

Capital Markets & Investments

Session 22: Behavioral Finance (1) – Biases

Spring 2025
Professor Simon Oh

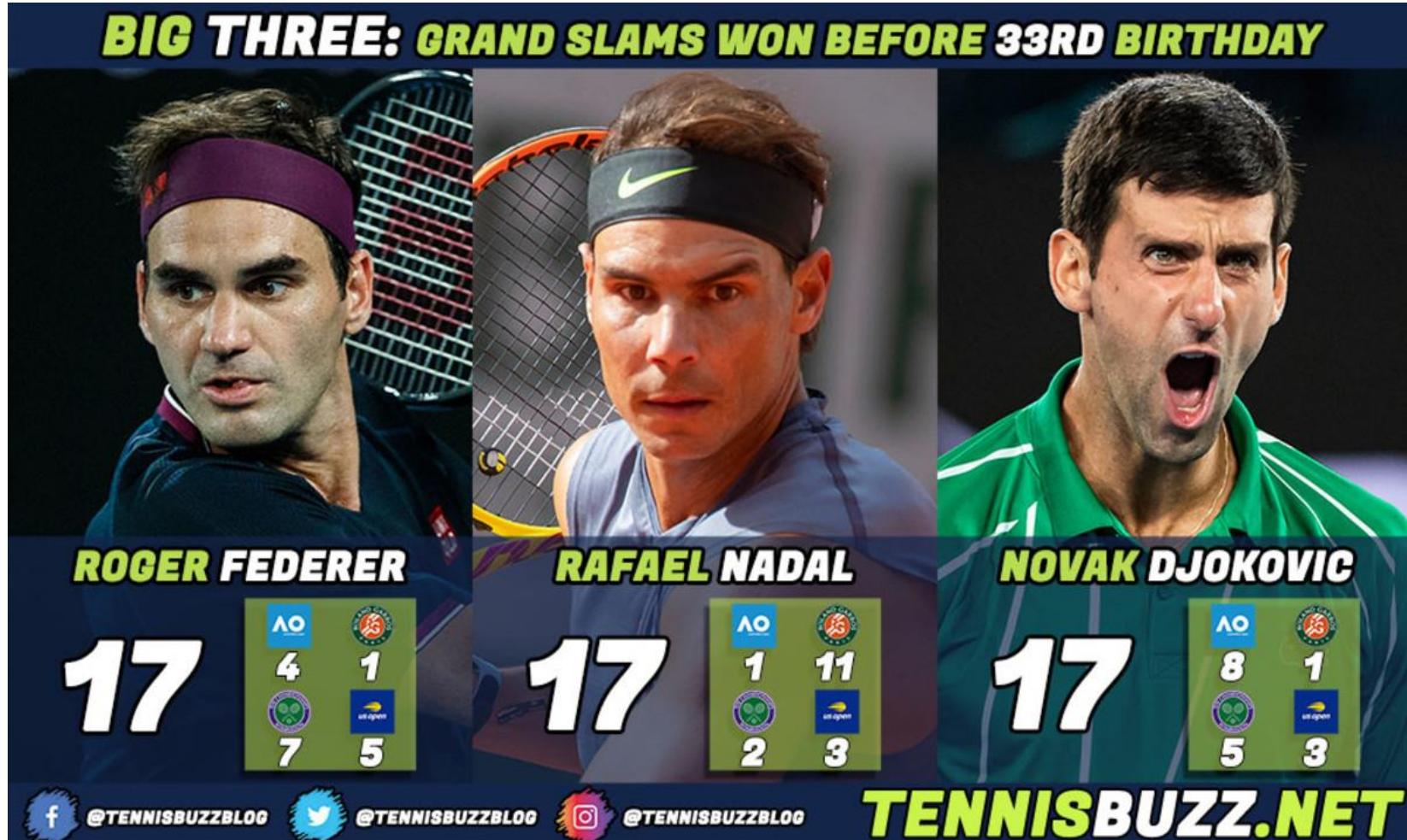
The GOAT Debate



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The GOAT Debate



GOAT in Economics?

GOAT: Who is the Greatest Economist of all Time and Why Does it Matter?

A GENERATIVE BOOK BY TYLER COWEN

Do you yearn for something more than a book? And yet still love books? How about a book you can query, and it will answer away to your heart's content? How about a book that will create its own content, on demand, or allow you to rewrite it? A book that will tell you why it is (sometimes) wrong?

