

INDEX

Note: Page numbers followed by “*n*” indicate notes.

- A + B auctions, 288
- Ad position auctions, application to, 331
 - click-through curve, 332
 - data, 331–332
 - estimation results, 333–335
 - model specification, 332–333
- Advanced placement (AP), 367
- AIC criterion, 74, 76, 78–80, 84–85, 87, 89
- Allocation, 324
 - latent Dirichlet, 435
 - observed, 326
 - optimal, 325–328
- American Express Inc. (AXP), 133
- Arellano–Bond type GMM, 2
 - dynamic panel model and, 3
 - estimation and asymptotical bias, 3–6
 - JIVE estimation, 6–7
 - JIVE for Arellano–Bond GMM estimation, 19–24
- Artificial intelligence (AI), 414, 416–417, 425, 431
 - big data and growing engagement of economics with, 425
- Asymptotic bias of Arellano–Bond GMM, 3–6, 17*n*2
- Asymptotic theory, 75
 - of indirect inference estimator, 83
- Augmented Dickey–Fuller specification (ADF specification), 230
- Automatic differentiation, 435
- Autoregressive coefficient (AR coefficient), 75
- Autoregressive fractionally integrated moving average (ARFIMA), 106
- Autoregressive model (AR), 107
- Average pairwise housing return correlations, 387
- Average partial effects (APEs), 365
- Average treatment effect (ATE), 344, 348
- Backward sequential testing procedure, 111
- Bagging, 433–434
- Bailey, Kapetanios, and Pesaran approach (BKP approach), 155
- Barro regressions, 222
- Bartlett–Newey–West estimator, 32, 58
- Baumeister and Hamilton model (BH model), 162
- Bayesian approach, 223
- Bayesian deep learning, 435
- Bayesian equilibrium, 292
- Bayesian estimation, 326
 - likelihood of optimal allocation and equilibrium prices, 326–328
 - MCMC algorithm, 328–331
- Bayesian framework, 145
- Bayesian Gaussian semiparametric model, 231
- Bayesian model averaging (BMA), 218, 434
- Bayesian neural networks, 435
- Bayesian semiparametric model growth model, 219
 - with random coefficients, 222–224
- Bayesian variable selection technique, 434
- Beta distribution, 333
- Beta selection, 328
- β -convergence, 26

- Bias
 - asymptotic, 3–6, 17*n*2
 - simple alternative of estimating, 280–281
- Bias-corrected tail-trimmed estimator, 262–265
 - interquartile range against simulation size, 268
 - sampling distributions, 270
- BIC, 74, 76, 78–80, 84, 87, 89
- Bidders' cost
 - function, 298
 - inefficiency distribution, 298
- Bidding firms, 289
- Bidding strategies, 295–298, 304, 319*n*6
 - rewriting, 299–300
- Big data (BD), 413, 431
 - econometrics and, 414–419, 425–429, 431–438
 - and growing engagement of economics with AI, 425
 - interaction between economic or financial theory and, 414–415
- Binary Logit Model, 368
- Binary models for college attendance, 365–371
- Bivariate truncated normal distribution, 393–394
- Block approach, 417
- Boosting, 433–434
- Bootstrapped nonparametric specification test for RCM_CT
 - against OWEC_CST, 253
 - test for common trends, 251–253
- Bootstrapping, 433–434
 - procedure for global shock effects, 181–182
- Borrower defaults, 393–394
- Break-adjusted forecasting method 132–133
- Buyer
 - benefit function, 298
 - decision rule, 289
 - private, 292–294
 - public, 294–295
- Buyer's optimal mechanism, 290–291
 - firm's IC and IR constraints, 291–292
 - private buyer, 292–294
 - public buyer, 294–295
- Calibration
 - calibrated polynomial function, 205–206
 - estimates of calibrated trending functions, 213–214
 - of semiparametric estimated trends, 199–200
- Causality testing, 426
- CD statistic, 387, 391
- Censored normal distributions, 407–411
- Censored variables, 393
- Choice sets, 363
- Citigroup system (C system), 133
- Classification and regression trees (CART), 432, 434
- Click-through curve, 332
- Cobb–Douglas aggregate production function, 218–219
- Coefficient estimation, 201–203
 - estimation results of coefficients, 203
 - panel data unit root test statistics, 202
- Column standardization, 362
- Common correlated effect (CCE), 194
 - estimates of β_i , 210–211
 - estimator, 197
- Computer-Assisted Personal Interviewing (CAPI), 343
- Computer-Assisted Telephone Interviewing (CATI), 343
- Conditional mean independence, 301
- Conventional HAC methods, 28
- Conventional structural break tests, 107
- Conventional *t*-statistic, 29
- Convergence, 362
 - studies, 26
- Coordinate ascent variational inference, 435

