

Co-sponsored by:
Office of the Comptroller of the Currency
Army Research Office
College of Arts & Sciences (American University)
Department of Economics (American University)



AMERICAN UNIVERSITY
WASHINGTON, DC

Info-Metrics Institute

This conference is dedicated to the memory of Arnold Zellner in recognition of his many generous contributions to science, the economics profession, and to the Info-Metrics Institute.

Info-Metrics: Theory and Applications

(Information Processing in the Social Sciences)

American University Campus

September 24 – 25, 2010

Program

FRIDAY SEPTEMBER 24

(Location: TBA)

9:00-10:00AM Registration-Coffee-Refreshments

10:00-10:05 **Welcoming Remarks**

Robert Lerman, Department of Economics, American University and Urban Institute
(Chair – Info-Metrics Advisory Board)

10:05 – 10:25 Reflections on Arnold

Amos Golan (American U)

10:25-11:45 AM **SESSION I**
Info-Metrics and Finance

Session Organizer – Michael J. Stutzer

Chair: *Michael Stutzer* (U. Colorado)

1. Canonical Methods of Pricing American Style Contingent Claims, **Jamie Alcock** (Cambridge and U. Queensland)
2. On Esscher Transforms, **Serena Tiong** (U Iowa)
3. Entropy and the Market Selection Hypothesis, **Alvaro Sandroni** (Northwestern)

11:50 – 12:30 AM **SESSION II**
 Info-Metrics and Quantiles

Chair: *Robin Lumsdaine* (American U)

1. Which Quantile is the Most Informative? Maximum Likelihood, Maximum Entropy and Quantile Regression, **Anil K. Bera** (U. Illinois), **A. F. Galvao Jr.**, G. V. Montes-Rojas and **S. Y. Park**
2. Incentive-Compatible Elicitation of Quantiles, **Nicholas M. Kiefer** (Cornell)

12:30 – 1:30 PM **LUNCH** (Provided)

1:30 – 2:40 PM **SESSION III**
 Estimation and Inference in Moment Condition Models-I

Session Organizers: Alastair Hall and Eric Renault

Chair: *Eric Renault* (UNC)

1. Robust inference for moment condition model, **Taisuke Otsu** (Yale)
2. Regularized Empirical Likelihood estimators, **Marine Carrasco** (U. Montreal)
3. Frequentist inference in weakly identified DSGE models, **Atsushi Inoue** (NCSU)

2:40 – 3:00 PM Coffee

3:00 – 4:30 PM **SESSION IV**
 Info-Metrics and Wavelets across Statistics, Economics and Finance

Session Organizer: Ramo Gencay

Chair: *Ramo Gencay* (Simon Fraser U.)

1. Discrete Wavelet Transforms Based on Zero-Phase Daubechies Filters, **Donald Percival** (University of Washington)
2. Vast Volatility Matrix Inference Based on High-frequency Financial Data, **Yazhen Wang** (UW, Madison)
3. Unit Root Tests with Wavelets, **Ramo Gencay** (Simon Fraser U)

4:30 – 5:30 PM **SESSION V**
 Info-Metrics and Econometrics Theory

Chair: *Aman Ullah* (UC Riverside)

1. Bayesian Nonparametric Estimation and Info-Metrics, **Yuichi Kitamura** (Yale)
2. Forecasting with Imprecise/Indeterminate Probabilities, **Teddy Seidenfeld** (Carnegie Mellon), Mark Schervish and Jay Kadane

5:30 PM **Welcoming to the Reception Remarks**

Mark Levonian (Senior Deputy Comptroller, Office of the Comptroller of the Currency)

6:00 -7:30PM **Reception** (Location TBD)

SATURDAY SEPTEMBER 25

(Location: Ward 2)

8:00 – 9:00 AM Coffee-Refreshments

9:00 – 10:15 AM **SESSION VI**
Estimation and Inference in Moment Condition Models – II

Session Organizers: Alastair Hall and Eric Renault

Chair: *Alastair Hall* (U. Manchester)

1. Large sample properties of the three-step Euclidean Likelihood estimators under model misspecification, **Prosper Dovonon** (Concordia)
2. Optimal comparison of misspecified moment restriction models, **Vadim Marmer** (UBC)
3. Model selection test for nonnested moment inequality models, **Xiaoxia Shi** (UW-Madison)

10:30 – 11:30 AM **SESSION VII**
Info-Metrics, Pseudo ML and EL

Chair: *Anil Bera* (U. Illinois)

1. Fourth Order Pseudo Maximum Likelihood Methods, Alberto Holly, Alain Monfort and **Michael Rockinger** (Swiss Finance Institute, U. Lausanne, and CEPR)
2. Data Driven Empirical Likelihood Tests, **Ximing Wu** (Texas A & M)
3. Near Exogeneity and Weak Identification in Generalized Empirical Likelihood Estimators: Many Moment Asymptotics, **Mehmet Caner** (NCSU)

11:45 – 12:45 PM **SESSION VIII**
Info-Metrics, Games and Modeling

Session Organizer: James Bono

Chair: *Teddy Seidenfeld* (Carnegie Mellon)

1. Distribution-Valued Solution Concepts, **David Wolpert** (NASA and Santa Fe Inst) and James Bono (American U)
2. Identifying Strategies and Beliefs without Rationality Assumptions, **James Bono** (American U) and Amos Golan (American U)
3. Info-Metrics: An Entropic Framework for Modeling Economies (Tentative Title), Ariel Caticha and **Amos Golan** (American U)

1:00 – 2:00 PM **LUNCH** (Provided)

2:00 – 2:40 PM **SESSION IX**
Info-Metrics and Risk

Chair: *Douglas Miller* (U. Missouri)

1. The Bayesian Approach to Default Risk: A Guide, **Michal Jacobs Jr. (OCC)** and Nicholas M. Kiefer
2. Towards an Infometric Solution to the Risk Modeling Crisis: The Canon of Plausible Inference and the Representation of Observed Data, **Alberto Solana-Ortega (CSIC, Spain)** and V. Solana

2:40 – 4:00 PM **SESSION X**
Info-Metrics - Applications

Chair: *Jeff Racine* (McMaster U.)

1. An Information Theoretic Approach to Flexible Stochastic Frontier Models, **Douglas J. Miller** (U. Missouri)
2. A Latent Class Stochastic Frontier Model for Evaluating Technical Efficiency of Italian Universities: A GME Approach, Luigi Biggeri, Tiziana Laureti and **Luca Secondi** (National U Evaluation Committee, Italy)
3. GME Estimation with Nonlinearities and Spatial Dependence in Club Convergence Across OECD Countries, **Rossella Bernardini Papalia** (U. Bologna) and S. Bertarelli.
4. Information Theoretic Approach to Density Estimation with an Application to the U.S. Personal Income Data, **Sung Y. Park** (U. Illinois) and Anil K. Bera

4:00 – 4:30AM **Coffee Break**

4:30 – 6:00PM **Round Table – Info-Metrics: Information Processing across the Sciences**

Moderator: *Duncan K. Foley* (New School for Social Research and Santa Fe Inst.)

Yuichi Kitamura (Yale)

Alastair Hall (U. Manchester)

Robin Lumsdaine (American U)

Michael Stutzer (U Colorado)

Eric Renault (UNC)

Aman Ullah (UC Riverside)