Department of Economics
2024-2025
Seminar Series

Monday, November 25, 2024
12:30 PM-1:50 PM
SBS, Room N603

Fedor Iskhakov

Professor of Economics
and ARC Future Fellow
Australian National University

Structural Estimation of Directional Dynamic Games With Multiple Equilibria

Abstract: We develop a robust algorithm for computing the nested full solution maximum likelihood estimator for a class of directional dynamic stochastic games with multiple equilibria. We show how the computational burden of the full solution approach can be substantially reduced in large datasets, making it computationally feasible. The proposed estimator is remarkably robust to multiplicity of equilibria in the theoretical model, and reliably delivers efficient maximum likelihood estimates of the structural parameters while identifying the equilibria played in the data.

All in-person seminars will be held in the Social and Behavioral Sciences Building, Room N603. For additional information, contact the seminar organizers: Profs. Chang Liu & Eva Carceles-Poveda. Visit our webpage for additional information: stonybrook.edu/economics.

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