

Zachary E. Dorobiala

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Education

Ph.D. Economics 2023 (expected), The University of Alabama
Dissertation: Three Essays on the Role of Ambiguity in Games and Markets
Committee: Dr. Cary Deck (Chair), Dr. Tigran Melkonyan, Dr. Mark Schneider, Dr. Robert Hammond, Dr. Laura Razzolini, and Dr. Gijs van de Kullen (Tilberg University)

Masters in Economics 2019, The University of Alabama

Bachelors in Mathematics, Actuarial Science, and Philosophy 2018, Niagara University

Research Interests

- Behavioral Economics
- Experimental Economics
- Applied Microeconomics
- Industrial Organization

Working Papers

- 1) “Ambiguity Preferences and Beliefs in Strategic Interactions” (With Tigran Melkonyan) *Job Market Paper*
- 2) “The Effect of Ambiguity on Price Dispersion in Duopoly Markets” *Submitted to Experimental Economics September 2022*
- 3) “Indefinitely Repeated Contests with Incumbency Advantage” (With Cary Deck and Paan Jindapon) *Submitted to Journal of Economic Science Association June 2022*
- 4) “Global Market Risk and Speculation Factors” (With Soroush Ghazi and Mark Schneider) *Work in Progress*
- 5) “An Experimental Comparison of Conventional and Final Offer Arbitration” (With Paul Pecorino and Mark Van Boening) *Work in Progress*

Teaching Experience (Instructor of Record)

Principles of Microeconomics (Fall 2020)	Evaluation: 4.50/5
Principles of Microeconomics (Spring 2021)	Evaluation: 4.64/5
Principles of Macroeconomics (Summer 2021)	Evaluation: 4.79/5
Intermediate Microeconomics (Summer 2022)	Evaluation: 4.81/5
Intermediate Microeconomics (Fall 2022)	Evaluation: <i>IP</i>

Conference Presentations

Southern Economic Association. Online (2020)
Economic Science Association. Tucson, Arizona (2021)
Southern Economic Association. Houston, Texas (2021)
Economic Science Association. Santa Barbara, California (2022)
Southern Economic Association. Ft. Lauderdale, Florida (2022)

Technical Skills

Proficient in R, z-Tree, and Latex
Working (Basic) Knowledge of Stata, MATLAB, SPSS, oTree, Python

References

Dr. Cary Deck

Professor of Economics
Director of TIDE Lab
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Dr. Tigran Melkonyan

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Dr. Robert Hammond

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Dr. Mark Schneider

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Abstracts for Working Papers

“Ambiguity Preferences and Beliefs in Strategic Interactions” *Job Market Paper*

Abstract: Based on a within-subjects laboratory experiment, we examine decisions made under uncertainty within strategic and non-strategic environments. This paper uses the matching probabilities method to elicit perception of ambiguity and ambiguity attitudes in three strategic interactions, a modified Tullock contest, a minimum-effort coordination game, and a classic zero-sum Rock-Paper-Scissors game, and a standard three-color Ellsberg setup. We find remarkable stability of attitudes to ambiguity across all four environments. In contrast, subjects perceived a significantly greater amount of ambiguity in the minimum-effort coordination game, which has multiple equilibria and entails considerably more strategic uncertainty than the other games. Our findings suggest that ambiguity is ubiquitous in strategic interactions and its role is closely tied to the amount of strategic uncertainty.

“The Effect of Ambiguity on Price Dispersion in Duopoly Markets” *Submitted Sept. 2022*

Abstract: Price dispersion remains a persistent feature of markets for many consumer goods. Theoretically, tension between competing for informed consumers and exploiting captive consumers can yield mixed strategy pricing equilibria. This paper considers the implications on pricing levels and dispersion when there is ambiguity about a firm’s share of the captive consumers. Said ambiguity forces firms to make pricing decisions without specific probabilities attached to consumer buying habits. The model reveals that ambiguity aversion will allow relatively small firms to price higher on average while it causes relatively large firms to price more competitively on average. An experiment provides empirical support for this result, while also showing that individual ambiguity attitudes do not matter when in a market without ambiguity. Ambiguity significantly affects price dispersion in markets with a high fraction of informed consumers, while also increasing competition between firms. This effect is primarily driven by the firm with a larger share of captive consumers.

“Indefinitely Repeated Contests with Incumbency Advantage” *Submitted June 2022*

Abstract: We study an indefinitely repeated Tullock contest in which the stage-game winner gains an incumbency advantage in the next stage-game, akin to the competition between political parties in US elections. The advantage is modeled as the incumbent being able to carry over a proportion of their expenditure in the previous contest to the next contest. In controlled laboratory experiments, we find that an incumbency advantage increases total expenditure by a significant amount compared to a baseline in which the incumbent is not inter-temporally advantaged. This result is primarily driven by the fact that incumbents expend substantially more when there is an advantage conditional on their previous expenditure. However, the response by the challenger to the amount of carryover is similar to the challenger's response to lagged expenditure in the absence of an incumbency advantage. This suggests that an incumbency advantage has a direct effect on the incumbent and only an indirect effect on the challenger.