

MEG 2016 Program

The 26th Annual Meeting of the Midwest Econometrics Group

Department of Economics: University of Illinois at Urbana-Champaign

Venue: Hawthorn Suites, 101 Trade Center Drive, Champaign, IL

Day 1 **October 21, 2016**

11:00-11:45 [Registration](#)

Savoy

12:00 - 1:00 [Buffet Lunch](#)

Savoy

Savoy [Opening Remarks](#)

Roger Koenker, UIUC, Organizer of MEG 2016

1:00 - 2:40 [Session 1](#)

Champaign-Urbana **Session 1A: Special Topics I**

Nonparametric Estimation for Mixed-Frequency Time Series: A Convolution Approach

Shin Kanaya, University of Aarhus and CREATES

A Novel Paradigm for Time and Frequency Domain Econometric Analysis of Dyadal Experimental Data

Richard Ashley, Virginia Polytechnic Institute and State University

An Exactly (Almost) Unbiased Long Run Variance Estimator Addressing the Finite Sample Bias and Its Applications in Hypothesis Testing

Jingjing Yang, University of Nevada, Reno

Conditional Inference in Nearly Cointegrated Vector Error-Correction Models with Small Signal-to-Noise Ratio

Nikolay Gospodinov, Federal Reserve Bank of Atlanta

Alex Maynard, University of Guelph

Elena Pesavento, Emory University

A Self-Normalizing Approach to the Specification Test of Mixed-Frequency Models

Henriette Groenik, Michigan Technological University

Yeonwoo Rho, Michigan Technological University (*Chair*)

Grand Prairie I/II

Session 1B: Theory I

Instrumental Variable Estimation with First-Stage Heterogeneity

Alberto Abadie, Harvard University

Jiaying Gu, University of Toronto

Shu Shen, University of California, Davis

Weak Instrument Robust Inference for Two Sample Instrumental Variable Regression

Jaerim Choi, University of California, Davis

Jiaying Gu, University of Toronto

Shu Shen, University of California, Davis

Direct Instrumental Nonparametric Estimation of Inverse Regression Functions

Jerome Krief, University of Virginia

Ordered Response Models with Unobserved Correlated Thresholds: An Application in Assessing Bond Overrating Bias

Zhutong Gu, Rutgers University

Yixiao Jiang, Rutgers University

Shuyang Yang, Rutgers University

Placebo Inference on Treatment Effects when the Number of Clusters is Small

Andreas Hagemann, University of Michigan (*Chair*)

Grand Prairie III/IV

Session 1C: Theory II

Stationary Points for Parametric Stochastic Frontier Models

William Horrace, Syracuse University

Ian Wright, Northeastern University

A Nonparametric Density-Based Likelihood Ratio Test for Normality

Julia Gonzalez, UIUC

Testing Additive Separability of Unobservables of Unrestricted Dimensions with Average Structural Function

Zhutong Gu, Rutgers University

Exploring Additional Conditions in Non-separable Minimum Distance Estimation with An Application to Pseudo Panel

Fei Jia, Michigan State University

Partial Independence in Nonseparable Models

Matthew Masten, Duke University

Alexandre Poirier, University of Iowa (*Chair*)Skyway (2nd Floor)**Session 1D: Theory III***Bootstrap Confidence Intervals for Fuzzy Regression Discontinuity Designs***Yang He**, Iowa State University*Regression Discontinuity Designs with Sample Selection***Yingying Dong**, University of California, Irvine*Testing for Treatment Effect Heterogeneity in Regression Discontinuity Design*

Yu-Chin Hsu, Academia Sinica

Shu Shen, University of California, Davis*Program Evaluation With Right Censored Data***Pedro Sant'Anna**, Vanderbilt University*Testing Distributional Treatment Effects for Compliers Based on Permutation Tests***EunYi Chung**, UIUC (*Chair*)**2:40 - 3:00****Coffee Break**

3:00 - 4:20**Session 2**

Champaign-Urbana

Session 2A: Quantile Regression I*A Panel Quantile Approach to Attrition Bias in Big Data: Evidence from a Randomized Experiment*

