

## A Macroeconomics Reading List for Undergraduates – Version 1.0

Integral

December 16, 2014

### 1. This is a long list. Where are the Cliffs?

- Deaton, *The Great Escape* (2013) (economic growth)
- Harford, *The Undercover Economist Strikes Back* (2014) (business cycles)
- Knoop, *Recessions and Depressions*, (2010) (slightly more technical, but worthwhile)

### 2. Measurement

- GDP and beyond
  - BEA, “Measuring the Economy: A Primer on GDP,” 2014.
  - Fleurbaey, “Beyond GDP,” JEL 2009.
- The Consumer Price Index and Employment
  - BLS, “The Consumer Price Index,” 2007.
  - BLS, “How the Government Measures Unemployment,” 2014.
  - Boskin Commission Report
  - JEP Winter 1998, Winter 2003 (prices and price measurement)
  - JEP Summer 2006 (employment)

### 3. Economic Growth and Development: The International Experience

- Japan and East Asia
  - Bernanke, “Japanese Monetary Policy: A Case of Self-Induced Paralysis?” 1999.
  - Porter, “Competition in Japan,” JEP Winter 2004.
  - Krugman, “The Myth of Asia’s Miracle,” HBR 1994.
  - Young, “The Tyranny of Numbers,” QJE 1995. Somewhat more technical.
  - Yellen, “The Asian Crisis Ten Years Later,” FRB SF 2007.
- Russia and the Transition Economies
  - Oppenheimer, “Russia’s Post-Communist Economy.”
  - Shleifer, “A Normal Country: Russia After Communism,” JEP Winter 2005.
  - McMillan, “The Role of Entrepreneurs in Transition Economies,” JEP Summer 2002.
  - Volkov, *Violent Entrepreneurs*, 2002.
  - See also: JEP Fall 1991, Spring 1996, Winter 2002, Winter 2005.
- China
  - Perkins, “China’s Recent Economic Performance,” 2006. (more technical)
  - Tisdell, “Economic Reform and Openness in China,” 2009.
  - Huang, “How did China Take Off?” JEP Autumn 2012.
  - Morrison, “China’s Economic Rise,” 2014.
  - See also: JEP Spring 1994, JEP Autumn 2012.
- India
  - Ahluwalia, “Economic Reforms in India Since 1991,” JEP Summer 2002.
  - Roy, “Economic History and Modern India,” JEP Summer 2002.
  - Rothermund, “An Economic History of India,” 1993.

- Africa
  - Collier, “Why has Africa Grown so Slowly?” JEP Summer 1999.
  - The Economist, “Step change,” on Nigeria’s GDP recalculation.
  - See also: JEP Summer 1999.
- South America
  - Edwards, “Latin America’s Decline: A Long Historical View,” 2009.
  - JEP Spring 1994.
- The Middle East
  - Goldstein and Davidson, *A Concise History of the Middle East*, 2012.
  - JEP Summer 2004.
- Europe
  - Wynne, “The European System of Central Banks,” 1999.
  - Friedman, “The Euro: Monetary Unity To Political Disunity?” 1997.
  - JEP Autumn 1997, Autumn 2004, Autumn 2006, Summer 2013

#### 4. Economic Growth and Development: Theory and Policy

- Economic Development in General
  - Collier, *Exodus* (2013) and *Wars, Guns, and Votes* (2010) and *The Bottom Billion* (2008)
  - Sen, *Development as Freedom* (2000)
  - Easterly, *The Tyranny of Experts* (2013) and *The White Man’s Burden* (2007) and *The Elusive Quest for Growth* (2002)
  - Sachs, *Common Wealth* (2009) and *The End of Poverty* (2006)
  - Stiglitz, *Making Globalization Work* (2007)
  - Yunus, *Banker to the Poor* (2003) and *Creating a World Without Poverty* (2009)
  - Cooter and Schafer, *Solomon’s Knot* (2013)
  - Banerjee and Duflo, *Poor Economics* (2012)
  - Karlan and Appel, *More than Good Intentions* (2012)
- Big History
  - Diamond, *Guns, Germs, and Steel* (1999) and *Collapse* (2003)
  - Landes, *The Wealth and Poverty of Nations* (1999)
  - De Soto, *The Mystery of Capital* (2003)
  - Clark, *A Farewell to Alms* (2008)
  - Acemoglu and Robinson, *Why Nations Fail* (2012)
  - Deaton, *The Great Escape* (2013)
- Growth Theory
  - JEP Winter 2008 (Productivity)
  - JEP Summer 2005 (Institutions)
- Further Reading
  - JEP Summer 1997 (The distribution of world income)
  - JEP Winter 2000 (various symposia on longer-term trends)
  - JEP Spring 2008 (Development)
  - JEP Summer 2014 (Classic ideas in development)

