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Estimating matching games with transfers

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I explore the estimation of transferable utility matching games, encompassing many-to-many matching, marriage, and matching with trading networks (trades). Computational issues are paramount. I introduce a matching maximum score estimator that does not suffer from a computational curse of dimensionality in the number of agents in a matching market. I apply the estimator to data on the car parts supplied by automotive suppliers to estimate the valuations from different portfolios of parts to suppliers and automotive assemblers.

Keywords. Matching, trading networks, relationship formation, semiparametric estimation, maximum score.

JEL classification. C35, C57, C78, L14, L62.