

OUTLINE

Quantitative Methods for Lawyers is a skills course intended to enhance students' ability to identify legal situations that need to be quantified and to solve simple quantitative problems. No prior experience in quantitative analysis is necessary. The course explores a wide variety of legal contexts in which quantitative issues arise and emphasizes applications to actual problems.

There is not required text for this course. However, you may want to consider **Analytical Methods for Lawyers** by Jackson, Kaplow, Shavell, Viscusi & Cope (2003), abbreviated in this syllabus as AML. In addition, applicable cases are assigned for most sections. Other materials may be provided and assigned from time to time, as well as sample problems.

To the extent feasible, relevant computer applications (Excel) will be taught.

Session #      Topic / Readings

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| 1 | <p>I. Introduction to Quantitative Methods</p> <p>“The Perfect Payday” <i>The Wall Street Journal</i>, March 18, 2006</p> <p>Case: <u>Competitive Enterprise Institute v. National Highway Traffic Safety Administration</u>, U.S. Court of Appeals, District of Columbia Circuit, 956 F.2d 321 (1992)</p> <p>II. Basic Statistical Concepts</p>   |
| 2 | <p>A. Introduction, Terminology and Concepts</p> <p><u>AML</u> p. 473</p> <p>Case: <u>Yick Wo v. Hopkins</u>, U. S. Supreme Court, 118 U.S. 356 (1886)</p>   |
| 3 | <p>B. Probability Theory</p> <p>Case: <u>Smith v. Rapid Transit</u>, Supreme Judicial Court of Massachusetts, Suffolk Division, 58 N.E. 2d 754 (1945)</p> <p>Case: <u>People v. Collins</u>, Supreme Court of California, 66 Cal. Rptr. 497, 438 P.2d 33 (1968) (en banc)</p> <p>Case: <u>Lee v. City of Richmond</u>, U.S. district Court for the Eastern District of Virginia, Richmond Division, 456 F.Supp. 756 (1978)</p> <p>Case: <u>Bridgeman v. Virginia</u>, Court of Appeals of Virginia, 351 S.E. 2D 598 (1986)</p> |

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4            C. Descriptive Statistics  
              AML pp. 473 – 498

5 & 6        D. Inferential Statistics  
              AML, pp. 498 – 528  
              Case: Castaneda v. Partida, U.S. Supreme Court, 430 U.S. 482  
                      (1977)  
              Case: Department of Commerce, et al. v. United States House of  
                      Representatives, et al., U.S. Supreme Court, 525 U.S. 316

7 & 8        E. Hypothesis Testing  
              Case: Hardison Seed v. Jones, Circuit Court of Appeals, Sixth  
                      Circuit, 149 F.2D 252 (1945)  
              Case: Sharif v. NY State Education Dept., U.S. District Court for the  
                      Southern District of New York, 709 F.Supp. 345 (1989)

III. Basic Accounting Concepts

9            A. Introduction  
              AML, pp. 118 – 131 (top)  
              Case: Hal Joseph Rothgery, Executor v. US, U.S. Court of Claims,  
                      475 F.2d 591 (1973)

10 & 11     B. Financial Reporting  
              AML, pp. 131 – 165 (top)  
              Case: Krekstein v. Allen & Co., U.S. Court of Appeals for the  
                      Second Circuit, 540 F.2d 27 (1976)  
              Case: US v. Simon, U.S. Court of Appeals for the Second Circuit,  
                      425 F.2d 796 (1969)

12          C. Financial Statement Analysis  
              AML, pp. 165 – 173  
              Case: Bily v. Arthur Young, Court of Appeals of California for the  
                      Sixth District, 230 Cal. App. 3d 835 (1990)

<u>Assign. #</u>	<u>Topic</u>	<u>Readings</u>
IV. Financial Concepts		
13 & 14	A. Time Value of Money	<u>AML</u> , pp. 216 – 254 Case: <u>In re Haugen</u> , Supreme Court of Wisconsin, 117 Wis. 2d 200, N.W. 2d 796 (1984) Case: <u>Trevino v. US</u> , U.S. Court of Appeals for the Ninth Circuit, 804 F.2d 1512 (1986) Case: <u>Fishman v. Estate</u> , U.S. Court of Appeals for the Seventh Circuit, 807 F.2d 520 (1986) - damages section and section VI of Easterbrook dissent
15.	B. Efficient Market Hypothesis and the Capital Asset Pricing Model	<u>AML</u> , pp. 254-273 Handout: Ford/Firestone Case: <u>Estate of Joseph E. Salsbury v. Commissioner</u> , U.S. Tax Court 34 T.C.M. (CCH) 1441, T.C. Memo 1975 – 333 (1975)
16.	C. Valuation of Assets	<u>AML</u> , pp. 273 – 282 Case: <u>Lynch v. Vickers Energy Corporation</u> , Supreme Court of Delaware, 429 A.2d 297 April 3, 1981, Decided
V. Miscellaneous Topics		
17.	Managerial Choices in Accounting – Depreciation & Inventory Valuation	Handouts Case: <u>First Wisconsin Financial Corp. v. Yamaguchi</u> , U.S. Court of Appeals for the Seventh Circuit, 812 F.2d 370 (1987) Case: <u>Stoeltzing v. Commissioner</u> , U.S. Court of Appeals for the Third Circuit, 266 F.2d 374 (1959)
18 & 19	Correlation & Regression Analysis	<u>AML</u> , pp. 528 – 567 Case: <u>McCleskey v. Zant</u> , U.S. District Court for the Northern District of Georgia, Atlanta Division, 580 F.Supp. 338 (1984) Case: <u>McCleskey v. Kemp</u> , U.S. Supreme Court, 481 U.S. 279 (1987)
20.	Game Theory	<u>AML</u> , pp. 34 – 50 (top)