

School of Economics and Finance

ECON 330 LAW & ECONOMICS
(co-taught with LAWS 335)

Trimester One 2008

COURSE OUTLINE

Contact Details

Lecturers

Lewis Evans (course coordinator)

Room RH 316

Tel: (04) 463 5560 or (0274) 545 053

Email: lew.evans@vuw.ac.nz

Teaching assistant and Associate Lecturer

Richard Robinson

Solicitor

Russell McVeagh

Wellington

Tel: (04) 819 7518

richard.robinson@russellmcveagh.com

Other persons, with a legal background, will contribute specific lectures

Class Times and Room Numbers

This is a first trimester course. Tutorials or review sessions will be held every second week starting on week 2.

Lecture Times and Location

Monday & Wednesday: 10.30am - 11.20am in Govt Buildings LT3

Friday: 9.30am - 10.30am in Govt Buildings LT3

Tutorial Requirements, Times and Location

Wednesday: 5.40pm – 6.30pm in RHLT2

Assignment Box #77, Mezzanine floor, Rutherford House

Course Objectives and Expectations

This course is an introduction to the economic analysis of law and legal institutions. The goal is to teach you how to apply the tools of economic analysis to legal rules:

- What, if anything, is their economic rationale?
- How do they affect the market environment (wealth, prices, costs, competition, risk allocation, etc.)?
- How can they be expected to alter behaviour?

It is *not* the goal of this course to teach economics to lawyers, or law to economists. Rather, the goal is to use a common framework and set of economic principles to analyse seemingly disparate areas of the law. Economic concepts such as economic efficiency, opportunity costs, externalities, transaction costs, allocation of risk, and the law of demand turn out to shed considerable light on the application and effects of the law. Economic reasoning can be used to determine the consequences of legal rules and their effectiveness in improving social welfare by identifying the incentives they create and predicting the behaviour of the individuals they affect.

The course covers issues in the economic analysis of tort law, property law, contract law, criminal law, litigation and settlement as well as corporate and antitrust law. It will provide you with a firm foundation for using economics to understand law and the legal system.

Expectations for the course reflect the fact that written and oral English skills are essential. Like most law courses, there is a lot of reading of complex materials, and cases often contain arcane language and convoluted argument. Like most economics courses, you need to be able to identify key issues and to present well-structured written or oral analysis succinctly and cogently. Familiarity with the principles of economics and of the legal system is helpful, but not essential, as they are taught in the course.

Law and economics applies economic reasoning to the law and legal issues. The more practice you get at doing this, the better you will do in this course. Read the materials before you come to lectures and prepare answers to the questions that will be asked in class. Come to all the lectures and contribute to class discussion - it will help your economic reasoning and hone your ability to present oral analytical arguments. The textbook contains many questions - try to answer them yourself. It will ensure that you understand the material presented. Make sure that you complete all the coursework. It is designed to help build your economic thinking and ability to present written economic analysis of the law and legal issues.

LAWS 335 and ECON 330

LAWS 335 students get 15 points for the course, and ECON 330 students get 24. Workload and assessment therefore differ between the two courses. LAWS 335 students are not required to do the four assignments and are not expected to attend, or do assignments for, tutorials. If LAWS 335 students do assignments they will not be graded, but they can attend tutorial reviews of the answers.

Readings

Required Textbook

Cooter, Robert and Thomas Ulen (2003) *Law and Economics* (Addison-Wesley) 4th ed.

<<http://www.cooter-ulen.com/> and

http://occ.awlonline.com/bookbind/pubbooks/cooter_ulen/>

Informal Background Reading

Levitt, Steven D. & Stephen J. Dubner, *Freakonomics*, Penguin Books, 2005

Readings

Required readings and cases will be made available on the Blackboard. Other readings will be indicated on Blackboard.

