

Corporations: Law 622-003-07C

Jon Klick

Class Details:
MW: 9:00-10:20
Silverman Hall, 240B

Office Hours:
MW: 8:00-9:00
S-158 (3-2155)

Objective: This course will focus on the structure and characteristics of the modern business entity, with particular attention given to problems relating to the large, publicly held company. There will be an open-book in-class exam.

Required Text: William A. Klein, J. Mark Ramseyer, and Stephen M. Bainbridge, *Business Associations: Cases and Materials on Agency, Partnerships, and Corporations*, 6th ed. (New York: Foundation Press, 2006), as well as supplemental articles as assigned.

Recommended: Wall Street Journal.

Attendance Policy: The ABA believes it knows how to allocate your time better than you do, so it mandates an 80 percent minimum attendance policy. Eventually you will benefit from these kinds of entry restrictions.

Grading: Grades will be based entirely on an open-book, open-notes, in-class final exam, which will be curved according to law school guidelines.

Course Schedule:

September 5: Introduction; review of micro economics

Theory of the Firm

- September 10: Coase (1937). "The Nature of the Firm." *Economica*, 4(16): 386-405.
Jensen and Meckling (1976). "Theory of the Firm: Managerial Behavior, Agency Costs, and Ownership Structure." *Journal of Financial Economics*, 3(4). **Note: Skim**
- September 12: Cheung (1983). "The Contractual Nature of the Firm." *Journal of Law and Economics*, 26(1): 1-21.
Rubin (1978). "The Theory of the Firm and the Structure of the Franchise Contract." *Journal of Law and Economics*, 21(1): 223-233.
Manne (1965). "Mergers and the Market for Corporate Control." *Journal of Political Economy*, 73(2): 110-120.

Agency Law

- September 17: Chapter 1: Agency
September 19:
September 24: No Class as per Academic Calendar
September 26: No Class as per Academic Calendar
October 1:
October 3:

The Corporation

- October 8: Chapter 3: The Nature of the Corporation
October 10:

October 15:

October 17:

Duties of Insiders

October 22: Chapter 5: Duties of Officers, Directors, and Other Insiders

October 24: No Class (to be made up later)

October 29:

October 31:

November 5:

November 7: No Class (to be made up later)

November 12:

November 14:

November 19:

Control of the Firm

November 21: Chapter 6: Problems of Control

November 26:

November 28:

December 3:

December 5: