

# REPORTER

11.05.10

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# The MONEY Issue

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*Money. That's the theme of this week's magazine. Nothing comes with so little and so much value at the same time. This issue is all about the green. Where did the concept come from? How much is a dollar really worth? How can you effectively manage your small fortune? We can't promise that you'll be rolling in dough and making it rain, but we will give you a chance to win a prize.*

## **Scratch and Win!**


In this week's special issue, you have the opportunity to score *Reporter* swag. All you have to do is participate in our "Money Issue Lottery." On the cover, you will find a scratchcard. Just whip out a quarter, and see if you're an instant winner!

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All winners are expected to present their winning covers. 



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FOR LOVE OR MONEY?

Every summer, I find myself living out of a small suitcase and crashing on my sister’s couch for a prolonged period; and while I’m there, my sister and her roommate spend a good chunk of their weekday evenings watching reality television. With the exception of “Dating in the Dark,” which has a somewhat unique concept, I never really know what they’re watching. (I usually assume it’s some season or spin-off of “The Bachelor.”) Either way, the contestants try to achieve the same goals time and time again: looking for “love,” winning some money, or choosing between that warm sappy heart-tingling feeling and cold hard cash.

First of all, I don’t understand why it always has to be one or the other. Why do you have to pick between the girl of your dreams (forget the fact you only met her on set two months ago) and \$250,000? The choice is just a formality. If you go with “love,” you split the money anyway. Regardless, reality TV did get one thing right: when it comes down to it, everything has roots in love and money.

Many of my decisions are influenced either by my relationship with a person or by my career aspirations. Anything in between is just human nature. For example, I often find myself having to choose between doing work and going out with friends. I am usually forced to choose one, and I frequently pick work. Unfortunately, I quickly discovered that continuously being responsible can burn you out much faster than if you took a break every once in a while.

I suppose the key is to find a balance, and I guess it helps if you can find work that you’re really passionate about.

MKVillavicencio

Madeleine Villavicencio  
EDITOR IN CHIEF

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Referees hold back two RMU players from the RIT Men’s Hockey Team as they celebrate their first victory of the season. | photograph by Robert ‘Bredvad

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cover photo by Michael Conti  
scratchcard design by Nick Law

# THE HISTORY OF MONEY

by Steven Markowitz | illustrations by Steve Kelly

*“When I was young I used to think that money was the most important thing in life and now that I am old, I know it is,” said writer Oscar Wilde. Money is an extremely polarizing subject. Despite various opinions on money’s role in society, one statement holds true: money is integrated into nearly every aspect of modern life. It often serves as a measurement of personal success, as well as worth and skill level. People are motivated by money, both to achieve greatness and commit criminal acts. The need for a monetary system is caused by the need to exchange products or services for the growth and survival of a community. Researchers believe that money, in one form or another, has been a key component of society since the dawn of civilization.*



## Barking and Bartering

The earliest form of a monetary system was bartering, where an individual exchanged their product or service for somebody else’s product or service. For example, one farmer might exchange a pound of apples for a pound of bananas. Around 9,000 B.C., several civilizations began using livestock as a unit of exchange. This form of exchange lasted until agriculture developed and crops became popular bartering items. Often, bartering does not involve physical money; therefore, no solid rules or rates were established. Salesmen would set their own values and work with the customer, who needed a product they possessed, to establish a fair trade. Since mutually compatible wants were necessary for both parties, the system could easily become quite complicated. Bartering is still used today, mainly through corporations using media as leverage. Despite popular belief, many early societies and economies did not rely on bartering, which was mainly used to trade between strangers or enemies. Many of these economies were based upon the principle of gift economics. In this system, services are given without compensation, and, as a result, valuables are circulated through the community. As long as he or she contributed, each member thrived.



## Nice Commodities

Today, the United States dollar has no intrinsic value besides that set by the United States Treasury. Judged by its weight in paper, the dollar is relatively worthless. Yet, when societies first began using physical money, they used a system known as *commodity* money, the opposite of the system of fiat money in place today (see “Fiat Currency and the Gold Standard in the United States” on page 27). Under a commodity based system, an object would be used as currency due to its intrinsic value and its monetary properties. Though the currency has a value set by the society, that value is not set in absolute terms and often changes due to supply and demand. Commodities were often items in high demand, including iron nails, pigs, seeds, and, quite commonly, cattle. Around 1,000 B.C., in some parts of the world, shells developed as the first medium for exchange, especially around China and Africa. Several hundred years later, as humans began to craft precious metals, China began creating metal representations of cowrie shells and metal tools as currency. Before a standardized system of coins, gold and silver were used as commodity money in the form of nuggets, bracelets, rings and metallic dust. In many European countries at about 500 B.C., spices — mainly salt and pepper — were used as currency due to their high value. Pepper was

especially valuable and spawned the French term “as dear as pepper” and the “a peppercorn rent,” an English term referring to rent which could be paid in pounds of pepper. One unique currency of commodity money came in the form of giant limestone coins from Yap, a Micronesian island located in the Pacific Ocean. The largest of these coins were approximately nine to 12 feet in diameter and weighed several tons. Displaying the coin outside of one’s house was a sign of wealth and power. While coins eventually became the preferred currency for centuries, paper money appeared as early as 118 B.C. in China. They used one-foot squares of deerskin decorated with bright borders as commodity money. In the ninth century, China again began using paper currency. European civilizations still used coins, however, and in 1455, production of paper money ceased. The first usage of a unit of weight relating to currency was established in Mesopotamia around 3,000 B.C. In Babylon around 1760 B.C., the “Code of Hammurabi” was enacted, establishing a collection of laws regarding money in a civilized country that, for the first time, set interest on debt and outlined both punishments and monetary compensations.



## Coins, Coins, and More Coins

The first pure gold and silver coins were first used and minted in Lydia, current day Turkey, around 650 - 500 B.C. With the invention of the touchstone, a small, finely grained slate most commonly used to evaluate the amount of gold in an alloy, lead to a spike in the use of gold coins. Touchstones required a long and complicated process, and as time progressed, the concept of standardized coinage was formulated to simplify the process. This newer, more efficient process started with pre-weighted and pre-alloyed coins without the use of a touchstone. The coins were then minted by governments, a highly secret process of sculpting the metal. The finished coins were then stamped with an emblem, usually of a god or emperor, for certification. Throughout the 1600s, serious financial problems

arose in Europe due to a surplus of monetary systems. Many merchants demanded gold rather than silver, and this caused the value of the gold coins to surpass that of silver coins. Thus the English government stopped producing silver coins, which created a problem since Asian traders demanded silver over gold. Stability was ultimately reached in the 1730s when national banks decided to exchange money for gold at a consistent rate. In 1816, England created a benchmark for gold, meaning that the value of currency could be determined based on the number of ounces of gold, helping prevent inflation. The United States adopted a similar system, known as the *gold standard*, in 1900. It was the global depression in the 1930s that caused many countries (including America in 1933) to abandon the gold standard.

## From Depression to Shining Depression

Before 1933, the United States used representative money, a system in which a monetary note represents a certain amount of gold or silver. For example, the British pound was a note which could be exchanged for a pound of sterling silver. Today, most countries use fiat money, which refers to money that is not backed by a reserve of another commodity. In 1971, the United

States announced a switch to fiat money indefinitely. Money has existed possibly as far back as 100,000 B.C. and has continued to evolve ever since, especially with the recent leap to digital purchasing. It defines almost every aspect of life, from available opportunities to personal worth, which is why it is important to understand the history of and be able to predict the future of money and the economy. **R**





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# THE FEDERAL RESERVE SYSTEM

by Michelle Spoto | illustration by Joanna Eberts

The Federal Reserve System or “The Fed,” as it is commonly referred to, is frequently talked about on various news programs; but there’s a good chance you don’t know exactly what it does, or where it came from.

The Fed was signed into law under President Woodrow Wilson, with the passing of the Federal Reserve Act on December 23, 1913. The creation of this system, according to Federal Reserve System website, is to “provide the nation with a safer, more flexible, and more stable monetary and financial system.” Previously, inflation was rampant and credit crashes common. The Federal Reserve System was and is an attempt to shore up this weakness by controlling the amount of money in circulation.

The Federal Open Market Committee is responsible for the oversight of open market operations, a technique used by the Federal Reserve System to change the federal funds rate or the interest rate at which banks borrow from one another. This technique is arguably the most influential in terms of manipulating the cost and availability of money.

The Federal Reserve System also regulates the circulation of money by adjusting the reserve requirement. The reserve requirement is the percentage of money that banks are not allowed to loan out. When this is lowered, the banks hang onto less money, thereby putting more into public circulation. When raised, banks are forced to collect on current loans in an effort to meet this new requirement. Who is in charge of this massive network? The Federal Reserve System is composed of two parts: the Board of Governors and the regional Federal Reserve Banks.

The Board of Governors is made up of seven people who serve 14 year terms and are appointed by the President and then confirmed by the Senate. These terms are staggered so that not each term is complete on the same day in the same year.

The regional Federal Reserve Banks are located in 12 major cities and exert regional power. The Board of Governors ultimately controls the 12 regional Federal Reserve Banks, who in turn apply more narrow and focused control over their own operations. Regional duties include check processing, wire transfers and distribution of currency.

This dual-component system is a compromise in the great American tradition between those who pushed for a central banking system and those who wanted a more local system. To further convolute things, the



Federal Reserve System is also public-private, another result of the conservatives of the Northeast and the progressives of the Midwest meeting in the middle. Public-private means that the 12 regional banks share stock with thousands of members of private banking institutions. These institutions, however, cannot trade or sell these stocks, and they must invest at least 3 percent of their capital in the Federal Reserve Banks.

Although the Fed was created in the best interest of the public, a lot of debate exists as to whether it’s actually protecting the people. Controversies are far-ranging,

from belief that the Federal Reserve System is composed entirely of private bankers (who turn a huge profit), to the idea that the system is fully responsible for the creation of a national debt that can never be paid off. Although both of these claims are widely unsupported, it is our job, as the American public, to keep a watchful eye on every system of government, especially one as influential as the Federal Reserve. **R**





# IN PURSUIT OF MILLIONS:

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## RIT'S INDIRECT POLITICKING

When Congress considered how to spend the 2008 defense budget, RIT didn't leave matters to chance. Disclosures filed with the Senate show the institute paid The National Group, \$140,000 to lobby Congress on the defense bill and five other budget bills over a six-month period in 2007. When the bill reached the floor for a final vote, it contained, among hundreds of earmarks, \$2 million for the "Defense Modernization and Sustainment Initiative, Rochester Institute of Technology."

The National Group claims they have won RIT \$60 million over 15 years. In return, \$280,000, a little over half of RIT's \$440,000 lobbying budget for 2008, was paid to the group.

Like most other schools, RIT depends on millions of dollars from federal and state budgets delivered by appropriations bills. Relationships with the elected officials who control these appropriations can be, almost literally, currency for RIT, so the institute develops them. Through tailored communications, campus visits, private lobbyists and independent associations, RIT builds connections to lawmakers.

Tax laws, RIT's charter and institute policy are very clear: RIT itself cannot play politics. But there's a loophole: elected officials are also politicians, and RIT representatives are also private citizens. Relationships sometimes extend beyond official business.

People acting on behalf of RIT are prohibited from donating to candidates, but the same people may donate when acting as individual. A political action committee funded by institute trustees has donated heavily to candidates this year, and key representatives for the institute have been donating for much longer.

### *Influencing Legislation*

The laws and lawmakers that RIT seeks to influence are pursued through two tracks, according to Deborah Stendardi, vice president for Government and Community Relations. The first track is primarily through membership in the National Association of Independent Colleges and Universities (NAICU) and a similar New York State commission. The NAICU is comprised of schools that advocate for more student aid, tax policies that encourage college attendance and a regime of regulations that favor their purpose. RIT works with the NAICU to shape, and then advocate on behalf of, policy agendas that benefit independent colleges and universities.

The second track is primarily through RIT representatives and private lobbyists. The focus, Standardi says, has been on money for buildings and research. The National Group is part of that track. In addition to The National Group, filings show that RIT paid a separate law firm a little over \$71,000 in 2008 to lobby in New York state.

President William Destler and Standardi are also registered as state-level lobbyists. Nabil Nasr, assistant provost and director of the Center for Integrated Manufacturing Studies and the Golisano Institute for Sustainability (GIS), is as well.

When building relationships with lawmakers, Stendardi starts by informing them of how many RIT employees and students are from their districts. She arranges visits by lawmakers and works to convince them of the institute's worth. "I bring them

to campus,” Standardi said. “[I] have them meet key people, have them see our facilities, have our researchers talk to them about some of the work that they are doing, and most importantly, I think, if they get us some funding for a particular project, [we] let them know what we did with the funds.”

The institute tries to identify where national or state goals match institute initiatives and lawmaker interests. On bioscience, sustainability, nano-power and homeland security, and especially on economic development and jobs, the forces have aligned. The result: millions for RIT programs and a door to further opportunities.

“When we seek these federal appropriations, what we’re really hoping to do is to build a long-term relationship with some of these federal agencies,” said Stendardi. “We don’t look to these appropriations as ‘Give us the funds, and we’ll do this work, and thank you very much.’”

Defense modernization is a long-term project at RIT funded in part by the Office of Naval Research, one of the agencies Standardi says RIT has built a relationship with. The project seeks to use advanced techniques and sensors on military equipment to prolong usable life.

The most visible recent success has been GIS, the sustainability institute that Nasr directs.

RIT received \$10 million from Paychex founder B. Thomas Golisano to start. Based in part on an economic impact study that said the center might create 6,000 local jobs, RIT persuaded New York state lawmakers to secure an additional \$12 million in aid. Then the institute won a competitive federal competition, which Standardi said was not lobbied on, for \$13 million more.

### Contributing to Candidates

The “Institute Policies and Procedure Manual” says in part, “RIT will not, and no affiliate acting directly or indirectly on behalf of RIT will, participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office.” It cites federal law for tax-exempt education organizations and RIT’s Charter, both of which prohibit political activity, as reasons why.

Representatives of the institute, however, are free to get political when not acting for the institute. The policy directs anyone with questions to contact Standardi's office.

The Technology Research and Innovation PAC (TRIPAC), a political action committee, began operating in January of this year, federal election disclosures show. By October, the committee had received \$11,500 in private contributions solely from members of the institute's Board of Trustees.

At least 12 members of the board have contributed including Destler, who donated \$1,000 in March.

“That was set up by individuals who are interested in higher education in general,” Stendar said. “They are interested in economic development and supporting higher education in general. They did not do that as trustees. They did that as individuals.”

TRIPAC has since funded a number of candidates. One donation for \$1,000 went to Rep. Louise Slaughter, longtime democratic representative for New York's 28th district, and another \$1,000 went to Tom Reed, republican candidate for congress in New York's 29th district.

Standardi has been privately donating to candidates for years. In 2007 alone she donated more than \$12,000, state and federal records show. The recipients of her donations run the gamut from District Attorney Mike Green to Slaughter; from the Monroe County Democratic Committee to the Monroe County Republican Committee. “When you’ve been doing this as long as I have, you really become friends with individuals, and you want to support the people that you believe in,” said Standardi.

When Slaughter received the RIT presidential medallion earlier this quarter, she called Standardi a mentor. Standardi later told Slaughter that, if anything, it has been the other way around. She says that it's a credit to RIT that the institute receives as much lawmaker attention as it does.

“Our legislators receive a vast number of requests, and the fact that they often will choose RIT as a priority speaks to the value and importance of the research and programs that we have here,” Stendardi said. “We all should take great pride in this kind of recognition.” **R**



# PAY IT OFF!

## HOW TO AFFORD GOING TO COLLEGE

by Christina Belisle | illustration by Ben Rubin | graphic by Ko Kawazoe

*College is a time to make new friends, move out of your comfort zone, and figure out what you want to do with the rest of your life. It's also a time when you'll stress about money like never before. For many students, public school was free and the only costs accrued by the student were for basic supplies, lunch and, depending on what you were doing, maybe a few field trips or a musical instrument. Now, you're paying almost \$40,000 per year to go to RIT, and that isn't the kind of money most families have lying around. Luckily, there are ways to lessen the burden on your pocket.*

### Paying to Go

The first step to getting financial aid is filling out the Free Application for Federal Student Aid (FAFSA). It takes into consideration how much your parents or guardians make, how much they have saved for your college and other factors that determine your Expected Family Contribution. The EFC is a number that represents how much you and your family are expected to pay for college.

School financial aid departments and the federal government look at your FAFSA and EFC to determine the aid you are eligible for. Government loans offered in this matter have a low interest rate and usually do not need to be paid until several months after graduation. There are also government loans that a parent can take advantage of; these can total the cost of attendance, but they require a credit check and possibly a cosigner.

In addition to loans, the government offers grants based on need. If your EFC is low enough, you can qualify for a Pell grant as a “foundation” for the rest of your aid. This can be up to \$5,500 per year, and doesn't need to be repaid. If your need is exceptional or if you're enrolled in certain programs, you can receive other grants in addition to the Pell grant; a financial aid counselor can help you find out what you qualify for.

Colleges also have scholarships to entice students to attend. The most common is the merit scholarship, which is based off of an incoming high school student's grades and SAT scores or a transfer student's past performance. There are also athletic scholarships to tempt athletes towards a school; RIT doesn't offer any, though, as they only have one Division I sport. What RIT does offer are special scholarships for students showing exceptional skill with engineering and computer science.

There are also outside sources to pay for school. Private loans can be obtained through banks, but usually require a parent to take them out or cosign

with you and could require payments while you're still attending college. However, every lending institution has different rules and policies. The money is given directly to you, though, which makes it easier to use for buying books, computers and supplies.

Many different groups offer scholarships for anything from showing outstanding community service to being left-handed. Almost anything and everything can be seen as worthy of a scholarship, so don't feel left out if you only played “Dungeons and Dragons” in high school, because there's a scholarship for that, too.

Working is another way to make money for school. Your FAFSA can award you a work-study amount, which is funded by the Federal Work Study Program. Each student is awarded an amount based on their EFC, and the job must be on campus.

Working on campus is not limited to only those awarded work study, and working off campus is an option for anyone (provided you have transportation). On-campus jobs will not allow you to work more than 20 hours a week, but the employers understand that students have other commitments, lending them to be more flexible. Summer jobs can allow you to work as long as you want, but you also need to fight the other college students who are looking for a job. Going to RIT also provides the benefit of co-ops, which can help you save up to pay off next quarter's tuition.

### Paying it Off

At some point, you need to pay off all those loans, but luckily that day is far off for most. Federal Perkins Loans have a nine-moth grace period after graduation, leaving school or dropping to part-time status before you need to pay, but interest incurs while you're in college; Stafford Loans have a six-month grace period, while PLUS loans need the first payment within 60 days of the loan being distributed.

You can't take more than 10 years to pay off the loans, but how long it takes ultimately depends on how much you owe and how large a payment you make. The longer you take to pay off your balance, the more interest you'll rack up, which takes longer to pay off. The best solution is to make sure your loans are covering as little of your tuition as possible. Unfortunately, after graduation, you're essentially on your own.

