

ENTOR'S NOTE

Dear Readers / ACE kids (I hope you are recovering well from the half-yearly dilemma),

Firstly, all my love and appreciation to the Welhamites who worked day and night to make this Founders' Day a huge success.

Meanwhile, congratulations to the lucky ones who found an easy escape (including me).

This brings us to the theme of the Founders' edition of 'Thrift': Luck. A sinister parameter that is often overlooked yet holds the reins of the entire economy. Whether you were fortunate enough to get a concert ticket or unfortunate in your investments in the stock market, the economy faces a big impact. For the dreamers who are still stuck in the world of Harry Potter, we bring to you a parallel drawn between the wizard and muggle world.

Through the pages of this issue, we aim to take you on a journey filled with booms and busts based on the unpredictable factor of luck. As always, I wish you the very best as you embark on the "Thriftiest Journey Ever"! Happy Reading:)

> Editor-In-Chief Ritigya Aggarwal

ALL EYES ON THE TABLE Why the house always wins!

Ever thought of walking into a casino thinking you're going to beat the house? You're not. The flashing lights, ringing slot machines, and the unmistakable buzz of excitement in the air—it's all meticulously engineered to keep you reaching for your wallet. But it's not just about luck, chance, or even skill, it's about the simple world of behavioural economics, where psychology and economic principles join to explain why, more often than not, the house wins.

Keep Coming Back For More? - The Power of Variable Rewards

The casino isn't aiming to bankrupt a player in one sitting. The goal is to give the player hope, keep them coming back, and over the long run empty their pockets. A slow demise. Let's start with something casinos have perfected: the art of keeping you hooked. Slot machines, in particular, are designed around the concept of variable reinforcement. It refers to the random nature of rewards, like when you pull the lever and sometimes win. The unpredictability of it all keeps your brain guessing—and addicted. Well, you don't win every time, but just enough to keep the hope alive. It's like a dopamine jackpot for your brain, reinforcing the behaviour of playing, even when you're on a losing streak.

The Gambler's Fallacy:

The gambler's fallacyof losses, a win is due.
because it convinces
this: you've just lost
row, and you think to
the next one for sure!"
statistically, each round
odds haven't shifted in
knows this. You don't,
the next round will be
hope keeps players in the
into the house's pockets,
favour, except nobody
do, to the bank, the loan.

The House's Wing Man

the belief that after a string Casinos love this cognitive bias players to keep betting. Imagine five hands of blackjack in a yourself, "I'm bound to win Heartbreaking, but is independent, and the your favour. The casino or at least, you're hoping different. That irrational game, pouring money thinking luck owes you a owes you anything, only you

The Illusion of Control: Why You Games like poker give players some element of skill involved hands, but the odds aren't.

Think You're Smarter Than the House a sense of control—after all, there's right? Maybe the cards are in your Hah. The truth is, that illusion of

control is one of the most effective tools casinos have. When players feel they can influence the outcome, they're more likely to take bigger risks, thinking their skill can beat the odds. Gamblers might think they have a "system" that will give them an edge, but in reality, the house always has an advantage. The flashing lights, the sounds of winners, and the potential rewards all contribute to a sense of mastery over the game.

People tend to overestimate their abilities in situations where luck plays a significant role. They assume they know the best but it's the other way around. Casinos are happy to let you think you're in control, but behind the scenes, they're always a few steps ahead. So, don't try to run faster, run the other way instead.

