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EDUCATION

Ph.D., Economics, University of York, York UK, (expected May 2009)
Dissertation Title: *Public provision of private goods under asymmetric information*
Dissertation Committee: Peter Simmons, Andrew Jones and John Bone

Ph.D., Economics, Università Statale di Milano, Italy, January 2006
Dissertation Title: *On the public provision of private goods: existence and desirability of a mixed system of provision*
Main advisor: Massimo Florio

M.Sc., Public Economics, University of York, York UK, 2002

B.A., Political Science (*with distinction*), Università Statale di Milano, Milano Italy 1999/2000

RECENT POSITIONS

Sept.2008- present: Max Weber Fellow, European University Institute, Italy

Sep.2006-Aug.2007: Visiting Assistant Professor, Universidad Carlos III de Madrid, Spain

Feb.2006-Dec.2007: Fulbright Visiting Scholar and Lecturer, Boston University, Boston, USA

FIELDS OF INTEREST

Applied Microeconomics, Public Economics, Health Economics

TEACHING EXPERIENCE

Visiting Assistant Professor, World Economics and Public Economics, Universidad Carlos III de Madrid, Spain, Oct.2007-Sept.2008

Lecturer, Intermediate Microeconomics, Boston University, Sep.2006-Aug.2007

Teaching Fellow, Microeconomics, Department of Economics, University of York UK, Fall 2004, Spring 2005 and Fall 2005

OTHER WORK EXPERIENCE

2006-2008 Research Assistant for Prof. Massimo Florio, Università Statale di Milano, Italy
Project: Research for the project funded by the European Union (VI Framework Programme), *Understanding Privatisation Policy: Political Economy and Welfare Effects*

2004 Research Assistant for Prof. Massimo Florio

Project: organizing Third European Economy Workshop on *Agenda for an Enlarged EU: the Challenge of Growth*

2001 Research Assistant for Prof. Massimo Florio, Università Statale di Milano, Italy

Project: contribution to *A Guideline for Monitoring and Evaluating Development and Cooperation Projects*, funded by Ministry of Foreign Affairs – Area Cooperation and Development

Project: contribution to *Project Appraisal Methods and Techniques. Development Projects in the European Union and an International Comparative Analysis*, by Massimo Florio

FELLOWSHIPS AND AWARDS

Max Weber Fellowship, European University Institute, 2008-2009

Fulbright Visiting Scholarship, Fulbright Commission Italy, Boston University, Feb.2006-Dec.2007

Università degli Studi di Milano, Italy, Borsa di Studio Dottorato in Scienze Economiche, Sept.2002-Sept.2005

Università degli Studi di Milano, Italy, Borsa di Studio di Perfezionamento all'Estero, Sept.2001-Sept.2002

WORKING PAPERS

“Rationing Poor Consumers to Reduce Prices” (with Ching-to Albert Ma), September 2008.

“Public Sector Rationing and Private Sector Selection” (with Ching-to Albert Ma), July 2008.

“Regulation and Consumers’ Satisfaction from Public Services: an Individual Fixed Effect Approach”, (with Riccardo Puglisi), June 2008.

“Subsidy Design and Asymmetric Information: Wealth versus Benefits” (with Ching-to Albert Ma), May 2007.

“On the Characteristics of a Mixed System of Provision of a Private Good. An Application to Health Care”, April 2006.

WORK IN PROGRESS AND OTHER WORKS

“Public and Private Provision under Asymmetric Information: Ability to Pay and Willingness to Pay”

“Heterogeneous Patients and Heterogeneous Physicians”

“Optimal Policy for a Mixed System of Provision of a Private Good”

“Public Provision of Private Goods: the State of the Art”

REFEREE EXPERIENCE

The B.E. Journals in Economic Analysis & Policy, Health Economics, Journal of Development Economics

CONFERENCES AND SEMINAR PRESENTATIONS

“Public and Private Provision under Asymmetric Information: Ability to Pay and Willingness to Pay” presented at:

- European University Institute, Florence Italy, October 2008

“Public Sector Rationing and Private Sector Selection” presented at:

- Università di Bologna, Italy, June 2008
- 9th European Health Economic Workshop, Bergen Norway, May 2008
- University Carlos III de Madrid, Spain, April 2008
- Boston University, Boston MA, Dec.2007

“Subsidy Design and Asymmetric Information: Wealth versus Benefits” presented at:

- University of Salerno, Italy, Jan. 2008
- Conference on Health Economics and the Pharmaceutical Industry, IDEI Toulouse, France, Jan. 2008
- North American Summer Meetings of the Econometric Society Meeting, Duke University, Durham NC, June 2007
- Rutgers-The State University of New Jersey, New Brunswick NJ, Apr. 2007
- Boston College, Boston MA, Apr. 2007
- Institut d Economie et Management de la Santé – IEMS, Université de Lausanne, Switzerland, Jan. 2007
- Boston University, Boston MA, Dec.2006

“On the Characteristics of a Mixed System of Provision of a Private Good. An Application to Health Care”, presented at:

- Università degli Studi di Milano, Milano Italy, September 2005
- University of York, York UK, May 2005

LANGUAGES : Native in Italian, fluent in English, fair in Spanish and French

CITIZENSHIP: ITALY

REFERENCES:

Professor Ching-to Albert Ma , Department of Economics, Boston University, 270 Bay State Road, Boston, MA, USA, Phone: +1 617 353-4010, Email: ma@bu.edu

Professor Jacob Glazer, Department of Economics, Boston University, 270 Bay State Road, Boston, MA, USA, Phone: +1 617 353-4436, Email: glazerj@bu.edu

Professor Massimo Florio, Department of Economics, Università Statale di Milano, via Conservatorio 7, 20122 Milano, Italy, Phone: +39 02 503-21510, Email: Massimo.Florio@unimi.it