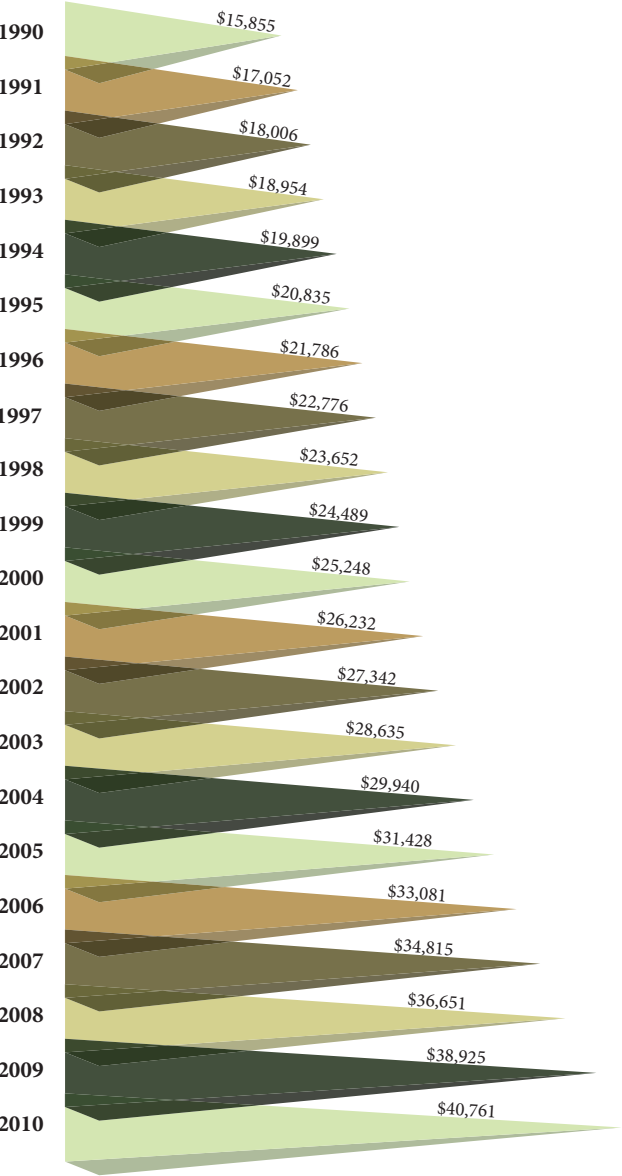
If things aren't going as well as you planned, though, it's possible to defer the payment of your federal loans up to 36 months. Every 12 months, however, you need to reapply. To qualify, you must either have been granted an Economic Hardship Deferment, received federal or state public assistance (such as Food Stamps), participated in the Peace Corps or worked full time with a salary less than the monthly minimum wage rate or 150 percent the Poverty Guideline for your family size.

### Why the Large Price Tag?

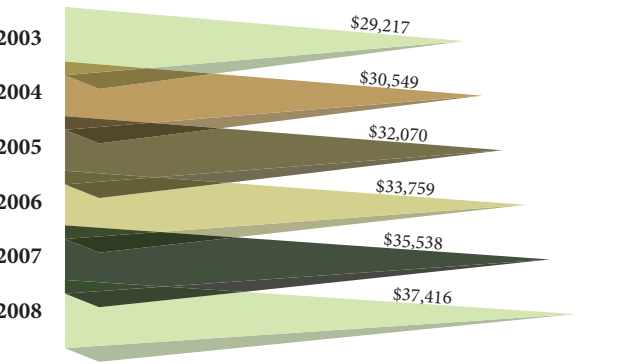
College tuition rises at a more rapid rate than inflation, which means there is some other force driving up the cost. Technical schools like RIT require state-of-the-art teaching facilities, and those labs filled with \$5,000 computers have to be paid off somehow. To attract the best students, schools must also have the best professors. Once those students are hooked, more dorms need to be built, bigger recreational facilities need to be constructed, and additional dining options need to be made.

The “sticker price” of a school can sometimes give an idea of how prestigious it is — such is the case with Ivy League schools — but it can also give a good sense of what the school is giving back to the students. Cheaper schools tend to be smaller and have fewer options, while larger schools can afford to have large labs, a wide variety of classes and a greater selection of library collections. “You get what you pay for” does ring true with college, because sometimes being able to borrow that several thousand-dollar camera from the cage is worth those scholarships you worked so hard for.

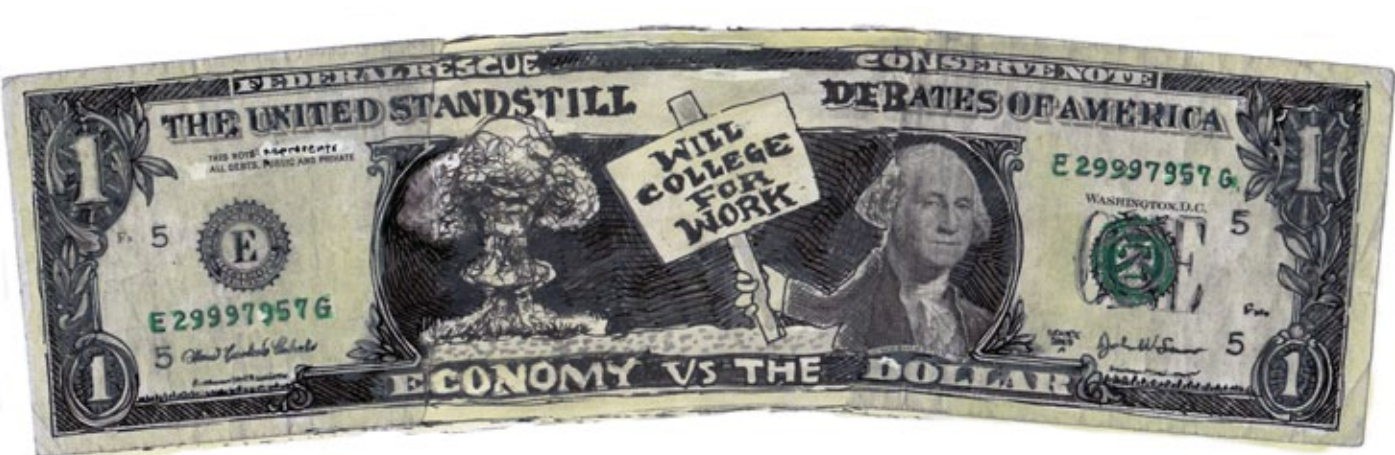
### Tier One Tuition



### Tier Two Tuition



difference between the two tiers explained [here!](#)





# THRIFTY DATING

by David Keith Gasser | illustration by Lee Fitzgerald

There's a really cute girl in your Friday afternoon class. You sit next to her and talk to her every now and then. You've come to the conclusion that she's smart, creative and funny — everything you look for in the opposite sex. All of that said; you're a poor college student and pushing five figures in debt. A girlfriend would be an additional expense.

Let's be honest; most girls won't enjoy a Gracie's dinner date followed by a LAN party in the Wallace Library. When you care about someone and want to get to know them, expenses tend to accrue. Times like these call for conscious spending and careful planning in the pursuit of a thrifty date.



## DINNER AND A MOVIE

One example wherein thrifty dating can improve the experience and save money is the American ideal: dinner and a movie. A single movie ticket at Regal Henrietta Cinema 18 can cost \$11. Add in dinner at Delmonico's Italian Steakhouse, and you could be facing bankruptcy. However, two slices from Papa John's would send the wrong signal. Therefore, the price continues to grow.

Never confuse cheap with thrifty. In thrifty dating, it's all about balance. You spend the money where it will do the most good. You must keep the date memorable and entertaining without spending an entire month's dating budget on a single night. It's alright to spend a little extra as long as there aren't any cheaper alternatives of an equal or better quality.

Instead of watching the current blockbuster, try watching an older flick at Cinemark Movies 10, where tickets go as low as \$2. Then, you can spend a little extra to get a real burrito instead of driving through Taco Bell.

Cinemark Movies 10 is located across the street from Jay's Diner on West Henrietta Road.

## PICNICS & ENJOYING THE OUTDOORS

When working food into a thrifty date, the best idea is to make it yourself. A picnic on Lake Ontario not only drops your expenses down to gas and the ingredients for two sandwiches, but it can also make for a great date. By making the food yourself, you are showing your significant other that you're willing to put in the effort. The cheaper option not only saves money but actually increases the value of the date.

The outdoors is your friend when you're looking to save money on a date. I can't stress this enough: go outside! Take your boyfriend on a bike ride through the many trails all over campus. It doesn't cost a thing and can really be the cherry on top of a day.

Is it winter and are all the paths are covered? Think back to your youth: try sledding down the hills in front of the Gordon Field House. Don't have a sled? Be creative.

You don't need to be athletic or "outdoorsy" to have fun outside. At worst, you'll hate the activity and laugh about the experience with your significant other.

## SHOWING SCHOOL PRIDE

Hockey games can be a great thrifty dating option when you're trying to get to know your partner. With the RIT student discount, you can get up to three hours with your sweetheart for as little as \$5 per person. For a first date, a hockey game enables you to talk and bond while providing the perfect distraction during awkward pauses.

Just remember to eat before the game as the five-dollar hotdogs and six-dollar sodas available in the arena are not as tasty as the cheaper alternatives you can purchase at a grocery store. If you can afford to spend \$15 on a meal, go out to eat! **R**

The Men's hockey schedule is available at: <http://www.rit.edu/fa/hockeytickets/schedule.php>.

# AT YOUR LEISURE: MONEY EDITION

by James Arn | cartoon by Will Lawson

QUOTE

*If I had a choice about going to a meeting at a studio or changing a nappy, I'd choose the nappy.*

”

-Tim Burton

WORD OF THE WEEK

**Intramundane** *adj.* - situated or existing within the world.

Due to Mr. Baggins' valiant efforts, the ring was no longer **intramundane**.

