Economics for Lawyers -- Law 108
Antonin Scalia Law School at George Mason University
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Welcome to Economics for Lawyers
Economics for Lawyers is an introduction to a diverse set of materials designed to improve students' analytical abilities. The objective of the course is to provide students with a set of skills that can be used to analyze legal problems, including microeconomic theory, game theory, and a handful of statistical concepts. It is not expected for students to become experts in these technical areas, but they will be exposed to both the mechanics and subtleties of these tools. The goal is to educate and train students so that they will be better prepared to understand a dispute, craft an argument, or prepare a witness. Background knowledge is neither assumed nor required.

Remote Teaching
All instructions will be provided remotely via Zoom (unless otherwise stated through an announcement). At the beginning of the semester you will receive an invitation for recurring Zoom meetings, and you will be able to connect to class meetings by using the link contained in that invitation.

To ensure that our remote meetings go as smoothly as possible, please make sure to follow these simple guidelines:
- Make sure you have an adequate head-set and microphone to ensure that you are not distracted by your surroundings during class and to minimize background noise.
- Have your first and last names and current profile pictures set up on your Zoom accounts.
- Make sure your cameras are on at all times during class meetings. I also recommend that you set-up neutral, appropriate, and non-distracting virtual backgrounds.
- Use the raise hand function on Zoom to ask for permission to speak.
- Remain on 'mute' at all times unless speaking and/or are on call.
- DO NOT use the chat box unless instructed to do so.

Class Hours: Wednesdays 6.05pm-9.00pm.

Office Hours: Wednesdays 3.05-4.10pm. I will also answer short questions after class. I ask that you notify me, at least 24 hours in advance, if you intend to participate in virtual office hours. Also, I am generally available via appointment at other times for Zoom discussions and also via email.

Casebook and Course Materials:
H. Butler, C. Drahozal, J. Shepherd, Economic Analysis for Lawyers (3rd Ed.);
(Available online at the link above)
M. Polinsky, An Introduction to Law and Economics (**4th or 5th Ed.**)[*];
N. Gregory Mankiw, Principles of Microeconomics (9th Ed.)[**]; and
David Friedman, Law's Order, Available free and online at:
http://www.daviddfriedman.com/laws_order/
(Available online at the link above)
Supplemental materials will be posted online.

Tutorials
We are working on scheduling an 'optional attendance' tutorial. More information on this will be made available when the semester begins.

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.
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 no participation bumps for your grade (see below).

Academic Integrity: It is expected that students adhere to the Antonin Scalia Law School Honor Code. The Honor Code prohibits lying, cheating, or stealing. This includes a student obligation to never represent the work of another as their own, and to never provide or accept unauthorized assistance on any school related assignment. The Honor Code is available here: https://sls.gmu.edu/honor/.

Accommodations: Disability Services at George Mason University is committed to providing equitable access to learning opportunities for all students by upholding laws that ensure equal treatment of people with disabilities. If you are seeking accommodations for this class, please visit http://ds.gmu.edu/ for detailed information about the Disabilities Registration Process. Faculty may not receive or respond to requests for an accommodation. All requests must be

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[*] The 5th ed. of this book is out, and the previous edition is out of print. Therefore, you are allowed to use either the 4th or the 5th edition.
[**] The 9th ed. is the most recent edition of this book. However, if you find more affordable earlier editions of this book you may use them, but you assume the risk that there may be small differences in content across different editions. See below for a chart providing the corresponding page numbers in each edition. References in the syllabus are to the 9th edition.

handled by the office of Disability Services. You may contact Disability Services directly via email at ods@gmu.edu or phone at (703) 993-2474. If you have any questions about how in-class or testing accommodations are implemented at the law school, please contact the Assistant Dean, Student Academic Affairs for more information.

Homework: I will assign ungraded homework assignments (e.g. problems from Mankiw) as the semester goes by. These will help you in reviewing the assigned materials in a timely manner.

Midterm Exam: There will be a multiple choice midterm examination on Saturday, October 6th, 6.05pm-9.00pm covering the material in the syllabus prior to that date. The midterm will account for 10% of your final grade, *unless you get a better grade in the final exam, in which case your midterm grade will not count.* More information about the logistics of this exam will be provided after the semester begins.