Matthew Harding, Duke University

Carlos Lamarche, University of Kentucky*Set Identification and Estimation of Dynamic Quantile Models from Repeated Cross-Sections***Heng Chen**, Bank of Canada*Bootstrapping Predictive Quantile Regressions: MBB IVX-QR Approach***Rui Fan**, UIUC

Ji Hyung Lee, UIUC

*Quantile Regression Random Effects***Antonio Galvao**, University of Iowa (*Chair*)

Alexandre Poirier, University of Iowa

Grand Prairie I/II

Session 2B: Quantile Regression II*Nonparametric Quantile Regression for Double Censored Data with Application to Stock Markets with Price Limits***Chi-Yang Chu**, University of Alabama*A Parallel Algorithm for Large-Scale Penalized Quantile Regression***Liqun Yu**, Washington Universtiy

Nan Lin, Washington Universtiy

Lan Wang, University of Minnesota

*Average and Quantile Effects of Training on Employment and Unemployment Spells: A Bounds Analysis***German Blanco**, Illinois State University

Xuan Chen, Renmin University of China

Carlos A. Flores, California Polytechnic State University

Alfonso Flores-Lagunes, Syracuse University and IZA

*Computational Methods for Quantile Regression***Roger Koenker**, UIUC (*Chair*)

Grand Prairie III/IV

Session 2C: Theory IV*Least Square Estimation of Semiparametric Binary Response Model with Endogeneity***Wei Song**, University of Wisconsin-Madison*Endogeneity in Semiparametric Threshold Regression***Andros Kourtellos**, University of Cyprus

Thanasis Stengos, University of Guelph

Yiguo Sun, University of Guelph

*Simultaneous Inference for the Partially Linear Model with a Multivariate Unknown Function when the Covariates are Measured with Errors***Kun Ho Kim**, Hanyang University

Shih-Kang Chao, Purdue University

Wolfgang K. Hardle, Humboldt- Universitt zu Berlin

Semiparametric Models of Mismeasured Endogenous Regressors with Control Variables

Kyoo il Kim, Michigan State University

Suyong Song, University of Iowa (*Chair*)

Skyway (2nd Floor)

Session 2D: Bayesian Time Series

Regularizing Bayesian Predictive Regressions

Guanhao Feng, University of Chicago

Nicholas Polson, University of Chicago

Bayesian Predictive Inference for Granger Causality

Jeff Mills, University of Cincinnati

Huibin Weng, University of Cincinnati

Beau Sauley, University of Cincinnati

Gary Cornwall, University of Cincinnati

Bayesian Adaptive Sparse Copula

Martin Burda, University of Toronto

Artem Prokhorov, University of Sydney

Density Forecasts in Panel Data Models: A Semiparametric Bayesian Perspective

Laura Liu, University of Pennsylvania (*Chair*)

7:00 - 9:30

Conference Dinner

Savoy

After Dinner Talk:

“The Econometrics of DSGE Models” Frank Schorfheide (U. Penn)

Day 2 **October 22, 2016**

7:30 - 9:00 **Breakfast Buffet**

White Oaks II/III

9:00 - 10:20 **Session 3**

Champaign-Urbana **Session 3A: Special Topics II**

Bootstrapping Factor Models with Cross Sectional Dependence

Silvia Goncalves, University of Western Ontario

Benoit Perron, Universit de Montréal

Testing for Flexible Nonlinear Trends with an Integrated or Stationary Noise Component

Pierre Perron, Boston University

Mototsugu Shintani, University of Tokyo and Vanderbilt University

Tomoyoshi Yabux, Keio University

Asymptotic uniform inference using smooth empirical processes

Tom Parker, University of Waterloo

Time Series of Cross-Sectional Distributions with Common Stochastic Trends

Yoosoon Chang, Indiana University (*Chair*)

Hwagyun (Hagen) Kim, Texas A&M University

Changsik Kim, Sungkyunkwan University

Joon Y. Park, Indiana University and Sungkyunkwan University

Grand Prairie I/II **Session 3B: Dynamic Macroeconomic Models**

Capital Control, Exchange Rate Regime and Monetary Policy: Indeterminacy and Bifurcation