- Correlation, 410
 - average pairwise housing return, 387
 - latent, 384
 - matrix, 406
- Correlograms, 391
- Cost function, 301
 - multiplicative separability of, 289, 300
- Cost inefficiency, 289
- Country-specific effects of global shocks, 157–159
- Country-specific models, 144, 182
- Covariance matrix, 133, 397
- Covariogram, 391–392
- CPR, 155, 157
- Cross-section (CS)
 - augmentation, 165
 - averages, 144
- Cross-sectional augmented IPS test (CIPS test), 230
 - unit root tests, 231
- Cross-sectional dependence (CSD), 155, 195, 197, 201, 384
 - empirical measures, 390
 - exponent, 389
 - weak vs. strong, 387–391
- Cross-validation, 432
- CS-MSAs, 385–387, 403*n*1, 405–406
- Cubic B-splines, 227
 - interpolation, 240*n*18
- Cubic O’Sullivan splines, 240*n*10
- Cultures, 428–429
 - in statistics, 426–427
- Data analysis in econometrics, 432
- Data driven method, 416
- Data generating processes (DGPs), 2, 76, 112, 131
- Debt
 - accumulation, 145–146
 - debt-generating fiscal policy, 146
 - elasticities, 163–165
 - and growth, 146–148
 - monetization, 172*n*12
- Debt-to-GDP series, 150, 183
- Deep learning, 426
- Deep mixture model, 438
- Defaulted loan, 394
- Density function, 272*n*1
- Determinants of HCE, 193–194
 - data, 200–201
 - models, 194–200
 - results, 201–207
- Deterministic utility component, 363
- Digital single-lens reflexive camera (DSLR camera), 334
- Dimension reduction, 417–418
- Direct effect (DE), 360, 362
- Discrete choice models, 256
- Distribution free, 194
- Double selection problem, 345
- Dual problem (DP) (*see also* Linear sum assignment problems (LSAP)), 326–327, 331, 338
- Dynamic panel model, 2
 - JIVE for Arellano–Bond GMM estimation, 19–24
 - model and Arellano–Bond GMM estimation, 3–7
 - model with exogenous variables, 7–10
 - Monte Carlo simulation, 10–16
- Dynamic spatio-temporal data, 437
- Easy-to-implement method, 107
- Econometric(s), 431
 - analysis, 417
 - approaches, 132
 - BD, 425–429, 431–438
 - BD and, 414–419
 - combining data of different sources and time frequencies, 418
 - data analysis in, 432
 - dimension reduction, 417–418
 - functional dynamics, 418
 - incorporating AI and machine learning techniques, 416–417
 - methodological challenges, 416–419
 - modeling interactions among individuals, multiple equilibrium, 419

