

DETAILED CONTENTS

<i>List of Figures</i>	page xvi
<i>List of Tables</i>	xviii
<i>Citation Format</i>	xix
<i>Acknowledgments</i>	xx
<i>List of Abbreviations</i>	xxiii

Introduction 1

I	Three Approaches	2
	A Comparative Analysis	2
	B Empirical Analysis	3
	C Economic Analysis	4
II	Engagement with Existing Theories	5
	A Convergence and Divergence of Property Law	6
	B Law versus Meta-Law	11
	C Are Judge-Made Laws Generally More Efficient?	12
	D Legal Origins and Legal Families	12
III	Terminologies	13
IV	Overview of the Book	15

PART I Foundation 21

1	Property Law around the World: An Empirical Overview	23
	I Legal Families	23
		A Findings and Implications 24
		1 Legal Family Tree 24
		2 Distinctive Features 30
		B Technical Details 36
	II Correlation of Property Law	39
	III Conclusion	45
2	Economic Framework	46
	I Ex Ante versus Ex Post Viewpoints	46
	II Efficiency versus Welfare	47
		A Institution Costs 48

B	Allocative Benefits	49
C	Other Welfare Concerns	50
D	Assessing Efficiency by Cost–Benefit Analysis	51
III	Property Rules and Liability Rules	52
A	Rule 1 Is More Efficient than Rule 2 When Transaction Costs Are Low	53
B	The Problem of Asymmetric “Cathedral”	54
C	A Framework for Preferring Rule 2 over Rule 1	56
1	Transaction or Information Costs Are High	56
2	Transferring Entitlements Likely Increase Allocative Benefits	57
3	<i>Ex Ante</i> Investment Not Important	58
4	Courts Make Fewer Errors	58
5	When Rule 2 Is the Only Choice	59
D	Radical Market: Limited Applicability	60
3	Limited Number of Limited Property Rights: Less Is More	62
I	Comparative Overview	63
A	The Numerus Clausus Principle	63
B	Limited Property Forms	66
1	Use Rights on Immovables	67
2	Security Rights on Immovables	74
3	Security Rights on Movables	82
C	Future Interests	86
II	Economic Analysis	87
A	Why Close the Number of Property Forms?	87
1	Optimal Standardization	87
2	Externalization	90
3	Highly Standardized	92
B	Limited Property Rights as Lego Bricks and Modules	93
C	Future Interests Not Necessarily Create High Information Cost	96
D	Recursiveness	97
E	Registry Capabilities	98
III	Conclusion	99
4	Transfer of Ownership: Transaction Cost versus Information Cost	101
I	Comparative Overview	101
A	Ownership Transfer Rules for Immovables	101
B	Public Faith Principle	105
C	Ownership Transfer Rules for Personal Properties	109
II	Economic Analysis	113
A	What Type of Registration Is More Efficient	113
B	Absolutism Not Always Realistic	115

C	Constructive Notice Outside of Registration	116
D	Causa versus Non-Causa	119
E	Default Rules and Menus in Movable Transfer Designs	119
III	Conclusion	121
PART II Immovable Property		123
5	Acquisitive Prescription: Hardly Justified in Modern, Developed Countries	125
I	Comparative Overview	127
A	Registration-Based Acquisitive Prescription	129
B	Possession-Based Acquisitive Prescription	132
II	Modern Justifications for Acquisitive Prescription	138
A	Registration-Based, with Good Faith and Apparent Title	138
B	Registration-Based, with Bad Faith and Apparent Title	143
C	Possession-Based, with Good Faith and Apparent Title	145
D	Adverse Possession: Possession-Based, without Apparent Title	146
1	In Recording Systems	147
2	In Registration-of-Right Systems	152
3	Dysfunctional Registries	155
E	Registration-Based, without Apparent Title	157
III	Conclusion	157
6	Building Encroachment: In Search of an Efficiency Justification	160
I	Three Roads Diverge in the Doctrinal Woods	161
A	Building Encroachment Doctrine	161
1	Claims to Sell Land Ownership	163
2	Claims to Sell Easement or Use Right	166
3	Discretionary Power	166
4	Protest: How Prompt Is Fast Enough?	167
B	Acquisitive Prescription Doctrine	168
C	Accession Doctrine	169
II	Economic Analysis	169
A	Safety Valve: Good Faith Will Lose Its Import	170
B	A Two-Tiered Structure	173
1	Ex Post Inefficiency	173
2	Ex Post Efficiency	174
3	Safe Harbor and Sure Shipwreck	175
C	Put-Option Rule Efficient?	175
D	Institution Cost	177
III	Conclusion	178

