

Steven Gjerstad

CONTACT INFORMATION

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CURRENT RESEARCH

Methods: Experimental economics; design of economic mechanisms;
general equilibrium theory; time series; economic history

Applications: Market adjustment processes; financial crises

EDUCATION

Degree	Field	Institution	Year
Ph.D.	Economics	University of Minnesota	1995
M.A.	Economics	University of Minnesota	1992
B.S.	Mathematics	University of Minnesota	1986

RESEARCH EXPERIENCE

Year(s)	Position	Institution
2008 – 2009	Visiting Research Associate	Economics Science Institute Chapman University
2003 – 2005	Research Scientist	Economic Science Laboratory University of Arizona Tucson, AZ 85721
1999 – 2002	Research Staff Member	Mathematics Department T. J. Watson Research Center IBM Corporation Yorktown Heights, NY
1996 – 1999	Member of Technical Staff	Decision Technology Group Hewlett-Packard Laboratories Palo Alto, CA
1995 – 1996	Visiting Associate Research Scientist	Economic Science Lab University of Arizona Tucson, AZ

TEACHING EXPERIENCE

Year(s)	Position	Institution
2005 – 2008	Visiting Assistant Professor Money and Banking Principles of Microeconomics	Economics Department Purdue University
1996	Visiting Adjunct Lecturer Intermediate Microeconomics	Department of Economics University of Arizona
1994 – 95	Visiting Assistant Professor Intermediate Microeconomics	Department of Economics Iowa State University
1991 – 94	Instructor Introduction to Game Theory	Department of Economics University of Minnesota
1990 – 91	Instructor Principles of Microeconomics	Department of Economics University of Minnesota

PUBLICATIONS

“Monetary Policy, Credit Extension, and Housing Bubbles: 2008 and 1929,” with Vernon L. Smith, forthcoming in the *Critical Review*, (2009).

“From Bubble to Depression?: Why the Housing Bubble Crashed the Financial System but the Dot-com Bubble Did Not,” with Vernon L. Smith, *Wall Street Journal*, p. A15, April 6, 2009. <http://online.wsj.com/article/SB123897612802791281.html>

“The Competitive Market Paradox,” *Journal of Economic Dynamics and Control* **31**, pp. 1753 – 1780, (2007).

“A Tractable Model of Reciprocity and Fairness,” with James C. Cox and Daniel Friedman, *Games and Economic Behavior* **59**, pp. 17 - 45, (2007).

“Concurrent Trading in Two Experimental Markets with Demand Interdependence,” with Arlington W. Williams, Vernon L. Smith, and John O. Ledyard, *Economic Theory* **16**, pp. 511 – 528, (2000). <http://www.jstor.org/stable/pdfplus/25055346.pdf>.

Reprinted in *Studies in Economic Theory: Advances in Experimental Markets*, Springer-Verlag, (2001), ISBN: 978-3540421191.

“Price Formation in Double Auctions,” with John Dickhaut, *Games and Economic Behavior* **22**, pp. 1 – 29, (1998).

“The Rate of Convergence of Continuous Fictitious Play,” *Economic Theory* **7**, pp. 161 – 178, (1996). <http://www.jstor.org/stable/pdfplus/25054912.pdf>

WORKING PAPERS

“Price Dynamics in an Exchange Economy,” Purdue University Economics Department Working Paper #1205, November 2007. Under revision for *Economic Theory*.

“Housing Market Price Tier Movements in an Expansion and Collapse,” Chapman University Economic Science Institute Working Paper 09-01. <http://www.chapman.edu/ESI/workingPapers>

“Individual Rationality and Market Efficiency,” with Jason Shachat. Purdue University Economics Department Working Paper #1204, August 2007.

“Risk Aversion, Beliefs, and Prediction Market Equilibrium,” University of Arizona, Department of Economics Working Paper #04-17, October 2004.

RECENT PRESENTATIONS

“Price Dynamics in an Exchange Economy”	NSF/NBER Decentralization Conference New Orleans, LA	April 2008
“Risk Aversion, Beliefs, and Prediction Market Equilibrium”	ACM Conference San Diego, CA	June 2007
“Teaching with Econport Experiments”	Plenary session at the ESA European meetings Nottingham, U.K.	Sept. 2006
“Risk Aversion, Beliefs, and Prediction Market Equilibrium”	AEA session, ASSA meetings Boston, MA	January 2006
“Market Dynamics in Edgeworth Exchange”	Econometric Society World Congress London, U.K.	August 2005
“The Impact of Bargaining Pace on Double Auction Dynamics”	SAET Conference Vigo, Spain	July 2005
“The Impact of Bargaining Pace on Double Auction Dynamics”	Stanford Institute for Theoretical Economics	July 2003

GRANTS

Principal Investigator on National Science Foundation grant number DUE-0633252, “Collaborative Research: Competitive Market Experiments for the Microeconomics Curriculum,” 2007 – 2008, \$119,612

Consultant on National Science Foundation grant number IIS-0527770, “IT-Enhanced Market Design and Experiments,” 2006 – 2008.

Co-investigator on National Science Foundation grant number DUE-0442660, “Disseminating Experiments in Economics with the Econport Digital Library,” 2005 – 2008, \$900,000.

SOFTWARE DEVELOPMENT

MarketLink

Designed MarketLink software in collaboration with Todd Swarthout. This software implements the Continuous Double Auction, Posted Offer, and Call Auction markets. The software includes interface for experimenter and human buyers that is Internet accessible.

General Equilibrium Market (GEM) ©1999-2002 IBM

Implements Double Auction and Call Auction for partial equilibrium and Edgeworth exchange. Includes interface for human buyers and sellers in each auction as well as three bargaining models for the double auction and one bargaining model for the call auction.

Multi-User Multi-Stage (MUMS) Script Language ©1996-1999 Hewlett-Packard

Interpreted language that facilitates development of a broad range of economic and decision experiments, including continuous-time and either synchronous (simultaneous move) or asynchronous (sequential move) discrete games.