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Essays on corporate risk management and optimal hedging

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ESSAYS ON CORPORATE RISK MANAGEMENT

AND OPTIMAL HEDGING

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RIJKSUNIVERSITEIT GRONINGEN

**ESSAYS ON CORPORATE RISK MANAGEMENT
AND OPTIMAL HEDGING**

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PREFACE

Finishing a Ph.D. dissertation is – taking a look at the dissertations of colleagues – almost equivalent to presenting metaphors, in order to describe the process of completing the study. I will be no exception to this tradition. Thinking back on my (academic and social) life as well as my hobbies and achievements, I would like to relate doing research to a specific area of sports: jumping over bars. Economists may call this a very specific subset in the area of sports, which is also the case for doing research on corporate risk management within the broad field of economic sciences.

Jumping over 2.15m (or alternatively: 7 feet and 1 inch) without the use of cheating elements like pole vaults, trampolines, or dope, is a process that takes years of training. Credits from the outside world easily go to the one who “completes the job”, being either the athlete or – in case of a dissertation – the Ph.D. student. However, to achieve such a goal in a more or less solitary environment, you need (quite) a little help and support from coaches, family and friends. In the case of athletics: your coach will help you to get better by changing major and minor details, whereas family and friends support you mentally, when mountains (bars) seem too high to be climbed (jumped). The same holds for finishing a Ph.D. thesis: it takes quite a few years of hard effort to finish the document – at least for the most of us. Despite the fact that the job is mainly done by the researcher him- or herself, support and help from others is important or, sometimes, even crucial.

Within the academic context of the metaphor, I could never have finished this thesis without the support and inspiration of my supervisors Frans Tempelaar and Simon Benninga. You have both trained me to think about relevant details and see opportunities to extend and improve existing literature, which resulted in the papers that lay the foundation for this dissertation. Without your input, this thesis would never have been finished in the way it is. Furthermore, I would like to thank Günther Franke, Jacob de Haan, and Ruud Koning for willing to participate as a member of my

manuscript committee. Your thorough comments and suggestions definitely helped to improve my thesis in the final stages. I also want to thank all my former colleagues at the University of Groningen. Special words of thanks apply to Peter Smid (for getting me interested in doing research during my master's thesis), Nanne Brunia (for loads of academic- and non-academic-related coffee talks), the secretaries office by means of Diana Kikkert, Janna van Dijken, and Netty Kempa (for great social interest), and Sebastiaan de Groot (for playing snooker and darts, for pleasant dinners before playing snooker and darts, for the cat, and – most importantly – for being a friend).

Of course, I have also been stimulated by lots of people outside of the academic world. Since I don't want to run the risk of forgetting a single person (I am not as rational as people are assumed in this thesis), I will not name you all. Two of you, however, are quite special to me. I would specifically like to thank Richard van Delden and Frans Peter Posthumus for being great friends during the past, the present, as well as the future (I presume). A special word of thanks applies to the both of you, for willing to perform as an active member during the defense of my thesis. I greatly appreciate that you have accepted my request to become my paranymphs.

Henk, Klaasje, Albert, and Anita: it is not a lie for me to confess that over the last decade, you have become like family to me. Thank you for the great, more than mental, support.

To conclude, I would like to thank the most important people in my life. My dear parents, you have always stimulated me to do whatever I wanted to do. You raised me to the person I am today, by being there whenever I needed you. I truly could not have wished for better parents. Finally, Irma, thank you for the wonderful person you are. During the latest years, you have spent too much time by yourself, because I had to work in the evening and during the weekend. Without your flexibility, moral support, and love, we would not be here today. In the future, I will definitely try to make up the sacrifices you made.

Casper

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