

PRIVATE ORDERING, SOCIAL CAPITAL, AND NETWORK GOVERNANCE IN PROCUREMENT CONTRACTS: A PRELIMINARY EXPLORATION

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The master agreements that nominally govern the transactions between Mid-Western Original Equipment Manufacturers and their suppliers, are not, for the most part, designed to create legal obligations. Rather they play a role in these transactions that is akin to the role played firm boundaries in the Coase Williamson theory of the firm--they create a space that is largely free of legal governance in which private order can flourish. This Article explores the ways that contract provisions, contract administration mechanisms, and other formal structures created by these firms, interact with forces created by repeat dealing as well as relational social capital and the positions of buyers and suppliers in the network of relevant firms (structural social capital) to support the creation and maintenance of cooperative contractual relationships.

L'article qui sera discuté lors de cette séance exceptionnelle du séminaire d'analyse économique du droit est disponible sur simple demande auprès de Jean Baptiste Alix (jnbali@live.fr).

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L'entrée est libre et gratuite dans la limite des places disponibles.

