

ECON30026 Auctions and Bidding

Credit Points:	12.50
Level:	3 (Undergraduate)
Dates & Locations:	2010, Parkville This subject commences in the following study period/s: Semester 1, Parkville - Taught on campus.
Time Commitment:	Contact Hours: Three hours of lectures and seminars per week Total Time Commitment: 12 hours per week
Prerequisites:	<u>316-202 Intermediate Microeconomics (/view/2010/316-202)</u>
Corequisites:	None
Recommended Background Knowledge:	Please refer to Prerequisites and Corequisites.
Non Allowed Subjects:	None
Core Participation Requirements:	For the purposes of considering requests for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Students Experiencing Academic Disadvantage Policy, academic requirements for this subject are articulated in the Subject Description, Subject Objectives, Generic Skills and Assessment Requirements for this entry. The University is dedicated to provide support to those with special requirements. Further details on the disability support scheme can be found at the Disability Liaison Unit website: http://www.services.unimelb.edu.au/disability/
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Subject Overview:	Auctions have been commonplace since antiquity. In recent times, auctions often have been used to sell a variety of agricultural commodities and natural resources, while sealed-bid tenders (an auction format) continue to be used extensively by both firms and governments to procure a variety of goods and services. Moreover, companies like eBay are integral parts of the global economy. This subject is designed to introduce students to the important auction formats and pricing rules and to help them understand the basic economic theory used to analyse these institutions. Empirical evidence and practical examples will be used throughout.
Objectives:	On successful completion of this subject students should be able to: <ul style="list-style-type: none"> # identify the different auctions formats and pricing rules; # identify the components of a game; # describe different informational paradigms in auction theory; # characterise the equilibria in auctions games; # describe important empirical regularities in auctions; # identify phenomena in the real-world that can be investigated using auction theory; # collect and analyse data from actual auctions; # decide whether particular auctions are achieving the stated goals; # propose ways in which existing auctions might be improved.
Assessment:	One 2-hour end-of-semester examination (70%) and several problem sets of approximately 3,000 words in total (30%).
Prescribed Texts:	McMillan, J., Reinventing the Bazaar, A Natural History of Markets
Recommended Texts:	Paarsch, H.J. & Peters M., Auction Manuscript

Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	<ul style="list-style-type: none"># High level of development: written communication; application of theory to practice; critical thinking; synthesis of data and other information; evaluation of data and other information;# moderate level of development: oral communication; problem solving; interpretation and analysis; accessing data and other information from a range of sources; receptiveness to alternative ideas;# some level of development: collaborative learning; team work; statistical reasoning; use of computer software.