In this issue

1. Preface .......................................................... 3

March 3, 1986: Faculties of Economics of EUR, UvA and VU officially announce their intention to establish Tinbergen Institute

1986, First eight TI PhD students appointed at EUR

2. Marriage of inconvenience ........................................ 4

March 19, 1987: Tinbergen Institute founded (agreement signed by university boards).


October 4, 1990: first TI PhD thesis defense

3. Location, location, location .................................... 8

January 21, 1992: opening of Rotterdam location: Visser ‘t Hooft huis; speech by Jan Tinbergen

May 30, 1994: opening of Amsterdam location; speech by Jan Tinbergen

June 9, 1994: death of Jan Tinbergen

4. Under construction ................................................. 13

November 23, 1995: one-hundredth TI PhD thesis defense

5. Criteria for TI research fellows: a short history .......................... 16

December 5, 1996: Tinbergen Institute accredited as a research school by the Royal Netherlands Academy of Arts and Sciences (KNAW)

6. TI - today and beyond ........................................... 19

September 16, 1999: two-hundredth TI PhD thesis defense

June 25, 2001: re-accreditation by the KNAW

November 29, 2002: three-hundredth TI PhD thesis defense

7. Letters from alumni ................................................. 25

September 1, 2003: transformation into formal two-year MPhil program

August 1, 2005: first (formal) MPhil thesis defense

June, 19, 2006: re-accreditation by the KNAW

February 23, 2007: four-hundredth TI PhD thesis defense

8. References .......................................................... 26
This special issue of *Tinbergen Magazine* celebrates the 20th anniversary of Tinbergen Institute. Such an occasion seems to call for a look back and also a look ahead. How did it all start? Did mainly external forces, such as the change in the legal status of people in the Netherlands working with a university on their PhD research, lead to the creation of the institute, or were internal motivations also important? What was it like, in those early days, to be a fellow or a PhD student associated with TI?

After the creation of the institute, years of turbulence lay ahead. Where should the institute be housed? Should there be one or two locations? Could we cover the whole range of sub-disciplines that are part of the economic sciences and still harbour ambitions to become the centre of excellence in the Netherlands over that entire range? Or, should we focus on a few interrelated research themes? How would we go about selecting fellows, and what would be the role of education in TI? Looking back at how we tackled all of these weighty issues, we might be pardoned for saying that the present situation is rather calm and quiet— or might some important changes be seen looming on the horizon?

The editorial board of *Tinbergen Magazine* thought it would be interesting to trace these developments and to devote a special issue to the history of TI. The first hurdle was in deciding how to go about creating such a special issue. Where could we get the information we needed, how should it be selected, and who should we interview? As quite a few arrangements in the early days were only informally agreed upon, a number of inconsistencies could be detected in the information we received via interviews and through the brochures we discovered in the archives. In the process of separating fact from fiction, wheat from chaff, we discovered that there is a grain of truth in the old proverb “success has many fathers”— and in TI’s case also one or two mothers.

Being part of an institute also means sharing part of the history. I hope this special issue provides an interesting perspective on all of the formal and informal events that took place in the past 20 years. May you as a reader enjoy reading the magazine as much as we in the editorial board enjoyed making it!

Maarten Janssen
Director TI
There are two sides to every story, and the story of the early years of Tinbergen Institute is no exception. Tinbergen Institute’s raison d’être depends on whom you ask: for its first managing director, Annemarie Rima, TI was born as a school that aimed to streamline the education of struggling PhD students. For Bernard van Praag, chair of the first board of directors of TI, the institute was meant to provide a centre for academic excellence, destined to salvage economic research in the Netherlands.

Dutch academic economic discours revolved around national affairs. Frans van Winden (who served on the first board of directors and played a role in the committee that prepared the founding of the new institute) recalls that hardly anyone at the Dutch universities had or felt the need to develop a systematic research program—let alone one that would make a dent on the international stage. No surprise, then, that there was also no systematic or coherent PhD program. Annemarie Rima recollects that training for PhD candidates was non-existent before TI was founded. Only the supervisor of the PhD candidate would sometimes worry about his or her education.

All of this changed, however, in the second half of the ’80s. The primary impetus was the new “Assistant in Opleiding” (AIO) system that was introduced by the Dutch Ministry of Education as part of a change in the Higher Education Act in 1986. Roel In ‘t Veld, Director General at the Ministry of Education, played a leading role in this development, which aimed to revolutionize the academic system in the Netherlands.
As more changes in the Dutch educational system have to do with money, with the new system came the inevitable pay-cut for PhD candidates. In exchange, the PhD candidates—now formally called “second phase students”—were promised a brand-new educational track. The new PhD track, which was meant to follow the Dutch “doctoraal” examination, formally introduced education for PhD candidates. Part of the new system was the emergence of AIO schools: institutes aimed at furthering the education of PhD candidates. TI was one such school. Another well known school, and competitor of TI, was CentER in Tilburg, founded by Arie Kapteyn—ironically enough, a former student of Bernard van Praag, just like Frans van Winden was.

“A pre-arranged marriage”

The official goal of Tinbergen Institute was thus to provide the infrastructure for the new educational system, and it was Annemarie Rima’s job to set up the procedures and educational program. She laughingly boasts that everything she changed was for the better—as there was nothing arranged in the first place! The fresh institute provided an environment where the PhD students could meet, exchange ideas, take courses and even train “social” skills—apparently a euphemism for the research skills that Dutch doctoraal students sorely lacked.

But according to founding father Bernard van Praag (then professor of Mathematical Economics at EUR), there was an important additional agenda. A small group of people was becoming increasingly worried about the quality of Dutch economic research (though EUR’s Econometric Institute was already highly regarded). Seizing the opportunity offered by the new rules laid out by the Ministry of Education, they established a centralized outlet for research and modernized academic life in the Netherlands. Part of the new infrastructure of TI was that PhD projects would now be supervised by more than one professor, and this provided some degree of control over the quality of research that was associated with the institute. More importantly, the founding fathers of TI, under the pretext of “efficiency gains” in the training of PhD students, managed to get the three ‘Randstad’ universities (EUR, UvA and VU) to cooperate under one umbrella. A dowry of 2.5 million Dutch guilders from the Ministry of Education undoubtedly helped to spark the love between them.

The nuptial arrangements, however, did not proceed smoothly. The process of founding TI began in late 1985, and culminated in the signing of a treaty of cooperation between the three universities in 1987 (with retroactive power to 1986). But this was not the end of the story: in 1988, the board of directors still found themselves trying to sell the idea of TI as a research institute to the faculties of the individual universities. Much of TI’s early days are coloured by the efforts of TI’s founders to get the institute off the ground.

It was Frans van Winden’s task to sell the new institute to the UvA. Frans likened this early period to playing “simultaneous chess”. The three universities involved seemed to be rather distrustful of each other, and the remaining economics faculties in the Netherlands felt threatened by the idea that the Randstad universities were bundling their
On top of this, some researchers at the UvA felt betrayed by the fact that faculty members of their own university were involved in founding an institute aimed at bundling powers with the UvA’s competitors. It was whispered that the founding of TI was some sort of “mission impossible”.

It was, in any case, a difficult mission: the founding fathers had to find the right balance to deal with a mixture of distrust, desire for efficiency gains, and a widespread wish to retain the “egalitarian” academic climate in the Netherlands. Ironically, one of the outcomes of this process was the founding of NKE (now NAKE), a nationwide network of economics faculties aimed at providing courses to PhD students. This step effectively outsourced the “core business” of the newly founded institute—the training of PhD students—to a different entity. At the same time, there was a widespread fear that a significant amount of discretionary power over research was transferred from the participating universities to the new institute’s board. Nevertheless, a significant amount of money was destined for the institute’s funding and hence was placed beyond the control of the three universities. Since Rotterdam officially performed (and still performs) the role of “secretary” in TI’s organizational structure, the move was widely perceived at the UvA as a “sell-out”.

Frans characterized the almost weekly meetings in this period as highly emotional and extremely time consuming: “It took almost five years to get the institute going. Nowadays, it would be inconceivable that a full professor would devote such a significant portion of his time to the founding of an institute without being compensated for it.”

The struggle was reflected at all levels in the institute’s structure. The board of
directors of TI was neatly divided over the three participating universities, relative to their respective scales (3 from EUR, 2 from UvA, 1 from VU), while positions on the governing body were divided equally over the three universities—a constellation that aimed to mimic the United States’ House of Representatives-Senate arrangement.

Annemarie Rima spent a significant part of her working life travelling between the different universities, since she spent two days a week at the UvA, two at EUR, and one at the VU. The founders’ wish of a physically centralized location has not been realized to this date: “The problem was, and to a certain extent still is, the scattered location”.

This last quote also highlights the importance attributed by Annemarie Rima, Bernard van Praag and Frans van Winden to TI as a locus of scientific cooperation. This is also the aspect of TI that perhaps contrasts most starkly with the situation as found before its inception, when university life in the Netherlands was much more hierarchical, de facto divided by informal Chinese walls, behind which professors at Dutch universities feverishly guarded their own little scientific backyards—sometimes even forbidding their students to cooperate with others, lest they would get “strange ideas”.

