

Raphael Boleslavsky, Christopher S. Cotton, Haresh Gurnani Demonstrations and Price Competition in New Product Release.

We propose an easily implementable test of the validity of a set of theoretical restrictions on the relationship between economic variables, which do not necessarily identify the data generating process. The restrictions can be derived from any model of interactions, allowing censoring and multiple equilibria. When the restrictions are parameterized, the test can be inverted to yield confidence regions for partially identified parameters, thereby complementing other proposals, primarily Chernozhukov et al. [Chernozhukov, V., H. Hong, and E. Tamer (2007): "Estimation and Confidence Regions for Parameter Sets in Econometric Models," Econometrica, 75, 1243–1285].