

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:

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

Professional Activities

2021	NBER-NSF Time Series Conference
2021	International Association for Applied Econometrics Annual Conference
2019	Macro Financial Modeling Winter Meeting

Honors, Scholarships, and Leaderships:

2016 - 2021	Princeton Graduate Economics Fellowship
2017	Vice President of Assoc. of Chinese Students and Scholars at Princeton Univ.
2013	Peking University Academic Excellence Award

Research Papers:

"Semiparametric Identification of SVAR Models with Zero Lower Bound" ([Job Market Paper](#))

The US federal funds rate was frequently constrained to zero after the Great Recession, and Federal Reserve has turned to unconventional monetary policy tools. This paper uses a structural vector autoregression with Zero Lower Bound (SVAR-ZLB) model to characterize the censored nominal interest rate and the effect of unconventional monetary policy. The existing literature relies on the assumption of zero short-run effect of unconventional monetary policy to identify this model, but this paper studies model identification without relying on this assumption. In the case of empirically relevant non-Gaussian shocks, this paper proposes a generic semi-parametric identification scheme to prove point identification, without even relying on the parametric form of the shock distribution. An efficient Bayesian inference routine is designed to facilitate the model estimation in practice. The empirical results suggest that unconventional monetary policy has a small and transitory effect.

"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)

This paper incorporates 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.