This is the second of three volumes containing papers presented in the invited symposium of the Seventh World Congress of the Econometric Society. The papers summarize and interpret key recent developments and discuss current and future directions in a wide range of topics in economics and econometrics. They cover both theory and applications. Authored by leading specialists in their fields, these volumes provide a unique survey of progress in the discipline.
Econometric Society Monographs No. 27

Advances in economics and econometrics: theory and applications
Volume II
Advances in economics and econometrics: theory and applications

Seventh World Congress
Volume II

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Preface

This book contains papers presented in the invited symposium sessions of the Seventh World Congress of the Econometric Society, held at Keio University, Tokyo in August 1995, for which we were Program Co-Chairs. The papers summarize and interpret key recent developments and discuss current and future directions in a wide range of topics in economics and econometrics. These were chosen on the basis of their broad interest to members of the Society, and so cover both theory and applications, and to demonstrate the progress made in the period since the previous World Congress. The program also reflected the fact that this was the first World Congress held outside Europe and North America. The authors are leading specialists in their fields, yet do not overemphasize their own research contributions. In one case, the two speakers in the session have combined their papers into a single chapter for this book – a long one, needless to say.

The more general objectives are reflected in the presentation of all the papers in a single book under a general title, with joint editorship, thus departing from the previous practice of separate “economic theory” and “econometrics” books. The size of the book has necessitated its division into three volumes, and thematic connections have suggested the contents of each volume. Within each volume the papers appear in the order of their presentation in Tokyo, which we hope will help readers who were there to remember what a marvellous occasion the Congress was.

We are grateful to the members of our Program Committee for much valuable advice, to the Chairs and discussants of the invited symposium sessions for their contributions, and to Patrick McCartan at Cambridge University Press for his guidance during the preparation and production of this book. More generally we wish to acknowledge the steadfast support we received in our task from Robert and Julie Gordon, respectively Treasurer and Secretary of the Society, and from Masahiro Okuno-Fujiwara, Chair of the Local Organizing Committee for the Congress.

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