

Capital Markets & Investments

Session 22: Behavioral Finance (1) – Biases

**Spring 2025
Professor Simon Oh**

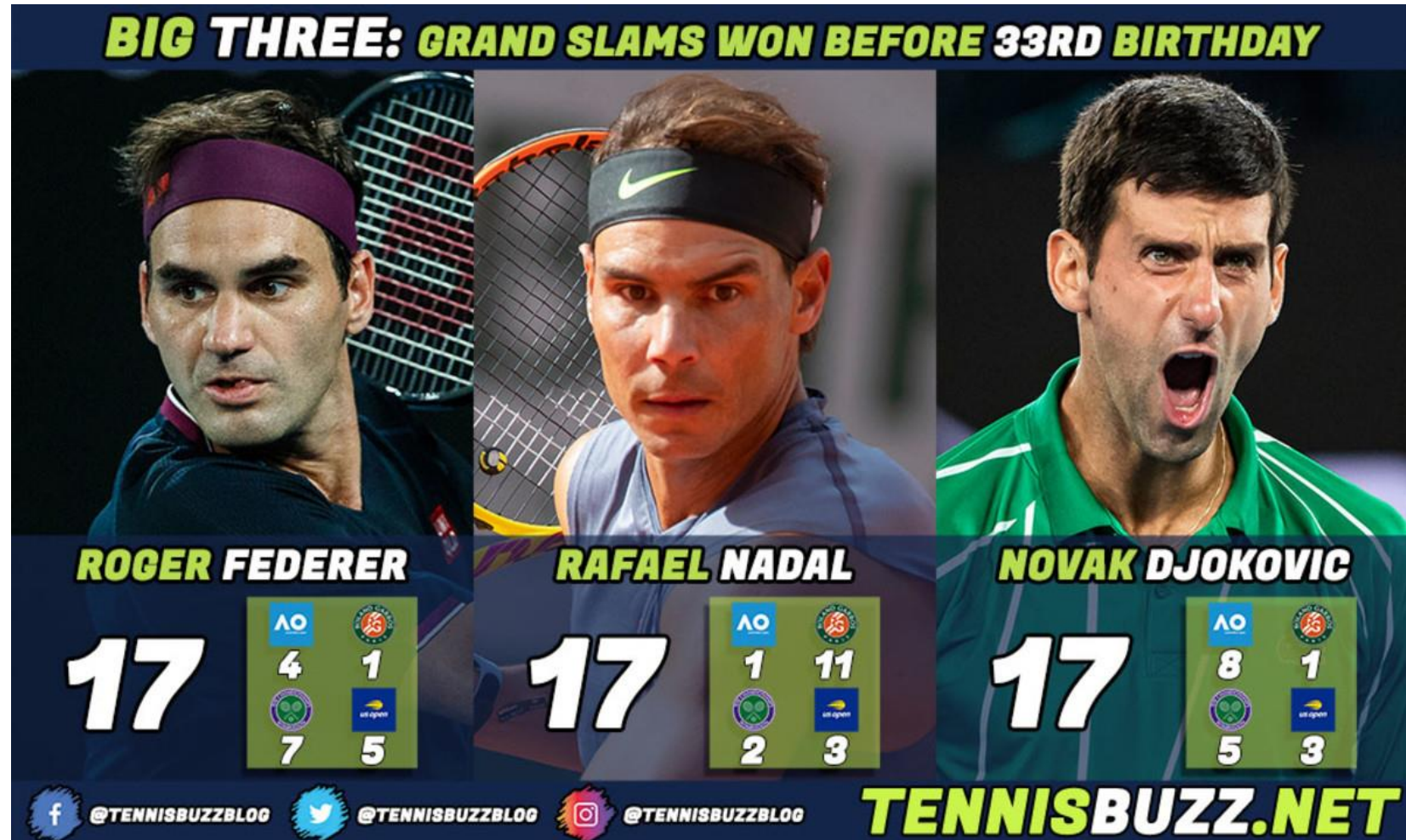
The GOAT Debate



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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 Stroebe, *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! aeweb.org/about-aea/hono...

