

Take-Home Final Exam Instructions and Hints

QUIET PERIOD DURING THE EXAMINATION PERIOD: From 3:45 PM Wednesday June 1 to 2:15 PM Friday June 3. During this period, do not discuss or communicate regarding the exam, the course, course content, course-relevant mathematics, course-relevant economics with anyone except Prof. Starr or Ms. Fried: classmates, friends, faculty are closed. Prof. Starr and Ms. Fried will share any course-relevant advice that goes to one student, with all by e-mail.

Use a blue book. Show your name, student ID number, and the form of the exam, on the cover of the blue book.

Hint for 18.5

Theorem 14.1 gives sufficient conditions for existence of equilibrium in a pure exchange economy: continuous non-satiated preferences, incomes continuous as a function of prices, and the Weak Walras' Law.

Hint for 18.6

Section 18.4 of Starr's *General Equilibrium Theory, draft 2nd edition*, especially the statement and proof of Theorem 18.2, should be helpful.

Hint for 19.13

It is no longer generally true that

$$p^\circ \cdot w^{\circ i} = M^i(p^\circ) = p^\circ \cdot r^i + \sum_j \alpha^{ij}(p^\circ \cdot y^{\circ j}).$$

Explain why.

Hint for 19.14

Note the answer to Midterm 2, "Even-Even-Even," # 1. It says that Problem 14.2 is merely the model of Chapters 11 - 18, with a redistribution of endowment.