27th ANNUAL MEETING OF THE MIDWEST ECONOMETRIC GROUP
TEXAS A&M UNIVERSITY
Venue: Memorial Student Center (MSC)
275 Joe Routt Blvd #2240, College Station, TX 77843

Mentoring Workshop for Junior Female Economists

Thursday, October 19, 2017

6:30pm	Networking dinner at Café Eccell (4401 Texas Ave, College Station, 979.599.7929)

October 20, 2017

8:00am – 8:30am Breakfast and Introduction of Mentee-Mentor Pairs

8:30am – 10:10am Mentoring Session I

Alyssa Carlson (Michigan State University) – "Relaxing Conditional Independence in a Semi-parametric Binary Response Model"
Mentor/Discussant: Xiaoxia Shi (University of Wisconsin in Madison)

Milda Norkute (Lund University) – "The Factor Analytical Approach in Near Unit Root Panels"
Mentor/Discussant: Elena Pesavento (Emory University)

Rho Yeonwoo (Michigan Technological University) – "Fixed-b Asymptotic Theory for the Dependent Wild Bootstrap"
Mentor/Discussant: Barbara Rossi (CREI, Universitat Pompeu Fabra)

Riju Joshi (Michigan State University) – "Control Function Estimation of Spatial Error Models with Endogeneity"
Mentor/Discussant: Cindy Wang (National Tsing Hua University, Taiwan)

10:10am – 10:25am Break

10:25am – 11:40am Mentoring Session II

Karen Xueqing Yan (Texas A&M University) – "A Simple Semiparametric Estimation of Partially Linear Conditional Quantile Regression Models"
Mentor/Discussant: Yoosoon Chang (Indiana University)

Carolyn Sloane (University of California – Riverside) – "Rising Wage Inequality and Human Capital Investment"
Mentor/Discussant: Ana Maria Herrera (University of Kentucky)

Sharon Xuejing Zuo (University of Houston) – "Holding up Half the Sky? The Impact of Labor Market Restructuring on the Gender Inequality in Labor"
Mentor/Discussant: Hilde Bjørnland (BI Norwegian Business School)

Main Conference Program

Friday, October 20, 2017

11:15am-12:15pm Registration and Lunch, MSC 2400 & 2401

12:15pm-12:30pm Introduction

12:30pm – 1:45pm Keynote I, MSC 2400
Domenico Giannone, Federal Reserve Bank of New York
"Economic Predictions with Big Data: The Illusion of Sparsity"
Authors: Domenico Giannone, Michele Lenza, Giorgio Primiceri

1:45pm – 2:00pm Break

2:00pm – 3:45pm Parallels I

Empirical and Structural Models, MSC 2500
Chair: Zheng Li

"A Dynamic Discrete Choice Model of Reverse Mortgage Borrower Behavior"
Presenter: Jason Blevins (Ohio State University)
Authors: Jason Blevins, Wei Shi, Donald Haurin, Stephanie Moulton

"Subjective Beliefs and Dynamics of Drug Compliance"
Presenter: Yonghong An (Texas A&M University)
Authors: Yonghong An, Yingyao Hu, Jian Ni

"Selective Entry in Auctions: Estimation and Evidence"
Presenter: Yunmi Kong (Rice University)
Authors: Yunmi Kong

"The Incentive Game under Target Effect in the Ride-Sharing Market: Theory and Evidence"
Presenter: Zheng Li (North Carolina State University)
Authors: Xirong Chen, Zheng Li, Liu Ming, Weiming Zhu

Commodity Prices and Macroeconomy, MSC 2501
Chair: Ana Maria Herrera

"Dynamic Factors and Climate Uncertainty in Global Commodity Market"
Presenter: Kyungsik Nam (University of Missouri at Columbia)
Authors: Kyungsik Nam

"The Impact of U.S. Supply Shocks on the Global Oil Price"
Presenter: Thomas Gundersen (BI Norwegian Business School)
Authors: Thomas Gundersen

"Supply Flexibility in the Shale Patch: Evidence from North Dakota"
Presenter: Hilde Bjornland (BI Norwegian Business School and Norges Bank)
Authors: Hilde Bjornland, Frode Martin Nordvik, Maximilian Rohrer

