



**University
of Basel**

Faculty of
Business and Economics



Annual Report 2020
**Summer School in Law, Business
and Economic Policy**

Preface

2020 was a challenging year. It started well as the front picture of the annual report illustrates: The U.S. Seminar in Business, Law and Economic Policy was successfully held from February 2 to 11, 2020 at Georgetown University and New York University. The picture was shot at the farewell lunch on our last day in New York. The seminar was another highlight of the Summer School program, with great presentations from a wide variety of research topics by Master and Ph.D. students and insightful discussions with representatives of the World Bank, the IMF, Cato, the Peterson Institute of International Economics, the Department of Justice, the Swiss Embassy and the Fed NY.

The challenging part began after we returned to Switzerland in Mid-February and the COVID-19 pandemic broke out. Interestingly, Professor Geoffrey Miller (NYU and member of the Advisory Board) had forecasted at our farewell dinner in New York what most of us could not believe on that day. He said: «I predict that in six weeks, New York will look like a ghost town». He was right. Over-time it became clear to us that we would not be able to offer the courses in the summer of 2020 in the classrooms at the University of Basel. Simultaneously, we were committed to deliver what our students expected from the Summer School program. Therefore, we decided to offer most of the courses online. Not surprisingly, the absolute number of students enrolled in the 2020 program was somewhat lower than in the year before,

as we offered only 10 courses. Still, we were able to keep the average number of participants per course.

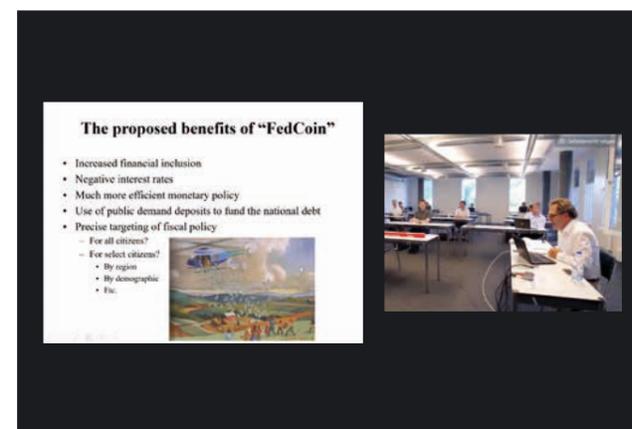
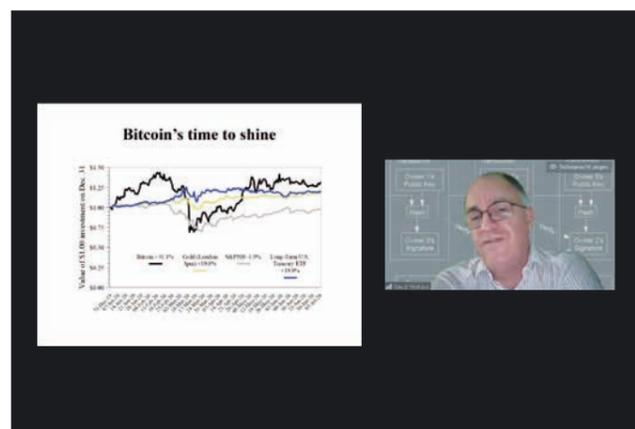
Prof. David Yermack (NYU) gave a lecture on “Investing in Digital Assets During the COVID-19 Crisis” at the Public Event 2020. The event took place as a Zoom-Livestream on July 13, 2020 and more than 100 people attended. It was offered in a hybrid form with about 15 people – including myself as the host – being present in a lecture room at the University of Basel. The rest of the audience joined virtually and Prof. Yermack held the lecture from his home in New Jersey. This new technology worked wonderfully and there was a lively discussion after the insightful presentation, with questions from the virtual as well as the physically present audience.

The year ended with the sad news that our dear colleague and friend Silvio Borner, had passed away on December 7, 2020, after a serious illness at the age of 79. Silvio was the founder of the Summer School program and supported it with his engaging attitude and inspiration until the last day of his life. He was the Chairman of the Advisory Board. We remain very thankful to him for founding the Summer School program and for his permanent support throughout the years. We will miss the spontaneous discussions on economic policy and economics in general, which we always enjoyed during the last years at the “WWZ” and the various events of the Summer School program.

2021 is the 20th anniversary of the program which we plan to celebrate in the summer of 2022 after the COVID-19 pandemic will hopefully have become a ghost of the past.

I hope you will enjoy glancing through this annual report and reading some of the articles. The report mirrors, to some extent, what the “Summer School life” was like in 2020. It was different and we hope to be able to come back to normalcy very soon. Let me end this introductory words with a big thank you to our sponsors, Mrs. Claudine Zaeslin-Bustany, Dr. Hans-Heiner Zaeslin and Dr. Rudolf Maag, for their permanent support of the Summer School program. We realize that particularly in a crisis like this, such loyal support is invaluable. I also would like to thank all my colleagues of the Advisory Board and the Executive Committee for their engagement and all the visiting professors for their excellent contributions to the program and their flexibility to offer the courses online in 2020.

Rolf Weder
Chairman of the Executive Committee



Organization

Summer School Office

Esther Ziegler successfully led the Summer School office and was supported during the summer months by master student Laura Schwab.

Advisory Board

The advisory board acts as a consultant and supervisor to the Executive Committee. It consists of the following members:

Executive Committee

The committee supports and supervises the Summer School, proposes the choice of visiting professors and courses to the Faculty of Business and Economics of the University of Basel and is responsible for the strategic development of the program. It consists of the following members:



Esther Ziegler
Program Administrator



Prof. em. Silvio Borner
* 24 April 1941 † 7 December 2020
Professor of Political Economics
(University of Basel)
Chairman



Prof. Sandeep Dahiya
Professor of Finance
(McDonough School of Business,
Georgetown University)



Prof. Catherine Sharkey
Professor of Law
(New York University
School of Law)



Laura Schwab
Co-Administrator during
the summer 2020



Prof. John Mayo
Professor of Economics, Business
and Public Policy
(McDonough School of Business,
Georgetown University)



Prof. Jeffrey Macher
Professor of Strategy,
Economics and Policy
(McDonough School of Business,
Georgetown University)



Prof. Alois Stutzer
Professor of Political Economics
(University of Basel)



Prof. Rolf Weder
Professor of International Trade
and European Integration

Chairman of the Executive
Committee



Prof. Geoffrey B. Miller
Professor of Law
(New York University School of Law)



Prof. Georg Nöldeke
Professor of Microeconomic
Theory
(University of Basel)



Prof. Rolf Weder
Professor of International Trade
and European Integration
(University of Basel)

Chairman of the Executive
Committee

Obituary / Farewell for Silvio Borner

Our dear colleague Silvio Borner, died on December 7, 2020 at the age of 79 after a serious illness. He had been a professor of economic policy at the University of Basel and the Chairman of the Advisory Committee of the Summer School in Law, Business and Economic Policy.

