

# Law and Economics: Abstract

Economic analysis of law, an area of intensive research for quite some time, has shown that a large part of law, particularly common law, is economically efficient. That is to say, most of law is such that it induces persons involved in interactions to act in ways which result in minimization of social costs of interaction. The results obtained by economists establishing efficiency characteristic of legal rules, standards, and procedures raise many important and difficult questions of interpretation. Is it the case that economic efficiency provides a unified explanation for law? Are efficiency and justice closely related values? Or is it the case that justice is merely another name for efficiency as has been claimed by some law and economics scholars? The readings of this collection introduce the reader to the method economists employ in analyzing law, the main results of law and economics literature establishing efficiency of judge-made law, and the divergent views pertaining to the interpretation of these results. The volume also contains discussion of possible conflict between the goal of economic efficiency on the one hand and the ideals of basic rights, democracy and the rule of law on the other.