-Vidya Jhamb (SC)

THRIFT FOUNDERS ISSUE 24'



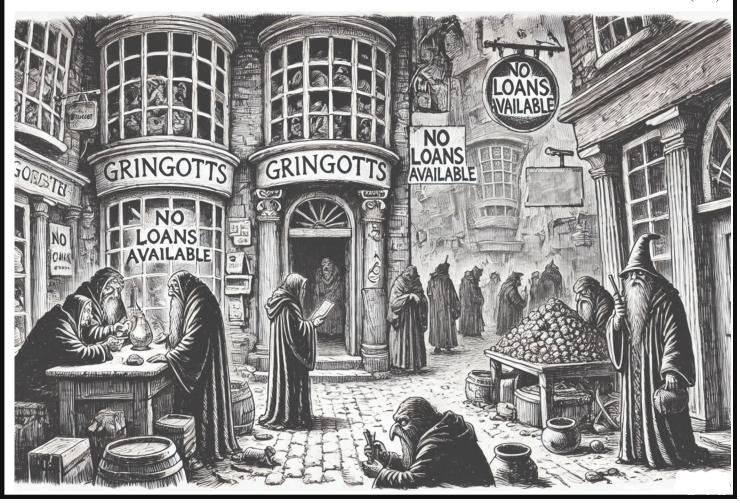
Voldemort's rise does not just threaten lives, it **SHAKES** the entire wizarding economy to its core. Imagine wizards stockpiling essentials - potion ingredients, defensive charms and even normal goods as fear runs rampant. Not to mention, Diagon Alley's regular shops shut down as even the brave prefer safety over sales.

Wizards hoard gold, reducing the amount available for purchase and who have no interest in lending, restrict the flow of money. Under pressure from Death Eaters, Gringotts's neutrality stalls, exposing the flaw: money stashed away in vaults does not indicate much when trade is hindered by for. This is similar to how real-world conflicts cause people to hoard, disrupt banking systems and limit economies.

Ministry jobs are beneficial and detrimental with government workers retaining salaries while others lose their livelihoods. Aurors, the wizarding police, are overworked fighting against **PEATH EATERS**. Exploitation worsens which forces house-elves to serve in dangerous situations. The divide between rich and poor deepens, where on one end, wealthy **MALTOUS** leverage their wealth to solidify power, and families like the Weasleys struggle to make ends meet.

With **VOLDEMORT** defeated, the wizarding world is not only plagued by emotional despair but also by financial ruin. Gold needs to flow again, trade needs to return and people's confidence in Gringotts and the Ministry needs to grow again. Similar to our world, recovery from **the property** is not just about rebuilding buildings—it's about healing a broken economy and finding stability in uncertainty.

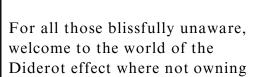
-Kashika Jain (SC)



THRIFT FOUNDERS ISSUE 24'

HEY SIRI: IS THAT A NEW MODEL?

Have you ever noticed how owning the latest model of the Iphone feels like being on the high-stakes of fashion? One minute proudly you are clutching your trusty iphone 15 thinking you have reached the pinnacle of your life. But the second the latest iphone releases, you feel like you are living in the Stone Age, using a flip phone meant for your ancestors! Cue the panic, the frenzy is about and the stores are in uproar.





the latest model of an item boils the human blood and combusts us from within. Denis Diderot, an 18th-century philosopher once bought himself a new robe in his life, and decided that he needed to upgrade everything else in his life too to match the standards, and so the vicious cycle of this effect began.

Fast-forward to today, and you will see people dying to buy the new phone. They have barely removed the plastic from their iphone 15, when they feel the 16 calling to them. And it's not even about quality, but "status". How could you possibly walk around with your head held high and a month old billion dollar company's model in your hand, when the new one sits right around the corner?

The truth is that the Diderot effect has us all hooked up. We see the latest model of the iphone in the store, and suddenly our phone feels too old, the airpods refuse to connect and laptops appear to work too slow!! The need to upgrade the items we own overwhelms us to an extent of epic proportions! But who's really profiting here? Not us, that's for sure. Companies are laughing as their bank accounts fill with money from the profits they earn and as their shares rocket off the charts. The economy's thriving for sure!, thanks to your retail therapy. Each time you buy an Apple product, you aren't just filling the company's bank account but also making sure Apple and its peers stay comfortably seated at the top of the global economic food chain.

