In September, FEB celebrated its 5th anniversary. Nowadays, it is almost hard to remember that there were two faculties. Merging the two faculties proved to be successful: more articles appeared in prestigious journals, the faculty rose on several lists, our research master became number 1 in the Netherlands, our research programmes received very good to excellent scores in the last QANU research review and, last but not least, FEB’s “accommodation” was completely renovated and expanded and re-named “Duisenberg Building and Pavilion”.

To celebrate its first lustrum, FEB invited alumnus Klaas Knot, president of De Nederlandsche Bank, to open a permanent exhibition about another alumnus, Wim Duisenberg. The exhibition gives an overview of his life, from his start at the Faculty of Economics in Groningen to his last position as president of De Nederlandsche Bank.

FEB Research, is also the result of the merger. The first initiative for a glossy was taken in 2007 and the first issue was published in fall 2008. FEB Research turns the spotlight on all research within FEB. It is not coincidental that the first centre of expertise to appear in FEB Research namely RHO (Research on Healthcare Organisation & Innovation), is revisited in this issue. Now named Healthwise, this centre bundles health care research across the faculty.

Another item in one of the first issues was the start of the EU-financed WIOD (World Input-Output Database) project and now, 3.5 years later, the results are presented.

In keeping with this historical perspective is this issue’s article about the newly-appointed professor of Economic History, Herman de Jong. And we are looking ahead as well, introducing new faculty members Damian Power and Boudewijn de Bruin.

Amidst the economic crisis, falling house prices, rising gas prices and more people in debt than ever before, there is hope. As history shows us, so far, we have survived every economic crisis. FEB Research will make sure to let you know when we are on the up again. In the meantime, we wish you a successful 2013.

Robert Inklaar
Annemiek Koning
Rina Koning
Jenny Ligthart was a Full Professor of Macroeconomics at the Department of Economics of Tilburg University. Since 2003 she also held the honorary professorship of General and Quantitative Economics at the Faculty of Economics and Business of the University of Groningen. She was a Senior Research Fellow at CentER (Tilburg University) and CESifo (University of Munich) and a Research Associate at CAMA (Australian National University). In addition, she was an Editor of FinanzArchiv / Public Finance Analysis and a Member of the Board of Management of the International Institute of Public Finance (IIPF).

Despite her very busy agenda, Jenny loved to come to Groningen, and we liked to welcome her here. She co-supervised Master and Research Master theses, and participated in research on theoretical macroeconomics with Ben Heijdra, on empirical macroeconomics with Gerard Kuper and Jan Jacobs, and on spatial econometrics with – among others – Hendrik Vrijburg, a former Groningen economics student who recently obtained his doctorate in Rotterdam. Until recently, Jenny was the only female professor in our department. Her position as coach, mentor and role model for students and staff cannot be underestimated. Finally, Jenny was a regular member of PhD committees, coronas and appointment committees.

In the beginning of this year, Jenny informed us that she was diagnosed with cancer. From then on, she lived on hope and expressed a very strong desire to survive. Hope for a treatment, hope that a treatment would work, hope for a cure to be found. Alas, it was not to be. Nearly eight months after first being diagnosed, Jenny passed away just two weeks after celebrating her 45th birthday. Jenny was fascinated by economics and until the very last was working on her academic papers and on supervising her students.

In their obituary in NRC Handelsblad, her University of Amsterdam thesis advisors Rick van der Ploeg and Ben Heijdra, and her senior colleague at the International Monetary Fund, Michael Keen, put it this way. “The passing of Jenny Ligthart is a cruel blow for her many friends in the economics profession. We have lost a wonderful, lively, workaholic, unpretentious, genuine, and unique personal friend. She will never be forgotten by those who knew and loved her.”

Jenny E. Ligthart, our colleague, co-author and dear friend.

Ben Heijdra and Jan Jacobs
In 2011, Boudewijn de Bruin was appointed professor of Financial Ethics at FEB. This is a new chair at FEB, answering a wide social need for future economists and business administrators to be schooled in ethics. How did a philosopher end up at FEB?
Why did you choose for Groningen?
“I think it’s rather the other way round: I was fortunate enough to be hired by Groningen. Apart from that, I appreciate the possibilities, both for teaching and for new research projects within this relatively new discipline. I think that the economic crisis has demonstrated the need for Financial Ethics. You only have to think of bonuses, government support for banks, or the bankers’ oath. However, Financial Ethics is barely out of the starting blocks as an academic discipline and I look forward to being part of the new development.”

