

Prof. J. TINBERGEN

2566 XD DEN HAAG, May 8, 1989

HAVIKLAAN 31

TELEFOON 64 46 30

Professor Karl-Göran Mäler
Secretary of the Prize Committee
for Economic Sciences
Kungl. Vetenskapsakademien

Dear Professor Mäler,

I want to repeat my suggestion of several years ago to consider as a candidate for the prize in economic sciences in memory of Alfred Nobel Professor Henry Theil, born 1924 in Amsterdam and now teaching at the University of Florida, USA (Graduate School of Business Administration). His address is: 315 New Business Building, Gainesville, FL 32611, USA.

Professor Theil made several imaginative contributions to the methods of testing economic relations (two-stage and three-stage least squares), to the theory of economic policy (using quadratic utility functions in order explicitly to express targets) and to evaluate the forecasts made with the aid of econometric models. He introduced the concept of certainty equivalence and applied it to problems of optimal decision making. He also studied the information approach to evaluation of forecasts. He applied his concepts both to public and to private decision making.

The number of articles he wrote is very large, but a better survey of his work may be obtained from the list of the books he wrote, several of them in collaboration with his students or, sometimes, his colleagues (see Annex). I hope that the Prize Committee is prepared to consider this candidate.

Thanking you in advance, I remain,

Yours sincerely,

(Jan Tinbergen)

Encl.: Annex

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Professor Karl-Göran Mäler

Annex

Books bij Henry Theil

De invloed van de voorraden op het consumentengedrag (The influence of
stocks on consumer behaviour), Dissertation, University of
Amsterdam, 1951

Linear Aggregation of Economic Relations, North Holland Publishing Co.,
Amsterdam 1954

Economic Forecasts and Policy, North Holland Publ.Co., Amsterdam 1958

Optimal Decision Rules for Government and Industry, North Holland Publ.Co.,
Amsterdam 1964

Applied Economic Forecasting, North Holland Publ.Co., Amsterdam, 1966

Applied Demand Analysis, Ballinger Publ.Co., Cambridge, MA, 1987

Advances in Econometrics, International Evidence on Consumption Patterns,
Jai Press Inc., Greenwich, CT, 1989.

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