Silvio studied economics at the University of St. Gallen (HSG), where he earned a doctorate under Walter Adolf Jöhr. Between 1970 and 1972, he served as visiting research fellow at Yale University. Before passing away, he had pointed out that his time there and the ongoing personal dialog with James Tobin (his mentor) as well as with Friedman, Samuelson, Solow and Stiglitz (who all received the Nobel Prize for Economics) played a hugely influential role in his life. In 1978, following the completion of his postdoctoral habilitation and a professorship at HSG, he was appointed full professor of economics at the University of Basel, where he continued to work until his death.

During the 1980s, Silvio carried out pioneering research with his work on the internationalization of industry. The focus of his research, however, was political economics, as evidenced by a series of publications on reforms in Switzerland and Latin America. He was interested in the question of how the state can pursue collective goals while at the same time creating and maintaining an environment in which the creative and innovative behavior of individual stakeholders can flourish. He emphasized the importance of a "strong but limited state" which

intervenes "decisively to protect the individual from the majority."

Alongside his research and teaching, which he described as his "priority and pleasure," he played a decisive role in consolidating and expanding economics as a field at the University of Basel. He was co-initiator of the Center of Business and Economics (WWZ) in 1988, and in 1996, he became founding dean of the Faculty of Business and Economics. In 2001, he founded the international Summer School of Law, Business and Economic Policy, and remained closely connected to it beyond his retirement in 2009 as chair of the Advisory Board. He was awarded the "Freedom Prize" by the Bonny Foundation for Freedom in 2015.

Silvio regularly appeared in the media and was, perhaps, best known to the public for his critical, pointed and generally tongue-in-cheek articles and columns. He once described himself as a "member of a dying breed of generalists." His enthusiasm and genial nature inspired numerous generations of students and researchers. In Silvio Borner we have lost an extremely creative academic and unconventional thinker, a passionate teacher and a friend whom we will miss very much.

Rolf Weder



In 1999, as Senior Associate Dean at Georgetown's McDonough School of Business, part of my job was to meet and greet visiting foreign scholars. Of all the visitors I met, only one TRULY stood out. Silvio Borner was, from the moment I met him, engaging and charming, and someone who I was compulsively drawn to know better. Over twenty years later, I can say that like many others who have interacted with Silvio, he became a dear friend who profoundly influenced my life.

He arrived at Georgetown with the idea of "selling" me on forging a relationship between the University of Basel and Georgetown. Immediately, we fed off each other's energy, and in short order we had conceived a foundation: Georgetown faculty would come to Basel in the summer to provide short courses on areas of their expertise, and the best students in those classes would subsequently travel to Georgetown to advance their scholarship and take in all the wonders of Washington DC. Soon, Silvio had sold the idea to New York University, and the rest is history. Today the WWZ Summer School of Law, Business and Economic Policy hosts numerous courses, faculty from Georgetown and NYU make annual pilgrimages to teach courses that would otherwise be unavailable to students of the WWZ and numerous students expand their horizons in Washington and New York each year.

While none of this remarkable program would have been possible without Silvio's vision and energy, the Summer School is only one small reflection of the influence that he has had on me and the other faculty associated with him over the years. Space does not permit me to recount the innumerable moments when Silvio and his wife Vreni have affected us all – for the better – but for anyone who knew Silvio, the accompanying photo is a marvelous depiction of his zest for life and those around him. We all loved him and will miss him dearly!

John W. Mayo



From left to right: Prof. John Mayo, Vreni Borner and Prof. Silvio Borner



Courses 2020

An Overview

Bachelor

Course	Professor	Students
Financing New Ventures	Sandeep Dahiya (GTU)	25
Fundamentals of Law and Economics	Geoffrey Miller (NYU)	29
Principled Leadership: Ethics and Corporate Social Responsibility	Edward Soule (GTU)	26
The Artificial Intelligence Economy, Business, Governance and Society in the Age of Algorithms	Stephen Weymouth (GTU)	20
Total bachelor students		100

Master

Course	Professor	Students
Competitive Strategy	Jeffrey Macher (GTU)	17
Corporate Mergers and Acquisitions	Yakov Amihud (NYU)	21
Environmental Law and Public Policy. Risk and Regulation	John Wargo (Yale)	25
Experimental Development Economics	William Jack (GTU)	18
FinTech, Digital Currency and Blockchains	David Yermack (NYU)	22
Regulatory Analysis of Pharmaceuticals and Medical Devices	Catherine Sharkey (NYU)	15
Total master students		118

Some Student Statements

“Great atmosphere despite Zoom.”

“Very enthusiastic instructor. Interesting and stimulating topics.”

“The workload was very high, but it was the greatest opportunity at the University of Basel.”

“I appreciate the interactive teaching style.”

“Excellent teaching, high information level, good combination between theory and actual cases.”

Bachelor Courses

Fundamentals of Law and Economics

by Prof. Geoffrey Miller

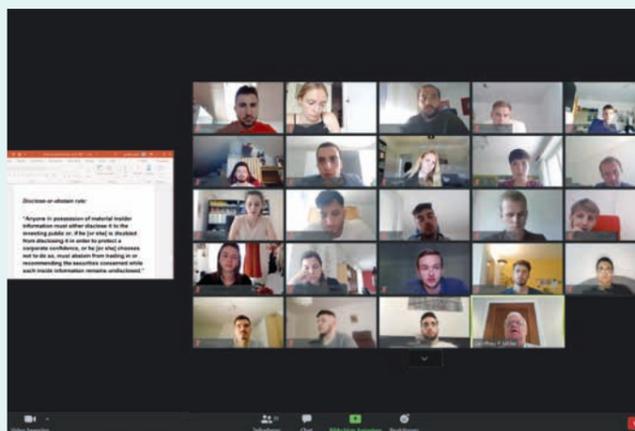
This course deals with the fundamental principles of Law and Economics – the discipline of using economic methods to understand legal rules and practices. After investigating the implications of the Coase Theorem, which directs attention to the importance of transactions costs in the analysis of legal issues, the class turns to applied issues in areas such as the law of automobile accidents, pollution, rules governing parties in civil lawsuits, and the analysis of criminal law and criminal punishments. The basic principles will be explored with numerical illustrations, examples drawn from Swiss culture, and detailed analysis of judicial opinions from the United States and other countries.

