

Andrew deJong

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Date: 10/2021

EDUCATION

University of North Carolina at Chapel Hill
Ph.D. Economics

Chapel Hill, NC
May 2022 (Expected)

Bowdoin College
B.A., Mathematics and Economics

Brunswick, ME
May 2016

London School of Economics and Political Science
The General Course

London, England
2014 Academic Year

RESEARCH INTERESTS

Industrial Organization, Applied Microeconomics, Antitrust

WORKING PAPERS

The Effect of Common Ownership on Pricing: Evidence from the Airline Industry (JMP)

A significant fraction of publicly traded firms is held by institutional investors that own shares in multiple competing firms. Concerns have been raised that common ownership can lead to anticompetitive pricing in product markets. Addressing endogeneity concerns from the literature, I use instrumental variables for both ownership and market shares to provide reduced form evidence that ownership concentration has a positive and significant effect on prices. To understand how common ownership affects firm incentives and how investors react to these incentives, I take a structural approach where I include the investor decision. Building on an oligopoly model where firm managers internalize investor shareholdings, I structurally model ownership acquisition where investors internalize airline managers' decisions. Using ownership data and data from the airline industry, I estimate the price effects of common ownership. I find that common ownership softens competition between airlines as prices are 15.3% higher on average relative to a counterfactual world with no common ownership.

Price Dispersion in the Used Car Market

Since Stigler's (1961) seminal article on the economics of information, economists have been concerned with price dispersion. Previous studies have primarily focused on non-durable consumption goods. I extend the analysis to used durable goods, and empirically examine the extent of price dispersion in the used car market. The purpose of this paper is to carefully document this price dispersion and provide some insight as to how it relates to the role of intermediaries (car dealers). Using novel micro-level data on used vehicle transactions, I demonstrate the following: (1) 79% of price dispersion is due to observable heterogeneity, 14% of which is explained by dealers (2) The typical price distribution for observationally identical vehicles is leptokurtic with a standard deviation of 27% and 45% in the dealer and private channels respectively (3) Unobservable heterogeneity increases with age, but the presence of dealers mitigates these unobserved heterogeneities. The dealer premium is hump-shaped in age and increases in a way that is consistent with how vehicle uncertainty evolves, conforming to our expectations that middlemen exist to alleviate market frictions.

PREVIOUS EMPLOYMENT

Department of Justice RA

Summer 2018

Antitrust Division, Economic Analysis Group

- Conducted theoretical and empirical analysis using confidential data on corporate mergers, acquisitions, and activity under investigation by antitrust authorities
- Collaborated with several EAG economists on casework as well as research projects

Economics Research

Summer 2015

Bowdoin College (Surdna Undergraduate Research Fellowship Program)

- Collaborated with Prof Daniel Stone on a research project titled "Game Theory in the NFL: Optimal Last Minute Football Strategy" by using Matlab and game-theoretic tools to develop a functioning model

Mathematical Research

Summer 2013

Bowdoin College

- Actively conducted lie theory analysis with Professor William Barker in the math department

TEACHING EXPERIENCE

Course Instructor

Summers 2019-2021

UNC Economics Department

- Economics 410: Intermediate Micro Theory
- Mean 4.9/5; median 5/5

Economics Department TA

2016-Present

UNC Economics Department

- TA for Labor, Micro, Adv Micro, Game Theory, Econ 101 (Head TA): includes office hours, grading, writing solutions, teaching recitations, compiling grades

SKILLS

Software: Stata, Matlab, LaTeX, R, Microsoft Office, High Performance Computing Cluster (proficient)

Languages: Mandarin Chinese (proficient)

ACTIVITIES

Bowdoin College

2012-2013

Bowdoin Football Kicker

- Recruited from high school, 30 hours/week commitment (team meetings, practices, workouts, travelling)

US Chess Federation

2006-Present

Class "A" Tournament Chess Player

- Ranked top 100 for my age in the U.S, NC State Blitz Champion 2011 and 2012

REFERENCES

Jonathan Williams (Chair)

Associate Professor of Economics

Phone: (216) 570-1803

Email: jonwms@live.unc.edu

Luca Maini (Co-Chair)

Assistant Professor of Economics

Phone: (919) 966-5373

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Gary Biglaiser

Associate Professor of Economics

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Kyle Woodward

Assistant Professor of Economics

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