

Economics For Lawyers Law 108

Fall 2024
Wednesday, 6:05-9pm

Professor James C. Cooper
703-993-9582
jcoope20@gmu.edu

OVERVIEW: This class will provide first-year law students with an introduction to the basic tools of microeconomic analysis (including supply and demand, game theory, the economics of information, and some basic statistical concepts), and an application of these tools to various areas of the law. This course will prepare students to think critically about the economic implications of legal rules, which will provide them with a valuable resource in their future practice of the law. Prior knowledge of economics is neither assumed nor required to perform well in this class.

LEARNING OUTCOMES: By the end of the course, students will:

- Understand the fundamental microeconomic theory of consumer and firm behavior
- Understand basic statistical concepts, such as probability, expected value and variance
- Understand basic economic analysis of asymmetric information and competition
- Be able to think critically about the economic implications of legal rules

BASIS OF EVALUATION: Your final course grade will be determined by two examinations, class participation, and homework:

- **The Midterm Examination** will take place during the first half of class on **Wednesday, October 9**. The Midterm Examination will be worth 30% of your grade, and it will consist of multiple choice questions comprising **only** the material that has been covered in class to that point. You will be allowed to use one physical page of notes for your Midterm Examination. The Exam in closed book.
- **The Final Examination** will take place from 6-9pm on **Friday, December 6**. The Final Examination will comprise the remaining 70% of your grade, and it will consist of multiple choice covering ALL of the material in the

course. You will be allowed one physical page of notes for your Final Exam. The exam is closed book.

- If you perform better on your Final Examination than on your Midterm Examination, the Midterm Examination **will not count** toward your final class grade, and your Final Examination grade will count for **100%** of your final class grade.
- **Participation and homework:** I expect students to be prepared to discuss assigned readings in class. Consistently outstanding class participation or consistently demonstrated lack of preparation may result in 1/3 letter-grade adjustment to your final grade (e.g., B to a B+ or a B-). I also will assign homework problems from time to time that I will expect to be turned in electronically via TWEN on time. Failure to turn in assignments that demonstrate your best efforts will result in 1/3 letter-grade deduction from your final grade.

OFFICE HOURS: Wednesday & Thursday 4:30-5:30pm, and by appointment. I encourage you to email me questions that may arise as you study and prepare for class. I typically respond quickly.

TEXT: The primary casebook is: HENRY N. BUTLER, JOANNA SHEPHERD BAILEY, & JAMES C. COOPER, ECONOMIC ANALYSIS FOR LAWYERS (4th Edition 2024) (referred to as "BDC"). I will post additional readings on TWEN. The preliminary reading schedule is listed below, but likely will be adjusted as the semester progresses. I have highlighted the cases that we will discuss in detail for each class.

ATTENDANCE: Regular and punctual attendance are required to earn academic credit. Attendance requirements for academic credit will follow the policies set forth in Academic Regulation 4-1. Should circumstances occur where you anticipate the possibility of missing a substantial number of class sessions (e.g. a serious illness), you should immediately contact the Assistant Dean, Student Academic Affairs.

INTELLECTUAL PROPERTY: I own all course content that 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.

CLASS RECORDING: Pursuant to Academic Regulation 4-2.2, no portion of a class session or an examination may be preserved by means of a recording device such as an audio recording device or camera. Any exceptions to this policy must be expressly permitted in writing by me. I will not be recording class sessions on Zoom. Recorded sessions will not be available for those who are absent from class.

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/>.

Course Assignments and Schedule

Date	Topic
August 21	<p>Introduction to Law & Economics and the Economic Way of Thinking:</p> <ul style="list-style-type: none"> • BDC – Chapter 1 • <i>Peeryhouse v. Garland Coal & Mining Co.</i> (Available on TWEN) <p>Demand</p> <ul style="list-style-type: none"> • BDC – Chapter 2.A
August 28	<p>Demand continued</p> <p>Supply</p> <ul style="list-style-type: none"> • BDC – Chapter 2.B
September 4	NO CLASS: Follow Monday Schedule
September 11	<p>Market Equilibrium & Elasticity:</p> <ul style="list-style-type: none"> • BDC – Chapter 2.C-F <p>Cases:</p> <ul style="list-style-type: none"> • <i>Gonzales v. Raich</i> • <i>Competitive Enterprise Institute v. NHTSA</i>

September 18

Price Controls:

- BDC — Chapter 2.G-H

Cases:

- *State of Florida v Medina* (Available on TWEN)
- *M. Krause & Bros, Inc. v. United States*

September 25

Competition & Monopoly:

- BDS – Chapter 8.A-B

Cases:

- *United States v. Microsoft Corp.*
- *Verizon Comm'ns Inc. v. Law Offices of Curtis V. Trinko, LLP*

October 2

Risk & Uncertainty:

- BDC – Chapter 6.A-C

Game Theory:

- BDC – Chapter 8.C.2
- Randy Picker, [An Introduction to Game Theory and the Law](#)

Case:

- *Bell Atlantic Corp. v. Twombly*

October 9

MIDTERM First half of class

Property Rights, Externalities, and Coase:

- BDC – Chapters 3.A-B & 4

Cases:

- *Starbound LLC v. Gutierrez*
- *Matthews v. Wozencraft*
- *Fontainebleau Hotel Corp. v. Forty-Five Twenty-Five, Inc.*

October 16

Externalities Continued

Intellectual Property:

- BDC – Chapter 3.C

Cases:

- *Eldred v. Ashcroft*
- *MGM Studios, Inc. v. Grokster, Ltd* (Available on TWEN)

October 23

Economics of Information:

- BDS – Chapter 5.A

Case:

- *Virginia St. Bd. of Pharmacy v. Virginia Citizens Consumer Council*

October 30

Economics of Contract Law: Holdup & Information

- BDS – Chapter 5.B

Cases:

- *Alaska Packers Ass'n v. Domenico*
- *Lake River Corp. v. Carborundum Co.*
- *Hadley v. Baxendale*, 9 Ex. 341 (Ct. of Exchequer 1854) (Available on TWEN)

November 6

Economics of Tort Law:

- BDS – Chapter 6.D

Cases:

- *United States v. Carroll Towing Co.*
- *Greenman v. Yuba Power Products, Inc.*

November 13

Economics of Crime & Punishment

- BDS Chapter 7

November 20

Catch Up and Final Review

**DECEMBER 6
(6pm-9pm)**

FINAL EXAM
