

# Reading List for PUBP 620 - Regulation of Markets

This bibliography contains readings relevant for Pubp 620. The bibliography is divided into two main sections. The first section covers textbooks useful for understanding the economics terminology used in class and the economic models relevant to regulation. The second section covers articles and books regarding specific case studies and is organized by topic to match the course outline in the syllabus. Readings that are required are designated with a  $\diamond$ . Note that this is a dynamic document. It may be updated throughout the semester with new readings, both recommended and required. You will receive updates in lecture as to which readings are required for the upcoming lectures.

## 1 Recommended textbooks for reviewing microeconomic theory

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press
- Kwoka, J. E., & White, L. J. (2008). *The Antitrust Revolution: Economics, Competition, and Policy*. Oxford University Press
- Varian, H. (2014). *Intermediate Microeconomics: A Modern Approach*. New York [etc.]: Norton

## 2 Articles and book excerpts for class

### 2.1 The Motivation for Government Regulation of Business

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press (Chapters 1 and 2)
- $\diamond$  Summers, L. H. (1991). Subject: GEP. Internal World Bank email communication
- $\diamond$  Griffin, A. (2007). Kidneys on Demand. *British Medical Journal*, 334, 502–505
- $\diamond$  Becker, G. S., & Elias, J. J. (2007). Introducing Incentives in the Market for Live and Cadaveric Organ Donations. *The Journal of Economic Perspectives*, (pp. 3–24)

## 2.2 Imperfect Competition and Antitrust Regulation

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press (Chapters 3, 4 and 5)
- United States v. Container Corp., 393 U.S. 333 (1969)
- American Tobacco Co. v. United States, 328 U.S. 781 (1946)
- ◇ Ashenfelter, O., & Graddy, K. (2005). Anatomy of the Rise and Fall of a Price-Fixing Conspiracy: Auctions at Sotheby's and Christie's. *Journal of Competition Law and Economics*, 1(1), 3–20
- Levenstein, M. C. (1996). Do price wars facilitate collusion? a study of the bromine cartel before world war i. *Explorations in Economic History*, 33(1), 107–137
- ◇ Gilbert, R. J., & Katz, M. L. (2001). An Economist's Guide to US v. Microsoft. *Journal of Economic Perspectives*, (pp. 25–44)

## 2.3 Regulation of Natural Monopoly

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press (Chapters 10, 11, 12 and 13)
- ◇ Joskow, P. L. (2001). California's Electricity Crisis. *Oxford Review of Economic Policy*, 17(3), 365–388
- Hazlett, T. W., & Spitzer, M. L. (1997). *Public policy toward cable television: The economics of rate controls*. American Enterprise Institute

## 2.4 Intellectual Property

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press (Chapter 24)
- Office, U. S. C. B. (1998). *How increased competition from generic drugs has affected prices and returns in the pharmaceutical industry*. US Government Printing Office
- ◇ Levine, D., & Boldrin, M. (2008). *Against Intellectual Monopoly* (Chapters 1 and 2)
- Grand Upright Music, Ltd. v. Warner Bros. Records Inc., 780 F. Supp. 182 (1991)

- ◇ Akerlof, G. A., Arrow, K. J., Bresnahan, T. F., Buchanan, J. M., Coase, R. H., Cohen, L. R., Friedman, M., Green, J. R., Hahn, R. W., Hazlett, T. W., Hemphill, S., Litan, R. E., Noll, R. G., Schmalensee, R., Shavell, S., Varian, H., & Zeckhauser, R. J. (2002). Eric Eldred *et al.*, v. John D. Ashcroft amicus brief. Robbins, Russell, Englert, Orseck & Untereiner LLP, Counsel for Amici Curiae

## 2.5 Environmental Regulation

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press (Chapter 21)
- Pinchot, G. (1910). *The fight for conservation*. Doubleday, Page
- ◇ Stavins, R. N. (1998). What can We Learn from the Grand Policy Experiment? Lessons from SO<sub>2</sub> Allowance Trading. *The Journal of Economic Perspectives*, (pp. 69–88)
- Exxon Shipping Co. v. Baker, 554 U.S. 471 (2008)
- Holmes, O. W. (1897). Address, the path of the law. *Harvard Law Review*, 10, 457–469
- ◇ Carson, R. T., Mitchell, R. C., Hanemann, M., Kopp, R. J., Presser, S., & Ruud, P. A. (2003). Contingent Valuation and Lost Passive Use: Damages from the Exxon Valdez Oil Spill. *Environmental and Resource Economics*, 25(3), 257–286

