



Amsterdam Business School

Asymmetry and Conflict

# The Next Governance Convergence

Board of Directors Executive Programme

REMBRANDT TOWER BOARDROOM AMSTELPLEIN 1, 32<sup>ND</sup> FLOOR, AMSTERDAM, THE NETHERLANDS, OCTOBER 15 – 18, 2013



### **Amsterdam, De Beurs by Hendrik de Keyser. Anno 1611. First Stock Exchange in the world.**

Early on in the 17th century Amsterdam developed into the main trade centre of the world. This position was strongly stimulated by the enormous power of the VOC, which was the first company in the world to attract the capital needed for further expansion by issuing public shares in the year 1602. The trade in the shares took place in a specially designed building at the Rokin, which was opened in 1611. This Stock Exchange was designed by Hendrik de Keyser, the leading architect at that time. In this Exchange shares were still traded in the open air. The term 'Beurs' (the Dutch word for 'Exchange') probably originated in the 13th century in Bruges in what was then the Southern Netherlands. In those days, with Bruges the economic centre of northwest Europe, the Inn in Bruges that was owned by the Ter Burze family gradually developed into the main meeting place for various traders. Various versions of the Dutch word 'Beurs' are used in other languages, for instance 'Bourse' in French, 'Bolsa' in Spanish and Italian and 'Boerse' in German.

NYU Stern Nobel Prize Winner  
Prof. Michael Spence,  
the Next Convergence  
and Harvard Kennedy School  
Prof. Dani Rodrik,  
the Globalization Paradox

## Asymmetry and Conflict

# The Next Governance Convergence

Board of Directors Executive Programme

### **The global economy is outpacing governance**

*After two centuries of high-speed divergence between the West and the growing rest, a pattern of convergence has taken over. This convergence takes the form of two parallel and interacting revolutions: the continuation of the Industrial Revolution in advanced countries and the sudden and dramatic growth of the developing world – the Inclusiveness Revolution. This has deep and wide-ranging implications for governance.*

*For instance, the increasing interconnectedness of the global economy and financial system is starting to outpace governance, which is still dominated by the priorities of nation states. These nation states, along with globalisation and democracy, form a political trilemma when it comes to the world economy – democratic governance and political communities are organised largely within them, and are likely to remain so for the immediate future.*

### **Are there limits to globalisation without change?**

*But if change is to come, many questions need to be answered. Are there limits to globalisation without a change in global governance? What are some of the guiding principles of global economic governance and the new globalisation? Whatever the answers are, it is clear that international economic arrangements need to lay down traffic rules for managing the interface among national institutions. The interaction between leadership, politics, government effectiveness, institutions and governance structures and their economic outcomes will be crucially important.*

*Clearly, the management and governance of the global economy that has been in place for the last quarter century is going to need fundamental change.*



## THE PROGRAMME: GLOBAL CHANGE AND GOVERNANCE REFORM

### How do we achieve a global rebalance?

The world is full of asymmetry and conflict. The absence of a clear and bright line between where domestic prerogatives end and external obligations begin creates substantial friction. Globalisation demands new structures, technologies, incentive systems, institutions, values and governance. At the same time, allowing considerable maneuvering room to advance nations in building customized versions of capitalism around distinct approaches to corporate governance, and other areas.

We need to address fundamental questions about the way forward. Do we achieve global rebalance through an inclusive, pragmatic growth agenda with a cooperative problem-solving approach? Should we use democratically-fuelled regulatory diversity as a safeguard against global financial regulation and markets? Should we emphasize national regulatory standards over international ones?

### How will this affect the boardroom?

Structural governance changes like these will affect how our corporate and public governance institutions perform. How will these global public economic governance reform strategies impact corporate governance models, the corporate board agenda and boardroom dynamics? Whatever approach is taken, Boards will require prospective, new and seasoned directors who are able to stay ahead of the curve on key governance issues and leading practices.

