

# THE OPTIMAL BUNDLE

THE PENN STATE ECONOMICS ASSOCIATION PRESENTS:  
THE OPTIMAL BUNDLE

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## World's Inaction on Growing Global Conflicts "Disturbing"

Recent conflicts like missile attacks on the town of Douma near Damascus and the accidental U.S. airstrike on the Doctors Without Borders hospital in Afghanistan have reached a boiling point. What's so significant about these attacks? They are a perfect example of the violence that United Nations Secretary-General Ban Ki-moon and Head of the International Red Cross Committee Peter Maurer mentioned in their recent statement. The statement criticized the "disturbing paralysis" that powerful nations have shown towards international conflicts. Despite diplomatic barriers, U.S. Secretary of State John Kerry and his Russian counterpart, Sergey V. Lavrov, as well as diplomats from 17 other countries, met to discuss solutions to these problems. Even though they came to no agreement on the fate of Syria's President, Bashar al-Assad, they did agree to pursue a ceasefire in Syria's 5 year civil war, which was met with praise from Ban and Maurer. If lives are to be saved, world leaders need to respond in a more efficient manner than they have been. – OA



## Will Japan Post Deliver On Investment?

On Wednesday, Japan Post Bank will go on the market in a massive initial public offering of \$12 billion. As the largest entity to go public this year, Japan Post—an organization consisting of a bank and a holdings and insurance company—has already received bids five times its planned share prices. The enthusiasm likely reflects confidence in both Japan Post's privatization process as well as its assets, which total over \$1.5 trillion. Prime Minister Shinzo Abe hopes the offering of Japan Post, with its 144-year history and trusted name, will persuade more Japanese to invest in stocks and begin a transition from a low-risk, high-savings economy to a shareholding one. Still, not everyone is optimistic about the change. Some citizens fear privatization will reduce the quality of services, cut jobs, or close branches, particularly in remote locations; others believe it compromises the post as a political and social institution. Once excitement about the offering in financial circles dies down, Japan Post must work hard to maintain its reputation among the everyday Japanese public if it wants to sustain both itself and a broader willingness to invest. – ET



## Upcoming Events

302 study session next Wednesday the 11th in 001 Sparks at 7:00 PM!

001 Sparks will be open for cramming for 304 at 7:00 PM tomorrow

Fed Speaker during the meeting on November 10th

THON 5k this Saturday 11/7!

Third Fundraising Outreach & Canning Weekend has been cancelled so we need to do a lot with THONvelopes.

## FanDuel-No-More

Football is the most profitable sport in North America, with the thirty-two NFL teams having a combined brand value of at least \$9 billion. Recently, new enterprises such as DraftKings and FanDuel have looked to play off of football's profitability by introducing one-week fantasy football leagues that allow users to bet on their team's success. DraftKings has a licensing agreement with the NFL Players Association allowing them to use the players' likeness for commercial purposes. However, FanDuel has no contract with the Players Association, and as such, they should be shut down until this licensing is acquired.



On behalf of all the NFL players, Pierre Garçon of the Washington Redskins is taking legal action against FanDuel, claiming that FanDuel is knowingly and improperly exploiting the popularity of Garçon and other players. In an earlier statement, Garçon said, "FanDuel has taken the liberty to engage in these actions without my consent and without proper licensing rights." This lawsuit is just one of many controversies the company has been involved in lately, and the legal implications may force the company to suspend operations if they do not acquire the licensing. FanDuel claims that there are established laws allowing companies like it to use statistics and player names in contests without paying for the rights.

If FanDuel is allowed to breach the legal rights of NFL players like Garçon, this could put the intellectual property rights of everyone in question by setting a dangerous precedent. The issue of intellectual property rights is not merely confined to the FanDuel case. In one example, a Chinese toy company is being sued by Bastian Schweinsteiger, a Manchester United center midfielder, for stealing his likeness and modeling a Nazi figurine after his image. Although this incident is occurring overseas, if it were an American company using Schweinsteiger's likeness for similar purposes, the precedent set by FanDuel could allow this practice to be upheld. Garçon and the other players involved in this class action case are in the right. FanDuel is profiting off of these people, and they are doing so without permission from

**“FanDuel has taken the liberty to engage in these actions without my consent and without proper licensing rights.”**

either the Players Association or the players themselves. The legal system should defend Garçon and other players to ensure the security of everyone's intellectual property rights. – BE

## Bubbles Are For Kids, Not Financial Markets

Housing prices in the United States reached a record high in June of 2006, and the ensuing crash had serious implications on the world economy. Nearly a decade later, signs of a new housing bubble are appearing in London, where prices are now 79% above their June 2006 levels. These prices are expected to rise by 30% over the next decade. While these statistics may be interesting, concern arises from the fact that the London Stock Exchange lags

the housing market; it's still below its 2007 peak, a sign that the United Kingdom economy has not, in fact, bounced back from the financial crisis. In comparison, housing prices in the US are still 16% below their June 2006 levels while the S&P 500 is roughly 33% above its 2007 peak. Foreign investors, many of whom are using London real estate as a shelter for laundered money, are said to be part of the reason for the rise in prices. The question now is whether this bubble can be contained, and if not, when it will burst. – SL



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