

ECON ESSENTIALS

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2024

FEATURING

Navigating Financial Markets and Career Advice

Q&A: MOONISH SOOD, COO OF BANKING & FINANCIAL MARKETS (GENPACT)

A SOCIAL INITIATIVE BY STUDENTS AT DPSI

Waste to Warmth

Find out how young students are committed to repurpose textile waste while simultaneously increasing employment in rural settlements.

AWARDED THE IB GLOBAL YOUTH ACTION FUND

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The Paradoxical Nature of Monopolies: Innovation Drivers or Market Stiflers?

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Transforming Economies Worldwide: The Power in the Ease of Doing Business



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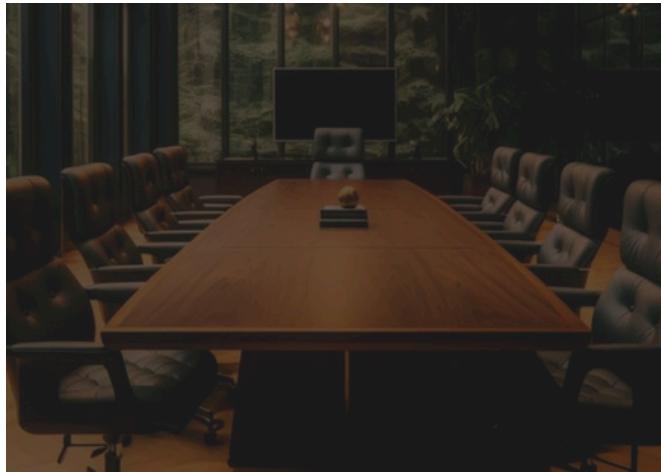
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EXCLUSIVE Q&A WITH MR. MOONISH SOOD

COO of Banking and Financial Markets at Genpact

Firstly, could you tell us a little bit about yourself and what your role is at Genpact?

Hello everyone, my name is Moonish Sood and I am the Chief Operating Officer for Banking and Capital Markets at Genpact. Genpact is a global professional services firm with over 115,000 employees in 30+ countries. We specialize in delivering digital transformation to our clients, leveraging digital and data to create a competitive advantage.

With 23 years of diverse outsourcing experience, I have expertise in presales, transitions, operations, account management, strategy, consulting, and transformation. During my 17 years at Genpact, I successfully developed the Life Insurance business and currently lead global banking operations. My focus is on delivering value to clients through end-to-end operations and solutions that drive growth, profits, customer experience, and market differentiation. Additionally, I have the privilege of chairing the Diversity, Equity, and Inclusion Steering Committee for Banking and Capital Markets at Genpact.



What are the current trends in the banking and capital markets industry?

A short answer could be :

The banking and capital markets industry is undergoing significant trends.

- **Digital transformation** is a priority, with mobile banking and AI-driven customer service enhancing experiences.
- **Personalized banking experiences** are sought after, with customers willing to switch for customization.
- **Open banking initiatives** empower customers and generate potential revenue. Fintech collaborations offer innovative solutions and customer bases.
- **Sustainable and impact investing** aligns investments with ESG criteria. Regulatory changes address cybersecurity and data protection..
- **Neobanks provide digital-only services** without physical branches. Advanced systems aid risk management and compliance.
- **Cross-border transactions** are improved for efficiency. Financial inclusion efforts promote access to underserved populations.

These trends shape the future of the industry, emphasizing technology, personalization, sustainability, and inclusivity.

A detailed version could be something like this, with added stats:

I think the current trends in the banking and capital markets industry include:

- **Digital Transformation:** The banking industry is rapidly adopting digital technologies, such as mobile banking and AI-driven customer service, to enhance customer experiences. According to a survey by Deloitte, 94% of banking executives consider digital transformation as a top strategic priority for their organizations.
- **Open Banking:** Global initiatives are empowering customers to control their financial data, enabling third-party developers to create innovative financial services. A report by Accenture predicts that open banking could generate \$7.2 billion in annual revenue by 2026 for banks in the Asia-Pacific region.
- **Fintech Collaborations:** Traditional banks are partnering with fintech startups to leverage technology and innovation, benefiting from regulatory expertise and customer bases.
- **Personalized Banking:** Banks are focusing on tailored financial products, personalized recommendations, and customized customer service experiences. A study by Salesforce found that 58% of customers are willing to switch banks for a more personalized experience.
- **Sustainable and Impact investing:** Investors are increasingly aligning their investments with ESG criteria, and banks are incorporating sustainability factors into their strategies.
- **Regulatory Changes:** Evolving regulations address cybersecurity, data protection, anti-money laundering, and consumer protection. The Financial Stability Board notes that regulatory changes related to cybersecurity and data protection have increased by 40% in the past five years.
- **Rise of Neobanks:** Digital-only banks are gaining popularity, providing convenient and user-friendly services without physical branches.
- **Risk Management and Compliance:** Banks invest in advanced systems, including AI and machine learning, for risk assessment and fraud detection.
- **Cross-Border Transactions:** Banks are enhancing international payment systems to improve the efficiency and speed of cross-border transfers.
- **Financial Inclusion:** Efforts are made to provide banking services to underserved populations through mobile banking and digital solutions, promoting financial inclusion.



How is technology transforming the banking and capital markets sector? Specifically, what role does artificial intelligence play in your operations?

Technology is transforming the banking and capital markets sector, with artificial intelligence (AI) playing a key role. AI is revolutionizing the banking sector, particularly in operations. It enhances customer experience through personalized service and advice.

1) AI algorithms detect and prevent fraud in real-time, safeguarding customer accounts.

2) Risk assessment and management benefit from AI's analysis of historical data and market trends.

3) AI algorithms enable quick and accurate trading and investment decisions. Compliance processes are automated, ensuring regulatory adherence and accurate reporting.

4) AI algorithms aid loan approval and underwriting, expediting decision-making.

5) Real-time monitoring of transactions detects suspicious patterns, preventing fraud and money laundering.

AI's impact on banking operations is significant, improving efficiency, accuracy, and customer satisfaction. Ethical use of AI, with strong data privacy and security measures, is paramount.

What skill sets do you believe students pursuing professions in finance or banking should be building?

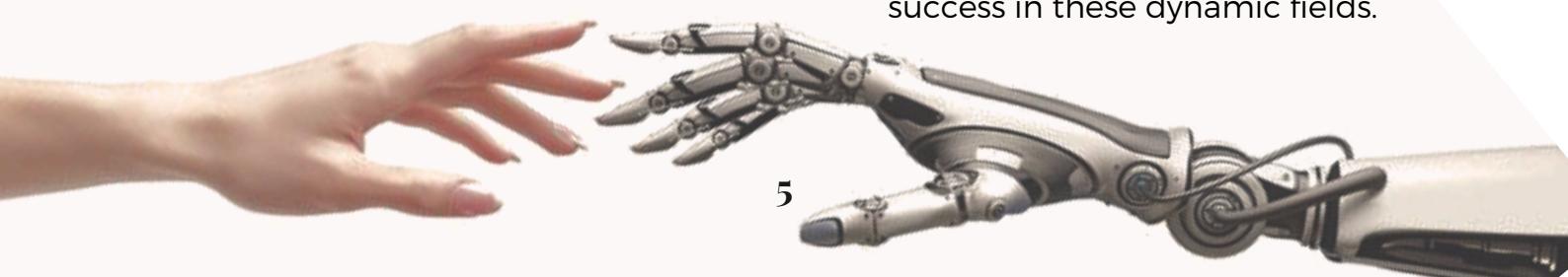
Students pursuing careers in finance and banking should focus on developing a combination of technical and soft skills.

Key skill sets for success in this field include domain knowledge in finance, analytical skills, problem-solving abilities, communication and presentation skills, proficiency in technology and AI, ethical awareness, attention to detail, networking and relationship building, teamwork and collaboration, and curiosity for continuous learning. These skills will help students adapt to the evolving demands of the finance industry and prepare them for successful careers in finance and banking.

