LETTER FROM THE FACULTY DIRECTOR

As the university adjusted to the realities and effects of the long-lasting pandemic, the Stigler Center pivoted greatly to adapt its efforts while staying true to core missions of research and scholarship.

For the fourth annual Political Economy of Finance Conference, the center spearheaded conversations around the 50th anniversary of Milton Friedman’s landmark op-ed on the role of business in society, which culminated in schoolwide global events on the topic. In conjunction with these events, ProMarket hosted a series of articles on the corporate “shareholder versus stakeholder” debate, featuring notable contributors such as Nobel laureates Eugene Fama and Oliver Hart, the Financial Times’ Martin Wolf, and many others. This 28-piece series was later published as an e-book.

In fall 2020, the Stigler Center developed the Freedom of Speech: Hong Kong and the Future of US-China Relations webinar series, which facilitated conversations among leading scholars and experts about the implications of ongoing events in Hong Kong for freedom of speech, US-China relations, and beyond. The Stigler Center’s annual Antitrust and Competition Conference, which focused on examining the relationship between market concentration and political outcomes, was extended in a series of online webinars in the Autumn and Winter Quarters, including a keynote conversation with Nobel laureate Paul Romer (SB ’77, PhD ’83). The center’s high-impact and relevant research surrounding antitrust and competition (in particular, the “Stigler Committee on Digital Platforms: Final Report”) continues to garner notable citations, including in the US House of Representatives’ investigation on competition in digital markets.

In the Spring Quarter, the center hosted a symposium honoring the 50th anniversary of George Stigler’s seminal paper on regulatory capture. The two-day event included four separate panels examining the theory’s past, present, and future legacy with top scholars and academics in the field. Day one produced the highest participation of any Stigler Center online event thus far, with more than 1,000 participants registered and close to 500 attendees joining live.

The Capitalism’t podcast kicked off its second season with Vanity Fair’s Bethany McLean joining me as cohost. Our format shifted slightly to include more interview-centric episodes, featuring guests like Moderna CFO David Meline, ’86, and journalist Kara Swisher. In 2021, the podcast reached a major milestone in breaking one million downloads.

As we head into a new academic year with a renewed focus, I hope you will join us as we continue to research, question, discuss, and engage.

Sincerely yours,

Luigi Zingales
PROGRAMMING

In 2020–21, the Stigler Center’s speaker and conference series continued online and featured thought leaders from academia, business, politics, policy, and the media.

“We need to look broadly at what people value: democracy and the rule of law, for their own sake, and for the instrumental value they provide in protecting the system but letting the market thrive.”

Nobel laureate and New York University Professor, Paul Romer (SB ’77, PhD ’83), joined the Stigler Center to discuss why traditional antitrust law may be inadequate for managing threats to competition and to the political system.

“You have to think clearly what are the harms that the internet creates for democracy—the political harms as well as the economic ones. The real threat is the artificial amplification or the silencing of particular political speech or actors.”

Francis Fukuyama, professor of Political Science at Stanford University, joined the Stigler Center to discuss whether antitrust should be designed to promote political liberty and what such a system would look like.
EVENTS

**Speaker Series**

Can Direct Democracy Defuse Populism?
The Wirecard Saga: Germany’s Enron Moment?
Fighting Corruption: Lessons from Latin America
George Stigler 50 Years Later: Revisiting the Theory of Economic Regulation

**Freedom of Speech: Hong Kong and the Future of US-China Relations**

Hong Kong’s Special Status: The Changing Meaning of “One Country, Two Systems”
The Clash of Views Between Mainland China versus Hong Kong
Keeping Hong Kong Vibrant in the Years to Come
Hong Kong: A Conversation with Jimmy Lai
Freedom of Speech: Hong Kong after the National Security Law
China’s Failed Political Reforms and the Consequences for Hong Kong
The Rebirth of Hong Kong’s Rule of Law

**Political Economy of Finance Conference**

Should Corporations Have a Social Purpose?

**Antitrust & Competition Conference—Monopolies and Politics**

Keynote: Paul Romer on Why Traditional Antitrust Falls Short
Should Antitrust Promote Economic Liberty?
Should Antitrust Promote Political Liberty?
Is There a Problem with Competition?
Market Power and Money in Politics: An Assessment
Can Antitrust Tackle the Political Power of Economic Conglomerates?
Does Market Power Lead to Political Power?

**Partner Events**

Conference on Corporations and Democracy
Innovating for Social Equity: The Responsibility of the Business Community
The Center for Data and Computing Distinguished Speaker Series: Timnit Gebru
Relational Contracts: Theory and Practice
Care after Covid: What the Pandemic Revealed Is Broken in Healthcare and How to Reinvent It
Corporations and Society Initiative-Stigler Center Workshops on Corporations and the State
Is capitalism the engine of destruction or the engine of prosperity? Hosted by Vanity Fair Contributing Editor Bethany McLean and Faculty Director Luigi Zingales, the podcast examines the ways capitalism is—or more often isn’t—working in our world today.

In March 2021, the podcast celebrated one million downloads. Here’s a look back at some of our favorite show moments.

