Economics 603  
Microeconomic Analysis  
General Equilibrium – Part I

Instructor: Harvey Lapan  
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Classes:  
Lectures M and W 1:10 pm- 3:00 pm  
Heady Hall 272

Discussion F 1:10 – 2:00 pm  
Heady Hall 272

{At the first class meeting I will try to arrange for a two hour period discussion section}

Office hours:  
Lapan M and W 10:00 am - Noon  
(feel free to come to my office anytime or to make an appointment for another time)

Cui T and Th 1:00-3:00 pm

Grades:  
10% problem sets  
90% final exam (covering general equilibrium)

Prof. Rosenblat teaches the second half of the class (game theory). Your grade for each half will be weighted equally. Prof. Rosenblat and I will jointly determine your final grade based upon your grade for each half of the course.

Homework:  
Homework will be handed out in class and should be submitted to Mr. Cui by noon on Friday. You may work with other students, but the work submitted should be your own and not a copy of someone else’s work.

Exam:  
The exam for my part of the course will be in the evening, at a date and time to be arranged (in the week before, or two weeks after, Spring break).

Required textbook:  

Other Reference Books for general equilibrium:


Jehle, G.A., & P.J. Reny, Advanced Microeconomic Theory, Addison-Wesley, 2001 (2nd ed.)

Varian, H., Microeconomic Analysis, Norton, 1992 (3rd ed.)

Note: Books are on reserve in the main library. The articles listed are available through JSTOR (http://www.jstor.org/cgi-bin/jstor/listjournal#Economics).

“Any student who feels s/he may need an accommodation based on the impact of a disability should contact me privately to discuss your specific needs. Please contact the Disability Resources Office at 515-294-6624 in room 1076, Student Services Building to coordinate reasonable accommodations for students with documented disabilities.”
Outline and Reading List – General Equilibrium

I. General Equilibrium Analysis - Exchange Economy
   Mas-Colell, Whinston and Green, Chapter 15, pp. 515-524
   Arrow & Hahn, Chapter 4
   Varian, Chapter 17

II. Fundamental Welfare Theorems
   Mas-Colell, Whinston and Green, Chapter 16
   Varian, Chapters 17 & 18

III. General Equilibrium Analysis - Existence in a Production Economy
   Mas-Colell, Whinston and Green, Chapter 15, 525-540; Chapter 17, 578-588.
   Jehle & Reny, Chapter 7
   Arrow & Hahn, Chapters. 2, 3 & 5.
   Varian, Chapter 18

IV. Welfare Analysis: Public Goods, Externalities and Market Failures
   Mas-Colell, Whinston and Green, Chapter 10, pp. 311-334.
   Mas-Colell, Whinston and Green, Chapter 11
   Varian, Chapters 23 & 24

V. General Equilibrium: Uncertainty and Time
   Varian, Chapters 19 & 20
   Mas-Colell, Whinston and Green, Chapter 19 (pp. 687-708) & Chapter 20 (pp. 732-753)

VI. Social Choice and Welfare
   Mas-Colell, Whinston and Green, Chapter 21.
   Varian, Chapter 22.
   Jehle & Reny, Chapter 8.

VII. Equilibrium Analysis (Core, Nonconvexity, Uniqueness)
   Mas-Colell, Whinston and Green, Chapter 17 (606-630) and Chapter 18 (pp. 652-660).
   Arrow & Hahn, Chapters 7-9.
   Varian, Chapter 21.