



- March 26, 2009, 5 pm
- HS II (lecture room II)
Institute for Advanced Studies
Stumpergasse 56, A – 1060 Wien
<http://economics.ihs.ac.at/seminars>

JOINT VIENNA MACROECONOMICS SEMINAR

Martin Wagner,
Institute for Advanced Studies:

“Growth Regressions Reconsidered”

The talk discusses three innovations for the estimation of growth regressions introduced in two recent complementary papers. The first paper uses the adaptive LASSO estimator, which is a computationally very simple procedure that performs at the same time parameter estimation and model selection. The second paper combines principal components augmented regressions with frequentist (as opposed to commonly used Bayesian) model averaging in order to take model uncertainty into account in well-behaved regressions.

The methodologies are illustrated by applying them to three data sets, the data used in Sala-i-Martin et al. (2004), in Fernandez et al. (2001) and a data set for the regions in the European Union. The results, which are obtained at low computational cost, are similar in several respects to those found in the aforementioned papers. However, also some interesting differences to the available results occur that indicate the relevance of the proposed approaches for empirical growth research.

The talk is based on the following two papers:

“Catching Growth Determinants with the Adaptive LASSO”, by Ulrike Schneider and Martin Wagner

“Growth Regressions, Principal Components and Frequentist Model Averaging”, by Martin Wagner and Jaroslava Hlouskova