What are the typical entry-level roles and career paths available to students interested in investment banking, corporate finance, financial analysis, etc?

I guess, students interested in investment banking, corporate finance, financial analysis, and related fields have several entry-level roles and career paths to consider. Investment banking offers opportunities in financial modeling, deal execution, and client relationships. In corporate finance, roles such as financial analyst, treasury analyst, and FP&A analyst involve data analysis, cash flow management, and strategic planning.

Financial analysis roles focus on investment evaluation, credit assessment, and risk management. These paths offer growth potential and specialization opportunities. Advanced degrees like an MBA or industry certifications can further enhance career prospects. Passion, dedication, and continuous learning are key to success in these dynamic fields.



What inspired you to pursue a career in banking and capital markets?

Throughout my career journey, I have experienced diverse leadership roles across various industries, including Hotel, Airline, Brokerage, Insurance, and Banking. This exposure has fueled my curiosity and drive to constantly learn, unlearn, and re-skill to stay ahead of the curve. I thrive in dynamic environments and embrace the challenges that come with each domain change. The banking and capital markets industry offers a unique opportunity for me to apply the skills and knowledge gained from my diverse background. I am inspired by the ever-changing nature of the industry and the chance to contribute to its growth and innovation. I believe that my growth mindset, hunger for knowledge, and proactive approach make me well-suited for a career in banking and capital markets.

What career advice would you give your 20-year-old self just starting out?

My advice would be to actively seek out mentors and coaches who can provide valuable insights, help identify and address blind spots and unconscious biases, and support personal and professional growth. Investing in personal development and building emotional intelligence will enable better connections with others, leading with empathy and inclusion. I would also emphasize the significance of setting clear goals and continuously working towards them. It's important to stay focused, adaptable, and open to learning and evolving. Embracing change and being proactive in acquiring new skills and knowledge will contribute to long-term success. Lastly, I would remind my 20-year-old self to prioritize work-life balance and self-care. Taking care of one's physical and mental well-being is crucial for sustainable growth and overall happiness in both personal and professional life.

What key lessons have you learned throughout your career?

Throughout my career, I have learned several key lessons that have shaped my approach and mindset. One valuable lesson I have learned is the significance of simplification as a tool to eliminate unnecessary complexities and create an efficient and effective organization capable of navigating the complexities of the business world. Additionally, I learned the importance of constant self-improvement and maximizing my potential. I firmly believe in the power of continuous growth and challenging the status quo. By investing in lifelong learning and acquiring new skills, I aim to tap into my full potential and stay ahead in my field. Another lesson I have learned is the importance of acceleration. Instead of becoming complacent after achieving success, I believe in pushing myself even harder. I embrace the mindset of hustle, perseverance, and earnest efforts, understanding that when I strive towards my goals with determination, the goals themselves start moving towards me. These lessons guide my actions and aspirations as I navigate my professional journey.





WORLD OF BUSINESS AND ECONOMICS

The Bulletin

Are you a student studying Economics, Business, or Finance? Find your monthly recap of everything that has happened in the real world, and get easy case studies for your academics!

POST ELECTION STOCK MARKET BUBBLE

Economic Bubble

IMPACT OF GLOBAL SEMICONDUCTOR SHORTAGE IMPACT

10-YEAR RETURNS ON MULTI-CAP FUNDS

Stock Market

UCLA ANDERSON JUNE 2024 ECONOMIC FORECAST

Gig Economy

LARGEST DEBUT IN HEDGE FUND INDUSTRY

Hedge Funds

AI WREAKING HAVOC ON GLOBAL POWER SYSTEMS

AI and Sustainability

INDIA'S JOB MARKET DISCREPANCIES

Employment

INDIA'S TECH STRATEGY UNDER MODI'S THIRD TERM

Circular Economy



Post Election Stock Market Bubble In India

Economic Bubble

The World Bank has lifted India's economic growth forecast to 6.6% for FY25 mainly due to "upward revisions to investment growth". The World Bank said that services and industry are going to continue to grow in India with government debt and fiscal deficit decreasing simultaneously. All of these contribute towards increasing the aggregate demand in an economy. The decrease in government debt and fiscal deficit promote spending and growth in services and industry mean an increase in their output. Inflationary pressures are also said to subside which would give space for easing financial conditions in the country.

[Find out more](#)

10-year returns on Multi-cap funds

Stock Market

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	Current value of monthly SIP of Rs 30,000 made 10 years ago	XIRR(%)
Quant Active Fund	13,237,901.41	25
Nippon India Multi Cap Fund	10,631,300.11	21
Baroda BNP Paribas Multi Cap Fund	9,481,380.99	19
ICICI Pru Multicap Fund	9,354,831.14	18
Sundaram Multi Cap Fund	9,132,596.3	18
Invesco India Multicap Fund	9,056,812.05	18

[Find out more](#)

Largest debut in hedge fund industry

Hedge Funds

Bobby Jain's hedge fund, Jain Global, launched on July 1 with \$5 billion in capital, marking the largest debut in the hedge fund industry since ExodusPoint's \$8 billion launch in 2018. Jain Global, featuring a team of star portfolio managers, has established offices in New York, London, Singapore, and Hong Kong. Jain Global focuses on seven key strategies: fundamental equity, commodities, equity arbitrage, credit, rates and macro, systematic, and Apac, with the Apac region treated as a separate business unit and investment strategy. The firm has received regulatory approval from the UK's Financial Conduct Authority, positioning it strategically for global influence.

[Find out more](#)

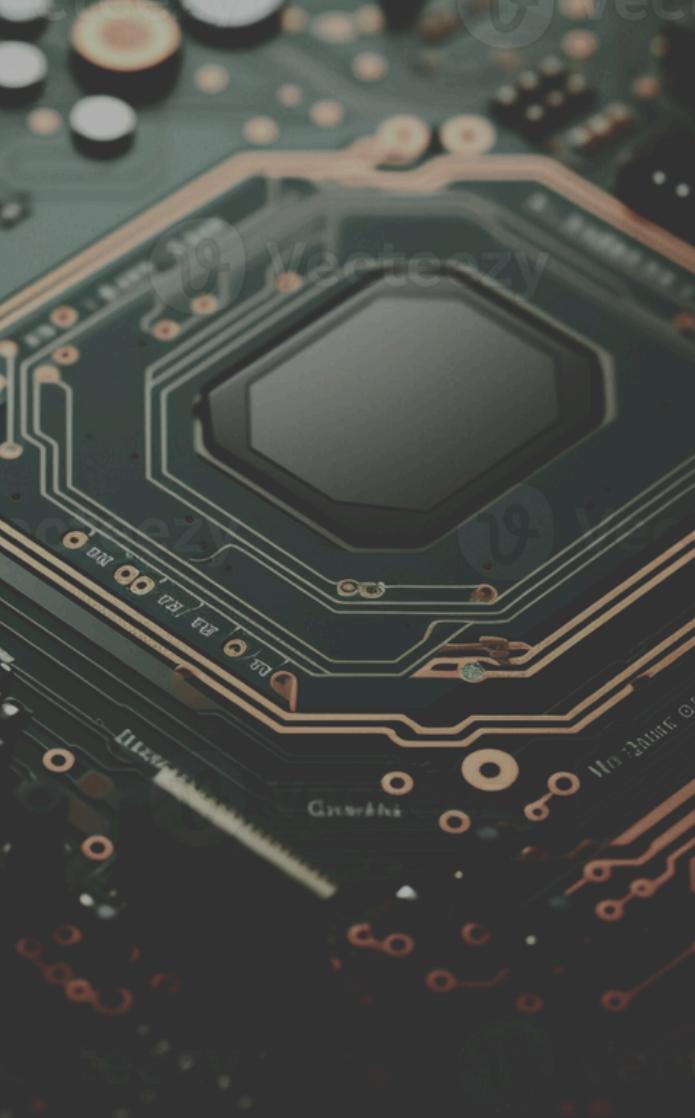


India's Job Market Discrepancies

Employment

In India, conflicting reports on the job market highlight significant discrepancies: while official RBI data indicates robust job growth, private surveys reveal increasing unemployment rates coupled with concerns over job quality and sustainability. This disparity underscores the challenges of interpreting employment data accurately, impacting policy-making decisions crucial for economic stability and social welfare initiatives. For students of economics and social sciences, studying these discrepancies offers critical insights into the complexities of labor market dynamics in emerging economies and the implications for both government policy and private sector strategies.