So the next time you are wandering in the bright halls of the Apple store, question yourself if you really need the new iphone and if your mind says "I could use 0.1% improvement in my pictures" then congratulations! You have too become a victim of the Diderot effect. But don't worry, you're not alone, just a part of a million other people. Don't forget to leave out money for your bills though! How are you going to post those selfies, if you don't have WIFI!

-Yashvi Agarwal (PreSC)

OLYMPIC GOLD OR BUST

"How Paris 2024 Might Make You Rich or Just Leave You with A Souvenir"

The Paris Olympics 2024 was a recent highlight of this year where a total of 117 Indian athletes participated and India won six medals – a Silver and five Bronze. The Games not only gave athletes worldwide recognition but also adversely affected the French economy. A study released by the Games organisers suggests an impact of at least \$7.3B on the region from hosting the Olympics and Paralympics. There were between 2.3 and 3.1 million new visitors with tickets that contributed to the rising economy of tourist spots and restaurants all over the city. However, the cost of hosting the Olympics was enormous, and many host cities struggled to recoup their investments. In the past, Athens, 2004 and Rio, 2016 were left with innumerable debts, unemployed resources, and a declining economy. The Paris Olympics is also an advertising ground for businesses and schemes of organisers involved in the Games. India House inaugurated by the Reliance group in the Paris Olympics 2024 was a cultural and hospitality hub for Indian on the field abroad, to cater to a comfortable stay for them and their families. The athletes also call for luck through various superstitions which may appear impractical but work well for some. Gian Marco Tamberi, an Italian high jumper decided to shave only one side of his face as a good luck charm before a major competition. The Olympic Games are much more than just a competing field for athletes. As Usain Bolt once said, "Dreams are free. Goals have a cost. While you can daydream for free, goals do not come without a price. Time, Effort, Sacrifice, and Sweat. How will you pay for your goals?"

-Tanishi Gupta (PreSC)

QTECH-DOPING

In today's fleet-footed digital age, technology is transforming industries at an incredible rate. Innovation drives growth; however, the use of unfair technologies such as tech doping, which involves gaining a competitive edge through sports equipment, casts a shadow over global trade. Consider a future in which certain countries and businesses employ modern technology to surge forward, leaving others behind to suffer. It is like climbing a ladder where some people start halfway up, while others have to begin from the very bottom. Unfair, right? This mismatch destabilises the global economy, causing ethical questions regarding industry and sports.

For example, during the 2008 Beijing Olympics, swimmers relied heavily on the Speedo LZR swimsuit, which was specifically designed to optimize hydrodynamics and body compression. The suit reduced water resistance by 38%, improving speed by around 4%, giving users a distinct advantage. The disparity was so striking that athletes abandoned their sponsorships just to use these swimsuits, contributing to 23 out of the 25 world records broken in the event. Similarly, the global sports market faces disruptions from innovations like carbon-fibre shoes, which improve running performance by 4%.

Affluent economies' increasing reliance on automation is expected to raise unemployment by 8.5% by 2025, with poorer countries becoming even more vulnerable. This shift is especially severe in manufacturing. Although technology is supposed to make life easier, it also widens the gap between the tech-rich and tech-poor nations. So, as we transition to this age of rapid technological advancements, how do we guarantee that tech doping does not lead to global instability? Or are we leaving the rest up to chance and allowing a select few to benefit from luck?

-Nimrat Grewal and Palak Arora (SC)

FOUNDERS ISSUE 24'

A Millionaire's Guide to Unusual Investments

Exotic pets, rare artefacts, castles—we are all familiar with the extravagant spending habits of billionaires and millionaires, thanks to the endless exposure they receive on social media. Every purchase they make, no matter how bizarre, is made public information, which increases our curiosity.

