

Generic Elective (GE-21): Law and Development

Semester	Course title & Code	Credits	Duration (per week)			Eligibility Criteria	Prerequisite
			Lecture	Tutorial	Practical/ Practice		
IV/VI/VIII	Law and Development – ECON071	4	3	1	0	Class 12th Pass	Introductory /Principles of Microeconomics

Course Objectives:

- Law is widely thought of a prerequisite to economic development. The course focuses on how property rights play a central role in economic development and individuals invest if they can reap the future benefits of their investments as well formation of assets with collateral.
- The course deals with the questions, where property rights come from, how they are made and evolve, why, by whom and in what manner attributes of property rights are grafted onto different objects, claims, or assets.
- More specifically, the course covers key areas such as property rights, business transactions, and industrial promotion, with guidance for pro-development legislation in each.

Course learning outcomes:

- The students will acquire understanding the efficacy of laws and institutions in the modern economies for property rights and debt that helped equity and transparency for economic development.
- The students will learn the facility in comparative law, approaches to legal institutionalism, and law and political economy.

Content (unit-wise):

Unit 1 : Introduction (9 hours)

The Importance of Laws and institutions for Economic Development

Unit 2 : Property Rights and Economic Development (12 hours)

Property rights and their role in resource allocation (Market and non-market mechanism for land transfer); Intellectual Property Rights (IPRs) Patents, Copyright and Trademarks. Cost and benefits of private IPRs; Individual rights vs common good

Unit 3 : Legal Frameworks for Business Transactions and Economic Development (12 hours)

Economics of Contract Law Legal contract; Role of Contracts for functioning of markets; Incomplete contracts; Efficient contracts; Damages measures and their efficiency properties.

Unit 4 : Law and Industrial Promotion as Tools for Economic Development (12 hours)

Anti-trust laws, Competition Policy; Legal Process: Litigation – its causes and consequences; Benefits of legal certainty

• Suggested Readings:

- Lee, Yong-Shik (2017) "General Theory of Law and Development," Cornell

International Law Journal: Vol. 50 : No. 3 , Article 2. Available at:
<https://scholarship.law.cornell.edu/cilj/vol50/iss3/2>

- Cooter, Robert and Thomas Ulen, Law and Economics, Sixth Edition, Addison Wesley 2013, ISBN 9780132540650. Free here Law and Economics, 6th edition (jku.at)
- Lee, Y.S., Call for a New Analytical Model for Law and Development (September 16, 2016). Law and Development Review, Vol. 8, No. 2 (June 2015), 1-67, Available at SSRN: <https://ssrn.com/abstract=2839943>
- Lee, Y.S.; General Theory of Law and Development; <https://ww3.lawschool.cornell.edu/research/Ifinal.pdf>
- Trubek, D. M., & Santos, A. (Eds.). (2006). The new law and economic development: a critical appraisal. Cambridge University Press.
- Dam, K. W. (2007). The law-growth nexus: The rule of law and economic development. Brookings Institution Press.

Note: Examination scheme and mode shall be as prescribed by the Examination Branch, University of Delhi, from time to time.