[Find out more](#)



Impact of Global Semiconductor Shortage Impact

Economic Bubble

Globally, a semiconductor shortage has severely impacted industries such as automotive and electronics, disrupting supply chains and causing widespread production delays. This shortage has led to increased consumer prices worldwide, highlighting the critical role of semiconductors in modern manufacturing. For students of engineering, economics, and business, studying this event provides valuable insights into the vulnerabilities of global supply chains and the broader implications for industry resilience and consumer markets. Understanding the complexities of semiconductor supply dynamics is essential for grasping the interconnectedness of global trade and the economic challenges posed by supply chain disruptions.

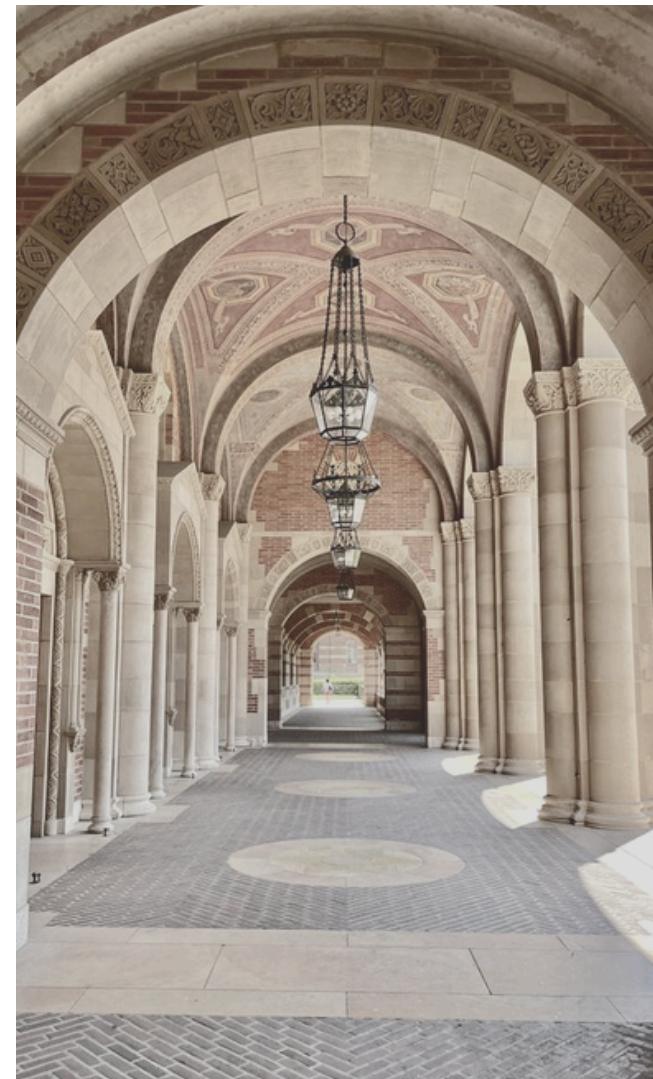
[Find out more](#)

UCLA Anderson June 2024 Economic Forecast

Economic Growth

The UCLA Anderson Forecast for June 2024 assesses economic prospects for the United States and California. Despite recent subpar growth, a national recession isn't expected, attributed more to supply constraints than weak demand, likely continuing through 2024. California's economy remains robust, driven by strong underlying factors, yet faces sector-specific weaknesses and high unemployment that may temporarily slow growth. Nationally, increased productivity and expanded output, bolstered by capital investment, highlight economic resilience. Key concerns include potential post-election policy shifts and geopolitical events. The forecast anticipates a resilient economy poised for 2025 recovery, benefiting from eased labor market constraints and new industrial policies

[Find out more](#)



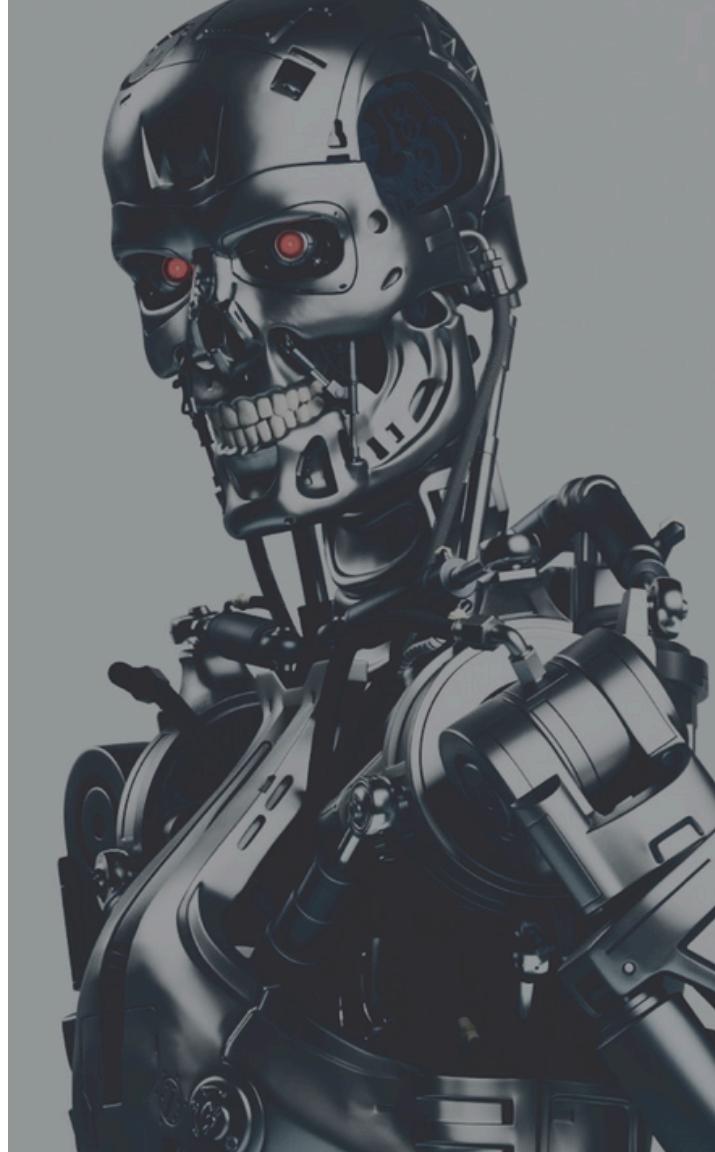
AI Wreaking Havoc on Global Power Systems

AI and Sustainability

Over the past 15 years, Loudoun County, Virginia, has shifted from horse farms to AI-driven data centers, demanding massive electricity and straining global energy grids. This surge causes power access delays, potential outages, and rising costs, jeopardizing national energy transition plans and tech giants' clean energy goals.

Companies like Amazon, Microsoft, and Google face sustainability challenges with current consumption patterns. Increased reliance on non-renewable power threatens long-term environmental goals. Balancing technological advancement with environmental stewardship is crucial, necessitating a focus on renewable resources and efficient energy management for a sustainable future.

[Find out more](#)



India's Tech Strategy Under Modi's Third Term

Technology

India is rapidly advancing in tech under Modi's third term, continuing and expanding previous policies. Strategic reforms will focus on data protection, tech manufacturing, AI, green tech, digital literacy, semiconductors, and space tech. IT Minister Ashwini Vaishnaw will implement the Digital Personal Data Protection (DPDP) Act and the proposed Digital India Bill to safeguard privacy and promote responsible data use.

