

2016-2017 Annual Report



John H. Schnatter

Center for Free Enterprise

University of Louisville College of Business

A Word from the Director



*Stephan F. Gohmann, PhD, Director,
John H. Schnatter Center for Free Enterprise,
BB&T Distinguished Professor of Free Enterprise,
Professor of Economics*

During the past year, we have worked to make the John H. Schnatter Center for Free Enterprise accessible to even more members of the university and community at large. We endeavored to attract university attendees from all programs and schools by offering speakers and topics that would appeal to a wide range of interests. For example, our Fall Speaker Series, *Asia: From Communism to Capitalism* brought attendees from Asian Studies, Political Science, and a number of other programs. Likewise, our spring offerings appealed to a number of diverse audiences, as we recognized Black History Month with speaker Star Parker, and Women's History Month with a panel of successful female entrepreneurs.

We made significant inroads into the local business community by hosting discussion forums featuring current topics of interest and experts on those topics. Our "What Stymies Business in Kentucky" panel offered local business people the opportunity to engage with policy experts about the regulations that inhibit progress in Kentucky. The distinguished panel included John Allison, former CATO exec and retired BB&T Chairman/CEO, along with James Broughel from Mercatus Center and Jordan Harris and Josh Crawford from Pegasus Institute.

While Bob Luddy was in town for our Spring Speaker Series on Entrepreneurship, we hosted a panel discussion on school choice in Kentucky, a topic of local and national interest. In addition to Luddy, who is passionate about school choice, the panel included Jordan Harris from Pegasus Institute and Joel Adams with Kentucky Charter School Project. This panel stimulated impassioned discussion from both sides of the issue.

We at the Schnatter Center are proud to offer programming and events that students can't get elsewhere on campus. We look forward to encouraging conversation and debate on topics that affect us all. After all, this free exchange of ideas is what makes a student well-rounded and best prepared for life after college.



The Year in Numbers

FALL SPEAKER SERIES **ASIA: FROM COMMUNISM TO CAPITALISM**

- *In Order to Live: My Journey to Freedom*, Yeonmi Park **attendees: 450**
- *The Tragedy of Liberation*, Frank Dikötter **attendees: 230**
- *How China Became Capitalist*, Ning Wang **attendees: 225**

SPRING SPEAKER SERIES **ENTREPRENEURSHIP**

- *USA Should Embrace, Not Over-Regulate Entrepreneurs*, Star Parker **attendees: 225**
- *The Entrepreneur: Servant of the User*, Bob Luddy **attendees: 220**
- *Investors & Entrepreneurs: Different Perspectives*, Entrepreneurship Panel **attendees: 185**

PANEL **DISCUSSIONS**

- *What Stymies Business in Kentucky?* **attendees: 50**
- *School Choice in Kentucky* **attendees: 40**

ADDITIONAL **PROGRAMS**

- *The Philosophic Fight for the Future of America*, John Allison, Co-sponsored with BB&T **attendees: 200**
- *Bootleggers & Baptists*, Adam Smith, Reading Group author **attendees: 45**
- *The State of Communism Today*, Jonathan Pidluzny Co-sponsored with Turning Point USA UofL chapter and Victims of Communism Memorial Foundation **attendees: 30**
- *Ethics and Free Enterprise*, MBA elective course developed by Schnatter Center director Steve Gohmann **attendees: 32**

Special Events



YEONMI PARK
SEPTEMBER 15, 2016

North Korean defector Yeonmi Park captivated a standing-room-only audience with her story of survival and triumph. She spoke of the horrors of growing up under the Kim regime and escaping North Korea as a young teenager. The crowd of 450 included students, faculty and staff of the university, as well as members of the community.



FRANK DIKÖTTER
OCTOBER 10, 2016

Dr. Frank Dikötter spoke to a packed house about his research on China's Mao era. His compelling talk was based on his book that detailed recently-opened Chinese archives, classified documents, secret police reports and eyewitness accounts of the atrocities that took place under Mao Zedong.

