

Spotlight 2020

Knowledge hub
The Center's video library includes recording of all public events, short video summaries of publications, and much more.



Public dialogue



In the media

The Center's affiliated researchers actively participate in public discussions on current issues and provide expert advice to government organizations and decision makers.

Coronavirus

Our researchers are involved in public analysis and discussion in national and international media. Based on research results and economic models, they provide assessments of the economic consequences in connection with the corona crisis. In addition to contributions from their respective areas of expertise, they have published a joint position paper together with all professors of the Department of Economics at UZH. This paper summarizes the consensus of the economic debate and outlines options for action for Switzerland.

US presidential elections

Which president is better for the global economy? Globalization, trade and labor expert David Dorn gives an assessment of the consequences of the presidential election in the US. He also explains why the economic decline of some regions in the US has deepened the ideological divide, amplifying polarization.

Social mobility takes generations

While differences in income and wealth can be justified, low social mobility seems difficult to accept in meritocratic societies. Economic historian Joachim Voth explains why many people today are no better off than their parents and why – as long as the rules of the game remain broadly the same – one should not have overly high expectations of changes in the income position, even in a meritocratic environment.



Events 2020

KEYNOTE
21.1.2020

The economics of climate change



"I hope that you can say that we, in this generation, had the resolve to overcome the obstacles and take the steps necessary to preserve our unique and beautiful planet."

Nobel laureate William Nordhaus

William Nordhaus did not sugarcoat anything in his public lecture: International climate policy is at a dead end, he stated. Policy makers are far off from reaching the 2-degree target and even if the goals of the Paris Agree-

ment are met, we would be nowhere near the 2-degree limitation. Nordhaus identifies the free-rider problem as the biggest challenge for global agreements to work, since the agreements are voluntary and without penalties for non-participation. To solve the free-rider problem, Nordhaus suggests forming a "climate club" among countries. The club structure aims to overcome free-riding as members "pay dues" through costly abatements. At the same time, costly penalties are applied to non-participants, e.g., in form of trade tariffs.



WEBINAR
29.4.2020

Corona crisis Switzerland



"It is a situation in which one should not only look for the help of the state. In fact, even the individual can do a lot to slow down the spread of the virus through changes in behavior."

UBS Foundation Professor David Dorn

The coronavirus has put the world in a state of emergency. During the first wave, Switzerland took far-reaching measures to stop the virus from spreading. Back then, it was uncertain how the situation would develop after the lockdown. In the webinar, UBS Foundation Professor David Dorn and cardiologist and immunologist Paul Mohacsi discussed how a gradual relaxation can be achieved considering economic and medical aspects. This event was carried out in cooperation with our partner OEC Alumni UZH.



FORUM FOR ECONOMIC DIALOGUE
OCT./NOV. 2020

Rethinking inequalities

We look back on an extraordinary edition of the annual UBS Center Forum. For the first time, the event took place online, spread over four weeks. We were overwhelmed by the enormous resonance that the event series has generated. It proves how topical and important the debate on inequality is.



RESEARCH SLAM
(In-)Equality and prosperity

With several UZH researchers

What better way to open an event series on inequality than with a firework of different short presentations on the topic? The 35-minutes session is packed with insights from ongoing research on different aspects of inequality. The first talk provides a political perspective, showing how confidence about one's own future opportunities influences voting behavior. Three presenters focus on innovation, labor, and taxation, discussing the interplay between rising automation, job losses and corresponding policy measures. Another group presents findings from the field of development and behavioral economics, showing that early interventions in children's life as well as learning to be more patient can make a huge difference in education outcomes and wealth accumulation.

