MEG 2005

October 14, 2005 – Friday

12:00 – 5:00 PM Registration
JW Corker Lounge, Student Center, 2nd Floor

1:00 – 1:30 PM Welcome
Welcoming Address: John M. Dunn, Provost and Vice Chancellor
Ballroom A, Student Center, 2nd Floor

1:30 – 3:30 PM Parallel Sessions

Session 1: Panel Data Econometrics – I
Room, Student Center, 2nd Floor
Session Chair: Jeffrey M. Wooldridge

"Inference in Panel Data Models Under Attrition Caused by Unobservables" by **Debopam Bhattacharya** (Dartmouth University)

"Fixed Effects Instrumental Variables Estimation in Correlated Random Coefficient Panel Data Models" by **Irina Murtazashvili** (Michigan State University)

"The Effects of Smoking on Birth Outcomes: Evidence from Quantile Estimation on Panel Data" by Jason Abrevaya and **Christian Dahl** (Purdue University)

"Estimating Panel Data Models in the Presence of Endogeneity and Selection: Theory and Application" by **Anastasia Semykina** (Michigan State University)

Session 2: Non-Linear Time Series
Room, Student Center, 2nd Floor
Session Chair: Richard T. Baillie

"Nonlinear Time Series Models and Weakly Dependent Innovations" by **Robert de Jong** (The Ohio State University)

"Correlation Robust Threshold Unit Root Tests" by Robert de Jong (The Ohio State University) and Chien-Ho Wang (National Tai Pei University) and **Youngsoo Bae** (The Ohio State University)

"ARCH Models with Nonstationary Covariates" by **Heejoon Han** (Rice University) and Joon Y Park (Rice University)

“Testing for Neglected Nonlinearity in Long Memory Models” by **Richard T Baillie** (Michigan State University) and George Kapetanios (Queen Mary University of London)

Session 3: Estimation
Room, Student Center 2nd Floor
Session Chair**:** Taisuke Otsu

“Partially Adaptive Estimation Via the Maximum Entropy Densities” by **Ximing Wu** (University of Guelph) and Thanasis Stengos (University of Guelph)

“Conditional Value at Risk and α-Risk Under Regression Quartiles” by **Sung Yong Park** (University of Illinois at Urbana-Champaign).

“What Do We Estimate in Production Function Regressions? Critique and New Approaches” by **Yuriy Gorodnichenko** (University of Michigan)

“Minimax Estimation and Testing for Moment Condition Models Via Large Deviations” by Yuichi Kitamura (Yale University) and **Taisuke Otsu** (Yale University)

Session 4: Nonparaemtric Methods
Room, Student Center, 2nd Floor
Session Chair: Herman J Bierens

“Nonparametric Regression Estimation with General Parametric Error Covariance” by **Carlos Martins-Filho** (Oregon State University) and Feng Yao (University of North Dakota)

“Rate-Optimal Nonparametric Inference for Conditional Quantile Processes” by **Chuan Goh** (University of Toronto)

“A Modified Nonparametric Prewhitened Covariance Estimator” by **Masayuki Hirukawa** (Concordia University)

“Semi-Nonparametric Competing Risks Analysis of Recidivism” by **Herman J Bierens** (Pennsylvania State University) and Jose R Carvalho (CAEN, Universidade Federal do Ceara)

3:30 – 4:00 P.M. Break
JW Corker Lounge, Student Center, 2nd Floor

4:00 – 5:30 P.M. Parallel Sessions

Session 5: Bayesian Techniques
Room, Student Center, 2nd Floor
Session Chair: Arnold Zellner

"Structural Breaks Between Determinacy and Indeterminacy in Estimated DSGE Models: A Bayesian Change-Point Approach" by Anatoliy Belaygorod (Washington University) and Siddharta Chib (Washington University) and **Michael Dueker** (Federal Reserve Bank of St Louis)

"Comparing the Cost of Coal and Natural Gas Electricity Generation" by **Xia Zhao** (Louisiana State University) and Dek Terrel (Louisiana State University) and Andrew Kleit (The Pennsylvania State University)

"Bayesian Information Processing" by **Arnold Zellner** (University of Chicago)

Session 6: Time Series Econometrics I
Room, Student Center, 2nd Floor
Session Chair: Walter Enders

"Powerful Tests for Unit Roots in Models with Unknown Deterministic Structure" by **Helle Bunzel** (Iowa State University) and Jan Jacobs (University of Gröningen)

"A Steady-State Approach to Trend/Cycle Decomposition of Regime-Switching Processes" by **James Morley** (Federal Reserve Bank of St Louis) and Jeremy Piger (Federal Reserve Bank of St Louis)

"Cointegration Tests Using Instrumental Variables Estimation and the Demand for Money in England" by Kyung So Im (University of Central Florida) and Junsoo Lee (University of Alabama) and **Walter Enders** (University of Alabama)