## THE APPROACH: REAL-WORLD CHALLENGES TO GLOBAL GOVERNANCE

The University of Amsterdam – in collaboration with the world's leading research-intensive universities – has designed this programme to focus on strategic engagement and governance by corporate and public boards. It will be a challenging and fascinating four days for those interested in:

- Coaxing international cooperation out of the political, public and corporate board leaders of major nations
- Creating a new global governance structure for corporate and public boards and the world economy

The curriculum is based on a Case Method learning approach, using class discussion of real-world situations that business executives have faced, accompanied by group work and personal reflection sessions. As a participant, you will have the opportunity to engage with economic and business professionals, sharing and challenging concepts and ideas about smart globalisation, belief systems, enforcement, and the architectural design and impact of political global economic governance. Special attention will be paid to factors that could undermine domestic regulatory economic and corporate governance standards.





## THE PARTICIPANTS: STAYING AHEAD OF THE CURVE

This programme is designed to interest a wide range of top professionals, including members of corporate and public boards, top talent pool directors from companies and international organisations, politicians and regulators, professional advisors and directors in the services, health and industry sectors, consumer and public representative organisations, people from institutional investment companies, global fund managers, and alumni from the academic community who have a behavioural economics and corporate governance background.

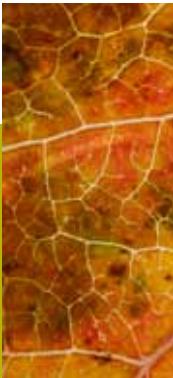
**‘IN FACT, ANY BOARD DIRECTOR INTERESTED IN THE SUBJECT IS WELCOME TO JOIN THE UNIVERSITY OF AMSTERDAM’S INTERNATIONAL BOARD EXECUTIVE PROGRAMME’**

Participation in the programme will provide unique opportunities to interact with peer board directors, alumni, international delegates, academic faculty and corporate contacts, and all participants will receive certification upon successful completion.

## KEY BENEFITS: INCREASED UNDERSTANDING FOR INCREASED EFFECTIVENESS

- Gain a deep understanding of new governance environments and their impact on corporate and public board agendas.
- Work in a professional educational environment to acquire competencies and behaviour change to lead in complex socio-economic and political governance environments.
- Encourage dialogue and debate on effective growth and austerity strategies while challenging the new designs of economic governance.
- Deal with asymmetries in information and markets, environmental sustainability and connected balance sheets.
- Increase understanding of the key issues leading up to a crisis, and what board processes are used to deal with complex tangible and intangible matters.
- Broaden insight into board decision-making and board dynamics to produce highly effective boards.

# PROGRAMME OVERVIEW



## DAY 1 | ASYMMETRY AND CONFLICT – A DEAD END?

The first day of the programme focuses on asymmetry and conflict. We'll deal with global economic governance, markets and states, the globalisation paradox, the trilemma of the world economy, designing capitalism 3.0, and the next governance convergence.

How should we as professionals look at asymmetry and conflict in the world? How do these international factors affect market performance? Has our current narrative about nation states, global markets, global trade, global finance, governance and leadership lost its credibility and appeal? And would an alternative offer promise, and perhaps lead to better markets? Is the trilemma theorem of the world economy sustainable? It is indeed tempting to think that our global economy requires global governance. But if we had to design capitalism 3.0, would we be prepared to admit that the option of global governance might be a dead end for the vast majority of nations?

08:30-10:00	Welcome and introduction Prof. Han van Dissel
10:30-12:00	Global Economic Governance. Markets and States Prof. Dani Rodrik
13:30-15:00	The Globalisation Paradox: The Trilemma of the World Economy Prof. Dani Rodrik
15:30-17:00	Designing Capitalism 3.0: The Next Governance Convergence? Prof. Dani Rodrik



## DAY 2 | HOW GOVERNANCE AFFECTS BOARDS

The second day of the programme is about how governance affects boards: governance in the Eurozone, the scope of non-bank finance, and the effectiveness of governance policies and economic reform strategies.

How vulnerable are the sovereigns of European member states and what are their chances of going into default? What will result from self-fulfilling mechanisms, coordination failures and contagion externalities? Will a new institutional governance network, a new design of institutional change and a certain level of acceptance towards a political union find enough nation state support to respond adequately to the systemic challenges and market failures affecting the Eurozone? Will we lose more than a nation state instrument of economic policy if we deeply integrate into a monetary union or even collectively into a political union? Will the new designs of Eurozone economic governance be effective compared to those of nation states? How effective will the new designs, government policies and reform strategies of global public economic governance be? And how will they impact the governance and agendas of corporate boards?