Cybersecurity expert Jiten Jain notes progress in digital public services and calls for stronger measures against digital fraud, especially in smaller towns. A national security directive is needed to prevent unapproved Chinese hardware in critical sectors. Concerns remain about the DPDP Act's potential for government misuse of citizens' data.

[Find out more](#)

Econ Eclairs

Find a delightful selection of economic theories, concepts, and principles that will satisfy your curiosity and expand your horizons.

FISCAL POLICY

Discover how fiscal policy is used by the government to aid the economy, whether for growth or control.

14

MONETARY POLICY

Understand the function of the monetary policy and how central banks play a pivotal role in stabilising the economy.

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DEMAND-SIDE POLICIES: FISCAL POLICY

Demand-side policies are meant to change aggregate demand in order to achieve certain macroeconomic goals of an economy. The aim of demand-side policies is to bring aggregate demand to the potential level of GDP by counteracting the changes caused by consumer and producer actions towards fluctuations in aggregate demand. There are two main demand-side policies: fiscal policy and monetary policy.

The aim of fiscal policy is to influence the level of aggregate demand by the manipulation of the government's expenditures and taxes, and also to maintain an equitable distribution of income. Fiscal policy aims to maintain low rates of inflation and unemployment, reduce fluctuations in the business cycle, a stable economic environment for long-term growth, external balance (expenditure on imports is equal to revenue from exports), and an equitable distribution of income by manipulating government spending, taxes, and reducing inflationary and deflationary gaps.

Expansionary fiscal policy is meant to increase aggregate demand in order to counter a recessionary/deflationary gap by increasing government spending, decreasing personal income taxes, decreasing business taxes, or a combination of all. Expansionary fiscal policy aims to increase spending and shift the AD curve to the right.

Contractionary fiscal policy, on the other hand, is meant to decrease aggregate demand in order to counter an inflationary gap by decreasing government spending, increasing personal income taxes, increasing business taxes, or a combination of all. Contractionary fiscal policy aims to decrease spending and shift the AD curve to the left.

Fiscal policy can pull an economy out of a deep recession as it did in 2008, target specific sectors of the economy, and can have a direct impact on aggregate demand. However, it can take time for the economic problem to be identified and for the policy to take effect, it can cause inflation, there are political constraints around implementing taxes, and it is unable to deal with supply-side inflation.

is more painful than that which is based on it. Hence such phrases as "Death before dishonor," and so on. The gratification of which arises mainly by comparison of oneself with others, in every respect, but chiefly in respect to one's intellectual power; and so the most effective and the most gratifying of it is to be found in controversy. Hence the ambition of a defeat, apart from any question of injustice; and hence recourse to that last weapon, that last trick, which you cannot evade by mere politeness. A cool demeanor may however, help you here, if, as soon as your opponent becomes personal, you quietly reply, "That has no bearing on the point in dispute," and immediately bring the conversation back to it, and continue to show him that he is wrong, without taking any notice of his insults. Say as Themistocles said to Eurybiades—*Strike, but hear me.* But such demeanor is not given to everyone.

As a sharpening of wits, controversy is often, indeed, of mutual advantage, in order to correct one's errors and awaken new ideas. But in learning and in moral power, contumaciousness is inferior to equal. If one of them loses learning, he will fail to understand the other, as he is not on the same level with his antagonist. If he loses moral power, he will be embittered, and will use dishonest tricks, and end by being rude.

The only safe rule, therefore, is that which Aristotle mentions in the last chapter of his *Topica*: not to dispute with the first person whom you meet, but only with those of your acquaintances of whom you know that they possess



DEMAND-SIDE POLICIES: MONETARY POLICY

Demand-side policies are meant to change aggregate demand in order to achieve certain macroeconomic goals of an economy. The aim of demand-side policies is to bring aggregate demand to the potential level of GDP by counteracting the changes caused by consumer and producer actions towards fluctuations in aggregate demand. There are two main demand-side policies: fiscal policy and monetary policy

The aim of the monetary policy is to influence the level of aggregate demand by controlling the supply of money and the interest rates set by the central bank. The goal of monetary policy is to achieve macroeconomic objectives such as controlling inflation, managing employment levels, stabilizing the business cycle, promoting long-term economic growth, and maintaining external balance. By adjusting the monetary supply and interest rates, the central bank can influence consumer and business spending, thereby counteracting fluctuations in aggregate demand.

Expansionary monetary policy

aims to increase aggregate demand to counter a deflationary gap. This is achieved by decreasing interest rates, which lowers borrowing costs and encourages consumer spending and business investment. The central bank can also increase the money supply by purchasing government securities, injecting more money into the economy..

Contractionary monetary policy

Contractionary monetary policy aims to slow economic growth and reduce inflation by decreasing the money supply and increasing interest rates. Central banks achieve this by raising interest rates, selling government securities, increasing bank reserve requirements, and signaling higher rates to reduce borrowing and spending.

Monetary policy can effectively manage economic fluctuations. For example, during the COVID-19 pandemic, the European Central Bank lowered interest rates and increased asset purchases to boost demand. However, its limitations include reduced effectiveness in deep recessions with already low interest rates, potential for inflation if overused, and time lags in implementation and impact.

Money Matters

From budgeting basics to understanding market trends, explore the fundamentals that shape our financial world.

DIVERSIFICATION

A detailed explanation of “don’t put all your eggs in one basket”

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NAVIGATING OUR BIASES

Exploring some of the various biases we face in financial decision making and learning how to avoid them

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DIVERSIFICATION

What is it?

Diversification is a key strategy in investing that spreads risk across different assets in order to mitigate losses. Instead of putting all your money into a single business, scatter it around several businesses to avoid huge losses. Investing is a form of ethical gambling where one should not go ALL IN, in most circumstances.

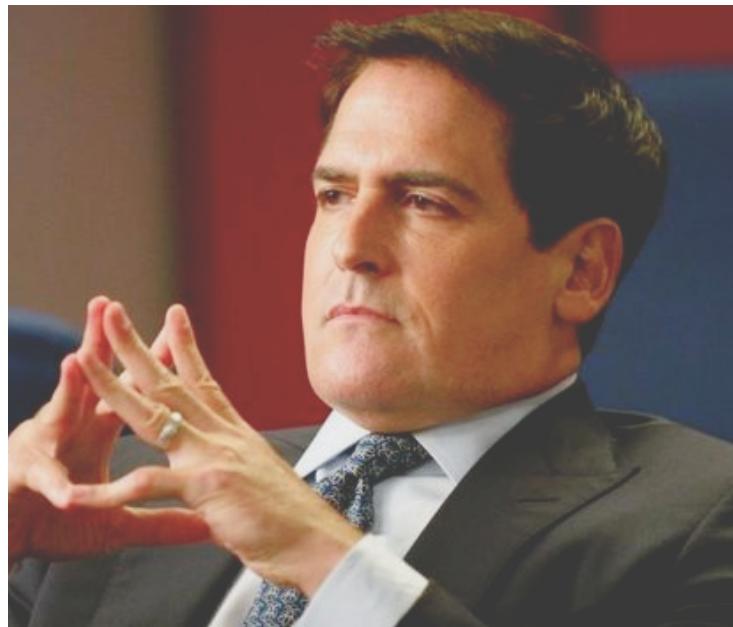
Storytime

This practice of diversification is the key to growth even during massive economic downturns. For example in the 2008 financial crisis, the stock market crashed and real estate suffered, however, on the other hand, gold and precious metal prices stayed stagnant and government bonds went up in price. Shows the sheer strength of diversification in helping prevent losses during the worst of times.

“Don’t put all your eggs in one basket”

However...

Although some investors like Mark Cuban do believe otherwise, as per his statement “diversification is for idiots”, his viewpoint underscores the importance of in-depth market knowledge and focused investments. Cuban advocates for investing in areas where one can gain a competitive edge and make informed decisions. However, diversification remains a valuable strategy for managing risk, especially for those who may not have the time or expertise to delve deeply into every investment.



