

Property Rights

- (1) **use**: the right to use the property (and to use up and consume?).
- (2) **exclusion**: the right to prevent others from trespassing your land or making use of your property.
- (3) **transfer/alienation**: the right to transfer the property to others.
- (4) **compensation**: the right to reparation for damage or use by others.

[Renters have rights 1+2, but not 3+4, to the rented property.]

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Limits to Use

The Harm Principle

Nuisance Law: cease or compensation for loss of use

High social value of nuisance: defendant pays **reparations** to the plaintiff.

Low social value of nuisance: defendant must **cease and desist**.

Moral Rights

A right is always a right *to something* and *against someone*.

“To what do I have the right?”

positive: an action / *negative*: an omission

“Against whom do I have the right?”

in personam: against an individual or group / *in rem*: against everyone

| Rights | Positive | Negative | |
|-------------|--|-------------------|--------------------|
| | | active | passive |
| in personam | Rights of Contract Rights of Reparation | | |
| in rem | Rights of Beneficence | Rights of Liberty | Rights of Security |

Waiving Rights and Forfeiting Rights

The Harm Principle

“The sole end for which mankind are warranted, individually or collectively, in interfering with the liberty of action of any of their number, is self-protection.” [John Stuart Mill, *On Liberty* (1859), Ch. 1, §9]

This principle holds that liberty (autonomy in the sense of “liberty of action”) is a fundamental good to be compromised only with good reason; coercion is justified only when it prevents an evil greater than the coercion itself.

The private harm principle: justifies the restriction of one’s liberty to prevent injury to other specific individuals.

The public harm principle: justifies the restriction of one’s liberty to prevent injury to institutional practices or regulatory systems that are in the public interest.

Nuisance Law

ALDRED V BENTON

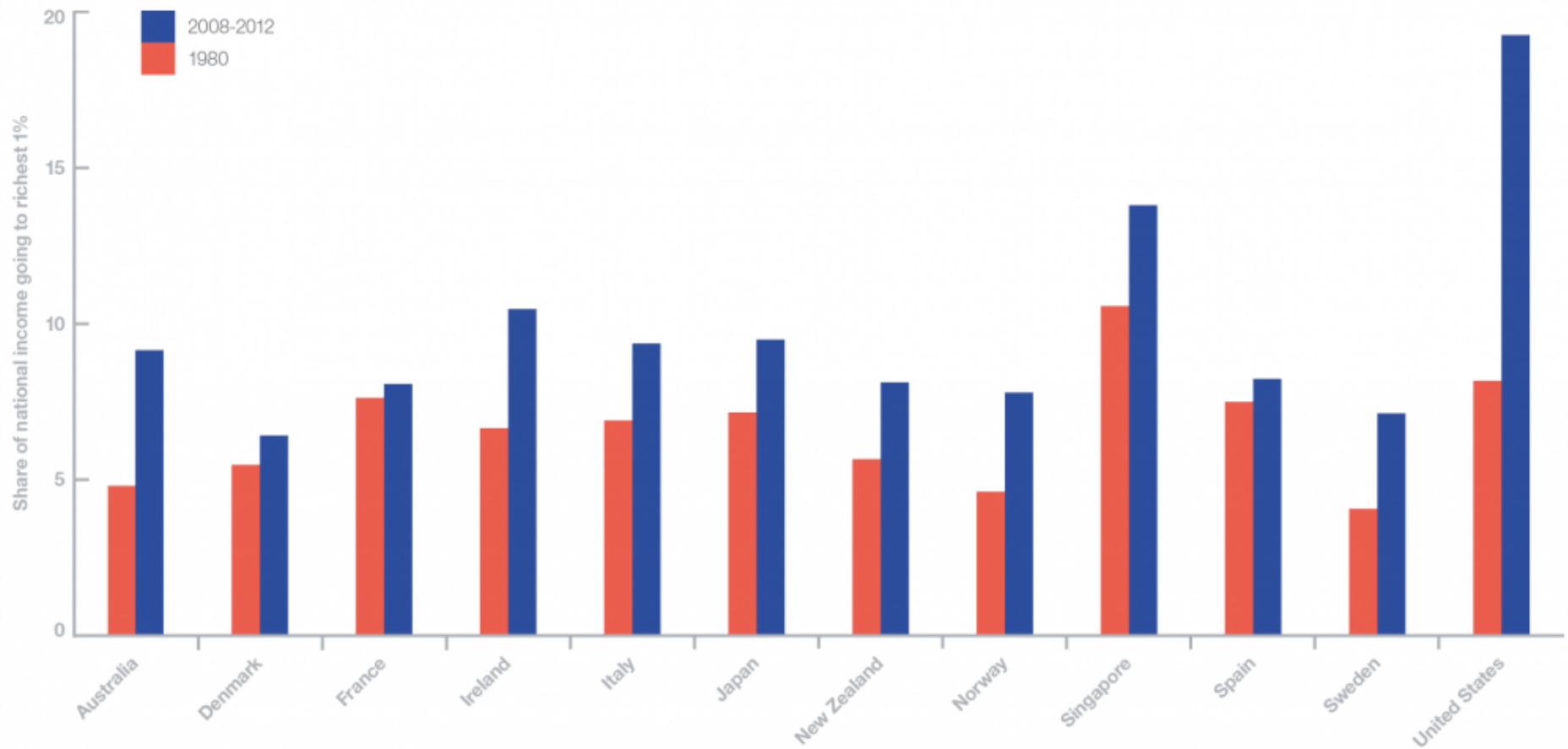
In 1611, William Aldred brought suit against Thomas Benton, his neighbor, who had built a pigsty in his orchard. The suit claimed that the pigsty obstructed Aldred's view from his window, and the stench endangered his health and was obnoxious. Aldred's family and friends could not make use of Aldred's property without being assaulted by the smell.