All that were involved in the founding of Tinbergen Institute single out the aspect of cooperation and centralization as one of the primary goals of the institute, and both a necessary and a main factor in its success. Indeed, with respect to the new educational environment, the early days of the institute were characterized by an atmosphere of cooperation—not only that of reluctant cooperation between the three founding departments of economics, but also with other, looser networks such as the NKE, and networks in the fields of other social sciences. PhD students were also required to have two supervisors from two distinct universities. Annemarie recalls that students and supervisors were pleased with the new arrangement: supervisors regarded the new PhD track as supportive, and PhD’s basked in the new attention given to their education. Perhaps the fact that the AIO system was entirely new and imposed from outside played a role with the easy acceptance at this level. For PhD’s, it was an inspiring environment. Reports filtered back of “jealousy” from PhD students of non-participating institutions. The fact that PhD students slowly developed an esprit de corps would make possible the idea of TI as a research institute in later days.

**Years of freedom**

While one of the objectives of Tinbergen Institute was to exert more control over PhD students and to monitor their progress better than before, students did actually have a lot of freedom. There was no predefined MPhil track, but courses were typically offered by NKE or other research networks. Students simply took the courses they liked best. In fact, it was felt that a narrowly defined program with stringent requirements would reduce the scope for cooperation with the other academic networks, and reduce the quality of the doctorate dissertation due to an excessive burden placed upon the students by requiring them to satisfy the educational requirements. And even the initial pay-cut might not have, ultimately, hurt so much: it was at least partly compensated in kind with food coupons for the canteen, distributed by compassionate TI staff. The PhD schools of the late ’80s, however, with their “playground”-like atmosphere, were destined for extinction.

Some five years after the inception of TI, these schools were transformed into research institutes, heralding a new era characterized by a shift to a more Anglo-Saxon orientation of the Dutch academic system. Reflecting on the changes that would follow, Annemarie Rima stressed the importance of cooperation in PhD education within the Netherlands: “It’s a pity to hear that this cooperation is now disappearing”.

*The Randstad comprises the agglomerations of Amsterdam, The Hague, Utrecht and Rotterdam*
Rooms at the universities
In the first years of its existence, Tinbergen Institute had only a couple of rooms at each of the universities. In Rotterdam, the secretariat at the 9th floor of the H-building was staffed by Carien de Ruiter, while in Amsterdam Miep Oomes divided her working hours between the VU and the UvA. At that time, the Economics department of the UvA was still residing at the Jodenbreestraat. Elfie Bonke: “I was working there for the development economics group. Miep Oomes’ room was diagonally across from mine. The PhD students met there occasionally to take a course, and to eat cake. Miep used to borrow my knife for cutting the cake, and that’s how I got to know the Tinbergen Institute.”

It was this corridor that was visited by the reporters of a Dutch newspaper who wrote the above impression in October 1989. Their focus on the interior of the building was rather fortunate; a story about the exterior would certainly have been much less positive. The official name of the building at the Jodenbreestraat was Burgemeester Tellegenhuis (Mayor Tellegen house), but this was not very well known. Instead, everybody used to call it the Maupoleum, inspired by the name of the owner of the building, real estate developer Maup Caransa, and by its seeming resemblance to a mausoleum. It was 200 meters long, made of lots of concrete and commonly considered to be the most unattractive building in the city. Nobody mourned when in 1994—only 23 years after the building’s construction—the city council called for its demolition. When the actual demolition started, a newspaper reported that the boom caused by the demolition ball hitting the wall of the building for the first time could not be heard; the cheer of spectators had drowned it out.

Two years earlier, the “UvA branch” of the Tinbergen Institute had already moved to Roeterseiland, together with the rest of the Economics department. The stay there did not last long, however. The board of directors had developed plans to transform TI from an institute that exclusively focussed on education for PhD students into a “full-fledged research school”. These ambitions implied a need for new accommodations, in both Amsterdam and Rotterdam.

Visser ’t Hooft building
TI Rotterdam (TIR) was first to move to a larger accommodation. In July 1992 Erasmus
University purchased the Visser ’t Hooft building, located at the Oostmaaslaan, from the city of Rotterdam. Although the price was only 1 guilder (0.45 euro), the building had to be renovated to the tune of 1.5 million guilders. Named after the first general secretary of the World Council of Churches, the Visser ’t Hooft building had been a gift of German churches to the city of Rotterdam in 1967. It was designed by the famous Dutch architects Rietveld and Van Dillen, and built by people of the German organization Aktion Sühnezeichen Friedensdienste (Action Reconciliation Service for Peace). This organization sent young German volunteers to countries that had been affected by World War II in order to “work there for peace through social services as a sign of atonement.”

TIR moved into the building on 21 January 1993. Presiding over the official opening was Jo Ritzen, who had been affiliated to TIR as a professor in Economics at EUR before he became Minister of Education. Nobel Prize winner Jan Tinbergen was guest of honour and gave a short speech as well. Afterwards, Frank den Butter (one of the directors of TIR at that time) was asked to bring Tinbergen home. Finding Tinbergen’s house in The Hague, however, turned out to be a challenging task. It seems that den Butter did not really know the city, and Tinbergen, who was sitting in the back seat, spoke with such a soft voice that his instructions were rather difficult to understand. They had gotten almost completely lost, when Tinbergen suddenly saw the tram he used to take. Following the tram helped for a while, but then the tram entered a park where cars were not allowed to go. After some more ‘sightseeing’, they finally managed to locate Tinbergen’s house. This experience, fortunately, did not stop Tinbergen from returning to the Oostmaaslaan. A couple of months later he attended an exhibition organised about him and his work on the occasion of his 90th birthday.

The smell of fresh coffee
TIR used to hire a student to come to Keizersgracht for an hour or so every morning to collect and clean all the coffee cups and to make some new coffee. This went on for some time. But owing to some financial troubles, this practice of hiring a student was discontinued. Instead, you got a cup with your name on it, and you had to maintain it yourself. Many people didn’t really like this...

The problem was not so much cleaning your own cup as the fact that it was nice to start the day with the smell of fresh coffee lingering in the air!
The Visser 't Hooft building had in total six different floors. The first floor boasted a library, a kitchen and a dining room. Students could get dinner from the kitchen— but only when they had a signed permission slip. The staff of TIR very quickly made sure that a whole pile of these notes was available. The second floor contained a large seminar room, while the offices of the secretaries were on the third. The building housed around 30 PhD students, who had their offices on the fourth and fifth floors. The fifth floor also contained the offices of the professors. Herman van Dijk and Casper de Vries were working fulltime in the building, while Jan van Ours, in his function as director of graduate studies, came over from Amsterdam for two days per week. Elfie Bonke: “Van Dijk’s office was especially beautiful. You had an amazing view over the Maas River from there.” At the top of the building there was one more room, which was very small. TI students very soon began to call it the Japanese room: tall people could not stand up there.

The Visser 't Hooft building had in total six different floors. The first floor boasted a library, a kitchen and a dining room. Students could get dinner from the kitchen— but only when they had a signed permission slip. The staff of TIR very quickly made sure that a whole pile of these notes was available. The second floor contained a large seminar room, while the offices of the secretaries were on the third. The building housed around 30 PhD students, who had their offices on the fourth and fifth floors. The fifth floor also contained the offices of the professors. Herman van Dijk and Casper de Vries were working fulltime in the building, while Jan van Ours, in his function as director of graduate studies, came over from Amsterdam for two days per week. Elfie Bonke: “Van Dijk’s office was especially beautiful. You had an amazing view over the Maas River from there.” At the top of the building there was one more room, which was very small. TI students very soon began to call it the Japanese room: tall people could not stand up there.

Keizersgracht
Plans to move were also developed in Amsterdam. Rather than having separate offices at the VU and the UvA, TI Amsterdam (TIA) would get its own building. But, there was a political angle to it. Rick van der Ploeg: “It had to be at a neutral location. The UvA would not agree to a location close to the VU and vice versa. Then I thought: Perfect, in that case we’ll just take a building on one of the canals.” Not everyone was equally enthusiastic. Particularly at the UvA the reactions were rather sceptical. People believed that it was a waste to spend a lot of money on the accommodation, given that the department already had a deficit at the time. Nevertheless, Janny Westra and Rick van der Ploeg devoted their Friday afternoons to searching for nice locations. In the end, a building at the Keizersgracht was chosen. Van der Ploeg: “At a given moment, the VU decided to agree. That really helped. The other two universities must have reasoned that if those frugal people at the VU agreed,

Lunches
There was this nice terrace at the Keizersgracht building. Actually, it was something like the roof of a single story room, and we were not really allowed to sit there. We could, though, get to this terrace by almost crawling through a particular window. It was well worth the effort: this terrace somehow always managed to capture the few available rays of sunlight— and it was never windy! It was a great spot for sunny lunches, even when there was hardly any sun. A nice bakery could be found just around the corner— I remember going there with Pieter Gautier to get a sandwich. It was difficult to get back to work after those sunny lunch breaks...

The safe
Before TI moved into the building at the Keizersgracht, a bank had used it. Tangible evidence of the former occupant could be found in the cellar, which still had a safe. There we kept the PhD theses. I liked this symbolism: it was the perfect storage place for our ‘gold bars’!
then it must just be good."

And good it was. At least, it seems that Keizersgracht 482, more than any of the other buildings, has left an indelible memory behind. The number of anecdotes related to this period defies counting, and whoever has worked there and speaks about it has a touch of nostalgia in his/her voice. Of course, there are juicy stories associated with the Visser 't Hooft building as well—about guest professors, for example, who could not resist the temptations of the Dutch liberal drug policy and got completely stoned. But people in both Rotterdam and Amsterdam seem to agree: Keizersgracht was different. Various explanations have been put forward: the "better work ethics" of the students in Rotterdam, the more international environment in TIA, or the greater number of women at Keizersgracht. Rick van der Ploeg: "I think it had to do with the people. There were just some very colourful people around in Amsterdam at that time. But, it was of course also the building. It was a canal house; that's different from an office building. I'm convinced that the physical ambiance makes a great difference."