08:30-10:00

**The scope of non-bank finance.**  
Case: The Netherlands  
Prof. Barbara Baarsma

10:30-12:00

**Governance in the Eurozone**  
Daniel Gros, Director CEPS

13:30-15:00

**Effectiveness of Government Policies**  
Prof. Sweder van Wijnbergen

15:30-17:00

**Economic Reform Strategies**  
Prof. Sweder van Wijnbergen

# PROGRAMME OVERVIEW



## DAY 3 | CORPORATE BOARDS IN CRISIS

The third day of the programme deals with corporate boards in crisis: the equity investment strategy direction taken by one of the largest pensions funds, new challenges in the board's institutional environment, the sovereign development fund in national airlines turnaround, financial reporting, revenue recognition and materiality in tackling current board issues in specific, concrete and constructive ways.

### 'THE EVOLUTION OF CORPORATE GOVERNANCE, THE DIFFERENT IMPLEMENTATIONS WORLD WIDE AND BEST PRACTICES IN TODAY'S CORPORATE WORLD'

The day's discussions are also driven by the current board environment and the role of the board in strategy and risk oversight, addressing board crises, evaluating CEO performance and compensation, planning management succession and dealing with accounting issues.

08:30-10:00	<b>Boards in Crisis: New Challenges in the Board's Institutional Environment</b> Prof. Hans Strikwerda
10:30-12:00	<b>Boards in Crisis: Value or Values Investing. Equity in the Markets Principles</b> Prof. Rodria Laline
13:30-15:00	<b>Boards in Crisis: Sovereign Development Fund in National Airlines Turnover</b> Prof. Nabil N. El-Hage
15:30-17:00	<b>Boards in crisis: Board caught in the cross-fire between Management and the External Auditor</b> Prof. Nabil N. El-Hage





## DAY 4 | POLITICAL FORCES IN PLAY

The fourth day of the programme is about current transnational corporate governance policy issues and political forces in play. Topics include corporate governance structures and strategies, explosive board challenges when national standards conflict, board dynamics and board governance styles.

Cases also include designing the board's structure, the board's role in strategic planning and goal setting, choosing directors and understanding accountability and responsibility, designing optimal strategies for external reporting and disclosure, and using committees. Participants will complete an online self-assessment tool to identify their own personal governance style and explore factors which can contribute to functional and dysfunctional board behaviour.

08:30-10:00	<b>1-Tier, 2-Tier, Mixed Level Tier Boards. Corporate Governance Strategies</b> Prof. Fred van Eenennaam
10:30-12:00	<b>Political Forces in Play. Board Governance Challenges When National Standards Conflict</b> Prof. Rodria Laline
13:30-15:00	<b>Board Dynamics. Board Director Governing Styles.</b> Prof. Rodria Laline
15:30-17:00	<b>Executive Summary</b> Prof. Willemijn van Dolen and Prof. Ronald Does

# FACULTY



## DANI RODRIK

Dani Rodrik is the Rafiq Hariri Professor of International Political Economy at the John F. Kennedy School of Government, Harvard University. Professor Rodrik was awarded the inaugural Albert O. Hirschman Prize of the Social Science Research Council in 2007. He has also received the Leontief Award for Advancing the Frontiers of Economic Thought, honorary doctorates from the University of Antwerp and Pontificia Universidad Católica del Perú, and research grants from the Carnegie Corporation, Ford Foundation, and Rockefeller Foundation. He is affiliated with the National Bureau of Economic Research, Centre for Economic Policy Research (London), Center for Global Development, and Council on Foreign Relations. His book *Has Globalization Gone Too Far?* was called “one of the most important economics books of the decade” in *Business Week*. He is also the author of *One Economics, Many Recipes: Globalization, Institutions, and Economic Growth* and of *The New Global Economy and Developing Countries: Making Openness Work*. His most recent book is *The Globalization Paradox*. Professor Rodrik holds a Ph.D. in economics and an MPA from Princeton University, and an A.B. (summa cum laude) from Harvard College.