- multi-dimensional asymptotics, 417
- one stage modeling or multistage modeling, 419
- one-dimensional asymptotics, 417
- reduced form *vs.* structured equation approach, 419
- of scoring auctions, 288–318
- techniques, 26
- Economic
 - decision-making, 428
 - efficiency, 222
 - efficiency change (*see* Technical innovation change)
 - shock, 398–399
 - theory, 146, 414–415
- Elastic nets, 432
- Elasticity, 203
- Empirical analysis, 26
- Empirical assignment model, 324–326
- Empirical rejection frequency (ERF), 15
- Equilibrium prices, 324–326, 338
- Error cross-sectional dependencies, 147
- Error-correction models, 418
- Evidence lower bound (ELBO), 225–226, 235, 240ⁿ¹³
 - variational, 248–250
- Exchangeability, 307
- Exogenous quality, 289–290
- Exogenous variables, dynamic panel model with, 7–10
- Expansionary fiscal policies, 146
 - shock, 147
- Expected returns, 397
- Explosive models, model selection for
 - limit properties based on indirect inference estimator, 82–86
 - limit properties based on OLS estimator, 76–82
 - models, information criteria, and literature review, 75–76
 - Monte Carlo study, 87–89
 - proof for theorems, 92–103
 - UR behavior, 74
- Explosive roots (EXs), 74
- Exponent of cross-sectional dependence, 389
- External debt, 146
- Extreme bounds approach, 426
- Factor
 - approach, 417
 - augmented regressions, 434
 - mixture analysis, 438
 - mixtures of factor analyzers, 437–438
 - models, 434
- Factor-augmented panel VaR models, 148–150
- vector error-correcting model, 144
- Factor-augmented regressions, 218–219
- Federal Housing Finance Agency (FHFA), 385
- Fee-for-service (FFS), 193
- Financial crisis (2007–2008), 144
- Financial theory, 414–415
- Firewall principle, 432
- Firm’s IC and IR constraints, 291–292
- Fiscal policy shocks (*see also* National shocks)
 - country-specific effects of global shocks, 157–159
 - estimated global shocks, 157
 - evidence on CS dependence, 155–157
 - expansionary fiscal policy shock, 147
 - FEVDs and IRFs of global shocks, 159–160
 - global output and fiscal policy shocks and effects, 154
 - robustness of global shocks analysis, 160–161
- Fiscal shock
 - contemporaneous effects of, 165–170
 - priors used for estimating effects of, 182–183
- Fitted model, 32
- Fixed effect (FE), 192, 194, 202, 240ⁿ⁹
- Fixed-*b*
 - approach, 49ⁿ¹
 - lag truncation rule, 28
 - variance estimation, 33

- Florida procurements, 290
- Forecast error variance decomposition (FEVD), 159
 - of global shocks, 159–160
 - for sets of global and national shocks, 181
- Forecasting methods, 112
 - comparison break occurs at end of sample, 131–132
 - comparison of forecasting methods, 115
 - optimal weighting averaging approach, 114
 - post-break approach, 112
 - simulation design I, 115–129
 - simulation design II, 129–131
 - VAR approximation approach, 114
 - VNV method, 113–114
 - VNVNO method, 112–113
- Forecasting multivariate realized volatility, 132
 - break-adjusted forecasting method, 132–133
 - h*-step ahead forecasts, 133
 - out-of-sample forecast evaluation, 135–136
 - relative root mean squared forecast errors, 134
- Forecasting univariate time series, 106
- Forward chaining, 433
- Fraternal twins, 414
- French National Space Agency (CNES), 318
- Full Bayesian model, 224
- Functional dynamics, 418
- Functional principal component analysis (FPCA), 437
- Functional regression analysis, 418
- Functional time series
 - analysis, 418
 - theme of, 436–437
- Gamma function, 250
- Gaussian distribution, 269
- Gaussian kernel function, 196, 198
- Gaussian mixture models, 438
- GDP per capita, 201–202, 218
 - MCMC results for growth rate model for, 234
 - MFVB results for growth rate model for, 234
 - time means of MFVB spline fit of growth rate, 236
- General Electric (GE), 133
- Generalized cost, 294
- Generalized method of moments (GMM), 2
- Generalized Pareto distribution, 257–258
- Generalized social cost, 295
- Generic sequentially adaptive Bayesian learning algorithm, 435
- Genetic factors, 414
- Gibbs sampling, 219, 224
- Global business, 147
- Global factor-augmented error-correcting model, 175–181
- Global growth shock, 145
- Global shocks, 144–145
 - bootstrapping procedure for effects, 181–182
 - country-specific effects of, 157–159
 - estimation, 157
 - FEVDs, 159–160, 181
 - IRFs, 159–160
 - robustness of global shocks analysis, 160–161
- Global value at risk (GVAR), 144, 419
 - additional result tables and figures, 184–185
 - bootstrapping procedure for global shock effects, 181–182
 - comparison of parameters across countries in models, 189
 - data, 183–184
 - estimates of long-run relationships between real GDP and public debt, 186–187