Consider a few of the peculiar investments made by celebrities: Lady Gaga supposedly spent \$50,000 on an electromagnetic field metre to find ghosts because she was truly terrified of them. The rare dinosaur skull that Nicolas Cage famously spent \$276,000 on was later discovered to be stolen, forcing him to return it. Not to be forgotten is Mike Tyson, who gifted gave himself a \$2.2 million 24-karat gold bathtub.

Not only do millionaires have extravagant spending habits, but they also disobey the Law of Demand and other fundamental economic laws. For the majority of us, the law is simple: quantity demanded decreases as product price increases, and vice versa. But millionaires seem to operate on an entirely other wavelength. To them, the more expensive something is, the more desirable it is. The more they spend, the more they believe they are securing top-notch quality. Splurging is an investment in the status, authority, and influence in their sphere. They serve as a standard for people who are less knowledgeable about the thin line separating idealistic and practical investments.

The Law of Demand is one of the fundamental principles, shaping much of how we understand market behaviour. The wealth disparity is stark. A startling 40.1% of India's wealth is owned by its richest citizens, the largest share since 1961. They make up 22.6% of the overall income. While the rest of us may rely on the true rules of supply and demand, millionaires create their own. These numbers demonstrate how, although the Law universe, these millionaires—whose dynamics of entire markets—are the one investment has the power to change the centre of the real world.

-Kashika Jain (SC)



PATCHING PROFITS

"HOW IPL STREAMING TURNS FANS INTO FORTUNES!"



The Indian Premier League (IPL) has been a rollercoaster of emotions, delivering nerve-wracking matches year after year, from the fierce rivalry between Chennai Super Kings and Mumbai Indians to more. The rise of streaming platforms has fuelled this passion with increasing numbers of people tuning in to watch their favourite cricket matches. The broadcasting of IPL games on the streets and the gathering of crowds to cheer reflects the deeprooted enthusiasm Indian fans hold for the sport, turning every match into a celebration of community and loyalty.

The BCCI is one of the wealthiest sports leagues as of now, earning ₹18,700 crore in the financial year 2023-24, but how? We need to understand that when platforms like Jio Cinema acquire the IPL streaming rights, they pay enormous sums of money to the IPL run by the BCCI. This competitive bidding process increases the BCCI's revenue, allowing it to grant exclusive digital rights to a select few platforms. The rise in the broadcasting revenue largely impacts the team budgets and the amount of salary earned by each cricketer as they perform and play in the Indian Premier League. The total salary cap now includes an

auction purse, incremental performance pay, and match fees. Each playing member earns a match fee of INR 7.5 lakh per match, in addition to their contracted salary. So the next time you see those fortunate cricketers making yet another car purchase, know that every match you stream helps keep those engines running.

-Tarushi Uppal (SC)

Pareto Optimality

A situation where no resource reallocation can improve one person's welfare without harming another's.

WHAT'S THAT WORD?

Fringe Benefits

An extra non-wage benefit supplementing an employee's salary

Hyperbolic Discounting

DiscountingA cognitive bias, where people choose smaller, immediate rewards rather than larger, later rewards.

