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 CREATE

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 Groenvik, 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)

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 University
Nan Lin, Washington University
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

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

Semiparametric Models of Mismeasured Endogenous Regressors with Control Variables
Kyoo il Kim, Michigan State University
Suyong Song, University of Iowa (Chair)
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

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*

Yoonsun 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)

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)

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 Gonçalves, Western University
Michael McCracken, Federal Reserve Bank of St. Louis
Benoit Perron, Université de Montréal

Asymmetry and Federal Reserve Forecasts
Julieta 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
Hyoeongwoo 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, Texans 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 1/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 Itoa, 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
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)

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

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)

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

Session 6C: Special Topics III

Spatial Durbin Mixture Models
Gary Cornwall, University of Cincinnati

A Relaxed Approach to Estimating Large Portfolios
Eser 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)

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
Luiggi 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