NAVIGATING OUR BIASES

All of us think that our financial decisions are completely rational. However, often times our choices are swayed by cognitive biases that subtly nudge our reasoning in irrational directions. Among these are anchoring, loss aversion, and the endowment effect—three powerful psychological forces that can distort our financial perceptions and decision-making processes.

ANCHORING BIAS

The Fear of Losing What It Is:

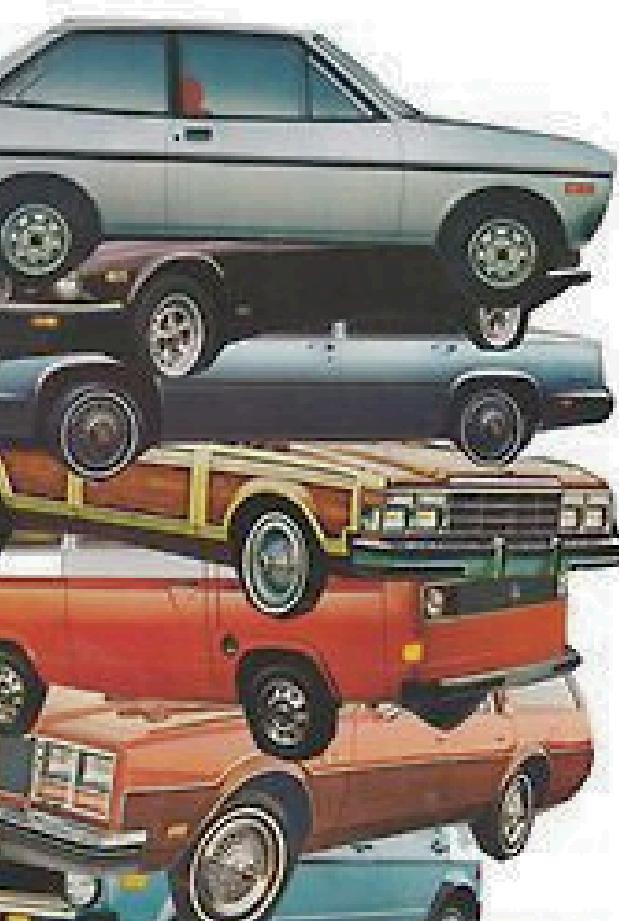
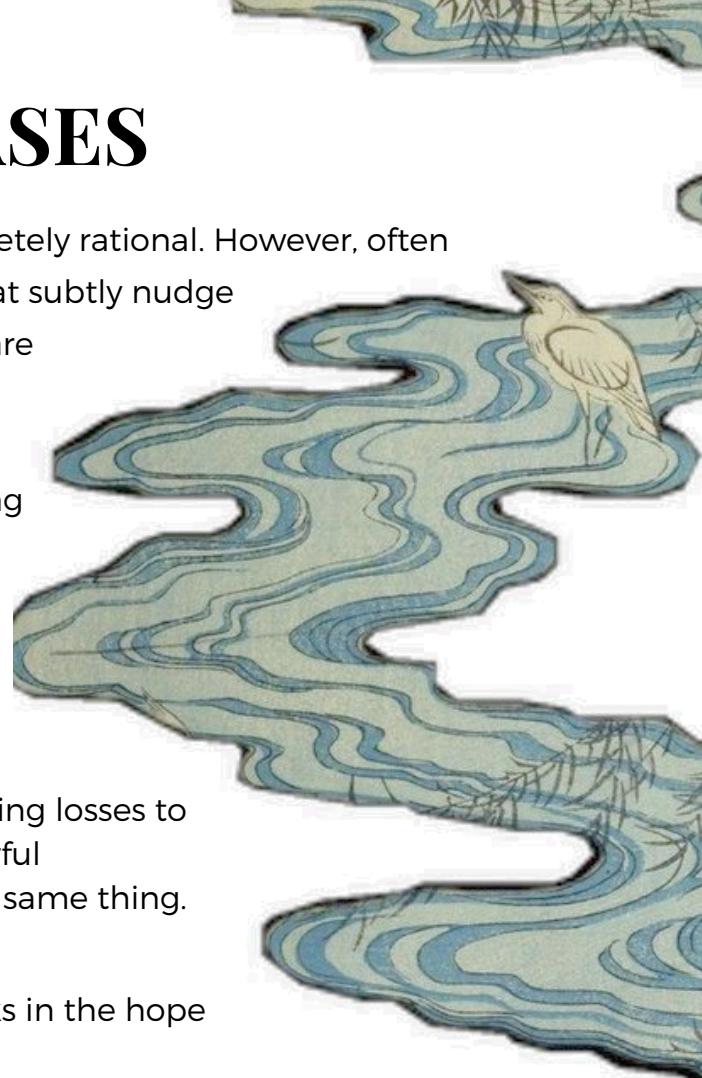
Loss aversion describes our tendency to prefer avoiding losses to acquiring equivalent gains. It's about twice as powerful psychologically to lose something as it is to gain the same thing.

Example:

This bias can lead investors to hold onto losing stocks in the hope they will rebound, to avoid realizing a loss.

Overcoming anchoring bias:

Always seek additional data before making a decision. For investments, look at a broader historical price range rather than a recent spike or drop. For shopping, compare similar products across different stores to get a sense of what the real 'average' price should be.



ENDOWMENT EFFECT

Overvaluing What We Own What It Is:

The endowment effect occurs when people ascribe more value to things merely because they own them.

Example:

A trader might overvalue a stock in their portfolio simply because it's theirs, despite evidence suggesting it's time to sell.

Overcoming the Endowment Effect:

Continuously question why you are holding onto an asset: Is it because of its potential or because it's familiar and you own it? Pretending that you don't own the item and asking whether you would buy it at its current price can also help.

NAVIGATING OUR BIASES

Loss Aversion

The Fear of Losing What It Is:

Loss aversion describes our tendency to prefer avoiding losses to acquiring equivalent gains. It's about twice as powerful psychologically to lose something as it is to gain the same thing.

Example:

This bias can lead investors to hold onto losing stocks in the hope they will rebound, to avoid realizing a loss



Overcoming Loss Aversion:

Disciplined decision-making and proactive risk management

Set Predefined Rules: Implement stop-loss (A stop-loss order automatically sells an asset when it reaches a specific price) orders to automate safe selling decisions.

Regular review/assessments of your investment portfolio, making sure your holdings still align with your broader financial goals and risk tolerance

Psychological Preparation:

Understanding and anticipating your emotional reactions to losses can improve decision-making

Prepare for inevitable losses as a normal part of investing, which can reduce the sting and impulsivity associated with loss aversion.

By recognizing and understanding these biases—anchoring, loss aversion, and the endowment effect—we can start to take back control of our financial decisions. It's not just about knowing these biases exist; it's about actively setting up systems and checks to ensure they don't lead us astray. In this ever-evolving world, producers will try to cut all corners to make you purchase their product, but don't let these biases cloud your judgment.





STUDENT SHOWCASE

Student Chronicles

Explore insightful perspectives and thought-provoking articles from student writers in the field of economic, business, and finance.

AARADHYA JAIN

The Paradoxical Nature of Monopolies:
Innovation Drivers or Market Stiflers?

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SHIVANSH AGRAWAL

Transforming Economies Worldwide:
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The Paradoxical Nature of Monopolies: Innovation Drivers or Market Stiflers?

Aaradhya Jain

In the realm of economics, few topics ignite as much debate as the impact of monopolies on innovation and consumer choice. A monopoly, characterized by a single seller controlling the entire supply of a good or service in a market, presents a complex economic phenomenon with both advocates and critics. To truly understand this debate, we must examine both the potential benefits and drawbacks of monopolistic market structures.

Proponents of monopolies often highlight two key advantages: substantial funding for research and development (R&D) and the benefits of economies of scale.

Firstly, funding for research and development (R&D). Monopolies, with their considerable financial resources, can invest heavily in R&D. This aligns with economist Joseph Schumpeter's argument that monopoly profits drive innovation. The pharmaceutical industry often exemplifies this dynamic.

