Without assuming prior legal knowledge, books in the Directions series introduce and guide readers through key points of law and legal debate. Questions, diagrams, and exercises help readers to engage fully with each subject and check their understanding as they progress. The tort of negligence originated as a remedy for property damage and physical injury. However, recovery of compensation for psychiatric injury and pure economic loss, in cases where they were not caused by physical injury or property damage, has proved difficult. Duty of care for psychiatric injury is contingent upon whether the claimant is a primary or secondary victim. This chapter discusses the policy reasons for limiting duty of care for psychiatric injury, the mechanisms by which the law limits duty of care for psychiatric injury, the meaning of ‘pure economic loss’, and the development of the *Hedley Byrne & Co Ltd v Heller & Partners Ltd* (1964) principle of liability for negligent statements. The chapter also examines the ‘thin skull’ rule, which applies to psychiatric injury in the same way as to physical injury.
5. Negligence: duty of care problem areas