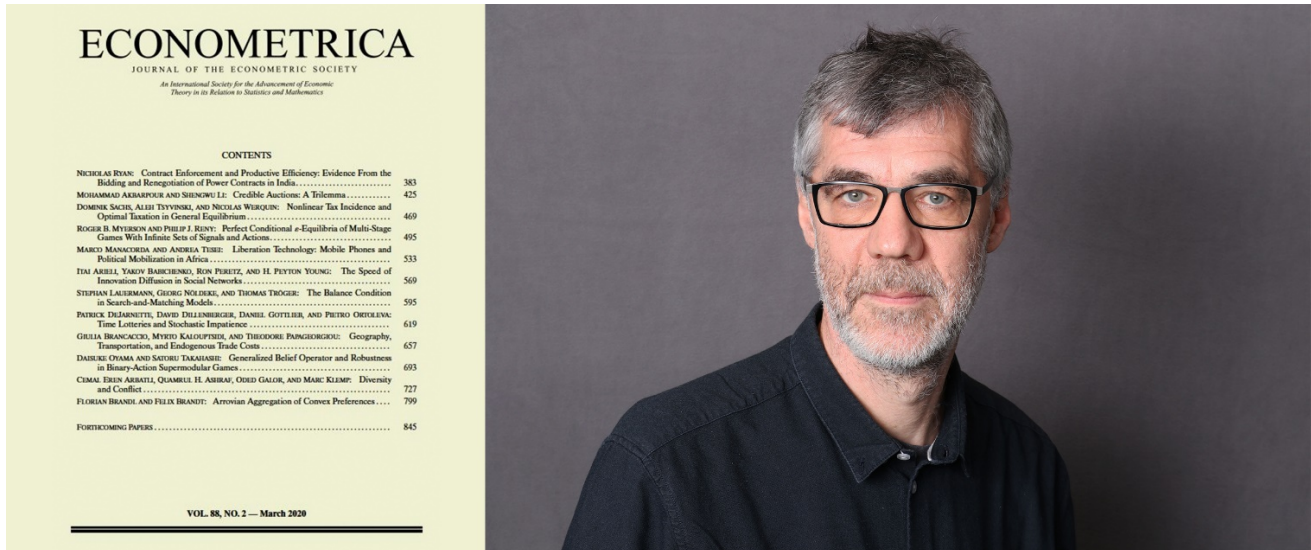


Georg Nöldeke Published in *Econometrica*



A new paper by Georg Nöldeke, Stephan Laueremann (University of Bonn) and Thomas Tröger (University of Mannheim), "The Balance Condition in Search-and-Matching Models", was published in the March 2020 issue of *Econometrica*.

[Econometrica](#) is one of the most prestigious journals in the field of economics. Published by the Econometric Society, *Econometrica* began in 1933 with the goal of advancing economic theory in its relation to statistics and mathematics.

[Read "The Balance Condition in Search-and-Matching Models" on the Econometrica website.](#)

Abstract

Most of the literature that studies frictional search-and-matching models with heterogeneous agents and random search investigates steady state equilibria. Steady state equilibrium requires, in particular, that the flows of agents into and out of the population of unmatched agents balance. We investigate the structure of this balance condition, taking agents' matching behavior as given. Building on the "fundamental matching lemma" for quadratic search technologies in Shimer and Smith (2000), we establish existence, uniqueness, and comparative statics properties of the solution to the balance condition for *any* search technology satisfying minimal regularity conditions. Implications for the existence and structure of steady state equilibria in the Shimer–Smith model and extensions thereof are noted. These reinforce the point that much of the structure of search-and-matching models with quadratic search technologies carries over to more general search technologies.

Authors

Georg Nöldeke is professor of economics at the Faculty of Business and Economics of the University of Basel. His research field is [microeconomic theory](#) with a focus on game theory and contract theory. He has published on topics like the efficiency of matching markets, the evolution of cooperation, and the incentive properties of option contracts in journals like *Econometrica*, *Review of Economic Studies*, *Journal of Economic Theory*, and the *Journal of Theoretical Biology*. Currently, he teaches courses

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Georg Nöldeke studied at the University of Bonn, the University of California, Berkeley, and the London School of Economics. Before joining the University of Basel in 2006, he has held positions as an assistant professor at Princeton University (1992-94), as associate (1994-97) and full (1999-2006) professor at the University of Bonn, and as a full professor at the University of Basel (1997-99). Georg Nöldeke currently serves as a council member of the [Game Theory Society](#). At the University of Basel he has co-founded the [Bernoulli Network for the Behavioral Sciences](#).

[To learn more about Nöldeke's research, visit his faculty page here.](#)

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Editorial

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