## 5. Inequality in the United States

- Poverty
  - David Simon, *Homicide: A Year on the Killing Streets*, 2006.
  - Hamilton Project, *Policies to Address Poverty in America*, 2014.
  - Census, “Income, Poverty, and Health Insurance Coverage in the United States,” 2013.
  - Meyer, “Identifying the Disadvantaged,” JEP Summer 2012.
  - Meyer and Sullivan, “Poverty from the Great Society to the Great Recession,” 2012.
- The Middle Class
  - Florida, *The Rise of the Creative Class*, 2003.
  - Moretti, *The New Geography of Jobs*, 2013.
- The Rich and income mobility
  - Piketty, *Capital in the 21st Century*, 2014.
  - Clark, *The Son Also Rises*, 2014.
- Further reading
  - JEP Winter 1998. (Poverty)
  - JEP Spring 1998. (Cities)
  - JEP Summer 2002. (Intergenerational mobility)
  - JEP Summer 2013. (top end of the income distribution)

## 6. Factor Markets

- Labor Markets
  - Rogerson, “The Employment of Nations – A Primer,” 2001.
  - McGratten and Rogerson, “Changes in Hours Worked, 1950-2000,” 2004.
  - Prescott, “Why do Americans Work So Much More than Europeans?” 2004.
- Financial Markets
  - Malkiel, *A Random Walk Down Wall Street*, 1973.
  - Shiller, *Finance and the Good Society*, 2013.

## 7. Economic History of the United States and Stylized Facts

- General books
  - Friedman and Schwartz, *A Monetary History of the United States*, 1963.
  - Eichengreen, *Globalizing Capital*, 2008.
  - Knoop, *Recessions and Depressions*, 2010.
- Specific Periods
  - Davis, “An Annual Index of US Industrial Production, 1790-1915,” 2004.
  - Romer, “The Nation in Depression,” 1993.
  - DeLong, “America’s Only Peacetime Inflation: The 1970s,” 1997.
  - Davis and Kahn, “Interpreting the Great Moderation,” 2008.
- General Stylized Facts
  - Lucas, “Understanding Business Cycles,” 1977.
  - Kydland and Prescott, “Real Facts and a Monetary Myth,” 1990.
  - McCandless and Weber, “Some Monetary Facts,” 1995.

## 8. The Microeconomic Role of Government – An Insurance Company with an Army

- General
  - The Economist, “The business of government,” 2013.
  - Labonte, “The Size and Role of Government,” CRS 2010.
  - Wallis, “American Government Finance in the Long Run: 1790 to 1990,” 2000.
- Pensions (Social Security)
  - CBO, “Social Security: A Primer.” (2001) (though look for more recent versions)
  - CBO, “Social Security Policy Options,” 2010.
  - Clark, “Social Security Financing,” AER PP 2004.
  - Feldstein, “Rethinking Social Insurance,” 2005.
  - Diamond and Orszag, “Saving Social Security,” 2005.
  - See also: JEP Summer 1996, JEP Spring 2005
- Health care
  - Haseltine, *Affordable Excellence: The Singapore Healthcare Story*, 2013.
  - Gruber, “Covering the Uninsured in the US,” 2008.
  - Skinner and Fisher, “Reflections on Geographic Variations in U.S. Health Care,” 2010.
  - IMF, “What Should Macroeconomists Know About Health Care Policy?” (2000)
  - JEP Summer 1994, Spring 2000, Autumn 2008.
- Energy Policy
  - CBO, “The Economics of Climate Change: A Primer,” 2003.
  - JEP Winter 1998 (Sulfur Dioxide cap-and-trade)
  - JEP Winter 2012 (Energy challenges)
  - JEP Winter 2013 (More on pollution trading markets)
- Education Policy
  - CBO, “Federal Investment,” 2013.
  - Taylor, “Government’s Role in Primary and Secondary Education,” 1999.
- Infrastructure and R&D
  - CBO, “Trends in Public Spending on Transportation and Water Infrastructure,” 2007.
  - Winston, “Efficient Transportation Infrastructure Policy,” 1991.
  - Munnell, “Infrastructure Investment and Economic Growth,” 1992.
- Regulation
  - JEP Summer 1997 (two articles on energy and banking regulation)
  - JEP Winter 2008 (smorgasboard of articles)
  - JEP Winter 2011 (Financial Regulation after the Crisis)
- Tax theory and policy
  - Mankiw et al, “Optimal Taxation in Theory and Practice,” 2009.
  - Diamond and Saez, “The Case for a Progressive Tax,” 2011.
  - Piketty and Saez, “How Progressive is the US Tax System?” 2007.
  - CBO, “Effective Marginal Tax Rates for Low- and Moderate-Income Workers,” 2012.
  - CBO, “Historical Effective Tax Rates: 1979-2006,” 2009.
  - Mirrlees et al, *Dimensions of Tax Design* and *Tax by Design*, 2010. If there is a science of tax policy, this is it.

