



Center for Free Enterprise

University of Louisville College of Business

2017-2018 Annual Report



From the Director



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

Since its founding in August 2015, The Center for Free Enterprise has embarked on a mission of engaging in research and teaching that explores the role of enterprise and entrepreneurship in advancing the well-being of society. To that end, the Center has hosted dozens of events and programs reaching thousands of participants throughout the University and local community. This past year, we were able to engage with even more students, faculty, and community members by offering a variety of speakers and topics that appealed to a wide range of interests.

We kicked off the fall semester with our largest program to date. Along with the Young Americans for Freedom student group, we welcomed Steve Forbes to campus. More than 500 people from UofL and the community gathered to hear the business icon and one-time presidential candidate speak on

the nation's economy, healthcare, and the free market system.

In October, we held a symposium jointly sponsored with the Institute for Humane Studies called "Friends in High Places: Examining the effects of cronyism in society." This all-day event for 35 students included talks by professors Peter Calcagno, Steve Miller, and Steve Gohmann.

Our November headline event, "Kentucky's Bourbon Boom: A panel discussion on the economics of the bourbon industry," featured industry pros discussing Kentucky's favorite beverage. During the spring semester, we focused our programming on the criminal justice system at both the national and local level. A panel discussion on the problems facing the U.S. system was moderated by Michael Losavio from the UofL Criminal Justice Department. The Center co-sponsored the BB&T speaker series featuring author John Pfaff, who spoke on mass incarceration. And during National Criminal Justice Month, we hosted a panel discussion on crime issues specific to Louisville.

The Center has undertaken some new events to reach out to students (and students-to-be). In July, the Center hosted its inaugural Economics & Entrepreneurship Summer Program for high school students. Thirty-five rising juniors and seniors participated in the two-day event, which featured a mix of class time exploring economics, free enterprise, and entrepreneurship; exposure to the University campus; and off-site field trips to GE FirstBuild and Papa John's Corporate Headquarters. We also hosted a Movie Night, which brought in nearly 100 students to view and discuss "Freakonomics." The Center reading groups and colloquia are open to students in all majors, and as a result, attract participants from a wide variety of backgrounds, ages, and interests. This diversity encourages more interesting conversation from varying viewpoints.

As the Center continues to grow and evolve, we look forward to reaching even more students and community members with quality programming and research. I hope you enjoy looking back over the past year's activities, and encourage you to join us at one of our programs this fall, as we begin our fourth year at the University of Louisville College of Business.

The Year in Numbers



FALL SPEAKER SERIES

- *Insights from Steve Forbes*, Steve Forbes attendees: **525**
- *Freakonomics*, Movie Night attendees: **100**
- *Kentucky's Bourbon Boom*, Panel Discussion attendees: **230**
- *Friends in High Places: Examining the effects of cronyism on society*, Student Seminar attendees: **35**



SPRING SPEAKER SERIES CRIMINAL JUSTICE REFORM

- *Criminal Justice Issues & Reform*, Panel Discussion attendees: **200**
- *Locked In*, John Pfaff attendees: **210**
- *Crime & Justice in Louisville*, Panel Discussion attendees: **185**

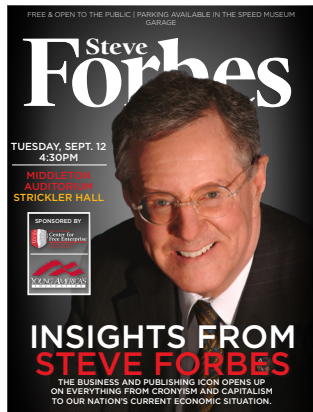


ADDITIONAL PROGRAMS

- Economics & Entrepreneurship Summer Program attendees: **35**
- Freshmen/Sophomore Fall Reading Group attendees: **18**
- Junior/Senior Fall Reading Group attendees: **19**
- Fall Reading Group (*Papa*) attendees: **17**
- Freshmen/Sophomore Spring Reading Group attendees: **17**
- Junior/Senior Spring Reading Group attendees: **15**

Special Events

The Center for Free Enterprise is proud to offer programming and events that students cannot get elsewhere on campus, and that bring the community to us. We proudly encourage civil conversation and debate on topics that affect us all. This free exchange of ideas is an important part of every student's education at the University of Louisville. During the 2017-2018 school year, we collaborated with student groups, national organizations, and various departments on campus to present an even wider array of events than in the past. This diversification of partnerships and topics allowed us to reach a broad range of participants from across campus and across the community.



