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, 2025	Visiting Professor, Economics Department, Universidad Torcuato Di Tella (UTDT)

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)

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

WORKING PAPERS

- Francetich, A. and B. Schipper, "Rationalizable Screening and Disclosure Under Unawareness" (Under review)

  We analyze a principal–agent procurement problem in which the principal (she) is unaware of some of the agent's (he) marginal cost types. The agent may have an incentive to raise the principal's awareness—fully or partially—before a contract menu is offered, an action that may itself be informative about his type. We capture the principal's reasoning in a discrete concave model via rationalizability, imposing restrictions on marginal beliefs over types such as log-concavity, reverse Bayesianism, and a mild assumption of caution.

  We show that if the principal is ex ante unaware only of high-cost types, all of these types have an incentive to raise her awareness of them—otherwise, they would not be served. With three types, the two lower-cost types that the principal is initially aware of also prefer to raise her awareness of the high-cost type: their quantities suffer no additional distortions, and they both earn an extra information rent. Intuitively, the presence of an even higher-cost type makes the original two look better. However, with more than three types, it is possible for a type that the principal is initially aware of to find himself no longer being served after raising awareness about higher-cost types—in which case raising the principal's awareness might cease to be profitable in the first place. When the principal is ex ante unaware only of more efficient (low-cost) types, no type raises her awareness, leaving her none the wiser.

- Francetich, A. and B. Schipper, "Discrete Screening"

  In this companion paper, we consider a principal who wishes to screen an agent with discrete types by offering a discrete menu of quantities and transfers. We assume that the principal's valuation is strictly discretely concave and employ a discrete first-order approach. The agent's cost types are modeled as non-integer, with integer types as a limiting case. This modeling choice allows us to replicate the usual constraint-simplification results and thus to emulate the well-trodden steps of screening under a continuum of contracts.

  We show that the solutions to the discrete first-order conditions need not be unique even under strict discrete concavity. However, there can be no more than two optimal contract quantities for each type, and—if there are two—they must be adjacent. Moreover, we can ensure only weak monotonicity of quantities even when virtual costs are strictly monotone, unless we restrict the "degree of concavity" of the principal's utility. We introduce a rationalizability notion robust to variations in beliefs over types, called Δ-O Rationalizability, and show that the set of Δ-O rationalizable menus coincides with the set of standard optimal contracts—possibly augmented to include irrelevant ones.

- Francetich, A., "A Note on Stochastic Orders and Incentives"

  In contract design, a profit-maximizing principal trades off social surplus for lower information rents. Imagine that the principal is able to influence the distribution of agent types; for instance, a monopolist can invest in marketing campaigns to boost demand. Changes in the type distribution that generate more social surplus, however, may not be profitable for the principal if they lead to even higher information rents. When are the social and private benefits aligned?

  In a quasilinear setting, Proposition 2 in Hart and Reny (2015) can be adapted to show that first-order stochastic dominance (FOSD) guarantees said alignment by giving monotonicity of the principal's expected profit. This argument does not invoke the structure of expected information rents, nor whether incentive compatibility binds. With linear utilities, we propose a weaker stochastic order corresponding to said monotonicity: incentive dominance (ID), dominance in the

increasing convex order (ICxOD) applied to possibly-truncated (excluding lower types), possibly-ironed virtual utilities. It turns out that, while weaker, ID is "very close" to FOSD: We show that, for regular distributions, FOSD is in fact equivalent to ICxOD applied to the non-truncated virtual utilities.

- 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.

WORK IN PROGRESS

- Francetich, A. and B. Schipper, "Discrete Screening of a Continuum of Types"

  In our paper titled "Discrete Screening," we analyze the problem of a principal using contracts designed on a discrete grid to screen an agent with discrete types, assuming that the contract grid is rich enough to allow the principal to offer distinct contract to different types. This work looks at the case where the space of agent's type is richer than the contract grid, so that total screening is infeasible. We explore how the principal pools agent types when designing contracts.

- 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., "When to Dissolve a Partnership"

  This work analyses the problem of timing the dissolution of a partnership between a savvy partner, who posses 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.

TEACHING

Courses Taught

UW Bothell	• *Strategic Thinking in Business and Life* (undergraduate, FYPP) • *Managerial Economics* (undergraduate) • *Intermediate Microeconomics* (undergraduate) • *Game Theory* (undergraduate + graduate) • *Quantitative Methods in Economics* (undergraduate) • *Introduction to Microeconomics* (undergraduate)
Bocconi University	*Mathematics for Economics and Finance* (graduate, Ph.D.)
UTDT	*Mechanism Design* (graduate, MA)

CONFERENCES AND PRESENTATIONS

Peer-Reviewed Conferences

- 2025 Midwest Economic Association
- 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, WUSt.L

Invited Talks

- Fall 2025, Research Seminar, SUNY University at Stony Brook
- Winter 2024, Research Seminar, UTDT
- Winter 2023, Research Seminar, University of Notre Dame
- Fall 2021, Research Seminar, UTDT
- Winter 2021, Virtual Conference on Unawareness and Unintended Consequences (Presenter: B. Schipper)
- Fall 2020, Research Seminar, Monash University (Presenter: B. Schipper)
- Fall 2018, Research Seminar, UC Davis
- Winter 2015, UW Bothell, UC Davis, Universidad Carlos III de Madrid, and University of Sheffield
- Winter 2013, Bocconi University, Fuqua School of Business at Duke University, Johns Hopkins University, University of Chile, and University of Bonn

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*.