**Favorite Episodes**

**Kate Waldock (Season 1 cohost):**
Season 1, Episode 74: Why a Lack of Diversity Is Hurting Economics

**Bethany McLean (Season 2 cohost):**
Season 2, Episode 11: Manufacturing Dissent with Matt Taibbi

**Luigi Zingales (cohost):**
Season 1, Episode 71: Should We Defund the Police?

**Matt Hodapp (producer):**
Season 2, Episode 4: What Is the Alternative to Friedman's Capitalism?
During the 2020–21 academic year, the Stigler Center’s political economy publication *ProMarket* surpassed the **1.5 million** mark in unique visitors. Led by Managing Editor Jana Kasperkevic, and Editor and Writer Asher Schechter, *ProMarket* significantly expanded its array of guest writers, adding noted scholars, Nobel laureates, policymakers, and other prominent writers to its already impressive list of contributors. Over the years, we have published more than **1,000 articles** by more than **500 contributors**.

### ANNUAL HIGHLIGHTS

#### Milton Friedman 50 Years Later, a Reevaluation

In the fall of 2020, *ProMarket* hosted a lively debate on whether Milton Friedman was right or wrong when he wrote that a corporation’s only social responsibility was to increase its profits. To mark the 50-year anniversary of Friedman’s influential *New York Times* piece on the subject, we published an e-book collection of 28 articles on the shareholder-stakeholder debate. The collection was well-received and was featured in a *Financial Times* column by Martin Wolf, who was also among its contributors.

#### Concurrences’ Antitrust Writing Awards 2021

Our impact is demonstrated by the number of *ProMarket* citations included in academic papers and high-profile books, as well as references to *ProMarket* articles in media outlets like the *Washington Post*, *Vice*, and *WIRED* magazine. Furthermore, an article published in *ProMarket* in February 2021, “Giving Away Our Data for Free Is a Market Failure” by New York University Professor Nicholas Economides and University College London Professor Ioannis Lianos, was nominated and won in the digital business articles category of the Concurrences’ Antitrust Writing Awards 2021.

#### History of Economic Thought

In the spring of 2021, *ProMarket* launched an ongoing Sunday column focused on the history of economic thought. Among the topics explored in this series so far are how neoliberalism and ordoliberalism drifted apart, whether intellectual property rights are neoliberal, and the re-examination of the theory of the firm.
WORKING PAPERS

“Exit vs. Voice” by Eleonora Broccardo (University of Trento), Oliver Hart (Harvard University), and Luigi Zingales (Chicago Booth)

“Competition in Digital Markets: A Review of Expert Reports” by Filippo Lancieri (University of Chicago) and Patricia Morita Sakowski (Administrative Council for Economic Defense (CADE))

“Reversing the Resource Curse: Foreign Corruption Regulation and Economic Development” by Hans B. Christensen (Chicago Booth), Mark Maffett (Chicago Booth), and Thomas Rauter (Chicago Booth)

“Selfish Corporations” by Emanuele Colonnelli (Chicago Booth) and Niels Joachim Gormsen (Chicago Booth)

“Drive and Wave: The Response to LAPD Police Reforms after Rampart” by Canice Prendergast (Chicago Booth)

“The Department of Economics at the University of Chicago, 1947–1982” by Arnold C. Harberger (University of California, Los Angeles) and Sebastian Edwards (University of California, Los Angeles)

“Concentration in Product Markets” by C. Lanier Benkard (Stanford Graduate School of Business), Ali Yurukoglu (Stanford Graduate School of Business), and Anthony Lee Zhang (Chicago Booth)

“Transatlantic Roads to Mont Pèlerin: ‘Old Chicago’ and Freiburg in a World of Disintegrating Orders” by Stefan Kolev (University of Applied Sciences Zwickau and Wilhelm Röpke Institute) and Ekkehard A. Köhler (University of Siegen and Walter Eucken Institute)
PHD DISSERTATION AWARDS

Awarded to PhD students in the advanced phases of a dissertation about political economy, regulation, or the various forms of subversion of competition by special interest groups.

Bradley Fellows 2020–21

Sarah Cashdollar
Comparative Human Development
University of Chicago

Bastian Herre
Political Science
University of Chicago

Shohini Kundu
Finance
Chicago Booth

Shirley Lu
Accounting
Chicago Booth

Zeyang (Arthur) Yu
Political Science
University of Chicago
As of June 30, 2021

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Asher Schechter

Research Professionals
Pietro Ramella
Fabio da Silva Soares
Joost Sijthoff

Research Fellow
Filippo Lancieri

The Stigler Center would like to thank Steven Gruber, ’81, for his continued support of the Journalists in Residence Program.
Over the past 40 years, the Stigler Center has focused on elucidating the interaction between politics and the economy through research and teaching on regulatory capture, subversion of competition by special interests, and the role of private markets and competition in promoting welfare. Since its founding in 1977 by Nobel laureate George J. Stigler as the Center for the Study of the Economy and the State at the University of Chicago, the research center has operated as a joint enterprise of economists and legal scholars at Chicago Booth, the Department of Economics, the Law School, and other areas of the university. The center was renamed in Stigler’s memory after his death in 1991.

To carry out its mission of promoting competitive markets, the Stigler Center has embarked on a program of outreach, education, and research. The center publishes a working paper series and disseminates its research via conferences and lectures. In addition, the center engages with the wider community through its publication ProMarket, its podcast Capitalisn’t (in collaboration with Chicago Booth Review), and through programming and outreach with students and alumni.