INSIGHTS FROM STEVE FORBES

SEPTEMBER 12, 2017

Through a partnership with the Young Americans for Freedom student group, we were able to offer more than 500 students and community members the unique opportunity to hear firsthand the business leader's views on the nation's economy. Also that day, Steve Forbes lunched with ten YAF students and was the guest of honor at a VIP dinner.



FREAKONOMICS THE MOVIE

OCTOBER 4, 2017

One hundred students from a variety of majors gathered to view and discuss *Freakonomics: The Movie*.



A SEMINAR ON THE EFFECTS OF CRONYISM IN SOCIETY

OCTOBER 28, 2017

This daylong seminar, hosted with the Institute for Humane Studies, drew students from a number of universities in the area. Sessions included "Entrepreneurship and Government," Steve Gohmann; "Inequality and Cronyism," Stephen Miller, Troy University; and "Picking Winners and Losers: The role of the state in economic development," Peter Calcagno, College of Charleston.

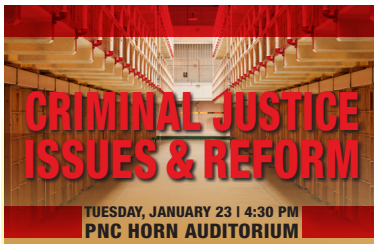
Special Events



KENTUCKY'S BOURBON BOOM

NOVEMBER 15, 2017

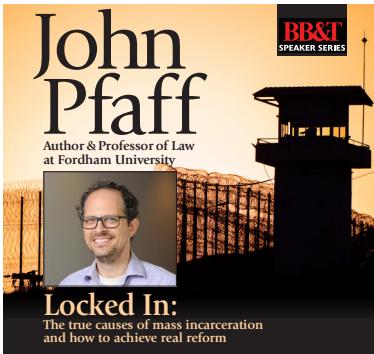
Moderated by Professor Conor Lennon, this lively panel discussion focused on the local, national, and global economic impact of Kentucky's favorite spirit. The packed house also had an insider's look into the world of bourbon through anecdotes from a panel of the industry's foremost experts: Reid Mitenbuler, author; Susan Reigler, author, Executive Bourbon Steward, and President of the Bourbon Women Association; Bill Samuels, Chairman Emeritus of Maker's Mark Distillery; and Michael Veach, bourbon historian and author.



CRIMINAL JUSTICE ISSUES & REFORM

JANUARY 23, 2018

Partnering with the University of Louisville Department of Criminal Justice, this panel discussion kicked off our spring series on criminal justice reform. Moderated by CJ professor Michael Losavio, the panel of scholars shared their research and experience on the issues facing the nation. Panelists were Gregory DeAngelo, West Virginia University; Anna Harvey, New York University; and Megan Stevenson, George Mason University.

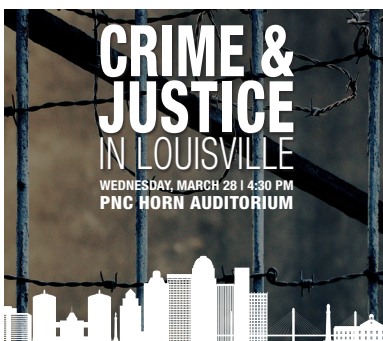


JOHN PFAFF LOCKED IN

THE TRUE CAUSES OF MASS INCARCERATION & HOW TO ACHIEVE REFORM

FEBRUARY 22, 2018

Author John Pfaff discussed his findings on why the U.S. is home to about five percent of the world's population, yet holds nearly one quarter of its prisoners. Pfaff also spent discussion time with students from a reading group who had read his book.



CRIME & JUSTICE IN LOUISVILLE

MARCH 28, 2018

Through continued collaboration with the University's Criminal Justice department, this event focused on local crime issues. Panelists Josh Crawford (public policy researcher with Pegasus Institute), Deborah Keeling (UofL professor of criminal justice), and Christopher 2x (community activist) provided research data and front-line insights on what is wrong with Louisville's criminal justice system and strategies to address the issues.

Reading Groups

"I have utilized the economics reading groups for two years and it truly helps expand my network and to engage in interesting discussions to expand our knowledge."