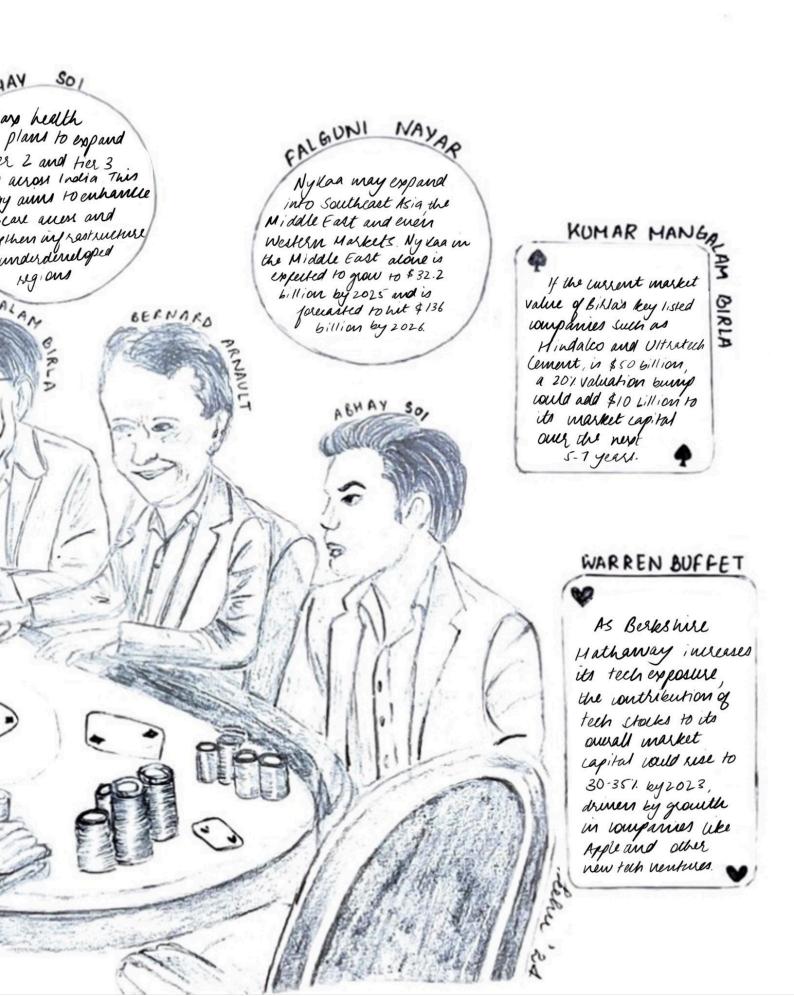
Kaldor-Hicks Efficiency A phenomenon which occurs

A phenomenon which occurs when total benefits exceed total costs, allowing for potential compensation to losers.

RAISING TI



HE STAKES



LUCK

"Luck favours those who strive" which is evident in the recent upsurge of purchasing concert tickets in India (as many of our heartbroken Welhamites must have experienced it first hand as fortune did not side with them). With India investing in its venues and infrastructure further exaggerated by the "Gen-z" social media hype, renowned pop artists like Diljit Dosanjh, Coldplay, 21 Savage and many more are heading towards this multi-million dollar market. Fans are willing to pay a premium to watch their favourite artists perform live.

Luck is often the result of random events where the chances of getting an outcome are unpredictable and uncertain, as is in the case of purchasing concert tickets. Luck plays a huge role if not being the only determinant of procuring concert tickets. When the number of tickets available for a concert are only 150,000 with more than 13 million people wanting to buy them, the probability of getting a chance to buy these tickets falls completely on luck. Lucky are those who are favoured by the probability outcome and in this case the ones who were let in on the BookMyShow site after being put in the queue behind lakhs of people (including one of our EdBoard members, or maybe not so much).

During periods of high demands, websites experience server overloads making it completely a moment of luck for you to buy tickets for yourself. This ensures giving a fair and just chance to all those trying to buy tickets as it does not just favour the wealthier.

-Shambhavi Priya (SC)



Are you also one of those who finally got concert tickets (through a scam)? Recently all Indians are frenzied over the upcoming concerts, Coldplay, Diljit Dosanjh, and Aujla, to name a few. The Mumbai Coldplay concert has shaken the entire entertainment industry and an entire investigation was held on the black marketing and hoarding of scam tickets on BookMyShow. Shortly after the official sale began, a large number of tickets appeared on popular resale platforms such as Viagogo and Gigsberg – at drastically inflated prices.

The sheer volume and speed at which these tickets hit the secondary market at prices touching the ceiling suggests a more sinister explanation: a scalping attack carried out by bots. This essentially means altering the natural probability or luck of a person to purchase a ticket to make it bend in the favour of the wealthier, making it a scam. The scam tickets have given birth to black marketing and fraudulent practices which have a greater impact on the economics of the country as it leads to unregulated transactions and artificial price inflation.

