

Classic Readings in Economics: A Graduate Student Primer

Current versions maintained at
www.uoregon.edu/~waddell/EconPrimer.pdf

Glen R. Waddell

Department of Economics
University of Oregon
and IZA Bonn
waddell@uoregon.edu

August 2009

Acknowledgements: This is a work in progress, with much debt owed to the willingness of two individuals – John Umbeck and Jack Barron – to give out of their own stock of knowledge in a way that too few graduate students benefit from. Thanks to Tom Groll for his dogged assistance with tracking down some of the dated (i.e., pre-digital) material. In advance, I also tip my hat to those who will inform me of any additional material that they believe belongs in such a collection.

1 Scientific Methodology

Alchian, A. A. (1950). Uncertainty, evolution and economic theory. *The Journal of Political Economy* 50, 211–221.

Becker, G. S. (1962). Irrational behavior and economic theory. *The Journal of Political Economy* 70(1), 1–13.

Friedman, M. (1966). *The Methodology of Positive Economics*, pp. 3–16, 30–43. Essays In Positive Economics. Chicago: Univ. of Chicago Press.

Gordon, D. F. (1955). Operational propositions in economics theory. *The Journal of Political Economy* 63(2), 150–161.

Nagel, E. (1963). Assumptions in economic theory. *American Economic Review Papers and Proceedings* 53(2), 221–219.

Tullock, G. (1978). Welfare effects of sales maximization. *Economic Inquiry*, 113–118.

Umbeck, J. (1979). The welfare effects of sales maximization: A methodological critique.

Baumol, W. J. (1966). Economic models and mathematics. In S. R. Krupp (Ed.), *The Structure of Economic Science*. Englewood Cliffs, NJ: Prentice-Hall.

2 The Nature of the Economic Problem

Knight, F. H. (1932). Social economic organization. In *The Economic Organization*, pp. 3–30. Harper & Row Publishers.

Stigler, G. J. (1987). *The Theory of Price*. New York: Macmillan. Chapters 1-2.

Alchian, A. A. and W. R. Allen (1964). *Exchange and Production*. Wadsworth Publishing Company, Belmont California. Chapters 1-3.

3 Value and Demand

Alchian, A. A. and W. R. Allen (1964). *Exchange and Production*. Wadsworth Publishing Company, Belmont California. Chapters 13, 4, & 5.

Umbeck, J. (1980). Shipping the good apples out: Some ambiguities in the interpretation of "fixed charge" *The Journal of Political Economy* 88(1), 199–208.

Alchian, A. A. (1953). The meaning of utility measurement. *American Economic Review* 43(1), 26–50.

Stigler, G. J. (1987). *The Theory of Price*. New York: Macmillan. Chapters 3-4.

Friedman, M. (1949). The marshallian demand curve. *The Journal of Political Economy* 57(6), 463.

Samuelson, P. A. (1955). Diagrammatic exposition of the theory of public expenditure. *The Review of Economics and Statistics* 37, 350–356.

4 The Theorem of Exchange

Alchian, A. A. and W. R. Allen (1964). *Exchange and Production*. Wadsworth Publishing Company, Belmont California. Chapters 6-9.

Stigler, G. J. (1987). *The Theory of Price*. New York: Macmillan. Chapter 5.

Coase, R. H. (1960). The problem of social cost. *Journal of Law and Economics* 3, 1–44.

Bator, F. M. (1957). The anatomy of market failures. *Quarterly Journal of Economics* 72, 351–379.

Demsetz, H. (1964). The exchange and enforcement of property rights. *Journal of Law and Economics* 7, 11–26.

5 Cost, Supply, and Price Taking

Coase, R. H. (1937). The nature of the firm. *Economica* 4(16), 386–405.

Alchian, A. A. (1968). The basis of some recent advances in the theory of management of the firm. *Journal of Industrial Economics* 14(2), 30–44.

Becker, G. S. (1971). *Economic Theory*. Chapter 5, pp. 69-88.

Alchian, A. A. and W. R. Allen (1964). *Exchange and Production*. Wadsworth Publishing Company, Belmont California. Chapters 14-16.

Alchian, A. A. (1959). Costs and outputs. In M. Abramovitz (Ed.), *The Allocation of Economic Resources*.

Stigler, G. J. (1987). *The Theory of Price*. New York: Macmillan. Chapters

6-10.

6 Regulations, Price Searching, and Social Cost

Alchian, A. A. and W. R. Allen (1964). *Exchange and Production*. Wadsworth Publishing Company, Belmont California. Chapters 17-18.

Stigler, G. J. (1987). *The Theory of Price*. New York: Macmillan. Chapters 11-13.

Stigler, G. J. (1961). The economics of information. *The Journal of Political Economy* 69(3), 213.

Demsetz, H. (1969). Information and efficiency: Another viewpoint. *Journal of Law and Economics* 12(1), 1–22.