The Center for Free Enterprise Reading Group program attracts students in various majors, as well as from neighboring universities. This year, we offered two groups each semester – one for freshmen/sophomore students and one for juniors/seniors. We find that the more diverse the group is, the more interesting and varied are the viewpoints and discussions.



"While some may not agree with every aspect of free market capitalism, the opportunity to learn about and discuss these ideas is invaluable."

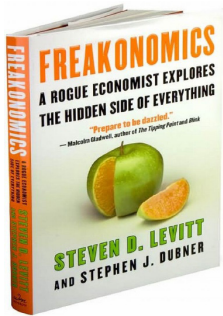


"The economics reading group is a wonderful supplement to classroom learning and challenges us to expand our understanding."

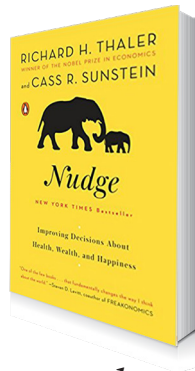


THE CENTER FOR FREE ENTERPRISE

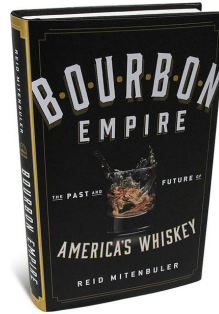
Reading Selections



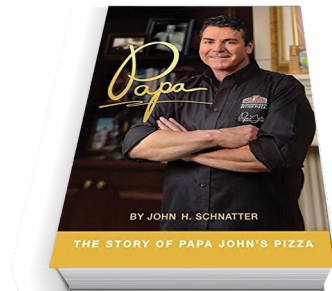
Freakonomics
by Stephen J. Dubner
and Steven Levitt



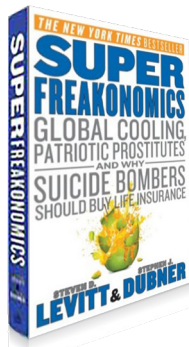
Nudge
by Cass Sunstein
and Richard Thaler



Bourbon Empire
by Reid Mitenbuler



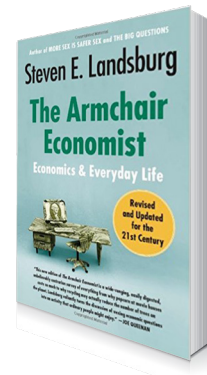
Papa
by John H. Schnatter



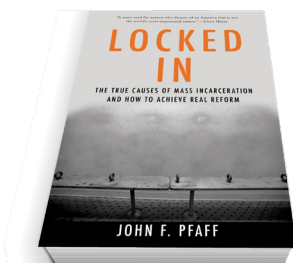
Super Freakonomics
by Stephen J. Dubner
and Steven Levitt



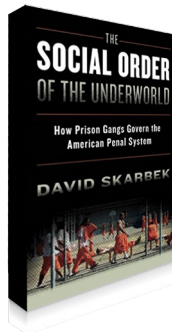
WTF: An Economic Tour of the Weird
by Peter Leeson



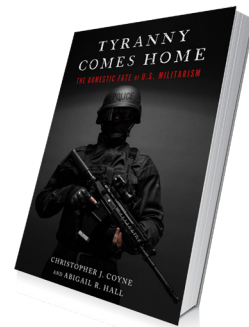
The Armchair Economist
by Steven Landsburg



Locked In
by John Pfaff



The Social Order of the Underworld
by David Skarbek



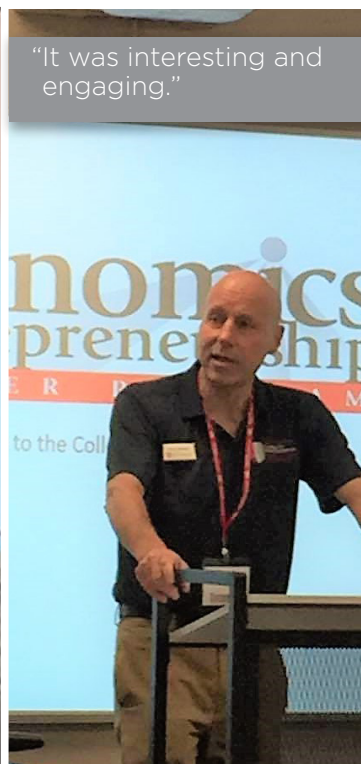
Tyranny Comes Home
by Abigail R. Hall and
Christopher Coyne

