Econometric Theory and Practice

This book is a collection of essays written in honor of Professor Peter C. B. Phillips of Yale University by some of his former students. The essays analyze several state-of-the-art issues in econometrics, all of which Professor Phillips has directly influenced through his seminal scholarly contribution and remarkable achievements as a teacher. The essays are organized to cover topics in higher-order asymptotics, deficient instruments, nonstationarity, least absolute deviation (LAD) and quantile regression, and nonstationary panels. These topics span both theoretical and applied approaches and are intended for use by professionals and advanced graduate students.

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Econometric Theory and Practice

Frontiers of Analysis and Applied Research

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Preface

In Praise of a Remarkable Teacher

This volume presents a selection of papers offered to Professor Peter C. B. Phillips by a set of his past students. The collection is somewhat unusual in that it is not offered on the occasion of his reaching a particular venerable age or having decided to retire but rather in recognition of his extraordinary and continuing achievements as a teacher and mentor.

Peter Phillips is universally recognized as one of the great econometricians in the history of our profession. His work on finite sample theory, asymptotic expansions, nonstationary and long-memory time series, and the interface of Bayesian and frequentist methods, to name only a subset of the areas of his scholarship, evidences an extraordinary combination of mathematical analysis of the highest order as well as a level of creativity and insight reflecting that touch of genius apparent in even the most casual interactions with Peter. His more-than-170 published research articles and 30 current working papers attest to a coupling of brilliance with incredible energy.

It is all the more remarkable, then, that Peter has been one of the truly great teachers of aspiring economists. In the last 23 years, he has been a primary advisor to no fewer than 45 graduate students. His students have obtained positions throughout the world and at many of the leading research institutions. Peter’s indirect contributions to economics via this college of econometricians would by itself earn him a distinguished place in the annals of scholarship.

Simple numbers cannot describe the reasons so many students have been attracted to Peter as an advisor. One reason is intellectual. Working with Peter has represented, at each stage of his career, an opportunity to participate in an important current research program. In this regard, Peter is well known for his incredible generosity in integrating students into his current research program – usually by making them coauthors. Such an experience can be both exhilarating and occasionally terrifying for a graduate student, for coauthorship with a scholar of Peter’s depth demands that one work at one’s absolute intellectual peak. Yet this “ordeal by fire” has for many of us remained one of the best memories of our careers, let alone of graduate school. A second
reason is personal. Peter is in every respect an extraordinarily dedicated and caring advisor. He is a champion of all of his students, regardless of ability or success, and any student who works with him knows that it is the beginning of a lifetime commitment. A third reason combines both the scholarly and the personal: Peter embodies that love of discovery that makes the vagaries of academic life worthwhile. Not only is he able to promote that same love of discovery in his students, but he has also instilled in us a deep concern for maintaining the highest intellectual and professional standards. It will come as no surprise that many of Peter’s students have themselves been exceptionally active teachers and advisors, reflecting his many gifts.

It is, therefore, with the deepest affection and respect that we present these essays to Peter C. B. Phillips as a reflection of our appreciation. As a one-time student of the classics, Peter will appreciate that it is he we have in mind when we say *magister dixit.*
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