

General Equilibrium Theory

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Instructor
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Contact information

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Objective of the course:

The course introduces and explores general equilibrium theory and the welfare properties of competitive equilibria.

Contents:

1. Introduction: some history of GET, partial vs. general equilibrium, revision of basic microeconomic concepts (preferences, utility maximization, production, profit maximization)
2. A first example of GE: a pure exchange economy
3. A second example of GE: a one-consumer, one-producer economy
4. Competitive equilibria and the first and second fundamental theorems of welfare
5. Existence, uniqueness and stability of the equilibrium
6. The core
7. GE under uncertainty: the Arrow-Debreu equilibrium

Exam:

There will be no final exam. A number of problem sets will be distributed during the course. The final mark will be a convex combination of the marks the student obtains in the problem sets and of the student's participation in class.

Textbook:

Mas-Colell, A., Whinston, M.D. and J. R. Green (1995). *Microeconomic Theory*. OUP, 1995.