Session 7: Model Selection
Room, Student Center, 2nd Floor
Session Chair: Yongil Jeon

"An S-Estimation Based Model Selection" by Arie Preminger and **Shinichi Sakata** (University of British Columbia)

"Robust LM Misspecification Test for Selection Models (With an Application to Women's Labor Supply) by **Gabriel Montes Rojas** (University of Illinois at Urbana-Champaign)

“Country Models and Global Models-A New Set of Research Tools?” by Clive Granger (University of California-San Diego) and **Yongil Jeon** (Central Michigan University)

Session 8: Forecasting
Room, Student Center, 2nd Floor
Session Chair: Kajal Lahiri

“Optimal Forecasting with Asymmetric Power Loss” by **Matthew Higgins** (Western Michigan University)

“Forecasting with Weakly Nested Models” by Todd E Clark (Federal Reserve Bank of Kansas City) and **Michael McCracken** (University of Missouri-Columbia)

“How Quickly Do Forecasters Incorporate News? Evidence from Cross-country Surveys” by Gultekin Isiklar (University of Albany-SUNY) and **Kajal Lahiri** (University of Albany-SUNY) and Prakash Loungani (International Money Fund)

Reception 6: 00 – 7:00 P.M.
JW Corker Lounge, Student Center, 2nd Floor

Dinner 7:00
Ballroom A and C, Student Center, 2nd Floor

Dinner Presentation
Remarks and Introduction of Speaker: Shirley Clay Scott, Dean, College of Liberal Arts

William H. Greene, New York University

“The Rise of the Machines: Simulation Based Econometrics”

October 15, 2005 – Saturday

8:00 – 12:00 Registration.

8:00 – 8:30 A.M. Continental Breakfast
JW Corker Lounge, Student Center, 2nd Floor

8:30 – 10:00 AM Parallel Sessions

Session 9: Econometrics Methods I
Room, Student Center, 2nd Floor
Session Chair: Petr Zemçík

"Instrumental Variables Regression With Weak Instruments and Near Exogeneity" by **Ying Fang** (University of Pittsburgh)

"Maximum Entropy Bootstrap Inference for Nelson-Plosser Data" by **H.D. Vinod** (Fordham University)

"Who's Afraid of Reduced-Rank Parameterizations of Multivariate Models? Theory and Example" by Scott Gilbert (Southern Illinois University-Carbondale) and **Petr Zemcik** (CERGE-EI, Czech Republic)

Session 10: Panel Data Econometrics II
Room, Student Center, 2nd Floor
Session Chair: Walter J. Mayer

"Panel Predictive Regressions in Finance and Economics" by **Ryan Greenaway-McGrevy** (University of Auckland) and Donggyu Sul (University of Auckland)

"Debt or Equity: Does it Matter for Firm Size Dynamics?" by **Kim Huynh** (Indiana University) and Robert Petrunia (Lakehead University)

"A Semiparametric Disequilibrium Panel Data Model with Fixed Effects and a Test of Equilibrium Versus Disequilibrium Hypotheses" by **Walter Mayer** (University of Mississippi) and Yuncan Cen (University of Mississippi)

Session 11: Applied Time Series Analysis I
Room, Student Center, 2nd Floor
Session Chair: Jack K. Strauss

"An Empirical Investigation of the Monetary Exchange Rate Model with Nonlinear Adjustments" by Bonghan Kim (Kongju National University) and **Young-Kyu Moh** (Tulane University)

"Analysis of Effective Real Exchange Rate Volatility Under Markov Chain Framework: Some New Evidence" by **Monzur Hossain** (National Graduate Institute for Policy Studies, Tokyo) and Kenichi Ohno (National Graduate Institute for Policy Studies, Tokyo)

"Structural Breaks and GARCH Models of Exchange Rate Volatility" by David Rapach (Saint Louis University) and **Jack Strauss** (Saint Louis University)

10:00 – 10:30 AM Break
JW Corker Lounge, Student Center, 2nd Floor

10:30 AM – 12:00 Noon Parallel Sessions

Session 12: Econometrics in Historical Perspective
Room, Student Center, 2nd Floor
Session Chair: Pradosh Simlai

"Econometrics in Retrospect and Prospect" by **Aris Sponos** (Virginia Tech)

"Estimating Functions and Equations: An Essay on Historical Developments with Applications to Econometrics" by Anil K Bera (University of Illinois at Urbana-Champaign) and Yannis Bilias (University of Cyprus) and **Pradosh Simlai** (University of Illinois at Urbana-Champaign)

Session 13: Time Series Econometrics II
Room, Student Center, 2nd Floor
Session Chair: Emma M. Iglesias

"Neglecting Parameter Changes in Autoregressive Models" by **Eric Hillebrand** (Louisiana State University)

"Bootstrap Inference for Stationarity" by **Biing-Shen Kuo** (National Chengchi University) and Ching-Chuan Tsong (National Chinan University)

