Contents

Preface		ix
	0. Preliminary Discussion	
0.1.	Basic Notation	1
0.2.	Pure Exchange Economy	3
	1. Introduction to Convex Analysis	
1.1.	Convex Set	8
1.2.	Affine Subspace	10
1.3.	Hyperplane	12
1.4.	Algebraic Interior, Algebraic Relative Interior	13
1.5.	Separation Principle	17
1.6.	Extreme Points	21
	Appendix	26
	Exercises	27
	2. Introduction to Continuity of a Correspondence	
2.1.	Upper and Lower Semicontinuities	32
2.2.	Closedness	34
2.3.	Maximum Theorem	37
	Exercises	38
	3. Introduction to Fixed-Point Theorems in R ⁿ	
3.1.	Sperner's Lemma, K-K-M Theorem	43
3.2.	Fixed-Point Theorems	47
3.3.	Fixed-Point Theorem and Separation Principle:	
	Coincidence Theorem	50
	Exercises	53
	4. Noncooperative Behavior and Equilibrium	
4.1.	Nash Equilibrium of a Game in Normal Form	56
4.2.	Optimality	58
4.3.	Social Equilibrium of an Abstract Economy	60
4.4.	Competitive Equilibrium of a Pure Exchange Economy	61

vii

viii Contents

Fundamental Theorems of Welfare Economics	62
Game-Theoretical Interpretation of the Competitive	
Equilibrium	65
Notes	67
Exercises	74
5. Cooperative Behavior and Stability	
Linear Inequalities	78
Core of a Side-Payment Game	80
K-K-M-S Theorem	82
Core of a Non-Side-Payment Game	83
Core Allocation of a Pure Exchange Economy	86
A Limit Theorem of Cores	89
Social Coalitional Equilibrium of a Society	94
Optimality of the Nash Equilibrium: Strong Equilibrium	100
Notes	102
Exercises	113
6. Cooperative Behavior and Fairness	
Shapley Value of a Side-Payment Game	118
Convex Game	120
λ-Transfer Value of a Non-Side-Payment Game	122
Value Allocation of a Pure Exchange Economy	120
A Limit Theorem of Value Allocations of Replica Economies	128
Notes	14:
Exercises	148
rences	15
or Index	15
	16
	Game-Theoretical Interpretation of the Competitive Equilibrium Notes Exercises 5. Cooperative Behavior and Stability Linear Inequalities Core of a Side-Payment Game K-K-M-S Theorem Core of a Non-Side-Payment Game Core Allocation of a Pure Exchange Economy A Limit Theorem of Cores Social Coalitional Equilibrium of a Society Optimality of the Nash Equilibrium: Strong Equilibrium Notes Exercises 6. Cooperative Behavior and Fairness Shapley Value of a Side-Payment Game Convex Game \(\lambda\)-Transfer Value of a Non-Side-Payment Game Value Allocation of a Pure Exchange Economy A Limit Theorem of Value Allocations of Replica Economies Notes Exercises