

# Matching With Minimal Priority Rights

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## Abstract

I study two prominent strategyproof matching rules when strict priorities over objects are given exogenously: the Deferred Acceptance Rule (DA) and the Top Trading Cycle Rule With Inheritance (TTC). It is well known that the DA rule is stable while the TTC rule is efficient, but not vice versa, and that these two properties cannot be reconciled. The primary innovation of the paper is the introduction of a new weaker concept of stability, Individual Trade Stability, which allows for trading the priorities for objects, a property that is satisfied by both the DA and TTC rules, as well as by all the hybrid rules of these two matching rules that I propose, called Deferred Trading Cycle Rules. The main results are a characterization of the class of Deferred Trading Cycle Rules by Individual Trade Stability, Constrained Efficiency, and an invariance property, and a characterization of a subclass of Deferred Trading Cycle Rules which are also strategyproof. Both characterized classes of matching rules include the DA and TTC rules as the two extreme rules in the class.