



University of St.Gallen

Institute of Economics



DATE:
24.5.2023
START: 12:15
ROOM: 01-014

Walter-Adolf-Jöhr Lecture
with Prof. Ulrike Malmendier

Experience Effects: The Longlasting Effects of Crises and Other Past Experiences on Expectations and Economic Decisions

Personal experiences of economic outcomes, from financial crises and pandemics to individual-level job losses, can have a longlasting impact and shape risk attitudes and behavior for years to come. Modern research on experience effects shows that individuals act as if past outcomes that they experienced were overly likely to occur again, even if they are fully informed about the actual likelihood. Modern brain science helps understand these processes. Evidence on neural plasticity reveals that personal experiences and learning alter the strength of neural connections and fine-tune the brain structure to those past experiences. Experience effects explain belief formation and decision-making in the context of inflation, home purchases, mortgage choices, and consumption expenditures.

Ulrike Malmendier is Professor of Economics and Finance at the University of California, Berkeley. Her work focuses on Behavioral Economics/Behavioral Finance, Corporate Finance, and Law and Economics.

The Lecture will be in English. You are kindly invited to a buffet lunch after the lecture. Please find more information at fgn.unisg.ch



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