

# ALEJANDRO FRANCETICH

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## ACADEMIC POSITIONS

2021 - PRESENT	Associate Professor with tenure, School of Business, UW Bothell
2015 - 2021	Assistant Professor, School of Business, UW Bothell
2013 - 2015	Postdoc Fellow, Department of Decision Sciences and IGIER, Bocconi University
2024	Visiting Professor, Economics Department, Universidad Torcuato Di Tella (UTDT)

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## EDUCATION

2008 - 2013	Ph.D. in Economic Analysis and Policy, Stanford GSB, Stanford University
2005 - 2007	M.A. in Economics (Highest Distinction), UTDT
1999 - 2004	B.A. in Economics (Magna Cum Laude), Universidad de Buenos Aires (UBA)

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## PUBLICATIONS

- Francetich, A., "[When Partner Knows Best: Asymmetric Expertise in Partnerships](#)," *International Journal of Game Theory*, Vol. 52, no. 2, June 2023, 363-399
- Francetich, A. and D. Kreps, "[Choosing a Good Toolkit, II: Bayes-rule Based Heuristics](#)," *Journal of Economic Dynamics and Control*, Vol. 111, February 2020, article no. 103814
- Francetich, A. and D. Kreps, "[Choosing a Good Toolkit, I: Prior-free Heuristics](#)," *Journal of Economic Dynamics and Control*, Vol. 111, February 2020, article no. 103813
- Battigalli, P., A. Francetich, G. Lanzani, and M. Marinacci, "[Learning and Self-confirming Long-Run Biases](#)," *Journal of Economic Theory*, Vol. 183, September 2019, 740-785
- Francetich, A., "[Efficient Multi-Agent Experimentation and Multi-Choice Bandits](#)," *Economics Bulletin*, Vol. 38, No. 4, October 2018, A163
- Francetich, A., "[Becoming the Neighbor Bidder: Endogenous Winner's Curse in Dynamic Mechanisms](#)," *AEJ: Microeconomics*, Vol. 7, Issue 2, May 2015, 45-76
- Francetich, A. and D. Kreps, "[Bayesian Inference Does Not Lead You Astray...On Average](#)," *Economics Letters*, Vol. 125, Issue 3, December 2014, 444-446
- Francetich, A., "[Notes on Supermodularity and Increasing Differences in Expected Utility](#)," *Economics Letters*, Vol. 121, Issue 2, November 2013, 206-209

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## WORKING PAPERS

- Francetich, A. and B. Schipper, “Rationalizable Screening and Disclosure Under Unawareness”

This paper analyzes a principal-agent procurement problem in which the principal is unaware of some of the agent’s marginal costs. Since the principal does not conceive of all the relevant agent types, her planned menu of contracts may be suboptimal to the agent. Communication arises naturally as some types of the agent may have an incentive to raise the principal’s awareness of cost types before a contract menu is offered. The principal reasons about the agent’s types she is facing, as not all of them need have incentives to raise her awareness in the first place. We capture this reasoning through  $\Delta - O$  rationalizability, a dynamic version of cautious rationalizability with beliefs on types restricted to log-concavity and “reverse” Bayesianism (Karni and Vierø, 2013).

We show that, when the principal is initially unaware of high costs only, the highest cost type she is aware of and all higher types she is unaware of raise her awareness; otherwise, they would enjoy no information rents or downright reject the menu offered. With only three types, the lower costs also fully raise her awareness: The new higher costs make them “look better.” With more than three types, however, it is possible some of these types may prefer to stay quiet, if they anticipate that the revised contract will cater only to sufficiently high cost types. On the other end, when the principal is unaware of lower cost types only, she is kept in the dark and remains none the wiser.

- Francetich, A., C. Frosi, and A. Gambardella, “Managerial vs. Statistical Spillover in Business Strategy” (R&R at the *Strategic Management Journal*)

Our paper (formerly titled “Strategic Selection of Business Activities: Statistical vs. Managerial Spillover”) analyzes the problem of selecting a portfolio of business activities given a budget constraint and featuring value spillover across activities. Key factors in this selection process are the synergies across activities. We develop a model that analyzes the implications of two types of synergies: *managerial spillover*, well-studied synergies that stem from the exploitation of common resources or real assets, and *statistical spillover*, largely overlooked synergies whereby news on the value of one activity are informative about the value of others. This distinction has tangible implications for business strategy. Economies of joint production imply that, in order to exploit managerial spillover, activities must be assessed and undertaken in blocks, under centralized management. Statistical spillover allows for activities to be assessed and undertaken under decentralized management provided that all relevant value information is shared across units. Thus, statistical spillover is consistent with decentralized management but integrated information.