WEBINAR

Taxing the superrich

UBS Foundation Professor Florian Scheuer

Based on his research on taxation, UBS Foundation Professor Florian Scheuer explores the various approaches of how to tax the superrich more effectively as a measure to create a fairer tax system. His data show not only great differences in income and wealth inequalities, but also in tax systems and policies across OECD countries. These differences are interlinked with the way the superrich are taxed in different countries, especially regarding income and wealth. Scheuer provides an overview of the tax situation the superrich currently face and evaluates various reform proposals. He also reviews the pros and cons of wealth taxes versus alternative policies that achieve similar objectives – such as Joe Biden's reform plans for the US tax system. Concluding, Scheuer identifies a possible solution for fixing capital taxation, suggesting a retrospective accrual tax where the statutory tax rate rises with the holding period, but the tax is only assessed upon realization of capital gains.

PANEL DISCUSSION

Inequality – facts and consequences

Janet Currie, David Dorn, Branko Milanovic

Research insights on economic inequality and its consequences take center stage in this discussion panel, bringing together three experts with multiple perspectives. While Branko Milanovic's historical data show that the rise of Asia has led to a decrease in global inequality in the past decade and that the growth of the global top 1% has slowed down in recent years, the discussants agree that overall, inequality is still very high. Janet Currie argues that there is too much inequality, when there is a privileged group that can separate itself from a deteriorating public service, say through private hospitals or schools. UBS Foundation Professor David Dorn emphasizes that the threshold – when inequality is clearly harmful – is reached when some large income groups cannot profit anymore from the overall growth in the country, like currently in the US. Finally, they discuss whether the corona pandemic will increase inequality or whether it might even accelerate the progressive reduction of global inequality.

KEYNOTE

Inequality and the future of capitalism



"Enormous corporate power is undermining competition and transferring resources upwards, from poor to rich."

Nobel laureate Sir Angus Deaton

In his presentation, Sir Angus Deaton talks about the advantages and disadvantages of capitalism and the inequalities that result from it. He emphasizes that capitalism has brought great prosperity in the past, even to poor countries. But the system has flaws that need to be fixed, such as the health care system in the US. Thus, Deaton concludes, we need to repair capitalism through better regulations and restore competition by fixing antitrust, re-orienting the courts, campaigning finance reform, enforcing rules on lobbying, and eliminating tax havens.

Center publications

The Public Paper series makes research on topics of key social relevance available to a broader audience in a simplified, compact, and highly readable format.



PUBLIC PAPER

Taxing the superrich

Florian Scheuer



Over the past decades, many developed countries have experienced considerable increases in income and wealth inequality, led by an extraordinary concentration among the very richest swath of households.

This has focused policy attention on the superrich. Various political and economic arguments for at least partially offsetting this rise in inequality have been put forward. In particular, politicians have called for increasing the tax burden on rich households, both in the form of higher top rates for existing income taxes as well as new tax levies targeting the superrich. Most prominently, the idea of introducing an annual wealth tax has recently gained attention in the United States.

The Public Paper provides an overview of the tax situation the superrich currently face and evaluates various reform proposals.

PUBLIC PAPER

Disappearing middle class

Nir Jaimovich



The creeping hollowing out of the middle class and the simultaneous rise of automation have become hotly debated topics in the popular media and among policy makers, and there is certainly no shortage of dire predictions about the ascent of robots and subsequent obsolescence of workers. But – doomsday prophecies aside – what are the facts? What is happening to workers, specifically middle-class ones? And, from a policy perspective, what can (or should) be done to address this fundamental shift in who – or what – does which jobs?

This Public Paper tackles these questions head-on. The author first identifies the types of individuals who are likely to work in middle-class occupations and tracks how they act on the labor market outcomes. Then he evaluates policies proposed in recent years that have been aimed at combating the labor market malaise middle-class workers have experienced.

Research



Top five publications

The Center's researchers regularly publish their work in leading economics journals.

Autor, David, David Dorn, Gordon Hanson, and Kaveh Majlesi. 2020. "Importing Political Polarization? The Electoral Consequences of Rising Trade Exposure." *American Economic Review*, 110 (10): 3139–83.

Autor, David, David Dorn, Lawrence F. Katz, Christina Patterson, and John Van Reenen. 2020. "The Fall of the Labor Share and the Rise of Superstar Firms." *The Quarterly Journal of Economics*, Volume 135, Issue 2: 645–709.