Could you tell us more about your career so far?
“I studied musical composition in Enschede, only one year. Then I moved to Amsterdam to study mathematics and philosophy, and spent some time in Berkeley and at the Harvard Business School. I obtained my PhD from the University of Amsterdam. In my dissertation, I used tools from mathematical logic and game-theory to study the epistemic assumptions of game theoretic solution concepts, that is, to answer the question under which circumstances solution concepts such as iterated dominance or backwards induction can provide adequate descriptions or predictions of human strategic interaction. Game theory is widely used in research in ethics too, and that is what brought me to the Faculty of Philosophy in Groningen in 2005.”

What issues are dealt with in your research?
“I have just started a large NWO (Netherlands Organization for Scientific Research) project with the University of Cambridge on Trusting Banks. We use methods from philosophy, economics and psychology to investigate ways to restore trust in the financial services industry. One of its ambitions is to show that the main ethical failing before the financial crisis was a lack of information ethics. If you read books like Michael Lewis’s The Big Short – or relevant academic publications – you see that a great number of people in banking did not have a clue what they were doing and did not bother to gain and process information. It is as though your doctor does not care to study the side effects of the drugs she prescribes. The research relates to recent developments in philosophy of informational virtues as well as to research about behavioural biases and about financial literacy in economics and psychology which is flourishing in our Faculty.”

And how do you translate this for a broader societal impact?
“We are working with major finance companies in the Netherlands and the UK to develop educational materials which we will trial at Judge Business School and here in Groningen. I am also a member of the Balliol seminar on the Duty of Care in Finance, at Oxford, which draws together practitioners and academics. The goal is to make academic research practically relevant to the banking world. My research also informs the consultancy work that I have been doing in the last few years for various players in the finance industry. With the Netherlands Authority for the Financial Markets (AFM) we will set up a programme allowing Dutch citizens to help them cope with their lack of financial literacy.

How is the combination Philosophy and Economics working out?
“I have always worked in highly interdisciplinary environments drawing together mathematicians, psychologists, economists, sociologists, philosophers and many other researchers. This is where I feel most at home. I feel extremely fortunate to be able to benefit so much from conversations with colleagues here at FEB, and I am using many of the things that I learn from them in my current research.”

What can we expect of you in the future?
“Next year, I will start with the PhD students in the NWO project. And my book with Cambridge University Press will be published. It is part of a larger project on the ethics of information in the financial services industry. And I will give my inaugural address.”

Key publications
- Bruin, B. de (2010), Explaining games: the epistemic programme in game theory. Dordrecht: Springer
- Bruin, B. de (2009), We and the plural subject, Philosophy of the Social Sciences, 39(2), 235–259
As of 1 May, 2012 the FEB’s centre of expertise on Health Care Management & Economics is known as “Healthwise - Research on Health Care Management & Economics”. All research under the RUG theme of Healthy Ageing will take place within this centre and it replaces the former centre RHO (Research on Healthcare Organisation & Innovation). We talk to the Centre’s director, Kees Ahaus. Ahaus is professor of Health Care Management at FEB, a chair sponsored by the University Medical Centre of Groningen (UMCG). He is also director of TNO Management Consultants and of the Dutch Institute for Healthcare Improvement CBO.

What are the research themes within the centre?

“We can distinguish three central themes with a clear link to societal issues. Within these themes research is concentrated around PhD projects sponsored by our partners, healthcare providers, health insurers and the Ministry of Health/ZonMw (The Netherlands Organisation for Health Research and Development).

The theme Management of Health-care Processes focusses on the optimization of care delivery, including quality and service to patients, the management of care and the role of ICT. Quality, logistics and safety are the keywords. A recently-started PhD project is on lean interventions and performance; this project of Oskar Roemeling is financed by Achmea (on of the main insurance companies in the Netherlands) and is closely related to the work of The Lidz Foundation (Stichting Lean in de Zorg). The UMCG involved us in the ‘Nationaal Programma Ouderenzorg’ (National Programme for Elderly Care); Monique van der Laan studies whether modular design of care may help to make elderly care more demand-driven.

