Economics 603  
Microeconomic Analysis  

General Equilibrium – Part I  

Instructor: Harvey Lapan  
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Classes:  
- Lectures: M and W 11:00am - 1:00 pm  
- Discussion: F 12:00 – 1:00 pm  
274 Heady Hall  
272 Heady Hall  

Office hours:  
- Lapan: T and Th 1:30-3:00pm  
  (feel free to make an appointment for another time)  
- Wu: ??  

Grades:  
20% problem sets  
80% final exam (covering general equilibrium)  

Prof. Zhao will teach the second half (game theory) of the class. Your grade for each half will be weighted equally. Prof. Zhao 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 in class. You may work with other students, but the worked submitted should be your own and not a copy of someone else’s work.  

Required textbooks:  


Other Reference Books for general equilibrium:  


(Handbook in list below)  

Note: These books are available in Reserve in the Economics Reading Room, 368 Heady Hall.
I. Introduction
Mas-Colell, Whinston and Green, Chapter 10, pp. 311-334.

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

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

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

V. Welfare Analysis: Public Goods, Externalities and Market Failures
Varian, Chapters 23 & 24
Mas-Colell, Whinston and Green, Chapter 11
Handbook, Chapter 25

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

Varian, Chapters 19 & 20
Mas-Colell, Whinston and Green, Chapter 19 (pp. 687-708) & Chapter 20 (pp. 732-753)

VIII. Social Choice and Welfare

Mas-Colell, Whinston and Green, Chapter 21.
Varian, Chapter 22.
Jehle, Chapter 8.