Professor Georges Siotis, Department of Economics, Universidad Carlos III de Madrid, 28903 Getafe (Madrid), Spain, Phone: +34 (91) 624-9312, Email: siotis@eco.uc3m.es

Professor Ignacio Ortuño Ortín , Department of Economics, Universidad Carlos III de Madrid, 28903 Getafe (Madrid), Spain, Phone: +34 (91) 624-9539, Email: iortuno@eco.uc3m.es

November 2008

ABSTRACT RECENT PAPERS:

“Public and Private Provision under Asymmetric Information: Ability to Pay and Willingness to Pay”, November 2008. I model the concept of affordability. Different consumers derive different benefits in utility unit from the consumption of an indivisible good, such as education or health-care or housing. The benefit from consumption is the willingness to pay for the good. Different consumers have different abilities to pay for the good and cannot borrow money in the credit market. Consumers with high willingness to pay may not afford the good at a given price. The market allocation is inefficient. The public sector has a budget, but it is insufficient to supply all consumers for free. It observes consumers' wealth and implements a policy to maximize the sum of consumers' utilities subject to the wealth constraints. I consider two optimal policies: rationing and subsidization. First I study the public supplier as the sole provider of the good. Any rationing policy that exhausts the budget is optimal. The optimal subsidy scheme requires cross subsidization: rich consumers pay a price greater than marginal cost, and some poor consumers pay less than marginal cost. The budget and the revenue collected from rich consumers funds the subsidies for poor consumers. I also study the equilibrium of a simultaneous moves game where the public sector interacts with a firm in the provision of the good. The firm chooses a price function based on consumers' benefit, but does not observe abilities to pay. In the highest welfare equilibrium of the game where the public supplier chooses a rationing policy, the budget is spent on supplying the good for free to poor consumers. If the budget is very high, the firm sets a price higher than the monopoly price. In the equilibrium of the game where the public sector chooses subsidies, cross subsidization is impossible. The public supplier and the private firm compete a la Bertrand. The firm sets a constant price equal to the marginal cost and prevents the public supplier to set prices above marginal cost to wealthier consumers.

“Rationing Poor Consumers to Reduce Prices” (with Ching-to Albert Ma), September 2008. We study how rationing in the public sector influences prices in the private sector. A private firm uses consumers' cost information for cream-skimming. Only rationed consumers consider purchasing from the private firm. Rich consumers are more willing to pay for an indivisible good, such as a health treatment, than poor consumers. The public supplier decides on a rationing rule, and then the private firm reacts by setting prices. In equilibrium, the public supplier must ration both rich and poor consumers. Supplying all poor consumers leaves only rich consumers to the private market. The firm reacts by setting high prices because all available consumers have high willingness to pay. Rationing some poor consumers provides an incentive for the firm to reduce prices because some consumers with low willingness to pay are potential customers.

“Public Sector Rationing and Private Sector Selection” (with Ching-to Albert Ma), July 2008. We study the interaction between a public sector and a private sector in the provision of a private good. Under a limited budget, the public supplier uses a rationing policy. A private firm may supply the good to those consumers who are rationed by the public system. Consumers have different amounts of wealth, and costs of providing the good to them vary. We consider two information regimes: first, the public supplier observes only wealth information; second, the public supplier observes both wealth and cost information. The public supplier chooses a rationing policy based on its information; simultaneously, the private firm, observing only cost but not wealth information, chooses a pricing policy. In the first information regime, there is a continuum of equilibria; in each, rich consumers are rationed, and the private firm sells to these rationed consumers at high prices. In the second regime, there is a unique equilibrium. The public supplier allocates the good to consumers according to a cost-effectiveness rule. In the equilibrium, rationed consumers have high costs relative to the benefit, and the rationing rule is the same as if the private market were inactive.

“Regulation and Consumers' satisfaction from Public Services: an Individual Fixed Effect Approach”, (with Riccardo Puglisi), June 2008. When survey-based, self-reported measures of satisfaction are used as dependent variables in a regression framework, the estimates may be biased and inconsistent. We adopt the measurement error perspective introduced by Bertrand and Mullainathan [2001], and propose an individual fixed-effects technique to tackle some of the consistency problems generated by the potential correlation between the explanatory variables and the biases in the reported level of satisfaction. We apply the fixed-effects method to the analysis of the correlation between reported levels of satisfaction from consumption of services of general interests (database: Eurobarometer special surveys), and measures of the regulatory and competitive environment (database: REGREF.)

“Subsidy Design and Asymmetric Information: Wealth versus Benefits” (with Ching-to Albert Ma), May 2007. A government or public organization would like to subsidize an indivisible good. Consumers' valuations of the good vary according to their wealth and benefits from the good. Education,

medical care, and housing are common examples. A subsidy scheme may be based on consumers' wealth or benefit information. We present a method to translate a wealth-based policy to a benefit-based policy, and vice versa. We give a necessary and sufficient condition for the wealth-based policy and translated benefit-based policy to implement the same assignment: consumers choose to purchase the good under the wealth-based policy if and only if they choose to do so under the translated benefit-based policy. General taxation allows equivalent wealth-based and benefit-based policies to generate the same revenue from consumers.

“On the Characteristics of a Mixed System of Provision of a Private Good. An Application to Health Care”, April 2006. Health-care is supplied by the public sector and by a private competitive market. Individuals are sick or healthy with an exogenous probability, they have different incomes and the rich consumers are more willing to pay for health services. Public and private consumptions are mutually exclusive. All consumers contribute to the finance of the public provision through a linear income tax. Public sector's provision suffers from congestion. The allocation of consumers across the public and private sector is endogenous. I derive the conditions for the existence of a mixed system and study the impact of a change of resources invested in the public sector.