Definition taken from <http://dictionary.oed.com>

LIMERICK

Young Michael, he liked to use Bacon  
In all of the foods he was makin'.  
He was feeling just fine,  
'Til he woke up porcine.  
For long afterwards he was quite shaken.

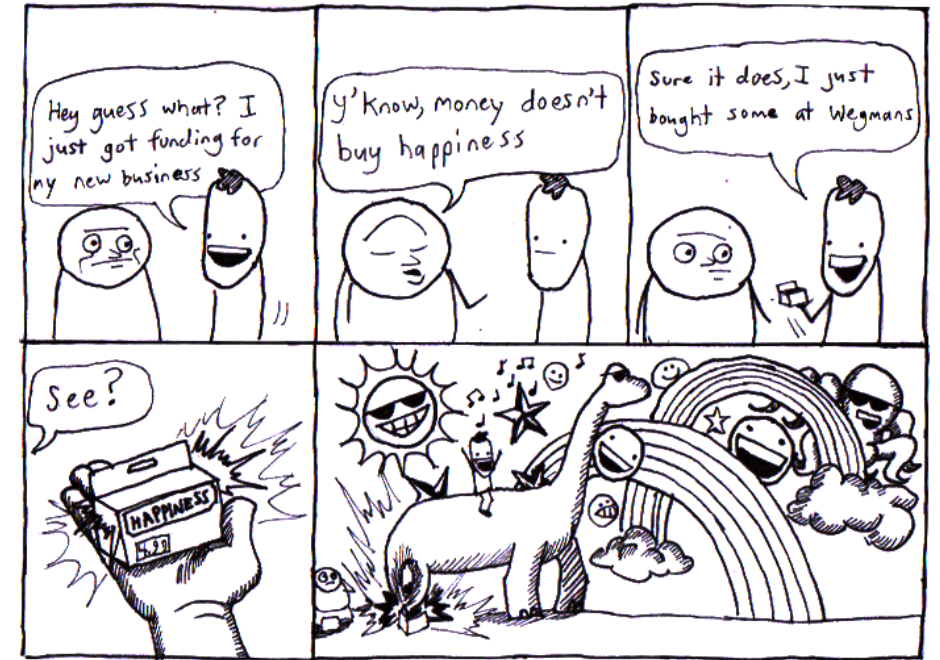
OVERSEEN AND OVERHEARD

"I got another half-eaten worm."  
— Female student in the Campus Center.

"You don't understand. Black girls can't get their hair wet."  
— Female student in the Campus Center while discussing a potential snowball fight.



How much would you spend for a dollar?



REPORTER RECOMMENDS

**Avoiding The Commons** sheet pizza

It seems like a great idea. You've been scrimping and saving that debit all year, and now you've got a metric nut-ton of Monopoly money on your hands; money that will become utterly and completely useless in less than two weeks. As you ponder the many ways that you might spend this fleeting windfall, you realize that The Commons offers sheet pizzas that you can purchase with debit. They'll even deliver to your door.

I am here to tell you not to take them up on this offer. Though the thought of 32 slices of cheesy deliciousness may have you salivating, the results of this adventure will be sorely disappointing. That cheese for which you are currently pining lacks any sort of flavor, and the crust that it sits upon is a soggy, tasteless mess. Add to that the gallons of grease and seeming mountains of salt and neither your taste buds nor your arteries will be thanking you for it.

STREAM OF TAX

In the late 1800's, city property taxes were based solely on the width of lot frontage, making shotgun style houses popular in the city of **NEW ORLEANS**.

Many cities and states, including **NEW ORLEANS** and Massachusetts, place a tax on tickets at any venue that seats more than 750 but up to 1000 people. This tax is known as the **AMUSEMENT** Tax.

Those seeking **AMUSEMENT** in the state of Alabama should be aware that there is a tax of \$0.10 on any pack of **PLAYING** cards that contains 54 or fewer cards.

Many states that have residents **PLAYING** for professional sports teams impose a "jock tax." This tax was first implemented by the state of **CALIFORNIA** in 1991.

One of the most contentious parts of **CALIFORNIA'S** proposition 19 is that it would allow cities to tax the sale of marijuana, which, of course is prohibited by the **FEDERAL GOVERNMENT**.

Under the Articles of Confederation, the precursor to the constitution, the **FEDERAL GOVERNMENT** did not have the authority to collect taxes. Without these funds, it was extremely difficult to raise a standing **ARMY**.

Soldiers in the U.S. **ARMY** or any other branch of the armed forces are subject to an array of **TAX EXEMPTIONS** in return for their service to the country.

**TAX EXEMPTIONS** exist for foreign nationals gambling legally in the U.S. This allows them to skirt the 30 percent withholding tax that their American counterparts must pay.



# MINT.COM: THE GOOD, THE BAD, AND THE QUESTIONABLE

by David Keith Gasser | illustration by Ko Kawazoe

“At Mint, we believe that money is for living. That’s why we’ve created the simplest and most effective way to manage, save and grow your money... and why Mint.com is free.”

Mint.com is a personal financial service that enables its users to enter the bank account and credit card information and manage their money online. The website’s homepage humorously touts the service as “the best *free* way to manage your money.” The “free” is a seeming afterthought, scrawled above the rest of the slogan. While the website is definitely welcoming and easy to use, the slogan causes me to pause. Will Mint.com actually help me manage my money or is it just the best *free* option available?

My fears about the usefulness of Mint.com are quickly alleviated, as a smorgasbord of features and options quickly become apparent. The features that were particularly interesting to me were the saving and budgeting tools. Mint.com’s software compiles the data on all your bank accounts and credit cards into a more comprehensible portfolio of your finances. One list item stating that you spent \$47.53 on groceries last weekend is less confusing and more beneficial to budgeting than a list of three arbitrarily named purchases.

Setting up an account on the website is almost an insultingly simple process. Other financial websites overwhelm users with complicated forms, confirmation emails, and account transfers and verifications. With Mint.com, you only have to supply

your email address, password and zip code in order to activate your account. Of course, you must then enter your online banking username and password for each account and credit card; nevertheless, the process was surprisingly painless and easy.

While there is much to praise about Mint.com — I’ve never used or heard of a service that could rival

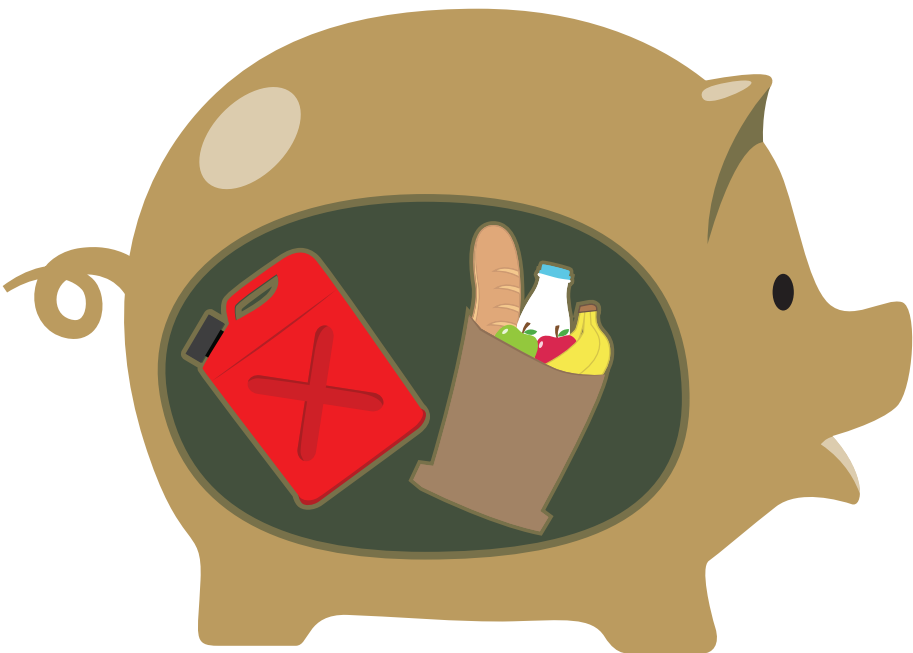
through the use of their service. While Mint.com uses read only access to bring your finances to the website, the service is effectively able to collect every bank account and routing number, your passwords for each account, and other extremely sensitive information. In the event user data is stolen, I hope Mint.com would offer at least the appearance of reassurance.

Instead, Mint.com denies responsibility.

Mint.com should be praised for their service, which was executed brilliantly. Where they’re lacking is in guaranteeing the safety of your sensitive data. They proudly showcase the fact that they use “bank-level security,” but no system is perfect; and if broken, Mint.com would not just provide a hacker with a password. In effect, it would also give a hacker complete access to all the information within your online banking portals. Mint.com offers a great service, but it’s just not worth the risk for me. **R**

*For those interested, Mint can be accessed at <http://mint.com>*

*The opinions expressed by the author do not necessarily reflect those of the magazine. Views submissions may be sent to [views@reportermag.com](mailto:views@reportermag.com).*



# BUILDING A BUDGET

by Emily Mohlmann | illustration by Griffin Moore

We’ve all experienced it. The moment we pull out our wallet to make sure we have enough for that slice of pizza, only to find out it’s as empty as a keg after your birthday blowout. You think to yourself, “I swear I just had \$20, where did it go?” The questions and accusations go round, but ultimately, it all comes back to you spending it on something you can’t remember.

A budget can help you avoid just that: the lurching feeling of suddenly running out of money or not making this month’s rent. As college students with limited income, it’s even more pertinent to have your finances planned out.

While there are multiple ways to budget and keep track of your money, one of the simplest ways for college students who are consistently attached to technology is to use a computer. Without spending a chunk of your cash on a fancy program, the easiest method is to set it up in a spreadsheet program.