Another example is the PhD project of Justin Drupsteen, supervised by professor Dirk Pieter van Donk and Dr. Taco van der Vaart. Justin has almost completed his research on the planning and control of patient flows in hospitals. In his research he approaches hospital operations from a supply chain perspective. It is shown that the integration of the different planning and control functions in hospitals positively affects patient flows. However, as the degree of integration in hospitals still leaves a lot to be desired, the next step was to find the operational antecedents for integration in hospitals. The antecedents

RUG theme Healthy Ageing

Healthy ageing is one of the strategic focus areas of the University of Groningen and the University Medical Center Groningen (UMCG). There are more and more elderly and they are making increasing demands on society. At the same time there are fewer people available to provide care or to contribute to building up pensions. This combination of demographic ageing and dejuvenation is putting our economy and society under pressure – a growing social problem across the entire Western world. Research into how people can live longer in a healthy, happy and active way will contribute to resolving this problem. New knowledge will lead to opportunities to improve the health, wellbeing and social participation of people.

The scientific research programme around Healthy Ageing combines several different lines of approach. They include lines from the medical sciences, as well as from cell biology, chemistry, physics, demographics, geography and economics, sociology and other academic disciplines. After all, the physical, psychological and social wellbeing in a person’s life is determined by several factors in a complex interplay. Multidisciplinary research is needed to shed light on this.
Bob Fennis is professor of Marketing at FEB and his research interests include persuasion, social influence processes and the dynamics of “automatic” consumer behaviour. Currently, his research focuses on such issues as influence techniques and consumer compliance, advertising effects, and the role of self-regulatory processes in consumer judgment and decision-making.

“Traditional models of health behaviour suggest that healthy food choices typically require high consumer self-control in order to make informed, conscious consumption decisions. Such high self-control levels, however, are the exception rather than the rule when it comes to food choice and eating behaviour. In contrast to previous research aiming to foster healthy choices by promoting high levels of self-control, our research aims to work from a setting where self-control is low and apply influence principles derived from research on persuasion and social influence. More specifically, in collaboration with other institutes (e.g., Utrecht University’s Self Regulation Lab), we examine which principles of influencing behaviour can be employed to foster impulsive, yet healthy, food choices at the point of purchase and consumption. We aim to test our notions using validated lab and field (experimental) methods. Our work directly points to innovative and promising new approaches to health promotion, especially among target groups and conditions where more traditional approaches have usually failed.”

which emerged from this study are: performance management, information technology, process visibility, uncertainty/variability and shared resources. The final study in this project focuses on the most important barrier to integration in hospitals: shared resources. In this study strategies for sharing resources and the planning and control of these resources at an operational level are assessed. Overall this research shows that many improvements can be made in increasing patient flows without expanding a hospital’s capacity.

The management of care is also an important part of this research theme and here we focus on work structure, work relations and (multidisciplinary) teams. Research of Alona Labun (supervised by dr. Manda Broekhuis and dr. Marjolein van Offenbeek) includes a recent study on the role of the general practitioner in long-term care also (a study within the Nationaal Programma Ouderenzorg. Results indicate that there is a lot of variation in the role general practitioners have in practice.

Gerdien Regts is a PhD candidate working on a Healthwise-related project in this area, where she is supervised by professor Eric Molleman. Current challenges for the healthcare sector are the rapid growth of the sector; high staff turnover and an ageing workforce and these developments are expected to lead to shortages of highly-educated and skilled nurses. Five Dutch hospitals have participated in a benchmark study called ‘Verpleging Centraal’. The aim of this study is to identify factors that together create an attractive working climate for nurses. Such factors include relationships with other nurses and doctors, particularly the interdependence of tasks and the role of leadership and power. Finding ways to improve the working climate can be very important to reduce staff turnover and absenteeism, and thus improving the quality of care.

Last but not the least, the role of ICT is an essential part of the management of health care processes with subjects like E-health and Ambient Assisted Living. The number of elderly and very elderly people is rising fast and research in this area may help these people to live for longer at home and in their own communities. The role of E-health for the elderly is currently subject of an ZonMw-funded PhD project by Eveline Hage.

