

---

Front Matter

Source: *The Review of Economic Studies*, Vol. 66, No. 1, Special Issue: Contracts (Jan., 1999)

Published by: Oxford University Press

Stable URL: <https://www.jstor.org/stable/2566944>

Accessed: 17-02-2023 12:27 UTC

---

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact [support@jstor.org](mailto:support@jstor.org).

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at <https://about.jstor.org/terms>



JSTOR

*Oxford University Press* is collaborating with JSTOR to digitize, preserve and extend access to *The Review of Economic Studies*

# THE REVIEW OF ECONOMIC STUDIES

Vol. 66(1) No. 226

## SPECIAL ISSUE: CONTRACTS

Introduction	1
The Theory of Moral Hazard and Unobservable Behaviour: Part I J. A. Mirrlees	3
Nash Equilibrium and Welfare Optimality Eric Maskin	23
Implementation and Renegotiation Eric Maskin and John Moore	39
Complexity and Renegotiation: A Foundation for Incomplete Contracts Ilya Segal	57
Unforeseen Contingencies and Incomplete Contracts Eric Maskin and Jean Tirole	83
Foundations of Incomplete Contracts Oliver Hart and John Moore	115
Two Remarks on the Property-Rights Literature Eric Maskin and Jean Tirole	139
Price Discrimination by a Many-Product Firm Mark Armstrong	151
Managerial Incentive Problems: A Dynamic Perspective Bengt Holmström	169
The Economics of Career Concerns, Part I: Comparing Information Structures Mathias Dewatripont, Ian Jewitt and Jean Tirole	183
The Economics of Career Concerns, Part II: Application to Missions and Accountability of Government Agencies Mathias Dewatripont, Ian Jewitt and Jean Tirole	199

January 1999

# THE REVIEW OF ECONOMIC STUDIES

The Review was started in 1933 by a group of young British and American Economists. It is published by The Review of Economic Studies Ltd., whose object is to encourage research in theoretical and applied economics, especially by young economists, and to publish the results in the Review of Economic Studies.

The Review also administers a travel fund to enable young economists or econometricians travelling either to or from the U.K. to present papers at conferences and workshops. Applications should be made to the Business Manager, Prof. Ian Tonks, Department of Economics, University of Bristol, Bristol, BS8 1TH.

Subscription Rates for 1999 are:

Institutions	(1 year)	OECD £100 (US \$180)	Non-OECD £50 (US \$90)
Individuals	(1 year)	£30	(US \$54)
Individuals	(3 years)	£70	(US \$126)
Students	(1 year)	£16	(US \$29)
Students	(4 years)	£30	(US \$54)

Back Volumes from Vol. 60 are also available at these prices. Single issues cost £12 (US \$24). The index for Vols. 26-48 costs £15 (US \$30). Cheques should be made payable to The Review of Economic Studies Ltd., and sent to The Review of Economic Studies Ltd., Blackwell Publishers Journals, PO Box 805, 108 Cowley Road, Oxford, OX4 1FH, U.K. Reprints of Vols. 1-59 can be obtained from Periodical Service Company, 11 Main Street, Germanstown, NY 12526, U.S.A.

## Editorial Committee

*Joint Managing Editors* O. ATTANASIO   P. BOLTON   H. S. SHIN

*Assistant Editors* M. ARMSTRONG   K. SCHMIDT   E. SENTANA   H. UHLIG

*Production Editor* G. D. MYLES

*Foreign Editors* A. BANERJI   R. BÉNABOU   S. DURLAUF   G. IMBENS  
G. MAILATH   S. MORRIS   R. PORTER   C. PRENDAGAST

*Business Manager* I. TONKS

## Editorial Board

I. D. JEWITT (*Chairman*)

K. ABADIR	F. CORNELLI	D. MARTIMORT	R. RAHI
M. ARELLANO	M. CRIPPS	C. MEGHIR	J. VAN REENEN
G. BERTOLA	M. DEWATRIPONT	M. MEYER	N. SHEPHARD
T. BESLEY	J. GALI	G. NÖLDEKE	E. VON THADDEN
T. BÖRGERS	P. JEHIÉL	J. PADILLA	P. WEIL
M. COLES	E. G. J. LUTTMER	M. PICCIONE	

Copyright © 1999, The Review of Economic Studies Limited

The appearance of the fee codes in this journal indicates the copyright owner's consent that copies of the article may be made for personal or internal use on the following conditions. The copier must pay the stated per-copy fee through the Copyright Clearance Center Inc., P.O. Box 8891, Boston, Mass 02114, U.S.A. for copying beyond that permitted by Sections 107 and 108 of the U.S. Copyright Law. For territories outside North America, permission should be sought direct from the copyright holder. This consent does not extend to other kinds of copying, such as copying for general distribution, for advertising and promotional purposes, for creating new collective works, or for resale.

"REVIEW OF ECONOMIC STUDIES" (ISSN 0034-6527) is published quarterly by The Review of Economic Studies Ltd., Blackwell Publishers Journals, PO Box 805, 108 Cowley Road, Oxford OX4 1FH, U.K.

Details of the annual subscription rates are given above and include airmail delivery to the U.S.A.

**U.S. Mailing:** Periodicals postage paid at Rahway, New Jersey. Postmaster: send address corrections to Review of Economic Studies, c/o Mercury Airfreight International Ltd., 2323 E. F. Randolph Avenue, Avenel, NJ 07001, U.S.A. (U.S. mailing agent).

## **Change of Address**

From the 1st January, 1999 the address for correspondence has changed to:

Dr. H. S. Shin  
Review of Economic Studies  
Nuffield College  
New Road  
Oxford  
OX1 1NF  
U.K.