ESSAYS IN HONOUR OF FABIO CANOVA

Edited by Juan J. Dolado, Luca Gambetti and Christian Matthes

ADVANCES IN ECONOMETRICS

VOLUME 44B
ESSAYS IN HONOUR OF
FABIO CANOVA
ADVANCES IN ECONOMETRICS

Series Editors: Thomas B. Fomby, R. Carter Hill, Ivan Jeliazkov, Juan Carlos Escanciano, Eric Hillebrand, Daniel L. Millimet, Rodney Strachan

Recent Volumes:

Volume 25  Nonparametric Econometric Methods – Edited by Qi Li and Jeffrey S. Racine
Volume 26  Maximum Simulated Likelihood Methods and Applications – Edited by R. Carter Hill and William Greene
Volume 27A  Missing Data Methods: Cross-sectional Methods and Applications – Edited by David M. Drukker
Volume 27B  Missing Data Methods: Time-series Methods and Applications – Edited by David M. Drukker
Volume 28  DSGE Models in Macroeconomics: Estimation, Evaluation and New Developments – Edited by Nathan Balke, Fabio Canova, Fabio Milani and Mark Wynne
Volume 30  30th Anniversary Edition – Edited by Dek Terrell and Daniel Millimet
Volume 31  Structural Econometric Models – Edited by Eugene Choo and Matthew Shum
Volume 32  VAR Models in Macroeconomics — New Developments and Applications: Essays in Honor of Christopher A. Sims – Edited by Thomas B. Fomby, Lutz Kilian and Anthony Murphy
Volume 33  Essays in Honor of Peter C. B. Phillips – Edited by Thomas B. Fomby, Yoosoon Chang and Joon Y. Park
Volume 34  Bayesian Model Comparison – Edited by Ivan Jeliazkov and Dale J. Poirier
Volume 35  Dynamic Factor Models – Edited by Eric Hillebrand and Siem Jan Koopman
Volume 36  Essays in Honor of Aman Ullah – Edited by Gloria Gonzalez-Rivera, R. Carter Hill and Tae-Hwy Lee
Volume 37  Spatial Econometrics – Edited by Badi H. Baltagi, James P. LeSage and R. Kelley Pace
Volume 38  Regression Discontinuity Designs: Theory and Applications – Edited by Matias D. Cattaneo and Juan Carlos Escanciano
Volume 39  The Econometrics of Complex Survey Data: Theory and Applications – Edited by Kim P. Huynh, David T. Jacho-Chávez and Guatam Tripathi
Volume 40A  Topics in Identification, Limited Dependent Variables, Partial Observability, Experimentation, and Flexible Modelling Part A – Edited by Ivan Jeliazkov and Justin L. Tobias
Volume 40B  Topics in Identification, Limited Dependent Variables, Partial Observability, Experimentation, and Flexible Modelling Part B – Edited by Ivan Jeliazkov and Justin L. Tobias
Volume 41  Essays in Honor of Cheng Hsiao – Edited by Tong Li, M. Hashem Pesaran and Dek Terrell
Volume 42  The Econometrics of Networks – Edited by Áureo de Paula, Elie Tamer and Marcel-Cristian Voia
Volume 43A  Essays in Honor of M. Hashem Pesaran – Edited by Alexander Chudik, Cheng Hsiao and Allan Timmermann
Volume 43B  Essays in Honor of M. Hashem Pesaran – Edited by Alexander Chudik, Cheng Hsiao and Allan Timmermann
Volume 44A  Essays in Honour of Fabio Canova – Edited by Juan J. Dolado, Luca Gambetti and Christian Matthes
CONTENTS

Chapter 1 Tests for Random Coefficient Variation in Vector Autoregressive Models  
Dante Amengual, Gabriele Fiorentini and Enrique Sentana 1

Chapter 2 Monetary Policy Across Space and Time  
Laura Liu, Christian Matthes and Katerina Petrova 37

Chapter 3 Heterogeneous Switching in FAVAR Models  
Pierre Guérin and Danilo Leiva-León 65

Chapter 4 Business Cycles in the EU: A Comprehensive Comparison Across Methods  
Dmitrij Celov and Mariarosaria Comunale 99

Chapter 5 Understanding International Long-term Interest Rate Comovement  
Michael Chin, Ferre De Graeve, Thomai Filippeli, and Konstantinos Theodoridis 147

Index 191