

THE UNIVERSITY OF HONG KONG
The HKU Business School

ECON2233 – The Economics of Law
2021-22

GENERAL INFORMATION

Instructor: Dr. Y. Stephen Chiu

Email: stephen.chiu@hku.hk

Office: 918 K. K. Leung Building

Phone: 2859-1056

Consultation times: 2:30-3:30am, Wednesdays, and by appointment

Semester: 1

Lecture: Tue 12:30 to 13:20 and Fri 12:30 to 14:20

Venue: KKL104

Tutor: Jiuqi Zhao

Email: zhaojq@hku.hk

Office: KK1026

Phone: 2857-8308

Consultation time: TBA

Pre-requisites:

ECON1210 Introductory microeconomics

Course Website: available through HKU Portal e-learning

Other important details: *This course presumes a familiarity with principles of microeconomics but no background knowledge of law. More advanced economic concepts will be also used, while the degree of technicality will be reduced to a minimum. If you are afraid the math will be too hard, you are probably right. Relative to other standard economic courses, there is more reading (at least 40 pages per week) and writing in this course. Thanks to the generosity of the authors of the textbook, it is free for downloading. You can have a preview of it before determining whether the reading and writing required in this course is too taxing for you.*

COURSE DESCRIPTION

Economic analysis applied to law. Topics may include: efficiency of law, rules of liability, tort rights and remedies, criminal sanction, legislative processes as resource allocating and income distributing mechanisms.

Prerequisite: ECON1210 Introductory microeconomics

COURSE OBJECTIVES

1. to introduce some core concepts in law
2. to provide an economic analysis of such concepts
3. to develop a critical mind towards both economic theory and real world problem related to law

FACULTY GOALS

Goal 1: Acquisition and internalization of knowledge of the programme discipline

Goal 2: Application and integration of knowledge

Goal 3: Inculcating professionalism

Goal 4: Developing global outlook

Goal 5: Mastering communication skills

Goal 6: Cultivating leadership

COURSE LEARNING OUTCOMES			
Course Learning Outcomes		Aligned Faculty Goals	
CLO1. understand basic concepts of law		1,2,4	
CLO2. understand and apply modern economic analysis		1,2,3,4,6	
CLO3. understand the role law plays in affecting efficiency		1,2,3,4,6	
CLO4. be conversant with important current issues about law and economics		1,2,3,4,5,6	
COURSE TEACHING AND LEARNING ACTIVITIES			
Course Teaching and Learning Activities		Expected contact hour	Study Load (% of study)
T&L1. Lectures		33 hours	27.5%
T&L2. Homework		16 hours	13.3%
T&L3. Tutorial		11 hours	9.2%
T&L4. Self Study		60 hours	50%
Total		120 hours	100%
Assessment Methods	Brief Description (Optional)	Weight	Aligned Course Learning Outcomes
A1. Final written exam	2 hours closed book	40%	CLO1, 2, 3, 4
A2. Midterm exam	Closed book	25%	CLO1, 2, 3, 4
A3. Problem Sets	Written submissions	10%	CLO1, 2, 3, 4
A4. Mini term paper (with presentation)	Either work alone or form a group of two to work on a topic of your choosing (details to be announced later)	20%	CLO1, 2, 3, 4
A4. Participation in class (and in tutorials)	Discussion and participation	5%	CLO1, 2, 3, 4
Total		100%	
STANDARDS FOR ASSESSMENT			
Course Grade Descriptors			
A+, A, A-	All or almost all of the questions are clearly and accurately responded. All or almost all of the responses are well organized, clear, fluent, and with sufficient elaboration.		
B+, B, B-	Most of the questions are clearly and accurately responded. Most of the responses are well organized, clear, fluent, and with sufficient elaboration.		
C+, C, C-	Some of the questions are clearly and accurately responded. Some of the responses are well organized, clear, fluent, and with sufficient elaboration.		

D+, D	Few of the questions are clearly and accurately responded. Few of the responses are well organized, clear, fluent, and with sufficient elaboration.
F	Very few of the questions are clearly and accurately responded. Very few of the responses are well organized, clear, fluent, and with sufficient elaboration

Assessment Rubrics for Each Assessment (Please provide us the details in a separate file if the space here is not enough)

Performance Level	Assessment Rubrics for tutorial participation
A+, A, A-	Demonstrate superior understanding of the subject matter in most classes. Presents ideas clearly and fluently all the time.
B+, B, B-	Demonstrate good understanding of the subject matter in most classes. Presents ideas clearly and fluently all the time.
C+, C, C-	Demonstrate some preparation of the relevant topics prior to classes. Has difficulty articulating well but on the whole clear
D	Demonstrate little preparation of the relevant topics prior to classes. Has difficulty articulating well and on the whole unclear
F	Absence in classes without prior approval or acceptable justification. Has serious difficulty articulating and unclear most of the time.