How China Became Capitalist

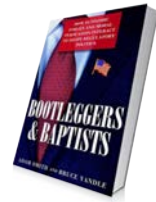


NING WANG
NOVEMBER 14, 2016

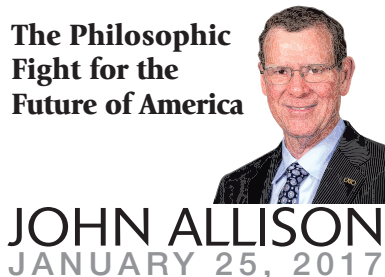
In November, we hosted Dr. Ning Wang, who discussed China's transformation from a profoundly impoverished agrarian economy to the economic powerhouse it has become. Dr. Wang's talk to a full house of 225, was based on the award-winning book he co-authored with Nobel Prize winning economist Ronald Coase. Prior to his talk, Dr. Wang met with College of Business faculty for a luncheon discussion.

ADAM SMITH
NOVEMBER 16, 2016

Adam Smith spoke to the student reading group of 20 that read his book, *Bootleggers & Baptists*. He also met with faculty and spoke to the Econ 375-Capitalism and Economic Freedom class during his visit.

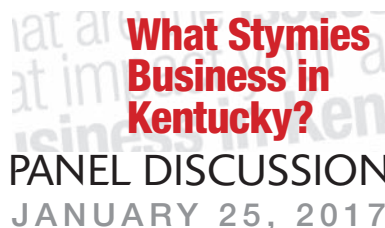


The Philosophic Fight for the Future of America



JOHN ALLISON
JANUARY 25, 2017

The Schnatter Center co-sponsored the BB&T Speaker Series, in which the former BB&T Chairman discussed classic liberalism vs. statism and their implications for human flourishing in the U.S. John Allison's candid presentation drew thoughtful questions and discussion from the audience of 200 students and community members.



PANEL DISCUSSION
JANUARY 25, 2017

This event gave local business people a unique opportunity to talk with policy experts about the regulations that impede their ability to do business in our state. Panel members John Allison, along with James Broughel (Mercatus Center), Jordan Harris and Josh Crawford (Pegasus Institute), led the discussion with 50 members of the business community.

Special Events



**USA Should
Embrace,
Not Over-
Regulate
Entrepreneurs**

STAR PARKER
FEBRUARY 9, 2017

Star Parker gave a passionate talk about her journey as an entrepreneur. The founder and president of the Center for Urban Renewal and Education (CURE) told the audience of 225 how our country's leaders and legislators must do more to stand up for free enterprise and small business, not create laws that discourage entrepreneurship and opportunity.

**THE ENTREPRENEUR:
SERVANT OF THE USER**



BOB LUDDY
MARCH 9, 2017

Entrepreneur Bob Luddy, Founder and President of CaptiveAire Systems, spoke to a crowd of 220 attendees about the importance of creating value, and why entrepreneurs must serve the user. Luddy shared stories from his own career, speaking about how his focus on ongoing improvement and innovation helped him build a successful business.



PANEL DISCUSSION
MARCH 9, 2017

Led by panel members Bob Luddy, Joel Adams (KY Charter School Project) and Jordan Harris (Pegasus Institute), the discussion ranged from the current state of school systems in Kentucky to charter schools and low-cost private schools. The audience kept the conversation flowing with great discussion.



PANEL DISCUSSION
MARCH 30, 2017

This panel discussed entrepreneurship from both the entrepreneur's and the investor's perspective. Moderated by Suzanne Bergmeister (Assistant Director, UofL's Forcht Center for Entrepreneurship), it featured Christina Bechhold (Principal, Samsung NEXT Ventures) and Jennifer Williams (Founder/CEO, Cuddle Clones). The discussion included information on what makes an investor say "yes" or "no" to an opportunity, and why someone in a comfortable corporate position would risk it all to make the entrepreneurial leap.

**THE STATE
OF COMMUNISM
TODAY**

JONATHAN PIDLUZNY
APRIL 12, 2017

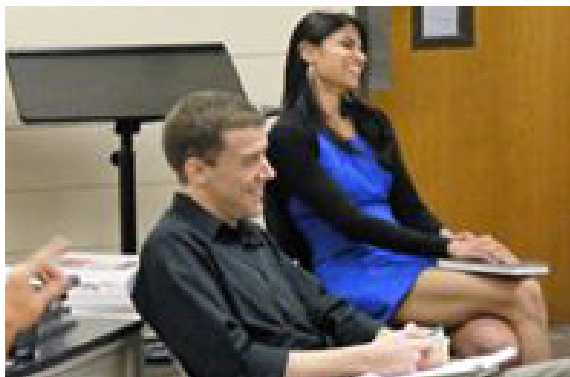
The Schnatter Center co-sponsored this event with Turning Point USA's UofL chapter and the Victims of Communism Memorial Foundation. Dr. Pidluzny spoke to 30 students on "the Communist Vision for a Reengineered Society, and the Enduring Legacy of Marx's Ideology."

