

ECONOMICS ANALYSIS OF BUSINESS LAW

Spring 2003

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[Course Webpage](#)

Description

The objective of this course is to introduce second-year PhD students into the analysis of business law and institutions. Each topic will first be introduced on a general level to focus then on more specific research applications and policy issues. Current controversies on the regulation of business activities will be discussed in most topics. The course is paper based. Students are expected to participate actively in classes, discussing papers, preparing case studies and writing and defending a research paper.

Required course: *Business Economics*.

Outline

1. Human models and institutions. The resource-based view of human development. Lessons for institutional analysis from Biology.
2. The institutional environment of business contracting. Creation and enforcement of moral codes. The competitive interactions between laws, courts and firms.
3. Property rights and property law. Liability rules versus property rules. The organization of property law institutions.
4. Contract law and relational contracts. Applications in employment, franchising and retailing.
5. Competition law. The divide between efficiency and monopoly. Theory of the firm and the subjects of competition law.
6. Corporation law. Corporate governance. Protection of investors. Financial auditing.
7. Administrative law and the reform of public services.

General references

ARRUÑADA, B., *Business Economics: A Contractual Approach*, Cambridge University Press, Cambridge and New York, 2003 (forthcoming).

COOTER, R., and T. ULEN, *Law and Economics*, 2nd ed., Addison-Wesley, Reading, MA, 1997.

POSNER, R. A., *Economic Analysis of Law*, 5th ed., Aspen Law & Business, Boston, MA, 1998.