Matching theory has taken a center stage in market design specifically and economic theory more generally, with successful practical applications in medical matching and school choice. The current course provides a basic introduction into matching theory, discusses “school choice” as an application, and touches upon some frontier topics in matching theory research. Specifically, we will discuss some basic theories of two-sided matching, studying design objectives such as stability, efficiency, and incentives. We will study how these objectives conflict each other in the finite markets such as in the context of school choice, and then study whether and how the conflicts get resolved in the large markets.

Course Outline

Lecture 1 (Sept 8): Primer on Two-Sided Matching Theory


Lecture 2 (Sept 15): School Choice Application


Lecture 3 (Sept 22): Large Matching Markets


• *Che, Y.-K., and Tercieux, O., “Efficiency and Stability in the Large Matching Markets,” mimeo., Columbia University and PSE.

• *Che, Y.-K., Kim, J., and Kojima, F., “Stable Matching in Large Economies,” mimeo., Columbia University and PSE.