Syllabus

Behavioral Law and Economics - 62375

Last update 19-09-2015

HU Credits: 4

Degree/Cycle: 1st degree (Bachelor)

Responsible Department: law

Academic year: 0

Semester: 1st Semester

Teaching Languages: English

Campus: Mt. Scopus

Course/Module Coordinator: Prof. Doron Teichman

Coordinator Email: doron.teichman@mail.huji.ac.il

Coordinator Office Hours: schedule via email

Teaching Staff:
Prof Doron Teichman
**Course/Module description:**

The economic analysis of law has predominated much of legal analysis for the past few decades. Within this framework, rational choice theory has taken central stage as the key model used in order to predict human behavior. In recent years, however, researchers both in economics and in psychology have demonstrated that people systematically deviate from the predictions set forth by the rational choice model. The goal of this course is to incorporate these findings into legal analysis. In doing so we will first examine traditional economic analysis of law, and then explore how the conclusions of this analysis are altered when behavioral insights are incorporated into it.

Topics that will be discussed in the class include: contract law and contracting, tort law, litigation and settlement negotiations, and the behavior of judges and jurors.

**Course/Module aims:**

The course aims to give students a background with economic analysis and decision making theory, and to introduce them to the legal applications of these bodies of knowledge.

**Learning outcomes - On successful completion of this module, students should be able to:**

- Students will be familiar with the basic concepts of economic reasoning.
- Students will be familiar with systematic deviations from the assumptions of modern economics.
- Student will be able to apply economic reasoning and behavioral analysis to different legal questions.

**Attendance requirements(%):**

according to the facutly of laws bylaws.

**Teaching arrangement and method of instruction:** Lecture

**Course/Module Content:**

- Introduction
- Property
- Torts
- Contracts
- Criminal Law
Litigation
The Structure of Law
Taxation

Required Reading:
Behavioral Economics and the Law
The Hebrew University of Jerusalem
Prof. Doron Teichman

1. Introduction
a. Positive Introduction:

b. Normative Introduction
   MILTON FRIEDMAN, CAPITALISM AND FREEDOM 22-36 (1962).

c. Critic of Behavioral Analysis:
   i. External Critics
   ii. Internal Critics

2. Property
a. The Coase Theorem

b. Liability Rules vs. Property Rules
   Jeffery J. Rachlinski and Forest Jourden, Remedies and the Psychology of

3. Torts
   a. Liability

   b. Damages

4. Contracts
   a. Core Doctrinal Issues

   b. Default Rules, Contracting Norms, and Sticky Contracts

   c. Consumer Contracts
      OREN Bar-GILL, SEDUCTION BY CONTRACT 6-43 (2012)

5. Criminal Law and Enforcement

6. Litigation
   a. Judicial Decision-Making

b. Trial and Settlement

c. Lawyer Fees
- RICHARD POSNER, ECONOMIC ANALYSIS OF LAW 613-14 (7th ed., 2007).

d. Burden of Proof

7. The Structure of Law – Rules vs. Standards

8. Taxation and the Redistribution of Wealth
a. Justifying Redistribution
- Johannes Haushofer and Ernst Fehr, On the Psychology of Poverty, 344 SCIENCE 862, 862-866 (2014).

b. The Division of Labor within the Legal System

c. Behavioral Insights on How to Tax
**Additional Reading Material:**

**Course/Module evaluation:**
End of year written/oral examination 100 %
Presentation 0 %
Participation in Tutorials 0 %
Project work 0 %
Assignments 0 %
Reports 0 %
Research project 0 %
Quizzes 0 %
Other 0 %

**Additional information:**