

**StreetAccount Summary: The Economist print edition**  
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To add this weekly email alert, [click here](#). Some notable articles in this week's print edition of The Economist:

- **Cover Story**
  - [Chinese investment in Europe raises concerns](#)
    - Chinese investment in Europe soared to nearly €36B in 2016. Chinese foreign direct investment fell in 2017, but the share spent in Europe rose from a fifth to a quarter. While the money is welcome for the most part, China is also using its financial clout to buy political influence. The terms on which China invests in the outside world are of interest to all countries, especially if matters such as foreign policy are affected.
- **Leaders:**
  - [Rise of the gig economy](#)
    - For many, the "gig economy" -- in which short-term jobs are assigned via online platforms -- symbolizes the failure of modern capitalism. Critics accuse it of allowing firms to supplant well-paid employees with cheap freelancers. Yet gigging also brings important economic benefits and clear consumer advantages. Workers can also benefit from the extra autonomy gigging provides. The gig economy is not perfect, though, and can best be improved by two mechanisms: the market, and helping workers claim their existing rights.
- **Business:**
  - [Flannery fails to fix GE's past mistakes](#)
    - On 1-Oct, GE's (**GE**) board ousted CEO John Flannery and replaced him with Larry Culp, former CEO of Danaher. GE's financial setbacks originated long before Flannery's time as chairman, but he must accept some responsibility for his fate. He may have been pointing GE in the right direction, but was not moving fast enough -- perhaps because he was too much of an insider to make the swift and severe cuts necessary. As the first outsider to run the company, Culp may be better positioned to bring about change.
  - [Established firms turn toward millennials](#)
    - This year Procter & Gamble (**PG**) applied to trademark LOL, NBD, WTF, and FML -- commonly used abbreviations in social media -- in a sign of large firms' eagerness to attract millennial consumers. While much about the demographic remains unknown to established firms, companies are finding success in three broad values: transparency (see: **CAG**), experiences over things (see: **+AIRBNB, JPM**), and flexibility (see: **GM, BMW.GR, VOLV.B.SS**).
  - [Thyssenkrupp splits in two](#)
    - On 30-Sep ThyssenKrupp (**TKA.GR**) announced it would split in two, spurring a short-lived 17% jump in its share price. Its lifts business, which generates enough earnings to justify the entire conglomerate's market value, will form the bedrock of the new Thyssenkrupp Industrials" company. The other firm, ThyssenKrupp Materials, will include a stake in the steelmaking unit being merged with Tata's European business. ThyssenKrupp is not the only company reaching the conclusion that it is spread too thin; several big firms are shedding units (**WTB.LN, MAERSK.B.DC, NESN.SW, PHG**). Unlike in the US, where investors have had success breaking up conglomerates, efforts to break up the few remaining conglomerates in Europe are more arduous.
  - [Musk's loosened grip on Tesla may benefit investors](#)
    - Under a settlement announced on 1-Oct, Elon Musk cannot serve as chairman of Tesla (**TSLA**) for three years, and the firm must also appoint two independent board directors. The firm has also agreed to supervise Musk's corporate communications. Tesla shares rose on the news that Musk would remain as CEO -- and perhaps also on hopes that some additional oversight will keep him focused on the job at hand.
  - [Facebook faces new EU privacy law](#)
    - On 28-Sep, Facebook (**FB**) announced that an attack on its systems had exposed the personal information of 50M users -- the biggest data breach in the company's history. The company notified European regulators of the breach in order to comply with the

General Data Protection Regulation (GDPR), the EU's new privacy law. For the first time in a major case, regulators will have to determine whether Facebook did this within 72 hours of an attack being discovered, and whether the firm had done enough to avoid the breach. European regulators have already targeted Facebook for how it obtains and uses personal data, meaning the social network is likely to face more constraints.

**Industries:** Unspecified, Conglomerates, Auto & Truck Manufacturers, Food Processing, Money Center Banks, Hotels & Motels, Recreational Activities, Iron & Steel, Computer & Internet Services, Water Transportation

**Primary Identifiers:** BMW-DE, CAG-US, FB-US, GE-US, GM-US, JPM-US, MAERSK.B-DK, NESN-CH, PHIA-NL, TKA-DE, TSLA-US, VOLV.B-SE, WTB-GB, 09LZGJ-E

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