For his part, Benton argued that "the building of the house for hogs was necessary for the sustenance of man; and one ought not to have so delicate a nose, that he cannot bear the smell of hogs."

The court decided that the loss of view was negligible, but the nuisance of the odor was significant, and so Benton was required to cease and desist with the pigs.

Wealth and Income Inequality

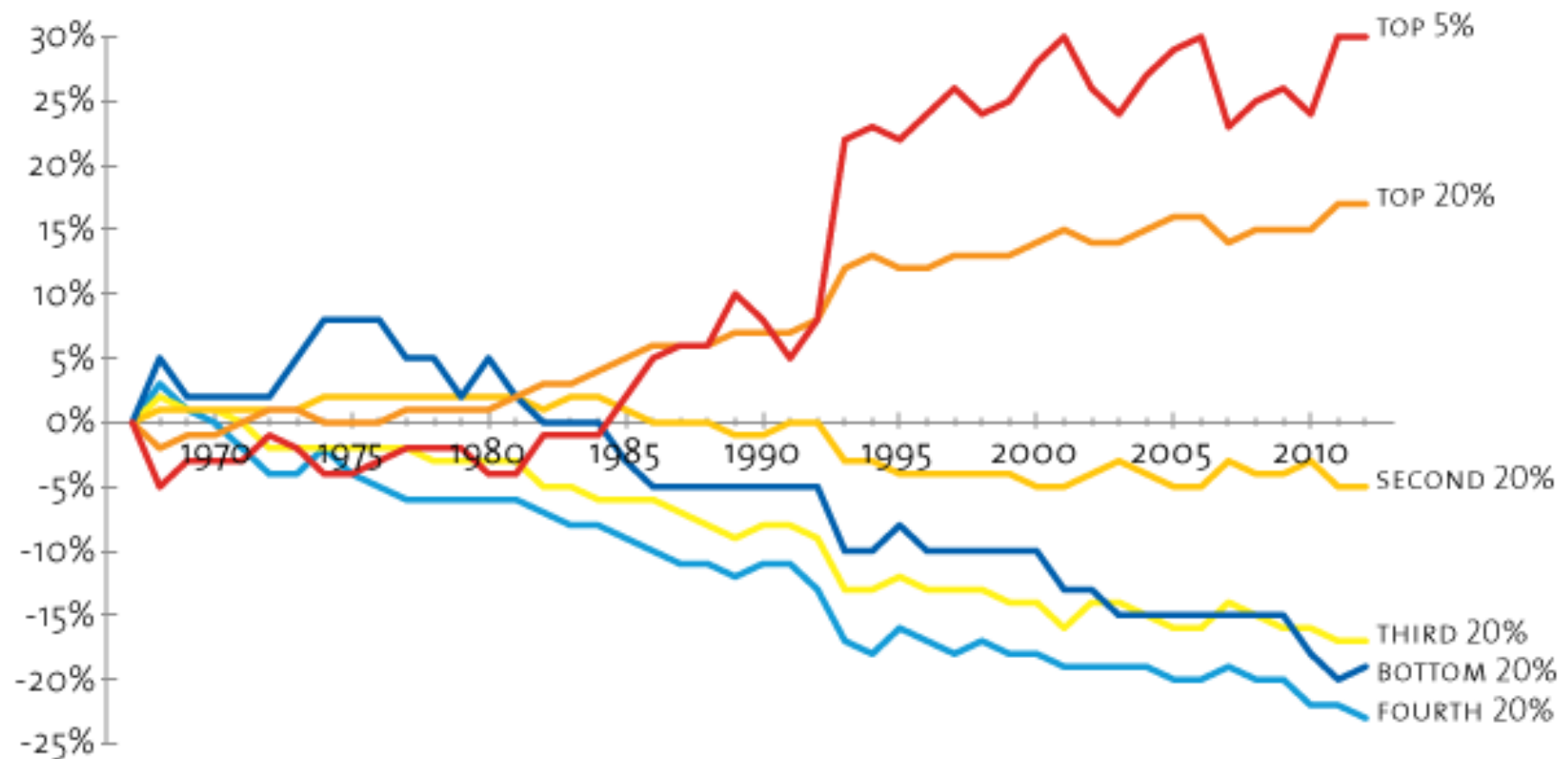
How has the percentage share of national income of the richest 1% changed over time?



