

Caveat Emptor

A Game of Hidden Values, Slowly Revealed

Economists call it the *auction winner's curse*: the fact that the winner of an auction tends to overpay. After all, everyone else thought it was worth less—what are the odds that the person with the highest estimate of an item's value happens to be right?

Lucky for you, this game offers a lot more information than the typical auction. Will that be enough for you to escape the curse?

How to Play

What do you need? Two to eight players; it's best with four to six. Spend a few minutes gathering **five random household objects** to auction off.



Each person also needs **six cards, numbered 1 to 6**. (Scraps of paper will work.) On another sheet, set up a table on which to **track each player's score and the numbers they've used**.

STAR	VILLAIN	ALIEN	PERSON
1	1	1	1
2	2	2	2
3	3	3	3
4	4	4	4
5	5	5	5
6	6	6	6

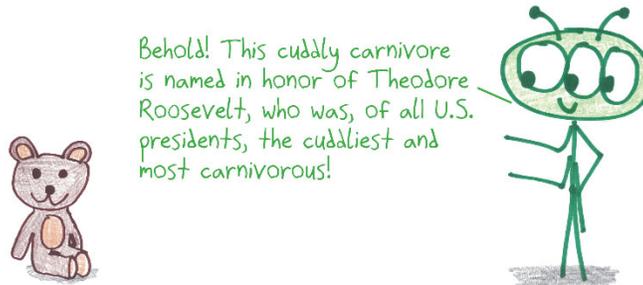
space for keeping score

for crossing off numbers used

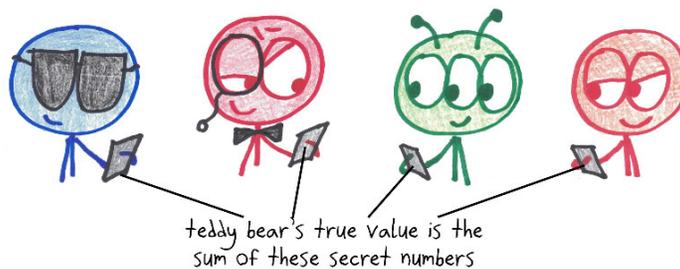
What's the goal? Win auctions, but avoid overbidding.

What are the rules?

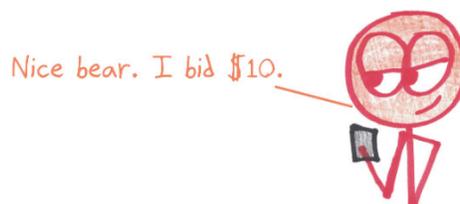
1. Each round, one of the players—called the Auctioneer—picks an item and give a little speech about how delightful and valuable it is.



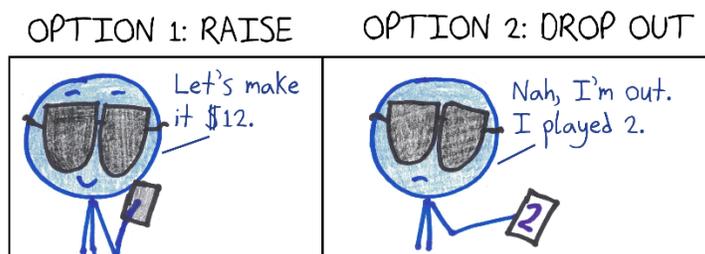
2. Every player (Auctioneer included) **secretly chooses a number from 1 to 6**. The sum of these numbers—which no player yet knows—is **the true value of the item on auction**.



3. Now, the bidding begins with the player to the left of the auctioneer, who **states a price they'd be willing to pay for the item**.



4. Bidding continues to the left. On your turn, you must **either raise the bid, or drop out of the auction**. When you drop out, **reveal the number you selected**.



5. If you are the **last player remaining**, then you **win the auction** (at the price of your last bid). You reveal your own number, and the item's true value is thus known to all.



6. **Subtract the price paid from the item's true value, and score this many points** for the "winner" of the auction. It may be negative!

Also, **whatever card you played, you cannot use again**. Discard those scraps of paper, and cross out the corresponding numbers on the scoring table.

STAR	VILLAIN	ALIEN	PERSON
1	1	1	1
2	2	2	2
3	3	3	3
4	4	4	4
5	5	5	5
6	6	6	6

(each player can use each number only once)

-1
(score for the round)

7. **Play five rounds, changing Auctioneers each time.**¹ It's okay if not every person gets the same number of chances as Auctioneer. In the end, the **highest cumulative score wins**.

¹ You can also play a different number of rounds. The trick is that you want to have two cards remaining for the final round, so to play N rounds, start with cards numbered 1 through N + 1.