The staff and students moved into the new building in August 1993, although the official opening took place much later, on 30 May 1994. Surprisingly, almost all students were absent that day; they had a NAKE course in Tilburg. Despite this, the number of guests was still too large for the seminar room at Keizersgracht. The Dutch National Bank therefore stepped in to host the official part of the ceremony. Jan Tinbergen again attended the ceremony, even though his family had strongly advised against this. He gave a short speech about the competition between Amsterdam and Rotterdam and how the institute was a successful micro-example of the integration that is needed globally. It was his last public appearance. Only ten days later he passed away at the age of 91.

After the conference, all those present made a canal trip by boat from the premises of the Dutch National Bank to the building at the Keizersgracht. There, Bank president Wim Duisenberg would officially open the building by launching 40 blue balloons, symbolizing the aim of science: to reach for the sky. Two complications arose, however. First of all, Duisenberg had his right arm in a sling, the result of a failed attempt to leap a ditch earlier that month. Secondly and more importantly, it seemed that one small but crucial thing had been overlooked in the event's organisation: no pair of scissors was on hand. Frank den Butter desperately began to ask people in the audience whether, by any chance, they had one. A pair was finally found, and Duisenberg used his left hand to free the balloons, thereby opening the building.

Like the Visser 't Hooft building, the Keizersgracht provided office space to about 30 PhD students. They did not have separate rooms, but each had a desk on a big floor. Rick van der Ploeg: "I think it had to do with the people. There were just some very colourful people around in Amsterdam at that time. But, it was of course also the building. It was a canal house; that's different from an office building. I'm convinced that the physical ambiance makes a great difference."

Several professors used to work at the Keizersgracht for one or two days a week. Among them were Gerard van de Berg, Jan Kiviet, Enrico Perotti, Frans van Winden and Geert Ridder. But, there were others. Elfi e Bonke: "Mars Cramer also came two days per week. He categorically refused to sit in a professor's room. Instead, he wanted to use one of the desks on the big floor, among the..."
students. The interaction between him and the students was very nice. He helped them with their research, and they in turn helped him if he had a problem with his computer. Mars Cramer and Bas van der Klaauw had a special friendship. It was very nice to see the Nestor and the young lad working together.”

The walls of the rooms in the building were decorated with art. Rick van der Ploeg initiated this project and chose the first artist; later, an art committee was established, consisting of Jolanda IJgosse, Miep Oomes and Govert Bijwaard. The project aimed “to have young and promising artists to show their work for some time in the building. Their work might be controversial, refreshing, new, and triggering debates, as to mirror the activities that take place in the institute.” The chosen paintings satisfied these criteria. First, there were the huge paintings by Amitai Tov. The most intriguing one, which is still discussed to this day, was certainly the picture showing a swastika. The painting contained “thousands” of razors, making touching it a painful and bloody affair. It was because of this that one of the universities protested against the painting, which eventually led to its being removed.

Back to the campus and the Roetersstraat
In November 1995, TIR left the Visser ‘t Hooft building and moved back to the university campus at the Burgemeester Oudlaan. The feelings were mixed. Rick van der Ploeg: “It was a beautiful and very special building. I always really enjoyed going there. It’s a great pity that TI moved out.” On the other hand, nobody has ever missed the extremely high temperatures in the building during the summer or the complete lack of facilities: no mail delivery, no technical support, no provision of printing paper and pens. The Visser ‘t Hooft building was used by the philosophy department for a couple of years, but now it is empty. Erasmus University recently tried to sell it to a Freemasons’ lodge, but this resulted in protests from local politicians, claiming that it would not be in the spirit of the ASF.

Also TIA moved. Although liked by almost everybody, the Keizersgracht building was far from ideal. The top floors could be accessed only by way of very steep stairs, and the electrical wiring repeatedly caused trouble. Plugging a laptop into a socket sometimes led to a complete shutdown of all of the computers. Most problematic, however, was the front door. It could be opened relatively easily from outside (from hearsay, even with an Albert Heijn bonus card), resulting several times in burglary or homeless people trying to spend the night in the building. At the end of 2002, TI moved to the new Gijsbert van Tienhoven building at the Roetersstraat, practically next-door to the economics department of the UvA. Again, political considerations played an important role. The price that UvA had to pay for having TI so close was that the new building of ACTA (the joint institute for dentistry of the UvA and the VU) would be built right next to the VU medical centre.

The latest move was again in Rotterdam. In September 2005, TIR moved from the 16th and 17th floors to the 9th floor of the H-building—indeed, the very same floor where it all started, exactly twenty years ago.
In 1992 TI issued a brochure called *Shifting into the nineties*. It summarized TI’s achievements until that moment, and provided an impressive list of international guests and an equally impressive list with Board members and Directors during the years. The length of the latter list was due primarily to the multitude of Directors and Board members. The abundance of university representatives probably reflected the wish of the faculties to safeguard their position in TI and to keep a close eye on developments. It’s easy to see, with hindsight, that Tinbergen Institute was in those days a ship with many captains, jointly responsible for the management and the course TI would take, but without responsibilities assigned to specific persons.

A major change took place in 1993 with the appointment of Jan van Ours (professor of economics) as Director of Graduate Studies (DGS), and later as Scientific Director (in 1997). He was supported by Gregor Rensen, who was appointed as administrative director in 1992. The idea was to keep the Board members at a distance from the responsibilities of day-to-day management, and to leave control of day-to-day activities to the DGS and selected staff.

**Securing the foundation**

Jan van Ours devoted most of his time to structuring the educational program. Here’s his description of what TI’s educational program looked like when he arrived in 1993: “The teachers taught their courses voluntarily (....) and the PhD students attended the courses voluntarily.” *(Or not, we are inclined to think!)* And: “...... some PhD supervisors considered PhD students as collectors’ items....”. Jan van Ours decided to design a curriculum, not based on the courses offered by teachers, but based on the needs of the PhD students. The main obstacle was, of course, the fact that TI had no budget for education and could only offer the traditional

---

From the Christmas speech by Jan van Ours

“Before the department awards real-life PhD students to supervisors, the supervisors should practice with tamagotchi* students”

*Hand-held toys that were popular among children in the nineties. The toys needed regular care, or they would fall sick and eventually die.*
Many of the persons involved with the pursuit of accreditation in those days considered the KNAW's rejection as partly a result of personal animosities. But as one of the actors then involved now concludes: “(...) TI benefited enormously from initially being rejected as a research school. (...) The process can be compared with submitting a paper. You think you submit a good paper to a journal, but the editor and referees do not agree, so you have to do a thorough revision and then resubmission. At the end of the process your paper has improved a lot. Of course, it's only at the end of the process that you appreciate this.”

Regarding the PhD students, he decided to take the ‘dentist’ approach: he would make appointments with all PhD students and then decide whether further ‘treatment’ was necessary. A possible outcome was that the student's supervisor had to be addressed for not providing proper guidance to the student. Suddenly, the PhD supervisors realised that they, too, were being monitored. Another initiative taken by Jan van Ours was organizing the regular PhD lunch seminars in Amsterdam and Rotterdam. The greatest attraction: free lunches! Tinbergen Institute has kept these lunches in honour until today.

In the meantime, a research pillar was developed for Tinbergen Institute, next to the PhD program. When in 1992 the Minister of Education, Jo Ritzen, former Director of Tinbergen Institute, launched the idea of research schools, TI was considered to be an excellent starting point that could be transformed into a research school without too much effort. According to the definition of the Netherlands Royal Academy of Arts and Sciences (KNAW), a research school ‘has a sound and institutionalised PhD program, and a research program that is clearly delineated and of outstanding quality’. In 1993, Tinbergen Institute applied for accreditation, but was rejected. Strange as it might seem today, the KNAW never had decisive criticism on TI’s educational program. Rather, the KNAW severely criticized TI’s research program: ‘no focus and of unstable quality’. Although this criticism led to some turmoil at the departments, it was not taken too seriously. The second application for accreditation was submitted to the KNAW in 1995– an update of the first one, but without major alterations. It was, again, heavily criticized by KNAW and had to be amended. Up to that moment, the intention had been to cluster the bulk of the research and researchers at the faculties under TI's umbrella. Now, everyone became convinced that drastic measured were needed: TI’s research program was reorganized, and criteria for selection of research fellows were made more stringent.

Exhibition about Jan Tinbergen and his work, 1993. From left to right: Jan Tinbergen, Albert Jolink (TI alumnus no. 4) and Jan Pronk, Minister of Development Cooperation.

Many of the persons involved with the pursuit of accreditation in those days considered the KNAW's rejection as partly a result of personal animosities. But as one of the actors then involved now concludes: “(...) TI benefited enormously from initially being rejected as a research school. (...) The process can be compared with submitting a paper. You think you submit a good paper to a journal, but the editor and referees do not agree, so you have to do a thorough revision and then resubmission. At the end of the process your paper has improved a lot. Of course, it's only at the end of the process that you appreciate this.”

