

Chengzhi (Lawrence) Zhao

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EDUCATION

Rice University Ph.D. in Finance	Houston, Texas 2017–Current
Baylor University M.S. in Economics	Waco, Texas 2015–2017
Baylor University B.B.A. in Finance and Mathematics	Waco, Texas 2012–2015

RESEARCH INTERESTS

Empirical Corporate Finance, Household Finance, Competition, Financial Intermediation

WORKING PAPERS

The Real Impact of Antitrust Litigation on Corporate Decisions: Evidence from the Courts, Job Market Paper

Abstract: I investigate the real impact of antitrust litigation on corporate acquisition and investment decisions. I exploit the random assignment of judges and use the variations in judge propensity to dismiss antitrust cases as an instrument for endogenous litigation outcomes. Judge dismissal propensity strongly predicts antitrust litigation outcomes. Compared to those dismissed from their cases, defendant firms that go through antitrust litigation experience a substantial reduction in acquisition activities and an increase in investment and R&D. There is no evidence that antitrust enforcement hinders the defendants' ability to innovate.

Financial Adviser Misconduct, Intervention, and Investor Behavior

Abstract: Financial education interventions are of great interest to policymakers, yet past studies find these interventions expensive and ineffective, particularly among retail customers. I examine FINRA's unprecedented advertising campaign promoting BrokerCheck and document its economically significant impact on investors and registered investment advisers (RIA). Advisers with past misconduct sustain a 9% abnormal decrease in assets under management. Investors switch to advisers with clean records. Advisers increasingly discipline employees who engage in misconduct. My findings suggest that even simple information provision can have large economic impacts and enhance investor welfare.

WORK IN PROGRESS

Mortgage Lending, Litigation, and Unintended Consequences, with Erik Mayer and Billy Xu

Underwriter Competition and Rent Extraction, with Gustavo Grullon

PRESENTATIONS

2022: Rice University

2021: Financial Management Association

2020: Rice University, Rice University Ph.D. Seminar Series

Including scheduled

TEACHING

Teaching Assistant

Financial Management (UG)	2021, 2022
Mergers and Acquisitions (MBA)	2019, 2021, 2022
Applied Finance (MBA)	2019
Core Finance (MBA)	2019
Corporate Investment Policy (MBA)	2019
Quantitative Investment Strategies (MBA)	2019
Applied Risk Management (MBA)	2018
Managerial Economics (MBA)	2017

SKILLS

Programming: Stata, Python, Matlab, Bloomberg, L^AT_EX

Languages: English, Chinese

REFERENCES

Gustavo Grullon (Chair)

Professor of Finance

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