Where the first theme is more business-oriented, the second theme Economics of Health and Health Care is embedded in our research group Economics, Econometrics and Finance. Financial well-being of the elderly has become very much related to their health status. This is because the long-term care insurance system in the Netherlands is reducing coverage. Once newly-announced reforms are fully in place, nursing-home care will only be covered for individuals with major complexity. As a result, elderly people who are generally healthy but do require some care, will depend much more on their private assets to fund, for example, social support and care at home. This raises the question whether individuals are accumulating sufficient assets for such long-term care.

Also, are the elderly ‘consuming’ housing wealth in order to cover long-term care expenditure? Finally, do individuals who do not have any wealth to draw on turn to friends and family for informal care? An example of this type of research is given by PhD candidate Raun van Ooijen in his testimonial. Van Ooijen will present the findings from his research project during the Healthwise kick-off conference.
Kick-off Conference Healthwise (Dutch spoken)

Date: Friday April 12, 2013
Venue: Duisenberg Building, Zernike University Complex, Groningen

The third theme I would like to name Prevention. Our research program in marketing contributes to this theme, studying factors that influence health choices made by consumers. Marketing professor Bob Fennis gives an example of this research in his testimonial. Related to this theme is the research on pharmaceutical markets. One stream of research within this theme investigates the influence that different players in the market exert on the demand for drugs. For example, Piening et al. (2012) and Reber et al. (2012a) study the effectiveness of drug safety warnings issued by health regulators. Another example is the study by Reber et al. (2012b), where it is investigated how pharmacists can maintain their sales performance in a market that is being deregulated. A second research stream that focuses on pharmaceutical markets considers the effectiveness of pharmaceutical marketing instruments. Examples of this research stream are Kremer et al. (2008), Osinga et al. (2010), Osinga et al. (2011), Leeflang and Wieringa (2010) and Wieringa and Leeflang (2013).

In the next few years Healthwise wants to expand its activities, not only by doing PhD research but also by doing large- and small-scale projects directly related to questions of the partners of Healthwise.

What are the ambitions of Healthwise for the upcoming year?

“We have high ambitions with Healthwise. In 2013 we hope to welcome a new professor of Health Economics. In collaboration with the Centre of Expertise Zorg / Healthy Ageing of the Hanze Hogeschool we aim to start several PhD projects. Furthermore we will organize a ‘kick off conference Healthwise’ on April 12, 2013 and we hope to launch an executive program on Healthcare Management. We will continue our successful collaboration on quality, safety and logistics issues with the UMCG. When new national and European calls will be published, we will apply for funding in close collaboration with the partners in our network: hospitals, care homes, mental health providers and health insurers.”

One of the keynotes will be given by professor Gerard van den Berg, University of Mannheim.

Publications


Regts, A.G. & Molleman, E. (2012), To leave or not to leave: When receiving interpersonal citizenship behavior influences an employee’s turnover intention, Human Relations, forthcoming

A new link in the global supply chain
Is China a high-tech manufacturer that is dominating world trade and pushing competitors out of the market? Or is it merely the final and minor cog in intricate production chains that span the globe and are led by Western firms? Such questions have been hard to answer, because they require an integrated view on the world economy. FEB researchers Erik Dietzenbacher, Bart Los and Marcel Timmer have led a large international consortium of eleven European institutes to provide such an integrated view. They discuss the result from their World Input-Output Database (WIOD) project.

So which view of China is correct?

“As often the case, the true picture is some-where in the middle. One extreme view – suggesting that China dominates world trade – is given by global trade statistics, which state that European imports from China are vastly larger than exports to China, leading to a negative trade balance of around €190 billion. The other extreme view – which suggests that China plays a minor role in global chains – is based on case-studies like that of the iPods and iPads. These are assembled in China with high-tech parts and components that have been imported. However, the assembly activity adds only little value, and not more than five percent of the total value of the iPod is captured by China itself. Most value is captured by the United States, where the product is developed, designed, and sold to US consumers. Other Asian countries, such as Japan and Taiwan also gain more than China by delivering components such as the hard drive and the screen. But the iPod is only one product amongst thousands that are shipped from China and a more complete view was needed to see whether this is a representative view.”

How did you approach this problem?

“For an individual product, such as the iPod, it may be feasible to screw open the casing and figure out where each of the components comes from. For economies as a whole, a top-down view is more practical. In the WIOD project, we integrate two major sets of information, both produced by statistical agencies and international organizations. The first set, input-output tables, describes the production structure of each economy. So, for example, how many euros of steel does it take to produce a thousand euros’ worth of cars in Germany? And how many euro’s worth of iron ore are needed to produce the steel? The second set consists of international trade information. So how many euros of Brazilian iron ore is shipped to Chinese steel mills? Harmonizing and integrating these sets of information allows us to determine how much value is added by a country in the production of, for example, cars or electronic products.”