"Finite Sample and Optimal Adaptive Inference in Possibly Nonstationary General Volatility Models with Gaussian or Heavy -Tailed Errors" by Jean-Marie Dufour (Université de Montreal) and **Emma M Iglesias** (Michigan State University)

Session 14: Applied Econometrics
Room, Student Center, 2nd Floor
Session Chair: Debasri Mukherjee

"A Nonparametric Examination of Capital-Skill Complementarity" by **Daniel Henderson** (State University of New York-Binghamton)

"High-Frequency Principal Components and Evolution of Liquidity in a Limit Order Market" by **Konstantin Tyurin** (Indiana University)

"Aid, Policies, and Growth in Developing Countries: A New Look at the Empirics" by Eskander Alvi (Western Michigan University) and **Debasri Mukherjee** (Western Michigan University) and Elias Kedir Shukralla (Western Michigan University)

12:00 – 1:30 PM Lunch
Campus Lake Pavilion by Boat Dock

1:30 – 3:00 P.M. Parallel Sessions

Session 15: Econometric Methods II
Room, Student Center, 2nd Floor
Session Chair: Deepankur Basu

"Nonparametric Estimation of Large Auctions with Risk Averse Bidders" by **Xiaodong Liu** (The Ohio State University)

"Binary Choice under Social Interaction: An Empirical Study of Manski-Brock-Durlauf's Model With and Without Subjective Data of Expectation" by Lung-fei Lee (The Ohio State University) and **Ji Li** (The Ohio State University)

"Dynamic Multinomial Ordered Choice" by **Deepankur Basu** (The Ohio State University) and Robert de Jong (The Ohio State University)

Session 16: Time Series in Panel Data
Room, Student Center, 2nd Floor
Session Chair: Donggyu Sul

"Estimation and Testing of the ARCH(1) Effect in Panel Data when N and T are Large" by **Chang-Ching Lin** (University of Michigan)

"How Useful are Tests for Unit-Root and Stationarity in Capturing Mean Reversion of Nonlinear Stationary Processes?" by **Chi-Young Choi** (University of New Hampshire) and Young-Kyu Moh (Tulane University)

"New Panel Unit Root Test under Cross Section Dependence for Practitioners" by **Donggyu Sul** (University of Auckland)

Session 17: Time Series Econometrics III
Room, Student Center, 2nd Floor
Session Chair: Alex Maynard

"Confidence Intervals for Half-Life Deviations from Purchasing Power Parity in a Nonlinear Model" by **Rehim Kiliç** (Georgia Institute of Technology)

"The Impact of Crime on Tourism Revenues in Spain: A VAR Approach, a Structural Break Analysis and a Critique of the Granger-Cause Test" by **Victor Valcarcel** (University of Kansas-Lawrence)

"Robust Granger Causality Tests in the VARX Framework" by Dietmar Bauer (Arsenal Research, Vienna, Austria) and **Alex Maynard** (University of Toronto)

3:00 – 3:30 PM Break

3:30 – 5:00 PM Parallel Sessions

Session 18: Applied Time Series Analysis II
Room, Student Center, 2nd Floor
Session Chair: Arabinda Basistha

"Evaluating the Effectiveness of State-Switching Time Series Models for U.S. Real Output" by **Richard A Ashley** (Virginia Tech) and Douglas Patterson (Virginia Tech)

"Bias in Measuring the Persistence of Nonlinear PPP Deviations" by **Ming Chien Lo** (St Cloud State University)

"Measuring the NAIRU with Reduced Uncertainty: A Multiple Indicator-Common Component Approach" by **Arabinda Basistha** (West Virginia University) and Richard Startz (University of Washington)

Session 19: Labor Econometrics

Room, Student Center, 2nd Floor

Session Chair: David E. Rapach

"Match Bias from Earnings Imputation in the Current Population Survey: The Case of Imperfect Matching" by **Christopher Bollinger** (University of Kentucky) and Barry T Hirsch (Trinity University)

"Job Search, Bargaining, and Wage Dynamics" by **Shintaro Yamaguchi** (University of Wisconsin-Madison)

"Forecasting U.S. Employment Growth Using Forecast Combining Methods" by **David E Rapach** (Saint Louis University) and Jack K Strauss (Saint Louis University)

Session 20: Health Econometrics

Room, Student Center, 2nd Floor

Session Chair: Bijan Jyoti Borah

"Favorable Selection in Managed Care Plans: Evidence from Plan Switching Behaviour" by **Fei Liu** (Indiana University) and Lu Ji (Vanderbilt University)

"Peer Effects and Student Academic Achievement: An Application of Spatial Autoregressive Model with Group Unobservables" by **Xu Lin** (The Ohio State University)

"A Mixed Logit Model of Health Care Provider Choice: Analysis of NSS Data for Rural India" by **Bijan Jyoti Borah** (Indiana University)