The first step in creating a budget is determining how much money you pull in every month. This can be from parents, a job or a loan; just don’t include sources that don’t come in regularly like a surprise check from Grandma or that \$20 you found on the ground. For added security, you may want to encrypt the file you create.

With the ubiquity of debit card use, it’s difficult to see what you’re actually spending when you hand over that piece of plastic. The next step is to look at your paper or online bank statements to see how much you’re spending, what you’re spending it on, and where you’re spending it. Break your spending down and categorize expenses as either fixed or variable. Items like car payments, insurance, rent or credit card payments would be considered fixed expenses because they’re generally the same amount every month. You can also think of fixed expenses as essential expenses. Variable expenses include entertainment, groceries, eating out, gas and general shopping.

On top of these two types of expenses, you need to include wiggle room for emergency expenses. Injury, illness or car problems could leave you in a lurch with more bills to pay or less income. It’s a



good idea to budget an amount each month to save for unexpected situations.

Placing all this information in a spreadsheet will allow you to easily see that you spent \$200 on groceries instead of that \$80 a month you thought you were spending. Totaling both your income and expenses allows you to see if your outflow is greater than your inflow. If it is, you have a problem; if not, you’re in good financial shape.

The next step is to see where you can cut down your expenses. Do you really need to grab Wendy’s for dinner every other night? Are you getting your money’s worth out of your unlimited Netflix plan, or could you step down to a cheaper one? The goal here is to make your income greater than or equal to your expenses. In your budget, delegate certain amounts for your variable expenses, and then see if you can cut these back even further.

If you use your debit card often and continue to struggle with seeing where your money goes, start each week by withdrawing your weekly budgeted amount. Take the cash and place it in designated envelopes for groceries, entertainment, bills, and other expenses that need to be paid that week. When the money is gone from the envelope, that’s it until the following week.

The last piece of good budgeting is to make sure you hang on to receipts. This enables you to see a more detailed account of where your money is going. Store receipts in an accordion folder organized by month so you can go back and review your expenses and see where improvement is needed. Remember, the most important thing is resisting temptation and sticking to your budget. **R**



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# MONEY MAKERS

*A destroyed room sets the scene. Scraps of paper fall like leaves upon a floor littered with pens with chewed through caps. A bedraggled man sits at a desk in the corner. He hasn't slept in days and hasn't shaved in twice as many. As a smile creeps across his lips, he lets out a deep, slow laugh. A thousand restless nights were spent in the pursuit of this one moment.*

*Chaos and deliverance.*

He beckons to his partner who traipses over, tripping on a Chinese takeout container. *It's time*, they realize, a chill running through them both. With the click of a mouse, a venture is born.

Since assuming his position in fall 2007, President William Destler has championed RIT as the world's first "innovation university." With the recently opened Albert J. Simone Center for Innovation and Entrepreneurship, RIT took a major step towards solidifying this dream.

The center has attracted many students who come from wildly different backgrounds. Their majors,

their age, and even the way they think are intensely diverse, down to the last synapse. Creativity is a must, and students can't be afraid to use a little elbow grease.

There's no question that starting a business is difficult. Many long nights and unexpected trials lie ahead, and only the strongest survive. Those who are unable to manage the stress quit early, but for those who persevere, unparalleled rewards may lie ahead. Whether it involves cars, code or body odor, RIT's student entrepreneurs are part of a lively and vital community with the power to change the world.



# MONEY MAKERS | The College Driver

by Michelle Spoto | photographs by Joi Ong

*I don't exactly consider myself particularly internet savvy, but I can navigate through The College Driver website with ease. With its clean and bright colors, simple layout and striking pictures, it makes a great first impression. Following link after link, I'm led through various articles about all things automotive, ranging from a Ford Fiesta car review, to "Winter Driving Tips," to a news piece about a 300 mph electric car. Each article is informative and easy to understand, a rarity in the car world — which is exactly the point.*

Mechanical Engineering Technology majors Cory Mack, a sixth year, and Zeid Nasser, a fourth year, collaborated during the summer of 2008 to create "The College Driver," a car review website. Mack and Nasser's understanding of the market is striking; they sound more like seasoned executives than new business owners when they explain the astonishing preparation that went into the site. Each component of "The College Driver" is used to either attract their target demographic or differentiate themselves from other car-related websites, a goal they excel at.

Primarily targeting college-aged readers, "The College Driver" typically reviews cars under \$25,000 in an effort to provide their audience with sensible assessments of practical cars. These pragmatic evaluations differentiate "The College Driver" from many of the big-name car review sites, such as "Car and Driver."

Mack says, "What I hate reading in car forums or other sites is 'You shouldn't get this Ford Focus because it's a cheap Ford,' but that's why you're buying the car — because it's cheap. So now that we've established that you're buying a car because you don't have money, what else matters?"

It's this "what else" that drives Mack and Nasser's reviews. They critique three major components: value, safety and fuel economy. These are what they believe are important to student drivers, their target demographic. It's clear that Mack and Nasser have a good handle on what students are looking for in a car. In addition, they've added a social networking aspect to their site, giving it a younger feel.

In addition to rating cars, the website also features a "dashboard" section where car owners can upload two profile pictures, one of them and one of their car. Through these dashboard accounts, members can create their own car reviews, comment on articles, and socialize by sending "tickets" or private messages to one another. It's in this section where Mack and Nasser's creativity and innovation shine, giving them an edge on their competition.

It all began in 2008, when Mack and Nasser were working together on RIT's Green Vehicle Team, a challenge to build a lightweight, fuel-efficient vehicle. Both Mack and Nasser had an interest in

cars that developed at a young age, and separately, they had come up with ideas for car-related websites they wished to create. Collaborating, the two merged Nasser's car review website idea with Mack's dream of a social network for car owners. That summer, Mack and Nasser began work on their website with "The College Driver" emerging as a result. Since then, the two have continued to improve their company with much success.

There is a clear team dynamic between Mack and Nasser, who have found a balance in splitting their increasing workload. Nasser is responsible for most of the writing and editing of the articles while Mack focuses on the design and visual aspects of the website. However, they also work together on many aspects of the company, providing input on each other's work.

With advertisements generating all their revenue, it's necessary that Mack and Nasser maintain the quality and consistency of their website in order to appeal to advertisers. To increase website traffic, they release new content each week. The more articles the duo publishes, the better the chance that a person looking up information on a search engine will be linked to "The College Driver."

Mack and Nasser have determined that each article adds one-third of a page view, forever. This means that if 1,000 articles are written in one month, there will be consistently be 333 more page views than if those articles had never been written.

Another way that Mack and Nasser advertise is by appearing at auto shows. Attending these events, located near New York City and Detroit, allows the two to prove to the car world that they're serious about their business. According to Nasser, attending these shows has its perks. "You get to meet these engineers," says Nasser. "You see all these people [who] are always in the news; and they're right in front of you, and you can shake their hand."

As for the future, both Mack and Nasser plan on staying at RIT at least another year. In fact, Mack hopes to obtain his Ph.D. At the moment, "The College Driver" cannot sustain a full time salary for Mack or Nasser; therefore, their business

will remain a part-time arrangement or, as Mack describes it, "a job with terrible pay and excellent fringe benefits." One of the perks that "The College Driver" has given Mack and Nasser is the opportunity to test drive many new cars. They've tested and reviewed various cars, including the Nissan Sentra, the Volvo C30 and the Audi A4.

According to the company, manufactures have been generous with their cars, especially as "The College Driver" stabilizes as a business. Since most cars have to be shipped or driven from far away, Mack and Nasser are trying to borrow cars from local Rochester dealers. So far, they've had little luck. This surprises Mack who says, "someone you've never seen before 1,000 miles away will give you a car sight unseen versus the guy around the corner; it's sort of odd."

Owning a business, however, does not come without its fair share of problems. According to Nasser, the company currently faces a few hurdles that are preventing its growth, including finding writers and web developers. Despite this, the business is succeeding, seeing a growth in the number of page views from only a few hundred a month to over 10,000. This growth is evident of Mack and Nasser's dedication to their business and their love for everything automotive.

Cory Mack and Zeid Nasser can be reached via email at [cory@thecollegedriver.com](mailto:cory@thecollegedriver.com) and [zeid@thecollegedriver.com](mailto:zeid@thecollegedriver.com)

“

*What I hate reading in car forums or other sites is 'You shouldn't get this Ford Focus because it's a cheap Ford,' but that's why you're buying the car — because it's cheap. So now that we've established that you're buying a car because you don't have money, what else matters?*

”



# MONEY MAKERS / *Aspire*

by Kristen Maslanka

America's superheroes are millionaires, celebrities and politicians, leaving most to assume that business leaders, with their plastered hair and perfect smiles, are akin to Superman. However, many entrepreneurs are a bit more like Batman whose only super power is his resourcefulness to help them defeat the forces of evil.

Meet Sandra Turner and her sidekick Shen-Chuang Lin. Together, they battle the evils of perspiration. Their fight may not seem as glamorous as saving damsels in distress; but looking more closely, that's exactly what they're doing. An alarming number of teenagers — particularly females — suffer from heavy perspiration. This is a problem that can affect one's self-esteem drastically. With no convenient remedies available, Sandra and Shen-Chuang are left to fight perspiration with a pow, BANG, **KA-BOOM!**

Why perspiration? I was determined to learn the past that prompted this fight and uncover the mystery of Aspire, Turner's sweat combating company.

It was a dark and stormy day when I met with Turner, an Industrial Design graduate student, but she held herself as if it had been the sunniest week of summer. With a bright smile and a firm handshake, she proceeded to tell her story.

