

**Forum for Economic Dialogue**

## **Is culture key?**

New insights on how culture affects economic prosperity

Program and speaker bios



## Is culture key?

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**Forum for Economic Dialogue, November 12, 2018**

Culture is a set of shared attitudes, values, beliefs and behaviors. Culture shapes the way we interact, the way firms operate, and nations develop. How much do we value integrity, trust and honesty in a multicultural and diverse world? What drives economic performance: taking risks, or avoiding them? Cooperation or competition? Homogeneity or heterogeneity? Carrot or stick? Is it patience, after all?

At this year's Forum, we will reflect on how prosperity and culture interact. We will explore different culture plots, from cultural groups to organizations and nations. Italian economist and former Bocconi rector Guido Tabellini will start with a provocative question "Does Europe belong together?" and analyze whether culture is an obstacle for the European integration. Leading voices from academia and the corporate world will discuss how culture drives success: from an economic, a business and a social perspective. And Joe Henrich, a human evolutionary biologist and anthropologist, will ask what has made Western culture so strange – and so successful.

# Program

Monday, November 12, 2018  
Kaufleuten Klubsaal, Pelikanplatz, 8001 Zurich

- 9.00 a.m.      **Door opening**
- 9.30 a.m.      **Welcome address**  
Joachim Voth, Scientific Director of the UBS International Center of Economics in Society
- 9.45 a.m.      **Opening lecture: Does Europe belong together?**  
Guido Tabellini, Bocconi University
- 10.45 a.m.     **Coffee break**
- 11.15 a.m.     **Morning session: On culture and economic prosperity**  
Armin Falk, University of Bonn  
Alessandra Fogli, Federal Reserve Bank of Minneapolis  
Felipe Kast Sommerhoff, politician, economist and consultant  
*Chair: David Yanagizawa-Drott, University of Zurich*
- 12.45 p.m.     **Lunch**
- 2.00 p.m.      **Afternoon session: Beliefs, values and business success**  
Ernst Fehr, University of Zurich  
Raffaella Sadun, Harvard Business School  
Simona Scarpaleggia, CEO Ikea Switzerland  
*Chair: Nir Jaimovich, University of Zurich*
- 3.30 p.m.      **Coffee break**

- 4.00 p.m.      Disputation: What makes a prosperous society?  
Paul Collier, Blavatnik School of Government, Oxford University  
Alan Posener, *Die Welt*  
*Moderator: Markus Spillmann, SPILLMANN Media, Strategy Management GmbH*
- 5.00 p.m.      Reception
- 5.30 p.m.      Introduction to the Zurich Lecture of Economics in Society  
Ernst Fehr, Director of the UBS International Center of Economics in Society
- 5.45 p.m.      Zurich Lecture of Economics in Society: How Westerners became psychologically  
peculiar and economically prosperous  
Joe Henrich, Harvard University
- 6.45 p.m.      End of event

## Hosts



Ernst Fehr

Ernst Fehr is a Professor of Microeconomics and Experimental Economics at the Department of Economics at the University of Zurich and Director of the UBS International Center of Economics in Society. He is a former president of the Economic Science Association and of the European Economic Association, honorary member of the American Academy of Arts and Sciences, and John Kenneth Galbraith Fellow of the American Academy of Political and Social Sciences.

Ernst Fehr's research interests include social and biological foundations of human motivation, the effects of social and economic incentives on human behavior, and the optimal design of contracts and institutions.



Joachim Voth

Joachim Voth holds the Professorship of Macroeconomics and Financial Markets, endowed by the UBS Center at the University of Zurich and is Scientific Director of the UBS International Center of Economics in Society. He is a research fellow at CEPR, a joint managing editor of the *Economic Journal*, and also serves as an associate editor of the *Quarterly Journal of Economics*.

Voth is an economic and financial historian. His research interests include cultural economics, long-run growth, sovereign debt, asset market volatility, living standards, and labor supply.

## Opening lecture

# Does Europe belong together?



### Guido Tabellini

Guido Tabellini is a Professor of Economics at Bocconi University, where he was rector from 2008 to 2012. Tabellini holds the Intesa Sanpaolo Chair in Political Economics. Before returning to Europe, he taught at Stanford and UCLA. He is a foreign honorary member of the American Academy of Arts and Sciences, a fellow of the Econometric Society, a fellow of the Canadian Institute for Advanced Research, and a recipient of the 2001 Yrjö Jahnsson Award. In 2007 he was President of the European Economic Association.