Annual Accolades



Finance: Fischer Black Prize

Fischer Black Prize Winners:

Tyler Muir, University of California, Los Angeles, 2025
Johannes Stroebel, New York University, 2023
Matteo Maggiori, Stanford University, 2021
Ralph Koijen, University of Chicago, 2019
Amir Sufi, University of Chicago, 2017
Yuliy Sannikov, Princeton University, 2015
Ulrike Malmendier, University of California, Berkeley, 2013
Xavier Gabaix, New York University, 2011
Harrison Hong, Princeton University, 2009
Tobias J. Moskowitz, University of Chicago, 2007
No winner was selected in 2005
Raghuram G. Rajan, University of Chicago, 2003



Econ: John Bates Clark Medal



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Congratulations to Stefanie Stantcheva (@S_Stantcheva) of @Harvard, winner of the 2025 John Bates Clark Medal! aeaweb.org/about-aea/hono...

8:05 AM · Apr 22, 2025 · 53.8K Views



Stefanie Stantcheva

Zero-sum Thinking

Zero-sum thinking and political divides

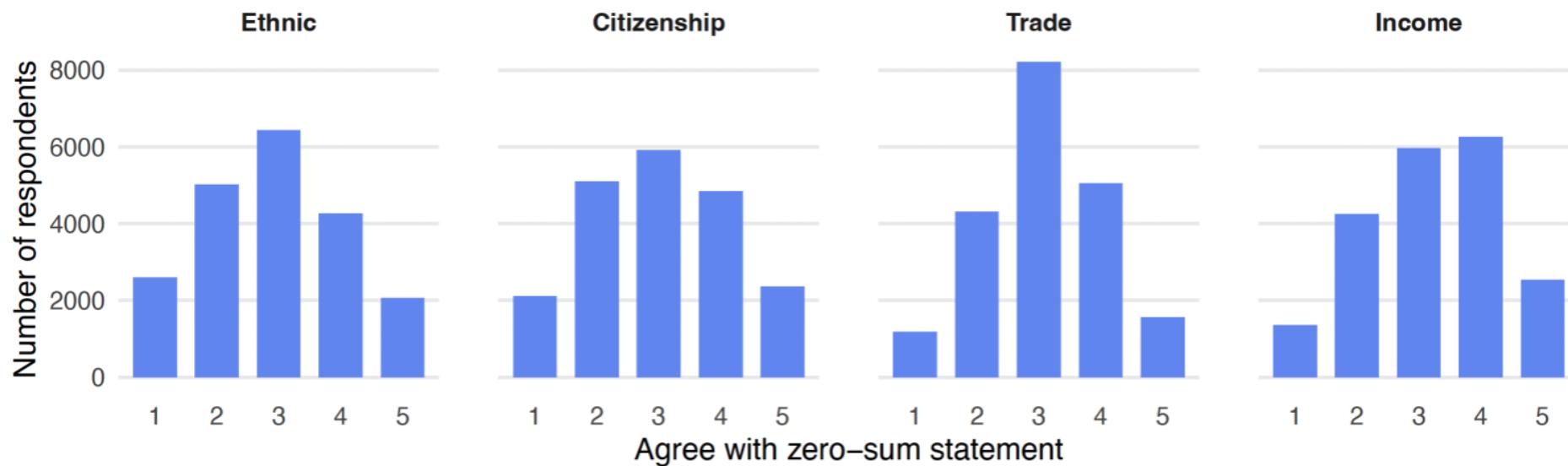
Sahil Chinoy, Nathan Nunn, Sandra Sequeira, Stefanie Stantcheva / 15 Nov 2023

An individual's views on economic policy could be shaped by 'zero-sum thinking': the view that any gain by one party necessitates a corresponding loss by another. This column explores the prevalence of zero-sum thinking in the US and its impact on policy preferences, through a survey of over 20,000 individuals. A zero-sum mindset is associated with more support for redistribution, greater endorsement of affirmative action, and less support for immigration. It is only weakly associated with political alignment. Zero-sum thinking can be traced to experiences with mass immigration, intergenerational economic mobility, and the legacy of enslavement.

