Haimeng (Hester) Zhang

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EDUCATION

Ph.D in Economics, **Cornell University**	2022
MA in Economics, **New York University**	2016
BA (Hons.) in Economics and Management, St. Hilda's College, **University of Oxford**	2008

POSITIONS HELD

Assistant Professor of Economics, IESE Business School, University of Navarra, Barcelona, Spain	2022-

OTHER POSITIONS

Research Assistant, New York State Attorney General's Office, Antitrust Bureau, New York, US	Sep – Dec 2015

TEACHING AND RESEARCH FIELDS

Empirical Industrial Organization, Applied Microeconomics, Law and Economics

INVITED CONFERENCE AND SEMINAR PRESENTATION

41st BREAD Virtual Conference on Development Economics	2021
North American Summer Meeting of the Econometric Society§, IESE Business School, Düsseldorf Institute for Competition Economics, University of Surrey§, Charles River Associate, Analysis Group, Compass Lexecon	2022
ASSA 2023 Annual Meeting†	2023

(† = scheduled, § = canceled)

INDUSTRY WORK EXPERIENCE

Investment Banking Associate, Moelis & Company, London, UK	2010 – 2013
Investment Banking Analyst, UBS, London, UK	2008 – 2010

SCHOLARSHIPS AND AWARDS

DBS Bank Scholarship (full merit-based scholarship covering tuition fees and living expenses for an undergraduate degree outside Singapore)	2005 – 2008
Economics Prize for best academic performance, St. Hilda's College, Oxford	2007
Moberly Scholarship for best performance in the Preliminary Exam, St. Hilda's College, Oxford	2006
Singapore Ministry of Education Scholarship (full merit-based scholarship covering tuition fees and living expenses for secondary education in Singapore)	2001 – 2004

OTHER

Programming	Stata, Matlab, Julia, LATEX, Beamer, QGIS
Languages	English (proficient), Mandarin (native speaker), Spanish (basic)
Citizenship	United Kingdom

RESEARCH

Working Papers

Zhang, H. "Jump Bidding as a Signaling Game"

Abstract: This paper studies jump bidding in an ascending-bid auction with affiliated values using a multi-round signaling model. Bidders communicate their private information with one another via the sizes of jump bids. These signals are credible since bidders with lower private information incur a higher *ex ante* cost for choosing a jump bid with any given size. This prevents the bidders with lower private information from mimicking those with higher private information. In equilibrium, the signaling model predicts that the size of a jump bid placed each round is bounded above by a strategy that is equivalent to one in a first-price sealed-bid auction. The expected revenue to the seller is reduced due to bidders' abilities to send signals through jump bidding. Using data from a spectrum auction held by the Federal Communications Commission in the United States, the mean valuation estimated using the signaling model is higher compared to that of the "open exit" model. This implies that if bidders are indeed using jump bids as signals, ignoring it leads to estimates of the mean values that are biased downwards. This result is consistent with the prediction of the theoretical model that bidders pay lower prices with jump bidding than in an open exit auction. I estimate that if jump bidding was prohibited, the government could have had 8% higher revenues from the auction.

Caunedo, J., Kala, N. & **Zhang, H.** "Economies of Density and Congestion in Capital Rental Markets"

Abstract: The development of rental markets for equipment is a potentially powerful mechanism to grant small scale producers access to capital and its technology. Governments in the developing world have recently engaged in stimulating rental markets through subsidies. These interventions have distributional effects as well as efficiency effects that are not well under-stood. This paper is the first one to assess the allocative efficiency of these markets in a developing economy. To do so, we combine a novel dataset of the universe of transactions from one of the largest providers of equipment rentals in India, our own census of farming households, a survey of detailed farmer characteristics and a structural model of frictional rental markets. Allocations are mediated by the distribution of service requests and providers in space and endogenous delays in service provision due to demand congestion. Small farmers are rationed out by market providers. A government subsidized first-come-first-served dis-patch system benefits small-holder farmers through equipment access and declines in queuing time. However, this dispatch system entails equipment transportation costs that may well overturn the productivity gains to those farmers. Large farmers benefit from queuing with market providers and the benefit becomes stronger the larger the share of small farmers entering the rental market.

Zhang, H. "Planned Obsolescence with Time-inconsistent Discounting"

Abstract: Planned obsolescence is a widespread phenomenon in the market of durable goods. It refers to the practice of choosing sub-optimal levels of durability by firms for their products. Motivated by the Phoebus cartel, whose reason for engaging in planned obsolescence cannot be explained by existing theories, I offer an alternative explanation that centers on an important concept from behavioral economics: present-biased preferences. I construct a theoretical model which demonstrates that when consumers are present biased, that is, when they exhibit time-inconsistent preference in favor of immediate gratification, a firm with market power chooses a sub-optimal level of durability.

Liu, Y. & **Zhang, H.** "Estimating Consumer Switching Costs in Chinese Mobile Communications Market"

Abstract: This paper estimates consumer switching costs in the Chinese mobile telecommunications market. Given several idiosyncratic features of the market, consumers incur high transaction costs when they switch from one mobile carrier to another. High switching costs are believed by industry experts as the key reason behind the strong customer loyalty to the mobile carriers in China. We specify a utility function that contains a switching cost parameter, which represents the loss of utility due to switching and depends on consumer attributes. Using a proprietary dataset from one of the Chinese mobile carriers, which includes individual-level payment and basic demographic information for the population of its customers in one large city for a period of 12 months, we estimate a logit model using maximum likelihood. The estimation results suggest substantial switching costs between US$82 and US$103 per month.

Last update: September 2022