

## READING LIST

### Economics 301

#### THE ECONOMIC APPROACH TO BEHAVIOR

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- \*Becker, G., "The Economic Approach to Human Behavior," in Becker, G., The Economic Approach to Human Behavior, (U of C Press, 1976), pp. 3-14.
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#### DEMAND ANALYSIS AND PREFERENCES

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- Varian, Hal, "Theory of the Consumer," chapter 3 in H. Varian, Microeconomic Analysis.
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- \*Deaton and Muellbauer, chapters 5, 7, 10.
- Becker, G.S. and Murphy, K. M., "A Theory of Rational Addiction," Journal of Political Economy (4, August, 1988): 675-700.
- \*Becker, chapter 4.
- Hirshleifer, J. Investment, Interest, and Capital, Prentice Hall, Chapter 8.
- \*Deaton and Muellbauer, chapter 14.
- \*Friedman, M. and Savage, L., "The Utility Analysis of Choices Involving Risk," in AEA, Readings in Price Theory.
- Arrow, Kenneth, Essays in the Theory of Risk Bearing, esp. ch. 4.
- \*Pauly, M., "The Economics of Moral Hazard," American Economic Review, June 1968: 531-37.
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#### SUPPLY OF PRODUCTS AND THE STRUCTURE OF FIRMS

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- \*Friedman, Milton, Price Theory (Aldine 1976), chapter 5.
- \*Stigler, G.J., Theory of Price, 4th ed. (Macmillan, 1988), ch. 7-9.
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- \*Houthakker, H., "Pareto Distributions and the Cobb-Douglas Production Function," Review of Economic Studies, 1955: 27-31.
- \*Varian, op cit., Chapter 1, sections 1.11-1.13.
- \*Topel, R. and Rosen, S., "Housing Investment in the United States", Journal of Political Economy, (1988): 718-740.
- \*Rosen, S., "The Economics of Superstars," American Economic Review, 1981.
- \*Romer, P., "Increasing Returns and Long-Run Growth," Journal of Political Economy 94 (October, 1986): 1002-37.
- \*Pindyck, Robert S. "Irreversibility, Uncertainty, and Investment," Journal of Economic Literature, (September 1991): 1110-1152.
- \*Arrow, K. "The Economic Implications of Learning by Doing," Review of Economic Studies (June 1962).
- \*Nordhaus, W.D. "Do Real Output and Real Wage Measures Capture Reality? The History of Lighting suggests not." in Bresnahan and R.A Gordon, The Economics of New Goods, (1997): 29-66.
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- \*Carlton and Perloff, Modern Industrial Organization (Scott-Foresman, 1990), chapter 3.
- \*Coase, Ronald, "The Nature of the Firm," Economica, 1937; reprinted in Stigler and Boulding (eds.), Readings in Price Theory.
- \*Grossman and Hart, "The Costs and Benefits of Ownership: A Theory of Lateral and Vertical Integration," Journal of Political Economy 94 (1986): 691-719.
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## MARKET EQUILIBRIUM

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- Mas-Colell, A, Whinston, M. and Green, J., Microeconomic Theory, (1995), Chapters \*13-16, 17-20
- Jones, R. "The Structure of Simple General Equilibrium Models," Journal of Political Economy, 1965 (The 2x2x2...model. Read only 2x2 part here).
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#### BUSINESS PRACTICES AND MARKET STRUCTURE

- \*Becker, Lectures 20-23.
- \*Carlton and Perloff, Chs. 9, 11, 19, 20.
- \*Spence, Michael, "Product Selection, Fixed Costs and Monopolistic Competition," Review of Economic Studies 43 (1976): 217-35.
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\*required reading