Principled Leadership: Ethics and Corporate Social Responsibility

by Prof. Edward Soule

This course examines the ethical and social dimensions of business, organized by personal ethical performance, leading ethical performance and leading social performance. Realistic outcomes of the course include: the ability to evaluate the ethical performance of an organization and the effectiveness of its leaders. That may not seem like much but it forms the foundation for actually leading ethical performance, a demanding competency with wide applications. Ideas students can employ now, in anticipation of the time when their leadership ability becomes just as important as their technical skills. By participating in this course, students will become a discriminating consumer of ideas on leadership, business ethics, and corporate social responsibility.

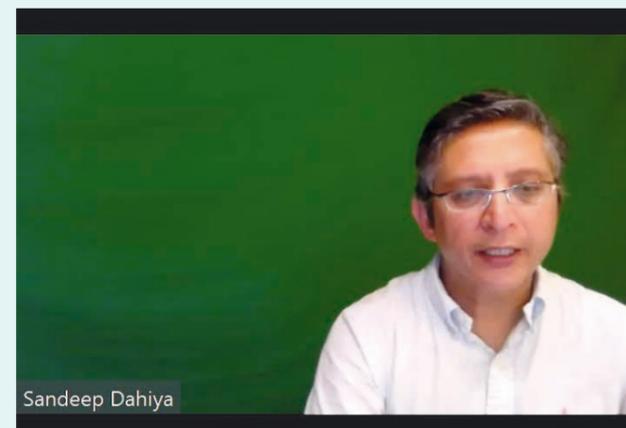
The course approach is designed around the belief that some of the most valuable knowledge cannot be taught, it must be discovered. Accordingly, it is incumbent to create a classroom environment in which exploratory learning is possible. Doing so at a distance via Zoom is challenging. To overcome it, each class consist of multiple activities, including brief lectures, class discussions, breakout room exercises, videos, and (hopefully) student led discussion of “current controversies.” This approach is designed to deal with the limited attention spans on Zoom. Regular shifts in focus and format help to minimize the natural tendency to zone out.



Financing New Ventures

by Prof. Sandeep Dahiya

Every year thousands of new ventures are started and a nearly equal number of existing businesses are closed down. Almost all of these ventures are single founder/employee type of ventures where the founder has neither the desire nor the possibility of creating a significantly large business organization. A small fraction of such ventures, however, hold the promise to grow into large businesses. This course focuses heavily on such promising ventures or “startups”. The reason for this focus is self-evident – business that are unlikely to grow fast have little or limited need for external financing-making such ventures somewhat irrelevant for a course titled Financing New Ventures. It is designed to illustrate challenges faced by an entrepreneur in financing and growing a new firm. Exploiting a promising opportunity frequently requires an entrepreneur to marshal scarce resources, especially external capital. The course focuses almost exclusively on issues relevant to the financing of entrepreneurial ventures. It acknowledges that marshalling talent, customers, regulators and other stakeholders is equally and at times even more important than raising financing in many entrepreneurial ventures. However, given that this is a “Finance” course, the primary focus is on challenges faced by entrepreneurs in securing adequate capital to launch and to grow their ventures.



A significant amount of time is devoted to understand the role of Venture Capital (and to a lesser degree on Angel Investors) in financing new start-ups. The course requires and reinforces the skills needed to analyze a business with a strong emphasis on financing deal terms and valuation techniques. The course concludes by examining the harvesting of entrepreneurial ventures whereby the entrepreneur and the financiers realize the returns for their effort. The course uses a number of case studies based on startups or young firms.

The Artificial Intelligence Economy: Business, Governance, and Society in the Age of Algorithms

by Prof. Stephen Weymouth

The world is entering an age of transformational technologies driven by artificial intelligence (AI). Advances in computer science and robotics create machines that can drive, diagnose, build, and “think”. AI promises new conveniences, more efficient production, and material and cultural bounty. AI will also fundamentally change manufacturing processes and services delivery, potentially eliminating jobs and increasing inequality. Unless properly managed, the AI economy may create deep economic and political conflict between its beneficiaries and those left behind. Left unchecked, these divisions threaten crises to governance, global capitalism, and geopolitics.

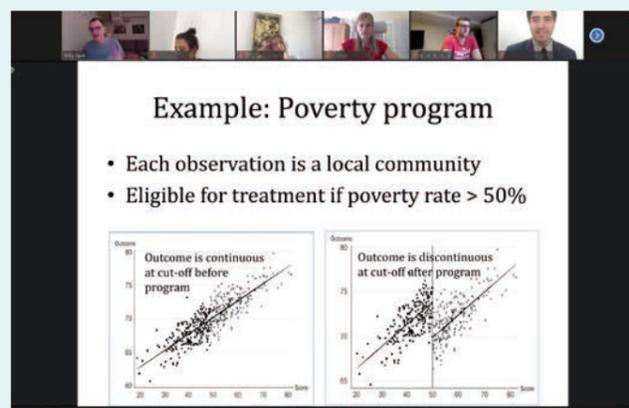
This course surveys the AI economy and its potential implications for firms, governments, and society. Students assess the emerging business tools and strategies relying on machine learning and algorithms. Recent developments in the economics of AI is reviewed, with particular focus on which jobs AI will likely replace and the reasons why. Differences in AI deployment across countries and regions, and their implications for international economic relations between the US, China, and the EU are explored. The course concludes with an exploration of the seismic political shocks that may arise from AI-induced unemployment and widening inequality. Finally, policy proposals to forestall these threats to democratic governance are evaluated.

