

PREFACE

This volume contains papers presented at the Conference on Labor Market Models and Matched Employer–Employee Data held at Sandbjerg Manor in Sønderborg, Denmark, August 15–18, 2004. The conference was held in honor of Dale Mortensen upon the occasion of his 65th birthday.

He has served as the Chair of the Department of Economics and as the Ida C. Cook Professor of Economics and the Director of the Mathematical Methods in the Social Sciences Program at Northwestern University. His research and teaching interests are in labor economics, macroeconomics, and economic theory. Professor Mortensen received his B.A. in Economics from Willamette University in 1961 and his Ph.D. in Economics from Carnegie-Mellon University in 1967. Although he has been on the faculty of Northwestern University since 1965, he has also held visiting appointments at the University of Essex, Hebrew University, New York University, California Institute of Technology, and Cornell University as well as visiting research appointments at the Central Institute of Mathematics–Economics in Moscow, Russia, the Center for Labor and Social Research in Aarhus, Denmark, Research School of Social Sciences, The Australian National University, and Research Fellow at the Institute for the Study of Labor (IZA), Bonn, Germany. He presented the Zeuthen Lectures at the University of Copenhagen in November 2000, the Mackintosh Lecture at Queens University in March, 2002, and the Schumpeter Lecture Series at Humboldt University, Berlin, in June 2002, and the Marshall Lecture at the 2005 meeting of the European Economic Association.

Mortensen pioneered the theory of job search and search unemployment and extended this approach to study labor turnover, research and development, personal relationships, and labor reallocation. His insight, that friction is equivalent to the random arrival of trading partners, has become the leading technique for the analysis of labor markets and the effects of labor market policy. The development of equilibrium dynamic models designed to account for wage dispersion and the time-series behavior of job and worker flows are the principal topics of his current research. His publications include over 50 scientific articles and contributions to books. His new book, *Wage Dispersion: Why are Similar Workers Paid Differently*, was published in 2003 by MIT Press.

Mortensen is a past president of the Society of Economics Dynamics, one of the founding editors of the *Review of Economic Dynamics*, a Fellow of the

Econometric Society, a Fellow of the American Academy of Arts and Sciences, and a Fellow of the Society of Labor Economists.

It was entirely appropriate that this conference, the sixth in a series, be held at Sandbjerg, where it began in 1982. From the beginning there has been close interplay among economic theorists, econometricians, and applied economists in analyzing what can be learned about the dynamics of employment and wage formation, and Dale Mortensen has had an important influence on all three areas. These conferences have had significant influence on how we think about public policy in the labor market, and what kinds of data would be needed to answer questions about these policies.

The scientific program of the conference was prepared by a committee consisting of the editors and Dale Mortensen. After the conference, all papers have been subjected to a refereeing process, with papers being sent to one or two referees chosen from the participants.

The conference has received valuable financial support from the Aarhus University Research Foundation, Danmarks Nationalbank, The Carlsberg Foundation, the Danish National Research Foundation, and from the George Daly Research Fund in the Tippie College of Business at the University of Iowa.

We especially want to thank Mrs. Kirsten Stentoft for her work on organizing the conference, for her patience in dealing with slow authors and editors.

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