Black Markets originate as a result of extremely limited tickets and an overflowing demand from the customers. This makes purchasing tickets inclined towards rigging the natural flow of the market by creating a shadow economy and reducing the chances or probability of a person to buy these tickets through just means. The creation of a shadow economy reduces transparency and can lead to market distortions and loss of tax revenue which is also known as economic leakage. So next time while booking a concert ticket try not to get scammed in your desperation to purchase a ticket.

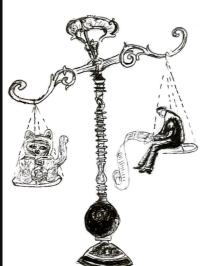
-Nimrat Kaur Mehram (SC)



LUCK MEETS POLICY

In this world of policymaking, while strategy formation and several tactics are greatly valued, luck by the end of it still has the final say. Chance can lead policies in directions that policymakers could not have predicted ranging from economic booms to crises, and from breakthroughs to tragedies. India and Indian based companies have been lucky indeed. In the fiscal year ending March 2016 (FY16), the sharp decline in oil prices generated what economists call a positive "terms of trade" shock, lifting growth.

A terms of trade shock means that the things you buy suddenly become cheaper than the things you sell, allowing you to buy more things. Cognizant that good luck may run out, the Government has been



implementing structural reforms to create sustainable growth.

India's landmark economic liberalisation in 1991, led by Prime Minister P.V. Narasimha Rao and Finance Minister Manmohan Singh, came during a moment of crisis, as India faced a severe balance of payments problem. However, the global economic conditions during the 1990s favoured India's transition to a market-oriented economy.

When the Indian government demonetised ₹500 and ₹1,000 notes in November 2016 to curb black money, many sectors of the economy experienced disruption. However, a fortunate and unintended consequence was the massive surge in digital payments and financial technology adoption. Companies like Paytm, Google Pay, and PhonePe saw significant growth as people were forced to switch to cashless transactions. If this cannot be considered luck then I am not sure what can be.

-Aarushi Jain (SC)

BRICS IS THE WEST

As conflicts in the West and Middle East unleash havoc in the world, a rapid shift in the Global South is quietly underway. As global alliances emerge, so do the hopes of inclusive forums and expansion. The BRICS summit, a body of emerging nations from the Global South such as Brazil, Russia, India, China and South Africa recently expanded by inviting new members into this forum, in the spirit of inclusive multilateralism. It was regarded as an effort to unite some of the most important developing nations against Western powers. Knowing that BRICS accounts for 28% of the world's economy, many speculate that the possible implications of this expansion is tilted toward the Middle East. Consequential to this expansion, BRICS will now account for a shift in global supply chains, trade and energy exchange. Through modifying financial institutions by introducing their own such as the Contingency Reserve Arrangements (CRA), BRICS strives to further develop its involvement in the global economic order. What does this entail for the G-7 powers? The BRICS nations, in recent years, have considerably gained increased influence in the global economy, both as producers and consumers. Considering China's identity as an economic and trade superpower its engagement with China raises possibilities for a forum independent of the West. During times of

BRICS

of the biggest energy buyers and sellers parallel energy trading system. While to change in the world order, there the path and functionality of this geopolitical rivals such as China and fact that even countries diverse in alliances can considerably work for economic cooperation in this

volatility in energy markets, having many within the same group could give rise to a such rapid developments act as a precursor

remains skepticism about organisation. Including India is a testament to the their political and regional together to shape the path ever-evolving world.

-Gauri Nanda (PreSC)

LUCK STRAPPED IN LEATKER

In today's day and age, where only unpredictability is predictable, people often seek various methods to determine how their stars align if fortune lies in their favour. However, the writers of this article believe that instead of getting your palms or tarot cards read, if you truly want to know how lucky you are, you should simply try the Birkin lottery.

