VALON VITAKU

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Research Interests

Behavioral and Experimental Economics, Game Theory, Neuroeconomics

Employment

Postdoctoral Research Associate, Human Behavior Lab (Texas A&M University), 2023-*present*

Education

Ph.D. in Economics, Texas A&M University, 2023

B.S. (Honors) in Economics and Finance, University of Arizona, 2017
Magna cum Laude, Minor in Mathematics
Outstanding Senior in Economics

Publications

"Aggregate and Individual Effects of Information in a Coordination (Traffic) Game" (with Alexander L. Brown, Sruthi Ashraf and Mark Burris), *Economic Inquiry*, 61(4): 818-850, 2023

"Using Behavioral Economics to Identify Potential Managed Lane Users" (with Alexander L. Brown, Sruthi Ashraf and Mark Burris), *Transportation Research Record*, 2676(8): 144-158, 2022

Working Papers

"Correlation Neglect in Risky Choice"
Decisions under risk that stem from shared rather than mutually independent sources are ubiquitous in financial decision-making. In insurance choice, plans in the menu present positively correlated lotteries. This paper experimentally induces correlation neglect in choice under risk. Using prize wheels to illustrate the correlation between lotteries, I vary whether subjects sequentially learn the outcomes of states or individual lotteries. Eye-tracking data reveal that experimental treatments altered evaluation procedures. I find causal evidence that statewise comparisons prompt more risk-averse choices. Implications are significant since insurance policy designers can extract consumer surplus by emphasizing trade-offs between premiums and deductibles.

"School Choice: Biometrically-Informed Mechanism Design" (with Alexander L. Brown and Marco A. Palma)
Among strategy-proof school choice mechanisms, the two most prominent, Deferred Acceptance and Top-Trading-Cycles, offer a trade-off between eliminating justified-envy and Pareto efficiency, respectively. We introduce a novel, biometric approach to measure welfare under each property. Using an experimental design that randomly varies whether subjects learn about others' assignments in a school choice game, we measure discontentment through galvanic skin response when subjects experience envy with and without justification. We find increased arousal associated with receiving subsequently lower ranked allocations, i.e., the (unjustified) envy of the allocation(s) of others. Additionally, we note additional arousal when that envy is justified, but that result requires an explicit message to accentuate the justification to subjects. Eye-tracking data confirm that subjects do not notice the property of justified-envy without prompting. A separate study shows how eye-tracking can reveal levels of sophisticated play in the Boston mechanism.

"Mobility and Dynamics of Competition" (with Marco A. Palma and Brian A. Toney)
We introduce competition tiers to the seminal study of Niederle and Vesterlund (2007) over repeated periods to investigate competitive sorting behavior in a dynamic setting. In this new competitive environment, there is a gender gap in willingness to compete driven by a combination of women *Skipping-the-Top* tier and men *Skipping-the-Bottom* non-competitive tier. Despite receiving feedback that largely corrects beliefs about past relative performance, gender differences in competitive choices persist unless opportunity costs of alternative payment schemes are unconditionally disclosed. One possible explanation suggests men struggle accepting that downward mobility in competitive choices is efficient.

"Salience in Choice Under Risk: An Experimental Investigation" (with Marco Castillo)
In choosing between lotteries, Bordalo, Gennaioli, and Shleifer (2012) postulate agents overweight states that are more salient. We manipulate the correlation between lotteries to test if changes in behavior predicted by salience obtain. Under highly controlled experimental conditions, and contrary to salience theory, we find mixed evidence that correlation affects choice behavior. The evidence in favor of salience improves when we manipulate the choice architecture to make the correlation more apparent.

Work in Progress

"Transparency as a Tool for Promoting Productivity"

Teaching Experience

Teaching Assistant, ECON 459 - Games and Economic Behavior (Spring 2021, Spring 2022, Spring 2023)
Teaching Assistant, ECON 655 - Experimental Economics (Fall 2022)
Game Theory Qualifier Camp (Summer 2022)
Teaching Assistant, ECON 618 - Behavioral Financial Economics (Fall 2021)
Instuctor, ECON 459 - Games and Economic Behavior (Fall 2020, Summer 2021)
Teaching Assistant, ECON 323 - Microeconomic Theory (Summer 2020)
Teaching Assistant, ECON 330 - Economic Development (Spring 2018)

Organizational Memberships

American Economic Association, Economic Science Association

Awards

Raymond C. Battalio Fellowship, College of Liberal Arts Dissertation Research Grant

Languages

o-Tree, z-Tree, Stata, Python, JavaScript, Qualtrics

References

Alexander L. Brown, Texas A&M University
Marco A. Palma, Texas A&M University
Silvana Krasteva, Texas A&M University

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