Econ 206 - Problem Set 1
Due 2/16/2006

Question 1
Mas Colell, Whinston and Green (M-W-G) question 23.C.10 with the following modifications: At the end if the first paragraph (before part (a)) insert the following:

“Assume throughout that conditions are such that (23.C.8) holding is a necessary condition for \((k^*(\cdot), t_1(\cdot), \ldots, t_I(\cdot))\) to be truthfully implementable in dominant strategies.”

Also, in the second line of part (c) insert the word “implementable” before “ex post efficient social choice function...”

Question 2
M-W-G question 23.E.6

Question 3
Fudenberg & Tirole (Game Theory) question 7.2