Competitive Strategy

by Prof. Jeffrey Macher

Competitive Strategy is concerned with managing the development and competitive position of the business enterprise in order to ensure its survival and long-term success. Every firm must create and sustain a competitive advantage if it is to survive and prosper. This course provides frameworks, tools and concepts to help students analyze and understand the creation and sustainability of competitive advantage. Political, economic, demographic and social environments differ and evolve across industries. Industries differ in the extent to which they provide opportunities for sustained profitability. Industries also evolve over time, providing firms with continuously changing opportunities and threats. While industry analysis provides firms insights into what they must do to succeed, it does not shed much light on what they can do. Resource and capability analysis provides an insight into firms' strengths and weaknesses (as they relate to the external environment). An understanding of internal strengths enables firms to fully exploit and build their capabilities to compete successfully, while an understanding of internal weaknesses suggests recommendations for improvement.

Every firm seeks to obtain a unique and sustainable competitive position through an appropriate configuration of its assets and products in relation to the external environment in order to generate superior value for its customers. The course examines distinct business strategies with particular emphasis around competitive positioning, low-cost and differentiation, and vertical integration.



Experimental Development Economics

by Prof. William Jack

Economic development is a process of trial and error, innovation and experimentation, success and failure. Given the right institutions, some not unfavorable resource endowments, and a bit of luck, incomes can grow, health can improve, and human development can flourish; other times, things do not turn out so well. While the last 150 years have seen broad improvements in well-being around the world, and deep reductions in poverty have been achieved in just the last 25 years, there remains a huge disparity in living standard between and within countries. There is much work to be done before one can claim to have reached a just, prosperous, and sustainable world.

Given the urgency of development challenges, it is imperative that one learns quickly from the mistakes and build robustly on successes. The hope is that by understanding what kinds of innovations and policies "work" to improve the lives of the deprived and vulnerable, and how they work, it would be better to accelerate the process of development more generally. To that end, this course provides an overview of empirical methods and analytical techniques for assessing the impact and effectiveness of development innovations at both the product and policy levels.

Corporate Mergers and Acquisitions

by Prof. Yakov Amihud

This course presents the theories and empirical evidence on corporate control transactions, the process of evaluating acquisition targets and its application in practice. Findings on the reaction of stock prices to information on control transactions are used to analyze the effects of various policy options in such transactions. Strategies of acquisition are studied as well as defensive measures against them, their purpose and their consequences. The class combines lecture material, quantitative and qualitative analyses and discussions of relevant news. There is an emphasis on fundamental concepts of valuation and other areas of corporate finance related to Mergers & Acquisitions.

FinTech, Blockchain and Digital Currency

by Prof. David Yermack

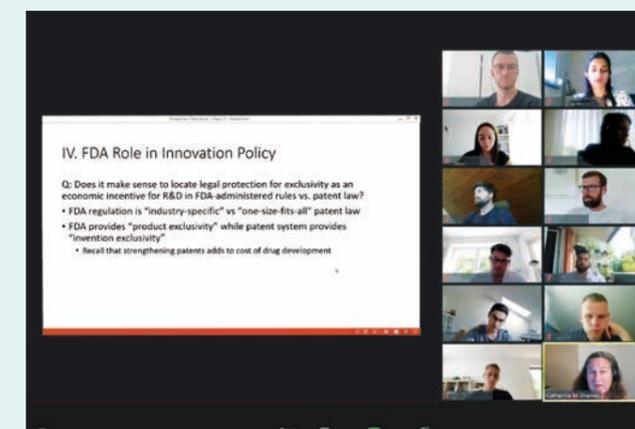
This course covers digital currencies, blockchains, and related topics in the FinTech area, perhaps the most significant innovation in the financial world since the advent of double-entry bookkeeping centuries ago. The technology appears to represent an existential challenge for major parts of the finance industry. It is now commonly suggested by experts such as McKinsey that commercial banks and stock exchanges may no longer exist, or may become much smaller, within the next 10 to 20 years, with increasing volumes of payments and exchange taking place on a peer-to-peer basis.

The course begins with a study of the nature of money and legacy payment and banking systems. Students then study the emergence of stateless, cloud-based digital currency systems since 2009. Further lectures will explore threats that blockchain technology poses to incumbent firms and their resulting attempts to co-opt the technology into existing business models. Related issues are surveyed including hacking, "smart contracts," governance, and emerging regulation.

Environmental Law and Public Policy. Risk and Regulation

by Prof. John Wargo

The master course explores key trends and challenges in the global food sector related to the environment, human health, and profitability. Students explore corporate innovation, government regulation, and certification programs. Comparisons are made when possible among Swiss, EU, the US, as well as Asian laws and corporate policies. Students examine corporate strategies in the food sector, differing legal standards among nations, changing consumer preferences, public subsidies, trade barriers, vertical integration of supply chains, branding trends, and organic certification standards. Students learn to evaluate the effectiveness of environmental law and policy, to judge the quality and uncertainty of scientific evidence used to claim that a risk is either significant, or not worth worrying about. Each topic explores how environmental and health risks are assessed, how legal and regulatory standards, alternative government and corporate policies are implemented, and practices that might reduce negative externalities.



Regulatory Analysis of Pharma-ceuticals and Medical Devices

by Prof. Catherine Sharkey

The regulation of pharmaceuticals and medical devices – fields of rapid technological growth and innovation – is a topic of legal, economic, and policy significance. The study of regulation encompasses an exploration of such direct controls as governmental legislation and agency directives and indirect controls like products liability litigation, insurance, intellectual property, and antitrust regimes. The students study how technological advances in the pharmaceutical and medical device industry challenge and demand redefinition of the institutional relationships between agencies and courts, of the mechanisms of supervision and control provided by the market, government, and common law litigation.

Evaluation Results

In order to constantly improve our quality management and strengthen the high standard of this program, the Summer School conducts evaluations at the end of each course. Within this procedure, all students complete evaluation forms that provide valuable information for improvement. The evaluations are anonymous. Moreover, the evaluation procedure is an essential monitoring device in order to guarantee that the courses fulfill the high requirements set by all the participants of the program.

All the courses were regarded as highly interested and certainly justified the extra reading and studying required. The degree of difficulty is, of course, never the same for all students, but, overall, it is assessed as adequate. This is also reflected in the high proportion of students who passed the exams. Students like the American interactive method of teaching.