What were the results of this effort?

“Well, for one that Europe’s trade balance with China is much less negative on a value added basis than on the basis of gross trade figures, about €120 billion rather than €190 billion. But there are much broader implications from this work. It is the first time that researchers can track the integration of advanced and major emerging economies over time and identify which industries and which workers gain and which lose from international fragmentation. This reveals a number of new patterns. It shows how China is earning a growing share of all income generated in the production of manufacturing goods. Between 1995 and 2009, this share, which includes wages and the return on capital, more than tripled to 15 percent. Europe has not lost much ground, mostly thanks to rapid growth in Central and Eastern European countries. At the same time, more of the advanced economies’ income is not earned from manufacturing activities, but instead from services, such as distribution, transport and consulting. In this process, the low-skilled workers in advanced economies have lost ground at the expense of high-skilled workers everywhere and owners of capital. Thus while international production might lead to a decline in inequality between countries, it might at the same time be responsible for increasing inequality between low- and high-skilled workers within countries. These early findings open the door to further research into the changing nature of global production and its welfare effects.”

And what will happen next?

“We have worked hard in the past three years with our project team, including Gaaitzen de Vries, Abdul Azeez Erumban, Reitze Gouma and Umed Temurshoev, and assisted by Astrid van der Veen. The WIOD project is now finished, but our efforts are being taken up and continued by international organisations like the OECD and WTO. Moreover, these first results suggest that all involved in this project will be able to shed much-needed new light on the causes and consequences of globalization.”

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**WIOD project**

The WIOD project was financed by the European Commission as part of the 7th Framework Programme. More information about this project, including data and results can be found at [www.wiod.org](http://www.wiod.org).
Collapsing banks, rising unemployment, social unrest and all this against a backdrop of rising political tensions between European countries. We are not talking about current affairs, though, but about the first half of the twentieth century. This is the area of expertise of Herman de Jong, FEB’s newly minted professor of Economic History, and we talk to him on his research.
Depression economics?

What drives your interest in this period?
“The post-war years, from 1950–1973, have long been known as a Golden Age of economic progress and much research has focused there. But as economists, we know much less about the period that came before and which laid the groundwork for this Golden Age. This earlier period, book-ended by the two World Wars is a paradoxical one: average national incomes in Europe did not increase much between 1913 and 1950, but at the same time Europeans became much better off when looking at a broader range of measures. The 8-hour working day was introduced, which reduced the average workweek by 10 hours; life expectancy increased from around 50 to 65; and men grew taller, by almost 6 centimeters. Such measures of living standards often go up hand-in-hand with income, so why not in this period? And are there lessons from this period for our current situation? In many ways, the financial and economic crises that plague us today are similar to the Great Depression of the 1930s, so understanding economic development in that period may well hold lessons for our current situation. And just as modern economists are starting to confront the fact that gross domestic product is a very incomplete measure of welfare, I aim to make this argument for the earlier period as well.”

What characterizes your approach to research?
“Traditionally, economic historians have been more ‘numbers-shy’ than economists. However, as the work of the late Angus Maddison has shown, collecting and combining data can also lead to important new insights into economic history. This is also a guiding principle in my work. By going back to old statistical material, we have been able to show that despite the Great Depression, the United States managed to improve its productivity lead over major European countries. Similarly, we have been able to disprove claims that declines in productivity led to the Great Depression in the first place. This way, we strengthened the view that the 1930s were actually a period of great technological progress in the United States, as highlighted by the development of products such as nylon and the television. I have been lucky that the Dutch Science Foundation (NWO) has generously funded my recent research projects. This allowed me to build together with Ben Gales a vibrant team of researchers, including Jutta Bolt, Tamás Vonyo, a postdoc who
recently moved to the London School of Economics, and a number of PhD students: Javier Arnaud, Joost Veenstra, Jop Woltjer, Nikita Bos, and Rick Hölsgens.

