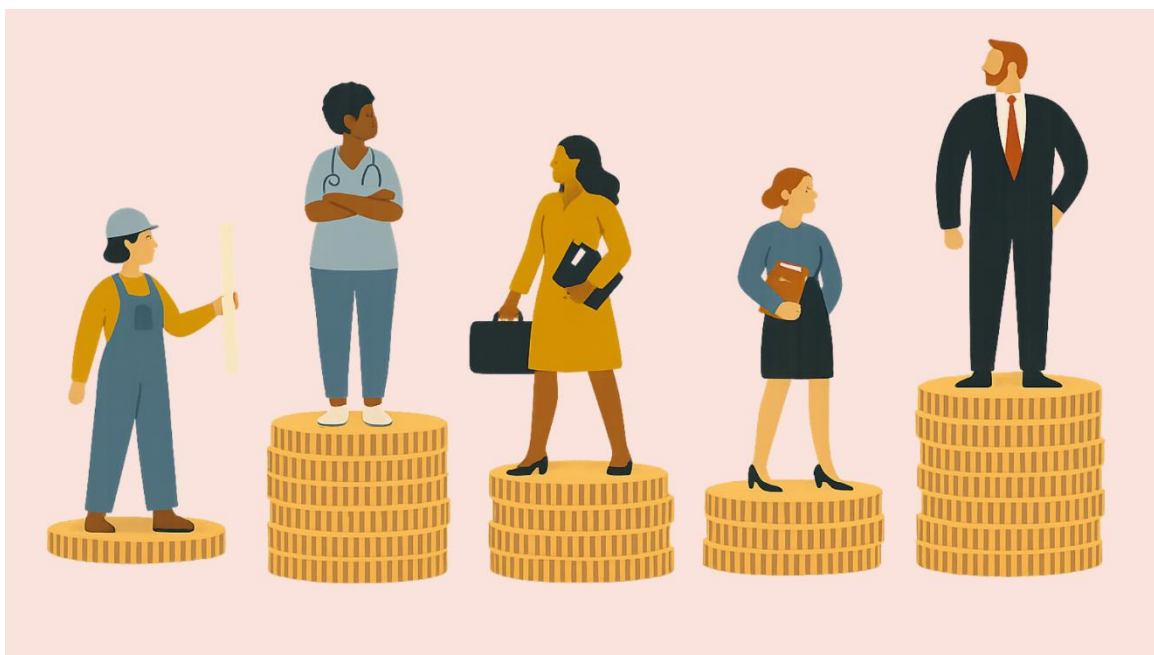


In this issue:

- Why do the rich get rich? New research shows it's about risk and patience
- How can companies retain talent without promotions?
- Save the Date: SHoF Annual Conference on sustainable household finance Sept 18
- ESRB policy report: a case for an EU-wide insolvency reform

Why the Rich Get Rich: It's About Risk— and Patience



Why do some people accumulate far more wealth than others? A new study suggests it's not just luck—it comes down to mindset and behavior. Researchers **Gualtiero Azzalini** and **Zoltán Rácz** (SHoF/SSE), with **Markus Kondziella** (University of St. Gallen), find that risk tolerance, patience, and a willingness to invest in less diversified portfolios help explain growing wealth gaps.

[Read more](#)

Key Findings:

- Only a small group of risk-tolerant, patient individuals ends up holding most wealth.

- Most people avoid risk, earn lower returns, and accumulate less.
- Matching individuals to portfolio choices helps explain wealth inequality.
- Stock market booms disproportionately benefit the rich.

ARTICLE

A Case for EU-Wide Insolvency Reform

Inefficient and fragmented insolvency regimes across Europe are holding back capital market development. In this new article, SHoF researchers argue that harmonizing insolvency frameworks would improve market discipline and efficiency, ultimately making the EU more resilient to economic shocks.

[Read more](#)

VIDEO INTERVIEWS

How Can Firms Retain Talent When Promotions Are Limited?

When upward mobility slows, what keeps high performers engaged? In this interview, researcher **Alvin Chen** (SHoF/SSE) explains how firms use performance-based pay to address promotion risk—the idea that even high-performing employees may not be promoted if many of their peers are also high performers and the number of promotions is limited. This is common in rigid organizational structures with few growth opportunities, such as law firms or large retailers.

[Watch here](#)

What Drives Loyalty and Trust in Fintech?

In this interview, **Mustafa Nourallah** (Mid Sweden University) shares insights from his research on trust and loyalty in fintech. He highlights how user-friendly design and cognitive factors drive the success of digital financial solutions.

[Watch here](#)

Both **Alvin Chen** and **Mustafa Nourallah** are this year's winners of the [Hans Dalborg Award](#) for Excellence in Research in Financial Economics.

UPCOMING EVENTS

European Conference on Sustainable Household Finance

Mark your calendars for SHoF's Annual Conference on September 18–20, 2025. The event opens on September 18 with keynote presentations by:



Michael Greenstone

Milton Friedman Distinguished Service Professor in Economics, University of Chicago, whose research focuses on measuring the costs and benefits of environmental quality and energy policy, with the aim of informing effective public policy decisions.



Caroline Flammer

A. Barton Hepburn Professor of Economics, Columbia University, whose research examines how companies can incorporate environmental, social, and governance (ESG) considerations into their strategies to drive sustainable and long-term value creation.



Michalis Haliassos

Professor of Macroeconomics and Finance, Goethe University Frankfurt, whose research centers on household finance, analyzing how individuals make financial decisions in the context of savings, investment, debt, and retirement planning.

A policy panel will follow (speakers to be announced). The academic part of the conference takes place on September 19–20. [More details to follow!](#)

Save the date

IN THE PRESS

[Inside Private Equity](#)

2025-06-24 • *International* • *Deutschlandfunk*

Alexander Ljungqvist (SHoF/SSE) discusses why the private equity sector is larger in Sweden than in other European countries. (In German)

[Can Start-Up Success Be Taught?](#)

2025-06-16 • *International* • *Financial Times*

Bo Becker (SHoF/SSE) talks about whether entrepreneurship can be taught or if start-up success is mostly luck.

[We Are Still Waiting for the Turnaround](#)

2025-06-03 • *Swedish* • *Dagens Industri*

Roine Vestman (SHoF/SSE) comments on the Riksbank's hawkish stance, noting its interest rate path has been "systematically higher than market expectations" in recent years.

[The Debt Society](#)

2025-05-28 • *Swedish* • *Sveriges Radio*

Bo Becker (SHoF/SSE) discusses the dynamics and risks of debt crises in a new P3 Dystopia episode.

