

ECONOMIC FOUNDATIONS OF LEGAL STUDIES
LAW 108-002
(Professor Francesco Parisi)

Reading Material

- Required Texts: Howell Jackson et al, *Analytical Methods for Lawyers* (Foundation Press, 2003)
Robert Cooter-Thomas Ulen, *Law and Economics*, 4th ed. (Addison-Wesley, 2003)
- Recommended Text: Richard Posner and Francesco Parisi, *Economic Foundations of Private Law* (Elgar, 2002)
- Reference Material: *The New Palgrave Dictionary of Economics and the Law*, 3 volumes (1997)
Encyclopedia of Law and Economics (Elgar, 2000) (Bibliography on line at:
<http://allserv.rug.ac.be/~gdegeest/>)

In preparation for this course students should familiarize with basic concepts of microeconomics (suggested reading G. Mankiw, *Principles of Microeconomics*, 3rd ed., Thomson Learning, 2004) and obtain an overview of the economic approach to law (Jeffrey Harrison, "Law and Economics in a Nutshell" 3rd ed., West Publishing, 2003)

Course Description

After a brief review of the methodology of law and economics, this course exposes students to a broad survey of micro-economics, decision-theory and game-theory concepts. These analytical methods play a crucial role in the design and understanding of legal rules. The second part of the course builds on these premises to study the economic structure of areas of law that are typically covered during a first-year law curriculum, with special emphasis on property, contracts, and torts. The course provides the analytical foundations for the coherent first-year curriculum offered at GMU Law School. Students will develop a framework for an economic analysis of legal rules: a framework that will aid them in the remainder of their studies at GMU Law School.

Requirements

This course counts as a three-credit class. Final Exam.

Class Schedule

Class meets on Wednesdays and Thursdays from 6:00 to 7:15 p.m. See posted schedule for classroom assignment.

Reading Assignment (for first class)

1. Henry G. Manne, "An Intellectual History of George Mason University School of Law" (1993), <http://www.law.gmu.edu/econ/history.html> (on-line)
2. Francesco Parisi, Positive, "Normative and Functional Schools in Law and Economics" (2004), <http://ssrn.com/abstract=548403> (on-line)