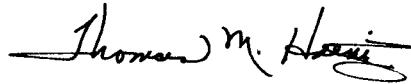


Foreword

The economies of the industrialized countries are being reshaped by the rapid development and diffusion of advanced information and communications technologies. Access to information is unprecedented, and the ability to process and exchange information has helped businesses increase efficiency and households raise their standards of living. There has been considerable agreement as to the broad features of the emerging information economy. But there has been less consensus on the likely magnitude and significance of the economic effects or on the important policy issues raised by these developments.

The Federal Reserve Bank of Kansas City sponsored a symposium, “Economic Policy for the Information Economy,” at Jackson Hole, Wyoming, on August 30 - September 1, 2001. The symposium brought together a distinguished group of central bankers, academics, and financial market experts to examine how the information economy will alter the structure of economic activity. The symposium also served as a forum for addressing key policy challenges resulting from the information age changing the microeconomic and macroeconomic structure of the U.S. and foreign economies.

We hope these proceedings will contribute to a better understanding of how the information economy will alter the structure of economic activity. We appreciate the contributions of all those who took part in the symposium, including authors, discussants, panelists, and audience members. Special thanks go to Gordon Sellon, Andy Filardo, and other members of the Bank’s Research Division who helped develop the program.



Thomas M. Hoenig
President
Federal Reserve Bank of Kansas City