William Barnett, University of Kansas

Jingxian Hu, University of Kansas

Taking the DSGE Model Seriously (But Not Too Seriously): Bayesian Estimation of Recursive Preference

David Rapach, Saint Louis University

Fei Tan, Saint Louis University

*Foreign Official Holdings of U.S Treasuries, Stock Effect and the Economy:
A DSGE Approach*

John Francois, University of Kansas

Household Debt Overhang and Transmission of Monetary Policy

Sami Alpanda, University of Central Florida

Sarah Zubairy, Texas A&M University (*Chair*)

Grand Prairie III/IV **Session 3C: Theory V**

Inference on Functionals under First Order Degeneracy

Qihui Chen, University of California, San Diego

Zheng Fang, Kansas State University

Is Pearson Sample Correlation Coefficient Always Feasible to Test for Correlations

Cindy S.H. Wang, National Tsing Hua University and Universite Catholique de Louvain

Wan Yi Lee, National Tsing Hua University

Cheng Hsiao, University of Southern California

Should We Always Use the Logarithmic Transformation For Positive Response Variables?

Shengwu Shang, Ball State University

Evenly Sensitive KS-type Inference on Distributions

Matt Goldman, Microsoft

David Kaplan, University of Missouri (*Chair*)

Skyway (2nd Floor) **Session 3D: IO**

Measuring Transaction Costs in the Absence of Time Stamps

Filip Zikes, Federal Reserve Board, Washington

Wal-Mart and Price Dispersion in U.S. Cities

Md. Rafayet Alam, Southern Illinois University

A.K.M. Mahbub Morshed, Southern Illinois University

Testing for Nash Behavior in Entry Games with Complete Information

Nail Kashaev, Western University

Behind the Scenes of U.S. Airline Mergers: Strategy, Organizational Disruption, and Quality Provision

Julia Gonzalez, UIUC

Jorge Lemus, UIUC

Guillermo Marshall, UIUC (*Chair*)

10:20 - 10:40 **Coffee Break**

10:40 - 12:00 **Session 4**

Champaign-Urbana

Session 4A: Forecasting and Other Issues

Tests of Equal Accuracy for Nested Models with Estimated Factors

Silvia Goncalves, Western University

Michael McCracken, Federal Reserve Bank of St. Louis

Benoit Perron, Universit de Montréal

Asymmetry and Federal Reserve Forecasts

Julietta Caunedo, Federal Reserve Bank of St. Louis

Riccardo DiCecio, Federal Reserve Bank of St. Louis

Ivana Komunjer, Federal Reserve Bank of St. Louis

Michael Owyang, Federal Reserve Bank of St. Louis

A property of the Hodrick-Prescott filter and its application

Neslihan Sakarya, Ohio State University

Robert M. de Jong, Ohio State University

Understanding the Sources of Macroeconomic Uncertainty

Barbara Rossi, ICREA-University of Pompeu Fabra

Tatevik Sekhposyan, Texas A&M University (*Chair*)

Matthieu Soupre, University of Pompeu Fabra

Grand Prairie I/II

Session 4B: Macroeconomic Forecasting

Nowcasting Nominal GDP with the Credit-Card Augmented Divisia Monetary Aggregates

William Barnett, University of Kansas

Marcelle Chauvet University of California, Riverside

Danilo Leiva-Leon, Central Bank of Chile

Liting Su, University of Kansas

Forecasting Financial Market Vulnerability by a Partial Least Squares Regression Approach

Hyeongwoo Kim, Auburn University

Kang Bok Lee, Auburn University

Chinese Divisia Monetary Aggregates and GDP Nowcasting

William Barnett, University of Kansas

Biyan Tang, University of Kansas

Macroeconomic Forecasting in Times of Crises

Pablo Guerrn-Quintana, Federal Reserve Bank of Philadelphia

Molin Zhong, Federal Reserve Board (*Chair*)