Mini term paper

You are required to write a paper on a topic of your choosing that is related to our course. The paper, exclusive of figures and tables, should be of 8 to 12 A4 pages. You can form a group with another classmate and hand in a joint paper. Make sure the paper has not been submitted or being submitted to fulfil the requirement of any other courses at University of Hong Kong or at any other institution. Due time of the paper is 5pm, December 11, 2021 (Sat). The assessment scheme will be announced in due course.

Tentative mapping of grades and the overall performance:

A-, A, A+: >80
 B-, B, B+: 68-79.99
 C-, C, C+: 56-67.99
 D, D+: 44-55.99
 F: <44

COURSE CONTENT AND TENTATIVE TEACHING SCHEDULE

Week	Topic
1	Introduction, brief review of microeconomic theory (Chapters 1 & 2)
2	civil law and US court systems (chapter 3)
3	Property (chapter 4)
4	Property (chapter 5)
5	Tort (chapter 6)
6	Tort (chapter 7)
7	Contract (chapter 8)
8	Contract (chapter 9)
9 & 10	Legal Process (chapters 10, 11)
11	Crime and Punishment (chapter 12)
12	Crime and Punishment (chapter 13)

REQUIRED/RECOMMENDED READINGS & ONLINE MATERIALS (e.g. journals, textbooks, website addresses etc.)

Required:

Cooter and Ulen: Law and Economics, 6th edition (thanks to the generosity of the authors, a pdf file of the whole text is available for downloading for free) (<https://lawcat.berkeley.edu/record/1127400>)

References

Miceli, Thomas J. The Economic Approach to Law, 3rd Edition, Stanford University Press; Varian, Hal Intermediate Microeconomics, Norton. Any recent edition

We will follow Cooter and Ulen closely. Other recent materials will be assigned. The book by Miceli is a useful reference. Varian is a good reference for the microeconomics used.

MEANS/PROCESSES FOR STUDENT FEEDBACK ON COURSE

- conducting mid-term survey in addition to SETL around the end of the semester
- Online response via Moodle site

COURSE POLICY (e.g. plagiarism, academic honesty, attendance, etc.)

The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the web: <http://www.hku.hk/plagiarism/>

Academic dishonesty is behaviour in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. It includes, but is not necessarily limited to, *plagiarism* and *unauthorized collaboration on out-of-class projects*.

Where a candidate for a degree or other award uses the work of another person or persons without due acknowledgement:

1. The relevant Board of Examiners may impose a penalty in relation to the seriousness of the offence;
2. The relevant Board of Examiners may report the candidate to the Senate, where there is *prima facie* evidence of an intention to deceive and where sanctions beyond those in (1) might be invoked.

ADDITIONAL COURSE INFORMATION (e.g. e-learning platforms & materials, penalty for late assignments, etc.)

Exams

There will be one mid-term exam and one final exam. The mid-term exam is tentatively scheduled for October 22 (Friday) during lecture time. The final exam will be arranged by the examination section of the university. All exams will be closed-note and closed-book. You may bring a hand-held calculator along with you while taking an exam. There is no made up exam for the mid-term exam. Those absent in the mid-term exam with approved reasons will have the share of the exam moved to the final exam. Any violations of academic integrity in a test or exam will result in a failing grade or a more severe punishment.

Problem sets

There will be around three or four problem sets and you normally have one week to complete. They may differ in difficulty and length. While you are encouraged to discuss the problems with your fellow classmates, you have to write up your answer scripts on your own. Problem sets that are handed in late will not be accepted. The context and degree of difficulty of the problem sets may differ from what is taught in class. The exams may differ in the format and degree of difficulty of the problem sets.

Mini term paper

You are required to write a paper on a topic of your choosing that is related to our course. The paper, exclusive of figures and tables, should be of 8 to 12 A4 pages. You can form a group with another classmate and hand in a joint paper. Make sure the paper has not been submitted or being submitted to fulfil the requirement of any other courses at University of Hong Kong or at any other institution. Due time of the paper is 5pm, December 11, 2021 (Sat). The assessment scheme will be announced in due course.

All additional course materials can be found in Moodle through HKU portal