In my view, an important element of this research approach is that we not just collect data, do the research and move on, but also make the data widely available. Other researchers can then build on this, increasing the impact of the work we do. In recent years, this approach has led to various databases on historical economic performance, including efforts to update and improve the data developed by Angus Maddison. This way, FEB continues to be one of the main research centers on quantitative economic history in the world. That also leads to synergies with our modern-period colleagues, joined with us in the Groningen Growth and Development Centre. For example, their work on post-1950 income comparisons around the world has implications for our pre-1950 efforts and vice versa.”

What about your broader role in economic history in the Netherlands?

“Between 2004 and 2009 I was the scientific director of the N.W. Posthumus Institute, a national research institute and research school for economic and social history. It is officially recognized by the Dutch Royal Academy of Sciences (KNAW) and plays an important role in educating PhD students in this field. With Ben Gales and Astrid van der Veen, who were responsible for the education program and the institute’s bureau, we managed to serve more than 100 PhD students who enrolled in the training program during these years. When I started as director, the network already consisted of research groups from nearly all Dutch universities. During my tenure, membership was expanded across the border with the addition of three Flemish universities. However, national research schools in the Netherlands also came under heavy pressure in this period, because many universities built up and promoted their own local graduate schools. Whether we liked it or not, national schools like ours were pulled into a political tug of war. After years of lobbying work and writing letters to the Minister and organizations like the KNAW we finally reached consensus with the universities over the position, securing the future of the national networks. On top of that the Posthumus Institute managed to secure a NWO Graduate Training grant of 800,000 euro, so the future indeed looks quite promising now. What struck me most during these years was that the fellows of the institute were always very loyal and participated without hesitation.

Joost Veenstra and Jop Woltjer

Jop: “I first met Herman, back in 2005, when I started my Bachelor thesis as part of the Economics program. I have always been fascinated by modern history, and when I got the opportunity to combine both economics and history, I did not hesitate for a second. Herman proved to be an excellent thesis supervisor, providing a wealth of support and encouragement while always making sure not to interfere excessively with the creative process itself. After completing my Bachelor I never looked back; I attended Economic-History courses, worked as a student-assistant, and wrote my Master thesis. The latter – again under the supervision of Herman – dealt with Anglo-American productivity differences during the 1930s Depression.”

Joost: “Throughout my studies, I have always had an interest in economic history. So when in 2009 a position opened up in Herman de Jong’s NWO project on historical economic growth patterns, I jumped at the opportunity. My research focuses on Europe’s inability to keep up with US labor-productivity growth during the first half of the twentieth century. Surely, explaining the dichotomy between the American and European growth experience, traditionally referred to as the ‘transatlantic productivity gap’, calls for an answer to the million-dollar question why some countries are richer than others. If there is a final answer to this complex question, I am not under the illusion that my PhD will provide it. Never-theless, studying pieces of the puzzle is a major source of inspiration. If I have to describe my research setting, ‘connected’ is the word I would go for. In his role as a supervisor, Herman de Jong has always encouraged me to present my work in front of international audiences. He taught me that the feedback mechanisms provided by conferences, summer schools and seminar series are an indispensable part of research.”

Jop: “I fully agree. Throughout my work with him, Herman really encouraged and motivated me. He also urged to already present my Master’s thesis at an international conference and he convinced me to take up a PhD position at his NWO project. Now, almost at the end of this project, I still benefit daily from his enthusiastic supervision. I truly appreciate the room he gives his students to pursue their own favorite topics, while still making sure we keep an eye out on the big picture.”
in courses and workshops for the students. I have no doubt this has played an important role in stimulating enthusiasm amongst a new generation of economic historians.”

Where do you see economic history going?
“Assessing the present state of the economic history discipline is a complicated task. On the one hand, looking at the universities in Europe, we see that economic history has had difficult years as a separate discipline in many economics faculties. In the Netherlands, the chairs in this discipline are mostly in the history departments. FEB is the only Dutch faculty in economics and/or business that has a chair in economic history. In fact it was one of the five founding chairs when the Faculty of Economics started back in 1948. But even here economic history barely survived a reorganization that took place in the 1990s.

On the other hand I can say with Barry Eichengreen that the present Great Recession has been a good crisis for economic history. Since the fall of Lehman Brothers there has been a surge in references to the research in the field. But even before that we have seen that research into long-term economics has become quite popular with scholars like Dani Rodrik, Daron Acemoglu, and Oded Galor, who have set new research agenda’s for economic history. Although in their work, history is all too often compressed in too simple panel data regressions, there is much room for the role of demography, institutions, geography and culture.