Regarding the PhD students, he decided to take the ‘dentist’ approach: he would make appointments with all PhD students and then decide whether further ‘treatment’ was necessary. A possible outcome was that the student's supervisor had to be addressed for not providing proper guidance to the student. Suddenly, the PhD supervisors realised that they, too, were being monitored. Another initiative taken by Jan van Ours was organizing the regular PhD lunch seminars in Amsterdam and Rotterdam. The greatest attraction: free lunches! Tinbergen Institute has kept these lunches in honour until today.

In the meantime, a research pillar was developed for Tinbergen Institute, next to the PhD program. When in 1992 the Minister of Education, Jo Ritzen, former Director of Tinbergen Institute, launched the idea of research schools, TI was considered to be an excellent starting point that could be transformed into a research school without too much effort. According to the definition of the Netherlands Royal Academy of Arts and Sciences (KNAW), a research school ‘has a sound and institutionalised PhD program, and a research program that is clearly delineated and of outstanding quality’. In 1993, Tinbergen Institute applied for accreditation, but was rejected. Strange as it might seem today, the KNAW never had decisive criticism on TI’s educational program. Rather, the KNAW severely criticized TI’s research program: ‘no focus and of unstable quality’. Although this criticism led to some turmoil at the departments, it was not taken too seriously. The second application for accreditation was submitted to the KNAW in 1995– an update of the first one, but without major alterations. It was, again, heavily criticized by KNAW and had to be amended. Up to that moment, the intention had been to cluster the bulk of the research and researchers at the faculties under TI's umbrella. Now, everyone became convinced that drastic measured were needed: TI’s research program was reorganized, and criteria for selection of research fellows were made more stringent.

Exhibition about Jan Tinbergen and his work, 1993. From left to right: Jan Tinbergen, Albert Jolink (TI alumnus no. 4) and Jan Pronk, Minister of Development Cooperation.

Many of the persons involved with the pursuit of accreditation in those days considered the KNAW's rejection as partly a result of personal animosities. But as one of the actors then involved now concludes: “(...) TI benefited enormously from initially being rejected as a research school. (...) The process can be compared with submitting a paper. You think you submit a good paper to a journal, but the editor and referees do not agree, so you have to do a thorough revision and then resubmission. At the end of the process your paper has improved a lot. Of course, it's only at the end of the process that you appreciate this.”

Regarding the PhD students, he decided to take the ‘dentist’ approach: he would make appointments with all PhD students and then decide whether further ‘treatment’ was necessary. A possible outcome was that the student's supervisor had to be addressed for not providing proper guidance to the student. Suddenly, the PhD supervisors realised that they, too, were being monitored. Another initiative taken by Jan van Ours was organizing the regular PhD lunch seminars in Amsterdam and Rotterdam. The greatest attraction: free lunches! Tinbergen Institute has kept these lunches in honour until today.

In the meantime, a research pillar was developed for Tinbergen Institute, next to the PhD program. When in 1992 the Minister of Education, Jo Ritzen, former Director of Tinbergen Institute, launched the idea of research schools, TI was considered to be an excellent starting point that could be transformed into a research school without too much effort. According to the definition of the Netherlands Royal Academy of Arts and Sciences (KNAW), a research school ‘has a sound and institutionalised PhD program, and a research program that is clearly delineated and of outstanding quality’. In 1993, Tinbergen Institute applied for accreditation, but was rejected. Strange as it might seem today, the KNAW never had decisive criticism on TI’s educational program. Rather, the KNAW severely criticized TI’s research program: ‘no focus and of unstable quality’. Although this criticism led to some turmoil at the departments, it was not taken too seriously. The second application for accreditation was submitted to the KNAW in 1995– an update of the first one, but without major alterations. It was, again, heavily criticized by KNAW and had to be amended. Up to that moment, the intention had been to cluster the bulk of the research and researchers at the faculties under TI's umbrella. Now, everyone became convinced that drastic measured were needed: TI’s research program was reorganized, and criteria for selection of research fellows were made more stringent.

Exhibition about Jan Tinbergen and his work, 1993. From left to right: Jan Tinbergen, Albert Jolink (TI alumnus no. 4) and Jan Pronk, Minister of Development Cooperation.

Many of the persons involved with the pursuit of accreditation in those days considered the KNAW's rejection as partly a result of personal animosities. But as one of the actors then involved now concludes: “(...) TI benefited enormously from initially being rejected as a research school. (...) The process can be compared with submitting a paper. You think you submit a good paper to a journal, but the editor and referees do not agree, so you have to do a thorough revision and then resubmission. At the end of the process your paper has improved a lot. Of course, it's only at the end of the process that you appreciate this.”

Regarding the PhD students, he decided to take the ‘dentist’ approach: he would make appointments with all PhD students and then decide whether further ‘treatment’ was necessary. A possible outcome was that the student's supervisor had to be addressed for not providing proper guidance to the student. Suddenly, the PhD supervisors realised that they, too, were being monitored. Another initiative taken by Jan van Ours was organizing the regular PhD lunch seminars in Amsterdam and Rotterdam. The greatest attraction: free lunches! Tinbergen Institute has kept these lunches in honour until today.

In the meantime, a research pillar was developed for Tinbergen Institute, next to the PhD program. When in 1992 the Minister of Education, Jo Ritzen, former Director of Tinbergen Institute, launched the idea of research schools, TI was considered to be an excellent starting point that could be transformed into a research school without too much effort. According to the definition of the Netherlands Royal Academy of Arts and Sciences (KNAW), a research school ‘has a sound and institutionalised PhD program, and a research program that is clearly delineated and of outstanding quality’. In 1993, Tinbergen Institute applied for accreditation, but was rejected. Strange as it might seem today, the KNAW never had decisive criticism on TI’s educational program. Rather, the KNAW severely criticized TI’s research program: ‘no focus and of unstable quality’. Although this criticism led to some turmoil at the departments, it was not taken too seriously. The second application for accreditation was submitted to the KNAW in 1995– an update of the first one, but without major alterations. It was, again, heavily criticized by KNAW and had to be amended. Up to that moment, the intention had been to cluster the bulk of the research and researchers at the faculties under TI's umbrella. Now, everyone became convinced that drastic measured were needed: TI’s research program was reorganized, and criteria for selection of research fellows were made more stringent.

Exhibition about Jan Tinbergen and his work, 1993. From left to right: Jan Tinbergen, Albert Jolink (TI alumnus no. 4) and Jan Pronk, Minister of Development Cooperation.

Many of the persons involved with the pursuit of accreditation in those days considered the KNAW's rejection as partly a result of personal animosities. But as one of the actors then involved now concludes: “(...) TI benefited enormously from initially being rejected as a research school. (...) The process can be compared with submitting a paper. You think you submit a good paper to a journal, but the editor and referees do not agree, so you have to do a thorough revision and then resubmission. At the end of the process your paper has improved a lot. Of course, it's only at the end of the process that you appreciate this.”

Regarding the PhD students, he decided to take the ‘dentist’ approach: he would make appointments with all PhD students and then decide whether further ‘treatment’ was necessary. A possible outcome was that the student's supervisor had to be addressed for not providing proper guidance to the student. Suddenly, the PhD supervisors realised that they, too, were being monitored. Another initiative taken by Jan van Ours was organizing the regular PhD lunch seminars in Amsterdam and Rotterdam. The greatest attraction: free lunches! Tinbergen Institute has kept these lunches in honour until today.

In the meantime, a research pillar was developed for Tinbergen Institute, next to the PhD program. When in 1992 the Minister of Education, Jo Ritzen, former Director of
and consequently applied. Jan van Ours: “Herman van Dijk (as chairman of the TI board) and I spent one Sunday afternoon developing a new research structure. The whiteboard in the Amsterdam TI building was not very big, so we couldn’t write down more than four themes: institution and decision analysis, finance and international markets, labour region and environment, and econometrics”. This implied, however, that groups such as accounting and human resource management were excluded. The other TI board members agreed with the new narrow base for TI, as did, reluctantly, the deans and the economics departments. These four research themes—many ways just a regrouping of the nine themes formulated before—are still at the heart of TI’s research program today. Finally, in 1997, Tinbergen Institute was awarded the long-sought KNAW accreditation.

Back on track
In the early nineties, TI's dedicated staff was small in comparison to the ambitions of the institute. The board consisted of passionate scientists who had little feeling for day-to-day affairs of the institute, and it would be easy to conclude that day-to-day affairs must have been very time consuming: two independent locations had to be staffed. Visitors entering the Visser ‘t Hooft building at that time had no receptionist welcoming them. They simply had to climb the stairs and call out to see if someone was there. A cook was hired to make coffee and lunches and to wash the dishes afterwards. It turned out later that he was hired without official appointment and that no taxes were paid.

On top of all this, the complicated structure of Tinbergen Institute meant frequent and elaborate discussions with faculty representatives at all levels before any major decision could be made.

In 1994 it became clear that TI had financial problems. The EU had awarded several grants to TI, which had been spent according to the aims of the grant, but without fulfilling the elaborate paperwork requirements for which the EU is known. PhD students did not have budgets as they do now, but got reimbursed whatever they managed to declare. The promised contributions of the economics faculties had not been remitted, and there was not even a list of PhD students associated with TI. Finally, TI kept almost no financial records, and none of the institute's expenses were traceable.

