

APR 22. Incomplete Contracts and Firm Boundaries

Required:

Milgrom and Roberts, *Economics, Organization and Management*, Prentice-Hall, 1992
ch. 16, "The Boundaries and Structure of the Firm".

Hart, Oliver. "AN ECONOMIST'S PERSPECTIVE ON THE THEORY OF THE FIRM"
Columbia Law Review, November 1989.

Brynjolfsson, Erik (1994) Information Assets, Technology, and Organization
Management Science, Volume 40, Issue 12 (December 1994), 1645-1662

Rajan and Zingales (2001) What determines the size of the firm? (322605 Bytes) U.
Chicago Working Paper.

Recommended:

Johnston and Lawrence. (1988). Beyond Vertical Integration - the Rise of the Value-
Adding Partnership. *Harvard Business Review*, (July-August), pp. 94-101.

Tapscott, Ticoll and Lowy "Digital Capital" (selected portions)

Green and Porter "Noncooperative Collusion under Imperfect Price Information"
Econometrica, Vol. 52, No. 1. (Jan., 1984), pp. 87-100

Gibbons. *Game Theory for Applied Economists*, Princeton New Jersey: Princeton
University Press., 1992 p.88-99, p.107-112.

Hart, Oliver (1995) *Firms, Contracts, and Financial Structure*, Clarendon Press,
Oxford. Chapter 1: Established Theories of the Firm.

Coase, Ronald H. (1937) "The Nature of the Firm," *Economica* 4(16) 386-405

Alchian, Armen and Harold Demsetz (1972) Production, Information Costs, and Economic Organization (2814742 Bytes) *The American Economic Review*, Vol. 62, No. 5. (Dec., 1972), pp. 777-795.

Williamson (1973) Markets and Hierarchies: Some Elementary Considerations *The American Economic Review*, Vol. 63, No. 2, Papers and Proceedings of the Eighty-fifth Annual Meeting of the American Economic Association. (May, 1973), pp. 316-325.

Williamson, Oliver E. (2002) "The theory of the firms as governance structure," *Journal of Economic Perspectives*, 16(3) p171-195 (273613 Bytes)

Gurbaxani, Vijay and Seungjin Whang (1991) The Impact of Information Systems on Organizations and Markets (2081986 Bytes) *Communications of the ACM*, Volume 34, Number 1 (January 1991), 59-73.

Zingales, Luigi (2000) In search of new foundations, *Journal of Finance*, LV(4) (122907 Bytes)