Welcome to Economic Foundations of Legal Studies

Economic Foundations of Legal Studies is an introduction to a diverse set of materials designed to improve students’ analytical abilities. The objective of the course is to provide with a set of skills that can be used to analyze legal problems, including microeconomic theory, game theory, and a handful of statistical concepts. Background knowledge is neither assumed nor required.

Office Hours: Mungan: W 8-930 am. Wright: W: 3-4pm. We are also generally available via appointment and email. Group requests get priority over individual requests.

Casebook and Course Materials:

We have tried to minimize the costs associated with course materials. Most are available free online. We do, however, require an older version of one economic principles textbook. Supplemental materials will be posted on TWEN.

N. GREGORY MANKIW, PRINCIPLES OF MICROECONOMICS (6th Ed. 2012)

Robert Cooter & Tom Ulen, Introduction to Law & Economics (5th Edition, 2007) available free and online at: https://works.bepress.com/robert_cooter/56/

Class Preparation: You should prepare for class by reading and thinking carefully through the assigned material. Course sessions will be more "lecture-based" than your other law courses; however, we will also spend considerable class time working through the materials together. You can and should expect to do a substantial proportion of your learning outside of lecture.

Class attendance is of paramount importance. We also encourage you to form study groups as early as possible.

Midterm Exam: There will be a multiple choice midterm examination on Wednesday, September 21st, covering the material in the syllabus prior to that date. It will account for 15% of your grade.

Final Exam and Grading: The final exam is scheduled for December 8th at noon. It will account for 85% of your grade. The final exam will cover material throughout the semester (including material prior to the midterm). The final exam will consist of some combination of multiple choice and short answer questions.

Your grade is subject to a discretionary class participation adjustment of 1/3rd of a grade in either direction.

The exam will be open book and open notes.

Some general guidelines are as follows: (1) you should attend class in a manner consistent with Law School policies, (2) quality of participation is weighed much more heavily than quantity, (3) failure to prepare for class is the easiest way to assure a downward participation adjustment.

Syllabus is Preliminary and Subject to Change: We may deviate from the tentative syllabus with assignments taken from current events, new cases, to accommodate guest speakers, scheduling reasons, etc. Please make sure you are signed up to receive updates via TWEN.

Intellectual Property: We own all course content we create (e.g. PPT slides), regardless of form (electronic, print, audio/ video, etc.), including recordings of class sessions, office hours, and other meetings. You are forbidden to use them with, or distribute them to, anyone other than your classmates in this course.
**READING ASSIGNMENTS THROUGH SEPTEMBER 28**

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Readings</th>
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<tbody>
<tr>
<td>August 24</td>
<td>Price Theory 1: Demand</td>
<td>Mankiw, pp. 40-48; 66-73, 90-98&lt;br&gt;Cooter &amp; Ulen, pp. 18-30</td>
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<td>August 29</td>
<td>Price Theory 2: Supply</td>
<td>Mankiw, pp. 73-76; 99-106; 259-274&lt;br&gt;Cooter &amp; Ulen, pp. 30-32&lt;br&gt;Alchian, Costs (TWEN)</td>
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<td>September 05</td>
<td>NO CLASS – LABOR DAY</td>
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<td>September 07</td>
<td>Decision Making Under Uncertainty &amp; Risk Attitudes</td>
<td>Probability Handout, TWEN</td>
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<td>Complete the readings and exercises in the chapters listed below on “onlinestatbook”:</td>
<td><a href="http://onlinestatbook.com/2/probability/basic.html">http://onlinestatbook.com/2/probability/basic.html</a></td>
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a. Introduction, Independent probabilities, Conditional Probabilities (V.1, V.2 and V.3.)
b. Reading Summations (I.12)
c. Expected Values, Medians, Modes (III.4)
d. Variability and Variance (III.13)

September 12  
Risk Attitudes and Risk Premia  
Cooter & Ulen, pp.48-54  
Risk Handout, TWEN

September 14  
Intertemporal Choices & Present Discounted Values  

September 19  

September 21  
IN CLASS MIDTERM EXAMINATION

September 26  
Game Theory  
Randy Picker, *An Introduction to Game Theory and the Law*  
Cooter & Ulen, pp. 38-42

September 28  
Industrial Organization 1: Competition and Monopoly  
Mankiw, pp. 299-345