**Esther Duflo Price award ceremony, October 10, 2015**

Ladies and gentlemen: a warm welcome to all of you - also on behalf of the A.SK Award Selection Committee.

Angela and Shu Kai Chan endowed the A.SK Social Science Award in 2007. Together with the A.SK Fellowship awards, which in monetary categories feature the same volume, it will be granted every second year by the Social Science Research Center Berlin (WZB). The donors tied the selection of the award winners undogmaticly to the mission of the ASK Academic Foundation, which is explained most extensively in Shu Kai Chan’s book **Social Capitalism** published in 2002. (Since 2004 there is also a German edition titeled **Sozialer Kapitalismus.**) The prize seeks to encourage ideas for radical economic and political system reform - even reforms ahead of time. Reforms which are necessary to respond to the profound crises of our time that make most of the existing political systems look quite helpless in coping with these challenges. The donors see the radicalism of reform ideas - that the prize wishes to support - embedded in a strict context of scholarship.

Let me outline the core of A.SK foundation’s mission in Shu Kai’s words:

“The rapid progress of economic and technological development is rendering economic systems like capitalism, socialism, and communism obsolete. Worse yet, this progress has not benefited most people. They continue to live in poverty. If we were to find a new political philosophy and a new economic system, we could enhance the well-being of people and resolve many problems in the world at the same time.

The A.SK  prize is intended to help achieve that goal.”

It is this century-spanning analytical background that gives the mission of the ASK Academic Foundation its unique imprint.

Today, in year “nine” of the Foundation’s work and with the experience of the persistent predicament in the capital markets and even more with the experience of the dramatic increase of global refugee mouvements in mind, such phrases sound much more obvious and therefore far less speculative than they did before the onset of the present crisis. Against this background, the A.SK mission statement makes it absolutely clear that a solid academic approach is urgently needed to understand the causes of such paramount problems. Good will alone is not enough to give sustainable answers to global challenges. Therefore, the A.SK Foundation is awarding both: academic thoughtfullness and its usefulness for practical politics.

No doubt, the donors prefer a practical approach in politics. Government should solve the distributional problem by establishing the appropriate economic framework. Let me put it in Shu Kai’s words:

“Since the economy is based on capital, government should use its financial resources to provide loans to help qualified citizens to directly engage in production. There should be a law that all enterprises must be divided into different categories of work and profit sharing and profit bonuses given to workers.”

Combined with land reforms, says Shu Kai Chan, this approach can raise productivity, create more jobs, and distribute prosperity fairly: “Income must come by work. Not by charity.”

In other words: the traditional design of our political and economic systems is not part of the solution but rather part of the problem.

Finally, let me once more quote Shu Kai’s statement, which he made in a TV Feature of 2007. Asked by the German journalist Petra-Monika Jander for his motivation to endow the Price, he answered:

“I am endowing the A.SK Award so as to raise public interest in the problems of today’s societies. Headlong advances in economic and technological development are making economic systems like capitalism and socialism or communism obsolete. Moreover, progress hasn’t done anything for most people. They still live in poverty.

If we were to find a new political philosophy and a new economic system, we could increase people’s prosperity and solve a lot of problems in the world. The award is expected to help that effort.”

Whether talking about social experiments in Latin America or about academia, what Angela and Shu Kai Chan care about are new ideas that lead to real improvements in people’s lives. I am proud that the A.SK Award Selection Committee - again – is able to present a candidate for the Social Science Award who is perfectly fitting to this mission.

I wish you an entertaining, instructive and stimulating Award Ceremony!