JOHN H. SCHNATTER CENTER FOR FREE ENTERPRISE

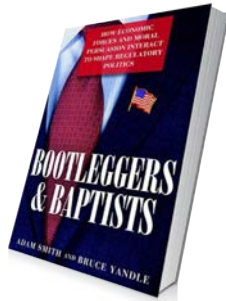
Reading Groups



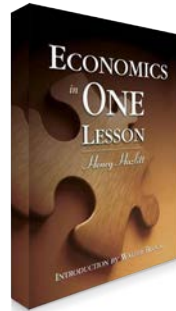
In 2016-2017, we expanded our Reading Group opportunities to offer two groups per semester. The sessions were led by Professors Burgdorf, Garg, Gohmann, Lennon, and Teltser. The program is open to students in all majors, and as a result, we are able to attract students with a wide variety of backgrounds and interests. This diversity among the groups makes for interesting and sometimes lively conversation. Book discussions were held in the classroom, followed by dinner at a local restaurant where the dialog continued.



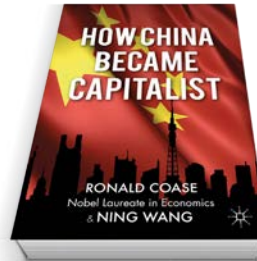
Reading Group Selections



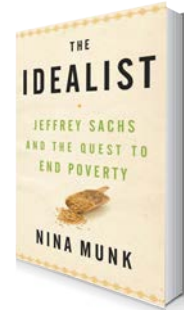
Bootleggers and Baptists
by Bruce Yandle
and Adam Smith



Economics in One Lesson
by Henry Hazlitt



How China Became Capitalist
by Ronald Coase
and Ning Wang



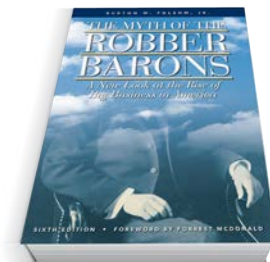
The Idealist: Jeffrey Sachs and the Quest to End Poverty
by Nina Munk



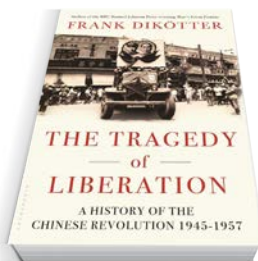
In Order to Live
by Yeon Mi Park



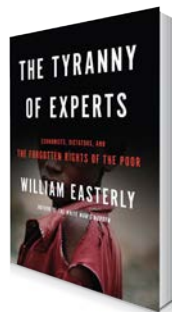
Institutions, Institutional Change and Economic Performance
by Douglas North



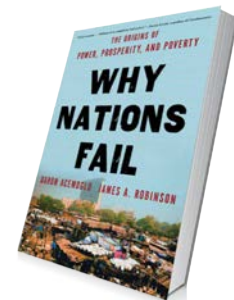
The Myth of the Robber Barons
by Burton Folsom



The Tragedy of Liberation
by Frank Dikötter



Tyranny of Experts
by William Easterly



Why Nations Fail: The Origins of Power, Prosperity and Poverty
by Daron Acemoglu and James Robinson

In the News

Increased media coverage during 2016-2017 helped keep the Schnatter Center in the public eye. Media attention included coverage of speakers/events by radio and television outlets; faculty interviews and guest spots on radio; and published opinion pieces and articles written by Schnatter Center faculty.