"The Role of Oil Supply Shocks on the U.S. Economic Activity: What Have We Learned?"
Presenter: Ana Maria Herrera (University of Kentucky)
Authors: Ana Maria Herrera, Sandeep Kumar Rangaraju

<u>Finance I, MSC 2502</u>
Chair: Sung Je Byun

"Risk, Ambiguity, and Time-Varying Stochastic Volatility"
Presenter: Hagen Kim (Texas A&M University)
Authors: Hagen Kim, Joon Park

"Consumption CAPM under Heterogenous Preferences"
Presenter: Min Cui (Indiana University)
Authors: Yoosoon Chang, Min Cui, Joon Park

"Implied Volatility Estimation via L-1 Trend Filtering"
Presenter: Pablo Crespo (City University of New York)
Authors: Pablo Crespo, Ta-Cheng Huang

"Real Risk or Paper Risk? Mis-measured Factors, Granular Measurement Errors, and Empirical Tests"
Presenter: Sung Je Byun (Federal Reserve Bank of Dallas)
Authors: Sung Je Byun, Lawrence Schmidt

<u>Semi- and Non-Parametric Models, MSC 2503</u>
Chair: Nadine McCloud

"Inference in Non-Parametric/Semi-Parametric Moment Equality Models with Shape Restrictions"
Presenter: Yu Zhu (Bank of Canada)
Authors: Yu Zhu

"Relaxing Conditional Independence in a Semi-Parametric Binary Response Model"
Presenter: Alyssa Carlson (Michigan State University)
Authors: Alyssa Carlson

"Nonparametric Instrumental Variable Identification and Estimation of Binary Response Models"
Presenter: Samuele Centorrino (Stony Brook University)
Authors: Samuele Centorrino, Jean-Pierre Florens

"Calculating Degrees of Freedom in Multivariate Local Polynomial Regression"
Presenter: Nadine McCloud (University of the West Indies at Mona)
Authors: Nadine McCloud, Christopher Parmeter

Inequality I, MSC 2504
Chair: Li Tan

"Holding up Half the Sky? The Impact of Labor Market Restructuring on the Gender Inequality in Labor"
Presenter: Xuejing Sharon Zuo (University of Houston)
Authors: Xuejing Sharon Zuo

"Counterfactual Analysis of Intergenerational Income Mobility"
Presenter: Brantly Callaway (Temple University)
Authors: Brantly Callaway, Weige Huang

"Is India's Largest Workfare Program Successfully Challenging it's Historical Inequalities?"
Presenter: Kartik Misra (University of Massachusetts at Amherst)
Authors: Kartik Misra

"Imputing Top-Coded Income Data in Longitudinal Surveys"
Presenter: Li Tan (University of Missouri at Columbia)
Authors: Li Tan

3:45pm – 4:00pm Break

4:00pm – 5:45pm Parallels II

Identification in Economic Models, MSC 2500
Chair: Daiqiang Zhang

"Identification and Estimation of Electoral Model and Ballot Stuffing"
Presenter: Anastasia Burkovskaya (University of Sydney)
Authors: Anastasia Burkovskaya

"An Empirical Study of College Admission with Endogeneous Priorities"
Presenter: Alper Arslan (Vanderbilt University)
Authors: Alper Arslan

"Multiple Treatments with Strategic Interaction"
Presenter: Sukjin Han (University of Texas at Austin)
Authors: Sukjin Han

"Econometrics of Multi-Period Simple Contracts"
Presenter: Daiqiang Zhang (University at Albany, SUNY)
Authors: Yonghong An, Shengjie Hong, Daiqiang Zhang

Macro-Finance, MSC 2501
Chair: Dennis Jansen

"What Drives Interbank Loans? Evidence from Canada"
Presenter: Narayan Bulusu (Bank of Canada)
Authors: Narayan Bulusu, Pierre Guérin

“Sovereign Risk and Fiscal (In)attention: A Look at the U.S. State Default of 1840s”
Presenter: Huixin Bi (Federal Reserve Bank of Kansas City)
Authors: Huixin Bi, Nora Traum

“Understanding the Relationship between Public and Private Commercial Real Estate Markets”
Presenter: N. Kundan Kishor (University of Wisconsin at Milwaukee)
Authors: N. Kundan Kishor

