Graduate Seminar

Department of Economics and Finance

College of Business and Economics

Yongxu Yao

MA Candidate

Supervisor: Yiguo Sun

Second Reader: Thanasis Stengos

Panel Data Model with Fixed Effects: A comparative Study

This paper considers four estimators for fixed effects panel data regression models. They are least square dummy variable estimator (LSDV), the demeaned generalized least square estimator (Demeaned GLS), the first difference generalized least square estimator(FD-GLS), and the forward orthogonal difference estimator (FOD). We show theoretically that all four estimators are equivalent. In addition, a small set of Monte Carlo simulation is used to assess the performance of all these estimators. The results from proofs and experiments show that all four estimators are substantially equivalent.

Date: Thursday August 3rd 2017
Time: 11:00am
Room: Mackinnon 720