

Business Law Track

Credits: 3

Recommended Contact Hours: 50

Students studying in the Law Track will enroll into an innovative curriculum modality comprised of 2 academic modules: European Union Law and Law & Economics. These comprehensive modules meet for 120 minutes, 5 days a week over a 4 weeks session for a combined total of 2,400 minutes.

European Union Law

Course Learning Objectives

- Understand the basic concepts of European Union Law and differentiate the EU legal order from international and national legal orders.
- Have a clear sense of the evolution of EU institutions, decision-making and EU constitutional principles.
- Understand the goals and content of the main EU policies

Content

1. HISTORY OF EUROPEAN INTEGRATION (2 sessions)

In these introductory lectures we will examine the history of the integration process. We will discuss the context within which the integration process was started, and the many changes (legal, political, geographical) that it has gone through from 1950 until 2014. It is important to situate legal doctrine in its historical and political context and these lectures seek to do so.

We will also provide a both historical and political explanation to the enlargement process, paying particular attention to the 2004 enlargement.

We will also review different theories of integration and how they have been able to predict and guide -or not- integration outcomes. An awareness of these theories is important to understand why states chose to create the EEC and the reasons for subsequent Treaty changes.

2. INSTITUTIONS OF THE EU AND LAW-MAKING (2 sessions)

In these lectures we will look at the institutional machinery of the EU. It is generally recognized that there is no classical separation of powers in the EU, between the legislature, executive and judiciary. Instead, each institution (i.e. the European Commission, the Council, the European Council, the European Parliament, the Court) exercises a combination of these roles and their powers are further blurred by the distinction between national and supranational level of government.

3. AUTHORITY OF EU LAW (1 session)

According to the Court of Justice, EU law is an autonomous legal order that limits national sovereignty and creates rights directly which individuals can invoke in national courts. There are a number of formal implications to this and a number of wider obligations.

Formally, the authority of EU has four elements: the right for EU law to determine its own right; the precedence of EU law over all national law (supremacy theory); the right for EU law to determine when there is a conflict with national law; and the fidelity principle, the duty of all national institutions to secure the application and effectiveness of EU law.

We will also investigate under which circumstances EU law has 'direct effect', which means that litigants can rely on them vis-à-vis public authorities or private parties in national proceedings.

4. ENFORCEMENT AND REVIEW OF EU LAW (1 session)

Courts in the EU, both at the supranational and national levels is what has given the EU its distinctive form. We will look at the most important procedure: preliminary reference, through which national courts can send questions on the interpretation and validity of EU law to the European Court of Justice, in Luxembourg.

The EU does not have a police, or an elaborate system of EU courts to enforce the obligations that Member States enter into. So how does it ensure that Member States do not breach EU law but implement and enforce its norms? We will look here at the infringement procedure, through which the Commission can take Member States to Court to ensure that it obeys EU law. We will also look at the possibility for institutions, Member States and individuals to challenge the validity of EU law.

5. INTERNAL MARKET AND THE FOUR FREEDOMS (2 sessions)

We will be analyzing the market integration techniques and the relationship between negative and positive integration.

We will study the evolution from the Common Market to the Internal Market. We will look at the 1992 project and market integration through product standards and governance rules.

The Treaty protects the free movement of goods, services, capital and persons (both workers and non-workers) throughout the Union. We will be paying particular attention to these four freedoms.

6. DEBATES ON EU POLITICS: LEGITIMACY AND DEMOCRACY (1 session)

The EU is often criticized for not being democratic enough. In this class, we will explore this question, discuss the different aspects of "democracy" and assess whether or not the EU indeed suffers from a democratic deficit. We will also look at possible ways to counteract this deficit.