Guido Tabellini is one of the world's leading researchers in political and cultural economics. Much of his recent research has focused on culture in Europe, his publications included *Is Europe an optimal political area?*, *The effect of culture on the functioning of institutions: Evidence from European regions*, *Historical roots of political extremism*, and *Creativity over time and space*. His book *Political Economics: Explaining Economic Policy*, co-authored with Torsten Persson, continues to be a must-read in political economics.

## Morning panel session

# On culture and economic prosperity



Armin Falk

Armin Falk is a Professor of Economics at the University of Bonn and Chief Executive Officer of briq. He is Fellow of the European Economic Association, Director of the Bonn Laboratory for Experimental Economics, Associate Editor of the *Quarterly Journal of Economics*, and affiliated with Hausdorff Center for Mathematics, Institute for New Economic Thinking, Institute of Labor Economics (IZA), German Institute for Economic Research (DIW), Centre for Economic Policy Research (CEPR), CESifo, and the Max Planck Institute for Research on Collective Goods.

Falk's research focuses on determinants and consequences of time, risk and social preferences, sources of inequality, early childhood development, and the malleability of moral behavior. He has received two ERC grants and was awarded the Gossen Prize in 2008, the Leibniz Prize in 2009, as well as the Yrjö Jahnsson Award in 2011.



Alessandra Fogli

Alessandra Fogli is monetary advisor and assistant director in the research department at the Federal Reserve Bank of Minneapolis. Before joining the Minneapolis Fed in 2013, Fogli has been an assistant professor at New York University and at the University of Minnesota and an associate professor at Università Bocconi. Fogli is also a faculty research fellow of the Center for Economic and Policy Research (CEPR).

Fogli's research explores how an individual's social context, including family, neighborhood, school, as well as society at large, affects economic behavior and in turn aggregates economic outcomes, such as labor force participation and fertility patterns, output growth and income inequality. Her articles have been published in journals such as *Econometrica*, the *Quarterly Journal of Economics*, the *Journal of Monetary Economics*, and the *American Economic Journal*.



### Felipe Kast Sommerhoff

Felipe Kast Sommerhoff is a Chilean congressman, an economist, and consultant. He was also a Presidential Candidate for the 2017 election. From 2010 to 2011, he was Minister of Social Development of Chile under the first Presidency of Sebastián Piñera. Following the earthquake on February 27, 2011, he was the Presidential Delegate for Chilean Reconstruction, 2011 to 2013. Kast has a PhD in Public Policy from Harvard University. His interest has always been focused on the design and implementation of public policies to overcome poverty. His academic work was recognized through several grants, most notably that of the Multidisciplinary Inequality and Social Policy Program at Harvard University.



### Morning session chair: David Yanagizawa

David Yanagizawa is a Professor of Development and Emerging Markets at the University of Zurich, and affiliated professor at the UBS International Center of Economics in Society. Previously he was Associate Professor (2014 to 2016) and Assistant Professor (2010 to 2014) at the John F. Kennedy School of Government, Harvard University.

His research interests include political economics and economic development, with current focus on culture, conflict and globalization. Faculty affiliations include: Poverty Action Lab (J-PAL), The Bureau for Research and Economic Analysis of Development (BREAD), European Development Research Network (EUDN) and Centre for Economic Policy Research (CEPR).



## Afternoon panel session

# Beliefs, values and business success



**Ernst Fehr**

Ernst Fehr is a Professor of Microeconomics and Experimental Economics at the Department of Economics at the University of Zurich and Director of the UBS International Center of Economics in Society. He is a former president of the Economic Science Association and of the European Economic Association, honorary member of the American Academy of Arts and Sciences, and John Kenneth Galbraith Fellow of the American Academy of Political and Social Sciences.

Ernst Fehr's research interests include social and biological foundations of human motivation, the effects of social and economic incentives on human behavior, and the optimal design of contracts and institutions.



**Raffaella Sadun**

Raffaella Sadun is the Thomas S. Murphy Associate Professor of Business Administration in the Strategy Unit at Harvard Business School. She is a Faculty Research Fellow at the National Bureau of Economic Research, Faculty Associate at the Centre for Economic Performance at the London School of Economics, Research Affiliate at the Centre for Economic Policy Research (CEPR) and Research Associate in the Ariadne Labs Program in the Department of Health Policy and Management at Harvard T.H. Chan School of Public Health.

Sadun's research focuses on the economics of productivity, management and organizational change. Her research documents the economic and cultural determinants of managerial choices, as well as their implications for organizational performance in both the private and public sector (including healthcare and education). She is among the founders of the World Management Survey and the Executive Time Use Study.



