

Foreword

Strategic behaviour in the various utilities has presented governments, firms and consumers with considerable problems in the past few years. The consequences of clever interventions, sly misuse of technical capabilities, foul financial play and deceit when providing information to others have often been quite substantial. And yet, apart from some economic studies in which game-theoretic models have been applied, very little actual empirical research has been conducted on the what, how and why of strategic behaviour. This is not all that surprising, because the subjects under study may be quite reluctant to collaborate in telling researchers the full story. Also, the existence of strategic behaviour is sometimes exceedingly difficult to prove. Perhaps journalists may write that wherever there is smoke, there is fire, but for judges and investigators, serious evidence is required to make that point. The authors of this book therefore utilized a great variety of research methods to gather insights worked out into demonstrative and convincing case studies.

It is with pride and pleasure that one of the research groups of the Next Generation Infrastructures Foundation of which I am scientific director, has, after several years of theoretically and empirically studying the subject, now managed to get a book out in which the background, breeding grounds and mechanisms of this phenomenon are elaborately explained, five meaningful and characteristic empirical cases are described from different utility sectors and different countries, and credible suggestions are given to counter the downsides of this phenomenon. Moreover, it is written in a clear and accessible style, making this very useful study material not only for academics in the field (politics, policy, economics, law, systems engineering), but also for master's students. May this book prove useful for students, professionals and academics for many years in seeing through situations and circumstances plagued by strategic behaviour and in undertaking appropriate action.

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