Note: First class is cancelled!

This class focuses on the theory of classical general equilibrium, as first formalized by McKenzie, Arrow, and Debreu. There are two required texts for this course:


A third book, which is recommended reading but not required, is the following:


The Debreu book is more or less the classic and canonical reference for the theory, whereas the book by Starr is written in a much simplified manner. Because of this, our primary readings will focus on the book by Starr. We will do our best to cover as many of the chapters of 1-7, 12-14 as possible. The course is relatively mathematical, and I expect students to be proficient at rigorous mathematical proofs. The mathematics involved are not terribly difficult, but are probably different from what you are used to from your other classes. Therefore, much of the time will be used in discussing basic mathematical theorems which are commonly used in economics.

Homework assignments will be assigned every two weeks, excluding exam weeks. There will be no midterm, and one final exam. The final will count for 60% of your final grade. Each week, I will select one question from each homework assignment to grade (not described in advance). The format of the course is roughly as follows:

Basic introduction and examples
- Starr, Chapter 1

Mathematical preliminaries
- Starr, Chapter 2
• Debreu, Chapter 1

Market agents–consumers and producers
• Debreu, Chapter 2
• Starr, Chapter 3-5
• Debreu, Chapter 3-4

The equilibrium existence problem
• Starr, Chapters 6-7
• Debreu, Chapter 5

The welfare theorems
• Starr, Chapter 12
• Debreu, Chapter 6

Core convergence
• Starr, Chapters 13-14