DAKE LI

dakel@princeton.edu | https://dakeli.weebly.com | +1 (609) 937 2990

PRINCETON UNIVERSITY – DEPARTMENT OF ECONOMICS

Placement Officer : Gianluca Violante violante@princeton.edu +1 (609) 258 4003

Office Contact Information
Julis Romo Rabinowitz Building
Princeton University
Princeton, NJ 08544

Home Contact Information
465 Meadow Rd
Apt 11302
Princeton, NJ 08540

Personal Information:
Gender: Male Citizenship: China, People's Republic

Undergraduate Studies:
BA in Economics, Peking University, 2012 - 2016

Graduate Studies:
Princeton University, 2016 - present
Ph.D. Candidate in Economics
Dissertation Title: *"Essays on Estimating Impulse Responses in Macroeconometrics*"
Expected Completion Date: June 2022

References:

Professor Christopher A. Sims
Department of Economics
Princeton University
+1 (609) 258 4033
sims@princeton.edu

Professor Mikkel Plagborg-Møller
Department of Economics
Princeton University
+1 (609) 258 9806
mikkelpm@princeton.edu

Professor Mark W. Watson
Department of Economics
Princeton University
+1 (609) 258 4811
mwatson@princeton.edu

Teaching and Research Fields:
Primary fields: Time Series Econometrics

Secondary fields: Empirical Macroeconomics

Teaching Experience:
Princeton ECO 517: Graduate Econometric Theory I (TA, Fall 2018, Fall 2019, Fall 2020)
Princeton ECO 518: Graduate Econometric Theory II (TA, Spring 2018, Spring 2019, Spring 2020)
Princeton ECO 202: Statistics and Data Analysis for Economics (TA, Fall 2019)

Research Experience and Other Employment:

2018 Princeton University, Research Assistant to Prof. Christopher A. Sims
2019 Princeton University, Research Assistant to Prof. Mikkel Plagborg-Møller

Professional Activities

2019 Macro Financial Modeling Winter Meeting
2021 International Association for Applied Econometrics Annual Conference

Honors, Scholarships, and Fellowships:

2016 - 2021 Princeton Graduate Economics Fellowship
2013 Peking University Academic Excellence Award

Research Papers:

"*Semi-parametric Identification of SVAR Models with Zero Lower Bound*" (Job Market Paper)

US nominal interest rates started to be constrained at Zero Lower Bound (ZLB) after 2008, and a huge debate over conventional and unconventional monetary policies has been triggered. This paper adds ZLB into Structural Vector Autoregression (SVAR) models to flexibly characterize censored nominal interest rates and different effects of conventional and unconventional monetary policies. I consider identification of all structural parameters when we do not impose zero-restrictions on the effect of shadow interest rates. For Gaussian-distributed shocks, I prove that all structural parameters will be not be point-identified because of the same rotation problem as in conventional SVAR models. However, using non-Gaussian-distributed shocks can help us both correctly specify real data and achieve point-identification. Even if we do not know the parametric form of the non-Gaussian shock distributions, a general semi-parametric identification scheme following independent component analysis and Heckman selection models can be used to identify all the structural parameters. My simulation study supports my identification argument.

"Local Projections vs. VARs: Lessons From Thousands of DGPs" (with Mikkel Plagborg-Møller and Christian K. Wolf)

We conduct a simulation study of Local Projection (LP) and Vector Autoregression (VAR) estimators of structural impulse responses across thousands of data generating processes (DGPs), designed to mimic the properties of the universe of U.S. macroeconomic data. Our analysis considers various structural identification schemes and several variants of LP and VAR estimators, and we pay particular attention to the role of the researcher's loss function. A clear bias-variance trade-off emerges: Because our DGPs are not exactly finite-order VAR models, LPs have lower bias than VAR estimators; however, the variance of LPs is substantially higher than that of VARs at intermediate or long horizons. Unless researchers are overwhelmingly concerned with bias, shrinkage via Bayesian VARs or penalized LPs is attractive.

Research Paper in Progress:

"International Evidence on Credit and Economic Activity" (with Christopher A. Sims)

We incorporate quarterly macroeconomic data on an international panel into a large Structural Vector Autoregression (SVAR) model, in order to uncover the different causal channels from credit aggregates to future GDP. We find evidence that the shock in the real estate sector mainly contributed to the unusual negative relationship between credit and GDP in the Great Recession.