



University
of Basel

Faculty of
Business and Economics



Pack your bags.

Feb 4th - Feb 14th, 2024



U.S. Seminar in Business, Law and Economic Policy

Dear Students, Dear Colleagues
Dear Ladies and Gentlemen,

The 2024 program of our flagship seminar, the U.S. Seminar in Business, Law and Economic Policy, is ready! It allows thirteen Master students and seven PhDs from the University of Basel (Switzerland) to present and discuss their work at Georgetown University and New York University. As can be seen from the titles of all presentations (and the abstracts provided at the end of this program for the PhDs), we can expect an inspiring seminar with many insights and interesting discussions.

In addition, I am very happy that our colleagues and representatives from well-known institutions in Washington D.C. and in New York – the World Bank, the International Monetary Fund, the Department of Justice, the Swiss Embassy, the Federal Reserve Bank of New York, the United Nations, the Brookings Institution, the Peterson Institute for International Economics and Celonis New York, the pioneer company in process mining – have invited us again. This will allow us to detect these institutions from the inside, to hear from experts what challenges they face and to discuss with them important developments in the U.S., Europe and the world as a whole.

The U.S. seminar has changed perspectives, led to new insights or sparked new careers in the past and is likely to do so also in the coming weeks. The students and I are excited to have the opportunity to exchange ideas in this challenging and rewarding environment.

I would like to thank all my colleagues at Georgetown and New York University for their continuous support – particularly Prof. Jeffrey Macher (GU) together with whom I offer this seminar and Prof. David Yermack who is our host at NYU. Last but not least, I would like to express my deep gratitude to Dr. Hans-Heiner Zaeslin (who sadly passed away in April 2023) for his continuous financial support without which this seminar would be impossible.

The success of the 2024 seminar, however, also depends on the time and effort our participating members of the young generation put into their presentations, the discussions and reflections which we all are looking forward to.

January 2024

Prof. Rolf Weder
Chairman of the Summer School

For more details about the Summer School program, please visit our [website](#).

U.S. Seminar | Program

February 4 - February 14, 2024



Sunday, February 4

6.00 pm	Welcome Session at Residence Inn Rosslyn, Arlington, VA
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Monday, February 5

9.30 am – noon	Georgetown University (GU): Welcome, Tour and Q&A Prof. Jeffrey T. Macher Georgetown University <i>Room: Hariri 415</i>
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Noon – 1.00 pm	GU Welcome Lunch
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1.50 – 4.00 pm	Visit of the Brookings Institution Dr. Sanjay Patnaik Director of the Center on Regulation and Markets
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Tuesday, February 6

Presentation Session I at GU | Room: Hariri 415

9.00 – 9.30 am **«The Future Is Electric – How Green Is It? An Economic Analysis of the Environmental Impact of Cobalt Mining in the Democratic Republic of the Congo»**
Nils Delvoigt | Master Student

9.30 – 10.00 am **«Disinformative Marketing in the Sugar Industry and Potential Impacts of Restrictions of Advertisement on Disinformation»**
Sophia Chen | Master Student

10.00 – 10.15 am Break

10.15 – 10.45 am **«How Effective is Mental Health Integrated into Primary Care? A Comparative Study of Switzerland and the United States»**
Nicole Nyfeler | Master Student

10.45 – 11.15 am **«Effects of AI in External Audit»**
Abeeshan Rasadurai | Master Student

11.15 – 11.30 am Break

11.30 am – 12.15 pm **«Does National Culture Affect Disruptive Innovation? Implications for Europe»**
Ngoc Nhu Quynh Nguyen | Master Student
Prof. Jeffrey Macher | Discussant

12.15 – 1.15 pm Individual Lunch Break

1.15 – 4.15 pm **Visit of the International Monetary Fund**
Dr. Marcel Peter | Executive Director

5:00 - 6:20 pm **Visit of Prof. John Mayo’s MBA-class**
«Washington, Business and the World» | Room: Hariri 350
Guestspeaker: Olivia Igbokwe-Curry, Head of U.S. Congressional and Political Affairs at Amazon Web Services

