

Paola Moscariello

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Graduate Studies

Princeton University *2019-present*
PhD Candidate in Economics
Expected Completion Date: May 2025

REFERENCES

Professor Leeat Yariv (main advisor)
Department of Economics
Princeton University
609-258-4021
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Professor Pietro Ortoleva
Department of Economics
Princeton University
609-986-6895
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Professor Alessandro Lizzeri
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Professor Wolfgang Pesendorfer
Department of Economics
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Prior Education

Università Bocconi *2016-2018*
M.Sc. in Economic and Social Sciences (ESS)

Università Bocconi *2013-2016*
B.Sc. in International Economics, Management, and Finance (BIEMF)

Fields

PRIMARY Microeconomic Theory

SECONDARY Political Economy, Behavioral/Experimental Economics

Job Market Paper

“Redistricting with Endogenous Candidates”

I study partisan gerrymandering when district composition affects candidates’ policy positions and, consequently, voters’ behavior. In the U.S., primary elections determine which candidates compete in general elections, with a district’s ideological composition shaping who emerges as the nominee. Thus, redistricting affects not only which party wins but also the ideology of competing candidates. I find that classical gerrymandering strategies can backfire when candidates emerge endogenously, particularly in districts where extreme voters may select non-viable candidates. However, when properly designed to account for both voter affiliation and preference intensity, gerrymandering can be a more powerful instrument than traditional approaches that consider only party affiliation. I show how methods from optimal transport theory can be used to characterize the optimal redistricting plan, which creates districts that maximize ideological distance between competing candidates. Using these findings, I analyze two implications for the U.S. House of Representatives: how gerrymandering contributes to political polarization and its consequences for minority representation.

Publications

1. “Information Avoidance in School Choice” *Games and Economic Behavior*, 2024.

I explain puzzles in the school assignment literature using a many-to-one matching model in which participants on one side of the market, the students, are endowed with ego-utilities à la Kőszegi (2006). Ego concerns generate a form of information avoidance that results in non-truthful participation in DA matching mechanisms. In particular, students’ best replies may be non-monotonic in school ranks. I show that truthful reporting can be restored by imposing a limit on the measure of students that a school can deem acceptable. Furthermore, students may be sensitive to signal garbling, in the sense of Blackwell (1953). In terms of policy, the results imply that admission committees’ reliance on application dimensions that are seemingly weak proxies of academic performance may be beneficial. Other implications suggest that affirmative action policies might be beneficial. However, when students’ best replies exhibit non-monotonicity in schools’ selectivity, such policies might backfire.

Working Papers

1. “Caution in the Face of Complexity”, with Geoffroy de Clippel, Pietro Ortoleva, and Kareen Rozen, 2024.

We show experimentally that people undervalue options they find complex. We document this phenomenon for tasks as diverse as belief updating, visual perception, and compound risk. This behavior is incompatible with Expected Utility, even when accounting for risk aversion and incorrect beliefs; instead, it suggests people dislike the cognitive uncertainty they experience in the face of complexity in a way reminiscent of ambiguity aversion. The data supports this explanation: our effects increase when both cognitive uncertainty and ambiguity aversion increase. At a broad level, our results suggest that individual preferences toward complexity matter in cognitive models. At a narrower level, our paper informs the literature on non-Bayesian updating, which overlooks complexity aversion, and

the connection between compound lottery and ambiguity aversion, which, we show, holds primarily for subjects who find compound lotteries complex.

Selected Work in Progress

1. “Reputation in Committees: the Case of the FOMC”, with Matias Iaryczower and Gabriel Lopez Moctezuma. 2024.

How do career concerns affect decision-making of public officials? In this paper, we study this problem in the context of the Federal Open Market Committee (FOMC). This setup is challenging for two reasons. On the one hand, the conflicting allure of market opportunities and political advancement presents a tradeoff for committee members between signaling competence and alignment to their political principal. On the other hand, the collective decision-making setup implies that the actions of other members provide information to each Principal, and affect the signaling value of the actions of each member. As a result, conflicting mandates from different political principals can affect the equilibrium behavior of all members. To tackle this problem, we combine a structural approach with an unanticipated change in the information available to the public about internal committee deliberations. We use internal deliberation transcripts from 1970 to 2008 to (i) estimate the value that FOMC members give to market and political reputation, (ii) quantify the probability of correct recommendations in the Transparent and Opaque regimes, and (iii) assess the performance of the FOMC under committee compositions not observed in the data.

2. “Supply Responses to Redistricting”, with Clément Herman and Nicolas Longuet-Marx.

Research Experience

- 2021 Research Assistant to Prof. Pietro Ortoleva
2020 Research Assistant to Prof. Roland Benabou
2018 Research Assistant to Prof. Pierpaolo Battigalli

Teaching

- Princeton* ECO 300: Intermediate Microeconomics (TA, Fall 2021-2024, Spring 2022-2024)
Bocconi Macroeconomics (TA, 2018)

Professional Activities

Presentations and Seminars (including scheduled)

- 2024 Caltech CTESS Workshop on Theory Based Experiments, 35th Stony Brook International Conference in Game Theory, North American Meeting of the Economic Science Association in Columbus.
2023 Caltech CTESS Workshop on Theory Based Experiments, 34th Stony Brook International Conference in Game Theory, SWEET Conference at Columbia University.

Refereeing

American Economic Review, Econometrica, International Journal of Game Theory.

University and Departmental Service

International Student Affairs Chair at GSG (Graduate Student Government) *2022-present*

Organizer of the Political Economy Student Seminar *2021-2022*

Honors, Scholarships, Fellowships, and Grants

Stephen Goldfeld Fellowship	<i>2023</i>
William S. Dietrich II Economic Theory Center Summer Grant	<i>2021–2024</i>
Princeton University Graduate School Fellowship	<i>2019–2024</i>
UniCredit Foundation 17 th Crivelli Scholarship	<i>2019–2022</i>
Bocconi Graduate Merit Award	<i>2016–2018</i>

Languages

Italian (native), English

Last updated: October 2024