“Housing Price Bubbles in the USA”
Presenter: Dennis Jansen (Texas A&M University)
Authors: Michael Bradley, Dennis Jansen

<u>Models with Latent Variables, MSC 2502</u>
Chair: Ta-Cheng Huang

“Control Function Estimation of Spatial Error Models with Endogeneity”
Presenter: Riju Joshi (Michigan State University)
Authors: Riju Joshi

“Misclassification Errors of Subjective Well-being: A New Approach to Mapping Happiness”
Presenter: Yinjunjie Zhang (Texas A&M University)
Authors: Yinjunjie Zhang, Zhicheng Phil Xu, Marco Palma

“Measurement Error without Exclusion: the Returns to College Selectivity and Characteristics”
Presenter: Karim Chalak (University of Virginia)
Authors: Karim Chalak, Daniel Kim

“Testing for Unobserved Heterogeneous Treatment Effects”
Presenter: Ta-Cheng Huang (Texas A&M and Texas State Universities)
Authors: Yu-Chin Hsu, Ta-Cheng Huang, Haiqiang Xu

<u>Quantile Regressions, MSC 2503</u>
Chair: Xueqing Karen Yan

“Smoothed Instrumental Variables Quantile Regression, with Estimation of Quantile Euler Equations”
Presenter: David Kaplan (University of Missouri at Columbia)
Authors: Luciano de Castro, Antonio Galvao, David Kaplan

“Nonparametric Tests for Significance of Variables in Quantile Regression Models”
Presenter: Sungwon Lee (University of Texas at Austin)
Authors: Sungwon Lee

“Common Correlated Effects Estimation of Heterogeneous Dynamic Panel Quantile Regression Models”
Presenter: Carlos Lamarche (University of Kentucky)
Authors: Matthew Harding, Carlos Lamarche, M. Hashem Pesaran

"A Simple Semiparametric Estimation of Partially Linear Conditional Quantile Regression Models"
Presenter: Xueqing Karen Yan (Texas A&M University)
Authors: Xueqing Karen Yan

Regime Switches and GMM, MSC 2504
Chair: Jungbin Hwang

"Regime Switches with Random Threshold - A General Framework in Nonlinear Time Series Modeling"
Presenter: Peng Shen (Indiana University)
Authors: Joon Park, Peng Shen

"Asymptotic Properties of the Maximum Likelihood Estimator in Regime Switching Econometric Models"
Presenter: Katsumi Shimotsu (University of Tokyo)
Authors: Hiroyuki Kasahara, Katsumi Shimotsu

"Inference for Iterated GMM under Misspecification and Clustering"
Presenter: Seojeong Lee (University of New South Wales)
Authors: Bruce Hansen, Seojeong Lee

"Simple and Trustworthy Cluster-Robust GMM Inference"
Presenter: Jungbin Hwang (University of Connecticut)
Authors: Jungbin Hwang

6:00pm – 7:00pm Reception

7:00pm Dinner

Both the dinner and the reception will take place in Statesmen I of the George hotel (180 Century Square, College Station, 979.485.5368)

Saturday, October 21, 2017

8:30am – 9:45am Keynote II, MSC 2400
Barbara Rossi, ICREA-Universitat Pompeu Fabra, Barcelona GSE and CREI
"The Effects of Conventional and Unconventional Monetary Policy: A New Identification Procedure"
Authors: Atsushi Inoue, Barbara Rossi

9:45am – 10:00am Break

10:00am – 11:45am Parallels III

Finance II, MSC 2400
Chair: Jing Li

"Inference of Long-Run Predictability"
Presenter: Keli Xu (Indiana University)
Authors: Keli Xu

"Unit Root, Mean Reversion and Nonstationarity in Financial Time Series"
Presenter: Joon Park (Indiana University)
Authors: Jihyun Kim, Joon Park

"Rethinking Cointegration and the Expectation Hypothesis of the Term Structure"
Presenter: Jing Li (Miami University)
Authors: Jing Li, George Davis