Final Exam and Grading: The final exam will be open book and open notes, and is scheduled for **December 6th** at 6pm. It will account for 90% of your grade, *unless you have a better grade in the final exam than in the midterm exam*. If you have a better grade in the final exam than the midterm exam, it will account for 100% of your grade. The final exam will cover material throughout the semester (including material prior to the midterm).

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

The 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 Blackboard.

Intellectual Property: I own all course content I 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.

<u>PRELIMINARY</u> CLASS SCHEDULE AND READING ASSIGNMENTS

Introductory Reading Materials (please read any time before the first class, we will refer to concepts introduced here in many classes)

> Butler et al.: 3-12
> Mankiw: 2-13; 17-21; 25-32

August 25	**Introduction to Economics for Lawyers; and Price Theory 1**
	Butler et al.: 56-58
	Mankiw: 25-44; 63-72; 87-106, 243-260

Optional: Butler et al.: 110-115 (on elasticity)

September 1   **Price Theory 2: Equilibrium & Efficiency**
Butler et al: 98-102
Mankiw: 73-82, 109-128, 131-148
Polinsky: 7-11, 153-162

Price Theory 3: Monopolies & Competition
Mankiw: 287-301, 308-312, 335-354
Butler et. al: 520-521 (Trinko and other Criticisms)

Likely Future Assignments

September 8   **Basic Probability Theory & Statistics**

Complete the readings and exercises in the chapters listed below
on "onlinestatbook": http://onlinestatbook.com/2/index.html

a.   Introduction, Independent probabilities, Conditional
Probabilities (V.1, V.2 and V.3.)
b.   Expected Values, Medians, Modes (III.4)
c.   Variability and Variance (III.13: READ VARIABILITY,
RANGE, VARIANCE ONLY UNTIL THE END OF
TABLE 1)

September 15   **Decision Making Under Uncertainty & Risk**

Polinsky, Chapter 7
Butler et al, pp. 291-314

Intertemporal Choices & Present Discounted Values

Butler et al, pp. 569-591

September 22   **Game Theory**

Butler et al, pp. 39-45

Picker et al. (BLACKBOARD)

September 29	**Review and Catch-Up**
October 6	**Midterm**
October 13	**Midterm Review**

Coase Theorem & Externalities
Polinsky 4th or 5th Ed: pp. 13-27
Butler et al, pp. 185-229

October 20	**Exercises on the Coase Theorem**
	Economics of Torts: Automobile Accidents

Polinsky 4th or 5th Ed: 43-56

Butler et al, pp. 327-361(light reading)

October 27	**Economics of Law Enforcement: Introduction & Enforcement with Fines**

Polinsky 4th or 5th Ed: 79-90
Butler et al, pp. 383-389

November 3	**Economics of Crime: Law Enforcement with Imprisonment**

Polinsky 4th or 5th Ed: 91-101
Butler et al, pp. 390-420 (light reading)

Economics of Contracts: Damage Measures, Breach, and Reliance
Polinsky 4th or 5th Ed: 29-41
Butler et al, pp. 231-266 (light reading)

November 10	**Economics of Information**

Butler et al, pp. 125-127 and 231-266

Economics of Dispute Resolution: Suit, Settlement, and Trial
Polinsky 5th Ed: 133-145
Polinsky 4th Ed: 135-146
Butler et al, pp. 147-184

November 17	**Catch Up and Review**

FINAL EXAM: December 6th at 6 PM

CONVERSION CHART for Mankiw's previous editions (use at your own risk!!)

5th EDITION	6th EDITION	7th EDITION	8th EDITION	9th EDITION
3-13, 17-19, 21-31	3-13, 19-20, 21-31	3-13, 17-18, 19-27	3-12, 19-22, 24-33	2-13; 17-21; 25-32
38-39, 40-48, 65-72, 89-94	39, 40-46, 65-72, 89-93	35-36, 37-45, 65-72, 89-94	37-45, 66-72, 89-98	35-44; 63-68; 87-96
73-76, 99-103, 267-282	73-76, 98-103, 259-274	73-76, 98-107, 259-274	73-76, 99-110, 247-266	69-72; 97-106; 243-260
77-85, 114-130, 135-152	77-84, 111-128, 135-151	77-85, 111-129, 135-151	76-88, 111-130, 133-152	73-82; 109-128; 131-148
311-325, 332-338, 365-369	299-313, 318-324, 349-355	299-313, 319-323, 347-353	289-303, 308-317, 337-358	287-301; 308-312; 335-354