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- May 14, 2010, 11:00 am
 - HS II (lecture room II)
Institute for Advanced Studies
Stumpergasse 56, A – 1060 Wien
<http://economics.ihs.ac.at/seminars>

JOINT VIENNA MACROECONOMICS SEMINAR

John LEAHY,
New York University and N.B.E.R.:

“Comparative Statics with Indivisible Goods”

Abstract

Indivisible all-or-nothing purchase decisions and wealth effects are crucial features of many real world markets, such as housing markets and many auction markets. Together, indivisibilities and wealth effects render classical techniques of marginal analysis unsuitable for comparative static analysis. We introduce a new mathematical apparatus ideally suited to analyzing the impact of changes in the economic environment on market for large indivisible goods. In addition to characterizing distinctive forms of market adjustment, our apparatus produces an algorithm for identifying market equilibria.

with Andrew Caplin (New York University and N.B.E.R.)