Companies argue that temporary monopolies on new drugs allow them to fund expensive, risky research for future treatments. Real-world examples include cancer treatment research, where companies like Merck and Bristol Myers Squibb have invested billions in developing innovative therapies. Their drugs Keytruda and Opdivo have revolutionized cancer treatment, fueling further investment in immunotherapy research across the industry.

Secondly, economies of scale. Monopolies can achieve significant economies of scale, potentially leading to more efficient resource allocation. By producing on a massive scale, these companies can spread fixed costs over a larger output, reducing the average cost per unit. In some cases, these savings might be passed on to consumers in the form of lower prices.

Microsoft Windows exemplifies economies of scale in the tech industry. By spreading billions in development costs across its massive user base, Microsoft offers a sophisticated operating system at a relatively low per-user price. This is possible due to high fixed costs but near-zero marginal distribution costs, a huge market of over 1 billion devices, and the resulting pricing power that allows competitive pricing while maintaining profitability.

However, critics argue that market giants can curb innovation and limit consumer choice. Two primary concerns stand out:

One is the reduced incentives for innovation. Without the pressure of competition, monopolies may become complacent and less likely to innovate. Market dominance can paradoxically lead to reduced innovation in technology sectors. When a company achieves a commanding market position, it may prioritize maintaining its current success over taking risks on new ideas. The iPhone serves as a prime example of this phenomenon. Despite its revolutionary breakthrough in 2007, recent years have seen mostly small incremental changes. Year after year, Apple's iPhones have offered little more than minor camera upgrades and processor tweaks, potentially indicating a reduction in groundbreaking innovation.

Moreover, the second argument is they stifle innovation and choice. Monopolies, by their very nature, severely restrict consumer options, often leaving customers with no alternatives in a given market. This lack of choice not only limits product variety but also removes any incentive for the monopoly to improve quality or reduce prices.

The US broadband market, especially in rural areas, demonstrates this issue. Millions of Americans find themselves at the mercy of a single internet service provider, with no recourse if they're dissatisfied. In countless communities, residents face a stark reality: accept the often substandard service offered by the sole provider or go without internet access entirely.

The debate surrounding monopolies and their impact on innovation and consumer choice remains complex and multidimensional. While some argue that monopolies drive innovation through massive R&D budgets and economies of scale, real-world examples often show the potential for stifled creativity and reduced incentives for meaningful advancements.

Balancing the encouragement of innovation with the need for healthy competition remains a significant challenge in modern economics. As technology continues to evolve rapidly, the risks of unchecked monopoly power become increasingly apparent. Finding ways to foster genuine innovation while protecting consumer interests will be crucial for future technological progress and economic growth.



Aaradhy Jain

is a 17-year-old IB student with a strong passion for business and finance. He has hands-on experience in investment strategies and business operations and is a frequent writer.

Transforming Economies Worldwide: The Power in the Ease of Doing Business

Shivansh Agrawal

Imagine trying to start or run a business where getting permits is tough, rules are confusing, and important information is hard to find. This is the reality in many countries. Fortunately, more governments are recognizing the importance of making business easier, which can significantly boost economic prosperity and growth.

Lowering costs is a major benefit. Complex procedures and bureaucratic red tape often mean businesses, especially small and medium enterprises (SMEs), spend a lot of time and money on compliance, stifling their growth and innovation. Simplifying these processes frees up valuable resources, allowing businesses to invest in creating value and expanding their operations, enhancing productivity and boosting overall economic efficiency.

When barriers to entry are lowered, more players can enter the market. This influx of new businesses fosters healthy competition, which drives innovation. With more businesses competing, consumers benefit from better products and services at lower prices. Increased competition pushes companies to continuously improve, fostering a dynamic and resilient economic environment better equipped to adapt to changing market conditions.

A streamlined ease of business environment also acts as a magnet for investors, both domestic and foreign. Investors are more likely to put their money into economies where the regulatory framework is transparent, predictable, and business-friendly. This influx of investment brings much-needed capital and expertise, fueling job creation and stimulating economic activity. Foreign direct investment (FDI) facilitates the transfer of technology and best practices, contributing to the overall development of the host country's economy.

Simplified and transparent procedures incentivize businesses to operate within the formal economy. Formal businesses contribute to tax revenue, which can be used to fund public services and infrastructure. They are also more likely to comply with labor and environmental regulations, leading to better working conditions and sustainable development. Moreover, greater formalization enhances economic data accuracy, enabling better policy-making and economic planning.

To improve the ease of doing business, several strategies can be implemented. Regulatory reforms are crucial for creating a more business-friendly environment. This involves simplifying existing regulations, reducing unnecessary red tape, and streamlining licensing and permitting procedures. Engaging with stakeholders, including businesses and industry associations, provides valuable insights into the most burdensome regulations and helps prioritize reform efforts.

Digital technologies can significantly enhance the ease of doing business. Online applications for permits and licenses, electronic signatures, and digital documentation reduce delays and improve access to information. Digital platforms can provide real-time updates on application statuses, increasing transparency and reducing opportunities for corruption. Additionally, digitalization can facilitate data collection and analysis, enabling more effective monitoring and evaluation of regulatory processes.

Single window systems serve as one-stop shops for businesses to obtain permits, approvals, and information. These systems integrate various government services into a single interface, streamlining interactions and reducing the need for businesses to navigate multiple agencies. By consolidating processes, single window systems save time and reduce administrative burdens, making it easier for businesses to comply with regulations.

Dedicated investor facilitation agencies support businesses, particularly foreign investors, in navigating the regulatory landscape. These agencies provide guidance on regulatory requirements, assist with permit applications, and offer support throughout the investment process. By serving as a liaison between investors and government authorities, these agencies can help resolve issues promptly and ensure a smooth investment experience.

Public-private partnerships (PPPs) foster collaboration between the government and the private sector to improve the ease of doing business. Through PPPs, governments can leverage private sector expertise and resources to enhance service delivery and regulatory efficiency. Collaborative efforts between the public and private sectors can lead to innovative solutions that benefit both businesses and the economy.

Despite challenges like corruption and the need for significant investment in technology and training, the benefits of simplifying business processes are clear. By committing to ongoing improvement and collaboration, governments can transform the business environment, hence propelling economies toward a brighter, more prosperous future.



Shivansh Agrawal is a 17 year old IB student passionate about business and finance. He has experience in investment strategies, business operations, and is a regular writer.

Entrepreneurial Endeavors

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WASTE TO WARMTH

A SOCIAL INITIATIVE BY STUDENTS IN DPSI

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waste 2 warmth

The initiative was founded by Anaya Khandelwal and co-founded by Yashada Khanna, Ansh Gupta, Rabani Gulati and Kesvi Monga

ACHIEVEMENTS

We were recently awarded the IB Global Youth Action Fund, with which we aim to provide the artisans with more resources specifically sewing machine. We also aim to set up a systematic working space, specifically buying machines in each slum. We are currently also working on our e-commerce website and aim to expand our reach across the country

THE STORY BEHIND IT

We identified a pressing issue of textile waste from factories and design labs, which inspired us to repurpose the waste into blankets for slums and street communities in need during winters. Through this we observed and realized that the majority of people there are eager but unable to work.

This led us to transform our service based initiative into a business addressing SDG 8: decent work and economic growth, we continued to collect fabric waste at no cost from firms (due to the corporate social responsibility budget).

We engage with professional designers to mentor student volunteers that will further train these women to create quality home textile goods that can be sold. We have weekly stalls at residential and commercial complexes and market places. Then from the funds raised we pay the women and also boost quality education and quality of life at these slums.

ABOUT WASTE TO WARMTH

Waste to Warmth is an organization which is committed to repurpose textile waste while simultaneously also increasing employment in urban rural settlements of Gurgaon. We started this journey with a key interest in design and service by simply addressing textile waste and donation drives. But we took this forward by empowering often overlooked urban rural settlements and aimed to transform the lives of several around us.