7	Co-Ownership Partition: Proposing a New Auction-Based Design	179
I	Comparative Overview	180
A	Prefer in Kind to Public Auction	181
B	Prefer in Kind to Internal or Public Auction	182
1	Internal Auction as Default	182
2	Public Auction as Default	183
3	No Default	183
C	Prefer in Kind, with Call or Put Options	183
1	Public or Internal Auctions, plus Put Option	183
2	Public Auction, plus Put Option, without Internal Auction	184
3	Public Auction, with Call Option	184
4	Partition of Share, with Put Option	184
D	Prefer Public Auction to in Kind	185
E	Trustees Decide	185
F	Judicial Discretion	185
II	The Fragmentary Land Problem	186
III	A Proposal for a More Efficient Partition Approach	188
A	Beyond a Binary <i>Ex Post</i> Analysis	188
1	Subjective Valuations and Economies of Scale	188
2	Partition's Shadow	189
3	Intermediate Partition Approaches	192
B	Concrete Proposal	195
1	Self-Assessment-Based Partition Rules	195
2	Three Steps	199
C	Why the CF Approach Is More Efficient	201
IV	Conclusion	204
8	Managing Co-ownership: Tragedy of the Common-Ownership?	205
I	Comparative Overview	205
A	Covenant Not to Partition	206
B	Administration	211
1	Always Less than Unanimity	212
2	Sometimes Less than Unanimity	213
3	Always Unanimity	213
4	A Fiduciary Decides	214
C	Sale	214
II	Tragedy of the Common-Ownership?	215
A	Underuse or Overuse?	216
1	Common-Law Jurisdictions	216
2	Civil-Code Jurisdictions	218
3	The Calculus of Consent	219
B	Underinvestment	221

C	Not Necessarily Tragic	222
D	Partial Solutions to Underuse and Underinvestment	224
III	Conclusion	229
9	Access to Landlocked Land: Hybrid Entitlement Protection	230
I	Comparative Overview	231
A	Easement of Necessity	232
B	Statutory Easements	234
II	A Bargaining Power Theory	237
A	Overcoming Asymmetrical Bargaining Power and Information	240
B	Bilateral Monopoly Theory Reconsidered	242
III	The Compensation Element	243
IV	The Necessity Requirement	244
A	MR = MC Leads to Too Much Passage	245
B	"Too Little" Is More Efficient than "Too Much"	246
C	Necessity as MR > MC	247
V	Passage Location: The Least Damage and Other Rules	248
A	Four Prototypes: "Least Damage" Probably Most Efficient	248
B	Length and Width	250
VI	<i>Ex Ante</i> Viewpoint and Easements of Necessity	251
A	Restriction on the Choice of Servient Land	252
B	The Gratuity Rule	254
VII	Conclusion	256
	PART III Movable Property	257
10	Good-Faith Purchase: Proposing Fractional Ownership and Internal Auction	259
I	Comparative Overview	261
A	The Nemo Dat Doctrine	262
B	Good-Faith Purchase Doctrine Not Found	263
C	Good or Bad Faith Not Distinguished	263
D	Categorical Approach: Stolen Goods Always Revert	264
1	Non-Stolen Goods Not Always Protected	264
2	Purchasers Always Keep Non-Stolen Goods	265
3	Purchasers May Be Reimbursed for Non-Stolen Goods	266
E	Binary Approach: Stolen or Not Matters	266
1	Good-Faith Enough to Keep Non-Stolen Goods	266
2	Good-Faith Not Enough to Keep Non-Stolen Goods with Certainty	267
F	Unitary Approach: Stolen or Not Does Not Matter	268
1	Strongest Good-Faith Purchase Protection	268