At a young age, Turner was filled with aspirations of becoming an astronaut. The future seemed to be headed towards space, and that was where Turner saw herself, advancing with them. Although she never became an astronaut, she often found herself looking towards the future, an ideal that has stuck with her. She worked hard to become the woman she is today, and her academic career reflects that. Turner earned a BFA in Art with a concentration in Photography and a BS in Business Marketing at the State University of New York in Brockport. As we spoke, she unveiled the myriad of projects she was involved in: a small camping supply store, a photography business, and, of course, her current project Aspire.

Turner founded and started her camping supply store in 1990. She knew the basics of business, but unfortunately, the finances piled up. It became clear that she could not run an efficient business without knowing how to budget. She needed to learn this in order to take her next step towards success: enrolling in the Saunders College of Business (SCB).

Sitting across from me, Sandra paused, taking a sip of her coffee. Despite her interesting past, her cause remained a mystery. That is, until I learned of Turner's greatest inspiration: Ashlee, her 19-year-old daughter. Like her mother, Ashlee is a "sweater."

It's a problem Turner was familiar with, and although she had been plagued by perspiration as a child, she never really faced the problem, choosing simply to avoid it. Unfortunately, when Ashlee gathered with her friends — and Turner learned many of them shared a similar problem — she began to see a need for a solution.

Turner recalls Ashlee approaching her one day, reporting that a friend had been prescribed a drug for her heavy perspiration; but when Turner looked at the ingredients, the laundry list of chemicals appalled her. There had to be a better solution.

Before heading to RIT, Sandra promised her daughter she would create a product to assess that need, a product that would aid fellow perspirers. Despite her novel idea, Turner's knowledge only spans the operation side of business.

"I have an appreciation for [science], but I really struggle with it," she admitted, leaning in. That's where Lin enters; she is the scientific brain behind the idea. In fact, as Turner has learned, collaboration

is one of the greatest weapons in her arsenal. "A lot of entrepreneurs are all over the place," she said, so sometimes they need the help from fresh minds. RIT offered her a surplus of these resources, which is something she encourages others to take advantage of.

"The best time to start a business is when you're a student," said Turner. She relied on her access to the resources that the Center for Student Innovation and SCB provide, including professors and labs. They helped her establish her concepts, flesh out her ideas, and suggested her to the men and women who could help her produce and support it.

Imagine RIT also played an encouraging roll for Aspire when a booth was set up for the idea. Turner was shocked by the overwhelming support and thanks she received during the annual event.

She recalled Imagine RIT with a spark in her eyes. Knowing her services and efforts were well received had been validating for her, and a tangible pride resonated from her figure. What had started as a small focus group with her daughter's friends grew

into a booth at Imagine RIT, and soon after, Aspire entered the testing phase. "We're doing testing in my kitchen," she said, a chuckle escaping her lips. The promise had become a reality.

Being a student and applying her knowledge from the SCB not only helped Turner develop Aspire, it also helped her understand that, at its best, industrial design is creating a product that solves human needs. This realization helped her understand what a business needs to be successful. She quickly gained the knowledge she needed to prevent the problems she encountered with her camping store from reoccurring.

Turner is an industrial designer, a mother and a businesswoman. She has a passionate spirit and an inspiring presence. She isn't Superman and can't fend off bullets with a raised hand; but she and her partners are waging a war of creativity. They can utilize the available tools to save that damsel in distress and drive off into the night — perspiration free, at least.

“  
The best time to start a business is when  
you're a student  
”



# MONEY MAKERS | Kloud Kraft

By Stefano Sansone

*“It’s cool to see something that I developed running. Not a lot of people I know have actual software running online. That’s definitely a feather I have in my hat.”*

Chris Tosswill, a fifth year Software Engineering major, is the founder and sole owner of web development company Kloud Kraft. In addition to basic web design, Kloud Kraft builds web applications, primarily iPhone and Android applications, for small businesses. Over the past year, Kloud Kraft has grown from a concept to a full-fledged business, and has already worked on projects for numerous small businesses in the Rochester area. And Tosswill’s business is still expanding. Currently, he is in negotiation with several Rochester restaurants, who he hopes to write Android applications for. He’s even begun using his earnings to cover rent. “Levels of success are relative,” said Tosswill. “I’m not Microsoft, but I’m getting by.”

Tosswill has always held an interest in programming, a hobby which RIT has helped him refine. Most importantly, RIT has given him “an understanding of programming in general and software practice, how you design a project and how you run the process of development.” Although he taught himself most of the knowledge required for his company, he credits his flexibility to this background in software development.

Surprisingly, Kloud Kraft began as an assignment for one of Tosswill’s classes in the E. Philip Saunders College of Business (SCB). “I took Entrepreneurship with [Delmonize Smith, Ph.D.] in the Saunders College of Business,” he said. “In that class, you had a challenge to start a business with less than \$10.” Tosswill rose up to his professor’s challenge and launched the company that would become Kloud Kraft. The project was immediately successful, and Tosswill quickly surpassed his peers. During the course, Kloud Kraft “made more than the rest of the class combined,” said Tosswill.

When starting a business, proper naming is critical to success. At first, Tosswill had difficulty naming his company. He initially considered the name Cloud Scape, stemming from the idea of “the clouds of the internet and the software clouds.” In this way, the name is a nod to *cloud computing*, an emerging style of internet-based computing wherein resources and information are provided on demand.

Although Tosswill had intended to name his business Cloud Craft, the web address he wanted was already taken. Substitute two letters, and Kloud Kraft was born. According to Tosswill, response to the name has been positive. “I have actually been complimented on the name a lot,” he said, citing the name’s memorability. “I didn’t think it would be as successful as it is.”

Kloud Kraft offers its clients a wide variety of services. As a result, the time it takes for a project to be completed varies widely. Depending on the client and their requirements, a project could take several hours — or even a couple of months — to complete. For most of the summer, Tosswill worked on one project: a website for Direct BizMatch, and he’s not done yet. As part of the job he continues to fine tune their site.

As a small business owner, it’s no surprise that Tosswill has also taken classes within SCB. Although his primary focus at RIT remains to be Software Engineering, he has won a number of business-related contests on campus, including “Shark Tank,” a competition pitting would-be entrepreneurs against a group of investors and businessmen. Additionally, he was awarded a prize of \$1,500 for Proto-G, a tool he programmed to help freelance designers and website design companies.

Tosswill is his own boss. He can work on a project at whatever hour of the day he chooses, and unless he is meeting with a client, he doesn’t have to adhere to a dress code. “The freedom is definitely very nice,” said Tosswill. This freedom, however, comes with a price. “With what I’m doing, there is no safety,” he said. Unlike the pay guaranteed with traditional jobs, Tosswill often must search for work. Without clients, he receives no pay. “There [have] been time periods where it’s been hard to find new projects and others times where I find lots of projects,” Tosswill said. Undeterred by uncertainty, he views his job’s risks as a challenge, embracing them.

While Tosswill doesn’t do any direct advertising for Kloud Kraft, word still manages to get around. “It’s primarily all word of mouth. I have a reputation for [doing] a good job, and therefore, people come to me,” says Tosswill. He also uses Twitter and

Kloud Kraft’s own website, <http://kloudkraft.com>, to promote his work.

While he certainly appreciates the income, the satisfaction of a job well done is often reward enough for Tosswill. “It’s cool to see something that I developed running. Not a lot of people that I know have actual software running online,” he said. “That’s definitely a feather I have in my hat.”

Outside of Kloud Kraft, Tosswill is also involved with RIT’s Debate Society and the Society of Software Engineers. After five years at RIT, graduation is around the corner, and Tosswill’s been making preparations. Recently, he’s been spending most of his time interviewing for full time positions. Rather than simply continue web consulting, he hopes to land a software job somewhere on the cutting edge of web development. He has already been interviewed by Facebook, and Microsoft is flying him out for an interview. But Kloud Kraft remains a staple of Tosswill’s past, one he’s unlikely to forget. Even with this security net, some traditions die hard — Tosswill plans to continue Kloud Kraft as something on the side. **R**

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*It’s primarily all word of mouth. I have a reputation for [doing] a good job, and therefore, people come to me*

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From the Moscow Conservatory

# Andrey Pisarev

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## FIAT CURRENCY AND THE GOLD STANDARD IN THE UNITED STATES

by Danielle Delp | illustration by Justin Iannucci

Have you ever wondered what an everyday green paper “dollar” is really worth? Why is a simple piece of paper worth anything at all? The answer is simple: because the United States government says so. As painful as it is to accept, the truth is that the little paper rectangle in your wallet is worth no more than any piece of everyday printer paper. This type of currency is called “fiat currency” — currency that only has value because it is recognized by its issuing government.

At one time, every dollar printed by the U.S. government represented exactly one dollar of gold in the National Treasury. Theoretically, you could have gone to a bank and traded one dollar of everyday money for one dollar's worth of gold. This system, called the gold standard, was abandoned by the U.S. in 1933 and was formally abolished by law in 1971.

The use of precious metals as a fair trade for goods and services has been the norm for economic exchange throughout the world for centuries. Their beauty and usefulness led to high demand and high regard in the eyes of most cultures. It is only natural then that gold and silver were traditionally the metals used in the standard systems.

The gold standard fixes the worth of currency and does not allow the value of money between countries to change by much. The trade off is that within its native country, it can cause slow but cumulative inflation. The gold standard also places the dollar's worth at the mercy of the market value of gold. Unless the price of gold is fixed, fluctuation in its value will make the value of the dollar fluctuate as well. Put simply, it weakens the local value of a currency over time while stabilizing its value on the international level.

Fiat currency is usually printed on paper or non-precious metals in mass quantity. It is cheap and easy to produce, but its value fluctuates based on the frequency of trade and the demand for goods and services. This allows great flexibility on both a small and international scale and the ability to absorb “shocks” or economic depression. In fact, it is believed that if the U.S. was on a fiat currency system, the financial crisis seen during the Great Depression of the 1930s may have ended much sooner or may have not even occurred at all.

