

Börgers, Tilman

An introduction to the theory of mechanism design. With contributions by Daniel Krähmer and Roland Strausz. (English) [Zbl 1316.91001](#)

New York, NY: Oxford University Press (ISBN 978-0-19-973402-3/hbk). xv, 246 p. (2015).

Publisher's description: What is the best way of auctioning an asset? How should a group of people organize themselves to ensure the best provision of public goods? How should exchanges be organized? In the book, Tilman Börgers addresses these questions and more through an exploration of the economic theory of mechanism design, also known as reverse game theory. Game theory takes the rules of the game as a given and makes predictions about the behavior of strategic players, but the theory of mechanism design goes a step further to select the optimal rules of the game.

A relatively new economic theory, mechanism design studies the instrument itself rather than the results of the instrument. The book provides rigorous but accessible explanations of classic results in the theory of mechanism design, such as Myerson's theorem on expected revenue maximizing auctions, Myerson and Satterthwaite's theorem on the impossibility of ex post efficient bilateral trade with asymmetric information, and Gibbard and Satterthwaite's theorem on the non-existence of dominant strategy voting mechanisms. Börgers also provides an examination of the frontiers of current research in the area with an original and unified perspective that will appeal to advanced students of economics.

MSC:

- [91-01](#) Introductory exposition (textbooks, tutorial papers, etc.) pertaining to game theory, economics, and finance
- [91B26](#) Auctions, bargaining, bidding and selling, and other market models
- [91B18](#) Public goods
- [91B14](#) Social choice
- [91A80](#) Applications of game theory

Cited in **22** Documents

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