	2	Reimbursement Rule	268
	3	Market Overt and/or Merchant Dealer Rules	268
	4	Unique Chinese Rule	269
II	A	Revised Optimization Theory	269
	A	Maximize Efficiency in Property Law	271
	B	Original Owners' Prevention Costs	273
	C	Original Owners' Search Costs	276
	D	Purchasers' Verification Costs	277
	E	Double Negligence	279
	F	Double Non-Negligence	279
III		Fractional Ownership and Internal Auction	281
	A	Myerson and Satterthwaite Impossibility Theorem	282
	B	Equal-Share Co-Ownership in Bidding Games Ensures Allocative Efficiency	283
	C	Determining and Assigning Fractional Ownership	284
	D	Incorporation with the Doctrine	285
IV		Conclusion	287
11		Finders, Keepers: A Minority Rule	289
I		Comparative Overview	289
	A	Finders of Lost Things	290
	1	Finders Never Acquire Ownership	291
	2	Finders May Acquire Ownership	292
	3	Finders Have Property Rights against all the World but Owner	293
	4	No Tailor-Made Rule	293
	B	Reward Fraction and Waiting Period	294
	C	Finders of Treasure Trove	294
	1	Finders Never Acquire Ownership	296
	2	Finders May Acquire Ownership	298
	3	Finders and Locus Owners Share Ownership	298
	4	Locus Owners Acquire Ownership	299
II		Economic Analysis	299
	A	Rewards Increase Incentives to Turn in Found Movables	299
	B	Schedule Approach to Reward Design	301
	C	Cultural Variation as Explanation for Variation?	303
	D	Should Treasure Trove Law Be Different?	306
III		Conclusion	308
12		Specificatio: Do What the Romans Did	309
I		Comparative Overview	310
	A	Restoring to Status Quo Ante	311
	B	Co-Ownership versus Sole Ownership	312
	C	Two Tests	312

D	Good versus Bad Faith	315
E	Summary	318
II	Ownership Transfer Rule	319
A	High Institution Cost?	322
1	Hold-Out Problem?	322
2	Verification Cost and Benefit	322
3	Good Faith versus Bad Faith	323
B	Allocative Benefits?	326
C	Other Justifications?	328
III	The Compensation Rule	330
IV	Conclusion	333
13	Accessio and Confusio: No Sign of Convergence	335
I	Comparative Overview	336
A	Accessio between Two Movables	337
1	Rule: Sole Ownership	337
2	Rule: Co-Ownership	341
3	Standard	343
B	Confusio (Mixture)	343
C	Accessio: Seeds or Plants to Land	344
D	Accessio: Buildings to Land	346
II	Economic Analysis	347
A	Economic Formula for Separability	347
B	Bad-Faith Party Get Nothing	348
C	The Efficient Portugal Fractional Ownership and Internal Auction Design	349
D	Simple (First-Order) Rule	350
III	Conclusion	351
	Conclusion	352
I	Theoretical Implications	352
A	Converged or Diverged?	352
1	Structural Aspects	352
2	Interconnected and Divergent	353
3	Isolated and Convergent	354
B	The Use of Meta-Law	355
C	Judge-Made Laws Are Not More Efficient	355
D	The Changing Familial Picture	356
II	More Topics	357
III	Extension	359
	<i>Data Appendix</i>	361
	<i>Method Appendix</i>	362
	<i>References</i>	380
	<i>Index</i>	415