The biggest drawback of fiat currency is that its variable worth can lead to very rapid hyperinflation, especially because

a government can simply print more and put too much money into circulation. It also allows very large differences in the exchange rate of money between countries, which can make international trade very difficult.


The U.S. worked on a bimetallic system from its founding until 1879, where gold and silver were both used as trade standards. Gold was emphasized, however, because there was a much larger supply in the treasury. This resulted in a very loosely-defined gold standard that was cemented with the Gold Standard Act of 1900, which fixed the U.S. dollar's value to that of a given weight of gold. There was actually strong public support for a silver standard because the silver industry was growing in the late 1800s, but the U.S. government decided that a gold standard would be more stable and better able to compete in the international market.

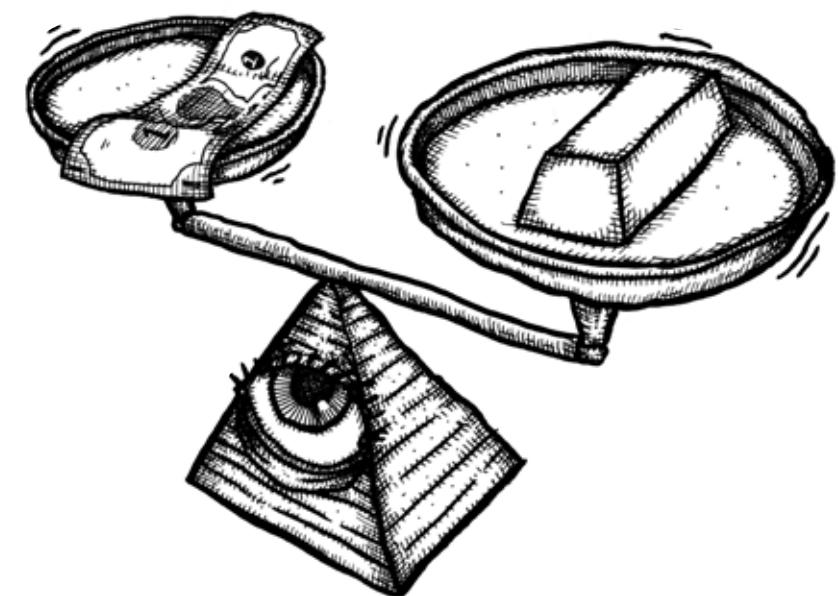
The gold standard is recognized to be completely active in the U.S. between 1879 and 1914, but the system wasn't dissolved until 1933. After this, U.S. dollars could still be exchanged for gold until 1971. The system currently used in the U.S. is a fiat currency system agreed upon in 1944 at the Breton Woods international conference, which allows the dollar and other currencies to adjust based on the demand and market value of goods and services.

The last countries to abandon a silver standard were China and Hong Kong in 1935, while the remnants of the gold standard system that remained in a few other countries after World War II were completely shattered following the U.S.'s official abandonment of it in 1971. This action left the U.S. dollar as the sole conversion factor upon which the world's money was determined. This is why the value of foreign currencies is almost always compared against the dollar. In some developing countries, precious metals are still used for trade within country borders, but are not recognized by any other country for anything beyond their market value.

There are supporters of both in the modern era, but neither one is a perfect solution to global inflation problems. Support for a gold standard has been rising in recent years due to the rising price of gold and the severe inflation of the U.S. dollar, but fears of another economic crisis in the even that the gold standard fails have kept it from gaining much ground. Fiat currency is more susceptible to rapid inflation and sharp changes in day-to-day value, but it is cheaper to produce and much more flexible on a global market than a precious metal-backed standard. A flexible international currency similar in function to the Euro has been discussed to simplify the process, but poorer

developing countries strongly oppose it due to the difficulty of implementing such a system with their limited resources.

The reality is that there is no one perfect system. The gold standard did a good job at stabilizing market prices while it was in effect, but was simply not flexible enough to support the economies of the U.S. and other developed countries on a huge international-level market. 





# WORD ON THE STREET

by Chris Langer

## 1. THOMAS THUM

NEW MEDIA INTERACTIVE DEVELOPMENT  
SECOND YEAR

"Summer jobs. I'm not working right now, but I'm trying to get a job."



1

## 2. TING LIK TO

ELECTRICAL ENGINEERING  
FOURTH YEAR

"Playing the \$2 lottery every week."



2

## 3. ANKIT PATEL

COMPUTER SCIENCE  
THIRD YEAR

"Do work."



3

## 4. KEVIN MEEHAN

COMPUTER ENGINEERING  
SECOND YEAR

"Just got back from catering at Brick City Catering."



4

# How do you make money?



5



6

## 5. ANNECIA BLACK

PACKAGING SCIENCE  
FOURTH YEAR

"You really want to know? LOL  
Just kidding, I work at RIT's Post Office."

## 6. EMILY PELLAND

PHOTOJOURNALISM  
SECOND YEAR

"I work at Gracie's... or as I like to call it, 'Stickie's.'"



7



8

## 7. MIKE FERRY

ELECTRICAL ENGINEERING  
FIRST YEAR

"It's not how you make the money; it is how much you make."

## 8. MARK ZIMMERMAN

GAME DESIGN AND DEVELOPMENT  
SECOND YEAR

"Work hard and have a good education."



# THE GLOBAL GREEN ECONOMY: IS IT FEASIBLE?

by Justin Claire | illustration by Joanna Eberts



To some, a green economy sounds like a pipe dream; a far-off utopia where wind and solar power, electricity, hydrogen, or other alternative energies drive the wheels of infrastructure. To others, it seems like it could be a possibility someday, but only after being endlessly stymied by politics and general apathy.



The fact of the matter is that eco-friendly programs can fuel the economy. A true green economy is the idea of a successful system of infrastructure, finances and employment, working in harmony and doing no damage to (and potentially aiding) the global environment. A set of proposals aiming to address global warming, such as the United Nations Environment Program's (UNEP) Global Green New Deal, could consist of initiatives that will reduce humanity's carbon footprint, increase jobs, make our cities cleaner, and reduce nation dependency. Everyone can agree that these goals are worth working towards; what's more, they're within the grasp of both this and the next generation.

Dreams of a green economy aren't new to world leaders: In 2008, the UNEP launched the Green Economy Initiative (GEI), with the goal of providing a massive, in-depth analysis of how a low-impact plan for the future can help in many other respects. The GEI proposed a Green Economy Report to deliver the goods on the aforementioned possibilities. Advisory services were to provide ecological counsel to various nations and grease the wheels of "greenification." The initiative also activated a broad spectrum of research and private sector partners, to move conceptual projects into real-world solutions.

In the two years since the GEI was put into action, UNEP's partner, Zero Emissions Research & Initiatives has boasted that it has "identified 100 innovations that, within a decade, could generate 100 million jobs." These innovations include major aquaculture advances such as aquaponics, great increases in electric car volume, and non-toxic propellants research including a silicone oil blend. These steps are only the tip of the iceberg: the GEI calls for all this and far more from the

governments of the world. But will anyone listen?

More and more, it seems that the resounding answer is yes. True, the world is far from the zero-impact golden age that is always just visible at the horizon, like a mirage or a dream of things to come. But the leaders of the nations are beginning to take action. In China, the current Five-Year Plan has vowed to reduce 2005 energy use levels by 20 percent before the end of 2010. In India, the National Rural Employment Guarantee Act promotes growth of jobs and employment by creating service and construction projects for rural workers. These projects are aimed at the restoration, maintenance and installation of ecological infrastructure. In Brazil, the rising star of the southwest, intelligent planning of public transportation, green residential zones and renewable energy plants are used to combat surging urban congestion and population density.

These efforts have inspired other cities and nations; they have shown that these concepts can be made to work in the real world. Unfortunately, the lack of complete success on the environmental front has given corporate and political leaders, both foreign and domestic, feet of clay. It should come as no surprise to most that the ideals and goals of the United Nations (and thus, by extension, the UNEP) do not always match up with the rhetoric, ability or plans of its member nations. In addition, strict regulations by such massive groups as the World Trade Organization have mired many government subsidies that would help push green initiatives over the tipping point of success.

It all comes back to a Global Green New Deal. What that exactly entails, as it turns out, is a sizable amount of \$3 trillion, for starters. That collective chunk of change has been pledged by several nations to help move forward with this New Deal. Those

trillions are to go towards ecological restoration projects, focusing on fresh waters, soil, coral reefs and forests; bringing buildings old and new up to the energy efficiency standards of the new millennium; subsidizing sustainable agriculture; equipping the cities of the world with public, low-impact transportation; and, most of all, implementation of renewable energy technologies.

Here again, the governments of the world are not the quickest to react. At the 2009 G20 summit in Pittsburgh, an update on the Global Green New Deal concluded that much more work must still be done. Much of the stimulus package has gone unspent, and the UNEP is urging governments to make use of it. But spending money, as simple as it might seem, is easier said than done. New agencies and new checks and balances must be put in place to see that the money is appropriated accordingly, and that takes time. While the promise of millions of jobs, environmentally friendly infrastructure, decreased poverty and so on is incredibly appealing, there is more to be done than just reaching out and taking it.

It's not enough to sit back and hope that the U.N. and the rest of the political machine handle everything. Margaret Mead once said that the only thing that has ever changed the world is a small group of thoughtful, committed people. Grassroots efforts have been experiencing a bit of a revival recently, and that trend is one that the Global Green New Deal should hope continues. Don't rest easy; don't let someone else worry about it. The clock is ticking. The efforts of masses, of John Q. Public, are the missing link between dream and reality.