## SWEDER VAN WIJNBERGEN

Sweder van Wijnbergen received his PhD from MIT in 1980. He worked at the World Bank in Washington DC, where his last position was Chief Economist for Central and Eastern Europe (1989-1993). He was professor at the London School of Economics until 1997 and Secretary General of the Ministry of Economic Affairs in the Netherlands from 1997 until 2000. He has extensively advised companies and governments in Eastern Europe, the Middle East and Latin America on issues ranging from privatisation to macroeconomic policy and tax reform. He is founder and former CEO of Infomedics NV, an internet intermediary in the Dutch healthcare sector, and professor of Economics at the University of Amsterdam. He has published extensively in the areas of international economics and public finance.



## NABIL EL-HAGE

Nabil N. El-Hage is Chairman of Academy of Executive Education, LLC, and Programme Director for Malaysia’s ICLIF, where he teaches in the Financial Institutions Directors’ Education Programme, or FIDE. He recently served as Professor of Management Practice at Harvard Business School, where he also held various other positions, including Senior Associate Dean for External Relations. At Harvard, he taught courses in corporate finance, private equity, and corporate governance, for eight years. But Professor El-Hage is not a lifelong academic. He has served as Chairman and CEO of Jeepers! Inc., a private equity-financed national chain of indoor theme parks, for nearly 10 years. Nabil also has operating experience in private equity and venture capital with TA Associates and Advent International, and as CFO of Back Bay Restaurant Group, a listed restaurant holding company. He has also served on over a dozen boards around the world, of private and listed companies. He is a past president of the Yale Club of Boston, and currently serves on four boards of directors of public and private companies.



## DANIEL GROS

Daniel Gros is the Director of the Centre for European Policy Studies (CEPS), in Brussels. He is originally from Germany, however he attended University in Italy, where he obtained a Laurea in Economia e Commercio, as well as the United States, where he earned his M.A. and Ph.D (University of Chicago, 1984). Upon completion of his academic education, he worked at the International Monetary Fund, in the European and Research Departments (1983-1986), then as an Economic Advisor at the Directorate General II of the European Commission (1988-1990). He has worked at CEPS in 1986-88 and then continuously since 1990. At present, his research concentrates on the impact of the euro on capital and labour markets and the international role of the euro. He also monitors the transition towards market economies and the process of enlargement of the EU. He was advisor to the European Parliament 1998-2005 and member of the Conseil Economique de la Nation (2003-2005); 2001-2003 he was a member of the Conseil d'Analyse Economique (advisory bodies to French Prime Minister and Finance Minister). Since April 2005 he is President of San Paolo IMI Asset Management.



## RODRIA LALINE

Professor Rodria Laline has been CEO of research and development collaborations with IBM, HP, KPN, ING, Bull, Elsevier, Oracle, and Philips. She holds the Board Chair at Intrabond Holdings Asia Ltd. in Hong Kong. She lived and worked for more than 25 years in Japan, China, Hong Kong, Singapore, Indonesia, Malaysia, Australia, India, the Netherlands, America, and Spain. As a professional board adviser in corporate and global political economic governance she works with institutional investors and private equity firms in the investment industry aligning top-down and bottom-up strategies affecting company-specific risk. Professor Laline is the MYBP academic director lecturing at IESE Business School, Erasmus University and Harvard. She was corporate governance programs director of Nyenrode University and visiting professor at ABB, APG, Shell, PwC, ICLIF Financial Institution Director's Education (FIDE) Malaysia and KADIN Indonesia. Rodria has a doctoral degree in chemical physics. She is Programme Director of "The Next Governance Convergence" Board programme of the University of Amsterdam.



