Application: NBER Digitization Tutorial

Nikita Kotsenko

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My doctoral thesis examines how market participants use publicly available data to mitigate market uncertainty. The two projects described below are motivated by the online publication of digital housing deeds in Israel. They are closely related to the literature on how the internet affects decentralized markets.

I approach this question from both a theoretical and an empirical perspective. On the theory front, I introduce aggregate uncertainty and learning into a dynamic search and matching market, and show how changes in public information affect learning dynamics and market outcomes. A tighter prior, representing better public information, causes equilibrium price dispersion to decrease and bargaining stances to become stricter (each side demands a larger part of the surplus).

The empirical application is to the housing market. This market is of particular interest because demand fluctuates and is unobserved, transactions record are accessible online in the form of digital deeds data, and most participants are unsophisticated. I use randomly missing records from the public deeds database to identify how information precision affects market outcomes.

In my MA in economics (Hebrew University, 2014-2016), in addition to the core graduate courses in Micro, Econometrics and Macro, I took all 3 Industrial Organization courses (taught by David Genesove and Alon Eizenberg) and the Urban Economics course (David Genesove and Naomi Hausman). I also took the Regional Economics course (Danny Shoag) and the Dynamic Mechanism Design course (Benny Moldovanu). I also spent a semester at Bonn University, visiting the lab of Stephan Lauermann who specializes in Search and Learning Theory, where I took a Search Theory course (Mark Armstrong).

My PhD supervisor is David Genesove, who also supervised my MA thesis. The other members of my committee are Ilan Kremer and Chaim Fershtman.

My mail is nikita.kotsenko@mail.huji.ac.il.