It was back in 1983 when Jane Birkin and Jean-Louis Dumas reached a milestone in the very history of fashion. This marked the evolution from women carrying straw bags for everyday essentials, to Hermes introducing a leather bag for their convenience. How a chance aeroplane encounter turned into the birth of the legendary Birkin Bag, we do not know, but we certainly do have the fashion gods to thank.

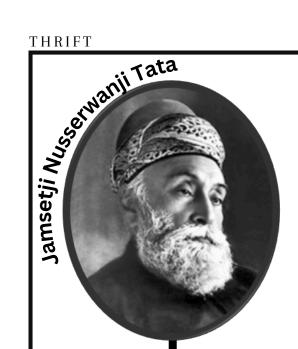
Fast forward to more than four decades and the Birkin has become more than just a commodity to keep one's essentials in place, it has become a fashion statement, a pass to a world of luxury (people want what others desire), and most of all, it has become an investment, one you can personalise however you desire. To invest in the stock market is like being the Pandavas playing a game of dice, uncertain of consequences, however investing in a Birkin is being the Shakuni Mama who already has the game in his bag (quite literally).

Hermès restricts the number of Birkin bags

produced annually, and their artisanal craftsmanship means each bag is made by hand, limiting production. The scarcity of Birkin bags is amplified by the long waiting lists for potential buyers. Unlike most goods, where increased demand often leads to a corresponding increase in supply, Hermès resists this trend to sustain the brand's image of rarity and exclusivity. Due to the gap between limited supply and high demand, Birkin bags are extremely expensive. Birkin Bags are also a hedge against inflation. As currency starts losing its purchasing power, a Birkin stands with its feet rooted in the ground, withstanding the currents of inflation. A Birkin is like your reliable gal-pal who shows up on your doorstep with a pint of ice cream whenever life feels low. #behencode

-Shanvi Mittal and Aahana Gupta (PreSC)





Hotels, Resorts &Palaces

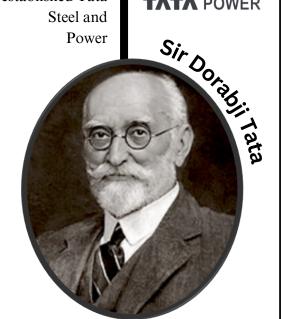
first hallmark of Indian hospitality with luxury

1839-1904 Ratanji Dadabho, data

1859-1932

established Tata Steel and

TATA POWER



a tribute

1937-2024

acquired the Jaguar and Land Rover series car from Ford

Tata Global Beverages' joint venture with Starbucks in India

> manufactured Tata nano, world's cheapest car





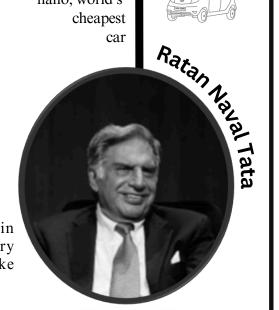


IATA

founded Tata Airlines, India's first commercial airline

1904-1993

Ratan Tata, the man who shaped modern India, lives on in every life he touched, every innovation he inspired, and every dream he nurtured. Gone, but never forgotten. Legends like him are eternal.



Michael

Maboussin's

a simple game of luck, rather

considered to be. The element of luck serves

Imagine being bewitched by a "revolutionary" healthcare innovation that could steal your life away. The Theranos scandal explains the desire for ambition, success, and deception, and how it could indeed consume one working in the healthcare sector. Theranox, an American health technology company, founded in 2003 by Elizabeth Holmes, claimed revolutionary blood-testing technology to perform thousands of tests with just a few drops of blood.

This innovation brought in massive financial backing, making Holmes the youngest self-made female billionaire. But beneath the dazzling facade lay deception, unraveling into scandal. Investigations revealed the faulty technology that jeopardized human health. Holmes and President Sunny Balwani were charged with defrauding investors as well as patients, by misrepresenting test effectiveness. Besides, they provided 'fake news' about the profitability of the company. By 2016, their net worth plunged from \$4.5 billion to nothing after charges by the Securities and Exchange Commission (SEC) for massive fraud.

