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Book Review

**EKONOMIJA ZA PRAVNIKE
(ECONOMICS FOR LAWYERS)**

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The book *Economics for Lawyers*, co-authored by Ljubica Nikolić and Aleksandar Mojašević is mandatory literature in the course in *Basic Economics*, aimed at the first-year students of undergraduate academic law study program at the Faculty of Law, University of Niš. Written in understandable user-friendly style, this textbook systematically covers an extensive area of economic science, adapted to the needs of law students.

The book is divided into three parts and nineteen chapters.

The first part, titled *INSTITUTIONAL ECONOMY*, includes six chapters. Chapter 1 (*Introduction to Economy*) analyses the introductory questions pertaining to economy as a science, the methodological approach of researching in economy, and the basic principles of economy. Chapter 2 (*Ownership – the basic institution of economic relation*) points to the importance of ownership and the importance of scientific study of ownership as a legal institution in economy, the economic effects of some forms of ownership, as well as the concept, reasons and models of privatization. The authors have analyzed the effects of privatization in the Republic of Serbia based on the Privatization Act (of 2001 and 2014). Chapter 3 (*Enterprise: a profit-based organization*) is dedicated to the concepts of an enterprises and a company, the characteristics and management of enterprise, and the criteria for their classification. This chapter also elaborates on the system of public procurement in the Republic of Serbia. Chapter 4 (*The Market: a link between producers and consumers*) analysis the organizational forms of economy, the concept and functions of the economic market. In that context, the last part of this chapter focuses on the European Union Law, with specific reference to the EU single market. In Chapter 5 (*The Role of the State in Modern Economy*), the authors analyze the relationship between the state and economy, by focusing on the concept, forms and reasons for state intervention and economy-related decision making of the state. Chapter 6 (*Law and Economics*) is of special significance for the intended readership. It provides a concise overview of the concept, subject matter and

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theoretical foundations of the Economic Analysis of Law (EAL), as a scientific discipline which is still underdeveloped and under-researched in Serbia. In order to demonstrate the practical importance of the EAL and its direct implementation in some area of law, the authors provide examples of economic analysis of law, including the EAL of criminal conduct (Becker's model), the EAL of torts, as well as the EAL of litigation and negotiation procedures. It is a good opportunity to get students interested in this scientific discipline, particularly bearing in mind that this multidisciplinary subject matter may be studied in more depth within the elective course in Economic Analysis of Law (EAL) in the fourth year of undergraduate academic law study program at the Law Faculty in Niš.

The second part, titled MICROECONOMICS, comprises seven chapters. Chapter 7 (*The Correlation between economic activities*) starts from the specific terms in microeconomics and macroeconomics, analyzes a circular flow of goods and money, and importance of trade in economic relations (benefits from trade, comparative benefits and trade, electronic trade). Chapter 8 (*Offer and Demand: the basic instruments of a market*) discusses the factors of individual demand and offer, the demand and offer curve, balance of offer and demand, elasticity of offer and demand, and control of prices. Chapter 9 (*Market Efficiency*) analyzes the concepts of consumer and producer surplus, the total surplus on a market, the market balance and the relation between a state and market efficiency. Chapter 10 (*External effects and public goods*) defines the concepts of external effects, public goods, social resources and tax system. Chapter 11 (*Production and Costs*) starts with the concept and kinds of costs, functions of production, and company profit on the perfect competition market. Then, the authors analyze short-term and long-term decisions related to production, offering goods on the full competition market, and the formation, activities and state regulation of monopoly. The last part of this chapter is dedicated to antitrust law and policy, which is extremely important in legal education and lawyers' prospective work in practice, particularly given the fact that antitrust law is not envisaged as a separate course in the current undergraduate curriculum of the Law Faculty in Niš. Understanding this legal area contributes for a better understanding of some others subject in the final years of law study: Commercial Law, International Trade Law, Foundations of European Union Law, etc. Chapter 12 (*The Labor Force Market*) deals with offer and demand of labor force on the market, land and real capital as production factors, some determinants related to salaries, inequality of incomes and state intervention to moderate economic inequality. Chapter 13 (*Consumer's Choice*) analyzes some practical questions: consumers' preferences and consumer choice; the influence of salaries on the offer of workforce; the relation between the interest rate and savings; and the issue of preferential form of state aid (in money or in kind).

The third part, titled MACROECONOMICS, includes six chapters. In Chapter 14, (*Macroeconomics Data*), the authors analyze the concept of gross domestic product (GDP), measuring the costs of living, as well as the concept of economic growth. Chapter 15 discusses the concept of *Long-term Economy* and the process of monitoring of the movement of macroeconomic indicators in long-term periods. In Chapter 16, the authors discuss the concept of Money and Prices in long-term economy. Chapter 17 (*Open Economy*) elaborates on some crucial macroeconomics determinants in international flow of goods and financial capital, with specific reference to: the nominal and real currency exchange rate, establishment of currency exchange rate, the relation between the currency exchange rate and the inflation rate, the loan capital market and the foreign currency market, as well as the budget deficit in open economy. In Chapter 18, the authors discuss the concept of Short-term Economy and the process of monitoring the movement of macroeconomic indicators in short-term

economic periods. In Chapter 19 (*Some dilemmas related to monetary and fiscal policy*), the authors provide a critical analysis of some important issues: the domain of monetary and fiscal policy as a means of economy stabilization, independence of the central bank, zero inflation, the policy of reducing the state government debt, and the influence of tax laws on savings.

The book *Economics for Lawyers*, co-authored by Ljubica Nikolić and Aleksandar Mojašević, provides a systematic and comprehensive analysis of three most important fields in economy science but through legal perspective. Being primarily aimed at first-year law students, the textbook is written in a clear comprehensible manner, including numerous practical examples, which provide for a better understanding of specific economic institutes and inseparable relation between law and economics. The book is strongly recommended to graduate and post-graduate students in Master and PhD academic studies at the Law Faculty in Nis but it may also be highly useful to students in different social sciences who may be interested in expanding their knowledge in this area as well as to all practitioners or researchers who may need to update their knowledge in area of law and economics.