- estimating effects of national fiscal and technology shocks, 182–183
- FEVDs for sets of global and national shocks, 181
- global output and fiscal policy shocks and effects, 154–161
- global shocks, 144–145
- literature on debt and growth, 146–148
- long-run perspective on public debt and output, 150–154
- national shocks, 161–170
- representation of factor-augmented panel VaR models, 148–150
- representation using global factor-augmented error-correcting model, 175–181
- SEs of reduced-form shocks, 188
- Gross domestic product (GDP), 144, 147, 192, 203, 218
 - country means of the growth rate, 228
- Growth empirics, 239*n*1
 - Bayesian semiparametric model with random coefficients, 222–224
 - data, 227–231
 - mean field variational Bayes approximation, 224–227
 - model, 219–222
 - results, 231–238
- Guerre, Perrigne, and Vuong approach (GPV approach), 289
- Half-Cauchy priors, 240*n*10
- Health care, 192
- Health care expenditure (HCE) (*see also* Determinants of HCE), 192–193
- Heterogeneity, 203
 - cross-country, 218
- Heteroskedastic and autocorrelation consistent (HAC), 27
- Heteroskedastic and autocorrelation robust estimators (HAR estimators), 27
 - assumptions, 52
 - convergence, 27–28
 - generating mechanism under null hypothesis, 53–72
 - Monte Carlo simulations and empirical example, 42–48
 - preliminaries on robust inference concerning trend, 28–29
 - robust testing, 32–42
 - testing convergence, 29–32
- High speed rail projects in China, 416
- High-dimensional asymptotic theorems, 417
- High-dimensional asymptotics, 436
- High-impact journals, 431–432
- Historical Public Debt database, 183
- Holdout cross-validation, 432
- Home Depot Inc. (HD), 133
- House price indices (HPIs), 385–386
- HQIC, 74, 76, 78–80, 84, 87
- Hsiao's volumunus work on random coefficient models, 239*n*5
- Hyperparameters, 432–433
- Hypothesis tests, 426, 432
- Hysteresis, 146
- IBM/SPSS Modeler, 427
- Identical twins, 414
- Identification argument, 304
- Idiosyncratic shocks, 161, 361
- Importance sampling, 256–257
 - bias-corrected tail-trimmed estimator, 262–265
 - density, 257
 - future research, 271–272
 - illustration, 269–271
 - Monte Carlo experiments, 265–268
 - tail-trimmed estimator, 259–262, 268
 - testing for existence of variance, 257–259
- Importance sampling estimator, 257
 - interquartile range against simulation size, 268
 - sampling distributions, 266–267, 270, 284–285

- Incentive compatibility (IC), 291–292
- Income, 193
- Income elasticity (IE), 192
- Independent component analysis, 437
- Indirect effect (IE), 360, 362
- Indirect inference estimator, 82–86
- Individual rationality (IR), 291–292
 - condition, 326
- Inequality, 241*n*30
- Inferential robustness, 27
- Infinite dimensional functions, 437
- Information criteria, 87
 - for model selection, 74–76
- Instrument matrix, 19
- Integer programming problem, 325
- Intermediate order sequence, 260
- International Business Machines (IBM), 133
- International Conference on Machine Learning (ICML), 428
- International Monetary Fund (IMF), 183
 - FAD, 183
- Interpretability of ML model results, 427–428
- IRFs of global shocks, 159–160, 165
- Jackknife instrumental variables
 - estimation (JIVE), 2, 6–7
 - for Arellano–Bond GMM estimation, 19–24
- JPMorgan Chase & Co. (JPM), 133
- k*-fold, 432
 - cross-validation or bootstrapping, 427
- Kalman filter, 270
- Kernel methods, 416
- Kernel-based nonparametric estimators, 289
- Kronecker product, 195
- Kullback–Leibler divergence, 225
- L’Hopital’s rule, 275, 277, 319*n*6, 408
- Labor augmenting technical progress, 220
- Lagrange multipliers, 326
- λ estimation, 315–316
- Language information, 432
- LARS, 432
- LASSO, 432, 434, 436–437
- Latent correlation, 384
- Latent Dirichlet allocation, 435
- Latent structure approach, 417
- Least squares (LS), 107
 - estimators, 199
- Lee and Wand’s approach, 221
- Likelihood
 - of optimal allocation and equilibrium prices, 326–328
 - ratio framework, 172*n*20
- Limit theory, 59
 - under alternative of convergence, 36–42
 - under null, 34–35
- Linear discriminant analysis, 437
- Linear programming relaxation, 325
- Linear regression model, 427
- Linear stochastic frontier panel models, 221
- Linear sum assignment problems (LSAP), 323–324
 - application to Ad position auctions, 331–335
 - Bayesian estimation, 326–331
 - empirical assignment model, 324–326
- Linear trend regression method, 27
- Linear-mixed Gaussian specification, 223
 - model-based penalized spline specification, 226
- Loans
 - mortgage, 384
 - risk of, 385
- Local-currency-denominated debt, 172*n*6
- Local-to-unity explosive (LTUE), 75, 85
- Log-likelihood, 362
- Long memory models, 106
- Long run variance (LRV), 30

