

Advanced Microeconomics II - Problem set 3

Due date: classes on March, 13th

Problem 1. *In a symmetric independent private value model, assume that each bidder's valuation is drawn from the uniform distribution over the interval $[0, 1]$.*

- *Derive the equilibrium bidding strategies in the first-, second-, third-price and all-pay auctions (all-pay auction is an auction in which the highest bid wins the object but every bidder has to pay his bid)*
- *Show that expected revenue for the seller is the same in all these auction formats.*