<u>Regression Discontinuity Design, MSC 2500</u>
Chair: Marinho Bertanha

"A Correction for RD Designs with Multiple Mismeasurement Types in the Running Variable"
Presenter: Otavio Bartalotti (Iowa State University)
Authors: Otavio Bartalotti, Quentin Brummet, Steven Dieterle

"Regression Discontinuity with Spatial Dependence"
Presenter: Beau Sauley (University of Cincinnati)
Authors: Gary Cornwall, Beau Sauley

"Regression Discontinuity Designs Using Covariates"
Presenter: Sebastian Calonico (University of Miami)
Authors: Sebastian Calonico, Matias Cattaneo, Max Farrell, Rocio Titiunik

"Impossible Inference in Econometrics: Theory and Applications"
Presenter: Marinho Bertanha (University of Notre Dame)
Authors: Marinho Bertanha, Marcelo Moreira

<u>Forecasting, MSC 2501</u>
Chair: Feng Liu

"Time-varying Uncertainty and Exchange Rate Predictability"
Presenter: Knut Are Aastveit (Norges Bank and BI Norwegian Business School)
Authors: Knut Are Aastveit, Francesco Ravazzolo, Herman van Dijk

"The Real-Time Properties of the Bank of Canada's Staff Output Gap Estimates"
Presenter: Rodrigo Sekkel (Bank of Canada)
Authors: Julien Champagne, Guillaume Poulin-Bellisle, Rodrigo Sekkel

"Financial Nowcasts and Their Usefulness in Macroeconomic Forecasting"
Presenter: Saeed Zaman (Federal Reserve Bank of Cleveland)
Authors: Edward Knotek II, Saeed Zaman

"Improving the Power of the Diebold-Mariano-West Test for Least Squares Predictions"
Presenter: Feng Liu (University of Mississippi)
Authors: Walter Mayer, Feng Liu, Xin Dang

Panel Data I, MSC 2502
Chair: Jessie Coe

"Should We Use IV to Estimate Dynamic Linear Probability Models with Fixed Effects?"
Presenter: Andrew Adrian Pua (Xiamen University)
Authors: Andrew Adrian Pua

"Half-Panel Jackknife Fixed Effects Estimation of Panels with Weakly Exogenous Regressors"
Presenter: Alexander Chudik (Federal Reserve Bank of Dallas)
Authors: Alexander Chudik, M. Hashem Pesaran, Jui-Chung Yang

"Identification and Estimation of Panel Data Models with Group Structures"
Presenter: Qiankun Zhou (Louisiana State University)
Authors: Ruiqi Liu, Anton Schick, Zuofeng Shang, Yonghui Zhang, Qiankun Zhou

"Linear Panel Model with at Random Item Non-Response"
Presenter: Jessie Coe (University of Texas at Austin)
Authors: Jessie Coe

Monetary and Fiscal Policy, MSC 2503
Chair: Sandeep Kumar Rangaraju

"A Structural Investigation of Monetary Policy Shifts"
Presenter: Xin Wei (Indiana University)
Authors: Yoosoon Chang, Fei Tan, Xin Wei

"Monetary Policy and Welfare Issues in the Economy with Shifting Trend Inflation"
Presenter: Ha Le Thanh (National Graduate Institute for Policy Studies)
Authors: Ha Le Thanh

"Tax News in Recessions and Expansions"
Presenter: Sandeep Rangaraju (Weber State University)
Authors: Ana María Herrera and Sandeep Kumar Rangaraju

Public Economics, MSC 2504
Chair: Martijn Van Hasselt

"Does Youth Training Lead to Better Job Quality? Evidence from Job Corps"
Presenter: German Blanco (Illinois State University)
Authors: German Blanco, Alfonso Flores-Lagunes

"Incentives for Girls and Gender Bias in India"
Presenter: Uttara Balakrishnan (University of Maryland)
Authors: Uttara Balakrishnan

"The Effects of Highly-Publicized Police Use-of-Force on Policing, Trust, and Crime"
Presenter: Wei Long (Tulane University)
Authors: Cheng Cheng, Wei Long

“Troubled in School: Does Parental Involvement Matter for Adolescents?
Presenter: Martjin Van Hasselt (University of North Carolina at Greensboro)
Authors: Jonathan Norris, Martijn van Hasselt