8:05 AM · Apr 22, 2025 · **53.8K** Views

2025 Clark Medalist



Stefanie Stantcheva

Zero-sum Thinking

Zero-sum thinking and political divides

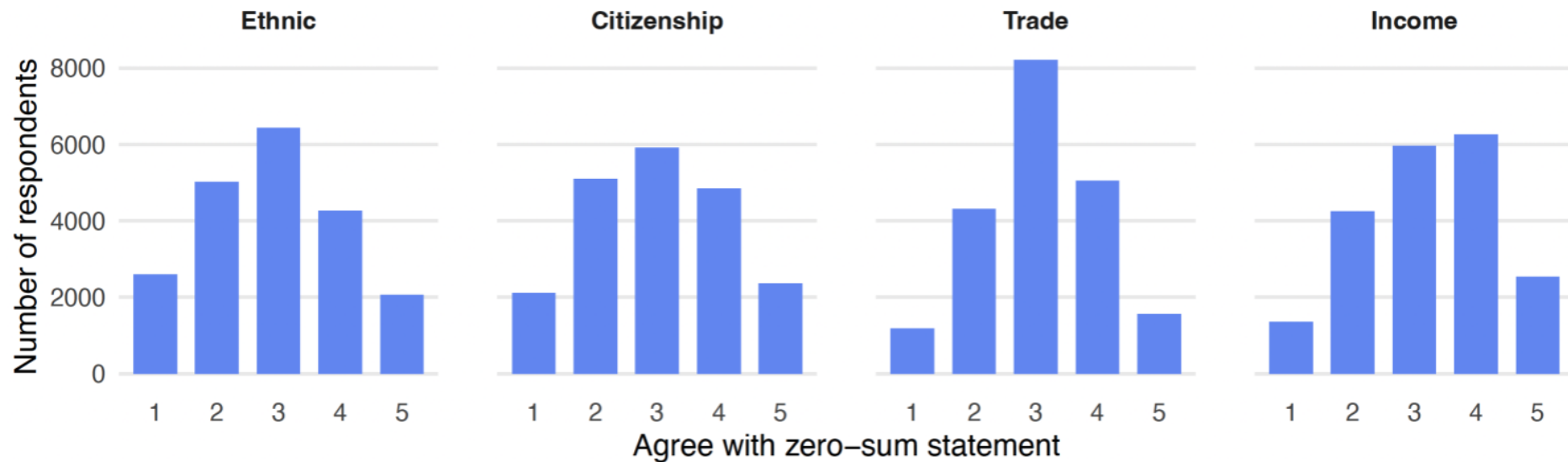
Sahil Chinoy, Nathan Nunn, Sandra Sequeira, Stefanie Stantcheva / 15 Nov 2023

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

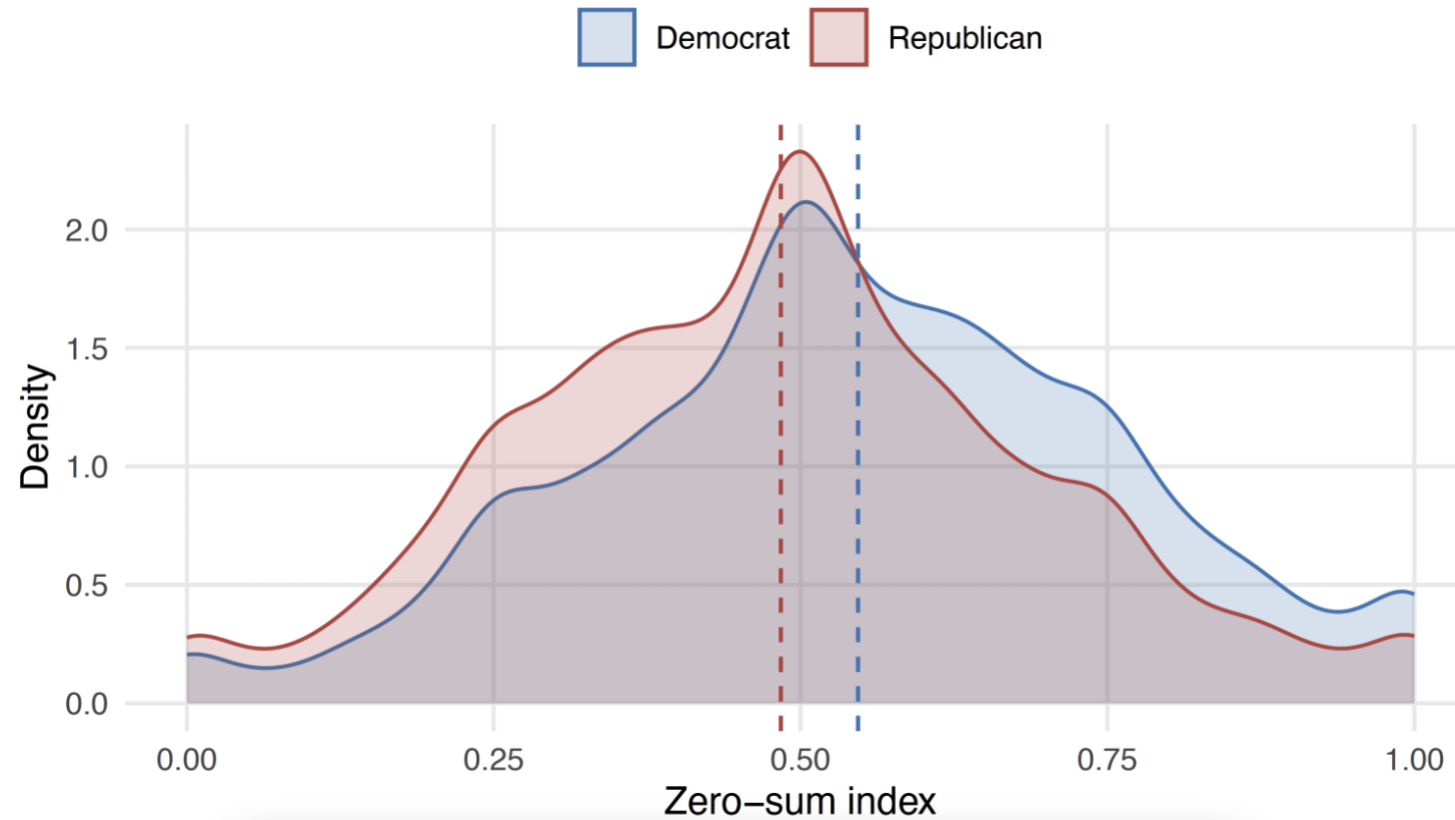
- increases in the economic wellbeing of non-US citizens come at the expense of US citizens;
- trade gains drive trade losses across different countries;
- the wealth gains of some US ethnic groups imply wealth losses among other groups; and
- wealth accumulated by the rich comes at the expense of the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

