on at least one of their classmates’ reply to that question by Sunday, 11:55 p.m. Therefore, your reply to the instructor’s question (your “initial post”) and comment on your classmate’s reply (your “responsive post”) should not be submitted on the same day. Please give yourself sufficient time to read all of your classmates’ responses before commenting.

Each student will be given a score from “0” to “2.5” points for each discussion period’s (weekly) submission subject to a course maximum of 25 points. Grade will be based on the quality (understanding of the material assigned), quantity (the number of responses), and timing of your participation. The discussion questions will deal with understanding and interpretation of the readings. Answers to questions should fully utilize the principles, techniques, and concepts presented in the textbook. It is important that your response is “value added,” thoughtful, clear, and concise. For example, posting an “I agree” will not earn you any points.

As your instructor, I will facilitate class discussions. I’ll answer your questions, clarify issues, and comment on your posts.

**Group Project (15 points: written report 10 points + performance 5 points):** Students will work in groups to write a report on a topic that illustrates the law and economics way of thinking about the legal rules and institutions.

The instructor will randomly assign students to small groups of 3-5 students. The groups will be formed and detailed information about the project will be provided in Week-4, and papers are due on Sunday, October 30 (Week-8). You will be given several subject areas related to law and public policy. Teams will need to select a specific topic within one of the general areas by the end of Week-5 of the course. Each topic should be approved by the instructor.

The purpose of this assignment is to gain a deeper understanding of a key issue within one of the core bodies of law from a law and economics perspective. The report will analyze, criticize, and evaluate the issue using microeconomic theory. It should demonstrate a good understanding of the material presented in the textbook, and the ability to make connections between theory and practice. The report should have the following sections: title page, abstract, introduction, analysis, conclusions, and reference list. You may want to consider including graphs and other visual aids to support your ideas.

The completed paper should have a minimum of 2,000 word count (excluding exhibits, reference list, and appendices), and contain at least 5 references (excluding textbook). It is recommended, although not mandatory, to use the American Psychological Association (APA) citation and format style for your paper. You should use a 12-point Times New Roman font and 2.0 line spacing. Please refer to the following website for more specific information regarding APA style: [http://www.apastyle.org/](http://www.apastyle.org/)

Your group project grade will consist of two components: written report (points possible: 10) and peer evaluation that will be used to assess individual contributions to the project (points possible: 5). All group members bear equal responsibility for completing this assignment. Each group member receives the same grade for written report. Upon completion of the project, students will be asked to fill out a peer evaluation form, and your performance score will be the average of
evaluations from other group members. Failure to participate in group activities will result in a grade of zero.

Although you will learn more if you do the project as a group, you may choose to do it by yourself. The requirements will be the same. If you intend to write a research paper individually, you must notify the instructor by Monday, September 26.

**Article Analysis (15 points):** There will be an article analysis assignment in Week-11. It is intended to provide students the opportunity to discuss, in greater detail, one of the major themes of the course by analyzing an actual case. Article and questions will be posted on Monday, November 14 and the assignment is due on Sunday, November 20. Students will be required to write a short essay addressing several specific questions. Your answers should be supported by economic reasoning using the concepts and tools from class, but they need not include additional research. Collaboration is prohibited.

The completed essay should not exceed 2,000 words. It is recommended to use the APA citation and format style for your paper. You should use a 12-point Times New Roman font and 2.0 line spacing.

**Exams (15 points each):** There will be three non-comprehensive and equally weighted exams worth 45% (45 points) of your final grade. Exams will be based on required readings. Exams will consist of short-answer questions. Exam #1 will cover the material from chapters 1-5, exam #2 will cover chapters 6-9, and exam #3 will cover chapters 10-13. Exam questions will be placed as one of the weekly assignments and may be taken during a several day period. Exams are individual, open-book/open-notes but no information sharing with other students.

**INSTRUCTOR’S FEEDBACK THROUGHOUT THE COURSE**

The instructor will provide individual scores as well as written feedback after each assessment period. The primary e-mail system used in this class will be Laulima. Please email me if you need help with any of the assigned chapters. The instructor will reply to e-mails as soon as possible, within 24 hours.

**MAKE-UP WORK AND LATE SUBMISSIONS**

If a student is unable to submit an assignment or examination by the due date, then he or she must contact the instructor by e-mail, and provide valid reasons. Assignments are late if submitted after 11:55 p.m. on the due date. Each situation will be evaluated, and the instructor will consider accepting late submissions on a case-by-case basis. With the instructor’s prior consent, the written assignments and examinations can be made up at a discounted value. There will be a 10% score penalty for submissions (e.g., 1.5 points loss on an assignment worth a total of 15 points) within one week of the due date. Assignments submitted after one week late will not be accepted. Class discussions cannot be made up at all due to the timeframe required for the class to respond.

**UNIVERSITY POLICIES**

**Disability:**
Any student who feels s/he may need an accommodation based on the impact of a disability is invited to contact me privately. I would be happy to work with you, and the KOKUA Program (Office for Students with Disabilities) to ensure reasonable accommodations in my course. KOKUA can be reached at (808) 956-7511 or (808) 956-7612 (voice/text) in room 013 of the Queen Lili‘uokalani Center for Student Services.