11:45am – 1:15pm Lunch at Simpson Drill Field

1:15pm – 3:00pm Parallels IV

<u>Social Networks, MSC 2500</u>
Chair: Sida Peng

“Identification and Estimation of Peer Effects in Social Network with Measurement Error”
Presenter: Wenzheng Gao (Texas A&M University)
Authors: Wenzheng Gao

“Semiparametric Estimation of Network Formation Models with Homophily and Degree Heterogeneity”
Presenter: Peter Toth (University of Texas at Austin)
Authors: Peter Toth

“Role of Peer Effects in Social Protest”
Presenter: Huibin Weng (University of Cincinnati)
Authors: Olivier Parent, Huibin Weng, Abdallah Zouache

“Heterogeneous Endogenous Effects in Networks”
Presenter: Sida Peng (Microsoft Research)
Authors: Sida Peng

<u>Large Dimensional Models, MSC 2501</u>
Chair: Fei Tan

“Networks and Factor Analysis”
Presenter: R. Andrew Butters (Indiana University)
Authors: Scott Brave, R. Andrew Butters

“Lasso Variable Selection in Predictive Mixed-Frequency Models”
Presenter: Clément Marsilli (Banque de France)
Authors: Clément Marsilli

“Regime Switching Models with Multiple Dynamic Factors”
Presenter: Shi Qiu (Indiana University)
Authors: Yoosoon Chang, Joon Park, Shi Qiu

“Bayesian Analysis of High-Dimensional DSGE Models”
Presenter: Fei Tan (Saint Louis University)
Authors: Siddhartha Chib, Fei Tan

Business Cycles, MSC 2502
Chair: Richard Ashley

"The Dynamics of Labor Reallocation under Uncertainty"
Presenter: Justin Lee (Federal Reserve Bank of Dallas)
Authors: Soojin Jo, Justin Lee

"Quantile-Based Asymmetric Dynamics of the Real GDP Growth"
Presenter: Xiaochun Liu (University of Alabama)
Authors: Xiaochun Liu

"Generalized Band Spectrum Estimation of the New Keynesian Phillips Curve"
Presenter: Junjie Guo (Indiana University)
Authors: Jinho Choi, Juan Carlos Escanciano, Junjie Guo

"New Results on the Undesirability of Bandpass Filtering Dynamic Regression Models, with a Proposed Solution"
Presenter: Richard Ashley (Virginia Tech)
Authors: Richard Ashley, Randall Verbrugge

Panel Data II, MSC 2503
Chair: Cindy S.H. Wang

"The Factor Analytical Approach in Near Unit Root Panels"
Presenter: Milda Norkute (Lund University)
Authors: Milda Norkute, Joakim Westerlund

"Uniform Inference for Conditional Factor Models with Instrumental and Idiosyncratic Betas"
Presenter: Xiye Yang (Rutgers University)
Authors: Yuan Liao, Xiye Yang

"A Unifed Approach on the Local Power of LLC and IPS Tests"
Presenter: Zhongwen Liang (SUNY Albany)
Authors: Zhongwen Liang

"Contagion, Systemic Risk and Diagnostic Tests in Large Mixed Panels"
Presenter: Cindy S.H. Wang (CORE UC Louvain and National Tsing Hua University)
Authors: Cindy S.H. Wang, Cheng Hsiao, Hao-Hsiang Yang

Spatial Analyses, MSC 2504
Chair: J. Isaac Miller

"A Matrix Exponential Spatial Panel Model with Heterogeneous Coefficients"
Presenter: James LeSage (Texas State University)
Authors: James LeSage, Yao-Yu Chih

"Adaptive Estimation of Pure Spatial Models"
Presenter: Jungyoon Lee (Royal Holloway, University of London)
Authors: Jungyoon Lee, Peter Robinson

“Misspecification Testing in Spatial Autoregressive Models”
Presenter: Francesca Rossi (University of Verona)
Authors: Jungyoon Lee, Peter Phillips, Francesca Rossi

“Local Climate Sensitivity: A Statistical Approach for a Spatially Heterogeneous Planet”
Presenter: J. Isaac Miller (University of Missouri at Columbia)
Authors: Isaac Miller