Grand Prairie III/IV

Session 4C: Theory VI*Panel and Multilevel Models with Interactive Terms of Group Fixed Effects and Common Time Effects***Min Seong Kim**, Ryerson University*Exponential panel models with coefficient heterogeneity***Robert Martin**, Michigan State University*High-dimensional panel data models with time heterogeneity: estimation and inference***Yinchu Zhu**, University of California, San Diego*A Lava Attack on the Recovery of Sums of Dense and Sparse Signals*

Victor Chernozhukov, MIT

Christian Hansen, University of Chicago

Yuan Liao, University of Maryland (*Chair*)Skyway (2nd Floor)**Session 4D: Labor/Health***Nonparametric Identification and Estimation of Contracting with Externalities: A Structural Analysis of Medical Device Contracts in America***Daiqiang Zhang**, Texas A&M University*The Effect of Drought on Child Health Endowment : A Panel Quantile Approach***Abraham Asfaw**, Northern Illinois University*Health Status and Labor Market Outcome: A Dynamic Analysis*

Kannika Damrongplasit, Chulalongkorn University

Cheng Hsiao, University of Southern California

Xueyan Zhao, Monash University*Identification and Estimation of Hedonic Equilibrium Model with Unobservable Quality: Illustrated for Counterfactual Analysis in Labor Markets***Ruoyao Shi**, UCLA (*Chair*)**12:00 - 1:20****Lunch Buffet**

White Oaks II/III

1:20 - 2:40

Session 5

Champaign-Urbana

Session 5A: VAR*A Factor-Augmented VAR for Regional Analysis***Laura Jackson Young**, Bentley University

Michael Owyang, Federal Reserve Bank of St. Louis

Sarah Zubairy, Texas A&M University

*Fiscal Expansions and the Current Account in the U.S.: The Role of Sentiments***Bijie Jia**, Auburn University

Hyeongwoo Kim, Auburn University

*Structural Interpretation of Vector Autoregressions with Incomplete Identification: Revisiting the Role of Oil Supply and Demand Shocks***Christiane Baumeister**, University of Notre Dame

James Hamilton, University of California, San Diego

Identification Through Heterogeneity

Pooyan Amir-Ahmadi, Goethe University and UIUC

Thorsten Drautzburg, Federal Reserve Bank of Philadelphia (*Chair*)

Grand Prairie I/II

Session 5B: Applied Macro*House Price Synchronization across the U.S. States***Hardik Marfatia**, Northeastern Illinois University*Time-Varying Comovement of Foreign Exchange Market*

Mikio Ito, Keio University

Akihiko Nodab, Kyoto Sangyo University

Tatsuma Wada, Keio University*Time Varying Lambda Factor in Nelson-Siegel Model and Its Predictive Power for the Economic Activity***Anqi Jiao**, University of Alabama

Jun Ma, University of Alabama

*Early Warning of the Housing Price Corrections: A Signal Extraction Approach***Fuchun Li**, Bank of Canada (*Chair*)

Tom Roberts, Bank of Canada

Grand Prairie III/IV **Session 5C: Theory VII**

Joint Bayesian Hypothesis Testing in Regression Without Tears

Jeff Mills, University of Cincinnati

Hamed Namavari, University of Cincinnati

Inference for Iterated GMM Under Misspecification and Clustering

Bruce Hansen, University of Wisconsin-Madison

Seojeong Lee, University of New South Wales

A General Weighted Average Representation of the Ordinary and Two-Stage Least Squares Estimands

Tymon Sloczynski, Brandeis University & IZA

Rate-Optimal Estimation of the Intercept in a Semiparametric Sample-Selection Model

Chuan Goh, The University of Wisconsin-Milwaukee (*Chair*)

Skyway (2nd Floor) **Session 5D: Labor/Education**

Evidence of Neighborhood Effects from Moving to Opportunity: LATEs of Neighborhood Quality

Dionissi Aliprantis, Federal Reserve Bank of Cleveland

Francisca Richter, Case Western Reserve University

Conscription and Military Service: Do They Result in Violent and Non-Violent Incarcerations and Recidivism?