General evaluation and learning success	2020	2019
Overall, the course was:	5.5	5.6
Overall, my learning success was:	5.2	5.3
I would recommend the course to other students.	5.4	5.6
Evaluation of the lecturers		
The lecturer structures the course well and identifies the objectives clearly.	5.3	5.5
The lecturer communicates the teaching material clearly.	5.5	5.6
The lecturer responds thoroughly to students' questions.	5.8	5.8
The lecturer is committed.	5.8	5.8

Scale: (1 = I do not agree at all, 6 = I agree fully); n.a. = not available

In spite of the fact that courses could only be taught digitally using Zoom, the course evaluations in 2020 were excellent. However, students and professors alike are looking forward to meet again in the classrooms in future.

Visiting Professors



Prof. Yakov Amihud

Professor of Entrepreneurial Finance
Stern School of Business, New York University

Course taught in 2020:
Corporate Mergers and Acquisitions

Yakov Amihud is the Ira Rennert Professor of Entrepreneurial Finance at the Stern School of Business, New York University. His research includes the evaluation of corporate financial policies, mergers and acquisitions, initial public offerings, objectives of corporate managers, dividend policy, and law and finance. In 1969 Amihud earned a bachelor's degree in economics and political science from the Hebrew University. In 1973 he graduated with a master's degree in business administration from New York University, where he also completed his Ph.D. in Economics and Quantitative Analysis in 1975.

He teaches courses on Corporate Finance and Mergers & Acquisitions. His research interests focus on securities markets microstructure and corporate finance. The focus of his research is the effects of liquidity of assets on their returns and values, and the design and evaluation of securities markets' trading methods. On these topics, Prof. Amihud has done consulting work for the NYSE, AMEX, CBOE, CBOT, and other securities markets. He has published more than seventy research articles in professional journals and in books. He edited and co-edited five books on topics such as LBOs, bank M&As, international finance, and securities market design.



Prof. Sandeep Dahiya

Associate Professor of Finance
McDonough School of Business,
Georgetown University

Course taught in 2020:
Financing New Ventures

Professor Dahiya has been on the faculty of the McDonough School of Business since 1999. He has published in Journal of Finance, Journal of Financial Economics, Journal of Corporate Finance and Financial Markets, Institutions & Instruments. He received his Ph.D. in Finance from New York University.

Dahiya is also a Faculty Associate of the Capital Markets Research Center. He spent two years working in the Corporate Finance and Strategy practice of McKinsey & Company, a leading strategy consulting firm. He worked with CEOs and CFOs of Fortune 500 firms in Healthcare, Financial Services and Chemical industries focusing on Valuation, Mergers & Acquisitions, Capital Markets and Risk Management issues.

He has also consulted for leading law firms on corporate finance issues. Before getting his Ph.D., he spent three years with ICICI Bank, a large financial institution in India. His primary responsibilities included managing lending relationships with leading Indian corporations and arranging project finance for textile and energy sector companies.



Prof. William Jack

Professor of Economics
Department of Economics,
Georgetown University

Course taught in 2020:
Experimental Development Economics

Billy Jack is Vice Provost of Research and Professor of Economics at Georgetown University. He is also director of guide the Georgetown University Initiative on Innovation, Development and Evaluation, which conducts empirical field-based research to assess the impact and effectiveness of development interventions. Previously he held positions on the Joint Committee on Taxation of the US Congress, the IMF, the Australian National University, and the University of Sydney. He holds a BSc in mathematics and physics from the University of Western Australia, and an MPhil and DPhil in Economics from Oxford University, where he was a Rhodes Scholar. His research interests are in development economics, health economics and public economics. He has published in highly ranked journals such as the American Economic Review, the Journal of Public Economics or the Journal of Health Economics on various topics. Some of his recent publications are on “Mobile Money in Kenya” or on “Large-scale randomized behavior change intervention on road safety in Kenya”.



Prof. Jeffrey T. Macher

Professor of Strategy, Economics and Policy
McDonough School of Business,
Georgetown University

Course taught in 2020:
Competitive Strategy

Jeffrey T. Macher is a professor at the McDonough School of Business and academic director of Georgetown’s Center for Business and Public Policy. He teaches full-time, evening and executive MBA and executive education courses in microeconomics, competitive strategy, and the management of technology and innovation. Macher received his undergraduate degree in computer engineering from the College of Engineering at the University of Michigan; his MBA from the Amos Tuck School of Business Administration at Dartmouth College; and his Ph.D. from the Walter A. Haas School of Business at the University of California, Berkeley. Prior to Georgetown University, Professor Macher worked for Braxton Associate (a strategy consulting firm now part of Deloitte Consulting), IBM and Motorola. He is on the editorial boards of Production and Operations Management Journal and Strategic Management Journal, and a reviewer for several academic journals. He is also a Special Government Employee (SGE) of the Food and Drug Administration (FDA).



Prof. Geoffrey P. Miller

Professor of Law,
School of Law, New York University

Course taught in 2020:
Fundamentals of Law and Economics

Professor Miller is author or editor of a dozen books and more than 200 research papers on topics in business law, compliance and risk management, financial institutions, securities law, the legal profession, ancient law, and legal theory. He received his bachelor’s degree from Princeton University in 1973 and his JD from Columbia Law School in 1978, where he was editor-in-chief of the Columbia Law Review. Miller clerked for Judge Carl McGowan of the U.S. Court of Appeals for the DC Circuit and Justice Byron White of the U.S. Supreme Court. After two years as an attorney adviser at the Office of Legal Counsel of the U.S. Department of Justice and one year with a Washington, DC, law firm, he joined the faculty of the University of Chicago Law School in 1983, where he served as associate dean, director of the Program in Law and Economics, and editor of the Journal of Legal Studies. In 1995, he joined the NYU School of Law. Miller has been a visiting professor and visiting scholar at universities and facilities of higher learning around the world. He is a founder of the Society for Empirical Legal Studies, director of the NYU Law Center for Financial Institutions, co-director of the Center for Civil Justice, and co-director of the NYU Law Program on Corporate Compliance and Enforcement. He serves on the board of directors, chairs the audit committee, and is a member of the compensation and risk committees of State Farm Bank. Miller is a 2011 inductee into the American Academy of Arts and Sciences.