Course Content

Week			
1	Mon 25 February L1 Introduction	Wed 27 February L2 Economic Principles	Fri 29 February L3 Economic Principles
2	Mon 3 March L4 Economic Principles	Wed 5 March L5 Economic Principles	Fri 7 March L6 Property
3	Mon 10 March L7 Property	Wed 12 March L8 Property Assignment 1 due	Fri 14 March L9 Property
4	Mon 17 March L10 Legal System	Wed 19 March L11 Legal System	Fri 21 March Good Friday
5	Mon 24 March Easter Monday	Wed 26 March L12 Legal System	Fri 28 March L13 Public Choice Assignment 2 due
6	Mon 31 March L14 Contract	Wed 2 April; L15 Contract	Friday 4 April L16 Contract
7	Mon 7 April L17 Contract	Wed 9 April L18 Contract	Fri 11 April L19 Tort Assignment 3 due
	Mon 14 April Mid-Trimester Break	Wed 16 April Mid-Trimester Break	Fri 18 April Mid-Trimester Break
	Mon 21 April Mid-Trimester Break	Wed 23 April Mid-Trimester Break	Fri 25 April ANZAC DAY Mid-Trimester Break
8	Mon 28 April L22 Tort	Wed 30 April L23 Tort	Fri 2 May L24 Regulation
9	Mon 5 May L25 Regulation	Wed 7 May L26 Regulation Assignment 4 due	Fri 9 May L27 Competition Law
10	Mon 12 May L28 Competition Law	Wed 14 May L29 Competition Law	Fri 16 May L30 Crime
11	Mon 19 May L31 Crime	Wed 21 May L32 Crime	Fri 23 May L33 Crime
12	Mon 26 May L34 Corporate Law	Wed 28 May L35 Corporate Law Essay due	Fri 30 May L36 Corporate Law
	Mon 2 June Study Break	Wed 4 June Study Break	Fri 6 June Study Break
	Mon 9 June Examinations	Wed 11 June Examinations	Thu 13 June Examinations
	Mon 16 June Examinations	Wed 18 June Examinations	Fri 20 June Examinations

Assessment Requirements

The assessment for the course will consist of four brief equally weighted assignments, an essay and a final examination.

Item	Weighting	
	Laws 335	Econ 330
4 Brief Assignments	-	40%
Short (2000 word) Essay	20%	20%
Final Examination	80%	40%
Total	100%	100%

Due Dates

Assignment	1	2	3	4
Due Date	12 March	28 March	11 April	7 May

Essay: due date 28 May

The final examination period is from Friday 6 June to Wednesday 25 June. All students are expected to be available during this time.

Penalties and Prizes

No assignment or essay that is handed in late will be marked

Prizes will be awarded to students who produce the first (\$500) and second (\$250) ranked essays. Award of the prizes may be at a function at a time to be arranged in which the prize winners present the content of their essays. The prizes will be provided by the New Zealand Institute for the Study of Competition and Regulation (www.iscr.org.nz).

Terms

Terms will be awarded if an essay is submitted.

Communication of Additional Information

Communication will generally be via Blackboard. Other information, eg, lecture cancellations, will be posted on the notice board located in the OGB on the ground floor opposite the lifts and outside the Lecture Theatres 1 & 2.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building on the ground floor (EA005). This counter is the first point of contact for:

- Duty tutors for student contact and advice.

- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Assignment submission

Some ECON 330 assignments will be automatically checked for academic integrity by the electronic search engine <www.turnitin.com>. Turnitin is an online plagiarism prevention tool which identifies material that may have been copied from other sources including the internet, books, journals, periodicals or other students. Turnitin is used to assist your lecturer in detecting mis-referencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. The decision about whether any copying is plagiarism will be made in the first instance by the lecturer based on the information supplied by Turnitin. You are strongly advised to check with your lecturer if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, access to the full text of submissions will not be made available to any third party.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to www.victoria.ac.nz/home/about/policy/students.aspx

For information on the following topics, go to the Faculty's website www.victoria.ac.nz/fca under Important Information for Students:

- Academic Grievances
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means *no cheating*. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times. Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other students or staff.

It is still plagiarism even if you re-structure the material or present it in your own style or words.

Note: It is however, perfectly acceptable to include the work of others as long as that is acknowledged by appropriate referencing.

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student

Conduct and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website:

www.victoria.ac.nz/home/studying/plagiarism.html

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 6015. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.