- Long-run perspective on public debt and output, 150–154
- Loss function, 196, 417
- Lovell rule, 426
- Machine learning (ML), 426, 431, 435
 - algorithms, 432
 - interpretability of ML model results, 427–428
 - tool of elastic nets, 426
- Machine learning techniques, 416–417
- Markov Chain Monte Carlo methods (MCMC methods), 218–219, 221, 224, 233, 240, 269, 271, 323–324
 - approximate posterior density functions, 235
 - results for growth rate model for GDP per capita, 234
- Markowitz mean-variance scheme, 415
- Matrix completion approach, 434–435
- Maximand, 293
- Maximum likelihood estimation (MLE), 106
- Mean field variational Bayes algorithm, 248–250
 - approximation, 224–227
- Mean field variational Bayesian approach (MFVB approach), 219, 225, 233, 240
 - approximate posterior density functions, 235
 - flexibilities, 238
 - results for growth rate model for GDP per capita, 234
- Methods-of-Payment survey (MOP survey), 343–344, 349
 - factual/objective, 353
 - recall, 353–354
 - subjective, 354
- Mildly explosive model (ME model), 75
- Mixed-mode surveys, 342
- Model primitives, 289
- Model selection approach, 417
- Model uncertainty, 438
- Model-based multivariate time-series clustering algorithm, 437
- Moment matching estimators, 324
- Monte Carlo experiments, 265–268
- Monte Carlo simulations, 10–16, 42–44, 107, 363
 - and empirical example, 42, 44
 - state unemployment rates, 44–48
- Monte Carlo study, 87–89, 256
- Mood test, 427
- Mortgage loans, 384
- Mortgage portfolio diversification, 384
 - average pairwise housing return correlations, 387
 - data, 385
 - empirical dependence, 385–393
 - housing return correlations, 388
 - portfolio implications, 397–399
 - simulations, 399–401
 - theory, 393–397
- Multinomial models for post high school choice, 371–379
- Multi-dimensional asymptotics, 417
- Multicollinearity, 418
- Multinomial choice model, 289, 301
 - probability, 306
- Multinomial Logit Model, 372
- Multiple testing estimator, 434
- Multiplicative separability of cost function, 289, 300
- Multistage modeling, 419
- Multivariate case, 276–279
- Multivariate GARCH models, 132
- Multivariate long memory models, 106–108
- Multivariate LS coefficient estimator, 107
- Multivariate volatility forecasting, 132
- “Naïve-no break” method (VNVNO method), 112–113, 124, 129
- National shocks, 161
 - debt elasticities, 163–165
 - demand-supply model, 162–163

- effects of fiscal and technology shocks, 165–170
- FEVDs for sets of, 181
- Negative Hessian, 270
- Nested propensity score, 345
- No-blocking-pair condition, 326
- Non-nested propensity scores, 345
- Non-transferable utility matching models, 324
- Nonlinearities, 146
- Nonparametric
 - approaches of nearest neighbor matching, 416
 - estimation methods, 239*n*6
 - strategy, 302
 - studentization, 33–34
- Nonspatial models, 369
- Nonstationarity, 74
- Normal density function, 407
- Null and alternative hypotheses, 32–33
- Numerical integration, 363

- Observed allocation, 326
- OLS estimator, 74, 84–85, 87, 90, 96
 - limit properties based on, 76–82
- One covariate at time multiple testing (OCMT), 434
- One stage modeling, 419
- One-dimensional asymptotics, 417
- Optimal allocation, 325
- Optimal discriminant analysis, 433
- Optimal q -densities, 225
- Optimal scoring rule, 290–291, 295–298
- Optimal transport problems, 324
- Optimal weighting averaging approach, 114
- Optimal-in-sample goodness-of-fit, 111
- Organization of Economic Cooperation and Development countries (OECD countries), 192
- Orthogonalized LS, 149
- Out-of-sample forecasts, 207–209
- Overfitting problem, 432

