Applicant Choice in the Design of Social Housing Applications: Evidence from France

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Abstract

This paper studies social housing allocation mechanisms using data from France. Matching theory shows that the choice of an allocation mechanism strongly impacts the final allocation. Unlike in other matching contexts such as college admissions or kidney transplant, little is known about the properties of different social housing mechanisms. In this paper, I investigate the amount of choice left to the applicant over the social housing unit they receive. While a mechanism leaving more choice ensures the match is a good fit, restricting choice screens out applicants who least benefit from social housing. In order to shed light on this tradeoff, I develop a dynamic model of social housing allocations and estimate it using novel data from the French application system. In France, social housing applications are centralized, which allows me to observe individual applications, together with individual characteristics as well as final allocation decisions. I plan to run counterfactuals limiting applicants' choice over the location of the social housing units they are considered for.