Radio/Television

- WDRB-TV and WDRB.com
"North Korean talks starvation, brainwashing and human trafficking"
Video and article on Yeonmi Park talk
- 93.9 FM
Radio interview with Yeonmi Park
- 93.9 FM
Radio interview with Frank Dikötter
- 93.9 FM
Radio interview, Steve Gohmann, student Ben Streepey on Gohmann's recognition as a Faculty Favorite for 2015-2016
- WHAS AM
Radio interview, Steve Gohmann on economic freedom
- WHAS AM
Radio interview, John Allison
- WDRB-TV
Interview on Humana/Aetna merger, Steve Gohmann
- 93.9 FM
Radio interview, John Allison
- WHAS AM
Radio interview, Steve Gohmann on entrepreneurship in the commonwealth

Print/Digital

- The Lane Report
"Schnatter Center Fall Speaker Series focuses on Asia"
- UofL News article
"North Korean defector captivates crowd."
- FEE (Foundation for Economic Education)
"Craft Breweries Abound in States with Fewer Regulations,"
by Jacob Burgdorf
- Courier-Journal Op-ed
"A free enterprise look at wage laws," by Steve Gohmann
- The Lane Report
"UofL College of Business series to focus on entrepreneurship"
- Investor's Business Daily op-ed
"An Open Letter to President Trump and Congress on Trade Agreements," by Steve Gohmann

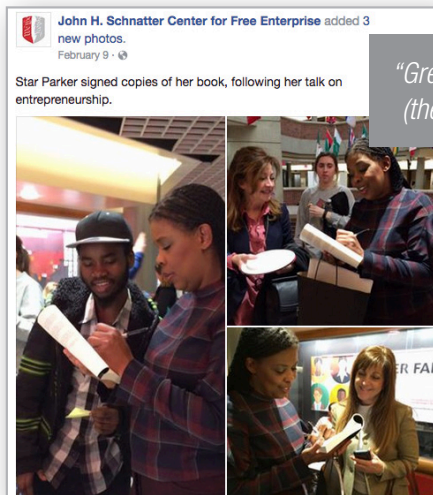
Social Media



"Was great to meet Yeonmi Park, the brave young lady who shared her escape from North Korea at age 13. Amazing to think how an entire country is living in blind slavery and oppression-- a literal Prison State. Great work Schnatter Center for Free Enterprise!"



"Thanks Bob Luddy for a wonderful and insightful talk!! I love these Schnatter Center events. They are always so eye opening!"



"Great talk! UoFL should be proud of the speakers they (the Schnatter Center) bring to the university."



"Bob Luddy's proven experience as an entrepreneur is impressive. Guest lecturer series @UoFLSchnatter is proving to be impressive."



"I am so grateful to have had the opportunity to speak @UoFLSchnatter." #entrepreneurship @UrbanCURE

Travel | Education | Research

The Schnatter Center is proud to sponsor student travel to a variety of conferences and seminars. Last year, we were able to send two students to Institute for Humane Studies (IHS) Summer Seminars at Bryn Mawr College and Wake Forest. In the spring, one student traveled to Texas Tech for an IHS seminar. In the coming year, we will sponsor three students' travel to IHS events, as well as a student's attendance at a conference in Bulgaria.

Schnatter Center faculty also attend many conferences throughout the year both as presenters and attendees. They also share their expertise and research through published articles and guest speaking engagements.

CONFERENCES ATTENDED

- American Economic Association Meeting, January 2017
- Association of Private Enterprise Education, April 2017
- Beeronomics Society, June 2017
- Economic History Association Annual Meeting, September 2016
- Eastern Economic Association Annual Meeting, February 2017
- Health Economics Conference, October 2016
- IU/VU/UL Health Economics & Policy Conference, December 2016
- Kentucky Economic Association Annual Meeting, September 2016
- Midwest Economics Association Annual Meeting, March 2017
- Political Economy of Democracy and Dictatorship Conference, February 2017
- Public Choice Society Meeting, March 2017
- Southern Economic Association Meeting, November 2016
- UK Cleveland Fed Economic Conference, February 2017
- Vanderbilt Empirical Applied Microeconomics Festival, May 2017