## ALEXANDER RINNOOY KAN

### Guest speaker

Alexander Rinnooy Kan is Professor of Economics and Business Studies at the University of Amsterdam, specifically focusing on change processes at the micro and macro level. Rinnooy Kan has degrees in Mathematics from Leiden University and Econometrics from Amsterdam University. He was employed as mathematics editor at the Spectrum Encyclopaedia for the period of a year, and at the University of Delft for three years. In 1977 he moved to Erasmus University in Rotterdam, where he became a professor in operational research in 1980, Director of the Econometric Institute in 1983 and Rector Magnificus in 1986. In the meantime he was also visiting professor at Berkeley, California and MIT, Boston, among others. In 1991 he became Chairman of the Confederation of Dutch Industry VNO, which became VNO-NCW in 1995, Mr. Rinnooy Kan joined the Executive Board of ING and became Chairman of the Board of both ING Insurance Central Europe and ING Insurance & Asset Management Asia/Pacific. He held these positions until June 2006. Since August 2006 he was President of the Social-Economic Council (SER).



# FACULTY



## HANS STRIKWERDA

Prof. Strikwerda is an international expert on the organization of multinational and other complex organizations, esp. their internal governance. His expertise especially focuses on re-designing organizations and their strategies due to fundamental changes in their environments, market structures, technologies, consumer preferences. Prof. Strikwerda has a solid track record of proven innovative solutions, based on in depth knowledge of both organization and management theory and on empirical developments. Prof. Strikwerda made a solid, empirically proven as yet path finding contribution to the field of organization design. As the director of the Nolan Norton Institute Prof. Strikwerda carries out research in the field of internal governance and other topics of organizational processes. Prof. Strikwerda is a publisher and a professor in organization and organizational change at the University of Amsterdam. In addition to that Prof. Strikwerda publishes on new developments in the field of new organizations, governance, strategy and management consulting.



## BARBARA BAARSMA

Prof. Barbara Baarsma is director of SEO Economic Research in Amsterdam, Professor of Market Forces and Competition Issues at the University of Amsterdam, and crown member of the SER (Social and Economic Council of the Netherlands). Besides her work at SEO, Barbara holds a number of positions in supervisory boards of organizations in, among others, insurance, health care and public broadcasting. Barbara boasts extensive experience in the study of the functioning of markets and (self) regulation. Another area of interest is competition economics. Barbara advises on competition matters including mergers, cartels, abuse of a dominant position and state aid. In addition to her research work, Barbara holds (guest) lectures and delivers papers, leads workshops, acts as facilitator in decision-making processes and regularly publishes articles on economic politics, market forces and competition in academic journals and the media. Barbara has chaired two committees for the minister of health care and has been a member of several other committees. Currently, she is a member of the Committee that studies the Structure of Dutch banks.



## FRED VAN EENENNAAM

Prof. Fred van Eenennaam has a broad experience as strategy consultant and investor/board member across different industry sectors in Europe and USA. Building and delivering in-company strategic change, transformation, leadership development programmes and high-end executive and MBA programmes is one of his passions. Dr. Fred van Eenennaam is included in the Harvard Business School, Microeconomics of Competitiveness Affiliate Hall of Fame. He is educated as economist, has received his doctorate in strategy at the VU A'dam and works for 50% percent of his time as Associate and Full Strategy Professor at different Dutch and International Institutes (until 2009 Nyenrode Business Universiteit, currently Erasmus University, George Washington University, St Gallen University a.o.) Specialties: His academic research focuses on strategy and decision making under high uncertainty, corporate governance & boardroom dynamics/moments of truth, the European business landscape and (cluster) competitiveness. On the Health Management part: Boards of Trustees/ Hospital Governance, Outcome Measures, (www.vbhc.nl) Health Policy Making and Implementation and Leadership in Health organizations.