- p -values of “final” regression model, 426
- Paradata, 342–343
- Parameter instability, 433
- Parametric
 - equilibrium selection rule, 327
 - estimation, 194
 - fitting, 212
- Partial effects evaluated at sample averages (PEA), 365
- Partially linear models, 194
- Peer effects, 360
 - accounting for, 367
 - evidence, 365
 - measuring, 360–361
- Penalized models, 432
- Penalized splines, 240*n*8
- Policymakers, 415
- Pooled common correlated effect (CCEP), 202–203
- Pooled semiparametric profile
 - likelihood dummy variable method (PPLE), 194–198, 202–204
- Pooling, 310–313
- Portfolio loss, 398
- Position auctions
 - calculating volume of Equilibrium CPC, 339
 - characterizing set of equilibrium CPC, 338–339
 - implementation details in empirical study of, 338–339
- Post-break method (PB method), 112
- Post-break model, 107
- Postal Self-Administered Questionnaires (Postal SAQs), 343
- Pre-break observations, 433
- Predata, 342–343
 - identification with, 344–349
- Prediction, 415, 432, 436
- Predictor importance measures, 427–428
- Price vector, 326
- Price-per-quality rules, 289
 - ratio rule, 288

- Primal problem (P problem), 327
- Primary data, 342
- Principal component (PC), 144, 388
- Principal coordinates analysis, 437
- Private buyers, 288, 292–294
- Private effect (*see* Direct effect (DE))
- Probabilistic computation tree logic models, 437
- Probabilistic principal component analysis, 437
- Probability kernel function, 198
- Procurement auctions, 288
- Pseudo maximum likelihood estimates, 363
- Public buyer, 294–295
- Public debt
 - accumulation, 147
 - crisis, 172*n*6
 - long-run perspective on, 150–154
- Public financing (PF), 192
- Public procurements, 288
- Purchasing power parity (PPP), 155, 227

- Qualitative information, 417
- Quantile approach, 416
- Quantile treatment effect (QTE), 344, 348
- Quasi-Bayesian form of cross-validation, 433
- Quasi-linear rules, 289
- Quasi-linear scoring rule, 288

- R*-continuously differentiable, 306–307
- Random coefficients, 222–224, 417
- Random effect, 240*n*9
- Random forest algorithm, 416
- Random intercept and slope
 - coefficients with common trends (RCM_CT), 232–233
 - bootstrapped nonparametric specification test against OWEC_CST, 253
- Random intercept and slope
 - coefficients with country-specific trends (RCMCST), 232
- Random utility, 361
- Realized covariance methods, 132
- Regional science, 385
- Regressions, 27
 - errors, 28
- Relative RMSFE, 122–124, 134
- Repeat-sales framework, 386
- Research Data Centers (RDCs), 425
- Residual sum of squares (RSS), 106
- Response time, 415
- Reward point balance, 350–351
- Risky loan, 394
- Robo-advising, 432
- Robo-investors, 432
- Robust optimal weight averaging method, 107
- Robust optimal weighting forecasting procedure (ROW), 112, 132
- Robust structural break test, 106
- Robust testing, 32
 - limit theory under alternative of convergence, 36–42
 - limit theory under null, 34–35
 - null and alternative hypotheses, 32–33
 - test statistics and alternative nonparametric studentization, 33–34
- Robustness, 348–349
 - checks, 284–285
 - of global shocks analysis, 160–161
- Rolling window forecast technique, 207
- Rolling-origin (*see* Forward chaining)
- Root mean squared forecast errors (RMSFE), 122–124
- Row standardization, 362

- S&P 500 index, 269
- Satellite data, 431–432
- Scoring auctions, econometrics of, 288–289
 - estimation, 305–316
 - extensions, 316–318
 - identification, 298–305
 - model, 290–298