Economics & Entrepreneurship Summer Program

Thirty-five high school juniors and seniors participated in The Center's inaugural Economics & Entrepreneurship Summer Program last July. The students came from public and private high schools throughout Jefferson and Oldham counties in Kentucky, and Floyd County in Southern Indiana. The agenda of the two-day program included interactive classroom sessions, taught by economics and entrepreneurship professors, as well as local business professionals. The students also took tours of GE FirstBuild and the UofL campus. Day two of the program featured a field trip to Papa John's International headquarters for a tour of the facility.

CLASSROOM SESSIONS

PROFIT AND MORALITY | COLLECTIVE ACTION PROBLEMS
ENTREPRENEURSHIP: HOW YOU CAN CHANGE THE WORLD | MARKETS & AUCTIONS



THE CENTER FOR FREE ENTERPRISE

In the News

RADIO/ TELEVISION/PODCASTS

- WHAS/iHeart Radio, Tony Vanetti Show, Steve Gohmann interview on the Kentucky pension crisis
Aired August 30, 2017
- WHAS/iHeart Radio, Leland Conway Show, Steve Forbes interview
Aired September 8, 2017
- WFPL Radio, Morning Edition, Steve Forbes interview
Aired September 8, 2017
- WAVE-3 TV, Coverage of Steve Forbes talk | Aired September 12, 2017
- WFMP 106.5 FM/Forward Radio, Steve Gohmann discussion with Professor of Philosophy Avery Kolers
Posted October, 2017
- 93.9 FM, Radio Interview, Steve Forbes
Aired November 9, 2017
- Bourbon Pursuit Episode 132, Podcast of Kentucky's Bourbon Boom
Posted January 18, 2018
- 93.9 FM, Radio interview, author and panelist Reid Mitenbuler
Aired January 22, 2018
- 93.9 FM, Radio interview, author and guest speaker John Pfaff
Aired March 6, 2018
- Bourbon Pursuit Podcast, "Bourbon Tariffs: Threat or No Importance?" Professors Conor Lennon and Keith Teltser | Posted April 19, 2018

PRINT/ DIGITAL

- The American Spectator "Let's Fully Deregulate the Airline Industry," Op-ed by Steve Gohmann
Published June 7, 2017
- Mises.org "Let's Fully Deregulate the Airline Industry," Op-ed by Steve Gohmann | Published June 13, 2017
- Insider Louisville "Steve Forbes at UofL" | Published August 28, 2017
- WHAS11.com "Economist: Political willpower needed to solve KY pension crisis," Digital article featuring Steve Gohmann | Published August 29, 2017
- Associated Press Worldwide Calendar "Forbes Media Chairman Steve Forbes to speak at the University of Louisville" | Published August 30, 2017
- WFPL.org "Steve Forbes on Tax Reform and Raising the Debt Ceiling" Published September 8, 2017
- The Louisville Cardinal "Steve Forbes speaks to UofL students about capitalism, taxes" | Published September 14, 2017
- WFMP 106.5 FM/Forward Radio "Ethics & Economics," Steve Gohmann discussion with Professor of Philosophy Avery Kolers | Posted October 2017
- Insider Louisville "Experts agree: Bourbon now poised to go after scotch market," Coverage of Bourbon Boom panel discussion
Published November 17, 2017
- Insider Louisville "Tariff tiff: Economists say Trump plan bad for US, Kentucky, Louisville," Article featuring Steve Gohmann
Published March 7, 2018
- LEO Weekly Staff Picks "Local Crime and Justice Issues with Christopher 2X and more" | Published March 23, 2018
- Insider Louisville "Schnatter Center to look at the effects of violence on local community," Article featuring panelists Josh Crawford, Deborah Keeling, Christopher 2X | Published March 27, 2018
- The Louisville Cardinal "Schnatter Center panelists consider solutions to violent crime" | Published March 29, 2018
- Insider Louisville "Deficits, pie and bourbon: What's the matter with trade?" Article featuring Steve Gohmann | Published April 2, 2018

Social Media



THE CENTER FOR FREE ENTERPRISE

Travel | Education | Research

Center faculty are involved in numerous conferences throughout the year, both as presenters and participants. They also share their expertise and research through published articles and guest speaking engagements. In addition, we are proud to sponsor travel and conference participation for our students.