Baranov, Victoria, Sonia Bhalotra, Pietro Biroli, and Joanna Maselko. 2020. "Maternal Depression, Women's Empowerment, and Parental Investment: Evidence from a Randomized Controlled Trial." *American Economic Review*, 110 (3): 824–59.

Bursztyn, Leonardo, Alessandra L. González, and David Yanagizawa-Drott. 2020. "Misperceived Social Norms: Women Working Outside the Home in Saudi Arabia." *American Economic Review*, 110 (10): 2997–3029.

Epper, Thomas, Ernst Fehr, Helga Fehr-Duda, Claus Thustrup Kreiner, David Dreier Lassen, Søren Leth-Petersen, and Gregers Nytoft Rasmussen. 2020. "Time Discounting and Wealth Inequality." *American Economic Review*, 110 (4): 1177–1205.

A closer look

Center news

UBS Center sets course for the future

In June 2020, UBS announced the extension of its engagement for the University of Zurich for an additional 10 years with a new donation of approximately 25 million Swiss francs, enabling the UBS Center to build on its past achievements.

Bringing European values and views into global dialogue

The University of Zurich has become one of the leading universities in Europe in the field of economics – and this is in large part due to the UBS Center, which has been able to establish itself in Switzerland as a driving force and a platform for dialogue between scientists, policy makers, and society.

Additional professorship and continuation of PhD scholarships

The extension of the initial 2012 framework agreement includes the continuation of the activities of the UBS Center in their previous scope. This applies in particular to the Center's public events, publication series and communication activities on various channels. Ernst Fehr will remain director of the Center, as will the strongly staffed advisory board and the existing donated professorships. The UBS Foundation has now the opportunity to fund an additional professorship; the independent appointment committee of the University of Zurich will determine who will take up the professorship. Furthermore, the foundation will continue its scholarship program, thus carrying on its support for the Zurich Graduate School of Economics.



“Scientific knowledge does not release us from making difficult decisions in complex environments, but it can provide insights that we should take into consideration when making these decisions.”

Kaspar Villiger,
Chairman of the Foundation Council

SOCIAL MEDIA

Promoting dialogue



YouTube
4,000 subscribers



Twitter
11,800 followers



LinkedIn
630 followers



About us

UBS Center at a glance

The UBS Center for Economics in Society, UBS Center in short, is an Associated Institute at the Department of Economics of the University of Zurich. It was established in 2012, enabled by a founding donation by UBS, which the bank made on the occasion of its 150th anniversary. In view of the generous donation, the university named the UBS Center after its benefactor.

The UBS Center serves two main aims. First, it enables world-class research in economics on all levels, to be conducted at the University's Department of Economics. It thereby supports the department's ambition to become one of the top economics departments in Europe and to make Zurich one of the best places for research in economics. The UBS Center's other aim is to serve as a platform for dialogue between academia, business, politics, and the broader public, fostering continuous knowledge transfer. Delivering on these aims will also strengthen the position of Zurich, and Switzerland more generally, as a leading location for education and business.

UBS Foundation and management

The UBS Center is governed by and financed through an independent foundation, the UBS Foundation of Economics in Society, chaired by former Federal Councillor Kaspar Villiger.

Management and team



Prof. Ernst Fehr
Director



Prof. Hans-Joachim Voth
Scientific Director



Dr. Matthias Ammann
Chief Operating Officer

Stefanie Amstein,
Event and Office Manager
Christopher Shenton, Digital Publisher
and Social Media Producer
Dr. Maura Wylser,
Head of Communication

YOUNG TALENTS

Scholarships

The UBS Center Scholarships are scholarships awarded every year to outstanding university graduates at the Graduate School of Economics, run by the Department of Economics at the University of Zurich.