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Wednesday, February 7	
8.30 – 10.30 am	Visit of the Department of Justice Antitrust Division Dr. Russell Pittman Director of Economic Research
11.30 am – 12.30 pm	Visit of the Peterson Institute for International Economics Dr. Jeffrey J. Schott Senior Fellow
12.30 - 2.45 pm	Break Individual lunch
Presentation Session II at GU Room: Hariri 415	
2.45 - 3.30 pm	«Patent Boxes, Tax Benefits, and Their Effects on Company-Level R&D-Activity» Joël Brühlmann Master Student Prof. Jeffrey Macher Discussant
3.30 - 4.00 pm	«Is There a Close Link Between Home Office and Offshoring? A Task-Oriented Analysis» Herolind Emini Master Student
4.00 - 4.15 pm	Break
4.15 - 5.00 pm	«Swiss - U.S. Bilateral Trade Based on Ricardo» Niklaus Strittmatter Master Student Prof. Rolf Weder Discussant
Thursday, February 8	
9.30 am – noon	Visit of the World Bank Dr. Pia Schneider Lead Economist Nicole Klingen Acting Director Digital Development
Noon – 1 pm	Lunch at World Bank Cafeteria

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Thursday, February 8 (cont.)	
Presentation Session III at GU Room: Hariri 415	
2.00 - 2.30 pm	«Brexit and Economic Integration: Expectations vs. Reality» Lucien Kolb Master Student
2.30 - 3.15 pm	«Application of Trade Creation and Trade Diversion to Brexit» Severin Voll Master Student Prof. Stephen Weymouth Discussant
3.15 - 3.30 pm	Break
3.30 - 4.15 pm	«The Economic Dynamics of the Effect of Covid-19 Policies in OECD Countries: A Diff-in-Diff Event Study» Aulis Pesenti Master Student Prof. Heather Berry Discussant
4.15 - 4.45 pm	«Capital Intensity of Services in Nursing and Retirement Homes: An Economic Analysis and Comparison between Japan and Switzerland.» Inna Barunina Master Student Presentation of her Master's Thesis
evening	Meet & Greet GU Master Students <i>optional</i>

Friday, February 9	
Presentation Session IV at GU Room: Hariri 415	
8.30 –9.20 am	«Digital Technologies and Performance Incentives: Evidence from Businesses in the Swiss Economy» Johannes Lehmann PhD Student
9.20 –10.10 am	«Echoes of Anger in Democracy: Independent Campaign Expenditures and Attack Ads in U.S. Politics» Léo Picard PhD Student

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Friday, February 9 (cont.)	
10.10 - 10.30 am	Break
10.30 - 11.20 am	«Land Valuation in the Metaverse: Location Matters» Mitchell Goldberg PhD Student
11.20 am - 12.10 pm	«Consumer Adoption and Use of Financial Technology: Tap and Go Payments» Laura Felber PhD Student
12.10 - 1:15 pm	Farewell Lunch
2.15 – 4.30 pm	Visit of the Embassy of Switzerland in the United States of America Dr. Jacques Pitteloud Ambassador Olivia Gachoud Head of Science Office
Saturday, February 10	
8.30 am (at the latest)	Hotel check-out
9.15 am	Transfer Washington DC - New York City Departure from Union Station, Washington DC Arrival at Moynihan Train Hall at Penn Station (1.29 pm)
Sunday, February 11	
Free Time Super Bowl	



U.S. Seminar | Program

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Monday, February 12

8.30 – 9.00 am	New York University (NYU): Welcome <i>Room: KMC - M4-90</i> Prof. David Yermack New York University
Presentation Session V at NYU	
9.00 - 9.30 am	«Legal Implications of Bankruptcy for Off-Chain Collateralized Stablecoins: A Comparative Analysis of Switzerland and the United States» Marino Bucher Master student
9.30 - 10.20 am	«Decomposing Short-Term Interest Rate Expectations over the Federal Open Market Committee (FOMC) Cycle» Kaspar Burghartz PhD Student
10.20 – 10.40 am	Break
10.40 - 11.30 am	«Intra-Day Risk-Neutral Densities and Macroeconomic Announcements» Lukas Hitz PhD Student
11.30 am - 12.20 pm	«On Defi and On-Chain CeFi: Examples of Centralization Vectors in Blockchain-based Financial Infrastructure» Katrin Schuler PhD Student
12.20 - 1.20 pm	Lunch and Q&A with Prof. David Yermack

