



Sabbatical Seminar

Interim Dominant-Strategy Auctions

Tangren Feng

Università Commerciale Luigi Bocconi

Tuesday April 14, 2026
12:45 pm **3-E4-SR03** Via Roentgen 1 Milano

Abstract

Milgrom and Weber (1982) showed that under interdependent values, the second-price auction no longer induces truthful bidding, owing to winner's curse considerations. In this talk, I study single-unit auctions with general valuation functions and information structures and provide a necessary and sufficient characterization of interim dominant-strategy incentive compatible mechanisms. The characterization identifies when truthful reporting can be sustained despite informational interdependence across bidders. Within this class, I show that revenue is maximized by individualized posted-price mechanisms. I also discuss the efficiency implications through examples.