Something, obviously, had to be done. Hettie Pott-Buter was hired to reorganise TI's financial household—a huge job involving negotiations with funding organizations, university boards and tax officers. Hettie succeeded at last in obtaining an audit certificate for the past years, and the faculties resumed payment of the contributions. In 1997, Tinbergen Institute seemed to be back on track: accredited by KNAW, a working governance structure and a dedicated staff that could handle the job.
An increasing number of economists prefers to work with nice mathematical formulas. This leads to very abstract problems with elegant solutions published in very renowned journals, but which have nothing to do with reality. (...).

At Tinbergen Institute we try to keep researchers close to reality. We think this is more important than to publish in high-brow journals. In: MARE, April 26, 1990.

Bernard van Praag

Research school?

In 1990, Frank den Butter, Rick van der Ploeg and Bernard van Praag oversaw the transformation of the TI graduate school into a “research school”. Research schools— in which departments and/or universities join forces to provide a graduate program combined with excellent research— were a new phenomenon in the Netherlands. TI had at the time something like a graduate program— at least there were some courses and workshops for PhD students, and the initiators were mainly occupied with the design of a research program and the selection of researchers from the departments. This resulted in 1992 in a separate institute called ‘Tinbergen Rotterdam-Amsterdam Centre for Economic Research’ (TRACE) with eight research themes and some 70 senior research fellows. Selection criteria for senior research fellows were rather lenient at this stage: holding a PhD and publications in international, refereed journals (or contributions in books). TRACE also had junior research fellows: PhD students who performed well in the graduate program. Theoretically, not all PhD students qualified for affiliation with TI.¹

In 1992, Tinbergen-TRACE applied for NWO support and was granted Dfl 850,000 by the government as part of a national program to stimulate the formation of research schools. The name TRACE was dropped by the Board of Directors after this success, and was never heard of again.

On the road to KNAW accreditation...

With confidence, the TI directors (Herman van Dijk had replaced Bernard van Praag) decided in 1993 to apply for accreditation as a research school at the Royal Netherlands Academy of Arts and Sciences (KNAW) and started to write the application report. This turned out to be more difficult than expected. Boards of the departments were heavily involved in the process, and the result was that all research at the departments fitted within the nine research themes of Tinbergen Institute and that finally some 125 (!) research fellows were selected. Selection criteria for research fellows were in theory strict, but were not always implemented, in order to meet the wishes of the departments. Selection criteria used: “... three publications in the past five years in international top journals (A-, B-, or international C-journals according to the
The shortcomings of the VSNU list

The VSNU list was a list of journals drawn up by the deans of the economics departments in the Netherlands in 1991 and in use everywhere until 2002. The list numbered some 1250 journals, ranked in the categories A-E in the field of economics but also in many other fields: psychology, geography, etc.

To name some: Journal of Food Quality (E), De Landeigenaar (the landlord) (E), Tropical and Geographical Medicine (D).

There were some 60 A journals and 200 B journals. ‘International C’ comprised such journals as Applied Psychology, Zeitschrift für Verkehrswissenschaften (German) and the Public Opinion Quarterly.

One can easily conclude that admission criteria for research fellows, even when strictly implemented, were still lenient in 1993.

VSNU ranking) or four publications in very good journals and in books published by internationally renowned publishing houses. (…) Exceptions have been made for research themes 2 and 62. Research theme 2 was Finance, Information Systems and Accounting; research theme 6 Strategy and Industrial Economics. Under the argument that in these fields no generally accepted journal rankings existed, researchers qualified for admission to TI with only Dutch publications. KNAW rejected the application in 1994.

Somethin’s gotta give

In December 1995 TI submitted a new application report to the KNAW. Criteria for research fellows seemed to be absent altogether, according to the formulation: selection was based on “scientific output, measured by means of international publications”3. No longer were explicit minimum requirements for quality and quantity implemented. TI numbered still nine research themes and 118 research fellows. And again, the KNAW rejected TI’s application for accreditation. TI lodged an appeal against this decision.

Drastic measures

Drastic measures were needed in order to guide TI through the accreditation process. Finally, in 1997, KNAW granted TI the status of an official research school, based on a thoroughly revised research program with only four themes and 59 research fellows (half the original number). Requirements were now very strict: 3A or 2A + 2B publications or 5A/B publications in the past five years. Journal qualification was still based on the VSNU ranking4. Besides some minor adaptations, these admission requirements were *grosso modo* in force until 2002.

Tackling the journal rankings

It became obvious in 2001 that the committee composed of representatives from all economics departments that was working on a new journal ranking for the Netherlands would not succeed in its task. The Board and the Directors of Tinbergen Institute, Maarten Lindeboom and Coen Teulings, decided to compile a new journal ranking, meant only for TI and to be used only to consider the publication records of researchers applying for admission to TI as a research fellow. The new journal list came into being after elaborate discussions between senior researchers from the
departments, consultation of rankings used elsewhere, involvement of outside experts, and many, many lengthy board meetings. This procedure resulted in a new list that was limited to economics (no more agriculture and psychology), was limited to AA-, A- and B-journals (no longer the dubious D and E categories) and comprised fewer journals: five AA-, 29 A-journals and fewer than 100 B-journals. Formulas were designed to measure scientific output in points, and research fellows had to meet strict minimum requirements in quality and quantity in order to be granted the status of research fellow of Tinbergen Institute. It may be said here that although the status of fellow involves hardly any material benefits, many have sought it throughout the years.

The new method of measurement came into force starting January 2003 for new applications, and was used to re-evaluate all research fellows in 2005 when TI had to apply again for official KNAW re-accreditation. Despite the fact that admission criteria were much higher, almost 100 researchers at the three participating departments qualified for research fellow status. Clearer proof of the progress made in terms of research output by researchers affiliated to the departments participating in TI cannot be found!

1 Aanvraag inzake NWO Stimulans 1992 ten behoeve van TRACE, 1992
2 Aanvraag tot erkenning van het Tinbergen Instituut als onderzoekschool, 1993, p. 10
3 Aanvraag tot erkenning van het Tinbergen Instituut als onderzoekschool, 1995, Hoofdtekst p. 10
4 Aanvraag tot erkenning van het Tinbergen Instituut als onderzoekschool, 1996, Hoofdtekst p. 6-7.
TI – today and beyond...

"Tinbergen Institute now is a remarkably successful institution, but it seems to have spent a substantial part of its life in a very extended incubation period."

It's often said that ‘Rome wasn't built in a day.’ We might venture to add to this that neither was it built by a single set of hands. In clearly more humble settings, the same can be said for our institute. Those who have come to know TI as it is today might be oblivious to the journey it has taken and thus unaware of the miles travelled by those who have built it. The road has been long, hard and often marked with confusion about the mission of the institute itself.

Some background
In 1998, when Jan van Ours left TI, the seed of the graduate program had been planted—although many hurdles remained. His departure was followed by a change in the management, and Van Ours was replaced by Coen Teulings as the General Director of the institute in August and Maarten Lindeboom as the Director of Graduate Studies in November of 1998. The recognition of TI as a graduate school and a research institute had opened new possibilities, but the struggle for accreditation had left in its wake a host of uncertainties. Success was soon followed by failure and scepticism. First, TI's efforts to put past animosities behind by joining hands with its earlier competitor CentER, the economic research institute based at Tilburg University, to pursue a ten million guilder research grant was rejected by the NWO. Second, the more focused economic research and graduate training program of TI no longer included management, which had traditionally been one of the spheres of the Institute's program. This separation between economics and management was soon followed by the creation of the Erasmus Institute of Management (ERIM) at EUR. While TI was the economic research institute of EUR, UvA and the VU together, ERIM was the management research institute of the EUR alone. This sole venture by Erasmus also cast a shadow of doubt into the minds of some members in the other two participating universities of TI with regards to EUR's future desire to continue participation in TI—a decision that would largely determine the future of the institute. After a brief spell of...
'Sleepless in Amsterdam,' however, EUR's further investments into the development of the institute made its position rather clear. Although brief in duration, this spell of tension within the institute helped to put in place the distinction between Economics and Business—a separation reflecting the differences between the research agendas of TI and ERIM in Rotterdam. Unexpectedly, this turn of events emerged as somewhat of a blessing in disguise. In the words of Coen Teulings: 'My strategy initially was to not give up the business field as long as possible, but to still try to make TI resemble a standard economics graduate school like in the US. So we had a separate business track as a part of the program. It didn’t work, though, and we focused on economics alone—which in the end was a lucky thing! If you have to create a whole new program, you’re lucky if you can focus on one thing!'
In terms of how the program itself is structured, the pre-accreditation years were marked with some degree of ambiguity. The situation was summarized by Jan Willem Gunning, one of the directors of TI at the time of the accreditation. This is how he put it:

‘For a long time it was not clear what exactly TI was supposed to do, and whether it could become an attractive alternative to the NAKE network. For one thing, TI had given less thought to what a PhD teaching program should look like than NAKE, and the courses that TI offered were rather heterogeneous in terms of quality.

The governance structure was ineffective because the three participating economics departments were not at all sure whether they should give the institute much room for manoeuvring. They suspected TI of wanting to become a separate institution, and nervously watched for any sign of independence. This led to an unwieldy organizational structure. For example, I had been appointed as Board member representing the VU, but decisions by the TI Board were frequently overturned by the faculty boards.’

But things began to change rather suddenly in the post-accreditation years. The question, however, remains: why? Since an American-style PhD program was clearly the road less travelled in Europe, this change might have been quite unacceptable to many. One appealing explanation would be the coming together of like-minded, excellent professors—all of whom had been inspired by their colleagues and students in top American graduate programs and had come to share a clear vision of a two-year graduate training program along the same lines.

