

"The panel moving blocks bootstrap"

The main contribution of this paper is to introduce and study the asymptotic properties of the panel moving blocks bootstrap. This method consists of applying the moving blocks bootstrap of Kunsch (1989) to the vector containing the n cross sectional units at each time t , for $t = 1, \dots, T$. We show that this bootstrap method is robust to serial and spatial dependence of unknown form and provide asymptotic results under the assumption that both n and T converge to infinity. Our simulation results show that the panel block bootstrap has better finite sample properties than competitors based on the HAC estimator as proposed by Driskoll and Kraay (1998).