



Title	<u>Public Law and Economics</u> Class: Tuesday, 10:00-11:30, Room B14, Building B
Lecturer(s): Contact email address:	Károly Mike , associate professor, Dept. of Economics and Statistics, Room 225 karoly.mike@ajk.elte.hu
Brief description	<p>This course applies economic reasoning to public law, including constitutional and administrative law. It is a ‘sister course’ to Law and Economics (spring semester), which discusses private and criminal laws. The two courses can be taken independently and in any sequence.</p> <p>Economics can help lawyers understand (1) why laws arise and how people respond to them; (2) whether laws contribute to social welfare and other goals; and (3) how laws can be interpreted and applied meaningfully. We focus on public law, whose unifying concept is that it involves the state or the government. Public law establishes political bodies and administrative agencies, regulates their activities, enumerates constitutional rights, and deals with public policies such as education, healthcare, pollution, immigration, discrimination. While we cover all these areas, the course is structured, instead, by six economic processes that are common to many of them: bargaining, voting, entrenching, delegating, adjudicating, and enforcing laws. For each process, we first introduce the basic concepts and theories, and then apply them to specific legal issues.</p> <p>We closely follow the innovative textbook by Cooter and Gilbert. However, we extend its focus: while it mostly sticks to applications in the US legal system, we complement it with examples from other countries. The general approach has a strong comparative character, rather than a focus on any specific legal system.</p> <p>There is no formal prerequisite for this course but basic familiarity with economics is assumed.</p>
Schedule	See current schedule below.

<p>Materials/Recommended readings</p>	<p>Compulsory textbook:</p> <ul style="list-style-type: none"> □ Cooter, Robert and Michael D. Gilbert: Public Law and Economics. Oxford University Press, 2022. Freely downloadable here: https://publiclawandeconomics.org/ <p>Recommended readings:</p> <ul style="list-style-type: none"> □ Miceli, Thomas J., The Economic Approach to Law. Stanford University Press, 2004. □ Bouckaert, B. and G. De Geest (eds.), Encyclopedia of Law and Economics, Cheltenham, Edward Elgar, 2000. http://encyclo.findlaw.com/tablebib.html □ Friedman, David D.: Law's Order. Princeton – Oxford, Princeton University Press, 2000. □ Posner, Richard A.: Economic Analysis of Law (8th edition). New York: Aspen. 2011. □ Shavell, Steven, Foundations of Economic Analysis of Law, Belknap Press, 2004 □ Teitelbaum, Joshua: Research Handbook on Behavioural Law and Economics. Edward Elgar, 2019.
<p>Assessment/Exam</p>	<p>The course uses the method of problem-based learning. Students are expected to</p> <ul style="list-style-type: none"> □ read and digest weekly assigned readings according to pre-assigned questions □ do a minor problem-solving exercise every week on their own □ participate actively in classroom discussion □ write three major home assignment during the semester. <p>Final grade is based on 3 home assignments and classroom performance.</p> <p>Each assignment is graded: acceptable = 1 point, good = 2 points, excellent = 3 points.</p> <p>Outstanding classroom performance is worth up to 2 points.</p> <p>Overall grading: 3-4 points: pass [2], 5-6 points: intermediate [3], 7-8 points: good [4], 9- points: excellent [5].</p>

Schedule for Autumn Semester 2024/2025

Week	Date	Topic	Reading (Cooter & Gilbert)	Assignments
1	Sept 10	Introduction to Public Law and Economics	Chapter 1	
2	Sept 17	Theory of Bargaining	Chapter 2	
3	Sept 24	Bargaining Applications	Chapter 3	
4	Oct 1	Theory of Voting	Chapter 4	
5	Oct 8	Voting Applications	Chapter 5	1st handed out
6	Oct 15	Theory of Entrenchment	Chapter 6	<u>1st due</u>
7	Oct 22	Entrenchment Applications	Chapter 7	
	Oct 29	<i>Autumn Break</i>		
8	Nov 5	Theory of Delegation	Chapter 8	
9	Nov 12	Delegation Applications	Chapter 9	2 nd handed out
10	Nov 19	Theory of Adjudication	Chapter 10	<u>2nd due</u>
11	Nov 26	Adjudication Applications	Chapter 11	
12	Dec 3	Theory of Enforcement	Chapter 12	3 rd handed out
13	Dec 10	Enforcement Applications		<u>3rd due</u>