

SYLLABUS

ANALYTICAL METHODS (LAW 1107-08)

Georgetown University Law Center
Professor Joshua C. Teitelbaum
Spring 2013
Monday & Wednesday, 9:35 AM – 11:00 AM

Course Description: Lawyers in every type of practice (corporate, litigation, government, public interest, etc.) routinely deal with problems that require a basic understanding of concepts and methods from economics and statistics. This course provides an introduction to these subjects and their application and relevance to law and legal practice. Topics covered include decision analysis, game theory, microeconomics, probability theory, and statistics. Legal applications include antitrust, corporate law, criminal law, discrimination, evidence, litigation, maritime law, property, securities regulation, and torts. Grades will be based on class participation, problem sets, and a final examination. NO prior background in economics or statistics is required. Students with strong backgrounds in economics, mathematics, or statistics should consult with the professor before enrolling in the course.

Professor Information:

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Courseware Site: There will be a Courseware site for the course. The password for enrolling in the Courseware site is METHODS. Selected course materials will be posted on the Courseware site. In addition, I will post announcements on the site from time to time, so please check the site routinely.

Course Materials: The required text for the course is HOWELL E. JACKSON ET AL., ANALYTICAL METHODS FOR LAWYERS (2nd ed. 2011). Additional materials for the course—including articles, cases and problems—will be posted on the Courseware site.

Class Format: The class will combine lecture and discussion. Students are expected to attend all class meetings, to prepare for and participate in class discussion on a regular basis, and to complete assigned problems that are designed to provide you with practice working with the main concepts of the course.

Grading: Grades will be based on class participation (20%), one graded problem set (20%), and an eight-hour take-home final examination (60%). Administrative details regarding the final examination will be provided at the appropriate time.

Topics and Assignments: The following is a schedule of topics and reading assignments for the course.

DECISION ANALYSIS			
1	Jan 14	Introduction; Decision Trees	Text: Chapter 1, Sections 1 & 2, pp. 1-24. Problems 1.
2	Jan 16	Information; Sensitivity Analysis	Text: Chapter 1, Sections 3 & 4, pp. 24-30. Problems 2-4.
	Jan 21	No Class – MLK/Inauguration	
3	Jan 23	Risk Aversion	David A. Cather, <i>A Gentle Introduction to Risk Aversion and Utility Theory</i> , 13 Risk Management and Insurance Review 127 (2010): Read pp. 127-141. Complete practice problem 1 on pp. 141-142. Redo practice problem 1 with $U = \ln(W)$.
	Jan 28	Class canceled due to weather. Makeup class: Feb 13, 3:30 PM.	
4	Jan 30	Time Value of Money	Text: Chapter 5, Section 3, pp. 229-237. Problems 5-8.
GAMES AND INFORMATION			
5	Feb 4	Introduction to Game Theory	Text: Chapter 2, Section 1-3, pp. 33-47. Problem 1.
6	Feb 6	Sequential Games	Problems 2-4.
7	Feb 11	Moral Hazard	Text: Chapter 2, Section 4, pp. 47-52. Problems 5 & 6.
8	Feb 13	Adverse Selection	Text: Chapter 2, Section 5, pp. 52-55. George A. Akerlof, <i>The Market for "Lemons": Quality Uncertainty and the Market Mechanism</i> , 84 Quarterly Journal of Economics 488 (1970): Read pp. 488-496. Problems 7-9.

9	Feb 13 3:30 PM	Bargaining; Repeated Games; Settlement versus Trial	Text: Chapter 2, Section 6, pp. 55-58. Text: Chapter 7, Section 5.B, p. 420-427. Problems 10 & 11.
	Feb 18	No Class – Presidents Day	
	Feb 20	No Class – Faculty Retreat	
MICROECONOMICS			
10	Feb 21*	Competitive Markets	Text: Chapter 6, Sections 1 & 2, pp. 283-315. Problem 1.
11	Feb 25	Monopoly	Text: Chapter 6, Section 4, pp. 320-335. Problem 2.
12	Feb 27	Externalities and Public Goods	Text: Chapter 6, Sections 5 & 6, pp. 335-347. Problems 3 & 4.
	Mar 4	No Class – Spring Break	
	Mar 6	No Class – Spring Break	
PROBABILITY			
13	Mar 11	Fundamentals of Probability	James Brook, <i>A Lawyer's Guide to Probability and Statistics</i> (1990): Read pp. 33-46.
14	Mar 13	Fundamentals of Probability	Problem 1.
15	Mar 18	Bayes' Rule	James Brook, <i>A Lawyer's Guide to Probability and Statistics</i> (1990): Read pp. 69-85. Problem 2.
16	Mar 20	Statistical Evidence: Identity	<i>People v. Collins</i> , 438 P.2d 33 (Cal. 1968). Problem 3.

* This is a Thursday. But is it a Statutory Monday.

17	Mar 25	Statistical Evidence: Coincidence	<p><i>State v. Pankow</i>, 422 N.W.2d 913 (Wis. App. 1988).</p> <p>Ray Hill, <i>Reflections on the Cot Death Cases</i>, 2 Significance 13 (2005).</p> <p><i>Rex v. Smith</i>, 85 L.J.K.B. 2153 (1915).</p>
18	Mar 27	Statistical Evidence: Matching	<p><i>Plemel v. Walter</i>, 735 P.2d 1209 (Or. 1987).</p> <p>Problem 4.</p>
STATISTICS			
19	Apr 1	Review of Graded Problem Set	
20	Apr 3	Descriptive Statistics	<p>Text: Chapter 8, Section 1, pp. 445-469.</p> <p>Problem 1.</p>
21	Apr 8	Hypothesis Testing	<p>Text: Chapter 8, Sections 2.A & 2.C-2.E, pp. 469-472 & 476-486.</p> <p>Problem 2.</p> <p><i>Castaneda v. Partida</i>, 430 U.S. 482 (1977).</p> <p><i>Hazelwood School District v. United States</i>, 433 U.S. 299 (1977).</p>
22	Apr 10	<i>United States v. Shonubi</i>	<p><i>United States v. Shonubi</i> (Shonubi III), 895 F. Supp. 460 (E.D.N.Y. 1995).</p> <p><i>United States v. Shonubi</i> (Shonubi IV), 103 F.3d 1085 (2d Cir. 1997).</p>
23	Apr 15	Bivariate Regression	<p>Text: Chapter 9, Section 1, pp. 489-513.</p> <p>Problem 3.</p> <p><i>Marks v. Stinson</i>, 19 F.3d 873 (3d Cir. 1994).</p> <p><i>Marks v. Stinson</i>, 1994 WL 146113 (E.D.P.A. 1994) (on remand).</p>
24	Apr 17	Multiple Regression	<p>Text: Chapter 9, Section 2, pp. 513-524.</p> <p>Problem 4.</p>
25	Apr 22	Multiple Regression	<p><i>Bazemore v. Friday</i>, 478 U.S. 385 (1986).</p> <p><i>McClesky v. Kemp</i>, 481 U.S. 279 (1987).</p>
26	Apr 24	Overflow and Review	