CONFERENCES ATTENDED

- American Economic Association Conference, January 2018
- American Society of Health Economists Annual Conference, June 2018
- Association of Private Enterprise Education Conference, April 2018
- Cengage Economics Teaching Conference, November 2017
- IU/VU/UL Health Economics & Policy Conference, December 2017
- International Industrial Organization Conference, April 2018
- Kentucky Economic Association Conference, October 2017
- Midwest Economic Association Conference, March 2018
- Public Choice Society Annual Meeting, March 2018
- Schnatter Centers Annual Conference, April 2018
- Southern Economic Association Annual Meeting, November 2017
- Tennessee Empirical Applied Microeconomics Festival, May 2018

FACULTY PUBLICATIONS

- Fernandez, J.M., S.F. Gohmann, J.C. Pinkston, *Breaking Bad in Bourbon Country: Does Alcohol Prohibition Encourage Methamphetamine Production?* forthcoming, Southern Economic Journal.

FACULTY SPEAKING ENGAGEMENTS

- Burgdorf, J., and Gohmann, S.F. *Testing Alchian and Allen with the Beer Market*, Association of Private Enterprise Education Conference, April 2018
- Burgdorf, Jacob. *Impact of Mandated Exclusive Territories in the US Brewing Industry: Evidence from scanner level data*, Western Kentucky University, December 2017
- Gohmann, S.F. *Serving Up Bourbon & Beer in Your Economics Classroom*, Association of Private Enterprise Education Conference, April 2018
- Gohmann, S.F. *Ten Ways to Use Bourbon in the Classroom*, Cengage Economics Teaching Conference, November 2017
- Gohmann, S.F. *Entrepreneurship*, Schnatter Centers Annual Conference, April 2018
- Lennon, Conor. *Are Online Degrees Substitutes for Traditional Degrees? Evidence from a Correspondence Study*, Purdue University, December 2017
- Teltser, Keith. *Understanding and Improving the U.S. Organ Donation Market: A look at allocation and the introduction of exchange*, John H. Schnatter Institute for the Study of Free Enterprise, March 2018

Travel | Education | Research

FACULTY SPEAKING ENGAGEMENTS

- Teltser, Keith. *Do Kidney Exchanges Improve Patient Outcomes?*, McMaster University, September 2017
- Teltser, Keith. *Do Kidney Exchanges Improve Patient Outcomes?*, DePaul University, October 2017

PAPERS PRESENTED

- Burgdorf, Jacob. *The Strategic Impact of Mandated vs. Voluntary Vertical Restraints*, Kentucky Economic Association Conference, October 2017
- Burgdorf, Jacob. *The Strategic Impact of Mandated vs. Voluntary Vertical Restraints*, Public Choice Society Meeting, March 2018
- Burgdorf, Jacob. *Excise Taxes and Product Quality: Evidence from the brewing industry*, Association of Private Enterprise Education Conference, April 2018
- Burgdorf, Jacob and Gohmann, S.F. *The Influence of Beer Ratings and Brewery Size on Brewery Survival*, Southern Economic Conference, November 2017
- Burgdorf, Jacob. *Exclusive Territories and Efficiency: Evidence from the brewing industry*, Schnatter Centers Annual Meeting, April 2018
- Burgdorf, Jacob. *Impact of Mandated Exclusive Territories in the US Brewing Industry: Evidence from scanner level data*, International Industrial Organization Conference, April 2018
- Lennon, Conor. *Who Pays for the Medical Costs of Obesity? New Evidence from the Employer Mandate*, Association of Private Enterprise Education Conference, April 2018
- Lennon, Conor. *Employer-sponsored Health Insurance and the Gender Wage Gap*, Midwest Economic Association Conference, March 2018
- Lennon, Conor. *Bourbon Whiskey: Boring collectible or valuable alternative investment?*, Association of Private Enterprise Education Conference, April 2018
- Pung, Mallika. *Spacial History of Local Economic Growth in the United States*, Association of Private Enterprise Education Conference, April 2018
- Teltser, Keith. *Inferring Tax Compliance from Pass-through: Evidence from Airbnb tax enforcement agreements*, International Industrial Organization Conference, April 2018
- Teltser, Keith. *Inferring Tax Compliance from Pass-through: Evidence from Airbnb tax enforcement agreements*, Tennessee Empirical Applied Microeconomics Festival, May 2018
- Teltser, Keith. *Inferring Tax Compliance from Pass-through: Evidence from Airbnb tax enforcement agreements*, Association of Private Enterprise Education Conference, April 2018