Maarten Lindeboom, however, suggested a more mundane explanation: ‘Largely, they (the faculty at the three economics departments) realized that this kind of program had advantages for them as well. They were getting good students through it... People support such joint initiatives as long as they know that there is something in it for them... and that is basically what happened!’
that none of the departments could have achieved individually. Like all success stories, the success of TI’s MPhil program is the culmination of many things coming together in the right way. In this case it was the good quality and well planned courses, and the outstanding students who participate in them. The latter is the outcome of raised entrance requirements and a more rigorous admissions procedure over the last few years. The high standards set by TI have made it very attractive for outstanding students from both the Netherlands and abroad. The institute is increasingly able to be highly selective, since it has acquired an excellent reputation: TI has become a brand name!

TI as a research institute

Given that TI is not only a graduate school in economics but also a research institute, it cannot merely bask in the glory of its successful graduate program. The realization that the quality of the research institute depends on the worth of its researchers also dawned upon the management of TI in the early post-accreditation years. Previously, the criteria for TI fellows were based on publications in journals that were catalogued in a common list recognized by all Dutch universities. This list, however, was not up to the international standards, as it ranked highly several very specific field journals, and also gave a lot of weight to publications in Dutch journals. But those in charge of TI seemed to have different ideas. Initiated by Coen Teulings, a new list of journals was compiled that emphasized the importance of publications in top international journals, and consequently lowered the relative importance of publications that were earlier quite valuable. As with any change, this alteration in the fellow criteria naturally elicited mixed responses. Maarten Lindeboom:

Whatever the driving force might have been, the convergence of the vision of a few and the self-interest of others led to the start of a one-year MPhil program in September 1999. Although the intention was to start with a two-year program, a conventional mindset eventually thwarted these plans. It was only in 2003 that the initial plan of the two-year research masters program was finally put in place. As it happened, it became a ‘majority rules’ situation. Unexpectedly, the tri-university structure of the institute came to the rescue. Coen Teulings: ‘in every discussion, at least one of the universities opposed the decisions of the TI directors! Coalitions changed all the time, but with the ‘majority’ support of two out of the three faculties, and with the backing of the three deans, TI went ahead’

After all these years of uphill struggle, the MPhil program today is ‘a well-structured teaching program at an international level. The MPhil showed that TI was setting very high standards and that it offered something

Half of TI’s student population comes from abroad
'The changed list encouraged faculty and students to focus on top journals. For an institute as a whole it’s better to have some people writing in Econometrica than in....and that has turned out to be ridiculously successful.' Ringing a slightly different tone, Rick van der Ploeg, also a former director of TI: ‘It should be the ambition of every fellow of the Tinbergen Institute to publish in the top five journals, and also a requirement to get a chair. However, the ranking of fellows on the basis of counting citations and publications has become terribly objective. This has gone at the expense of reading the work of excellent young researchers that is not yet published. And the importance of teaching, and of contributions to the public debate should not be forgotten, either. All three criteria– research excellence, teaching and relevance– are crucial for a top academic. Nobel laureates like Jim Mirrlees, or super-relevant guys like the well-known Oxford development economist Paul Collier, or the CPB deputy director Casper van Ewijk wouldn’t otherwise have a chance.”

What lies ahead?
The hallmark of international success is unity in diversity– and this is reiterated in TI as well. Despite some differences, there does seem to be agreement on what will secure the institute’s future. Jaap Abbring, the current DGS of the institute, voices the general opinion when he says, ‘the MPhil program itself...its success....secures its future’. Furthermore, while there are some like Maarten Jansen who believe that the tri-university structure could be a potential threat to the stability of TI in the future– in case history repeats itself and ‘each of the three institutions begins to push their own separate agendas’, others conjecture that this very structure– strangely enough– could eventually be a binding factor, keeping the institute together. As Coen Teulings suggests, ‘The coalition of the three universities safeguards the institute against some individual dean who might regard unfavourably some of the measures taken by TI– a situation that might, in the absence of support from others, put the institute under substantial pressure.”

The cautionary tone expressed above was echoed in the comments of the review committee, appointed by TI for its KNAW appraisal in 2005. This committee of internationally renowned economists, chaired by Dale Jorgenson of Harvard University, undertook the assessment for the purposes of TI’s re-accreditation. Despite missing research plans, the re-accreditation went very well and resulted in a further six-year accreditation of TI. The committee’s review, while positive, was also perceived as challenging: ‘It (the Jorgenson committee) also indicated where the next challenge lies. TI fellows and students now publish in the best journals, but compared to the international top we still have some way to go in terms of impact: our influence in academic and policy arenas. (Jan Tinbergen, of course, had enormous influence in both.) We should, perhaps, become slightly less obsessed with where our work is published, and focus a bit more on whether it changes people’s minds.’
If the fine-tuning of the balance between the two different roles of TI (as a graduate school and as an internationally well-known research institute) involves a change in the outlook of researchers, then—like all changes that entail a transformation of mindsets—it is probably only a long-term success strategy.

Those eager for speedier solutions have suggested more immediate remedies, such as TI having a couple of ‘well chosen’ professors on its payroll. After all, the old Dutch proverb says: ‘Wiens brood men eet, wiens woord men spreekt’ (i.e. you speak the words of the one who pays you). Coen Teulings, for instance, suggests that ‘such a professionally sound and sociable professor would help TI to network with other international researchers by organizing international conferences and workshops at TI itself. ...These events would help shift the global discussion on certain research topics to TI,’ which would also serve to put TI on the worldwide research map.

But other onlookers look to the graduate program to lead the way forward. This school of thought sees further potential of the graduate program in raising the international reputation of the institute, this time via the alumni. This could naturally be a win-win situation for all involved. One supporter of this view, Maarten Lindeboom, states that, ‘the institute could invest in the job-placement and even post-PhD research success of its graduates, and in time the well placed alumni would widen the research network and further the international presence of the institute’.

Our walk down the lane of TI’s history has revealed visions within the institute that differ like the colours of the rainbow, but so long as TI has so many well-wishers, its future definitely seems bright!
Looking back
Otto Swank*

On the fourth of October 1990 I received my PhD from Tinbergen Institute. During the last seventeen years, about 400 students have received a PhD from TI, and more than a hundred students are participating in its MPhil program or are writing a PhD dissertation. I doubt whether anybody could have predicted twenty years ago that TI would be so successful.

Let’s go back. I started my academic career at TI in March 1987. I vividly remember my first day. Scattered throughout three rooms at Erasmus University, a dozen students were sitting behind desks, reading, writing or gazing out the window. The atmosphere in the rooms varied widely. One room was quiet, almost dull. Another was livelier, with hot debates among students. The latter room boasted three Olivetti computers. Perhaps it is mere nostalgia, but in my memory, these Olivettis had a much more modern and luxurious design than that of the current Dell computers. In those good old days, WordStar and an early version of WordPerfect ruled the world.

It’s a huge step from the TI of 1987 to the TI of 2007. Nevertheless, I think that in 1987 the foundation for the institute’s current success was laid. From the outset, Tinbergen Institute pursued a clear goal: to facilitate and encourage students to write a PhD dissertation within four years. One of the implications of this goal was that we understood perfectly what we were expected to do: research (that is, writing papers). Perhaps at the beginning the focus on doing research may have been too narrow. The initial education program was not very coherent (and this is an understatement). Highly respected scholars had been invited to give short courses. Although most of the courses were interesting, they did not constitute any sort of unity. As a result, PhD students then had a much more limited background in economics than current PhD students. In any case, TI, with its focus on research, broke with the past. Before 1987, it had been far less clear what a new, young academic was supposed to do. His tasks included teaching, assisting the professor, and perhaps working on a PhD. There was hardly any focus: the completion of a dissertation could easily take ten years.

During the defense of his PhD thesis, Harry van Dalen (TI alumnus no.6) was accompanied by a mysterious female friend, introduced as Catharina du Cavalier, who was acting as his paranymph. She turned out to be Carien de Ruiter, who had translated her name in French for the occasion.

The people who felt responsible for TI were also a driving force in the initial stage. A couple of professors were determined to improve the academic climate. In their eyes, the institute should become a “centre of excellence”. I’ve never felt comfortable with this type of phrase, but I must admit that it created an environment in which ambitious young people wanted to work. Even more important was that the very same professors who wanted to change the system almost always showed up at the PhD seminars. In those days, the speaker was responsible not only for the talk, but also for the catering! The presence of these professors at seminars contributed to the students’ attitude that research, particularly research done by young people, is important.

It is now twenty years later. From a small, local graduate school, Tinbergen Institute has developed into a well-known international graduate school and research institute. The people who have worked together during the last two decades to make TI what it is now have done a wonderful job.
**Theses**

384 MARCO JURI VAN DER LEIJ (21/12/2006), The economics of networks: theory and empirics.

385 ROBBIE VAN DER NOLL (05/10/2006), Essays on Internet and information economics.

386 PANCHENKO VALENTYN (11/10/2006), Nonparametric methods in economics and finance: dependence, causality and prediction.

387 CARLA (ANGÉLICA) DA SILVA PINTO DE SÁ (19/12/2006), Higher education choice in the Netherlands: the economics of where to go.