INSPIRATIONAL MESSAGE FROM THE FOUNDERS

As young entrepreneurs, we at Waste to Warmth truly believe that you should always do whatever you are truly passionate about and make sure to make a difference for everyone around you and make everyone feel heard and valued around you.

A close-up, slightly blurred photograph of a person's face in profile, looking down at a book. The person has dark hair and is wearing a dark shirt. The background is out of focus, showing some foliage and a building.

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Citizen Entrepreneurship Competition

Eligibility: 13-18yrs old

Deadline For Project Submission: 12th September 2024

The Immerse Education Essay Competition invites students aged 13-18 to write on their chosen subject from over twenty options, including banking, finance, and entrepreneurship. Ten winners receive full scholarships to study at leading universities, with partial scholarships for runners-up. The Immerse team provides ongoing support, including guides and resources. This competition offers students a chance to showcase knowledge, improve essay-writing skills, and develop self-discipline through completing a challenging project, while potentially earning valuable educational opportunities.

[View more](#)

Greenvan (Amazon of services, Start-Up in London): Corporate Internship Project:

Deadline: Early Application - 31st July, 2024
Regular Application - 20th August, 2024
Date: 8th September 2024

Duration: 8 weeks
Fees: \$850 (Early Application)
\$1200 (Regular Application)

The program is an intensive eight-week online experience where interns will gain experience in the home services industry. They will analyze Greenvan's current business model and develop their own with guidance from Harvard students. This is a great opportunity for students to learn about the industry and gain practical experience. This program provides a platform for students to enhance their analytical abilities and develop critical thinking skills, which are essential for success in the dynamic and competitive environments of the corporate world and home services industry. Not only that, the program further helps to build a standout portfolio of practical skills, setting you apart in finance and offering networking with industry leaders and Harvard mentors for future opportunities.

[View more](#)

Blue Ocean Student Entrepreneurship Competition

Registrations Open

Eligibility: 8th-12th grade

Fees: Rs 275

A 12-week investment competition invites students to devise sophisticated portfolio strategies, trade astutely, and ascend the investor leaderboard. Participants may register individually or as part of a team. Throughout the competition, they will vie to construct the most successful portfolio, utilizing demonstrable metrics to evaluate performance and excel in varying market conditions

[View more](#)



Harvard Crimson Global Case Competition

Deadline: Early Application - 14th August, 2024
Regular Application - 11th October, 2024

Date: Starts on 25th October, 2024

Mode: Online

Fees: \$10 (Early Application)
\$15 (Regular Application)

The Harvard Crimson Global Case Competition offers participants a simulated consulting experience, challenging teams to develop strategic solutions for real-world business problems. It features virtual workshops led by top executives and provides a platform for participants to enhance their strategic planning, marketing, and presentation skills. Teams work within a set timeframe to devise and present their solutions to a panel of judges. This prestigious event allows participants, including those new to consulting, to experience the role of a CEO or consultant while tackling global business challenges and developing critical problem-solving abilities.

[View more](#)



Global Economics Olympiad(2024-2025)

Eligibility: 9-11th Grade

Fees: 275 INR

The Global Economics Olympiad is a multi-level competition for high school students (grades 9-12) designed to enhance economic understanding. It progresses from school to national levels, featuring written tests, audio-visual challenges, and oral quizzes. Cash prizes totaling 4.2 lacs are awarded to winners. The Olympiad emphasizes economics as crucial for understanding India's global role and tailors test papers to grade-specific syllabi. This initiative aims to nurture young minds' economic skills and knowledge, recognizing its importance in today's world.

[View more](#)

International Finance Olympiad (2024-2025)

Registrations Open

Eligibility: 8th-12th grade

Fees: Rs 275

The International Finance Olympiad (IFO) equips young learners with money management skills through well-researched study materials and a multi-stage competition, ending in an on-stage quiz. Top teams compete for cash scholarships, including a grand prize of INR 1 Lac, and receive certificates enhancing their career prospects. Schools from India and the Middle East participate, preparing students for future financial success.

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Find interesting reads in the field of business and finance and enlighten yourself with expert views

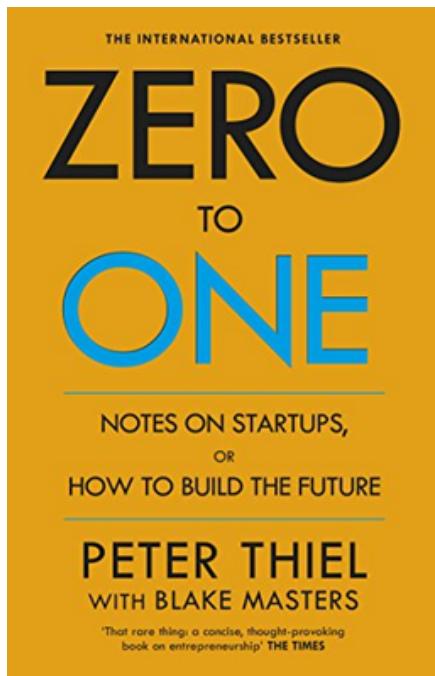
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ENTERTAINMENT

Bored? Have a look at the various movies and series the founders suggest, from financial scams to startup dilemmas

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BOOKS



Zero to One

Peter Thiel

PayPal co-founder Peter Thiel challenges conventional startup wisdom. He argues that groundbreaking success comes from creating monopolies, not competition, and reveals counterintuitive strategies for building billion-dollar companies.

"Monopoly is the condition of every successful business."

— Zero to One, Peter Thiel

Principles are what allow you to live a life consistent with those values. Principles connect your values to your actions.

RAY DALIO

Principles

Ray Dalio

Billionaire investor Ray Dalio shares the unconventional principles that helped him create the world's largest hedge fund.

He offers a framework for decision-making in both life and business, emphasizing radical transparency and idea meritocracy as keys to success.

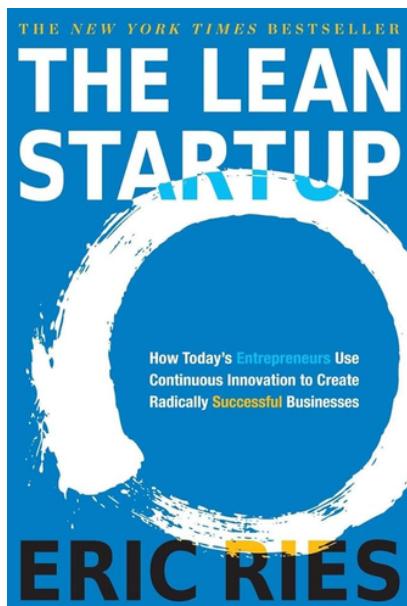
PRINCIPLES
RAY DALIO

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—BILL GATES

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—TONY ROBBINS

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Eric Ries revolutionizes startup strategy in "The Lean Startup." He presents a scientific approach to creating successful startups, introducing methods for rapid iteration, measuring real progress, and making critical pivot-or-persevere decisions in uncertain environments.

The lean startup method is not about cost, it is about speed.

— Eric Ries —

ENTERTAINMENT



"Margin Call" (2011) ~ J.C. Chandor Set

Set over a 24-hour period during the early stages of the 2008 financial crisis, "Margin Call" follows key players at an investment bank facing imminent collapse. As they discover the depth of their firm's exposure to toxic assets, the characters grapple with moral dilemmas and the potential consequences of their actions. The ensemble cast, including Kevin Spacey, Paul Bettany, and Zachary Quinto, portrays the tension and ethical conflicts as decisions are made that will affect not just the bank, but the entire global economy.