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Monday, February 12 (cont.)	
1.30 – 2.30 pm	Campus Tour at NYU
2.30 – 3.30 pm	Break Transfer to UN headquarter
3.30 – 5.30 pm	Visit of the United Nations (to be confirmed)
Tuesday, February 13	
9.30 am – 12.30 pm	Visit of the Federal Reserve Bank of New York FED Museum Tour, followed by briefing & discussion with Dr. Kristian Blickle Financial Research Economist
12.30 – 1.45 pm	Individual Lunch
1.45 – 4.00 pm	Visit of Celonis New York Sarah Polech Academic Alliance Manager North America
6.30 - 8.30 pm	Farewell Dinner @ Fraunces Tavern Award for Best Performance
Wednesday, February 14	
The End.	
11.30 am (at the latest)	Hotel check-out

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Abstracts by PhD Students | Feb 10, 2024

McDonough School of Business, Georgetown University

**Johannes
Lehmann**

«Digital Technologies and Performance Incentives: Evidence from Businesses in the Swiss Economy»

Using novel Swiss firm-level data focused on digital technologies and management practices, this paper empirically examines how the utilization of a wide range of digital technologies affects the diffusion of performance incentives measured as performance valuations, performance targets, and pay for performance. Since at least some of the digital technologies under consideration are likely to reduce the cost of monitoring employees, we hypothesize that digital technology usage promotes the diffusion of performance incentives in organizations. Our doubly robust ATE estimates combining inverse probability weighting with regression models for the potential outcome equations are consistent with our expectations. Specifically, we find that companies emerging as technology-friendly in their industry and size class are more likely to use performance incentives than their less technology-friendly counterparts. In addition, we identify groupware, cloud storage and computing, enterprise resource planning, document management systems, customer relationship management, as well as artificial intelligence and big data analytics as drivers of the diffusion of performance incentives in organizations. Finally, we find that the technology effects on performance incentives do not significantly differ between managerial and non-managerial employees, suggesting that digital technologies reduce monitoring costs in a similar manner across hierarchical levels. Our baseline estimates are robust to a variety of sensitivity checks. Overall, our empirical results suggest that digital technologies will help to significantly improve performance measurement in organizations, which at the same time likely increases the pressure faced by employees in future workplaces.

Léo Picard

«Echoes of Anger in Democracy: Independent Campaign Expenditures and Attack Ads in U.S. Politics»

During election campaigns, politicians communicate by promoting themselves and attacking their opponents. In this paper, I leverage state-of-the-art speech-to-text transcription to recover the content of more than 80,000 U.S. television political advertising videos, from 2004 to 2020.

Abstracts by PhD Students | Feb 10, 2024

McDonough School of Business, Georgetown University

Using Large Language Models (LLMs) to detect the presence and subject of attacks in campaign communications, results show that outside interest groups are more likely to resort to attacks in their ads.

In 2010, the judicial decision *Citizens United v. FEC* lifted state bans on independent political expenditures, leading subsequent campaigns to become more adversarial.

**Mitchell
Goldberg**

«Land Valuation in the Metaverse: Location Matters»

We analyze locational preferences of investors in the metaverse. The setting allows us to compile a unique data set with parcel- and investor-specific observations. We find strong evidence that location matters even in a virtual world with negligible transportation costs. Locational preferences come in two distinct forms. Investors are willing to pay substantial premiums for (1) land in close proximity to popular landmarks, and (2), for parcels with more memorable addresses. Virtual land incorporates characteristics from real estate and domain name markets. We argue that these effects are primarily driven by commercial land use and visitor density expectations.