Reading this literature may remind us of the giant that we had in our own faculty with the late Angus Maddison. He and my predecessor, Rainer Fremdling, truly internationalized the discipline in Groningen and put it on the map. Together with Bart van Ark they founded the world-famous (not my words!) Groningen Growth and Development Centre, with Marcel Timmer as its present director and Jan Luiten van Zanden on the honorary Maddison Chair. Here we combine empirical research in the disciplines of development economics, economic growth and economic history. To conclude: at the moment economic history at FEB is vibrant, not only from the viewpoint of teaching but also as a research discipline. I hope to contribute to that in the coming years.”

Key publications


New in Groningen

Damian Power

Professor Damien Power of the University of Melbourne has been appointed part-time Professor of Global Operations Management at FEB. In addition to his extensive academic experience, Power also has more than twenty years of practical experience in sectors such as construction, food, electronics and telecommunications. His appointment will thus strengthen the empirical research conducted by the Operations Department.

Why did you choose for Groningen?
“The University of Groningen has a strong international reputation in the field of Operations Management and Operations Research. The research programme OPERA is unique in that it incorporates a diverse range of disciplines and research paradigms. This degree of diversity is not common in other institutions and it promotes a dynamic research and teaching culture.”

Could you tell us more about your career so far?
“I worked in the field of Operations and Supply Chain Management for more than 20 years prior to becoming an academic and was employed by firms such as NEC, Schlumberger and Fosters Brewing and they operate out of Europe, Australia and Asia. My responsibilities ranged from project management through technology transfer and supply chain to facility management. While working full time, I completed a Masters Degree by doing research on the importance of the human factor in JIT (Just In Time) operating environments. My PhD was on the adoption and application of supply-chain-enabling technologies in the Fast Moving Consumer Goods sector. Since moving into academia I have held positions at Monash University and for the past 10 years at the University of Melbourne where my teaching has been in the subject areas of Supply Chain Management, Operations, e-Business and Project Management. I have also held senior administrative positions including acting Associate Dean of Research for the Faculty of Business and Economics and Chair of the Department of Management and Marketing.”

Your chair is in operations management. What issues are dealt with in your research?
“My current research is primarily in the areas of supply chain management, business-to-business e-commerce and operations strategy. This covers the adoption and use of technologies – established and emerging – within and between firms, the management of inter-firm relationships, and developing a competitive advantage through the operations function. I have also published in the areas of Quality Management and more recently have been involved in some major international studies looking at national culture and the extent of economic development as moderators of operational outcomes.”

And what about societal relevance?
“The field of Operation Management is significant to society as all of us stand to benefit from firms being able to create and maintain efficient and effective processes. Such processes create value for society, but more importantly are the foundation for developing sustainable societies as resources become increasingly scarce and waste becomes more problematic for the environment. This holds as strongly for services as for goods. We find that applying the principles of operations research to sectors such as health care is helping to improve how their services are delivered.”

What can we expect of you in the future?
“I plan to do further studies on how technology is used and integrated in supply chains and more international research in operations strategy. I am also planning to extend my research focus to sustainability in international supply chains and I am pursuing joint research with colleagues from the USA on relational coordination. This latter project is of growing interest to me as it provides an opportunity to explore the application of the operations methodology at a micro level (such as within health care teams), between teams as they span boundaries between processes, and potentially between firms as they seek to integrate inter-firm processes.”

Key publications


Publications

Please find on this page an overview of publications in SOM’s top & very good journals and PhD theses in the period June - November 2012

Journal Publications


Meijer, E., Rohwedder, S. & Wansbeek, T.J. (2012). Measurement error in earnings data: Using a mixture model approach to
identify the effect of banks’ bailout expectations on their risk-taking behavior. Doing this requires us to identify factors that explain banks’ bailout expectations, but are uncorrelated with risk-taking of banks. Using detailed data for virtually all German banks during the period 1995-2006 (90,899 bank-year observations), we show that regional political conditions in the 457 German municipalities located in one of 16 states are good variables for this task. We show that statistically significant and economically substantial moral hazard effects: banks that expect they will be bailed out, take clearly more risk.”