Wealth and Income Inequality

Change in Share of Total Income, 1967-2012

relative to 1967, by percentile



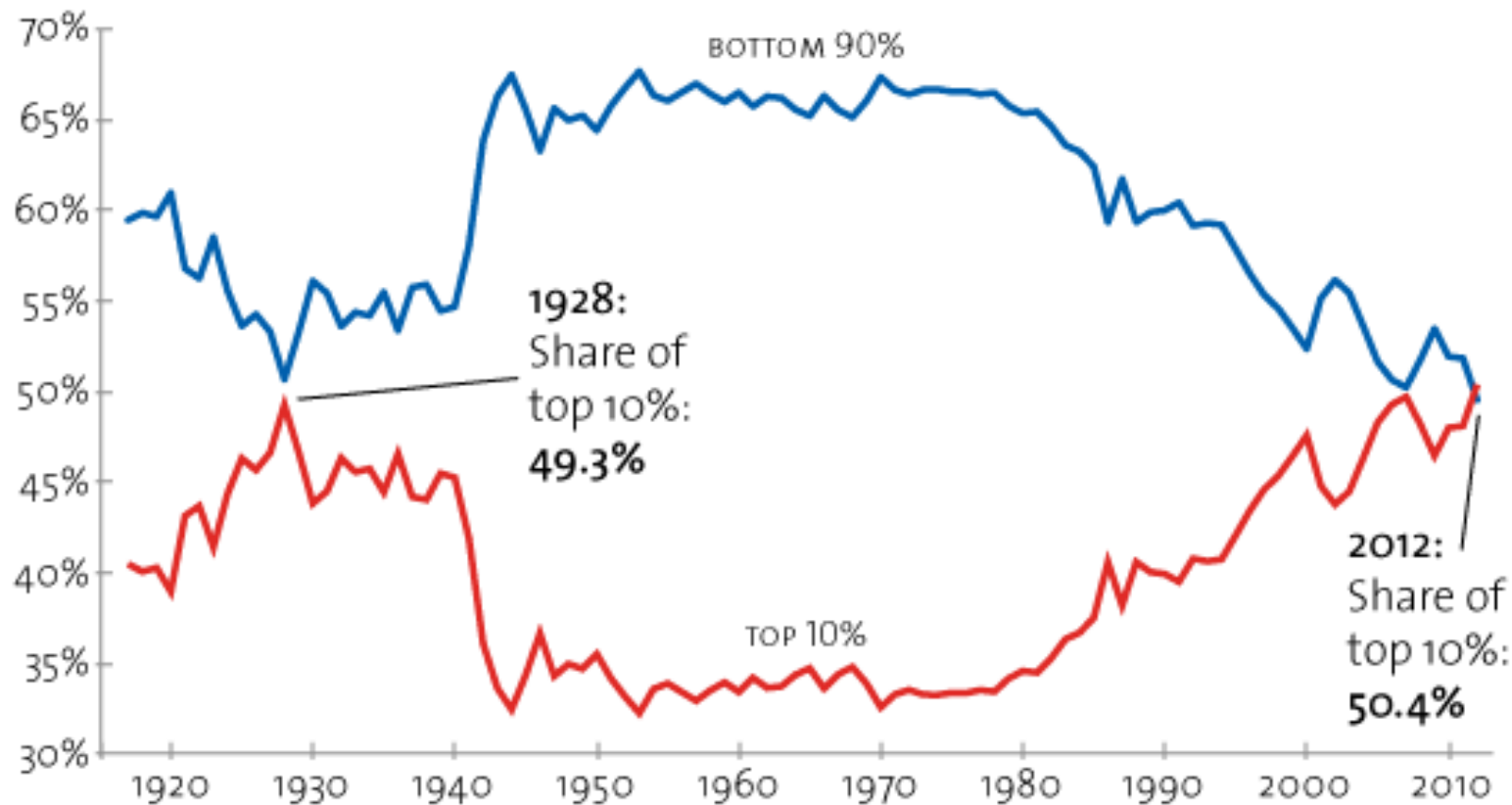
SOURCE: CENSUS BUREAU

Mother Jones

Wealth and Income Inequality

Share of Total Income, 1917-2012

by percentile, including capital gains



SOURCE: THOMAS PIKETTY AND EMMANUEL SAEZ

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