*The opinions expressed by the author do not necessarily reflect those of the magazine. Views submissions may be sent to [views@reportermag.com](mailto:views@reportermag.com).*





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6. Every job post is replicated on our Facebook, Twitter, and LinkedIn communities so that you see new job posts where you already spend your time.
7. **Job Clueless** gives you nine easy steps to go from jobless to starting your career with the job you want.

P.S. We hate scams. That's why we make sure all of the job posts on thejobsafe.com are straightforward, honest, and real.



RINGS\*\*\*\*\*

compiled by Amanda Szczepanski and Moe Sedlak  
All calls subject to editing and truncation. Not all calls will be run. REPORTER reserves the right to publish all calls in any format.

585.672.4840

WEDNESDAY, 9:24 P.M.

Dear prostitute depositing money in the Crossroads ATM, I want to get cash for beer so hurry up!

(from text)

MONDAY, 10:16 P.M.

My ex-girlfriend had this epic fetish where she would dress up like herself, and act like a [cootie-Queen] all the time.

(from text)

MONDAY, 7:06 P.M.

As if the bright orange shirts weren't violating my eyes enough, the Men's Cross Country Team has shorter shorts than the girls on this campus.

(from text)

TUESDAY, 4:00 P.M.

Someone needs to let Destler know he left the weather machine on. It's October in Rochester... shouldn't we have a couple feet of snow by now?

(from text)

SUNDAY, 12:41 A.M.

I BET MY ROOMMATE, THAT HE COULDN'T WALK IN FRONT OF SOL'S IN A BEAR COSTUME. I HAVEN'T SEEN HIM SINCE THEN...

(from text)

FRIDAY, 4:34 P.M.

Now I know why they built the tunnels: so girls could take their walk of shame and make it look they're just doing laundry.

(from text)

SATURDAY, 10:27 P.M.

Hey **Rings**, I'm sitting in McDonald's and I just saw a drug deal go down. The seller used the cash to buy burgers. Very good way to hide the money!

(from text)

THURSDAY, 10:26 P.M.

I'm a female lifeguard at the pool on campus, and this group of guys is following me from pool to pool when we switch shifts. I know it's RIT, but really?! I'M JUST TRYIN' TO MAKE SOME MONEY!

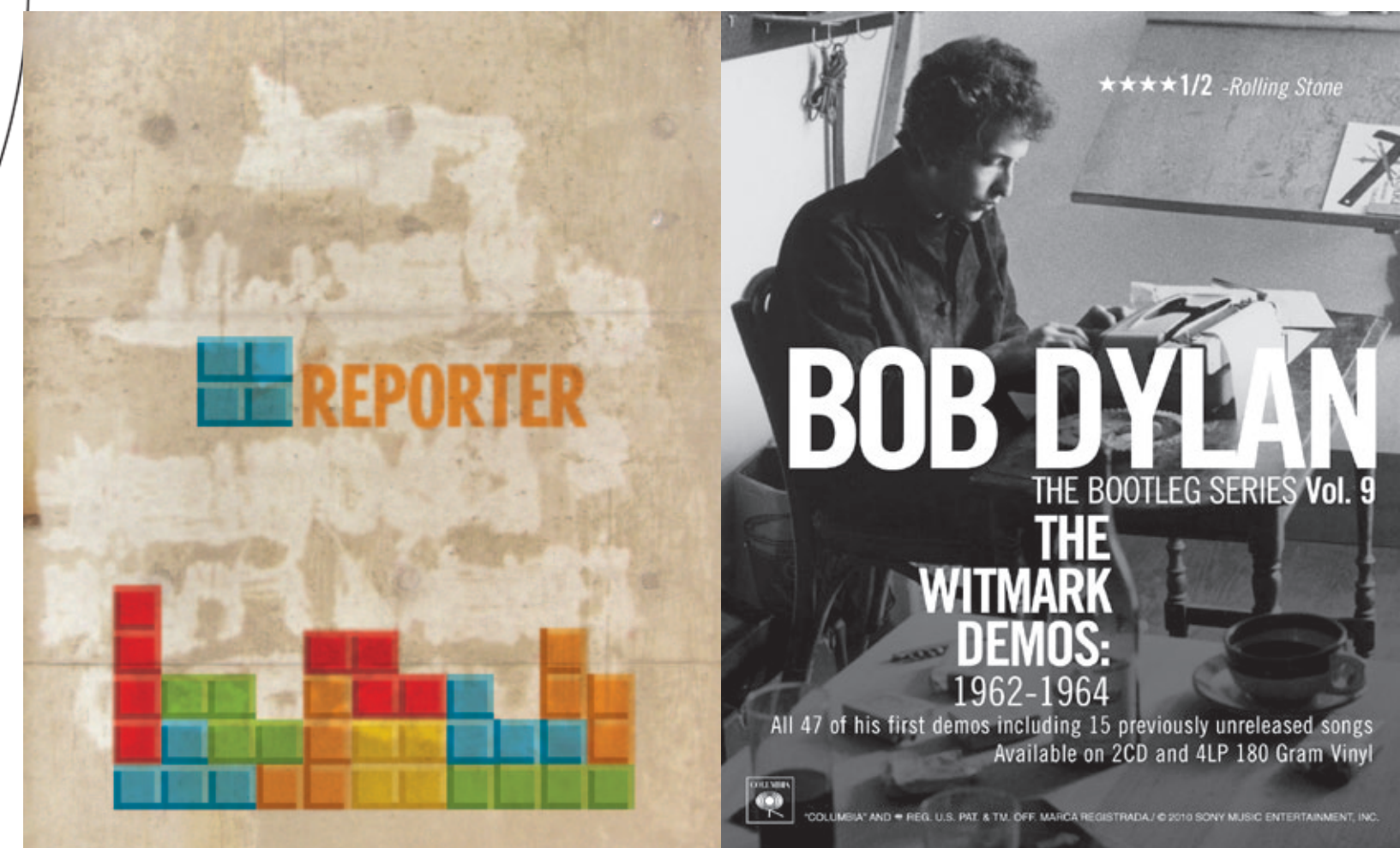
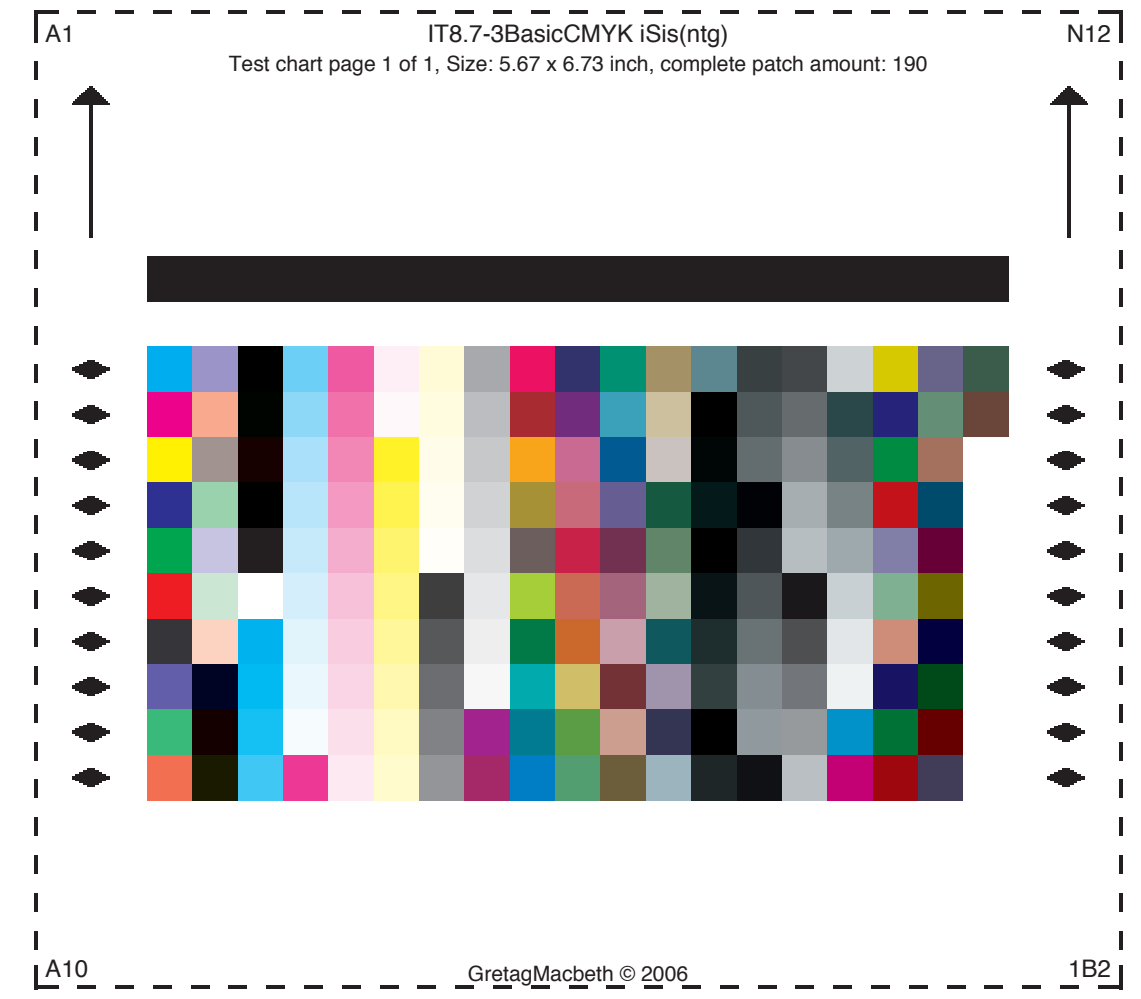
(from text)



# HAVE SOMETHING TO SAY?

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**REPORTER @ RIT.EDU**

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NOT ALL SUBMISSIONS ARE GUARANTEED PUBLICATION.







R

*thanks  
for playing!*



**REPORTER**