FACULTY PUBLICATIONS

- Burgdorf, Jacob. *Trouble Brewing? Brewer and Wholesaler Laws Restrict Craft Breweries*, Mercatus on Policy, September 2016
- Burgdorf, Jacob. *Trouble Brewing? Brewer and Wholesaler Laws Restrict Craft Breweries*, Foundation for Economic Education, September 2016
- Gohmann, S.F., M. McCrickard, B.K. Hobbs. *Productive and Unproductive Entrepreneurship and Growth of State GDP*, Journal of Entrepreneurship and Public Policy, Vol. 5, Iss: 2, pp.145-160, 2016
- Lennon, Connor. *Slave Escape, Prices, and the Fugitive Slave Act of 1850*, The Journal of Law and Economics, Vol. 59, No. 3 (August 2016): 669-695

FACULTY SPEAKING ENGAGEMENTS

- Gohmann, S.F. *President Trump: Challenges and Opportunities*, Panel member, McConnell Center Public Lecture Series, January 2017
- Gohmann, S.F. *Entrepreneurship and Government*, Florida Atlantic University, February 2017
- Gohmann, S.F. *Entrepreneurship and Government*, Three Rivers Community College, April 2017
- Lennon, Connor. *Are Online Degrees Substitutes for Traditional Degrees? Evidence from a Correspondence Study*, Auburn University, November 2016

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Travel | Education | Research

PAPERS PRESENTED

- Burgdorf, Jacob. *Impact of Mandated Exclusive Territories in the US Brewing Industry: Evidence from Scanner Level Data*, presented at Association of Private Enterprise Education Meeting, April 2017
- Burgdorf, Jacob and Keith Teltser. *How Do Ridesharing Services Affect Alcohol Consumption and Driving Under the Influence?*, presented at Association of Private Enterprise Education Meeting, April 2017
- Burgdorf, Jacob. *Impact of Mandated Exclusive Territories in the US Brewing Industry: Evidence from Scanner Level Data*, presented at Public Choice Society Meetings, March 2017
- Burgdorf, Jacob. *Impact of Mandated Exclusive Territories in the US Brewing Industry: Evidence from Scanner Level Data*, presented at Beeronomics Society, June 2017 (upcoming)
- Burgdorf, Jacob and Stephan Gohmann. *Firm Quality, Selection and Survival: an Analysis of the Brewing Industry*, presented at Beeronomics Society, June 2017 (upcoming)
- Garg, Mallika. *The Distribution of Earnings Losses: Evidence from Displaced Workers Surveys 1994 – 2016*, presented at Southern Economic Association Annual Meetings, November 2016
- Garg, Mallika. *The Distribution of Earnings Losses: Evidence from Displaced Workers Surveys 1994 – 2016*, presented at American Economic Association Annual Meetings, January 2016
- Garg, Mallika and A. Mandal. *Historical Reconstruction of Economic Freedom of States of India*, presented at The Association of Private Enterprise Education Annual Meetings, April 2017
- Gohmann, S. F. *Historical Influence on Current Economic Freedom*, presented at Association of Private Enterprise Education Meeting, April 2017
- Gohmann, S. F. *Historical Influence on Current Economic Freedom*, presented at Public Choice Society Meetings, March 2017
- Gohmann, S. F. *Historical Influence on Current Economic Freedom*, presented at Political Economy of Democracy and Dictatorship Conference, February 2017
- Gohmann, S. F. *Historical Influence on Current Economic Freedom*, presented at Southern Economic Association Meetings, November 2016
- Lennon, Conor. *The Individual Specific Incidence of Mandated Benefits: Evidence from the ACA*, presented at Kentucky Economic Association Annual Meeting, September 2016
- Lennon, Conor. *Employer Provided Health Insurance and the Gender Wage Gap*, presented at Southern Economic Association Annual Meeting, November 2016

