

Law, Finance and Economics

Mnémonique du cours

DROI-C5107

Crédits ECTS

5 crédits

Langue(s) d'enseignement

Anglais

Période du cours

Deuxième quadrimestre

Campus

Solbosch et Hors campus ULB

Contenu du cours

Contenu du cours

This course will teach law students about the economic analysis of the law. Students will learn how economists think about the law. An understanding of the economic underpinnings of the law is important, because many laws have economic goals. If we understand the economic goals that the law aims to achieve, we will be able to better interpret the law. In addition, the tools from economics will help us predict the impact of a law on the behavior of persons and organizations, as well as evaluate whether a law has achieved its goals. Even laws that do not primarily serve economic goals can benefit from economic analysis, so we can better understand the trade-offs of the possible legal policy choices.

The course will be particularly useful for students who want to pursue a career in legal practice (as an attorney or in-house), supervisory authorities, policymaking, or academia, especially if they want to focus on business and private law (although the course will also be interesting for students interested in other branches of law).

The course aims to give students a good introduction to the fields of law & economics and law & finance. The following topics are likely to be covered, although the exact topics depend on the interests of the teacher and students:

1. Introduction to law and economics :
 - > What is law and economics?
 - > Assumptions behind economic analysis (of law)
 - > Pareto efficiency
 - > Kaldor-Hicks efficiency
 - > Why is law and economics useful?
2. Fundamental micro-economic concepts
 - > Basics of supply and demand
 - > Basics of game theory
 - > Market failures

- > Coase theorem
 - > Moral hazard
 - > Adverse selection
 - > Complete and incomplete contracts
3. Introduction to empirical law and economics
 4. Critical perspectives on law and economics
 5. Behavioral law and economics
 6. Efficiency versus justice/fairness
 7. Economic analysis of property law
 8. Economic analysis of tort law
 9. Economic analysis of contract law
 10. Economic analysis of corporate law
 11. Economic analysis of financial law
 12. Economic analysis of competition law
 13. Economic analysis of criminal law
 14. Economic analysis of adoption law (the "market for babies")
 - 15....

Objectifs (et/ou acquis d'apprentissages spécifiques)

The objective of the course is threefold. First, to introduce students to the way economists think about legal problems and demystify the mystery of economic jargon. Two, to allow students to revisit legal rules they already know, to analyse and question their purpose and usefulness. Three, to broaden the students' legal horizons beyond Belgium and the European Union.

Méthodes d'enseignement et activités d'apprentissages

The teaching for this course will consist of lectures and interactive class discussions. Students will be expected to be present during classes (except in case of force majeure). In several classes, students will be asked to debate certain legal topics using economic arguments, for which they will have to prepare by reading extracts from the literature. They will be graded on their participation in these debates.

Classes will be taught in English.

Références, bibliographie et lectures recommandées

Extracts from books and papers will be provided to students. Many of the lectures will be based on the following textbooks, which students can consult for background reading, although they do not need to buy the textbooks.

BAIRD, D. G., GERTNER, R.H. and PICKER, R.C., *Game Theory and the Law*, Cambridge, Harvard University Press, 2017.

COOTER, R., and ULEN, T., *Law and Economics*, 6th edition, 2016, available online for free: http://www.econ.jku.at/t3/staff/winterebmer/teaching/law_economics/ss19/6th_edition.pdf.

KRAAKMAN, R., ARMOUR, J., DAVIES, P., ENRIQUES, L., HANSMANN, H., HERTIG, G., HOPT, K., KANDA, H., PARGENDLER, M., RINGE, W.-G., and ROCK, E., *The Anatomy of Corporate Law: A Comparative and Functional Approach*, Oxford, Oxford University Press, 2017.

Support(s) de cours

Université virtuelle

Autres renseignements

Lieu(x) d'enseignement

Hors campus ULB et Solbosch

Contact(s)

Tom Vos (tom.vos@ulb.be)

Méthode(s) d'évaluation

Examen écrit et Autre

Méthode(s) d'évaluation (complément)

> Written exam

> Class participation

There will be a written exam at the end of the course. The consultation of other individuals during the exam is excluded.

Students will also be evaluated on their participation during certain debates in the classes.

Construction de la note (en ce compris, la pondération des notes partielles)

The written exam is 80% of the final grade, and the grade on class participation 20%.

Langue(s) d'évaluation principale(s)

Anglais

Autre(s) langue(s) d'évaluation éventuelle(s)

Anglais

Programmes

Programmes proposant ce cours à la faculté de Droit et de Criminologie

MA-DROI | **Master en droit** | finalité Droit public et international/bloc 1, finalité Droit économique et social/bloc 1 et finalité Droit civil et pénal/bloc 1