Travel | Education | Research

PAPERS PRESENTED

- Olsavsky, Charles (Entrepreneurship PhD student). *The Effect of Varying U.S. Bankruptcy Law on Entrepreneurial Activity*, Schnatter Centers Annual Conference, April 2018
- Teltser, Keith. *Inferring Tax Compliance from Pass-through: Evidence from Airbnb tax enforcement agreements*, Public Choice Society Annual Meeting, March 2018
- Teltser, Keith. *Opioids and Organs: How overdoses affect the supply of donors, waiting lists, and transplant outcomes*, American Society of Health Economists Annual Conference, June 2018
- Teltser, Keith. *Opioids and Organs: How overdoses affect the supply of donors, waiting lists, and transplant outcomes*, IU/VU/UL Health Economics & Policy Conference, December 2017
- Teltser, Keith. *Opioids and Organs: How overdoses affect the supply of donors, waiting lists, and transplant outcomes*, Southern Economic Association Annual Meeting, November 2017

FACULTY OUTREACH

- Gohmann, S.F. *Bastiat and Hayek seminar*, Atlanta, January 2018
- Gohmann, S.F. *Bastiat and Hayek seminar*, Charles Koch Foundation, February 2018
- Gohmann, S.F. *Bastiat and Hayek seminar*, Southern Methodist University, April 2018
- Gohmann, S.F. *Meth Labs and Dry Counties talk*, Bellarmine University, February, 2018
- Gohmann, S.F. *Entrepreneurship and Government* presentation, Institute for Humane Studies seminar, October 2017
- Gohmann, S.F. *The Morality of Capitalism*, Northwood University, March 2018
- Lennon, Conor. Faculty advisor for University of Louisville Cryptocurrency Club, 2017-2018
- Pung, Mallika. *Life of Joseph A. Schumpeter*, Nepris presentation for “Important People in History and the Present”

STUDENT TRAVEL

Junior Economics major Claire Gothard was awarded a travel scholarship to participate in the International Education of Students (IES)-Europe Summer Seminar in June 2017.

Also in June, the Center sponsored Claire and Alex Ozier’s participation in the IHS Summer Seminar at Bryn Mawr College.

RESEARCH GRANTS & PHD FUNDING

Each summer, the Center funds research on entrepreneurship and economic policy by current College of Business faculty. In addition, we awarded summer research grants for two PhD students in the Entrepreneurship program, as well as fully funded a student who started the PhD program this year.

The Year in Pictures



THE CENTER FOR FREE ENTERPRISE

What's Ahead?

During the upcoming school year, we plan ongoing growth and outreach to new audiences by continuing to partner with organizations and programs within the university and community. Our fall programming kicks off in September with UofL Athletics Director Vince Tyra, who will speak on business values. In October, Matt Ridley will present "Optimism & Innovation," and in November Tyler Cowen will discuss big tech. We will continue to offer programs that have been popular with students and the community, such as panel discussions, reading groups and weekend seminars.

We are pleased to welcome Michael Sacks to our faculty in August. Michael replaces Mallika Pung, who left the university in May. Additionally, Joey Miller has joined the staff in June as Research Assistant.

THE CENTER FOR FREE ENTERPRISE FACULTY & STAFF



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



*Tracy Dunaway
Executive Administrative Assistant*



*Donna Zinser Clark
Marketing and Events Manager*



*Conor Lennon, PhD
Assistant Professor
of Economics*



*Keith Teltser, PhD
Assistant Professor
of Economics*



*Jacob Burgdorf, PhD
Assistant Professor
of Economics*



*Mallika Pung, PhD
Assistant Professor
of Economics*

THE CENTER FOR FREE ENTERPRISE ADVISORY BOARD

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

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

THE CENTER FOR FREE ENTERPRISE



Center for Free Enterprise

University of Louisville College of Business

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Founded in August 2015, the mission of The 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.



The Center for Free Enterprise would like to thank our donors and sponsors for their generous support of our programming.