388 JOSSE DELFGAAUW (18/01/2007), Wonderful and woeful work: incentives, selection, turnover, and workers’ motivation.


391 MUHAMMAD INTAN SAKTI HARI S MUNANDAR (01/12/2006), Essays on economic integration.


393 GIJS VAN DE KUILEN (13/02/2007), The economic measurement of psychological risk attitudes.

394 ERIK MOOI (08/03/2007), Inter-organizational cooperation, conflict, and change.

395 ANA LLENA NOZAL (30/03/2007), On the dynamics of health, work and socioeconomic Status.

396 PIETRO DINDO (02/02/2007), Bounded rationality and heterogeneity in economic dynamic models.

397 DAVID SCHRAGER (09/02/2007), Essays on asset liability modelling.

398 RUOGU (ROCCO) HUANG (14/03/2007), Three essays on the effects of banking regulations.

399 CARIN (CATHERINA) VAN MOURIK (01/03/2007), Globalisation and the role of financial accounting information in Japan.

400 SANDRA MAXIMIANO (23/2/2007), Essays in organizational economics.

401 WENDY JANSSENS (23/5/2007), Social capital and cooperation: an impact evaluation of a women's empowerment programme in rural India.


404 HARI SUNARTO (14/05/2007), Understanding the role of bank relationships, relationship marketing, and organizational learning in the performance of people's credit bank.


406 STEFANO FICCO (25/5/2007), Essays on imperfect information-processing in economics.

407 PHILIPPE VERSIJP (10/5/2007), Advances in the use of stochastic dominance in asset pricing.
AA-ranked journals


A-ranked journals


B-ranked journals


TI-ranked (chapter(s) in) Books


Discussion Papers

Institutions and decision processes

06-092/1
Otto H. Swank, EUR, The Self-Perception Theory vs. a Dynamic Learning Model

06-095/1
Harold Houba, VU, Computing Alternating Offers and Water Prices in Bilateral River Basin Management

06-098/1
Dennis Dittrich, University of Erfurt, Martin G. Kocher, UvA, Monitoring and Pay: An Experiment on Employee Performance under Endogenous Supervision

06-099/1
Wolfgang J. Luhan, University of Innsbruck, Martin G. Kocher, UvA, Matthias Sutter, University of Cologne, Group Polarization in the Team Dictator Game reconsidered

06-100/1
Jeroen Hinloopen, UvA, Charles van Marrewijk, EUR, Comparative Advantage, the Rank-size Rule, and Zipf’s Law

06-104/1
Martin G. Kocher, UvA, Peter Martinsson, Martine Visser, Göteborg University, Sweden, Does Stake Size Matter for Cooperation and Punishment?

06-107/1
Frans W.A. van Poppel, Netherlands Interdisciplinary Demographic Institute (NIDI), Hendrik P. van Dalen, EUR, ECRI, and NIDI, Evelien Walhout, International Institute for Social History, Diffusion of a Social Norm: Tracing the Emergence of the Housewife in the Netherlands, 1812-1922

06-111/1
Robert Dur, EUR, Hein Roelfsema, Utrecht University, Social Exchange and Common Agency in Organizations

06-114/1
René van den Brink, Gerard van der Laan, VU, Valeri Vasil’ev, Sobolev Institute of Mathematics, Novosibirsk, Distributing Dividends in Games with Ordered Players

06-115/1
Matthijs van Veelen, UvA, Evolution of Strategies in Repeated Games with Discounting

07-001/1
Maarten C.W. Janssen, Vladimir A. Karamychev, EUR, Do Auctions select Efficient Firms?

07-003/1
Floris Heukelom, ASE, UvA, Kahneman and Tversky and the Origin of Behavioral Economics

07-005/1
Floris Heukelom, UvA, What Simon Says

07-010/1
Josse Delfgaauw, EUR, Dedicated Doctors: Public and Private Provision of Health Care with Altruistic Physicians

07-015/1
Martin G. Kocher, UvA, Matthias Sutter, Florian Wakolbinger, University of Innsbruck, The Impact of Naive Advice and Observational Learning in Beauty-contest Games

07-017/1
Peter Rodenburg, UvA, Derived Measurement in Macroeconomics: Two Approaches for Measuring the NAIRU Considered

07-020/1
Floris Heukelom, UvA, Who are the Behavioral Economists and what do they say?

07-38/1
René van den Brink, VU, Frank Steffen, Management School (ULMS), University of Liverpool, Positional Power in Hierarchies

Financial and International Markets

06-085/2
Thomas Mikosch, University of Copenhagen, Casper G. de Vries, EUR, Tail Probabilities for Regression Estimators
<table>
<thead>
<tr>
<th>Paper Number</th>
<th>Author(s)</th>
<th>Institution(s)</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>06-086/2</td>
<td>Phornchanok Cumperayot, Chulalongkorn University, Casper G. de Vries, EUR</td>
<td>Large Swings in Currencies driven by Fundamentals</td>
<td></td>
</tr>
<tr>
<td>06-093/2</td>
<td>Ana Babus, EUR</td>
<td>The Formation of Financial Networks</td>
<td></td>
</tr>
<tr>
<td>06-094/2</td>
<td>Konrad Banachewicz, Aad van der Vaart, André Lucas, VU</td>
<td>Modeling Portfolio Defaults using Hidden Markov Models with Covariates</td>
<td></td>
</tr>
<tr>
<td>06-112/2</td>
<td>Franc Klaassen, Henk Jager, UvA</td>
<td>Model-free Measurement of Exchange Market Pressure</td>
<td></td>
</tr>
<tr>
<td>07-004/2</td>
<td>Enrico Perotti, Armin Schwienbacher, UvA</td>
<td>The Political Origins of Pension Funding</td>
<td></td>
</tr>
<tr>
<td>07-006/2</td>
<td>Enrico Perotti, UvA, Paolo Volpin, London Business School, Investor Protection and Entry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>07-011/2</td>
<td>Chris Elbers, Jan Willems Gunning, Lei Pan, VU</td>
<td>Insurance and Rural Welfare: What can Panel Data Tell Us?</td>
<td></td>
</tr>
<tr>
<td>07-014/2</td>
<td>Lei Pan, VU</td>
<td>Risk Pooling through Transfers in Rural Ethiopia</td>
<td></td>
</tr>
<tr>
<td>07-023/2</td>
<td>J.L. Geluk, The Petroleum Institute, L. de Haan, Casper G. de Vries, EUR</td>
<td>Weak &amp; Strong Financial Fragility</td>
<td></td>
</tr>
<tr>
<td>07-026/2</td>
<td>Ward A. van den Berg, Han T.J. Smit, EUR</td>
<td>Consolidation Waves</td>
<td></td>
</tr>
<tr>
<td>07-033/2</td>
<td>Kerstin Bernoth, De Nederlandsche Bank and ZEI- University of Bonn, Jürgen von Hagen, University of Bonn, Indiana University and CEPR, Casper G. de Vries, EUR</td>
<td>The Forward Premium Puzzle Only Emerges Gradually</td>
<td></td>
</tr>
<tr>
<td>07-034/2</td>
<td>Marielle C. Non, Philip Hans Franses, EUR</td>
<td>Interlocking Boards and Firm Performance: Evidence from a New Panel Database</td>
<td></td>
</tr>
</tbody>
</table>

**Labour, Region and Environment**

<table>
<thead>
<tr>
<th>Paper Number</th>
<th>Author(s)</th>
<th>Institution(s)</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>06-089/3</td>
<td>Simon C. Parker, Durham University, Mirjam C. van Praag, UvA</td>
<td>The Entrepreneur’s Mode of Entry: Business Takeover or New Venture start?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Paper Number</th>
<th>Author(s)</th>
<th>Institution(s)</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>06-096/3</td>
<td>Maria Francesca Cracolici, University of Palermo, Italy, Peter Nijkamp, VU</td>
<td>Efficiency and Productivity of Italian Tourist Destinations: A Quantitative Estimation based on Data Envelopment Analysis and the Malmquist Method</td>
<td></td>
</tr>
<tr>
<td>06-097/3</td>
<td>Francesca Cracolici, University of Palermo, Italy, Piet Rietveld, Peter Nijkamp, VU</td>
<td>Assessment of Tourist Competitiveness by Analysing Destination Efficiency</td>
<td></td>
</tr>
<tr>
<td>06-102/3</td>
<td>Siv Gustafsson, Seble Y. Worku, UvA</td>
<td>Marriage Markets and Single Motherhood in South Africa</td>
<td></td>
</tr>
<tr>
<td>06-103/3</td>
<td>Peter van der Zwan, CASBEC, Erasmus School of Economics, EUR, and EIM Zoetermeer, Roy Thurik, CASBEC, EUR, EIM Zoetermeer, Max Planck Institute of Economics, and VU, Isabel Grillo, DG Enterprise, European Commission, REMARS, Université de Lille 3, and CORE, Université Cath. de Louvain, The Entrepreneurial Ladder and its Determinants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>06-108/3</td>
<td>Tom Van Ourti, Eddy Van Doorslaer, Xander Koolman, EUR</td>
<td>The Effect of Growth and Inequality in Incomes on Health Inequality: Theory and Empirical Evidence from the European Panel</td>
<td></td>
</tr>
<tr>
<td>06-109/3</td>
<td>Maarten Lindeboom, Ana Llena Nozal, Bas van der Klaauw, VU</td>
<td>Parental Education and Child Health: Evidence from a Schooling Reform</td>
<td></td>
</tr>
<tr>
<td>06-110/3</td>
<td>Jaap H. Abbring, VU, Jeffrey R. Campbell, Federal Reserve Bank of Chicago, and NBER</td>
<td>Last-In First-Out Oligopoly Dynamics</td>
<td></td>
</tr>
<tr>
<td>06-113/3</td>
<td>Moshe Givoni, Piet Rietveld, VU</td>
<td>Choice of Aircraft Size - Explanations and Implications</td>
<td></td>
</tr>
<tr>
<td>07-002/3</td>
<td>Hans G. Bloemen, VU</td>
<td>The Impact of Wealth on Job Exit Rates of Elderly Workers</td>
<td></td>
</tr>
<tr>
<td>07-007/3</td>
<td>Piet Rietveld, Stefan van Woudenberg, VU</td>
<td>Second Best Decision Making of Railway Operators: How to Fix Fares, Frequency and Vehicle Size</td>
<td></td>
</tr>
</tbody>
</table>
07-008/3
Owen O’Donnell, University of Macedonia, Greece, Ángel López Nicolás, Universidad Politecnica de Cartagena, Universitat Pompeu Fabra, Spain, Eddy van Doorslaer, EUR, Growing Richer and Taller: Explaining Change in the Distribution of Child Nutritional Status during Vietnam’s Economic Boom