Prof. Catherine Sharkey

Professor of Law
New York University School of Law

Courses taught in 2020:
Regulatory Analysis of Pharmaceuticals and Medical Devices: Legal, Political and Economic Perspectives

Catherine Sharkey is leading authority on the economic loss rule, punitive damages, and federal preemption. She has published dozens of law review articles, essays, reviews, and book chapters in the fields of torts, products liability, administrative law, remedies, and class actions. In 2014, she was named a Public Member of the Administrative Conference of the United States (ACUS). She previously served as an academic consultant to ACUS, and the recommendations in her report concerning internal procedures governing preemptive rulemaking by federal agencies were adopted by ACUS. Professor Sharkey is the editor-in-chief of the Sedona Working Group on Punitive Damages and Mass Litigation. She is a founding member of the World Tort Law Society, established in 2012. She is an elected member of the American Law Institute (ALI) and adviser for the ALI’s Restatement Third of Torts: Liability for Economic Loss, and a past chair of the AALS Torts and Compensation Systems Section. In 2011, Professor Sharkey was named a Guggenheim Fellow by the John Simon Guggenheim Memorial Foundation. Sharkey’s scholarship has been cited by numerous federal appellate and trial courts. She is also an active participant at domestic and international workshops and conferences of torts, administrative law, and preemption scholars. Sharkey is an international adviser for a remedies and products liability research group at Universitat Pompeu Fabra in Barcelona, Spain. She earned a bachelor’s degree in Economics from Yale University. A Rhodes Scholar, she received a Master of Science in Economics for Development from Oxford University (Magdalen College), and her J.D. from Yale Law School, where she was executive editor of the Yale Law Journal. She became Professor of Law at New York University in 2007.



Prof. Edward Soule

Associate Professor of Managerial Ethics, Leadership and Corporate Social Responsibility McDonough School of Business, Georgetown University

Course taught in 2020:
Principled Leadership: Ethics and Corporate Social Responsibility

Professor Soule is an Associate Professor at the McDonough School of Business, where he teaches courses in business ethics, corporate social responsibility, and leadership. His research has focused on the ethical dimensions of commercial life from the points of view of managers and regulators. He is currently engaged in a cross-disciplinary examination of labor practices in the apparel industry, with emphasis on a “living wage” initiative in the Dominican Republic.

Academia is Ed Soule’s second career. The first was in business and included his work as a CPA and as the Chief Financial Officer of Edward Jones. Between his two careers, he earned a Ph.D. in philosophy from Washington University in St. Louis. Ed chairs the Board of Trustees of Rare, an international conservation organization headquartered in Arlington, Virginia.



Prof. John Wargo

Professor of Environmental Health and Political Science Yale School of Forestry & Environmental Studies

Course taught in 2020:
Environmental Law and Public Policy. Risk and Regulation

John Wargo is professor at Yale University, chair of the Yale College Environmental and a fellow of Branford College. Wargo’s research focuses on understanding threats to human health posed by environmental hazards. He has concentrated on the susceptibility of children and pregnant women, and has evaluated the effectiveness of law in reducing environmental threats to human health. He has written about human exposures to pesticides, vehicle emissions, toxins in foods, plastics, flame-retardants, metals, and chemicals in built environments. Professor Wargo has lectured extensively on the limits and potential of environmental law, with a focus on human health. He has participated in several National Academy of Sciences committees, analyzing children’s exposure to toxic substances. He also has testified before both Senate and House Committees, and been an advisor to the White House, the World Health Organization, the Food and Agriculture organization, the EPA, USDA, and the Centers for Disease Control and Prevention on environmental threats to children’s health. Wargo has participated in the design of federal and state laws and regulations intended to reduce human exposures to air pollution, pesticides, plastics, mercury, and endocrine-disrupting chemicals. Professor Wargo holds a bachelor’s degree in English from the University of Pennsylvania. In 1974 he received a Master of Landscape in Architecture at the University of Massachusetts, followed by a Master of Philosophy in 1982, and a Doctor of Philosophy in 1984 – both from Yale University.



Prof. Stephen Weymouth

Associate Professor of International Political Economy McDonough School of Business, Georgetown University

Course taught in 2020:
The Artificial Intelligence Economy: Business, Governance, and Society in the Age of Algorithms

Stephen Weymouth is an Associate Professor and the Marano Faculty Fellow at the McDonough School of Business at Georgetown University. He is a faculty affiliate of the Department of Government, and a senior policy scholar at the Center for Business and Public Policy.

In 1999, Prof. Weymouth graduated with a Bachelor of Science in Economics from the Arizona State University. In 2005, he earned a MA in Latin American Studies, followed by a Ph.D. in Political Science and International Affairs – both from the University of California, San Diego.

His research interest focuses on globalization backlash, trade policy, exchange rate politics, and distributional consequences of technological change.



Prof. David L. Yermack

Professor of Finance and Business Transformation Stern School of Business, New York University

Course taught in 2020:
FinTech, Digital Currency and Blockchains

David L. Yermack is a professor at the Stern School of Business. He also serves as the chairman of the Finance Department and director of the NYU Pollack Center for Law and Business. Professor Yermack teaches joint MBA-Law School courses in Restructuring Firms & Industries and Bitcoin & Cryptocurrencies, as well as Ph.D. research courses in corporate governance, executive compensation, and distress and restructuring. He has been with NYU Stern since 1994. His primary research areas include boards of directors, executive compensation, and corporate finance. Professor Yermack has published more than 25 articles in leading academic journals in Finance, Accounting, Economics, and Law. He is a faculty research associate of the National Bureau of Economic Research and has been a visiting scholar at the U.S. Federal Reserve Bank. Yermack received his Bachelor of Arts in Economics (1985), Master of Business Administration (1991), Juris Doctor (1991), Master of Arts in Business Economics (1993), and Doctor of Philosophy in Business Economics (1994) all from Harvard University.

U.S. Seminar

Review of the stay in Washington D.C. and New York City, February 2–11, 2020

The U.S. Master Seminar in Law, Business and Economic Policy – offered jointly by Prof. Jeffrey Macher (Georgetown University) and Prof. Rolf Weder (University of Basel). This year 10 master students and 4 Ph.D. students travelled to the US.