The scandal speaks to the relationship between technology and ethics in healthcare. Behind all the corruption lies a larger question: to what degree does the desire for success become fraudulent, and how should patients be protected in this age of innovation where regulation lags far behind? "Success Equation" Ultimately, the story of Theranos reflects on suggests that investing trust and accountability in science and may be nothing more than

business and reminds us that true innovation must rest on honesty and responsibility.

-Ahana Jindal and Riddhi Agarwal (AI)

I

E

as a wild card, suggesting that even the most calculated strategies can falter, thereby indicating that fortune may favour those who are bold enough to take risks. While making informed decisions, investors often overlook the randomness that can influence their investments, as explained aptly by Paul Samuelson's Random Walk Theory. This theory states that stock prices move along an unpredictable path, with each price change independent of previous movements. This randomness implies that past prices cannot accurately predict future prices, rendering predictions nearly impossible. Building on this idea, Eugene Fama's Efficient Market Hypothesis asserts that stock prices reflect all

accessible information. In an efficient market, no investor can consistently outperform the market, as any new information is quickly absorbed. Even with perfect information, an investor's ability to generate profits often relies on timing, largely a matter of luck. While stock markets are influenced by data, they are also susceptible to external disruptions, such as geopolitical conflicts, natural disasters and pandemics, which create volatility that cannot be fully captured by any economic model. Although considerable effort is invested in identifying and managing risk, investors often overlook the role of luck, treating it as an afterthought, especially when they succeed. Ultimately, the uncertainty that defines the stock market reminds us that investing is as much about embracing uncertainty and the whims of chance as it is about strategy. Sometimes, the best plan is to simply roll the dice and hope for the best!

-Arushree Kashyap and Naija Mehra (SC)

Nisktokisk

Tick-tock, tick-tock,

9:14 o'clock;

Last look at the stockpiled stocks.

9:14:59.

The arrowhead tumbles up a spine,

The share you bought by lucky mistake,

Grows a forest of flowers from weeds today.

Knock knock,

Your employer called you in today.

A day of a 2 petalled clove,

Stuck working overtime;

A new owner of a gruesome trove.

Clink-clank,

A six, a draw, a heads and a winning spade

From drowning into pits of debacle, you wade.

A stroke of luck;

Games' night with friends humning you un

Games' night with friends bumping you up,
On the fortune 10 list on the dusty chalkboard
taken out only on Mondays.

Tick-tock, tick tock,

You dig for a cookie from the jar

your sister left behind,

Unfurling the beige crispy paper,

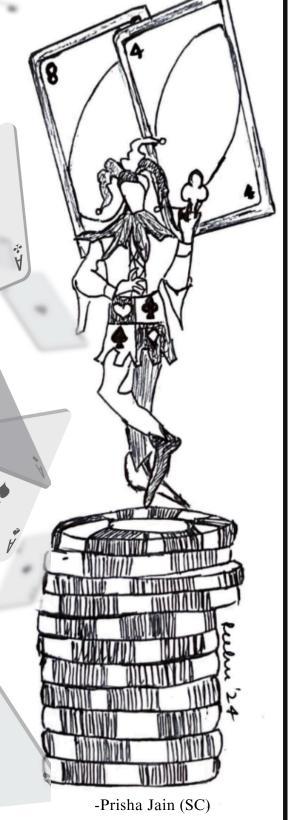
A free-falling cookie

Accompanied by face-dropping advice,

"A same-opposite day:

One for the books,

One for the books,
One for the cheques,
One for the cards
And one for the bets."



CREDITS

Editor-In-Chief: Ritigya Aggarwal

Art Editor: Nimrat Grewal

Teacher-In-Charge: Mr. Sanjay Kumar Dora

Special Thanks: Ms. Anindita Banerji

