

Annotated Bibliography

- Heyman, D. P. and Sobel, M. J. (2003). *Stochastic Models in Operations Research, Vol. II: Stochastic Optimization*. Dover Publications, Mineola This book contains a highly useful exposition of the expected utility theory and its use in operations research in Chapter 2. The chapter is available as a pdf.
- Smith, R. C. (2014). *Uncertainty Quantification: Theory, Implementation, and Applications*. SIAM-Society for Industrial and Applied Mathematics, Philadelphia A highly readable introduction to uncertainty quantification.
- Huber, P. J. and Ronchetti, E. M. (2009). *Robust Statistics*. Wiley Series in Probability and Statistics. John Wiley & Sons, 1st edition

This is the foundational textbook for robust statistics. It defines robustness as insensitivity to small deviations from the assumptions. The book is primarily concerned with distributional robustness, i.e. the shape of the true underlying distribution deviates slightly from the assumed model.

- Wise, D. A. (1985). A behavioral model verses experimentation: The effects of housing subsidies on rent. *Methods of Operations Research*, 50

This paper is often cited in the context of validation a behavioral model using experimental data. However, the behavioral model itself is just very, very simple.

- A textbook introduction to asset pricing, it is very nicely written and in particular Chapter 4 on risk aversion is a very good overview on the topic. Also, he always includes a lot of notes at the end of each chapter that are a very informative on the ongoing developments and discussions in the literature.

References

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