Andrea Salvanti

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RESEARCH INTERESTS

Microeconomic Theory, **Behavioral Economics** and **Experimental Economics**

EDUCATION

Universitat Pompeu Fabra, *Ph.D. Candidate in Economics* 2022 | Present
Advisor: Prof. Antonio Penta

Universitat Pompeu Fabra, *MRes in Economics* 2021 | 2022

Barcelona School of Economics, *M.Sc. in Economics* 2020 | 2021

University of Bologna, *M.Sc. in Economics* (summa cum laude) 2018 | 2020
Thesis Advisor: Prof. Maria Bigoni

University of Trento, *B.Sc. in Economics* (summa cum laude) 2015 | 2018

REFERENCES

Professor Antonio Penta (advisor)
UPF, BSE, ICREA, TSE
(+34) 935 422 551
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Professor Larbi Alaoui
UPF, BSE
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Professor Jose Apesteguia
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Professor Maria Bigoni
University of Bologna
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TEACHING POSITIONS (BSE)

Teaching Assistant for Professor Antonio Penta: Advanced Microeconomics II (General Equilibrium and Game Theory), first-year Ph.D. course – Spring 2023 and Spring 2024

Teaching Assistant for Professor Christian Brownlees: Econometrics, first-year Ph.D. course – Spring 2022

Teaching Assistant for Professor Alexander Frug: Crash Courses in Math, first-year Ph.D. course – Fall 2022 and Fall 2023

RESEARCH POSITIONS

Research Assistant for professor Antonio Penta, 2021-2022

Research Intern in Bank of Italy, 2021-2023

Research Assistant for professor Maria Bigoni, 2019-2020

JOB MARKET PAPER

Extracting Models from Data: A Cost-Benefit Framework [PDF]
with Patrick Sewell (UPF and BSE)

Abstract. We develop a theoretical framework for analyzing how learning occurs directly from data in the absence of prior information. We interpret *learning* as the process through which decision makers identify a *model*, defined as the set of variables that matter for the outcome, and use those variables to form *behavioral rules*. Rule extraction reflects a trade-off between each rule's value and its complexity cost. The comparative statics show that extraction of the optimal rule depends not only on its own value, but also on how clearly it outperforms competing alternatives. Differences in cognitive costs then make agents respond differently to changes in relative rule values, generating systematic and predictable disagreement even when they face the same data. Finally, the framework makes rule-specific costs identifiable from behavior, allowing us to determine which objective measures of a rule's complexity can be interpreted as arguments of the cost function. We test the theory in our experiment and in a reanalysis of data from Kendall and Oprea (2024), finding strong support for its predictions in both settings.

SUBMITTED PAPERS

The Importance of Being Even: Restitution and Cooperation [PDF]
R&R at AEJ: Microeconomics
with Maria Bigoni (University of Bologna), Marco Casari (University of Bologna), Andrzej Skrzypacz (Stanford University), and Giancarlo Spagnolo (Roma Tor Vergata)

Abstract. We study—empirically and theoretically—how restitution helps restore cooperation after a breach or an exploratory defection. Restitution strategies propose a return to cooperation by cooperating against defection, and condition actions on the balance between cooperation given and received. We reanalyze experimental data from repeated Prisoner's Dilemma games and find empirical support for restitution strategies in general, and for a strategy we name Payback, in particular. Besides explaining how subjects deal with conflicts, accounting for restitution strategies helps reconcile discrepancies between theory and experiments—such as the widespread use of non-equilibrium strategies like Tit-for-Tat and the limited predictive power of risk dominance under imperfect monitoring.

WORKING PAPERS

Choice by Contextual Associations [PDF]
with Jose Apesteguia (UPF and BSE)

Abstract. Choice behavior is significantly influenced by context. Evidence from cognitive science suggests that this dependency may be driven by associations. In this paper, we propose a choice-theoretic model of contextual associations. We formalize contexts as sets of topics. This allows us to define associations as links between alternatives and topics that directly impact utility. We characterize the model's empirical content, establish conditions for identification, analyze its comparative statics, and propose several extensions. To demonstrate the model's portability, we apply it to a probabilistic voting setting providing a new mechanism based on contextual associations explaining political polarization.

Strategic Risk in Repeated Games with Imperfect Monitoring [PDF]

Abstract. In this paper, I study the trade-off between efficiency and strategic risk in a repeated Prisoner's Dilemma with imperfect public monitoring. Because bad signals can arise on the equilibrium path, sustaining a high value of cooperation requires players to adopt more lenient and forgiving strategies, which in turn makes them more vulnerable to opportunistic behavior. For a broad class of one-dimensional public signals, I show that no single strategy both maximizes the value of cooperation and minimizes exposure to strategic risk. This contrasts with standard results under perfect monitoring, where strategic risk can determine whether players cooperate at all, but not which cooperative strategy they choose. Using experimental data from Aoyagi and Fréchette (2009), I document suggestive patterns consistent with subjects choosing strategies to maximize the value of cooperation rather than limit their exposure to strategic risk.

ONGOING WORK

The Fundamental Attribution Error in Hiring Decisions
with Eva Spantidaki Kyriazi (University of Vienna)

Abstract. We develop a theoretical framework to study the fundamental attribution error in hiring: the tendency to over-attribute observed performance to worker ability and under-attribute it to circumstances. In our framework, employers learn how observed performance maps into underlying ability and circumstances directly from data. This allows us to link the emergence and magnitude of attribution errors to measurable features of the environment, including the statistical properties of the data and the relative predictive power of ability and task difficulty. Heterogeneity in individuals' costs of processing information further generates systematic differences in the extent of the bias. We therefore move beyond treating the fundamental attribution error as a fixed predisposition by linking it to objective features of the environment, thereby identifying potential margins for policy intervention. We test these predictions in a laboratory experiment.

Learning with Endogenous Data

Self-Projection and Sorting Across Environments

RESEARCH GRANTS

REACT Grant (4,980 €), *Universitat Pompeu Fabra* 2026

HONORS and AWARDS

FPI Scholarship, *Spanish Government* 2022-2026
Scholarship "G. Mortara", *Bank of Itlay* 2021
Best Thesis Award, *BSE* 2020
The Thesis was published in the BSE repository.

Grant for Excellence in studies, *University of Bologna*		2020
Graduate with Distinction, *University of Bologna*		2020
Grant for Excellence in studies, *University of Trento*		2018
Graduate with Distinction, *University of Trento*		2018

REFEREEING ACTIVITIES

Review of Economic Studies; Experimental Economics; European Economic Review; Economia Politica

SEMINARS – CONFERENCES

Presentations

- ESA meeting, Barcelona, September 2026
- Econometric Society meeting, Dublin, August 2026
- FUR, Alicante, June 2026
- HEC PhD workshop, Paris, June 2026
- EAYE annual meeting, Bilbao, May 2026
- ASFEE conference, Nancy, June 2025
- Summer School in Experimental and Behavioral Economics (EER), Crete, August 2024
- BSE Summer Forum, Barcelona, June 2023
- EAYE annual meeting, Turin, September 2023

Attendance

- European Symposium of Economic Theory (ESSET), Gerzensee, July 2026
- BSE Summer Forum, Barcelona, June 2022/2023/2024/2025/2026
- ESA meeting, Bologna, September 2022

ADDITIONAL INFORMATION

Programming Languages:	Python, Stata, Wolfram Mathematica, Matlab, R, Latex
Languages Spoken:	English (Fluent), Italian (Native), Spanish (Fluent), Greek (Beginner)