Laura Felber

«Consumer Adaptation and Use of Financial Technology: Tap and Go Payments»

Financial intermediaries play an important role in consumer adoption and use of payment technology. Card schemes and card-issuing banks set rules for cashless payments between consumers and merchants. We document that these rules have a strong causal impact on the use of digital payment technology. We study an increase in the value limit for contactless cardholder verification («tap-and-go» limit) that was introduced at the onset of the COVID-19 pandemic. Our analysis is based on anonymized, transaction-level data for a large sample of point-of-sale (POS) debit card payments between 2019 and 2021. We show that the increase in the «tap-and-go» limit caused a significant increase in the consumer use of contactless payments but only a minor increase in first-time adoption of this payment technology. Our results suggest that policy-makers are advised to consider the role of intermediaries and verification rules when evaluating payment innovations, such as instant payment systems or central bank digital currencies (CBDCs).

Abstracts by PhD Students | Feb 12, 2024

Stern School of Business, New York University

Kaspar Burghartz «Decomposing Short-Term Interest Rate Expectations over the Federal Open Market Committee (FOMC) Cycle»

Based on an unpublished paper by Kuttner (2021) I decompose the Fed Funds rate into three terms: (1) FOMC meeting day surprises, (2) inter-meeting expectation changes measured by Fed Funds Futures, and (3) after-meeting adjustment to the j^{th} -meeting ahead expected Fed Funds rate. The results of the decomposition show that the financial market rarely gets surprised by the imminent FOMC's interest rate decision, but that expectations do vary substantially in the inter-meeting period. This pattern increases for longer horizons. Looking at one to eight meetings ahead the share of (2) increases from 6% to 53% while the share of (3) decreases from 72 % to 17%. The meeting day surprise (1) has a share of the total variance of around 1%. The mean absolute deviation (MAD) of (2) increases by a factor of 20, while the MAD of (3) only increases by a factor of 5. Higher after-meeting adjustments to the j^{th} -meeting ahead expectation come with higher inter-meeting expectation revisions, which is captured by the interaction term of (2) and (3). The relative importance of this interaction term increases with the horizon.

Lukas Hitz

«Intra-Day Risk-Neutral Densities and Macroeconomic Announcements»

We examine how macroeconomic and monetary announcements affect stock market participants' expectations intra-day. To this end, we introduce a novel step-by-step methodology to estimate intra-day risk-neutral densities (RND) using options trades, instead of the conventionally used quotes data, thereby significantly reducing the measurement error in the underlying data. Based on a comprehensive data set from the Chicago Board Options Exchange (CBOE), covering every S&P 500, Nasdaq 100, and Russell 2000 index option trade from 2004 until 2021, we model the intra-day announcement effect immediately post-release. Panel regression analysis of the higher moments and RND percentiles shows that both the magnitude and nature of shifts in market participants' risk-neutral expectations depend on the announcement.

Abstracts by PhD Students | Feb 12, 2024

Stern School of Business, New York University

The FOMC Decision, the Employment Report, and Jobless Claims stand out as significant determinants of expectations, reshaping the entire distribution. In contrast, other macroeconomic announcements elicit more heterogeneous reactions and have a less pronounced effect.

Katrin Schuler

«On DeFi and On-Chain CeFi: Examples of Centralization Vectors in Blockchain-based Financial Infrastructure»

Blockchain-based financial infrastructure, commonly referred to as Decentralized Finance (DeFi), may offer many beneficial properties and can contribute to a more open and transparent financial infrastructure. However, the factual decentralization of on-chain finance projects today varies considerably. Focusing on the smart contract layers of DeFi, an introduction to common avenues of centralized control (centralization vectors) over DeFi assets and protocols is provided, taking an interdisciplinary perspective. Identifying such centralization vectors may help regulators and policymakers in distinguishing between truly independent, neutral infrastructure and fake decentralization. It further reveals the avenues of control in a project, indicating appropriate regulatory hooks.
