Determinacy of competitive equilibria

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One of the central features of classical models of competitive markets is the generic determinacy of equilibria. Except for a set of parameter values of measure zero, models with a finite number of commodities admit only a finite number of equilibria, and these equilibria vary (locally) smoothly with parameters under relatively mild assumptions. These results, based on Debreu's (1970, 1972) seminal work, guarantee that equilibrium and local comparative statics are meaningful in classical models of competitive markets. This talk will survey these results, and describe recent work establishing parallel results for models with infinitely many commodities. This framework is sufficiently general to encompass most of the economic models that have proved important in the study of continuous-time trading in financial markets, trading over an infinite time horizon, and trading of finely differentiated commodities.