

RODRIGO CARRIL

CONTACT

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EDUCATION

Ph.D. in Economics (expected), Stanford University, 2014-2020
M.A. in Economics, Pontificia Universidad Católica de Chile (PUC), 2010-2011
B.A. in Economics, Pontificia Universidad Católica de Chile (PUC), 2006-2010

DISSERTATION COMMITTEE

Prof. Mark Duggan
Economics Department, Stanford University
(650) 723-3199
mgduggan@stanford.edu

Prof. Liran Einav
Economics Department, Stanford University
(650) 723-3704
leinav@stanford.edu

Prof. Matthew Gentzkow
Economics Department, Stanford University
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RESEARCH AND TEACHING FIELDS

Primary field: Public Economics
Secondary field: Industrial Organization

RESEARCH PAPERS

Rules Versus Discretion in Public Procurement (Job Market Paper)

I study the trade-off between rules and discretion in the context of US federal procurement. Below an arbitrary threshold amount, contracts can be awarded using procedures that are subject to significantly fewer rules and less oversight. Leveraging a change in the threshold value, I document three key empirical findings. First, there is substantial bunching of contracts at the threshold. Second, the added scrutiny introduced by rules distorts the award amount of some contracts, while discouraging other purchases altogether. Third, contracts subject to more scrutiny perform worse ex post. I propose and estimate a stylized model of public procurement that is consistent with these findings. I find that, at current levels, the benefits from waste prevention are modest relative to the size of compliance costs introduced by regulation. I find that the optimal threshold is substantially higher than the current one, and that a proposed increase in the threshold will leave the government better off.

The Impact of Industry Consolidation on Government Procurement: Evidence from Department of Defense Contracting (with Mark Duggan) – Forthcoming, **Journal of Public Economics**

We study the relationship between market structure and public procurement outcomes. In particular, we ask whether and to what extent consolidation-driven increases in industry concentration affect the way in which the government procures its goods and services. We focus on the defense industry, by far the largest contributor to federal procurement spending in the U.S. This industry experienced a sharp increase in the level of concentration during the 1990s, driven by a series of large mergers between defense contractors. Using detailed microdata on Department of Defense (DoD) contract awards, we estimate the causal effect of industry concentration on a series of procurement outcomes, leveraging the differential impact of these mergers across product markets. We find that market concentration caused the procurement process to become less competitive, with an increase in the share of spending awarded without competition, or via single-bid solicitations. Increased concentration also induced a shift from the use of fixed-price contracts towards cost-plus contracts. However, we find no evidence that consolidation led to a significant increase in acquisition costs. We infer that the government's buyer power, especially relevant in this context given the government is often the only purchaser, constrained firms from exercising any additional market power gained by consolidation.

Publicity Competition in Public Procurement (with Andres Gonzalez-Lira and Michael S. Walker)

We study the effects of intensifying competition for public procurement contracts through advertising. Publicizing contract opportunities promotes bidder participation, potentially leading to price reductions. Yet extensive advertising could exacerbate adverse selection of bidders on non-contractible quality dimensions. We study this trade-off in the context of procurement contracts for the U.S. Department of Defense. We use a Regression Discontinuity Design, leveraging a regulation that mandates agencies to publicize contract opportunities that are expected to exceed a certain threshold. Our results show that advertised contracts receive considerably more bids and are more likely to be awarded to geographically distant vendors, who have less prior history with the office. However, we find that the post-award performance of publicized contracts worsens, resulting in more cost overruns and delays. The latter effect is driven by goods and services that are relatively more complex, highlighting the role of contract incompleteness. We complement our reduced form results with a model to recover public buyers' preference parameters over price and quality. This model is used to further study the extent to which advertising interacts with adverse selection.

RELEVANT POSITIONS

2015-18	Research Assistant for Prof. Mark Duggan, Stanford University
2013-14	Adjunct Instructor (full-time lecturer and researcher), PUC Chile
2013-14	Research Assistant for Prof. Jeanne Lafortune, PUC Chile
2012-13	Jr. Researcher under supervision of Prof. Klaus Schmidt-Hebbel, Grupo Res Publica Chile
2011-13	Research Assistant for Prof. Rodrigo Harrison, PUC Chile

SCHOLARSHIPS, HONORS AND AWARDS

2019	Bradley Graduate Fellowship, Stanford Institute for Economic Policy Research (SIEPR)
2019	Dissertation Fellowship, Stanford Institute for Research in the Social Sciences (IRiSS)
2017	Research Grant, Washington Center for Equitable Growth (PI: Mark Duggan)
2014	Graduate Fellowship, Stanford Department of Economics
2011	Academic Excellence Award in M.A., PUC Chile
2011	Maximum Distinction for M.A. Thesis, PUC Chile
2010	Maximum Distinction in Degree Exam – Econometrics, PUC Chile
2006	Matricula de Honor Fellowship, PUC Chile

TEACHING EXPERIENCE

2019	Teaching Assistant for Prof. Mark Duggan, Stanford University Econ 242, Graduate Public Economics II
2016-2017	Teaching Assistant for Prof. Raj Chetty, Stanford University Econ 241, Graduate Public Economics I
2014	Instructor, PUC Chile Intermediate Microeconomics I
2007-2011	Teaching Assistant for Various Professors (all undergraduate level) Intermediate Micro I and II, Industrial Organization, Economics and Social Policy

REFEREE SERVICE

American Economic Review ($\times 2$), *Journal of Public Economics*

LANGUAGES

English, Spanish (native)