## 2.6 Value of a Statistical Life

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press (Chapter 20)
- Banzhof, S. (2014). The cold war origins of the value of a statistical life. *Journal of Economic Perspectives*, 28, 213–226
- Fischhoff, B., Parker, A. M., de Bruin, W. B., Downs, J., Palmgren, C., Dawes, R., & Manski, C. F. (2000). Teen expectations for significant life events. *The Public Opinion Quarterly*, 64(2), 189–205
- Viscusi, W. K., & Zeckhauser, R. J. (2006). National survey evidence on disasters and relief: Risk beliefs, self-interest, and compassion. *Journal of Risk and Uncertainty*, 33(1-2), 13–36

## 2.7 Product Safety

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press (Chapter 22)
- Viscusi, W. K., Magat, W. A., & Huber, J. (1986). Informational regulation of consumer health risks: an empirical evaluation of hazard warnings. *The RAND Journal of Economics*, (pp. 351–365)
- Grimshaw v. Ford Motor Company, 119 Cal.App.3d 757 (1978)
- Escola v. Coca-Cola Bottling Co., 24 Cal.2d 453, 150 P.2d 436 (1944)

## 2.8 Workplace Safety

- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press (Chapter 23)
- Viscusi, W. K., & O'Connor, C. J. (1984). Adaptive responses to chemical labeling: Are workers bayesian decision makers? *The American Economic Review*, 74(5), 942–956
- Ruser, J. W. (1993). Workers' compensation and the distribution of occupational injuries. *Journal of Human Resources*, (pp. 593–617)

## 2.9 Moral Hazard and the Regulation of Risk Taking

- Commission, F. C. I., & Commission, U. S. F. C. I. (2011). *The financial crisis inquiry report: Final report of the national commission on the causes of the financial and economic crisis in the United States*. PublicAffairs
- Mason, D. L. (2004). *From buildings and loans to bail-outs: A history of the American savings and loan industry, 1831–1995*. Cambridge University Press
- Moss, D. (2009). An Ounce of Prevention: Financial Regulation, Moral Hazard, and the End of Too Big to Fail. *Harvard Magazine*, 9

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- Akerlof, G. A., Arrow, K. J., Bresnahan, T. F., Buchanan, J. M., Coase, R. H., Cohen, L. R., Friedman, M., Green, J. R., Hahn, R. W., Hazlett, T. W., Hemphill, S., Litan, R. E., Noll, R. G., Schmalensee, R., Shavell, S., Varian, H., & Zeckhauser, R. J. (2002). Eric Eldred *et al.*, v. John D. Ashcroft amicus brief. Robbins, Russell, Englert, Orseck & Untereiner LLP, Counsel for Amici Curiae.
- American Tobacco Co. v. United States, 328 U.S. 781 (1946).
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- Escola v. Coca-Cola Bottling Co., 24 Cal.2d 453, 150 P.2d 436 (1944).
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- Fischhoff, B., Parker, A. M., de Bruin, W. B., Downs, J., Palmgren, C., Dawes, R., & Manski, C. F. (2000). Teen expectations for significant life events. *The Public Opinion Quarterly*, 64(2), 189–205.
- Gilbert, R. J., & Katz, M. L. (2001). An Economist's Guide to US v. Microsoft. *Journal of Economic Perspectives*, (pp. 25–44).
- Grand Upright Music, Ltd. v. Warner Bros. Records Inc., 780 F. Supp. 182 (1991).
- Griffin, A. (2007). Kidneys on Demand. *British Medical Journal*, 334, 502–505.
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- Hazlett, T. W., & Spitzer, M. L. (1997). *Public policy toward cable television: The economics of rate controls*. American Enterprise Institute.
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- Kwoka, J. E., & White, L. J. (2008). *The Antitrust Revolution: Economics, Competition, and Policy*. Oxford University Press.
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- Office, U. S. C. B. (1998). *How increased competition from generic drugs has affected prices and returns in the pharmaceutical industry*. US Government Printing Office.
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- Ruser, J. W. (1993). Workers’ compensation and the distribution of occupational injuries. *Journal of Human Resources*, (pp. 593–617).
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- Summers, L. H. (1991). Subject: GEP. Internal World Bank email communication.
- United States v. Container Corp., 393 U.S. 333 (1969).
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- Viscusi, W. K., Harrington, J. E., & Vernon, J. M. (2005). *Economics of Regulation and Antitrust*. MIT press.

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- Viscusi, W. K., Magat, W. A., & Huber, J. (1986). Informational regulation of consumer health risks: an empirical evaluation of hazard warnings. *The RAND Journal of Economics*, (pp. 351–365).
- Viscusi, W. K., & O'Connor, C. J. (1984). Adaptive responses to chemical labeling: Are workers bayesian decision makers? *The American Economic Review*, 74(5), 942–956.
- Viscusi, W. K., & Zeckhauser, R. J. (2006). National survey evidence on disasters and relief: Risk beliefs, self-interest, and compassion. *Journal of Risk and Uncertainty*, 33(1-2), 13–36.