

Missouri Economics Conference  
April 11–12, 2003  
University of Missouri–Columbia  
Schedule as of April 9

*Friday, April 11, 2003*

**8:00 a.m.–8:30 a.m.                      Continental Breakfast**

**8:30 a.m.–10:30 a.m.                      Session 1**

- Session 1–A      "Forecasting Foreign Exchange Volatility: Is Implied Volatility the Best We Can Do?" by Christopher J. Neely, Federal Reserve Bank of St. Louis  
"Nonlinear Models of Real Exchange Rate Behavior: A Re-examination" by David E. Rapach, Albers School of Business and Economics, and Mark E. Wohar, University of Nebraska at Omaha
- Session 1–B      "Growth Is (Somewhat) Good for the Poor, but Recession Is Disastrous" by Richard A. Ashley, Virginia Tech  
"Opportunity Cost of Productivity Growth, Endogenous Technological Progress, and Propagation of Shocks" by Toshiya Ishikawa, Kyushu Kyoritsu University
- Session 1–C      "Corruption, Distortion, and Stagnation in Ming and Qing China" by Shawn Ni and Pham Hoang Van, University of Missouri–Columbia  
"A Microeconomic Explanation for Stalin's 'Great Terror'" by Vahe Lskavyan, Washington University in St. Louis  
"Problems and Perspectives of Development of Tourism Business in Uzbekistan" by Mukhammedov M.M. and Iriskulov Kh., Samarkand Branch of Uzbekistan Academy of Sciences
- Session 1–D      "An Examination of Rating Agencies' Actions around the Investment-grade Boundary" by Richard Johnson, Federal Reserve Bank of Kansas City  
"Investment, Business Cycle and Expected Stock Returns" by Yaqiang Li, Utah State University  
"Problems of Integration of Uzbekistan to the Global Economic System" by Mukhammedov M.M. and Iriskulov Kh., Samarkand Branch of Uzbekistan Academy of Sciences

**10:30 a.m.–11:00 a.m.                      Break**

**11:00 a.m.–1:00 p.m.                      Session 2**

- Session 2–A      "Evaluating the Political Economy of Smart Growth" by Bengte Evenson, Illinois State University  
"Racial Profiling or Racist Policing? Testing in Aggregated Data" by Rubén Hernández-Murillo, Federal Reserve Bank of St. Louis  
"Charter Schools and Housing Prices in the Kansas City School District" by Lory Ellebracht, University of Missouri–Columbia  
"Prices and Cities" by Emek Basker, University of Missouri–Columbia
- Session 2–B      "The Predictive Content of the Output Gap for Inflation: Resolving In-sample and Out-of-sample Evidence" by Todd E. Clark, Federal Reserve Bank of Kansas City, and Michael W. McCracken, University of Missouri–Columbia  
"Asymptotics for Out of Sample Tests of Causality" by Michael W. McCracken, University of Missouri–Columbia  
"In-sample vs. Out-of-sample Tests of Stock Return Predictability in the Context of Data Mining" by David E. Rapach, Albers School of Business and Economics, and Mark E. Wohar, University of Nebraska at Omaha

- Session 2–C "What Macroeconomic Risks Are (Not) Shared by International Investors?" by Shigeru Iwata and Shu Wu, University of Kansas  
 "Herding Behavior in Integrated Global Market" by Qui Fang, Utah State University  
 "Distribution Costs and Exchange Rates" by Yi Jin, University of Kansas
- Session 2–D "Short-term Distress and Long-term Value: Predicting Stock Market Factor Returns with Aggregate Book-market Ratios" by Ming Liu and Shawn Ni, University of Missouri–Columbia  
 "Does Idiosyncratic Volatility Matter for Asset Pricing?" by Xuemin (Sterling) Yan, University of Missouri–Columbia, and Zhe Zhang, University of Iowa  
 "A General Equilibrium Model of the Term Structure of Interest Rates under Regime-shift Risk" by Shu Wu, University of Kansas, and Yong Zeng, University of Missouri–Kansas City
- Session 2–E "Foreign Direct Investment, Inequality and Growth" by Parantap Basu, Fordham University, and Alessandra Guariglia, University of Kent at Canterbury  
 "Foreign Direct Investment and Growth under Economic Integration" by Ting Gao, University of Missouri–Columbia  
 "What are the Determinants of U.S. Foreign Direct Investment in African Countries?" by Emmanuel Nnadozie, Truman State University, and Una Okonkwo Osili, Indiana University–Purdue University at Indianapolis

