

**Professor Garratt**

**Economics 191AU  
Auctions  
MW 2:00-3:15, 387 101**

[www.econ.ucsb.edu/~garratt/191AU](http://www.econ.ucsb.edu/~garratt/191AU)

Auctions have been used to allocate goods for thousands of years, but in the past 25 years there has been a surge in popularity. Auctions are now routinely used to sell spectrum rights, pollution rights, for privatization schemes, to finance the national debt, and to trade goods over the Internet. In this course we will study the standard auction mechanisms. Our goal will be to gain insight into how the rules of the auction influence bidding behavior and hence outcomes both in theory and in practice. This will help you to understand why different auction mechanisms are used in different circumstances. It might also help you to bid more successfully (or at least more wisely) in auctions that you participate in down the road.

**Text**

Lecture notes will be provided for Econ 191AU students on the course website.

**Schedule**

There is no set schedule. The first half of the course will deal primarily with private-value auctions. The readings are Chapters 3-6 of the online lecture notes. The second half of the course will deal with common-value auctions and revenue equivalence. The reading is Chapter 7 of the online lecture notes. The midterm exam will take place on **Thursday, February 12**.

**Office Hours**

My office hours are Wednesdays from 10:30 to 12:00 in 3046 North Hall. My email address is [garratt@econ.ucsb.edu](mailto:garratt@econ.ucsb.edu).

**Grading**

The midterm will make up 35 percent of your grade. The final is worth 45 percent. The remaining 20 percent will be based on class participation and assignments.