

# LAW AND ECONOMICS

*from standard economic principle to behavioral approach*

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## Brief overview

In this course, we will apply the concepts and techniques of microeconomics to discuss the consequences of the law. We will analyze how legal rules affect individuals and groups' behavior (incentives). We will use welfare economics to evaluate legal rules, especially efficiency effects. We will also discuss the behavioural law and economics. We will go through an overview of the irrationality in economic behaviour to introduce its application and consequences to legal issues.

## Outline

### PART I INTRODUCTION

- What is law?
- How economists think?

### PART II ECONOMIC ANALYSIS AND TOOLS

- Assumptions to understanding behavior
- Price theory
- Efficiency. Impediments to economic efficiency. Externalities
- The Coase theorem

### PART III CRIME AND PUNISHMENT

- The economic approach to crime
- Law enforcement and optimal punishment
- Comparative law enforcement
- The economics of antitrust law

### PART IV IMPACT OF THE LAW ON ECONOMICS (few examples)

- Law and Finance
- Legal tech
- Climate change laws

### PART V FOUNDATIONS of BEHAVIORAL LAW AND ECONOMICS (BLE)

- The notion of bounded rationality
- Social preference theory
- Implications for Law and Economics

### PART VI ILLUSTRATIVE APPLICATIONS OF BLE

- Pre-trial settlement and the litigation process
- Behavioral Antitrust

## References

### TEXTBOOK

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### ARTICLES (preliminary list)

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