## HAN VAN DISSEL

Professor Han G. van Dissel is dean of the Faculty of Economics and Business of the University of Amsterdam (UvA). Van Dissel has been general director of the CEDEP in Fontainebleau near Paris since 2007. CEDEP is an educational consortium for executives of large multinationals and was founded in cooperation with INSEAD. From 2002 to 2007, Van Dissel was dean of the Rotterdam School of Management at Erasmus University Rotterdam. He holds numerous managerial and advisory positions. In the past, he was, among other things, active in the Community of European Management Schools, first as area president and later as a board member. He was also chairman of the Supervisory Board of the World Museum in Rotterdam (formerly the Museum for Geography and Ethnology). Van Dissel is currently a member of the international advisory board of the ESC Rennes School of Business in France. Van Dissel studied business administration at the Graduate School of Management Delft (the predecessor of the Rotterdam School of Management). He received his doctorate from the Erasmus School of Economics



## WILLEMIJN VAN DOLEN

Professor Willemijn van Dolen conducts research in the area of online marketing. Her publications cover subjects such as online collective buying, impulse buying and online group chat. Van Dolen's current research focuses on online sentiment, positive and negative expressions of consumers via social media. These expressions may concern a company, product, service or issues such as health and obesity. Van Dolen studies the factors affecting online sentiment. She also assesses the impact of online sentiment on firm outcomes like sales. Van Dolen has worked as Associate Professor of Marketing at the University of Amsterdam since 2005. In the period from 2005 to 2010, she also served as the director of the MBA programmes at the Amsterdam Business School. Since September 2011, she is Director Corporate Relations. Van Dolen previously worked at Maastricht University, VU University Amsterdam and spent two years as a visiting researcher at the Haas School of Business, University of California, Berkeley. She is chair of the Research, Advisory and Policy council of Child Helplines International, an organisation dedicated to the protection of children around the world.



## RONALD DOES

Ronald J.M.M. Does is Professor of Industrial Statistics at the University of Amsterdam since 1991. He received his PhD degree in Mathematics at the University of Leiden in 1982. He was employed as associate professor in Medical Statistics at the University of Maastricht for eight years. In 1989 he moved to Philips Electronics, where he became a Senior Consultant in Industrial Statistics. In 1994, he founded the Institute for Business and Industrial Statistics at the University of Amsterdam (IBIS UvA). As managing director of IBIS UvA he has worked and is working for a number of large organizations, such as Academic Hospital Groningen, Achmea Pensions, ASM Lithography, DAF Trucks, Douwe Egberts, Fokker Aerostructures, General Electric Plastics, Philips, Red Cross Hospital, Reinier de Graaf Healthcare Group, Stork, Thales, and Zwitserleven. In 2008, he received the William G. Hunter Award from the Statistics Division of the American Society of Quality. Since 2012 he is also director of the Institute of Executive Programmes at the University of Amsterdam Business School.



“On a global political level, our interests are aligned: we all like sustainable growth and fiscal stability, and we apply growth models to accelerate change in the face of demographic headwinds. Lower black swan tail risks, multiple equilibriums and political moral hazards contribute to a general feeling about what we believe is going to happen. But are our belief systems, domestic politics, and third-party enforcement structures on autopilot? Are we relying too much on conventional safety nets and circuit breakers? Will burden-sharing with a lack of political will to implement reforms lock up all initiatives again? Can we socialise the short-term to consolidate enough support to face the challenges ahead? And if we decide to be cooperative in our behaviour towards a global approach and environmental sustainability, does the same apply to global economic governance and the sustainability of balance-sheet connections? Or might we fail to recognise the implications of a simple idea: that the reach of global markets must be limited by the scope of their national governance? If the right traffic rules are in place, the world economy can function quite well with nation states in the driving seats.”



Amsterdam, Nieuwezijds Voorburgwal, 18th Century (1764)



## DELEGATION VENUE

### Location & Contact

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### Information, registration and attendance fees

**Participation requires company registration.**

To register and for information about registration, attendance fees and the programme, please contact the Director Client Programmes at +31 20 5255480, or contact the Programme Director at +31 20 260 0991, or go to the programme website [www.abs.uva.nl/next-governance](http://www.abs.uva.nl/next-governance)



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### Cancellation policy

If you cancel less than 60 days before the start date of the programme we will charge a cancellation fee equivalent to the cost of the tuition fee.

### Changes in the programme

The programme is subject to change. Management reserves the right to change the programme without any prior notification, or cancel the programme if the number of participants is deemed insufficient to proceed effectively. A change in part(s) of the programme does not entitle participants to any form of refunding or exemption from the cancellation policy.

### COLOFON

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