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EDUCATION

PhD in Economics, expected June 2012, committee chair: Faruk Gul.
Princeton University, Princeton, USA.

MA in Economics, 2009.
Princeton University, Princeton, USA.

Graduate studies in Economics, 2006.
Universidad Torcuato Di Tella, Buenos Aires, Argentina.

BA in Economics, 2003.
Universidad Torcuato Di Tella, Buenos Aires, Argentina.

FIELDS OF INTEREST

Microeconomic Theory, Political Economy, Corporate Finance.

JOB MARKET PAPER

"Durable Goods Monopoly with Stochastic Costs"

Abstract: I study the problem of a durable good monopolist who lacks commitment power and whose marginal cost of production varies stochastically over time. When costs do not change over time, the Coase conjecture holds: the monopolist sets an opening price equal to marginal cost and the market outcome is competitive. Time-varying costs modify the results on the Coase conjecture. When the distribution of consumer valuations is discrete, the monopolist is able to exercise market power and the outcome is inefficient. In contrast, with a continuous distribution the monopolist is unable to extract additional surplus from buyers with higher valuations. Moreover, the outcome is efficient in this setting: the monopolist serves consumers sequentially as costs decrease, precisely at the point in time that maximizes total surplus. The model is set up in continuous time and the monopolist's marginal cost evolves as a diffusion process. Continuous time methods lead to a tractable characterization of the equilibrium.

WORKING PAPERS

"A Continuous Time Model of Bilateral Bargaining"

Abstract: This paper introduces a new continuous time bargaining model in which the player's relative bargaining power evolves as a diffusion process. The model has a unique equilibrium. Players always reach an immediate agreement in equilibrium, and their payoffs are fully characterized by a system of differential equations. Closed-form solutions to these equations are available for the case in which relative bargaining power evolves as a Brownian motion with constant drift μ and constant volatility $\sigma > 0$. The equilibrium of the continuous time model corresponds to the limiting subgame perfect equilibrium of a discrete time bargaining game, when players can make offers arbitrarily frequently. The paper also presents extensions of the baseline model featuring delays and inefficiencies.

"Optimism, Delay and (In)Efficiency in a Stochastic Model of Bargaining" (Revision requested from *Games and Economic Behavior*)

Abstract: I study a bilateral bargaining game in which the size of the surplus follows a stochastic process and in which players might be optimistic about their bargaining power. Following Yildiz (2003), I model optimism by assuming that players have different beliefs about the recognition process. I show that the unique subgame perfect equilibrium of this game might involve inefficient delays. I also show that these inefficiencies disappear when players can make offers arbitrarily frequently.

"Delays and Partial Agreements in Multi-issue Bargaining" joint with Avidit Acharya (Revision requested from *Journal of Economic Theory*)

Abstract: We model a situation in which two players bargain over two issues (pies), one of which can only be resolved at a future date. We find that if the players value the issues asymmetrically (one player considers the existing issue more important than the future one, while the other player has the opposite valuation) then they may delay agreement on the first issue until the second one is finally on the table. If we allow for partial agreements, then the players never leave an issue completely unresolved. They either make a partial agreement on the first issue and wait for the second one to emerge before completing the agreement; or they come to complete agreements on each of the issues at their earliest possible dates.

"Direct Implementation with Minimally Honest Individuals"

Abstract: I consider a standard implementation problem under complete information when agents have a minimal degree of honesty. In particular, I assume that agents are *white lie averse*: they strictly prefer to tell the truth whenever lying has no effect on their material payoff. I show that if there are at least five agents who are all white lie averse and if I impose either of two refinements of Nash equilibrium, then a simple direct mechanism fully implements any social choice function.

WORK IN PROGRESS

"A Model of Legislative Gridlock"

Abstract: This paper studies legislative negotiations with supermajority requirements within the context of a new continuous time model of bargaining. In this model, two political parties bargain over which policy to implement. The model has two key features. First, there is an exogenous diffusion process x_t , which represents the parties' relative political strength and whose realization determines at each instant the identity of the party making proposals. Second, the party responding to offers incurs a concession cost $c \geq 0$ whenever it accepts a proposal put forward by its opponent. The model has a unique equilibrium, and the parties' equilibrium payoffs are fully characterized by a system of differential equations. If $c=0$, the parties always come to an immediate agreement. On the other hand, if $c>0$ the equilibrium involves a delay region and an agreement region. When x_t is in the delay region there is no agreement that satisfies both parties' expectations. In this case gridlock emerges and policies are only implemented when x_t reaches the agreement region. The model delivers positive implications concerning when legislative inaction is most likely to emerge.

RESEARCH EXPERIENCE

Research Assistant to Prof. Hyun Shin, Summer 2009.

Research Assistant to Prof. Jose Scheinkman, Fall 2009.

Research Assistant to Prof. Sylvain Chassang, Spring 2011.

Research Assistant to Prof. Marco Battaglini, Summer 2011.

TEACHING EXPERIENCE

Princeton University

Teaching Assistant, Introduction to Macroeconomics (undergraduate), Prof. Beth Bogan, 2009.

Teaching Assistant, Financial Economics (graduate), Prof. Jose Scheinkman, 2009 and 2010.

Teaching Assistant, Financial Crises (graduate), Prof. Jose Scheinkman, 2010 and 2011.

Teaching Assistant, Intermediate Macroeconomics (undergraduate), Prof. Yan Bai, 2011.

Assistant Advisor for junior thesis (undergraduate), Prof. Swati Bhatt, 2010-2011.

Universidad Torcuato Di Tella

Teaching Assistant, Topics in Microeconomics (undergraduate), Prof. Marzia Raybaudi, 2007.

Teaching Assistant, Microeconomics I (graduate), Prof. Lucia Quesada, 2007.

HONORS AND FELLOWSHIPS

Princeton University Fellowship and Summer Fellowship, 2007-2012.

Stephen Goldfeld Summer Fellowship, Princeton University, 2010.

Invited participant at 4th Lindau Meeting of Nobel Laureates in Economics, 2011.

REFEREEING

Review of Economic Studies.

LANGUAGES

English: written and oral proficiency.

Spanish: native language.

REFERENCES

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