Sheng Guo

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CITIZENSHIP P.R. China **VISA STATUS** Student F1

EDUCATION

Ph.D.	Economics	University of Chicago	(expected) June 2008
M.A.	Economics	University of Chicago	June 2007
B.A.	Economics	Wuhan University	June 1998

FIELDS

Primary: Applied Econometrics, Macroeconomics, Labor Economics
Secondary: Financial Economics, Population Economics

THESIS

"Switching Regression Estimates of Limited Financial Market Participation Models"

JOB MARKET PAPER

"Switching Regression Estimates of Limited Financial Market Participation Models: An Application to Intergenerational Economic Transmission in the United States" (under review)
Abstract: In estimating limited financial market participation models where participation status is imperfectly measured, misclassification error due to presence of measurement error and unobserved heterogeneity will cause attenuation bias in estimates. I reinterpret the problem into a switching regression model with imperfect sample partitioning. The approximate validity of this imperfect measure of true status is essential in model identification. The framework is applied to PSID intergenerational sample to examine how imperfect capital markets in intergenerational human capital investment affect intergenerational consumption persistence and wage persistence. I find that switching regression estimates on consumption differ remarkably from OLS estimates, are more robust and fit data better. Economic interpretations of estimates reveal that about 15% families are borrowing constrained, that constrained families demonstrate higher degree of consumption persistence than unconstrained families, and that the magnitude of this gap is much larger than previous estimates. However, I do not find material difference in wage persistence between these two types of families even by switching regressions.

OTHER PAPERS

"Switching Regressions and Limited Market Participation Models: Identification, Estimation and Applications", February 2007
Abstract: The literature of limited market participation models usually employs conventional sampling partitioning procedure. When an agent's participation status is imperfectly measured, misclassification error due to presence of measurement error and unobserved heterogeneity often causes bias in estimates, which makes it difficult to interpret and compare results from different studies. The switching regression model which has successful applications in other areas, armed with the monotonicity condition that is often implicitly invoked in conventional sample partitioning procedure, provides a coherent framework to address the issue. I prove related identification conditions and discuss estimation methods pertained to switching regressions used in this context.

"A Semi-parametric Control Approach to Estimate Causal Effects of Environmental Factors on Life-Cycle Health Outcome", February 2007
Abstract: This paper specifies an econometric model to estimate the causal effects of environmental factors on individuals' life-cycle health outcomes, and outlines a semiparametric control function approach to test and correct for possible selectivity bias that may arise due to endogenous choice of residence by individuals. I show how to map Union Army Sample data to elements of this model in practice.

"A Note on the Steady State of Intergenerational Human Capital Investment with Borrowing Constraints", July 2006
Abstract: I prove that in a dynamic infinite-generation setting, under certain set of assumptions, the joint distribution of index (ranking) of income, ability and consumption among the families in the economy, as well as the proportion of those whose borrowing constraints are binding in intergenerational human capital investment, converges stochastically to an existing steady state.

"Inheritance, Borrowing Constraints and Intergenerational Mobility: A Tale of Two Criteria", February 2006
Abstract: I test intergenerational mobility implications derived from standard human capital approach by using actual inheritance as the indicator of binding borrowing constraints in intergenerational human capital investment, which differs from previous studies that use expected inheritance as the indicator. The tests favor some, if not all, of these implications, in contrast to what previous studies have established. I show preliminary evidence

suggesting the source of this discrepancy.

"Race and Roommate Choice: Changing Networks among University Students" joint with Tanya Menon and Damon Philips, June 2005

WORK IN PROGRESS

"Rare Events, Culture and Equity Premium: A Cross-Country Investigation" joint with Robert Atra

"Switching Regression Estimates of Elasticity of Intertemporal Substitution: Stockholders versus Non-stockholders"
(Tentative) abstract: If stock market participation is not universal, stockholders' consumption growth could be far more volatile than non-stockholders', which would imply a higher magnitude of elasticity of intertemporal substitution (EIS) for stockholders. I use the switching regression framework, which can address possible misclassification error between stockholders and non-stockholders in estimation due to measurement error and/or misinterpretations of PSID survey questions, to check whether and by how much the estimate of EIS for stockholders is larger than those found in the literature. Results will shed light on the equity premium puzzle.

RESEARCH EXPERIENCE

Research Associate of CFA Society of Chicago / Financial Management Association, 2007 – Present
- Member of Practitioner Demand Driven Academic Research Initiative
- Participated in developing a framework for ranking equity portfolios on a risk-adjusted return basis when mean-variance analysis is inadequate

Research Assistant for Center for Population Economics, 2003 – 2007
- Participated in drafting grant proposal submitted to National Institutes of Health
- Investigated economic returns of Civil War experience for Union Army veterans from correlations between occupational skills and military skills
- Converted individual occupations in Census 1860/1870 sample into standardized coding in literature

Research Assistant for Professor D. Gale Johnson, 2001 – 2003
- Identified infrastructure factors affecting GDP convergence between China provinces via regression analysis

TEACHING EXPERIENCE

Teaching Assistant for: Population and the Economy/ A Guide to Business Ethics/ Economics and Demographics of Marketing, Robert Fogel, Chicago GSB, 2004 – 2007; Public Policy Analysis, Jim Leitzel, University of Chicago College, 2004; Operations Management, Dan Adelman, Chicago GSB, 2003

INVITED CONFERENCES

GSOEP and CNEF Data User Conference, Cornell University, Ithaca, NY, September 2007
The 14th International Conference on Panel Data, Xiamen University, China, July 2007
Far Eastern Meeting of Econometric Society, Institute of Economics, Academia Sinica, Taipei, July 2007
RAND Summer Institute on Demography, Epidemiology and Economics of Aging, July 2005

UC SEMINARS

Econ Department (2003, 2005, 2007), Chicago GSB (2004, 2006, 2007)

FELLOWSHIPS

Chicago Center of Excellence in Health Promotion Economics Dissertation Fellowship, 2005 – 2007
University of Chicago Unendowed Scholarship, 2001 – 2005
Wuhan University Renmin Fellowship 1994 – 1996

AFFILIATION

American Economic Association, American Finance Association

SOFTWARE

Stata, C++, Matlab, LaTex, Microsoft Excel, Linux, Bloomberg

DATABASES WORKED

PSID, HRS, Union Army Sample, NLSY, ELS

EMPLOYMENT

Sparkice.com Inc, CEO Business Assistant, 1998 – 1999
- Analyzed Internet household penetration data to generate eCommerce forecast used for corporate venture capital fund raising from Euro-China Group, Softbank Group, and HSBC Group

REFERENCES

Casey Mulligan (Chair)	773-702-6576	c-mulligan@uchicago.edu
Robert Fogel	773-702-7709	rwf@cpe.uchicago.edu
Susanne Schennach	773-702-8199	smschenn@midway.uchicago.edu

LANGUAGES

Mandarin Chinese (native), English (fluent)

INTERESTS

symphonies and concertos, movies, jogging, travel, stock picking, soccer