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## WORK IN PROGRESS

- Francetich, A., “Agency Role Reversal in Start-Up Partnerships”

In start-up partnerships, depending on the circumstances and expertise, the CEO may often need to step in as manager, while the manager temporarily steps up as CEO. Thus, contracts must account for the differences in tasks and responsibilities due to such role reversals. This project investigates the contract-design problem between two partners in a long-term partnership where, each period, the roles of principal and agent are i.i.d. draws based on a given probability. The partner in the role of principal must incentivize the partner in the role of agent to exert effort to produce output; but said incentives can leverage the probability that the agent may become the principal in the future, as well as who has had each role in the past for longer.

- Francetich, A., “Mixed Reporting and Comparative Statics in Mechanism Design”

This work analyses two separate problems in standard mechanism design: (1) What mechanisms work well when the agent mixes their report? (2) A distribution that assigns more weight on “good” types yields a highest social surplus, but also features a larger mass of rent-earning agents; under what conditions does the principal profit from a “better” distribution?

- Francetich, A. and B. Schipper, “Equilibrium Screening Under Unawareness”

This work revisits our problem of under unawareness adopting an equilibrium concept that yields the standard contract-design solution under symmetric awareness.

- Francetich, A. and B. Schipper, “Unawareness in Auctions and Procurement”

This work expands our joint work on screening under unawareness by introducing competition for the principal’s award or contract. If the agents raise the principal’s awareness, she can revise the terms of the auction or procurement process. We explore the agents’ incentives to raise the principal’s awareness unilaterally or bilaterally, covertly or overtly.

- Francetich, A. and B. Schipper, “Awareness of Unawareness in Contracting”

This work expands our joint work on screening under unawareness by allowing the principal to be unaware that she might be unaware of some types, and thus that an agent’s message about types might only be partial. By accounting for this possibility, the principal can commit to rewarding the agent for raising her awareness.

- Francetich, A., “When to Dissolve a Partnership”

This work analyses the problem of timing the dissolution of a partnership between a savvy partner, who possesses proprietary private information about the evolution of the value of the joint venture, and a silent partner who only observes public information. In each period, the agent with proprietary information privately observes the resale value and chooses whether or not to continue with the partnership. We explore how the potential signalling of proprietary information affects the timing of the partnership dissolution.

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## TEACHING

2024 - PRESENT	<i>Managerial Economics</i> (undergraduate), UW Bothell
2021 - PRESENT	<i>Intermediate Microeconomics</i> (undergraduate), UW Bothell
2021 - PRESENT	<i>Game Theory</i> (undergraduate + graduate), UW Bothell
2017 - 2022	<i>Quantitative Methods in Economics</i> (undergraduate), UW Bothell
2015 - 2024	<i>Introduction to Microeconomics</i> (undergraduate), UW Bothell
2013 - 2015	<i>Mathematics for Economics and Finance</i> (graduate, Ph.D.) Bocconi University
2024	<i>Mechanism Design</i> (graduate, MA), UTDT

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## CONFERENCES AND PRESENTATIONS

### Peer-Reviewed Conferences

- 2024 Econometric Society Australasian Meeting, Monash University
- 2021 Annual Conference of the CEA, Simon Fraser University
- 2019 North American Summer Meeting of the Econometric Society, UW
- 2018 North American Summer Meeting of the Econometric Society, UC Davis
- 2017 International Game Theory Conference at Stony Brook
- 2016 Annual Conference of the CEA, University of Ottawa
- 2014 International Game Theory Conference at Stony Brook
- 2014 Canadian Economic Theory Conference, Simon Fraser University
- 2012 International Game Theory Conference at Stony Brook
- 2011 North American Summer Meeting of the Econometric Society, WUSTL

### Invited Talks

- Winter 2024, Research Seminar, Universidad Torcuato Di Tella
- Winter 2023, Research Seminar, University of Notre Dame
- Fall 2021, Research Seminar, UTDT
- Winter 2021, Virtual Conference on Unawareness and Unintended Consequences (presented by coauthor B. Schipper)
- Fall 2020, Research Seminar, Monash University (presented by coauthor B. Schipper)
- Fall 2018, Research Seminar, UC Davis

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## PROFESSIONAL SERVICE

Peer reviews for *American Economic Review*, *Review of Economics Studies*, *Econometrica*, *Journal of Economic Theory*, *Games & Economic Behavior*, *Management Science*, *Economic Theory*, *International Journal of Game Theory*, *Journal of Economic Behavior and Organizations*.