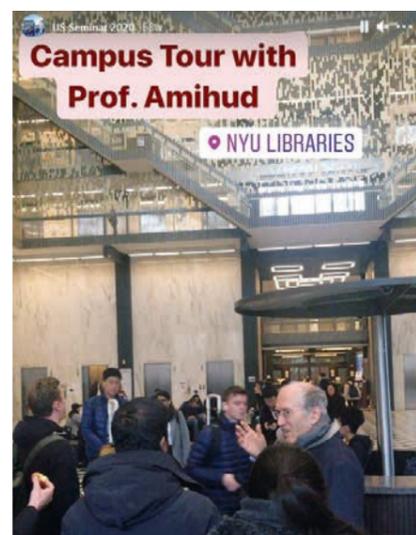
During the first week, students summarized their main findings of their seminar papers in front of challenging audience at Georgetown University. In addition, the group visited many institutions located in the U.S. capital, i.e., CATO, Peterson Institute, International Monetary Fund and World Bank as well as the Swiss Embassy and the Anti-Trust Division of the U.S. Department of Justice. At the end of the week the four Ph.D. students presented their research questions to the faculty of Georgetown University and had the opportunity to get in touch with fellow researchers

After a full week in Washington D.C., the group travelled by a chartered Greyhound bus to New York City where students explored “Big Apple” over the weekend. On

Monday morning, the group met in a seminar room at Stern School of the New York University. After a short introduction to the excellent worldwide position of this University, students faced again the challenge to present their work to an audience composed of fellow students, supervisors and faculty members of all three universities supporting the program.

This was followed by an excellent tour led by Prof. Yakov Amihud. He introduced the students to the highlights of the architecture and buildings near NYU and Washington Square. A visit to the Federal Reserve Bank New York, including a visit to the famous gold vault, and a tour through the U.N. headquarter completed the program. In all of these cases, discussions with high-level representatives of these institutions took place and allowed for a variety of questions and competent answers.

Thanks to master student Geyza Gizem Arikan, fellow students and family members could follow the seminar excursion on Instagram.



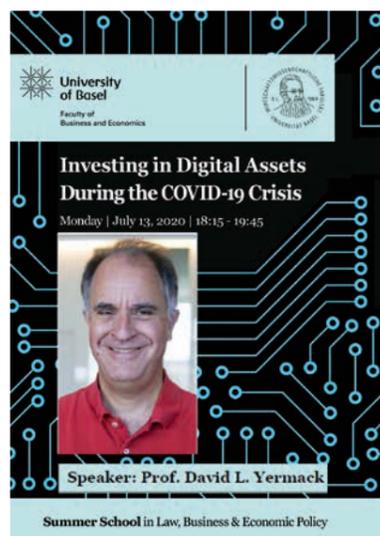
Award for Best Performance

The 2020 Award for the Best Performance in the U.S. Master Seminar in Law, Business and Economic Policy was given to Mr. Alexander Marx for his research paper on “Home bias in the United States and Switzerland – does it hurt?”

We congratulate Alexander Marx on his great achievement. Prof. Yakov Amihud (NYU), who acted as discussant for the seminar paper, wrote in his report: “The paper studies the phenomenon of home bias: investors in one country invest nearly exclusively in their home country’s stocks → they lose the benefits of diversification. The problem is greater than it seems, because their human capital and real estate – by far the largest value assets for most people – are invested in their home country. (...). The paper calculates the extent of the home bias in the U.S. and Switzerland.” In their report, Professor Macher and Weder came to the conclusion that the paper “is indeed a serious piece of research”.



Public Event



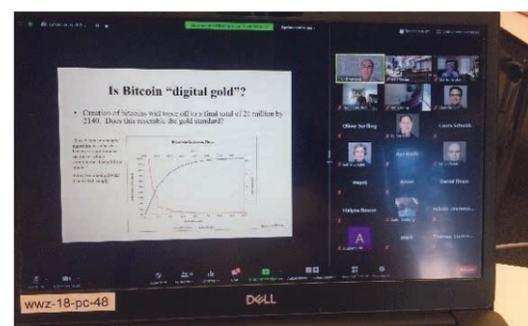
The talk on “Crypto Currency during the COVID crisis” by Prof. David Yermack included insightful facts and discussion points about the value of crypto currencies in the last years and the recognition of its importance by central banks, especially in the U.S., due to the recent COVID crisis.

Despite high volatility of crypto assets, there has been a rally on digital currencies such as bitcoin. One reason mentioned by Yermack is the bitcoin halving in mining reward, typically motivating people to increasingly buy the currency before its issuance terminates and causes bitcoin’s value to rise. However, the halving algorithm is truly deterministic. In March 2020, bitcoin mining pools anticipated the upcoming halving event and initiated a massive inflow of bitcoins to maintain their market share resulting in a 40% decrease in its value. Bitcoin is also referred to as “digital gold” e.g., due to the decreasing-supply algorithm whereby bitcoin resembles gold with diminishing rate of resources. But Yermack states that this heavily contradicts the data on the actual increasing rate of gold production since 2000 BC.

Nevertheless, a growing need for crypto currencies and blockchains by the U.S. congress and Federal Reserve has been observed during the COVID pandemic. In 2020, the congress called the U.S. Treasury to release the stimulus payment to U.S. citizens using blockchains, which also amplified the debate about launching a U.S. central bank digital currency. Using blockchains allows more financial inclusion with efficient and accurate transfers of funds to those in need, which has proven to be difficult for many US citizens without bank accounts. Furthermore, sovereign digital currencies can be used to escape the zero-lower bound for interest rates. People can overcome negative interest rates by holding physical cash. But in a crisis, the central bank could take out cash from circulation and issue digital money to stimulate the economy with reduced, even negative, interest rates. This demonstrates how the pandemic is enforcing the wide adoption of blockchains and simultaneously speeding up cash to disappear. According to Yermack, the U.S. is also pressured to keep up with China’s sovereign digital currency and WeChat and Alipay’s successful digital payment systems.

Overall, Yermack forecasts an exciting time ahead with central banks interested in launching sovereign digital currencies and on the other side social media giants such as Google disrupting the banking system and monetary policy with issuing their crypto currencies.

Alisha Amrein



Zaeslin Guest House

In summer 2020, the construction of the new Zaeslin Guest House was completed. The four-story building at Nonnenweg 56 with 11 apartments offers a temporary home for visiting professors and guest scientist of the University.

The inauguration ceremony took place in the presence of the donor couple Hans Heiner and Claudine Zaeslin, the president of the University of Basel as well as the former University Council President in September 2020. The president of the University of Basel Prof. Andrea Schenker-Wicki pointed out how grateful the University is for the very generous donation by Hans Heiner and Claudine Zaeslin. The former University Council President Ueli Vischer, on the other hand, embellished his greeting with anecdotes from the planning period, during which the 90-year-old donor insisted on being supportive himself. “Hans Heiner Zaeslin wrote personally to the Basel government councilor on his old Hermes typewriter to finally grant the building permit,” said Vischer. Apparently with effect. The total budget as well as all deadlines for the construction project could be met.

