

Syllabus: Law and Economics

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Contents:

The course offers an introduction to the theory of law and economics as well as to applications of that theory to German civil law. Students are asked to read introductory texts on law and economics before class to then apply this knowledge to problems of German civil law in class.

Useful Online Sources:

- Cooter/Ulen, Law and Economics 6th edition, 2016. *A standard textbook for beginners on law and economics. The authors routinely publish their last edition online free of charge. Very good book.* You can find it here: <https://lawcat.berkeley.edu/record/1127400#record-files-collapse-header>. In case you prefer it in one, instead of chapter by chapter, see here: http://www.econ.jku.at/t3/staff/winterebmer/teaching/law_economics/ss19/6th_edition.pdf
- Towfigh/Petersen, Economic Methods for Lawyers. *A concise but in-depth introduction to law and economics. Very methodology focused which renders it relatively brief. I think the book is very good – I have to say that, however, because I co-authored it.* The book's full text is available online via the library of the University of Mannheim.

Foundations of corporate governance

- Session 1: Introduction (Cooter/Ulen Ch. 1 & 2; Towfigh/Petersen § 3)
- Session 2: Negligence vs. strict liability (Cooter/Ulen pp. 199-207)
- Session 3: Activity levels (Cooter/Ulen pp. 211-213)
- Session 4: Contributory negligence (Cooter/Ulen pp. 204-205)
- Session 5: Contributory negligence and judgement proofness (Cooter/Ulen 208-211)
- Session 6: Class action (Cooter/Ulen pp. 425-431)
- Session 7: Freedom of Contract (Cooter/Ulen pp. 81-86 & 283-287)
- Session 8: Efficient breach (Miceli, Ch. 5, pp. 128-133)
- Session 9: Overreliance (Miceli, Ch. 5, pp. 133 et seq.)
- Session 10: Incomplete contracts and default rules (Cooter/Ulen pp. 292-294)
- Session 11: Incomplete contracts and relational contracts (Cooter/Ulen 299-305)
- Session 12: Property rights
- Session 13: Property rights
- Session 14: Revision and Questions

Learning outcomes and objectives:

Students obtain a solid understanding of the theory of law and economics and are able to apply it to questions of legal interpretation.