

Economics 466Y

Financial Economics

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Readings

Introduction

Levinson, Marc (2009), *Guide to Financial Markets*, fifth edition. New York: Wiley. HG173L485 2010 Chapter 1, pp. 1–13.

Asset Markets

Levinson, Marc (2009), *Guide to Financial Markets*, fifth edition. New York: Wiley. HG173L485 2010 Chapters 3–5, 7, pp. 37–116, 132–168.

Baker, Dean (2001), “Why Do We Avoid Financial-Transactions Taxes?,” *Challenge*, 44, 3 (May-June), pp. 90–96. HC101N533 

Efficient-Market Theory

Bodie, Zvi and Alex Kane and Alan J. Marcus (2008), “The Efficient Market Hypothesis,” in *Essentials of Investments*, 7th ed. Boston: McGraw-Hill Irwin. HG4521B563 2008 Chapter 8, pp. 231–256.

Shiller, Robert J. (1981), “Do Stock Prices Move Too Much to be Justified by Subsequent Changes in Dividends?,” *American Economic Review*, 71, 3 (June), pp. 421–436. HB1E26

Financial Crisis

Galbraith, John Kenneth (1955), *The Great Crash, 1929*. Boston: Houghton Mifflin. HB3717 1929 G3 Chapter II, Vision and Boundless Hope and Optimism, pp. 5–28; Chapter IV, In Goldman, Sachs We Trust, pp. 48–70; Chapter V, The Twilight of Illusion, pp. 71–92; Chapter VI, The Crash, pp. 93–112; Chapter VII, Things Become More Serious, pp. 113–132.

Kindleberger, Charles P. (2000), *Manias, Panics, and Crashes: A History of Financial Crises*, fourth edition. New York: Wiley. HB3722K56 2000 Chapter 2, Anatomy of a Typical Crisis, pp. 13–22; Chapter 3, Speculative Manias, pp. 23–47; Chapter 12, Conclusion: The Lessons of History, pp. 207–215.

Options, Futures, and Derivatives

Levinson, Marc (2009), *Guide to Financial Markets*, fifth edition. New York: Wiley. HG173L485 2010 Chapters 8–9, pp. 169–235.

Roll, Richard (1984), “Orange Juice and Weather,” *American Economic Review*, 74, 5 (December), pp. 861–880. HB1E26