

Economic analysis of law
Collège d'économie et double licence droit et économie

30 hours

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Objectif(s) du cours

This course is an introduction to the economic analysis of law. The course will cover several main topics in the economic analysis of law through a general presentation and exercises.

Evaluation

Written examination, during the last class.

Outline

Introduction
Presentation of the Coase theorem.
Efficiency criteria in legal economic analysis.
Exercises
Case study of air pollution.

Chapter 1: The Economics of civil liability

I. The basic model: one-sided accident and given level of activity
II. Extensions of the basic model
Exercises
Case study on autonomous car.

Chapter 2. Applications in liability law

I. Product liability.
II. Environmental damage.
Exercises

Chapter 3. Economic analysis of dispute resolution

I. Optimistic models
II. Strategic models
III. Social and private incentives to fill a suit
IV. Cost-sharing rules and recourse to justice
Exercises
Illustration: settlement rates around the world.

Chapter 4. Deterrence and public enforcement of the law

I. Theoretical predictions of the deterrence model

II. Non-monetary sanctions

III. Justifications for moderate monetary sanctions

Exercises

Illustration: Intrinsic/extrinsic motivation.

References

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- Cooter, R. et T. Ulen (2016), *Law and Economics*, 6^{ième} éd., Addison Wesley Longman, disponible en ligne.
- Deffains, B. et E. Langlais (dir., 2009), *Analyse économique du droit*, De Boeck.
- Miceli, T. J. (2004), *The Economic Approach to Law*, Stanford University Press.
- Polinsky, A. M. et S. Shavell (dir., 2007), *Handbook of Law and Economics*, Vol. 1 et 2, North-Holland.
- Shavell, S. (2004), *Foundations of Economic Analysis of Law*, Harvard University Press.