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**Recommendation Letter for Benjamin Guin  
(NBER Household Finance Small Grants Application)**

It is my pleasure to write this recommendation letter for Benjamin Guin who is currently a PhD student in Economics and Finance at the University of St.Gallen. Benjamin is writing his PhD under my supervision and has been a teaching assistant at the University of St. Gallen since August 2011. He is currently visiting Columbia Business School at the invitation of Prof. Stephan Meier.

Benjamin is writing his thesis on household finance. His first paper examines the impact of commercial microfinance banks on household access to banking services in South-East Europe. This paper is currently under revision at the Review of Finance. His second paper examines the impact of the subprime losses by the Swiss bank UBS in 2007-2009 on deposit withdrawals by retail clients. Exploiting a unique survey database which provides information on all bank relationships for a representative sample of Swiss households he examines to what extent switching costs drive the massive withdrawal of retail deposits from UBS. This paper has already been presented in seminars at policy institutions and universities in Europe and is scheduled for presentation at conferences this summer.

Benjamin is now starting to work on his job-market paper for which he has applying to the NBER household finance small grants program. In this project he will examine the impact of culture on household finance. Exploiting historical language and religious borders within Switzerland he plans to examine the impact of cultural differences on precautionary saving, household borrowing and over-indebtedness. This project will help shed light on the extent to which household financial behavior is culturally determined through time preferences, habits and norms. I expect the outcome of this project to be publishable in a top-field journal.

My overall assessment is that Benjamin Guin has the potential for a very successful career as an academic or a research economist in a policy institution. He has strong technical skills, an excellent economic intuition and is also highly motivated, curious and innovative. His job-market project, for which he is applying to the NBER household finance small grants program, reflects these attributes. In my view this project strongly deserves to be supported.

Best regards  
UNIVERSITY OF ST. GALLEN