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# BUNDLE

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THE OPTIMAL BUNDLE

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## iGun: How the Gun Industry mimics Big Tech

Days after the harrowing terrorist attack in Orlando, President Obama claimed, "I held and hugged grieving family members, and they asked, 'Why does this keep happening?'" Meanwhile, guns continue to fly off the shelves despite calls for stricter regulations. For instance, Hunter's Warehouse, a small online gun store, sold 30,000 AR-15s in a mere five days after the Orlando attack. As observed in the figure below, there is no question if proposed regulations effect the economy. Comparable to the tech industry's stock volatility, the stock of gun manufacturers fluctuates based on both market forces—note the similarities between Apple and Smith & Wesson's stock—and mass shootings. Calls for stricter regulations following massacres lead to increased demand for guns, which consequently increases economic returns and the gun manufacturer's stock price. However, placing a value on a human life is impossible. If a *well-evaluated* regulation can save a life, the numbers perhaps have no relevance. — CC

Sources: [Washington Free Beacon](#), [National Shooting Sports Foundation](#)

## Guns A-Blazin' Abroad

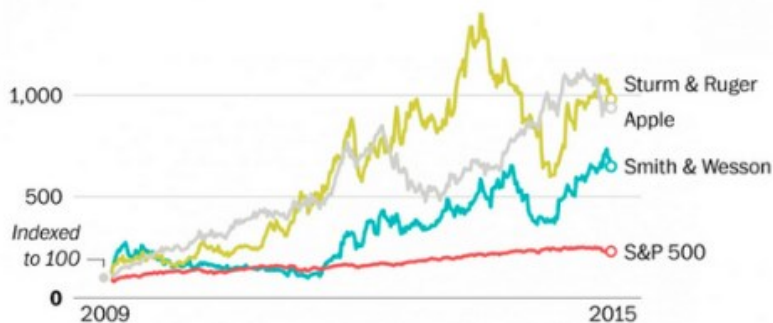


In the last twenty years, mass shootings have become commonplace in the United States while countries like Australia have seldom suffered the same tragedies. Most industrialized countries have instituted legislation to decrease the number of premature deaths caused by guns. Australia enacted the most comprehensive restrictions when it passed the 1996 National Firearms Agreement, which prohibited certain types of firearms, instituted registration requirements, and mandated the buy-back and destruction of over 600,000 guns, including the pile of assault rifles pictured above. Many American gun control advocates have used the NFA as an example to argue for more comprehensive gun control measures in the United States. According to Leigh and Neill (2010), gun-related homicide and suicides had already been decreasing in Australia before the NFA, but declined at a greater rate after 1996. Other countries that have passed legislation limiting access to firearms have also seen decreases in the homicide and suicide rates in recent years. Without similar legislation, the United States continues to see those same rates increase. — JQ

Sources: [NY Times](#), [Contemp. Economic Policy](#)

## The financial power of guns

The stocks of gun manufacturers have enjoyed strong returns during President Obama's tenure. One has even matched the performance of Apple.



Source: Bloomberg

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## Unfunded or Unfounded?

Mass shootings in Orlando, Aurora, Charleston, and elsewhere have stoked fears about the prevalence of guns in this country. However, gun violence is not uniform, as it affects rural and urban communities in different ways. While firearm homicides are more common in urban areas, rural areas experience relatively more firearm suicides. Yet, one variable is consistently positively correlated with gun violence: gun ownership. Rural gun owners typically claim that their weapons are only used for hunting, but to assume that those guns are not used in violent encounters is simply fallacious. A study conducted by Dr. Lee T. Dresang (2001) found that “among 122 gunshot wounds in a rural Wisconsin trauma center between 1981 and 1991, 39% were inflicted by rifles, 21% by shotguns, and 20% by handguns.” From 1997 to 2013, Congress prohibited the Centers for Disease Control from further researching the issue. The resulting dearth of data has stymied policy change, as there is little evidence to support either side of the debate. Without this data, gun ownership effectively continues to endanger human health. — CS



Sources: [Harvard Public Health](#), [Medscape](#), [ABC](#)

## The NRA's Not Throwing Away Their Shot

**OP-ED** “The only thing that stops a bad guy with a gun, is a good guy with a gun,” proclaimed NRA Executive Vice President Wayne LaPierre following the Sandy Hook massacre. In 1977, the NRA formed its own Political Action Committee to influence legislative campaigns, with donations averaging over \$3 million each year. The gun rights organization heavily lobbies against all measures of gun control.

In 2011, 16 million guns were sold in the United States at the average price of \$400 per weapon. Under proposed tighter gun controls, nearly half of the 16 million guns would be affected, resulting in a potential loss of \$3.2 billion. This would be a devastating blow to manufacturers and gun dealers because small businesses, like ammunitions stores, would close and jobs would be cut. According to the National Shooting Sports Foundation, the industry's manufacturers, suppliers, and ancillaries created and maintained over 260,000 jobs in 2014.

In addition, 30,000 Americans typically die every year from gun related deaths. If the cost of a human life in terms of lost productivity, police time, medical time, and other expenses is estimated at a conservative \$200,000, the total economic loss from gun deaths each year equals approximately \$6 billion. \$6 billion far outweighs the hypothesized \$3.2 billion loss to the economy caused by stricter gun control legislation. Gun control makes economic sense.

However, the National Rifle Association has used its political influence to constantly pressure Congress members to vote against the voices of the American public on gun measures. When a majority of Americans support gun control, the NRA manages to find a way to go against the will of the people and derail modest legislation.

While most Americans supported background checks, the NRA convinced a few Senators in the minority to filibuster votes on background check laws cosponsored by a bipartisan coalition. Along with this, the NRA also pushed for Congress to block bills regarding licensing or registration of gun owners despite most Americans supporting it. The NRA actually grades Congress members based upon their advocacy for gun rights, and these “ratings” are frequently used to deride Congressional candidates with poor “grades.”

Late last month, the United States Senate rejected four measures of gun control. Senator Christopher Murphy, a Connecticut Democrat, stated after the votes, “The NRA has a vice-like grip [on Capitol Hill].” Harry Reid, the Senate's Democratic Leader, concluded, “The NRA is happy.” — JC

Sources: [NPR](#), [OpenSecrets](#), [CNN](#), [Economist](#), [Cato](#), [National Shooting Sports Foundation](#)