Xintong Wang, Binghamton University

Alfonso Flores-Lagunes, Syracuse University

Self-Employment among Women: Do Children Matter More Than We Previously Thought?

Anastasia Semykina, Florida State University

Job Displacement of Older Workers during the Great Recession: Tight Bounds on Distributional Treatment Effect Parameters using Panel Data

Brantly Callaway, Vanderbilt University (*Chair*)

2:40 - 3:00 **Coffee Break**

3:00 - 4:40 **Session 6**

Champaign-Urbana

Session 6A: Volatility and Testing

Flexible Fourier Form for Volatility Breaks

Walter Enders, University of Alabama

Jing Li, Miami University

Testing the Number of Regimes in Markov Regime Switching Models

Hiroyuki Kasahara, Vancouver School of Economics

Katsumi Shimotsu, University of Tokyo

White Noise Testing and Model Diagnostic Checking

Xianyang Zhang, Texas A&M University

Tests for serial correlation of unknown form in dynamic least squares regression with wavelets

Meiyu Li, Simon Fraser University

Ramazan Gencay, Simon Fraser University

Simple Estimators for ARCH Models

Todd Prono, Federal Reserve Board (*Chair*)

Grand Prairie I/II

Session 6B: Unit Root and Cointegration

Anxious Unit Root Processes

Jonathan Michel, Ohio State University

Robert M. de Jong, Ohio State University

Functional Autoregression with Unit Roots

Bo Hu, Indiana University

Joon Y. Park, Indiana University and Sungkyunkwan University

Hypothesis Testing in Cointegrated Panels: Asymptotic and Bootstrap Method

Yi Li, Michigan State University

Testing for Stationarity at High Frequency

Bibo Jiang, Fudan University

Ye Lu, Indiana University

Joon Y. Park, Indiana University and Sungkyunkwan University

Martingale Difference Divergence Matrix and Its Application to Dimension Reduction for Stationary Multivariate Time Series

Chung Eun Lee, UIUC (*Chair*)

Xiaofeng Shao, UIUC

Grand Prairie III/IV

Session 6C: Special Topics III

Spatial Durbin Mixture Models

Gary Cornwall, University of Cincinnati

A Relaxed Approach to Estimating Large Portfolios

Esra Ulasan, Ege University

Mehmet Caner, The Ohio State University

Laurent Callot, University of Amsterdam

Ozlem Onder, Ege University

Weak Identification, the Pile-Up Problem, and Finite-Sample Inference for ARMA Models

James Morley, University of New South Wales

Charles Nelson, University of Washington

Irina Panovska, Lehigh University

Simple, Robust and Accurate F and t Tests in Cointegrated Systems

Jungbin Hwang, University of California, San Diego

Yixiao Sun, University of California, San Diego

Identification and Estimation of a Triangular model with Multiple Endogenous Variables and Insufficiently Many Instrumental Variables,

Liquan Huang, University of Rochester

Umair Khalil, University of Rochester

Nese Yildiz, University of Rochester (*Chair*)

Skyway (2nd Floor)

Session 6D: Labor Markets in Macroeconomics

Hours and Employment Over the Business Cycle

Matteo Cacciatore, HEC Montréal

Giuseppe Fiori, North Carolina State University

Nora Traum, North Carolina State University

U.S. Wage Growth in the Aftermath of Deep Recessions: The Roles of Inflation and Unemployment

Luigi Donayre, University of Minnesota-Duluth

Irina Panovska, Lehigh University

Evaluating the Impact of the Labor Market Conditions Index on Labor Market Forecasts

Laura Connolly, University of Alabama

Alice Sheehan, University of Alabama

Heterogeneity and Unemployment Dynamics

Hie Joo Ahn, Federal Reserve Board

James Hamilton, University of California, San Diego

Where Do Jobs Go When Oil Prices Drop?

Ana Maria Herrera, University of Kentucky (*Chair*)

Mohamad Karakiy, Lebanese American University

Sandeep Rangarajuz, Weber State University

End of Conference

6:00 - 9:00

Post-Conference Dinner at Roger Koenker's Residence

Address: 504 West Pennsylvania, Urbana, IL