- Scoring rules, 288
- Selection effects, 342
- (Semi-)strong dependence, 388
- (Semi-)variogram, 391–393
- Seminonparametric estimator, 315
- Seminonparametric strategy, 302
- Semiparametric estimation, 194, 239n6
 - calibration of, 199–200
 - of trends, 198–199
- Semiparametric models, 221, 239n6
- Semiparametric nonlinear errors-in-variables models, 239n6
- Semiparametric one-way error component models with common trends (OWEC_CT), 232
- Semiparametric one-way error component models with country-specific trends (OWEC_CST), 232
 - bootstrapped nonparametric specification test for RCM_CT against, 253
- Semiparametric panel data models, 239n6
- Semiparametric VAR(k) model, 121
- Series methods, 416
- Shapley–Shubik model, 324
- σ -convergence, 26–27, 31
- Simple linear trend regressions, 29–30
- Simulations, 399–401
- Skew-normal models, 438
- Skew- t mixture models, 438
- Slow variation, 272n1
- Smooth *vs.* abrupt changes, 418
- Smoothed function, 232
- Smoothness assumptions, 306
- Social effect (*see* Indirect effect (IE))
- Social programs, evaluating or simulating impacts of, 416
- Social surplus, 325
- Solow residual (*see* Total factor productivity (TFP))
- Spatial approach, 419
- Spatial Binary Logit Model, 369–370
- Spatial dependence (*see also* Cross-sectional dependence), 384, 391–393
- Spatial econometrics, 385
 - approach, 361
 - models, 161
- Spatial models, 369
- Spatial multinomial logit choice model, 360
 - data, 364–365
 - direct and indirect impacts, 363
 - estimation, 362–363, 365–379
 - model, 360–362
- Spatial random utility, 361–362
- Spatial weight matrix, 361
- Spherical model, 391
- Spherical semivariogram, 392
- Spike-and-slab priors, 437
- Spike-and-slab regression (*see* Bayesian variable selection technique)
- Stable matching, 326
- Stationarity, 192
- Statistical inference, 417
- Statistical modeling, 426
- Stochastic gradient descent algorithm, 435
 - computational technique, 416–417
- Stochastic volatility, 256
 - model, 269
- Structural breaks, 106–108, 113, 118, 121, 131–133, 433
- Structural econometric model, 305–307
- Structured equation approach, 419
- Subjective survey questions, 342
- Summarization, 432
- Sup–Wald test, 130
- Survey design, 342
 - identification with predata, 344–349
 - MOP survey, 349–354
- Symmetric matrix, 4
 - square matrix, 361

- Tail-trimmed estimator, 259–262, 268
 - bias-corrected, 262–265
- Tax ratio, 222
- Technical innovation change, 221
- Technology shock
 - contemporaneous effects of, 165–170
 - priors used for estimating effects of, 182–183
- Test statistics, 252
- Testing convergence using HAR
 - inference, 29–32
- Texas Higher Education Opportunity Project (THEOP), 360, 364
- Threshold approach, 417
- Time series, 106
 - of cross-sectional averages, 389
 - model specification, 198
- Total effect (TE), 363
- Total factor productivity (TFP), 218–219, 237
 - regression-based estimation, 239*n*5
- Traditional “hill climbing”
 - computational approach, 417
- Traditional cross-validation, 433
- Traditional econometric models, 414
- Traditional location prediction
 - models, 437
- Training-testing-validation
 - methodology, 432
- Trends
 - regression misspecification, 27
 - semiparametric estimation of, 198–199
 - study of trending functions, 203–207
- Tri-diagonal matrix, 6
- Trimmed estimated cost inefficiencies, 309
- Truncated normal distributions, 407–411
- Two-fold dimension reduction
 - approach, 437
- Two-sided matching
 - markets, 323
 - models, 324
- Two-stage approach, 387
- Type I Extreme Value distribution (TIEV distribution), 361
- Uniform distribution, 333
- Uniform selection, 328
- Unit-root behavior (UR behavior), 74
- Univariate AR approximation-based
 - forecast, 133
- Univariate framework, 106
- Univariate long memory process, 140–141, 275
- Urban economics, 385
- Valuation matrix, 324
- Value at Risk approach (VaR approach), 398
 - approximation approach, 107, 114
 - comparison of forecasting methods, 115–132
 - forecasting methods, 112–115
 - forecasting multivariate realized volatility, 132–136
 - model and theoretical insights 108–112
 - multivariate long memory models, 106–108
 - proof of Lemma, 141
 - simulation and empirical support, 140–141
 - VAR(*k*) approximation-based forecasting, 138
- Vandermonde determinant, 303
- VAR-RV-Break model (VRB model), 133
- VARFIMA-based forecast method (VNV method), 112–114
- Variables, 250–251
- Variance, testing for existence of, 257–259
- Variational Bayesian inference, 224
- Variational evidence lower bound, 248–250
- Variational inference algorithms, 227
- Variogram measure, 391–392

- Vector autoregressive fractionally
integrated moving average
(VARFIMA), 106–107, 109
- Virtual cost, 289, 294, 302
- Weak σ -convergence, 26, 30–31, 36
- Web Self-Administered
Questionnaires (Web
SAQs), 343–344
- Weighted linear scoring rule, 290
- Wilcoxon–Mann–Whitney test, 427
- Winning probability, 307, 317