### Simona Scarpaleggia

Simona Scarpaleggia is the CEO of IKEA Switzerland where she oversees strategy and operations of the retail business including nine stores, e-commerce and distributions. Before joining IKEA Switzerland, she has held various positions in IKEA Italy and other multinational companies as senior executive and HR Director.

She is a passionate campaigner for all issues surrounding women's empowerment. In 2009, she co-founded "Valore D" in Italy and later "Advance – Women in Swiss Business" in Switzerland. Both organizations have a mission to boost gender diversity and to increase the share of mixed-gender management teams for the benefit of customers, companies, economies and societies. In 2016, former UN Secretary-General Ban Ki-Moon appointed Scarpaleggia as co-chair of the High-Level Panel on Women's Economic Empowerment in the context of the Global Goals for Sustainable Development.



### Afternoon session chair: Nir Jaimovich

Nir Jaimovich is a Professor of Economics at the University of Zurich and affiliated professor at the UBS International Center of Economics in Society. Jaimovich is a macroeconomist who specializes in studying business cycles and the dynamics of the labor market. He is an associate editor of the *Journal of Monetary Economics* and the *Journal of Economic Theory*, and a fellow of the Centre for Economic Policy Research (CEPR). Before joining the University of Zurich, Nir Jaimovich was on the faculty at the Marshall Business School at USC, Duke University, Stanford University, and University of California, San Diego.

## Disputation

# What makes a prosperous society?



Paul Collier

Sir Paul Collier is Professor of Economics and Public Policy at the Blavatnik School of Government and a Professorial Fellow of St Antony's College. He is currently a Professeur invité at Sciences Po and a Director of the International Growth Centre. His research covers the causes and consequences of civil war; the effects of aid and the problems of democracy in low-income and natural resources rich societies; urbanization in low-income countries; private investment in African infrastructure and changing organizational cultures.

His latest books are *Exodus: How migration is changing our world* and *The Future of Capitalism: Facing the New Anxieties*. In 2014, Paul received a knighthood for services to promoting research and policy change in Africa.



© Jenny Posener

Alan Posener

Born in London in 1949, the son of a Jewish émigré from Germany, Alan Posener grew up in Kuala Lumpur and West Berlin and was an activist for a Maoist party in the 1970s. He worked as a high school teacher for ten years before branching out as a freelance writer, journalist, translator and rock singer. In 2000, Posener joined the staff of *Die Welt*, where he edited the op-ed pages for several years. Today, he is an author at large for the paper.

Posener has written many books, including biographies of Elvis Presley and the Virgin Mary. His book *Imperium der Zukunft* was an attempt to define the EU as a liberal empire with a global agenda. *Benedikts Kreuzzug* was a polemic against the German Pope. *Die empörte Republik* was a critique of anger politics.



**Moderator: Markus Spillmann**

Markus Spillmann is owner and CEO of SPILLMANN Media, Strategy Management GmbH and Partner of KMES, a Swiss consulting community specialized in complex leadership issues and crisis management. Apart from that he serves as President of the Foundation of the Swiss Media Council and as Chairman of the International Press Institute in Vienna (IPI). He is lecturer at various universities for media management and journalism. Before that, he was head of editorials and a member of the management board of the NZZ Media Group and Editor-in-Chief of the *Neue Zürcher Zeitung* (NZZ) from 2006 to 2014. His appointment followed over a decade of service as journalist with the Swiss daily newspaper.

## Zurich Lecture of Economics in Society

# How Westerners became psychologically peculiar and economically prosperous



### Joe Henrich

Joe Henrich is a Professor and Chair of the Department of Evolutionary Biology at Harvard University and a senior fellow in the Canadian Institute for Advanced Research in the Institutions, Organizations and Growth Group. His research deploys evolutionary theory to understand how human psychology gives rise to cultural evolution and how this has shaped our species' genetic evolution. Using insights generated from this approach, Joe Henrich has explored a variety of topics, including economic decision-making, social norms, religion, marriage, prestige and cooperation. He has conducted anthropological fieldwork in Peru, Chile and in the South Pacific, as well as spearheaded several large comparative projects on human sociality.

His most recent book is *W.E.I.R.D. People: How Westerners became psychologically peculiar and economically prosperous* (forthcoming). His other books and edited volumes include *The Secret of Our Success: How Culture Is Driving Human Evolution, Domesticating Our Species, and Making Us Smarter*; *Why Humans Cooperate*; *Foundations of Human Sociality: Economic Experiments and Ethnographic Evidence from 15 Small-Scale Societies* (together with Boyd, Bowles, Camerer, Fehr, and Gintis); and *Experimenting with Social Norms* (together with Ensminger).

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