Travel | Education | Research

PAPERS PRESENTED

- Lennon, Conor. *Employer Provided Health Insurance and the Gender Wage Gap*, presented at Indiana University Mini-Conference on Health Economics, December 2016
- Lennon, Conor. *Employer Provided Health Insurance and the Gender Wage Gap*, presented at Eastern Economic Association Annual Meeting, February 2017
- Lennon, Conor. *Employer Provided Health Insurance and the Gender Wage Gap*, presented at Midwest Economics Association Annual Meeting, March 2017
- Lennon, Conor. *Regulatory Uncertainty and Labor Market Performance*, presented at Public Choice Society Annual Meeting, March 2017
- Lennon, Conor. *Are Online Degrees Substitutes for Traditional Degrees? Evidence from a Correspondence Study*, presented at Vanderbilt Empirical and Applied Microeconomics Festival, May 2017
- Teltser, Keith. *Do Kidney Exchanges Improve Patient Outcomes? An Analysis of Crowd-Out, Graft Survival, and Match Quality*, presented at American Economic Association Meeting, March 2017
- Teltser, Keith. *Do Kidney Exchanges Improve Patient Outcomes? An Analysis of Crowd-Out, Graft Survival, and Match Quality*, presented at IU/VU/UL Health Economics & Policy Conference, December 2016
- Teltser, Keith. *Do Kidney Exchanges Improve Patient Outcomes? An Analysis of Crowd-Out, Graft Survival, and Match Quality*, presented at Southern Economic Association Meeting, November 2016
- Teltser, Keith. *Testing for Heterogeneity in the Effects of Kidney Exchanges on Patient Outcomes*, presented at Midwest Economics Association Annual Meeting, March 2017
- Teltser, Keith and Andrew Bibler, Mark Tremblay. *The Effects of Tax Enforcement in Peer-to-Peer Rental Markets: Evidence from Airbnb*, presented at Western Economic Association Annual Meeting, June 2017 (upcoming)

RESEARCH GRANTS & PHD FUNDING

Each summer, the Center funds research on entrepreneurship and economic policy by current College of Business faculty. Again this summer, we will provide funding for the research. In addition, we will fund two PhD student summer grants for research, as well as sponsor two PhD students of entrepreneurship, covering their cost of tuition and salary for the four-year program.

The Year in Pictures



JOHN H. SCHNATTER CENTER FOR FREE ENTERPRISE

Looking Ahead

During the upcoming year, we will continue to offer prominent speakers to our students and the community, as well as establish new programs to broaden our reach.

In July, we will host the inaugural class of the Economics and Entrepreneurship Summer Program. We have accepted 38 high school juniors and seniors to participate in a

two-day program that will offer classroom instruction by UofL faculty, as well as guest speakers from the community. Each day will include a field trip off-campus. The concept of the program has been well-received by area high school teachers and counselors and will ideally lead to more engagement with this pool of potential students.

Economics & Entrepreneurship SUMMER PROGRAM



The anchor speaker for our Fall 2017 Speaker Series will be Steve Forbes. We are finalizing an additional high-profile speaker(s) for fall. During the spring we plan to host two large-scale speaker events. We will continue to sponsor student reading groups, as these have become very popular. We'll also be working with student groups, programs and faculty outside of the College of Business, and national organizations to offer movie nights, roundtable discussions, debates, and other forums for discussion throughout both semesters.

reading groups DEBATES **speaker series** MOVIE NIGHTS **special events**

The Schnatter Center



*Stephan F. Gohmann, PhD, Director,
John H. Schnatter Center for Free Enterprise,
BB&T Distinguished Professor of Free Enterprise,
Professor of Economics*



*Conor Lennon, PhD
Assistant Professor
of Economics*



*Keith Teltser, PhD
Assistant Professor
of Economics*



*Jacob Burgdorf, PhD
Assistant Professor
of Economics*



*Mallika Garg, PhD
Assistant Professor
of Economics*



*Tracy Dunaway
Executive Administrative Assistant*



*Donna Zinser Clark
Marketing and Events Manager*

Advisory Board

Scott Beaulier, Dean, College of Business, North Dakota State University

Tom Eller, Kentucky Regional President, BB&T

Stephan F. Gohmann, Director of the John H. Schnatter Center for Free Enterprise
BB&T Distinguished Professor of Economics, University of Louisville

Todd Mooradian, Dean, College of Business, University of Louisville

Benjamin Powell, Director, Free Market Institute, Texas Tech University

JOHN H. SCHNATTER CENTER FOR FREE ENTERPRISE

Founded in August 2015, the mission of the John H. Schnatter Center for Free Enterprise is to engage in research and teaching that explores the role of enterprise and entrepreneurship in advancing the well-being of society.

■ SchnatterCenter.org

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f [SchnatterCenter](https://www.facebook.com/SchnatterCenter)



John H. Schnatter

Center for Free Enterprise

University of Louisville College of Business

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