



# Recursive Methods in Economic Dynamics

By Nancy L. Stokey, Robert E. Lucas Jr.

[Download now](#)

[Read Online](#) 

**Recursive Methods in Economic Dynamics** By Nancy L. Stokey, Robert E. Lucas Jr.

This rigorous but brilliantly lucid book presents a self-contained treatment of modern economic dynamics. Stokey, Lucas, and Prescott develop the basic methods of recursive analysis and illustrate the many areas where they can usefully be applied.

After presenting an overview of the recursive approach, the authors develop economic applications for deterministic dynamic programming and the stability theory of first-order difference equations. They then treat stochastic dynamic programming and the convergence theory of discrete-time Markov processes, illustrating each with additional economic applications. They also derive a strong law of large numbers for Markov processes. Finally, they present the two fundamental theorems of welfare economics and show how to apply the methods developed earlier to general equilibrium systems.

The authors go on to apply their methods to many areas of economics. Models of firm and industry investment, household consumption behavior, long-run growth, capital accumulation, job search, job matching, inventory behavior, asset pricing, and money demand are among those they use to show how predictions can be made about individual and social behavior. Researchers and graduate students in economic theory will find this book essential.

 [Download Recursive Methods in Economic Dynamics ...pdf](#)

 [Read Online Recursive Methods in Economic Dynamics ...pdf](#)

# Recursive Methods in Economic Dynamics

By Nancy L. Stokey, Robert E. Lucas Jr.

## Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr.

This rigorous but brilliantly lucid book presents a self-contained treatment of modern economic dynamics. Stokey, Lucas, and Prescott develop the basic methods of recursive analysis and illustrate the many areas where they can usefully be applied.

After presenting an overview of the recursive approach, the authors develop economic applications for deterministic dynamic programming and the stability theory of first-order difference equations. They then treat stochastic dynamic programming and the convergence theory of discrete-time Markov processes, illustrating each with additional economic applications. They also derive a strong law of large numbers for Markov processes. Finally, they present the two fundamental theorems of welfare economics and show how to apply the methods developed earlier to general equilibrium systems.

The authors go on to apply their methods to many areas of economics. Models of firm and industry investment, household consumption behavior, long-run growth, capital accumulation, job search, job matching, inventory behavior, asset pricing, and money demand are among those they use to show how predictions can be made about individual and social behavior. Researchers and graduate students in economic theory will find this book essential.

## Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr. Bibliography

- Sales Rank: #57354 in Books
- Published on: 1989-10-10
- Released on: 1989-11-09
- Original language: English
- Number of items: 1
- Dimensions: 1.79" h x 6.58" w x 9.50" l, 2.13 pounds
- Binding: Hardcover
- 608 pages

 [Download Recursive Methods in Economic Dynamics ...pdf](#)

 [Read Online Recursive Methods in Economic Dynamics ...pdf](#)

**Download and Read Free Online Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr.**

---

## **Editorial Review**

### **Review**

A magnificent work that is bound to have immense influence on the ways economists think about dynamic systems for many years to come. My own guess is that this book will eventually acquire the stature, say, of Hicks's *Value and Capital* or Samuelson's *Foundations*. (Thomas J. Sargent, Hoover Institution)

The book is a *tour de force*. The authors present a unified approach to the techniques and applications of recursive economic theory. The presentations of discrete-time dynamic programming and of Markov processes are authoritative. There is a wide-ranging series of examples drawn from all branches of the discipline, but with special emphasis on macroeconomics. In the short run, the book will be a vital reference in any advanced course in macroeconomic theory. In the long run, it may help to remove the traditional boundaries between microeconomic theory and macroeconomic theory. (Andrew Caplin, Columbia University)

This book is a wonderful collection of results on the techniques of dynamic programming with great applications to economics written by giants in the field. (Sanford J. Grossman, University of Pennsylvania)

### **About the Author**

Robert E. Lucas, Jr., is John Dewey Distinguished Service Professor of Economics at the University of Chicago. In 1995, he was awarded the Nobel Prize in Economics.

## **Users Review**

### **From reader reviews:**

#### **Lydia Sanders:**

The book Recursive Methods in Economic Dynamics make one feel enjoy for your spare time. You can utilize to make your capable more increase. Book can being your best friend when you getting stress or having big problem together with your subject. If you can make reading through a book Recursive Methods in Economic Dynamics to be your habit, you can get more advantages, like add your own personal capable, increase your knowledge about some or all subjects. You are able to know everything if you like wide open and read a book Recursive Methods in Economic Dynamics. Kinds of book are a lot of. It means that, science guide or encyclopedia or other people. So , how do you think about this book?

#### **Tony Edwin:**

Do you have something that that suits you such as book? The reserve lovers usually prefer to decide on book like comic, limited story and the biggest an example may be novel. Now, why not striving Recursive Methods in Economic Dynamics that give your entertainment preference will be satisfied by reading this book. Reading behavior all over the world can be said as the means for people to know world much better then how they react when it comes to the world. It can't be stated constantly that reading practice only for the geeky individual but for all of you who wants to end up being success person. So , for every you who want to start reading through as your good habit, you can pick Recursive Methods in Economic Dynamics become

your own personal starter.

**Eric Butler:**

Beside this Recursive Methods in Economic Dynamics in your phone, it can give you a way to get nearer to the new knowledge or details. The information and the knowledge you will get here is fresh through the oven so don't possibly be worry if you feel like an outdated people live in narrow village. It is good thing to have Recursive Methods in Economic Dynamics because this book offers to you personally readable information. Do you sometimes have book but you do not get what it's interesting features of. Oh come on, that would not happen if you have this in your hand. The Enjoyable agreement here cannot be questionable, including treasuring beautiful island. So do you still want to miss the idea? Find this book in addition to read it from currently!

**Johnnie Lewis:**

Don't be worry for anyone who is afraid that this book can filled the space in your house, you can have it in e-book approach, more simple and reachable. This specific Recursive Methods in Economic Dynamics can give you a lot of buddies because by you checking out this one book you have matter that they don't and make an individual more like an interesting person. This kind of book can be one of a step for you to get success. This e-book offer you information that might be your friend doesn't recognize, by knowing more than additional make you to be great individuals. So , why hesitate? We need to have Recursive Methods in Economic Dynamics.

**Download and Read Online Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr.  
#SWVGZJ6HX3C**

# **Read Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr. for online ebook**

Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr. Free PDF d0wnl0ad, audio books, books to read, good books to read, cheap books, good books, online books, books online, book reviews epub, read books online, books to read online, online library, greatbooks to read, PDF best books to read, top books to read Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr. books to read online.

## **Online Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr. ebook PDF download**

**Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr. Doc**

**Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr. MobiPocket**

**Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr. EPub**

**SWVGZJ6HX3C: Recursive Methods in Economic Dynamics By Nancy L. Stokey, Robert E. Lucas Jr.**