

**James Murray**  
**Curriculum Vitae**  
**(Updated April 23, 2008)**

**Contact Information**

Department of Economics  
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Citizenship: United States

**Education**

Ph.D.	Economics, Indiana University	Expected June 2008
M.A.	Economics, Indiana University	May 2004
M.A.	Economics, University of Notre Dame	May 2002
B.S.	Economics, University of Wisconsin - La Crosse	May 2000

**Dissertation**

“Three Essays in Adaptive Expectations in New Keynesian Monetary Economies.”  
Advisor: Dr. Eric Leeper.

**Working Papers**

“The Role of Initial Beliefs in the Estimation of Models with Learning”  
“Empirical Significance of Learning in a New Keynesian Model with Firm-Specific Capital”  
“Regime Switching, Learning, and the Great Moderation”  
“Estimating the Effects of Dormitory Living on Student Performance” with Pedro Falcão de Araujo.

**Refereed Publications**

“Shirking in Major League Baseball in the Era of the Reserve Clause.” with Glenn Knowles, Michael Hauptert, and Keith Sherony. *Nine: A Journal of Baseball History and Social Policy Perspectives*. Volume 9. Spring 2001.

**Non-Refereed Publications**

“Expectations for Monetary Policy.” *Business Connection*. April 2008.  
“Economic Outlook for Bio-Fuels.” *Business Connection*. February 2008.

**Research Interests**

Learning and Expectations  
Applied Macroeconometrics  
Monetary Economics  
Scholarship of Teaching and Learning

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## Teaching Interests

### *Undergraduate:*

Principles and Intermediate Macroeconomics  
Principles and Intermediate Microeconomics  
Elementary Statistics  
Statistical Methods / Econometrics  
Monetary Economics  
International Economics / International Finance  
Mathematical Economics

### *Graduate:*

Statistical Methods / Research Methods  
Applied Econometrics  
Macroeconomics  
Monetary Economics  
Open Economy Macroeconomics  
Computational Economics

## Employment

Teaching Fellow	IUPU - Columbus	8/2007 - 5/2008
Adjunct Professor	Viterbo University	5/2007 - 8/2007
		5/2006 - 8/2006
Associate Instructor	Indiana University	9/2003 - 5/2007
Adjunct Professor	Ivy Tech State College	3/2004 - 8/2004
Teaching and Research Assistant	Indiana University	9/2002 - 5/2003
Teaching and Research Assistant	University of Notre Dame	9/2000 - 8/2002
Intern Computer Programmer	Trane Company	8/1999 - 8/2000

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## Teaching Experience

### *Primary Instructor:*

Econ 202: Principles of Macroeconomics	IUPU - Columbus	1 Semester
Econ 270: Introductory Statistics	IUPU - Columbus	2 Semesters
Math 130: Introductory Statistics	Viterbo University	2 Summer Sessions
Econ E201: Principles of Microeconomics	Indiana University	6 Semesters
Econ E202: Principles of Macroeconomics	Indiana University	2 Semesters
Econ E322: Intermediate Macroeconomics	Indiana University	2 Summer Sessions
Econ E201: Principles of Macroeconomics	Ivy Tech State College	1 Summer Session
Econ E202: Principles of Microeconomics	Ivy Tech State College	1 Summer Session

### *Teaching Assistant:*

Econ E472: Econometrics II	Indiana University	1 Semester
Econ S370: Honors Statistics	Indiana University	1 Semester
Econ E471: Econometrics I	Indiana University	1 Semester
Econ 201: Principles of Microeconomics	University of Notre Dame	1 Semester
Econ 592: Graduate Econometrics I	University of Notre Dame	1 Semester

## Professional Development

Service Learning Workshop hosted by Indiana University Purdue University - Indianapolis Center for Service and Learning. January 2008.

Indiana University FACET (Faculty Colloquium on Excellence in Teaching) Summer Institute. July 2007.

## Professional/Academic Service

Economics Candidate Search and Screen Committee. Indiana University Purdue University - Columbus. Fall 2007 - Spring 2008.

## Awards

Jordan River Conference Best Graduate Student Paper Award, April 2007.

Future Faculty Teaching Fellowship, 2007.

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## Conference and Seminar Presentations

Learning Week Conference, St. Louis Federal Reserve Bank, July 2007.

“Empirical Significance of Learning in a New Keynesian Model with Firm-Specific Capital”

Indiana University Economics Department Brown Bag Workshop, May 2007.

“Empirical Significance of Learning in a New Keynesian Model with Firm-Specific Capital”

Jordan River Conference, Indiana University, April 2007.

“Empirical Significance of Learning in a New Keynesian Model with Firm-Specific Capital”

Jordan River Conference, Indiana University, April 2007.

Discussion of Allaby, “Feasibility of Corn Ethanol from a Land Use Perspective.”

Missouri Economics Conference, University of Missouri, March 2007.

“Empirical Significance of Learning in a New Keynesian Model with Firm-Specific Capital”

Indiana Academy of Social Sciences Annual Meeting, October 2006.

“Empirical Significance of Learning and the Consequences of Mis-specifying Expectations”

Jordan River Conference, Indiana University, April 2006.

