

Summary

Economic Analysis of Law in the Field of Liability for Damages

This thesis focuses on the application of economic analysis of law, which is an approach enabling an alternative view of legal institutions because of its specific methodology. Although this theoretical school originated in the common law system, which is still its realm, the thesis shows potential overlaps to the system of civil law. Questions concerning civil liability for damages are examined as an example of a possible application.

The initial chapter of the thesis is concerned with introducing the economic analysis of law. At first, it briefly describes its historical development including links to some related schools. Foundations, areas of research, basic concepts and methodology are also examined in this chapter.

The specific application of economic approach in relation to civil liability for damages is discussed in the second part. It describes the choice between negligence and strict liability, problem of causation and procedural aspects of claims for compensation for damage. Special attention is drawn to the Learned Hand test established by case-law as a method to assess the conditions of liability. This method is based on considering economic criteria using a cost analysis. The part dealing with behavioral findings extending conclusions of the introduced model is also important.

The third part particularly deals with the question of amount of damages. The concept of punitive damages with its specific emphasis on incentives created by the impact of law is analysed in detail. First of all, this chapter introduces examples of its practical use, referring especially to judgments of American courts. Subsequently, possible sanction effects of liability rules in the civil law system are also examined.

The final fourth chapter shows possibilities of using the economic approach in specific cases connected with liability for damages. It covers assessment of legislative proposal concerning the liability for damage incurred in the exercise of public power, liability for damage to health in sport and the so called pure economic loss, which incorporates several features from previous parts of the work.