Advanced microeconomics II

3 SWS (1SWS = 45 min in each of 14 weeks): lecture (2) + exercise (1)

Time: Monday 8:15-9:45, Tuesday 8:15-9:45 every second week (but note that there is an irregular session on April 23rd and no lecture on July 1st)

Instructor: Prof. S. Goldlücke

Course level: Master

Course language: English

Examination: written final exam (90 minutes)

ECTS: 6

Course description

This course is the second half of the Economics department's two-semester sequence in *Advanced microeconomics* in the Master program. Advanced microeconomics II is a course on the theory of market design, with a focus on auction theory. Topics include the analysis of auction formats for selling a single unit, multi-unit auctions, matching markets. Auctions and other forms of trade are also considered from a mechanism design perspective, looking for optimal allocation procedures.

After successful participation in this course, students will be acquainted with different auction formats and their properties. They will be able to analyze strategic behavior in auctions and other forms of exchange and to compare market designs in different situations. They will be familiar with the standard methods of auction theory and mechanism design, tools that are of use in many applications.

Prerequisites

Advanced microeconomics I or any other introduction to game theory (Bayesian games) **Course requirements**

Exam (80%), Participation in Exercises (20%)

Literature

The course is loosely based on Vijay Krishna, *Auction Theory* and Paul Klemperer, *Auctions – Theory and Practice.* Auction theory is also covered by Jehle and Reny, *Advanced Microeconomic Theory.*