**Academic Integrity:**

Students are expected to abide by the University’s [academic integrity policy](#). Cheating and plagiarism will not be tolerated and appropriate disciplinary measures will be taken.
Course Topics and Recommended Additional Reading

Week 1 – An Introduction to Law and Economics


Week 2 (1) – Review of Microeconomic Theory


Week 2 (2) – Introduction to Law and Legal Institutions


Weeks 3-5 – Property


Weeks 6 and 7 – Tort Law


Weeks 8 and 9 – Contract Law


Weeks 10 and 11 – Legal Process


Weeks 12 and 13 – Crime

## Course Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Dates</th>
<th>Required Reading</th>
<th>Activities and Assignments</th>
</tr>
</thead>
</table>
| Week 1 | SEP 5 – 11 | Chapter 1 – An Introduction to Law and Economics                                   | 1. Carefully read the Syllabus.  
2. View the online Lesson Presentation.  
3. Participate in Class Discussion #1. |
Sturges v. Bridgman |                                                                                       |
| Week 2 | SEP 12 – 18| Chapter 2 – A Brief Review of Microeconomic Theory *(review this chapter only if necessary)*  
Chapter 3 – A Brief Introduction to Law and Legal Institutions | 1. View the online Lesson Presentations.  
2. Participate in Class Discussion #2.   |
| Week 3 | SEP 19 – 25| Chapter 4 – An Economic Theory of Property                                           | 1. View the online Lesson Presentation.  
2. Participate in Class Discussion #3. |
| Week 4 | SEP 26 / OCT 2 | Chapter 5 – Topics in the Economics of Property Law,  
*Sections I and II* | 1. View the online Lesson Presentation.  
2. Participate in Class Discussion #4.  
3. Group Project: group formation. Contact your group and discuss possible topics for research paper due in Week-8. |
| Week 5 | OCT 3 – 9  | Chapter 5 – Topics in the Economics of Property Law,  
*Sections III and IV* | 1. View the online Lesson Presentation.  
2. Participate in Class Discussion #5. |
<table>
<thead>
<tr>
<th>Week</th>
<th>Dates</th>
<th>Chapter/Topic</th>
<th>Week's Tasks</th>
</tr>
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<tbody>
<tr>
<td>Week 6</td>
<td>OCT 10 – 16</td>
<td>Review Chapters 1-5</td>
<td>3. Exam #1 due on Sunday (Chapters 1-5).</td>
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<tr>
<td>Week 7</td>
<td>OCT 17 – 23</td>
<td>Chapter 6 – An Economic Theory of Tort Law</td>
<td>1. View the online Lesson Presentation.</td>
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<td>2. Participate in Class Discussion #6.</td>
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<td>Week 8</td>
<td>OCT 24 – 30</td>
<td>Chapter 7 – Topics in the Economics of Tort Liability</td>
<td>1. View the online Lesson Presentation.</td>
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<td>2. Participate in Class Discussion #7.</td>
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<tr>
<td>Week 9</td>
<td>OCT 31 / NOV 6</td>
<td>Chapter 8 – An Economic Theory of Contract Law</td>
<td>1. View the online Lesson Presentation.</td>
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<td>Review Chapters 6-9</td>
<td>2. Participate in Class Discussion #8.</td>
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<td>4. Submit Peer Evaluation Form for group project.</td>
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<tr>
<td>Week 10</td>
<td>NOV 7 – 13</td>
<td>Chapter 9 – Topics in the Economics of Contract Law</td>
<td>1. View the online Lesson Presentation.</td>
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<td>Review Chapters 6-9</td>
<td>2. Participate in Class Discussion #9.</td>
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<td>3. Exam #2 due on Sunday (Chapters 6-9).</td>
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<td>2. Participate in Class Discussion #10.</td>
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<td>Chapter 11 – Topics in the Economics of the Legal Process</td>
<td>1. View the online Lesson Presentation.</td>
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<td>2. Participate in Class Discussion #11.</td>
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<tr>
<td>Week 12</td>
<td>NOV 21 – 27</td>
<td>No Class - Fall Break</td>
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<tr>
<td>Week 13</td>
<td>DEC 5 – 11</td>
<td>Chapter 12 – An Economic Theory of Crime and Punishment</td>
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<tr>
<td>Week 14</td>
<td>DEC 12 – 16</td>
<td>Review Chapters 10-13</td>
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<td>Last Day of the Term – December 16th</td>
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</table>
|         |             | 1. View the online Lesson Presentation.  
|         |             | 2. Participate in Class Discussion #12.  
|         |             | 3. Article Analysis due on Sunday.  
|         |             | 1. View the online Lesson Presentation.  
|         |             | 2. Participate in Class Discussion #13.  
|         |             | 1. Exam #3 due on Friday, December 16th (Chapters 10-13). Please note that the exam is due Friday, not Sunday. |