Cheung, S. N. S. (1970). The structure of a contract and the theory of a non-exclusive resource. *Journal of Law and Economics* 13(1), 49–70.

Coase, R.H. (1974). The lighthouse in economics. *Journal of Law and Economics* 17(2), 357–376.

7 Marginal Productivity and the Demand for Factors

Alchian, A. A. and W. R. Allen (1964). *Exchange and Production*. Wadsworth Publishing Company, Belmont California. Chapter 19.

Stigler, G. J. (1987). *The Theory of Price*. New York: Macmillan. Chapters 6, 8, & 9.

Cheung, S. N. S. (1968). Private property rights and sharecropping. *The Journal of Political Economy* 76(6), 1107–1122.

8 Supply of Factors

Stigler, G. J. (1987). *The Theory of Price*. New York: Macmillan. Chapters 15-16.

Alchian, A. A. and W. R. Allen (1964). *Exchange and Production*. Wadsworth Publishing Company, Belmont California. Chapter 20.

Rottenberg, S. (1856). The baseball players' labor market. *The Journal of Political Economy* 64(3), 242.

9 Interest and Capital

Alchian, A. A. and W. R. Allen (1964). *Exchange and Production*. Wadsworth Publishing Company, Belmont California. Chapters 13 & 22.

Fisher, I. (1930). *The Theory of Interest*. New York: The Macmillan Company, Ch. 1-8, 10-13, 18.

10 Transaction Costs and Property Rights

Meade, J. E. (1952). External economies and diseconomies in a competitive situation. *The Economic Journal* 62, 54–67.

Coase, R. H. (1959). The Federal Communications Commission. *Journal of Law and Economics*, 1–40.

Coase, R. H. (1960). The problem of social cost. *Journal of Law and Economics* 3, 1–44.

Demsetz, H. (1967). Toward a theory of property rights. *American Economic Review* 57(2), 347–359.

Umbeck, J. (1977). The California gold rush: A study of emerging property rights. *Explorations in Economic History* 14, 197–226.

Umbeck, J. (1981). Might makes right: A theory of the foundation and initial distribution of property rights. *Economic Inquiry* 19, 38–59.

Cheung, S. N. S. (1969). Transaction costs, risk aversion, and the choice of contractual arrangements. *Journal of Law and Economics* 12(1), 23–42.

Cheung, S. N. S. (1977). Why are better seats 'underpriced'. *Economic Inquiry* 15(4), 513–522.

11 Private Contract and Regulation

Umbeck, J. (1977). A theory of contract choice and the California gold rush. *Journal of Law and Economics* 20(2), 421–437.

Umbeck, John R. “A Theory of Self Regulation: A Contract Approach”

Cheung, Steven N. S., “The Theory of Interindividual Effects and the Demand for Contracts.”

Cheung, S. N. S. (1970). Enforcement of property rights in children, and the marriage contract. *Economic Journal* 82, 641–657.

Cheung, S. N. S. (1973). The fable of the bees: An economic investigation. *Journal of Law and Economics* 16(1), 11–33.

Cheung, S. N. S. (1974). A theory of price control. *Journal of Law and Economics* 17(1), 53–71.

Cheung, S. N. S. (1975). Roofs or stars: The stated intents and actual effects of a rents ordinance. *Economic Inquiry* 13(1), 1–21.

Theroux, R. and J. Umbeck (1987). Drunken driving, hit-and-runs, and bribery. *Regulation* 2, 44–47.

Staten, M. E., O. W. Gilley, and J. Umbeck (1990). Information costs and the organization of credit markets: A theory of indirect lending. *Economic Inquiry* 28(3), 508 – 529.

Staten, Michael E. and John R. Umbeck, “Efficiency in Tort Damages: The Informational Value of Contracts”

12 Private Contract and Antitrust Issues

Hilton, G. (1958). Tying sales and full line forcing. *Weltwirtschaftliches Archiv*, 289–280.

Burstein, M. L. (1960). A theory of full-line forcing. *The Northwestern University Law Review*, 62–95.

Kessel, R. A. (1958). Price discrimination in medicine. *Journal of Law and Economics* 1, 20–53.

McGee, J. S. (1958). Predatory price cutting: The Standard Oil (N. J.) case.

Journal of Law and Economics 1, 137–169.

McGee, J. S. (1980). Predatory pricing revisited. *Journal of Law and Economics* 23(2), 289–330.

Barron, John M., Mark A. Loewenstein, and John R. Umbeck (1985). Predatory pricing: The case of the retail gasoline market. *Contemporary Economic Policy* 3(3), 131–139.

Staten, M., W. Dunkelberg, and J. Umbeck (1987). Market share and the illusion of power: Can Blue Cross force hospitals to discount? *Journal of Health Economics* 6(1), 43–58.

Staten, M., J. Umbeck, and W. Dunkelberg (1988). Market share/market power revisited: A new test for an old theory. *Journal of Health Economics* 7(1), 73–83.