PREFACE

Professor Tinbergen is of great renown in the social and economic fields and has pioneered many ideas correlative to these fields. His books have been translated into several languages and are accessible to practically all students of economics.

He has also authored a great many articles which were published in various periodicals in Dutch, English, German, Danish and French among other languages. Contained in these articles were some of his most important contributions.

The editors of this volume were of the opinion that these articles would prove extremely valuable to anyone interested in economics. Their idea was to make a careful selection of these scattered papers, which as aforementioned were executed originally in sundry languages, and publish them in one volume in the English language with the articles which were originally published in other languages appropriately translated.

Twenty-five years have elapsed since Professor Tinbergen was first appointed Professor at the Netherlands School of Economics at Rotterdam and this fact offered the editors an opportunity to align the papers to show the development of Tinbergen's scientific activities over a long period of years.

In the execution of this plan the editors of this book have divided the field covered by Tinbergen into five groups.

- i. Business Cycle Theory and Policy
- ii. International Economics
- iii. Long-term Economic Development
- iv. Distribution of Income
- v. Economic Systems.

Relative to each of these groups one or more articles have been selected that contain an original approach to a certain problem or represent an important instance in the development of Tinbergen's scientific activities. The selections were difficult and of course remain

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subjective. On the subject of the first group, "Business Cycle Theories and Policy", Tinbergen did pioneering work in the beginning of his academic career. The article "An Economic Policy for 1936" can be considered as the first econometric business cycle model. It is the forerunner of Tinbergen's work at the League of Nations in 1938 which resulted in the well-known books: "Statistical Testing of Business Cycle Theories I, II".

In the article "An Economic Policy for 1936" it is not without interest to note that a number of ideas, especially those on the consumption function and its role in problems of employment policy, anticipated the Keynesian theory. At the same time Tinbergen developed a method for economic policy using econometric models. Along with the above-mentioned articles, studies on special cycles, the shipbuilding cycle and reinvestment cycles were selected in this group.

In the group "International Economics" a short article is selected in which the importance of long-term trade elasticities and a method for the statistical estimation of these elasticities is considered. The fact that Tinbergen always has a great interest in problems of current interest and always tries to bring the discussion of these ideas on to a scientific level, can be seen from the studies on customs unions and the theory of economic integration.

In the group "Long-term Economic Development" three articles have been selected in which Tinbergen discusses the effects of technical progress on employment and economic welfare. His model on "Long-term Economic Development" published in the "Weltwirtschaftliches Archiv" is still, notwithstanding the large amount of work subsequently done on the subject, an important and stimulating study on economic growth.

From the beginning of his scientific career Tinbergen has always been highly interested in social problems and the problem of the distribution of income has especially and continuously occupied him. It is to his great credit that he has brought this problem out of the sphere of popular political discussion and on to a scientific level. The articles selected in the fourth group, in which a precise description of the mechanism of income formation in terms of the usual instruments of economic analysis is given, may prove this.

The book closes with a recent and as yet not published study on

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"The Theory of the Optimum Regime". It is not by accident that the group "Economic Systems" in which this study is classified comes at the end of the book. In a certain sense it is an indication of the development of Tinbergen's activities. Prior to the second world war these activities were mainly centered around business cycle problems. In the forties and fifties it was problems of long-term economic development, especially development programming for under-developed countries, which occupied Tinbergen's activities. The study of these problems against the background of a broad international viewpoint has now led Tinbergen to study the economic aspect of one of the most important controversies that presently divides the world - the controversy between different systems of economic organization. Just as with his contribution to the theory of income distribution, Tinbergen keeps himself away from popular black-white slogans and tries to give a scientific analysis of the problem of the best economic system from an economic point of view.

All the students from the passing parade of his period of 25 years of lecturing wish to express their gratitude to Professor Tinbergen by offering to him this selection of his papers.

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