

CAND.MERC.(JUR.)

Efterårssemesteret 2019

Ordinær eksamen

Skriftlig prøve i: 420152E002 - Law and Economics

Varighed: 2 timer

Hjælpemidler: Alle

Law and Economics, written exam, winter 2019/20

Please answer eight out of the following ten questions.

1.

Name the four types of market failures we discussed in class. In respect to two of them, provide an example of regulation that targets the specific market failure.

2.

Explain in your own words how the concept of the prisoners' dilemma is used in Section 23a of the Danish Competition Act.

		Suspect 1	
		Confess	Keep quiet
Suspect 2	Confess	-5, -5	-7, -0.5
	Keep quiet	-7, -0.5	-1, -1

Source: Figure 2.13 in C&U

3.

From Law & Economics perspective, explain in your own words why we have contractual default rules.

4.

Explain in your own words the contractarian view on companies, and what the role of law is from a contractarian point of view.

5.

What role does 'the average consumer' play in IP law?

6.

Explain in your own words which factors a firm must consider before deciding whether or not to bribe a public official.

7.

The topic is IP law. Give two examples of positive research questions and two examples of normative research questions.

8.

Explain in your own words the characteristics and key differences between the Chicago School of economics and the SCP (Structure, Conduct, Performance) paradigm.

9.

Explain in your own words what rationality is and the key differences between the two rationality concepts discussed in class.

10.

The government considers introducing a quota at Q_{quota} . How would that affect the market? Please also name a possible reason why the government wants to introduce the quota.

