

Empirical Industrial Organization I: Static models

Reading list

February 28, 2022

General

Angrist, J. and Pischke, S., 2010. "The Credibility Revolution in Empirical Economics: How Better Research Design is Taking the Con out of Econometrics". *Journal of Economic Perspectives*, Spring, 24 (2): 3-30.

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L. Einav, and J. Levin. 2010. "Empirical Industrial Organization: A Progress Report." *Journal of Economic Perspectives*, 24 (2): 145-62.

A. Nevo and M. Whinston 2010. "Taking the Dogma Out of Econometrics: Structural Modeling and Credible Inference," *Journal of Economic Perspectives*, 24(2): 69–82.

P. Reiss and F. Wolak, "Structural Econometric Modeling: Rationales and Examples from Industrial Organization," *Handbook of Econometrics*, Volume 6A, Chapter 64.

Reference

Aguirregabiria, Victor. 2019. *Empirical Industrial Organization: Models, Methods, and Applications*. Chapters 1–4.

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Gandhi, A. and Nevo, A. 2021. "Empirical Models of Demand and Supply in Differentiated Products Industries," NBER Working Paper No. 29257, forthcoming in *Handbook of Industrial Organization*.

Reiss, Peter, and Wolak, Frank. 2007. "Structural Econometric Modeling: Rationales and Examples from Industrial Organization," *Handbook of Econometrics*, Volume 6A, Chapter 64. Sections 1-7. [link](#)

Logit and nested logit

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Blundell, Richard and Powell, James, 2004. "Endogeneity in semiparametric binary response models", *Review of Economic Studies*, 71, 655-670.

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M. Trajtenberg, 1989. "The Welfare Analysis of Product Innovations, with an Application to Computed Tomography Scanners," *Journal of Political Economy*, April, 444-79.

Wooldridge, Jeffrey, 2015. "Control function methods in applied econometrics", *Journal of Human Resources*, 50, 1, 420-445.

BLP

* Berry, S., J. Levinsohn, and A. Pakes. 1995. "Automobile Prices in Market Equilibrium," *Econometrica*, 63, 841-890.

Berry, S. and P. A. Haile. 2020. "Nonparametric Identification of Differentiated Products Demand Using Micro Data," NBER Working Paper No. 27704.

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* Berry, S. and P. A. Haile. 2021. "Foundations of Demand Estimation," NBER Working Paper No. 29305, forthcoming in *Handbook of Industrial Organization*.

Berry, S. and A. Pakes. 2007. "The Pure Characteristics Demand Model," *International Economic Review*, Vol. 48, 1193-1225.

* Conlon, C. and J. Gortmaker. 2020. "Best Practices for Differentiated Products Demand Estimation with pyblp," *The RAND Journal of Economics*, *forthcoming*.

Dubé, J.-P., J.T Fox and C.-L. Su. 2012. "Improving the Numerical Performance of Static and Dynamic Aggregate Discrete Choice Random Coefficients Demand Estimation," *Econometrica*, 80: 2231-2267.

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- * Gandhi, A. and Nevo, A. 2021. "Empirical Models of Demand and Supply in Differentiated Products Industries," NBER Working Paper No. 29257, forthcoming in Handbook of Industrial Organization.

Petrin, Amil. 2002. "Quantifying the Benefits of New Products: The Case of the Minivan", Journal of Political Economy, 110(4).

Nevo. 2001. "Measuring Market Power in the Ready-to-Eat Cereal Industry," Econometrica, 69(2), 307-342.

- * Nevo, Aviv. 2000. "A Practitioner's Guide to Estimation of Random Coefficients Logit Models of Demand," Journal of Economics & Management Strategy, 9(4), 513-548.

Waldfogel, J. 2003. "Preference Externalities: An Empirical Study of Who Benefits Whom in Differentiated-Product Markets," RAND Journal of Economics, 34, 557-568.

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Supply side

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- * Nevo, Aviv. 2000. "Mergers with Differentiated Products: The Case of the Ready-to-Eat Cereal Industry." The RAND Journal of Economics, 31(3): 395-442.

- * Rosse, James, 1970. "Estimating Cost Function Parameters Without Using Cost Data: Illustrated Methodology". Econometrica, 38(2), 256-275.

Applications: Mergers and Market power

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* Nevo, Aviv. 2001. "Measuring Market Power in the Ready-to-Eat Cereal Industry." *Econometrica*, 69(2): 307–342.

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Shapiro, C. (2010), "The 2010 Horizontal Merger Guidelines: From Hedgehog to Fox in Forty Years," *Antitrust Law Economics* 77: 701-59.

Applications: Consideration sets

J. Abaluck and Adams-Prassl, A. "What Do Consumers Consider Before They Choose? Identification from Asymmetric Demand Responses," *Quarterly Journal of Economics*, forthcoming.

G.S. Crawford, R. Griffith and A. Iaria, 2020. "A survey of preference estimation with unobserved choice set heterogeneity", *Journal of Econometrics*, <https://doi.org/10.1016/j.jeconom.2020.07.024>.

* Sovinsky Goeree, M., 2008. "Limited Informatino and Advertising in the U.S. Personal Computer Industry", *Econometrica*, 76, 5, 1017 - 1074.

Applications: Choice Frictions

* J. Abaluck and J. Gruber, "Choice Inconsistencies among the Elderly: Evidence from Plan Choice in the Medicare Part D Program," *American Economic Review*, 2011, 1180-1210.

Ben Handel. 2013. "Adverse Selection and Inertia in Health Insurance Markets: When Nudging Hurts." *American Economic Review* 103(7) 2643-82.

Handel, Benjamin R., and Jonathan T. Kolstad. 2015. "Health Insurance for "Humans": Information Frictions, Plan Choice, and Consumer Welfare." *American Economic Review*, 105 (8): 2449-2500.

Benjamin R. Handel, Jonathan T. Kolstad, Johannes Spinnewijn. 2019. "Information Frictions and Adverse Selection: Policy Interventions in Health Insurance Markets." *The Review of Economics and Statistics* 2019; 101 (2): 326–340.

Hortaçsu, Ali, Seyed Ali Madanizadeh, and Steven L. Puller. 2017. "Power to Choose? An Analysis of Consumer Inertia in the Residential Electricity Market." *American Economic Journal: Economic Policy*, 9 (4): 192-226.

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