The new guest house is a unique and very generous contribution of the Zaeslins – In addition to the generous and longtime support of the Summer School program. Needless to say that the visiting professor of the Summer School will truly enjoy the new Guesthouse – when returning to Basel after the COVID-19 pandemic is over.



Zaeslin Alumni Club (ZAC)

The Zaeslin Alumni Club (ZAC) is the Alumni Club of the Zaeslin Program. The ZAC embraces the most qualified participants of the Zaeslin Program, all of which had the honor to receive a Zaeslin scholarship for a stay at either Georgetown University or New York University (NYU). Besides, the Club is open for successful alumni of the Summer School in Law, Business & Economic Policy.

According to the club motto «Audiatur et altera pars» the ZAC promotes the interdisciplinary and international exchange between lawyers and economists.

Our goal is to prolong the learning and social experience of the Zaeslin Program into a life-long experience. Therefore, we organize, on a regular basis, events in the U.S. as well as in Switzerland.

Contact:

zaeslinalumni@gmail.com

www.zaeslin-alumni-club.ch

Impressum

Published by

Summer School in Law,
Business and Economic Policy

Editing

Esther Ziegler

Text

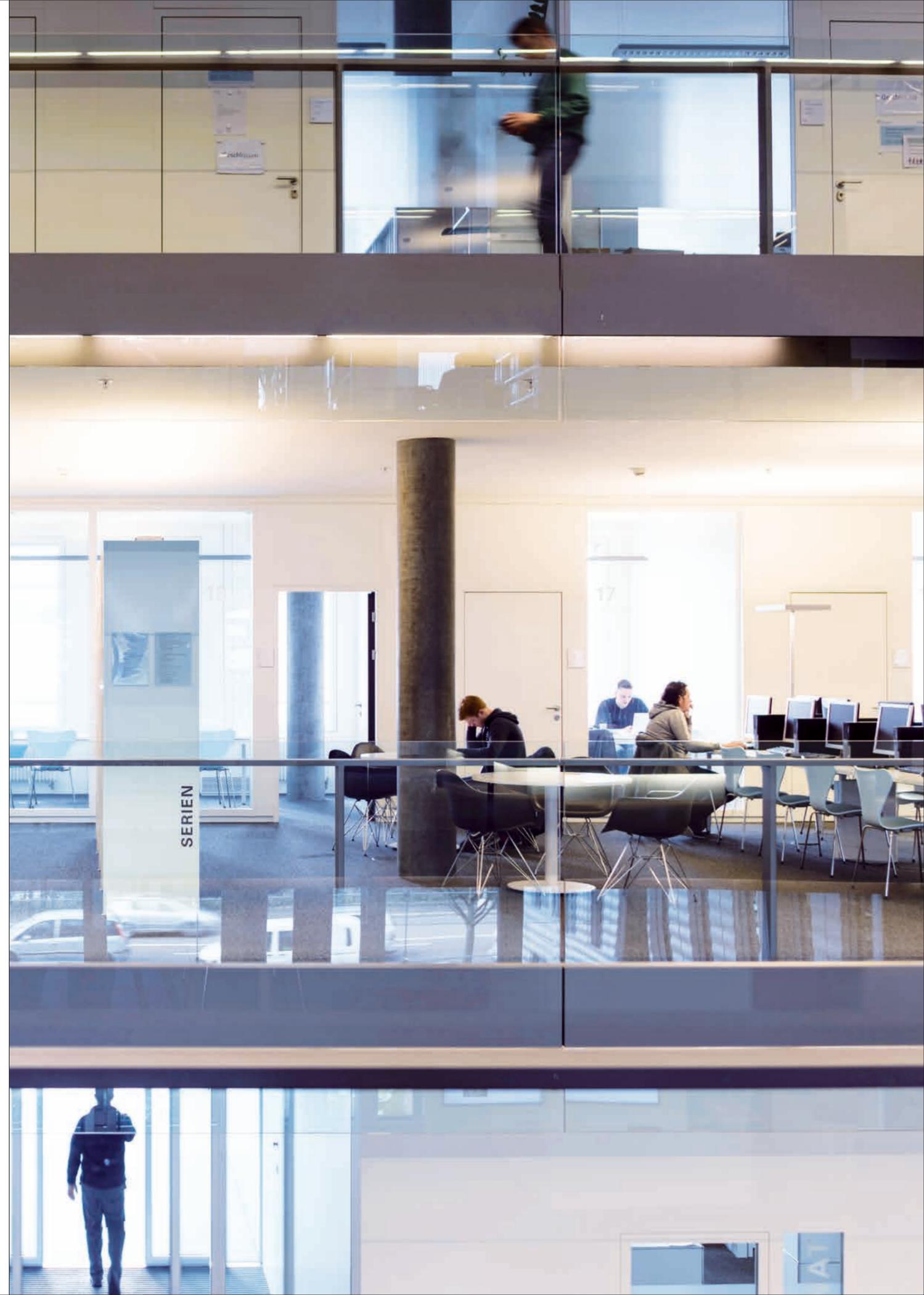
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Esther Ziegler

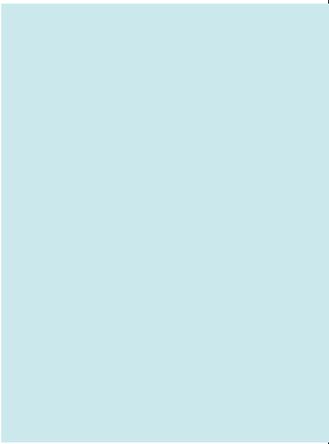
Layout

Flux Design, Basel

Photos

Geyza Gizem Arikan
Christian Flierl
Stefan Holenstein
Dominik Plüss
Laura Schwab
Rolf Weder
Esther Ziegler





University of Basel
Faculty of Business and Economics
Summer School in Law, Business and Economic Policy
Peter Merian-Weg 6
P.O. Box
CH-4002 Basel

Phone: + 41 61 207 33 42

E-Mail: summerschool-wwz@unibas.ch

Website: <https://wwz.unibas.ch/de/summer-school/>