



University of Colorado
Boulder

CHRISTOPHER MCMAHAN

Department of Economics
Campus Box 256
University of Colorado
Boulder, CO 80309
Tel #: (214) 202-5323
Email: mcmahanc@colorado.edu
Website: mcmahanc.wordpress.com

EDUCATION

BA in Economics (magna cum laude), Trinity University, 2006
MA in Economics, University of Colorado, 2010
PhD in Economics, University of Colorado, Expected May 2013

Dissertation: “Theory and Evidence of Switching Costs in the Market for College Textbooks”

Dissertation Advisors: Donald Waldman (Chair), Yongmin Chen, Scott J. Savage

FIELDS OF INTEREST

Industrial Organization, Labor Economics, Applied Econometrics, Economics of Education

PUBLICATION

“Austin’s High Tech Industry: Played Out or Just Beginning,” *Vista—South Texas Economic Trends and Issues*, Issue 1, 2006 (with J. Moritz and K. Phillips).

JOB MARKET PAPER

“Theory and Evidence of Switching Costs in the Market for College Textbooks”

Abstract: This paper develops and estimates a model of switching costs in the market for college textbooks. First, in a theoretical setting, this paper characterizes the professor’s adoption decision which includes a trade-off between time and course quality. The professor faces a time cost when he switches textbooks. This switching cost leads to state dependence and adoptions of textbooks that are sub-optimal for students. In a two-period life cycle model, switching costs are shown to lead to higher prices and shorter revision cycles. Predictions of the theoretical model are tested using a unique 30-semester history of professors’ textbook adoptions. Using rookie professors as a counterfactual, switching costs are identified to be large and significant in a random utility model that allows for observed and unobserved professor preference heterogeneity. Results show both book-specific and edition-specific switching costs affect adoption decisions in directions and magnitudes consistent with the theoretical model. A final empirical analysis identifies heterogeneous switching costs across textbooks and suggests switching costs tend to dampen competition, leading to increased textbook prices. Switching costs account for as much as 9% of textbook prices; however, there is no evidence of correlation between switching costs and revision cycles.

CURRENT RESEARCH PROJECTS

“Are We Ignorant about Textbook Costs, Or Do We Just Not Care? (and other questions regarding the efficacy of recent congressional policy aimed at lowering college textbook costs)”
“Market Trends in the Higher-Ed Textbook Industry,” (contracted by and written in conjunction with R.R. Bowker)

TEACHING EXPERIENCE

University of Colorado, Boulder, CO:

Instructor, Principles of Microeconomics, Fall 2010, Fall 2011, Fall 2012

Instructor, Principles of Macroeconomics, Spring 2011, Spring 2012, Fall 2012

Instructor, Environmental Economics, Summer 2010, Summer 2011, Summer 2012

Teaching Assistant, Principles of Microeconomics, Fall 2008, Fall 2009

Teaching Assistant, Principles of Macroeconomics, Spring 2009, Spring 2010

Academy of Choice, Spring Branch ISD, Houston, TX:

Teacher, Remedial High School Math, Spring 2008, Summer 2008

PROFESSIONAL EXPERIENCE

McDermott International Incorporated, Houston, TX:

Analyst, Treasury Department, June 2006 to November 2007

Federal Reserve Bank of Dallas, San Antonio, TX:

Research Assistant, Research and Data, August 2005 to December 2005

FELLOWSHIPS AND AWARDS

Finalist for Best Graduate Student Instructor, University of Colorado, 2011-2012

Best Graduate Student Instructor, Department of Economics, 2010-2011

PROFESSIONAL SERVICE AND AFFILIATIONS

Reviewer for *Macroeconomics in Modules 3e*, Worth Publishers

Member of the American Economic Association

Member of the National Tax Association

REFERENCES:

Donald Waldman (Chair)
Department of Economics
University of Colorado
UCB 256
Boulder, CO 80301
303.492.6394
Waldman@colorado.edu

Yongmin Chen
Department of Economics
University of Colorado
UCB 256
Boulder, CO 80301
303.492.6394
Yongmin.Chen@colorado.edu

Scott J. Savage
Department of Economics
University of Colorado
UCB 256
Boulder, CO 80301
303.492.6394
Scott.Savage@colorado.edu

CITIZENSHIP: U.S.