PhD theses

**Rick Aalbers**
Organizing intra-organizational networks for innovation
Prom./coprom.: Prof.dr. W.A. Dolfsma & Prof.dr. R.Th.A.J. Leenders
Defended on September 13, 2012

**Mercy Amiyo**
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In the past months, several FEB researchers have been appointed to various positions and grants were obtained.

**Appointments**

**Three major fundings for FEB researchers**

Recently, FEB researchers dr.ir. Warse Klingenberg and professor Ruud Teunter were granted three national research projects. They will participate in the research program Explorail, founded by The NWO Division for the Social Sciences (NWO MaGW), Technology Foundation STW and ProRail. The overall aim of the program is to acquire new insights and techniques to prevent and better solve disturbances. The objective is to guard the safety and reliability of the rail assets for the long term and to translate this into cooperation and agreements with the contractors executing the maintenance.

Both researchers are also involved with the project ‘Coordinated advance maintenance and logistics planning for the process industries’ which was granted by Dinalog. A third Asset Management project was started in June 2011 and aims to develop ways to better use operational information and condition data in maintenance.

**Large grant for research Africa’s economic growth spurt**

Researchers professor Marcel Timmer and dr. Gaaitzen de Vries of the Groningen Growth and Development Centre (GGDC) have recently received a € 380,000 grant to study the determinants of growth and structural change in Sub-Saharan Africa by ESRC/DFID. After decades of stagnation, African economic growth is accelerating. What is driving this growth spurt, and will it be sustainable? Is it mainly driven by the exploitation of mineral resources, or by deeper changes in the structure of the economy? Based on an analysis of historical patterns Timmer and de Vries will put the African growth experience in an international perspective. The project will study what governments can do to accelerate growth-enhancing structural change.
Herman de Jong appointed Professor of Economic History

Dr. Herman de Jong is appointed Professor of Economic History at FEB. The chair in Economic History focuses on explaining economic developments in the past in relation to changes in society. It is a strongly interdisciplinary field which combines theories and research from the social sciences, economics and the humanities to model and quantify economic phenomena. You can read more about De Jong’s research on page 12.

Kathleen Vohs appointed honorary Professor of Experimental Consumer Research

Professor Kathleen Vohs of the University of Minnesota is appointed as honorary Professor of Experimental Consumer Research, at FEB. The chair is part of the Marketing department. By appointing Vohs, FEB wants to strengthen the research in experimental consumer research within the department. Vohs is currently Land O’ Lakes Professor of Excellence in Marketing at the Carlson School of Management, University of Minnesota.

Harry Garretsen appointed to Bank Council DNB

Professor Harry Garretsen has been appointed as a member of the Bank Council (Bankraad) of the Dutch Central Bank (DNB), as of 15 September. As an independent expert he will advise on monetary affairs. The Bank Council acts as the Governing Board’s sounding board. The President of DNB reports to this body on the general economic and financial developments and on the policies pursued by DNB. The Bank Council can also advise the Governing Board of the Dutch central bank.

Erik Dietzenbacher appointed president IIOA

FEB professor Erik Dietzenbacher has been elected president of the International Input Output Association (IIOA) for a three-year term. This international professional association of researchers and statisticians focuses on theoretical and empirical research into transactions between companies, households and governments. Dietzenbacher has been vice-president of the IIOA for the past three years.

Dries Faems appointed associate editor of JMS

As of July 2012, professor Dries Faems is appointed as Associate Editor for Journal of Management Studies, one of the leading journals in management and business.

NWO grant of one million euro for project on trusting banks

Professor Boudewijn de Bruin (FEB and Faculty of Philosophy, University of Groningen) and Professor Alex Oliver (Philosophy and Judge Business School, Cambridge University) were awarded a one million euro grant from NWO for a collaborative project on Trusting Banks, with two PhD students and two post docs. Read more about de Bruin and this project on page 4.

Introduction of part-time PhD programme

The graduate school SOM has recently introduced a part-time PhD programme. This programme aims at professionals who look for a new challenge and want to pursue a PhD degree in combination with their job. It is especially designed for candidates who have a clear interest in academic research. The goal of the programme is to enable participants to successfully write and defend a PhD thesis within a period of five years and to offer support and guidance throughout the entire process. For more information see the website of the graduate school at http://www.rug.nl/research/gradschool-economics-and-business/phd-programme/

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