Innovation and growth for the lucky few?

**Guido Cozzi**, a professor of economics, is an expert in innovation-based growth theory. He is also interested in the rise of China. What makes a country grow? Must we accept more inequality? How does our Ph.D. programme in Economics and Finance (PEF) compete with the top schools worldwide?

Your main research is on innovation and growth. Do firms make the right innovation choices? What are the key obstacles? What must government do?

Innovation is by definition a priori unknown, and it is often impossible for firms to know whether a given research project is the right one. This is the key obstacle: we are never sure to make the right choices, and not investigating a dead-end. The governments should support basic research in universities, to cast some light into the future avenues and reduce the uncertainty for applied research, such as that of most firms.

Is innovation only for the few gifted and lucky persons in society? Who are the winners and losers? Must we accept more inequality?

You can be more gifted or less gifted for any job. This applies also to innovation. And even if many talented researchers and firms try, few will succeed in today’s very challenging competitive arena. Some may be very good but just unlucky! Inequality of results is inevitable because of the market selection of the winners. However, the governments shall mitigate unlucky’s losses and keep doors open for new challengers and promoting equal opportunities.

Your teaching and research are also about China. Is the rise of China a chance or a threat to Europe? What would be a good China strategy for Europe?

China’s GDP has massive future growth potentials, and in the next 20 years is projected to get larger than the combined US-EU GDP. If its institutions gradually become more open-minded and tolerant of free thought, China will likely produce more innovation than the Western world. This could immensely benefit everyone’s standard of living, because ideas are “non-rival” goods, that once invented can nearly costlessly flow across the world.
Europe can gain a lot from constructive dialogue with China.

You are joining the steering group of PEF, our Ph.D. programme in Economics and Finance. How can we compete with the top schools?

Ph.D. students hugely benefit from contacts with great scholars in the field. For example, visiting periods in top schools are very rewarding experiences. Also, our students have the fortune to access courses in the idyllic Swiss graduate center at Gerzensee, where the best professors in the world take turns in teaching postgraduate economics. The best students and researchers are those who love their work and have a passion for investigating the economy and society in general.

If not economics, what keeps you busy in your private life?

My family comes first, then horses. Horses teach me a lot about feelings and psychology, and I love spending time with them. I like Western riding, and this passion is among the reasons why I like living in the countryside. I also like music, especially playing classical piano. In general, I enjoy learning new ideas from several different fields of knowledge.

For more information, please visit his website or write to guido.cozzi@unisg.ch. More information on the PhD in Economics and Finance and the Study Center Gerzensee.