Scholarship holders 2020

Chiara Aina
Agustina Colonna
Maite Deambrosi
Christian Decker
Emanuele DiCarlo
Matteo Roberto Greco
Guohui Jiang
Ursa Krenk
Mia Lu
Ante Malenica
Gabriele Patete
Ursina Schaede
Martin Stancsics
Garyn Tan
Julian Teichgräber

Professors

The UBS Center fosters world-class research in economics on all levels by endowing several new permanent professorships and assistant professorships and awarding full doctoral scholarships. The thematic focus of the Center's endowed professorships is on interdisciplinary and forward-looking research that covers today's major issues relating to the economy and the financial markets.



Prof. Sandro Ambühl
UBS Foundation Assistant
Professor for Behavioral
Economics of Financial Markets



Prof. Pietro Biroli
UBS Foundation Assistant
Professor of Applied Economics



Prof. Gregory Crawford
Professor of Economics, Affiliated
Professor at the UBS Center



Prof. David Dorn
UBS Foundation Professor of
Globalization and Labor Markets



Prof. Ernst Fehr
Professor of Economics, Affiliated
Professor at the UBS Center



Prof. David Hémond
UBS Foundation Associate
Professor of Economics of
Innovation and Entrepreneurship



Prof. Nir Jaimovich
Professor of Economics, Affiliated
Professor at the UBS Center



Prof. Dina Pomeranz
UBS Foundation Assistant
Professor of Applied Economics



Prof. Florian Scheuer
UBS Foundation Professor
of Economics of Institutions



Prof. Hans-Joachim Voth
UBS Foundation Professor of
Macroeconomics and Financial
Markets



Prof. David Yanagizawa-Drott
Professor of Development and
Emerging Markets, Affiliated
Professor at the UBS Center

HALLMARK

Advisory board

The Center's Advisory Board, comprised of some of the most renowned economists of our time, including several Nobel Prize laureates, ensures the high quality of the work at the UBS Center and provides guidance on all academic matters.

Advisory board members

Prof. Philippe Aghion
Prof. Manuel Arellano
Prof. David Autor
Prof. Ernst Baltensperger
Prof. Marianne Bertrand
Dr. Mauro Dell'Ambrogio
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Prof. Kjetil Storesletten
Prof. Guido Tabellini
Prof. Harald Uhlig
Prof. Ekaterina Zhuravskaya

* Nobel laureates

Events 2021

The Center's events come in different formats, including two annual conferences with leading representatives from the academic, private, and public sectors debating a key contemporary economic issue.



The Opinions events feature top representatives from academia to voice their views in public speeches.



WIRTSCHAFTSPODIUM SCHWEIZ
APRIL 2021

Sustainable social systems

Switzerland's social security systems are facing major challenges: an aging society, rising health and care costs, low interest rates for retirement provisions, as well as misguided incentives in health care and early retirement. Growing demands are confronted with questions of feasibility. Where are the limits of the welfare state? And what priorities need to be set to ensure the sustainability of the social systems?

Experts from the fields of retirement provision and health care will discuss these and other questions in two expert panels on the topics of "Solutions to secure retirement provision" and "The health care system between ethics and affordability". In the concluding political panel these impulses will be taken up and the political priorities discussed.

OPINION EVENT
26.5.2021

Save
the date

Steven Pinker: Enlightenment now



“Here is a shocker: The world has made spectacular progress in every single measure of human well-being. Here is a second shocker: Almost no one knows about it.”

Steven Pinker

If you follow the news, the world appears to be sinking into chaos, hatred, and irrationality. Is the world really falling apart? According to Steven Pinker, Johnstone Family Professor at Harvard University, the reality created by the media is an illusion: a symptom of historical amnesia and statistical fallacies. Relying on empirical data, he shows that our lives have become longer, healthier, safer, richer, happier, and more peaceful – not just in the West, but worldwide.

Pinker argues that this progress is the result of the Enlightenment: the conviction that reason and science can enhance human flourishing. This ideology and its values are threatened by the negative public discourse, which fuels fears and results in a corrosive fatalism. Pinker makes the case for reason, science, and humanism: the ideals we need to confront our problems and continue our progress.

In cooperation with Swiss Institute of International Studies (SIAF).

Economics.
For Society.