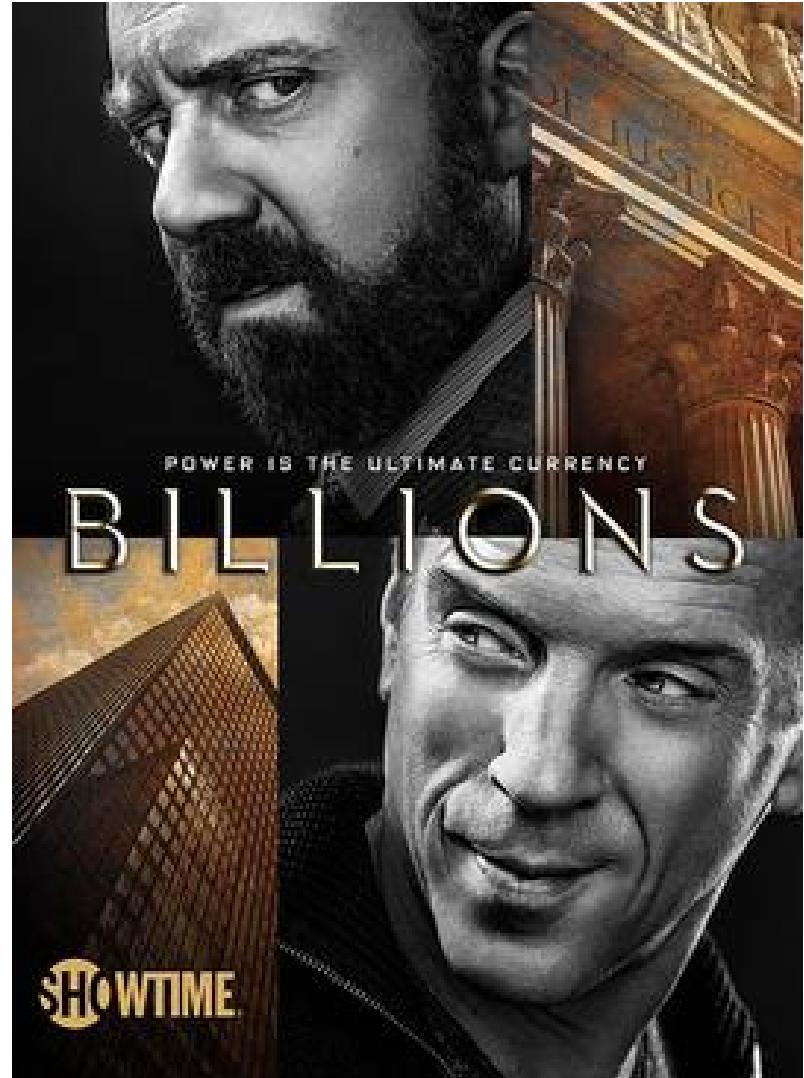
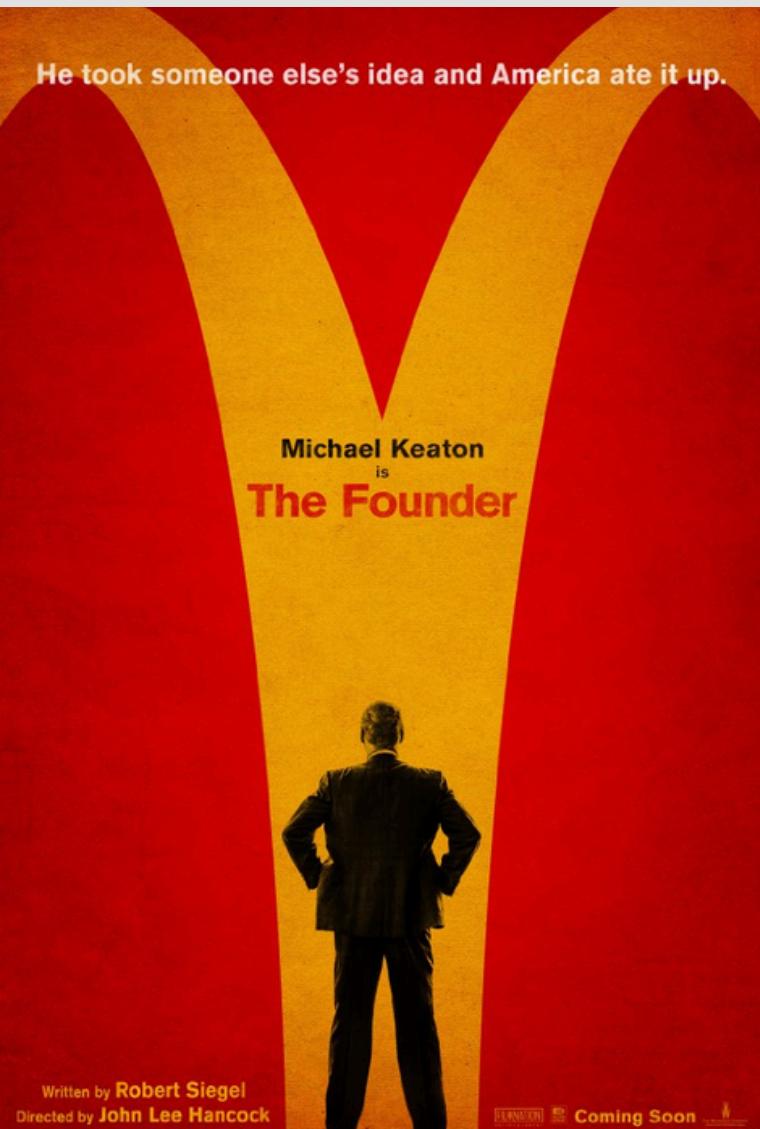
"Startup" (2016-2018) ~ Ben Ketai

In the murky world of tech entrepreneurship and organized crime, "Startup" follows a diverse group of outsiders as they attempt to create a revolutionary but controversial digital currency. Led by Nick Talman (Adam Brody), Izzy Morales (Otmara Marrero), and Ronald Dacey (Edi Gathegi), the unlikely team navigates threats from both sides of the law, including a relentless FBI agent (Martin Freeman). As their startup gains traction, they face escalating dangers and moral quandaries in their quest for power and wealth in Miami's underground tech scene.

ENTERTAINMENT

"The Founder" (2016) ~ John Lee Hancock

"The Founder" tells the true story of Ray Kroc, a struggling salesman who transformed McDonald's from a small burger operation into a global fast-food empire. Beginning in 1954, the film chronicles Kroc's ambitious vision and ruthless business tactics as he partners with and eventually outmaneuvers the McDonald brothers, Dick and Mac. The movie explores the controversial birth of one of the world's most recognizable brands and the man whose relentless drive for success forever changed the landscape of American cuisine and culture.



"Billions" (2016-present) ~ Brian Koppelman, David Levien, Andrew Ross Sorkin

In the high-stakes world of New York finance, "Billions" pits hedge fund king Bobby Axelrod against savvy U.S. Attorney Chuck Rhoades in a game of power and corruption. As Axelrod employs questionable methods to maintain his financial empire, Rhoades becomes obsessed with bringing him down, blurring ethical lines in his pursuit of justice. The series explores themes of wealth, influence, and moral ambiguity, while featuring a cast of complex characters navigating the cutthroat worlds of Wall Street and politics.



BEHIND THE SCENES

Creative Contributors

Meet the editors behind Econ Essentials



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Writer
Shabd Arora



Writer
Udayan Rawal

If you're interested in being part of our team, contact us now!

We are looking for editors and content creators for marketing

Visionaries Unveiled

The creators of Econ Essentials

Meet the Founders



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Editor-in-chief**

Atharva Gupta



**Co-founder &
Marketing Director**

Aaradhy Jain



**Co-founder &
Executive Director**

Shivam Wadhwa

How Econ Essentials came to life:

As students immersed in the fields of business and economics, we recognized the need for a resource that could make staying updated both simple and engaging. We wanted something that could help with our academics and be accessible and inspiring.

Additionally, we saw that many students like us were looking for opportunities and guidance, so we wanted to create something that could help. Econ Essentials was born from this vision.

This magazine is made for the students, by the students. Editions will release at the monthly. We hope it becomes a valuable companion in your academic journey, sparking curiosity and providing the knowledge and inspiration you need to succeed. Feel free to give any suggestions along the way.