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Letter from Editors

The four papers published in the present issue represent different areas and aspects of econometric modelling.

The first paper, written by Wojciech Grabowski, is a theoretical statistical analysis of restriction testing in binary choice time-series models when some explanatory variables are generated by I(1) processes. The author proposes a modification to the usual t statistic and shows its adequacy using Monte Carlo simulations.

The three following articles are mainly empirically oriented. In the study by Szymon Grabowski it is argued that the list of financial leading indicators for real economic activity can be extended by measures of financial stability and stock market expectations concerning the banking sector. The forecasting performance of two new financial indicators is analysed with the use of data from the Polish economy for the period 1999-2007.

In his empirical study on economic growth decomposition, Kamil Makieła applies the Bayesian stochastic frontier approach, proposed by Koop, Osiewalski and Steel, to a new data set concerning 16 developed and emerging economies in the years 1995-2005. The observed growth is attributed to changes in world technology as well as in country-specific inputs and efficiency. Economic interpretations (and uncertainty) of such decomposition are discussed and graphically illustrated.

The last paper of this issue, written by Monika Bazyl, aims at explaining substantial differences in homeownership rates across European countries. The author uses logit models estimated on micro-data (separately for each analysed country) and argues that the factors determining tenure choice differ as well. Thus homeownership structure may vary over countries even if a common housing policy is adopted.