METHODOLOGY

Lectures and case studies

ASSESSMENT

Final Exercise: 70%

Class participation: 30%

RECOMMENDED BIBLIOGRAPHY

P. Craig and G. de Búrca, *EU Law: Text, Cases and Materials*, 6th Edition, Oxford University Press, 2015.

S. Weatherhill, *Cases and Materials on EU Law*, 11th Edition, Oxford University Press, 2014.

D. Chalmers, G. Davies, M. Monti, *European Union Law, Cases and Materials*, 3rd Edition, Cambridge University Press, 2014.

Law and Economics

1. Presentation

The course objective is to analyze the incentives created by laws and legal institutions, as well as their implications for economic activity in a globalized world. We will use microeconomic models to conduct positive and normative analysis of certain legal rules and complement the analysis with real case studies.

The focus of this course will be on how legal rules affect (i) implicit prices for consumer and firm behavior, (ii) the distribution of resources, and (iii) economic efficiency. While students will obtain a background on the law surrounding property, contracts, torts and the judicial process, the content will focus on how legal rules impact consumers and producers, and whether these rules and regulations enhance the efficient use of economic resources.

At the end of the course, the student will be able to analyze the creation of incentives by the legal system in important areas of the law such as Property Law, Contract Law and Tort Law, and have an overview of the major differences in legal systems (common versus civil law).

2. Course skills

This course aims at providing students with analytical and discussion skills that will be useful for their studies in International Business Economics and for their prospect professional career. The skills that this course intends to develop are general and specific and are reflected in the next text.

Skills to be acquired with the course

1. Understanding the impact of legal institutions for economics efficiency.
2. Identifying key factors of a problem
3. Applying economic reasoning to decision-making.
4. Defending positions with supporting arguments and being able to do so in public.
5. Identify legal problems that business may face.
6. Ability to understand and apply simple legal solutions.
7. Ability to relate the analysis of legal issues with the goals and instruments of legal systems.
8. Analytical abilities (of legal issues and the alternative solutions the legal system provides).
9. Legal reasoning through simple legal cases.

10. Develop the capacity to reason critically about controversial subjects.
11. Consolidate habits as regards self-discipline, personal standards and thoroughness in academic work and in organization and fulfillment of timescales.
12. Having a proactive attitude in exploring often ignored matters, a fundamental skill in education and professional life.
13. Being able to apply acquired knowledge flexibly and creatively to new contexts and situations.
14. Understanding microeconomic strategies and their implications for management.
15. Demonstrating a critical perspective when analyzing different situations.
16. Applying knowledge and appropriate procedures to a range of complex situations.

3. SYLLABUS

1. Introduction to Law and Economics
2. Economic analysis of Property
3. Contracts as instruments for cooperation
4. Analyzing the unexpected: Economic analysis of Torts
5. Economic analysis of Corporations
6. Economics of Legal Processes

Course readings:

- Robert Cooter and Thomas Ulen, Law and Economics, Sixth Edition (U.S.: Pearson Education, Inc.) 2011.
- Polinsky, Mitchell A. and Shavell, Steven (2007) Handbook of Law and Economics (volumes I and II), Elsevier.

(Need access to science direct)

<http://www.sciencedirect.com/science/handbooks/15740730>

- David Friedman, Law's Order: What Economics has to do with Law and why it matters. http://www.daviddfriedman.com/laws_order/

- http://wps.aw.com/aw_cooterulen_lawecon_6/178/45815/11728880.cw/index.html

Other reading assignments will be provided during the course of the semester, including academic journal articles, briefs of court cases, or newspaper columns.

Lectures will be based on readings that students will be assumed to have done before the lectures.

6. Course Evaluation

Course evaluation will be based on the following criteria:

— Exam grade: 70% — Practice sessions: 30%

The minimum required grade to pass this course will be 5 points out of 10.

7. Methodology

This class combines classroom activities as well as readings and writing that students will have to perform outside of the classroom.

The methodology of each kind of lectures will follow the same structure:

- a. For the theory lectures: Each week students will have two lectures of an hour and a half
- b. For the practice sessions: During the weeks the course will laws there will be a few practice sessions to further work the issues arising from the class materials and to apply them to the daily business realities.