## 9. The Macroeconomic Role of Government – Fiscal and Monetary Policy

- General Ideas – Books
  - Keynes, *The General Theory of Employment, Interest, and Money*, 1936.
  - Friedman, *A Monetary History of the United States*, 1963.
  - Friedman, *Capitalism and Freedom*, 1962.
  - Friedman, *Free to Choose*, 1980.
  - Galbraith, *The Affluent Society*, 1958.
  - Galbraith, *The New Industrial State*, 1967.
- General Ideas – Articles
  - Samuelson and Solow, “Some Analytical Aspects of Anti-Inflation Policy,” 1960.
  - Friedman, “The Role of Monetary Policy,” 1968.
  - Tobin, “Stabilization Policy Ten Years After,” BPEA 1980.
  - Eichenbaum, “Some Thoughts on Practical Stabilization Policy,” 1997.
  - Svensson, “What have we learned about monetary policy over the last 50 years?” 2008.
- Countercyclical Fiscal Policy
  - Elmendorf and Furman, “If, When, How: A Primer on Fiscal Stimulus,” 2008.
  - Feldstein, “Rethinking the Role of Fiscal Policy,” 2009.
  - Romer and Bernstein, “The Job Impact of ARRA,” 2009.
  - Romer, “What have we learned about fiscal policy since the crisis?” 2011.
- Countercyclical Monetary Policy
  - Mishkin, “Monetary Policy Strategy: Lessons from the Crisis,” 2009.
  - Svensson, “Some Lessons from Six Years of Practical Inflation Targeting,” 2013.
  - Romer and Romer, “The Most Dangerous Idea in Federal Reserve History,” 2013.
  - JEP Autumn 2007 (Monetary policy; excellent symposium)
  - JEP Winter 2013 (100 Years of the Federal Reserve)

## 10. Monetary History and Monetary Theory

- History
  - Friedman, *Money Mischief*, 1994.
  - Friedman, *A Monetary History of the United States*, 1963. (For the third time!)
  - Meltzer, *A History of the Federal Reserve*, 2010.
  - Reinhart and Rogoff, *This Time Is Different*, 2009.
  - Sargent, “The End of Four Big Inflations,” 1982.
  - Temin and Wigmore, “The End of One Big Deflation,” 1990.
  - Romer and Romer, “Does Monetary Policy Matter?” NBER MA 1989. (More technical)
- Theory
  - Arnon, *Monetary Theory and Policy from Hume and Smith to Wicksell*, 2010.
  - Hume, “Of Money” and “Of Interest,” 1752.
  - Keynes, *A Tract on Monetary Reform*, 1924.
  - Radford, “The Economic Organization of a POW Camp,” 1945.
  - Sweeney and Sweeney, “Monetary Theory and the Capitol Hill Baby-Sitting Co-Op,” 1977.
  - Kocherlakota, “Money is Memory,” 1990. (More technical)

## 11. The Financial Crisis

- Summaries/Pointers to Further Reading
  - Bank for International Settlements, 79th Annual Report (2009)
  - Bank for International Settlements, 80th Annual Report (2010)
  - FOMC transcripts, 2008.
  - Gorton and Metrick, “Getting up to Speed on the Global Financial Crisis,” JEL 2009.
  - Lo, “Reading About the Financial Crisis: A Twenty-One Book Review,” JEL 2009.
- Macroeconomics and the Media
  - Buiter, “The unfortunate uselessness of most ‘state of the art’ academic monetary economics,” *Financial Times* 3 March 2009.
  - Lucas, “In defence of the dismal science,” *The Economist*, 6 Aug 2009.
  - Krugman, “How Did Economists Get It So Wrong?” *NYT Magazine* 2 September 2009.
  - Cochrane, “How did Paul Krugman Get It So Wrong?” 16 September 2009.
  - Athreya, “Macroeconomics is Hard,” 2010.
  - Kocherlakota, “Some Thoughts on the State of Macro,” 2010.
  - Morley, “The Emperor Has No Clothes,” *Macroeconomic Advisors* 2010.
- Symposia
  - JEP Winter 2009 (The Credit Crunch)
  - JEP Winter 2010 (The Financial Crisis)
  - JEP Autumn 2010 (Macro after the crisis)

## 12. History of Thought, Schools of Macroeconomics, and Controversies

- Nobel speeches
  - Friedman, “Inflation and Unemployment,” 1976.
  - Tobin, “Money and Finance in the Macro-Economic Process,” 1981.
  - Modigliani, “The Life Cycle, Individual Thrift, and the Wealth of Nations,” 1985.
  - Solow, “Growth Theory and After,” 1987.
  - Lucas, “Monetary Neutrality,” 1995.
  - Akerlof, “Behavioral Macroeconomics and Macroeconomic Behavior,” 2001.
  - Phelps, “Macroeconomics for a Modern Economy,” 2006.
- Commentaries
  - Mankiw, “A Quick Refresher Course in Macroeconomics,” JEL 1990.
  - Mankiw, “The Macroeconomist as Scientist and Engineer,” 2006.
  - Woodford, “Revolution and Evolution in 20th-Century Macroeconomics,” 1999.
  - Woodford, “Convergence in Macroeconomics,” 2009.

## 13. Leisure reading

- Warsh, *Knowledge and the Wealth of Nations*, 2006.
- Colander, *The Making of an Economist Redux*, 2007.
- Snowdon and Vane, *Modern Macroeconomics* 2005.
- Schelling, *Micromotives and Macrobehavior*, 1978.