07-009/3
Gerard J. van den Berg, Maarten Lindeboom, France Portrait, VU, Conjugal Bereavement Effects on Health and Mortality at Advanced Ages

07-012/3
Ghebregziabiher Debrezion, Eric Pels, Piet Rietveld, VU, Modelling the Joint Access Mode and Railway Station Choice

07-013/3
Pieter A. Gautier, Arjen Siegmann, Aico van Vuuren, VU, The Effect of the Theo van Gogh Murder on House Prices in Amsterdam

07-016/3
Hans G. Bloemen, VU, Elena Stancanelli, CNRS, GREDEG, Nice, and OFCE, Sciences-Po, Paris, A Model with Endogenous Programme Participation: Evaluating the Tax Credit in France

07-018/3
Jeroen C.J.M. van den Bergh, VU, Evolutionary Thinking in Environmental Economics

07-019/3
Jeroen C.J.M. van den Bergh, VU, Abolishing GDP

07-021/3
Pieter A. Gautier, VU, Michael Svarer, Aarhus University, Coen N. Teulings, CPB and UvA, Sin City?

07-022/3
Martin Carree, University of Maastricht, André van Stel, EIM, Zoetermeer, Cranfield University School of Management, and EUR, Roy Thurik, Erasmus School of Economics, EUR, EIM, Zoetermeer, Cranfield University, School of Management, and Max Planck Institute of Economics, Jena, Germany, Sander Wennekers, EIM, and EUR, The Relation between Economic Development and Business Ownership Revisited

07-024/3
Siv Gustafsson, Seble Worku, UvA, Teenage Motherhood and Long-run Outcomes in South Africa

07-029/3
Bas Jacobs, UvA, Tilburg University, CentER, Netspar, and CESifo, Ruud A. de Mooij, CPB, EUR, Netspar, and CESifo, Kees Folmer, CPB, Analyzing a Flat Income Tax in the Netherlands

07-030/3
Ruud A. de Mooij, CPB, EUR, Netspar, and CESifo, Gaëtan Nicodème, European Commission, and Solvay Business School (ULB), Corporate Tax Policy, Entrepreneurship and Incorporation in the EU

07-031/3

07-032/3
K. Bolin, and B. Lindgren, Lund University Centre for Health Economics, Lund, Sweden, P. Lundborg, Lund University Centre for Health Economics, VU, and NETSPAR, Your Next of Kin or your Own Career? Caring and Working among the 50+ of Europe

07-035/3
Ellen van de Poel, EUR, Owen O’Donnell, University of Macedonia, Thessaloniki, Greece, Eddy van Doorslaer, EUR, Are Urban Children really Healthier?

07-037/3
Jaap H. Abbring, VU, Jeffrey R. Campbell, Federal Reserve Bank of Chicago, and NBER, Duopoly Dynamics with a Barrier to Entry

07-039/3
Sandra Philppen, EUR; Massimo Riccaboni, University of Florida, Radical Innovation and Network Evolution

Econometrics

06-079/4
H. Peter Boswijk, UvA, Roy van der Weide, World Bank, Wake Me up before You GO-GARCH

06-101/4
Siem Jan Koopman, Marius Ooms, Irma Hindrayanto, VU, Periodic Unobserved Cycles in Seasonal Time Series with an Application to US Unemployment

06-105/4

07-025/4
Charles S. Bos, Phillip Gould, VU, Dynamic Correlations and Optimal Hedge Ratios
07-026/4

07-028/4
Michiel D. de Pooter, Francesco Ravazzolo, and Dick van Dijk, EUR, *Predicting the Term Structure of Interest Rates: Incorporating Parameter Uncertainty, Model Uncertainty and Macroeconomic Information*

07-036/4
More “unusual” productivity measures

Tinbergen Institute offers a fruitful and productive environment to researchers and students: grades and diplomas, theses and publications are just some of the fruit TI bears. Another measure of productivity: TI couples and TI children. Below we mention all couples and children that we know of (with year of graduation or position at TI between parentheses). In all cases, TI played an important role in bringing or keeping the couples together.

TI couples


Elfi e Bonke (secretary TI Amsterdam) and Jeroen Roodhart (system administrator TI Amsterdam)

Marta Lopez Yurda (PhD student) and Charles Bos (2001)

Lei Pan (PhD student) and Michel van der Wel (PhD student)

Yin-Yen Tseng (PhD student) and Jian Huang (PhD student)

Carla Sá (2006) and Miguel Portela (2007)

Ana Babus (PhD student) and Ernesto Reuben (2006)

Irina Hindrayanto (PhD student) and Kai Ming Lee (PhD student)

TI children

Witold, born April 19, 2004

Sasha, born July 2, 2002
Zoey, born September 15, 2005
Parents: Silva Dezelan (2001) and Egbert Jongen (forthcoming)

Daniel, born April 21, 2006
Parents: Klarita Gërxhani (2002) and Arthur Schram (research fellow)

Ardit, born June 26, 2001
Parents: Klarita Sadiraj (1999) and Govert Bijwaard (2005)

Vlieger, born April 3, 2002
Maas, born May 26, 2003
Parents: Jos Kok (TI secretary) and Mathijs Bouman (1998)

Tessa, born August 15, 1996
Joris, born March 18, 2001
Parents: Jeannette Capel (1993) and Marcel Canoy (1993)

Bernhard, born April 9, 2000
Hannelore, born February 24, 2002

Erik, born April 24, 2004
Noémi, born November 21, 2006
Parents: Emöke Basza (2002) and Bart Oldenkamp (1999)

Gaia, born October 28, 2002
Django, born April 1, 2005
Parents: Ada Ferrer-i-Carbonell (2003) and Jeroen van den Bergh (1991)

Nina, born March 13, 2007
Parents: Stefka Petrova (MPhil 2005) and Vitaly Pruzhansky (2002)
Tinbergen Research Institute

Four themes distinguish Tinbergen Institute's research programme:
I. Institutions and Decision Analysis
II. Financial and International Markets
III. Labour, Region and the Environment
IV. Econometrics and Operations Research

Each theme covers the whole spectrum of economic analysis, from theoretical to empirical research. Stimulating discussions on theories, methodologies and empirical results arise from the interaction of the Institute's faculty - comprised of approximately 130 research fellows. These fellows are faculty members with excellent track records in economic research, active in organising research activities, teaching graduate courses and supervising PhD students.

Discussion Papers

Research is pre-published in the Institute's own Discussion Paper Series. Download discussion papers at http://www.tinbergen.nl (section 'Publications'). E-mail address for correspondence: tinbergen-magazine@tinbergen.nl

Tinbergen Graduate School

The Tinbergen Institute offers a five-year graduate programme, consisting of two years of intensive graduate coursework in its Master of Philosophy (MPhil) in Economics programme and three years of PhD thesis research.

The MPhil programme is a two-year research master in economics, econometrics, and finance that leads to an MPhil degree in economics. Due to the demanding nature of the programme, the MPhil is open only to a rigorously selected group of students. An excellent preparation for PhD thesis research, the MPhil programme is connected to three-year PhD positions in the economics departments of the Erasmus Universiteit Rotterdam, the Universiteit van Amsterdam, and the Vrije Universiteit Amsterdam.

The MPhil in Economics has been accredited by the Dutch and Flemish Accreditation Organization for higher education (NVAO), and eligible students can claim two years of financial aid ('studiefinanciering'). In addition, the Tinbergen Institute allocates a limited number of scholarships each year based on academic merit.

Detailed information on the institute's graduate programme and the application procedure can be found in the Graduate School section of www.tinbergen.nl. Please send any questions to applications@tinbergen.nl.

Board

General Director
M.C.W. Janssen

Director of Graduate Studies
J.H. Abbring

Research Programme Co-ordinators
Institutions and Decision Analysis:
Financial Economics and International Markets:
A. Lucas, J.-M. Viaene.
Labour, Region and the Environment:
J.C.J.M. van den Bergh, E. Plug.
Econometrics:
R. Dekker, S.J. Koopman.

Editorial Board
Tinbergen Magazine

We thank the following persons for their contributions:

How to subscribe?
Address for correspondence/subscriptions:
Tinbergen Institute Rotterdam
Burg. Oudlaan 50
3062 PA Rotterdam
The Netherlands.

E-mail: tinbergen-magazine@tinbergen.nl
Address changes may be sent to the above e-mail address.