

Dear Pre-Law Student:

The Division of Business and Economics at IUS offers a pre-law track for degrees in Economics. There are a number of reasons why prospective law students should consider taking economics courses, minoring in economics or even majoring in economics.

Economics is Good Preparation for Law School

A significant number of law students graduate from college with degrees in Economics. The national average exceeds 6%, and 8% of IU-Bloomington's admittances over the last 3 years have earned Economics degrees. In a recent Texas A&M survey, law students listed economics and accounting as the courses they were most glad they took and the ones they wish they had taken more often. And Econ majors have the highest LSAT scores (*Journal of Economic Education*; Spring 2006, p. 263-381).

While law schools admit students independent of their major, they tend to admit students who can reason, think analytically and write. These are skills that are emphasized in economics courses. "In practice, lawyers are challenged by their clients with cases that incorporate problems from many disciplines. These problems may involve the calculation of damages in a tort or contract action; knowledge of accounting principles in a merger...or statistical evidence in a Title VII discrimination case" (George Mason University Admissions Prospectus—1994).

There is a Strong Connection between Law & Economics

There is a close relationship between common law and the economic "way of thinking". U.S. Court of Appeals Judge Richard Posner's Law & Economics text expands on "the remarkable if imperfect congruence between the rules of the common law and the principle of economic efficiency." There is even a program centered around Law & Economics at George Mason University. In addition, antitrust law deals with concentrated market structures. A number of famous cases-- Standard Oil (1906), U.S. Steel (1920), DuPont's cellophane (1956) and AT&T (1974)—have dealt with defining "appropriate" levels of monopoly power.

Only a small portion of Economics is the study of inflation, unemployment, etc. Primarily, it focuses on decisions about allocating scarce (individual and aggregate) resources and the implicit tradeoffs that follow those decisions. Economics also features a strong emphasis on the ramifications of law and public policy.

Posner opens his text with the idea that "Perhaps the most important development in legal thought in the last quarter century has been the application of economics to an ever-increasing range of legal fields..." And for prospective law students, *Law as a Career: A Practical Guide* has recognized "...more emphasis on business, economics and finance in recent years" (1993, pp. 33-34).

The study of economics has much to offer prospective law students. If you have any questions, feel free to contact Eric Schansberg, Assistant Professor of Economics, at 941-2527.