Measuring Zero-sum Thinking

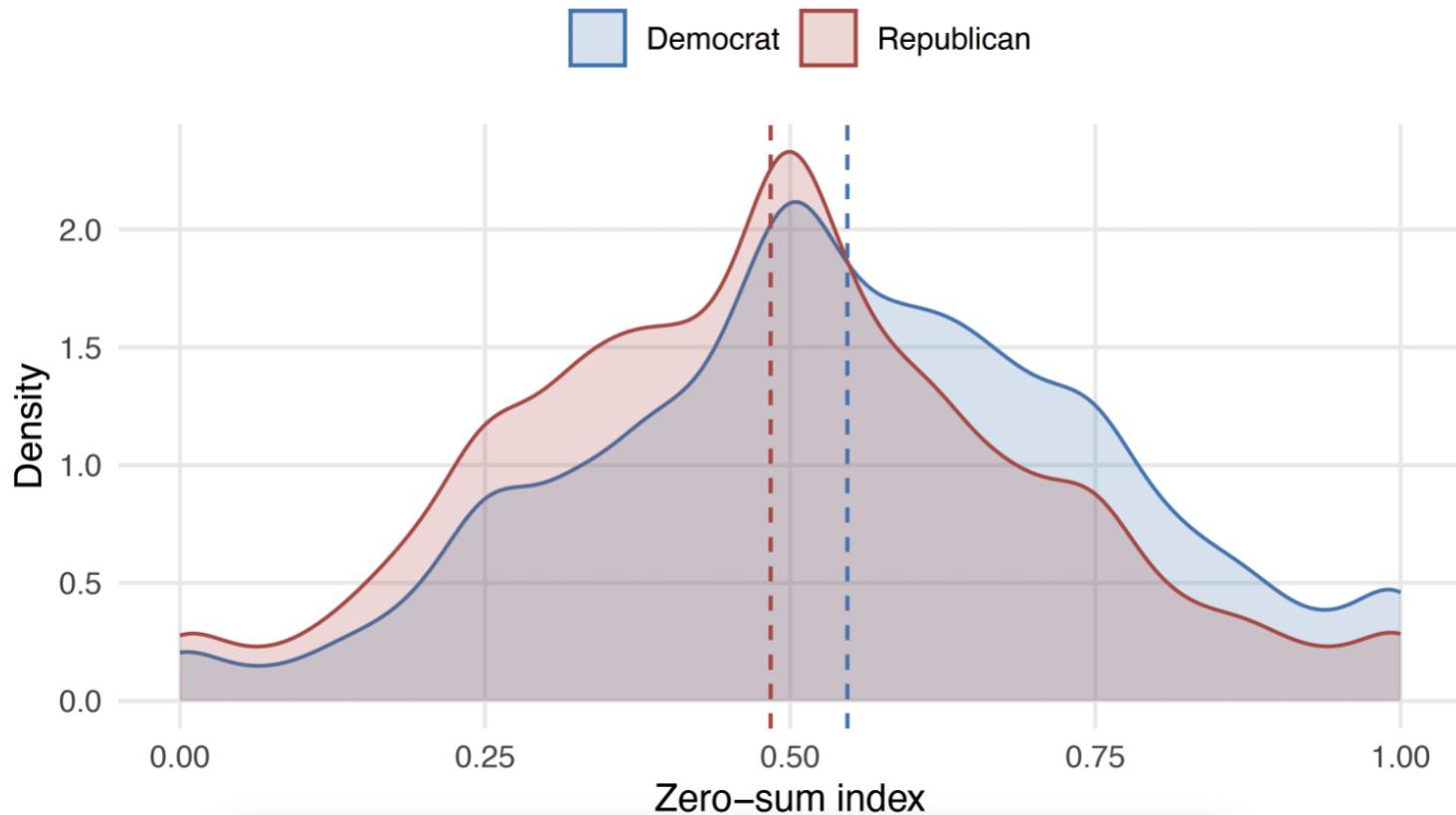
- increases in the economic wellbeing of non-US citizens come at the expense of US citizens;
- trade gains drive trade losses across different countries;
- the wealth gains of some US ethnic groups imply wealth losses among other groups; and
- wealth accumulated by the rich comes at the expense of the poor in the US.

Zero-sum Thinking



Notes: The figure shows the distributions of responses to the zero-sum questions, where answer options are (1) strongly disagree, (2) disagree, (3) neither agree nor disagree, (4) agree, (5) strongly agree.

Zero-sum Thinking



Zero-sum Thinking