“Empirical Significance of Learning and the Consequences of Mis-specifying Expectations”

Jordan River Conference, Indiana University, April 2005.

“Liquidity in a Two Country Open Economy Model: Evidence from United States and Germany”

## Community Service

Mentor for Big Brothers Big Sisters of Columbus, IN. January 2008 - present.

Bartholomew Consolidated School Corporation (BCSC) Book Buddy. September 2007 - April 2008.

Science/Inventor Fair judge. Central Middle School, Columbus, IN. February 2008.

## Computer Skills

Teaching Tools:	Blackboard, Oncourse CL, MyEconLab, CourseCompass, Discover Econ, E-instruction CPS (Classroom Performance System), Interwrite PRS (Personal Response System).
Econometrics / Statistics:	MatLab, Gauss, Octave, Maple, Stata, EViews, Limdep, RATS, SAS, SPSS, Statistica, GNU Scientific Libraries for C, LAPACK (Linear Algebra Package for Fortran).
Programming Languages:	C, C++, MS Visual C++, MS Visual Basic, Java, Fortran, Eiffel, Perl.
Web Programming:	Java, Perl, HTML, Javascript.
Operating Systems:	Linux, Unix, Windows.
Other:	L <sup>A</sup> T <sub>E</sub> X, Beamer for L <sup>A</sup> T <sub>E</sub> X, Emacs, SQL, Unix shell programming (BASH, CSH), MS Office.

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## References

### *Teaching References*

Dr. Jan Eriksen  
Dean  
School of Adult Learning  
Viterbo University  
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La Crosse, WI 54601  
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### *Research References*

Dr. Eric Leeper  
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100 S. Woodlawn  
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Dr. Kim Huynh  
Assistant Professor of Economics  
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## Dissertation Abstracts

### “The Role of Initial Beliefs in the Estimation of Models with Learning”

This paper examines how the estimation results for a standard New Keynesian model with constant gain least squares learning is sensitive to the stance taken on agents beliefs at the beginning of the sample. Impulse response functions for a calibrated New Keynesian model demonstrates the responses of output, inflation, and the interest rate following a structural shock can be very different under different assumptions for initial state of agents expectations. Depending on the size of the constant gain, learning can have effects on the dynamics and volatility of the model that persist in the long run that do not depend on initial beliefs. However, even a twenty to forty year time period is short enough for the initial beliefs to have an impact on the predictions of an estimated model; in fact previous literature has exposed this sensitivity to explain the changing volatilities of output and inflation in the post-war United States. To better understand the role of these initial beliefs, five different methods for choosing initial conditions are examined, including initial beliefs equal to the rational expectations solution, ad-hock initial beliefs to expose how the predictions of the model can be altered by these choices, and jointly estimated initial conditions with the other parameters of the model. The results show the best fitting learning models to not significantly out-perform the rational expectations model in explaining post-war data on the output gap, inflation, and the interest rate.

*Keywords:* Learning, New Keynesian model, maximum likelihood.

*JEL classification:* C13, E31, E50.

### “Empirical Significance of Learning in a New Keynesian Model with Firm-Specific Capital”

This paper examines the empirical significance of learning, a type of adaptive, boundedly rational expectations, in the U.S. economy within the framework when accounting for endogenous capital accumulation in the framework of the New Keynesian model. Previous literature on the subject has, for simplicity, used monetary models where the capital stock remains fixed. Estimation results for learning models can be sensitive to the choice for the initial conditions for agents expectations, so four different methods for choosing initial conditions are examined, including jointly estimating the initial conditions with the other parameters of the model. Maximum likelihood results show that the learning models in which agents have a limited set of data to form expectations provide the best explanation for post-war data on aggregate investment, but most of the learning frameworks do not significantly out-perform the rational expectations model in explaining output, inflation, and interest rates. Estimated paths of structural shocks and agents expectations throughout the sample period show that allowing for learning in the models leads to different explanations for the data.

*Keywords:* Learning, firm-specific capital, New Keynesian model, maximum likelihood.

*JEL classification:* C13, E22, E31, E50.

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“Regime Switching, Learning, and the Great Moderation”

This paper examines empirically how the “bad luck” explanation can explain changing volatility in U.S. inflation and output when agents do not have rational expectations, but instead form expectations with least squares learning with an endogenously changing learning gain. Bad luck is modeled into a standard New Keynesian model by augmenting it with two states that evolve according to a Markov chain, where one state is characterized by large variances for structural shocks, and the other state has relatively smaller variances. Agents in a model are completely unaware of the state changing process and the underlying parameters of the model and instead form expectations by computing least squares regressions. Agents do suspect, however, that structural changes may occur, and so endogenously decide how much weight to give data further in the past based on the size of recent forecast errors relative to the average size of forecast errors. This type of endogenously changing learning mechanism can create periods of excess volatility without the need for changes in the variance of the underlying shocks. Therefore, when taking this model to the data, the degree of bad luck needed to explain volatile periods in U.S. history may not be as great as when assuming rational expectations or learning with a constant gain.

*Keywords:* Learning, regime switching, great moderation, New Keynesian model, maximum likelihood.

*JEL classification:* C13, E31, E50.