Market Design Approaches to Inequality

Scott Duke Kominers

Lecture Topics

Pre-Reading/Introduction.

Alvin E. Roth. The art of designing markets. *Harvard Business Review*, 85:118–126, 2007. Parag A. Pathak and Tayfun Sönmez. Leveling the playing field: Sincere and sophisticated players in the Boston mechanism. *American Economic Review*, 98:1636–1652, 2008.

Day 1: Balancing Fairness, Efficiency, and Incentives.

- Parag A. Pathak and Tayfun Sönmez. School admissions reform in Chicago and England: Comparing mechanisms by their vulnerability to manipulation. *American Economic Review*, forthcoming.
- John William Hatfield, Fuhito Kojima, and Yusuke Narita. Promoting school competition through school choice: A market design approach. Stanford Graduate School of Business Working Paper, 2012.
- Caterina Calsamiglia and Antonio Miralles. All about priorities: No school choice under the presence of bad schools. Universitat Autonoma de Barcelona Working Paper, 2012.
- Tayfun Sönmez. Bidding for army career specialties: Improving the ROTC branching mechanism. Boston College Working Paper, 2011.
- Scott Duke Kominers and E. Glen Weyl. Holdout in the assembly of complements: A problem for market design. *American Economic Review Papers & Proceedings*, 107:360–365, 2012.

Day 2: Design of Affirmative Action Policies.

- Fuhito Kojima. School choice: Impossibilities for affirmative action. Games and Economic Behavior, 75:685–693, 2012.
- Isa Emin Hafalir, M. Bumin Yenmez, and Muhammed Ali Yildirim. Effective affirmative action in school choice. *Theoretical Economics*, forthcoming.
- Scott Duke Kominers and Tayfun Sönmez. Designing for diversity: Matching with slot-specific priorities. University of Chicago Working Paper, 2012.

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Further Reading

Survey.

Alvin E. Roth. Deferred acceptance algorithms: History, theory, practice, and open questions. *International Journal of Game Theory*, 36:537–569, 2008.

Matching Theory.

- David Gale and Lloyd S. Shapley. College admissions and the stability of marriage. American Mathematical Monthly, 69:9–15, 1962.
- L. E. Dubins and D. A. Freedman. Machiavelli and the Gale-Shapley algorithm. *American Mathematical Monthly*, 88:485–494, 1981.
- John William Hatfield and Paul Milgrom. Matching with contracts. *American Economic Review*, 95:913–935, 2005.

School Choice.

- Atila Abdulkadiroğlu and Tayfun Sönmez. School choice: A mechanism design approach. American Economic Review, 93:729–747, 2003.
- Michel Balinski and Tayfun Sönmez. A tale of two mechanisms: Student placement. *Journal of Economic Theory*, 84:73–94, 1999.
- Atila Abdulkadiroğlu, Parag A. Pathak, and Alvin E. Roth. The New York City high school match. *American Economic Review*, 95:364–367, 2005.
- Atila Abdulkadiroğlu, Parag A. Pathak, Alvin E. Roth, and Tayfun Sönmez. The Boston public school match. *American Economic Review*, 95:368–371, 2005.
- Atila Abdulkadiroğlu, Parag A. Pathak, Alvin E. Roth, and Tayfun Sönmez. Changing the Boston school choice mechanism: Strategy-proofness as equal access. Massachusetts Institute of Technology Working Paper, 2006.
- Atila Abdulkadiroğlu, Parag A. Pathak, and Alvin E. Roth. Strategyproofness versus efficiency in matching with indifferences: Redesigning the NYC high school match. *American Economic Review*, 99(5):1954–1978, 2009.
- Onur Kesten. School choice with consent. Quarterly Journal of Economics, 125:1297–1348, 2010.
- Atila Abdulkadiroğlu, Yeon-Koo Che, and Yosuke Yasuda. Resolving conflicting preferences in school choice: The Boston mechanism reconsidered. *American Economic Review*, 101:399–410, 2011.
- Lars Ehlers, Isa Emin Hafalir, M. Bumin Yenmez, and Muhammed Ali Yildirim. School choice with controlled choice constraints: Hard bounds versus soft bounds. Tepper School of Business Working Paper, 2011.
- Surendrakumar Bagde, Dennis Epple, and Lowell J. Taylor. Dismantling the legacy of caste: Affirmative action in Indian higher education. Carnegie Mellon Working Paper, 2011.

Cadet-Branch Matching.

Tayfun Sönmez and Tobias B. Switzer. Matching with (branch-of-choice) contracts at United States Military Academy. Boston College Working Paper, 2011.

Combinatorial Assignment.

Eric Budish. The combinatorial assignment problem: Approximate competitive equilibrium from equal incomes. *Journal of Political Economy*, 119:1061–1103, 2011.

Eminent Domain.

Scott Duke Kominers and E. Glen Weyl. Concordance among holdouts. University of Chicago Working Paper, 2012.