3:00pm – 3:15pm Break

3:15pm – 5:00pm Parallels V

Treatment Effects II, MSC 2500
Chair: Tymon Sloczynski

“Inference on Breakdown Frontiers”
Presenter: Alexandre Poirier (University of Iowa)
Authors: Matthew Masten, Alexandre Poirier

“Specification Tests for the Propensity Score”
Presenter: Pedro Sant’Anna (Vanderbilt University)
Authors: Pedro Sant’Anna, Xiaojun Song

“Instrument Validity in Local Average Treatment Effect Models”
Presenter: Zhenting Sun (University of California in San Diego)
Authors: Zhenting Sun

“Mostly Harmless Simulations? On the Internal Validity of Empirical Monte Carlo Studies”
Presenter: Tymon Sloczynski (Brandeis University)
Authors: Arun Advani, Tymon Sloczynski

News, Uncertainty and Monetary Policy, MSC 2501
Chair: Tatevik Sekhposyan

“Agnosticism in the Relationship between Monetary Policy Shocks and Market Interest Rates”
Presenter: Victor Valcarcel (University of Texas at Dallas)
Authors: Victor Valcarcel

“Monetary Policy News and Systemic Risk at the Zero Lower Bound”
Presenter: Pavel Kapinos (Federal Reserve Bank of Dallas)
Authors: Pavel Kapinos

“Monetary Shock Measurement and Stock Markets”
Presenter: Arabinda Basistha (West Virginia University)
Authors: Arabinda Basistha and Richard Startz

“Asymmetries in Monetary Policy Uncertainty: New Evidence from Financial Forecasts”
Presenter: Tatevik Sekhposyan (Texas A&M University)
Authors: Tatjana Dahlhaus, Tatevik Sekhposyan

Inequality II, MSC 2502
Chair: Yoosoon Chang

"Rising Wage Inequality and Human Capital Investment"
Presenter: Carolyn Sloane (University of California at Riverside)
Authors: Lancelot Henry de Frahan, Carolyn Sloane

"Geographic Inequality of Economic Well-Being among U.S. Cities: Evidence from Micro Panel Data"
Presenter: Chi-Young Choi (University of Texas at Arlington)
Authors: Chi-Young Choi, Alexander Chudik

"Identifying and Estimating the Long-run Effect of Income Distribution on Aggregate Consumption"
Presenter: Yoosoon Chang (Indiana University)
Authors: Yoosoon Chang, Changsik Kim, Hwagyun Kim

Bootstrap, MSC 2503
Chair: Zheng Fang

"Validity of Wild Bootstrap Inference with Clustered Errors"
Presenter: Antoine Djogbenou (Queen's University)
Authors: Antoine Djogbenou, James MacKinnon, Morten Nielsen

"Fixed-b Asymptotic Theory for the Dependent Wild Bootstrap"
Presenter: Yeonwoo Rho (Michigan Technological University)
Authors: Yeonwoo Rho

"A Unifed Robust Bootstrap Method for Sharp/Fuzzy Mean/Quantile Regression Discontinuity/Kink Designs"
Presenter: Yuya Sasaki (Vanderbilt University)
Authors: Harold Chiang, Yu-Chin Hsu, Yuya Sasaki

"Improved Inference on the Rank of a Matrix with Applications to IV and Cointegration Models"
Presenter: Zheng Fang (Texas A&M University)
Authors: Qihui Chen, Zheng Fang

Special Topics, MSC 2504
Chair: Donggyu Sul

"A Competing Risks Model with Time-Varying Heterogeneity and Simultaneous Failure"
Presenter: Ruixuan Liu (Emory University)
Authors: Ruixuan Liu

"Nonparametric Bayesian Inference on Stochastic Dominance"
Presenter: Longhao Zhuo (University of Missouri at Columbia)
Authors: Longhao Zhuo

"Revisiting Simpson's Paradox: a Statistical Misspecification Perspective"
Presenter: Aris Spanos (Virginia Tech)
Authors: Aris Spanos

"Weak sigma convergence: Theory and Applications"
Presenter: Donggyu Sul (University of Texas at Dallas)
Authors: Jianning Kong, Peter Phillips, Donggyu Sul

5:15PM Dinner at Simpson Drill Field