**1:00 p.m.–2:30 p.m.**

**Lunch**

**2:30 p.m.–4:30 p.m.**

**Session 3**

- Session 3–A Combined with 3-E
- Session 3–B "Fedwatching" by Joseph H. Haslag, University of Missouri–Columbia, and Antoine Martin, Federal Reserve Bank of Kansas City  
 "Reconciling Bagehot with the Fed's Response to Sept. 11" by Antoine Martin, Federal Reserve Bank of Kansas City  
 "The Emergence of Commodity Money as a Medium of Exchange" by Herb Hewhouse, University of California–San Diego
- Session 3–C "The Cost of Labor Adjustment: Inferences from the Gap" by Russell Cooper, Boston University and Federal Reserve Bank of Minneapolis, and Jonathan L. Willis, Federal Reserve Bank of Kansas City  
 "Searching for Better Prospects: Endogenizing Falling Job Tenure and Private Pension Coverage" by Leora Friedberg, University of Virginia; Michael T. Owyang, Federal Reserve Bank of St. Louis; and Tara M. Sinclair, Washington University in St. Louis  
 "Examining the Effects of Wealth and Unemployment Benefits on Individuals' Search Behavior and Labor Market Transitions in the U.S." by Michelle Alexopoulos, University of Toronto, and Tricia Gladden, University of Missouri–Columbia
- Session 3–D "Panel Unit Root Tests with Unknown Cross-sectional Dependence and Heteroskedasticity" by Hailong Qian and Jack Strauss, Saint Louis University  
 "A Stochastic Production Frontier with Sample Selection" by Dong Li, Kansas State University, and Mei Wen, Australian National University  
 "A New Unit Root Test Based on Box-Tiao Canonical Correlation Approach" by Richard Anderson, Federal Reserve Bank of St. Louis; Hailong Qian, Saint Louis University; and Robert Rasche, Federal Reserve Bank of St. Louis

- Session 3–E "Term Premia: Endogenous Constraints on Monetary Policy" by Sharon Kozicki, Federal Reserve Bank of Kansas City, and Peter.A. Tinsley, University of Cambridge
- "The Transmission of Monetary Policy through the Regions" by Michael T. Owyang and Howard J. Wall, Federal Reserve Bank of St. Louis
- "Production, Trade, and International Co-movements" by Kevin X.D. Huang, Federal Reserve Bank of Kansas City, and Zheng Liu, Emory University

- 4:30 p.m.–5:00 p.m. Break**
- 5:00 p.m.–6:00 p.m. Professor Philip H. Dybvig, Washington University in St. Louis; plenary talk**
- 6:00 p.m.–7:00 p.m. Reception**
- 7:00 p.m. Dinner**

*Saturday, April 12, 2003*

- 8:30 a.m.–9:00 a.m. Continental Breakfast**
- 9:00 a.m.–10:00 a.m. Professor William A. Barnett, University of Kansas; plenary talk**
- 10:00 a.m.–10:15 a.m. Break**
- 10:15 a.m.–12:00 p.m. Session 4**

- Session 4–A "Do Social Institutions Soften the Blow of Family Dissolution?" by Anders Björklund, Swedish Institute for Social Research, Stockholm University; Donna K. Ginther, University of Kansas; and Marianne Sundström, Swedish Institute for Social Research, Stockholm University
- "The Impact of Youth Criminal Behavior on Adult Earnings" by Sam Allgood, University of Nebraska, and David B. Mustard and Ronald S. Warren Jr., University of Georgia
- "The Effects of Welfare-to-work Program Activities on Labor Market Outcomes" by Andrew Dyke and Carolyn Heinrich, University of North Carolina–Chapel Hill, and Peter Mueser and Kenneth Troske, University of Missouri–Columbia
- Session 4–B "Estate and Capital Gains Taxation: Efficiency and Political Economy Considerations" by Saku Aura, University of Missouri–Columbia
- "The Effect of Property Tax Rebates to Residential Community Associations on Provision and Welfare" by Jeremy R. Groves, Washington University in St. Louis
- "The Determinants of Indiana Lottery Sales" by John A. Spry, Ball State University
- Session 4–C "Business Cycle Detrending of Macroeconomic Data via a Latent Business Cycle Index" by Michael Dueker, Federal Reserve Bank of St. Louis, and Charles R. Nelson, University of Washington
- "Oil Shocks and Macroeconomic Activity: A Putty-clay Perspective" by David R. Stockman, University of Delaware
- "A Nonparametric Test for Changing Trends" by Ted Juhl, University of Kansas, and Zhijie Xiao, University of Illinois at Urbana-Champaign
- Session 4–D "Monetary Regimes and Inflation Dynamics" by Michael D. Bordo, Rutgers University, and Robert D. Dittmar and William T. Gavin, Federal Reserve Bank of St. Louis
- "Inflation Targeting: What Inflation to Target?" by Kevin X.D. Huang, Federal Reserve Bank of Kansas City, and Zheng Liu, Emory University

**12:00 p.m.**

**Lunch**