

School of Business: Upcoming Events

THURSDAY, APR. 1;
TUESDAY, APR. 27;
THURSDAY, MAY 6:
6:00 P.M.

Event: "MBA Informational Sessions"
Location: Logan House
Notes: Free and open to any students interested in researching the Masters of Business Administration degree at Penn State Erie, the Behrend College.
Speakers: Al Warner, Director, MBA Program; Ann Burbules, graduate admissions counselor
Registration encouraged: Please visit <http://behrend.psu.edu/mymba> to pre-register.

World & National Business News

Virgin Galactic sends second ship into space

Virgin Galactic flew another private spacecraft into captive orbit when the VSS Enterprise was carried by the WhiteKnightTwo into space Monday morning.

The ship is expected to go through a much more rigorous flight test program than SpaceShipOne, its predecessor.

SpaceShipOne's development involved two captive carries, several glide tests the involved the ship being released from several altitudes, and then powered flight tests.

SpaceShipOne took its first flight on June 21, 2004.

Virgin Galactic has yet to state a date for the beginning of commercial space flights. However, the company has said that such flights could start taking place before 2011.

The company says that after glide flights are completed, the team will start subsonic powered flights, supersonic powered flights, and then eventually suborbital space flights.

Following all of these tests, the crafts will go through the long process of getting certification from the Federal Aviation Administration so they can begin commercial passenger space flights.

Madoff assaulted in prison

Bernard Madoff was physically assaulted by another inmate in December, reports the Wall Street Journal.

The Bureau of Prisons investigated the incident, which involved interviewing Madoff.

"In December he told staff he was not assaulted, and an investigation was completed following his statements, which corroborated his statements," said Traci Billingsley, a Bureau of Prisons spokeswoman. "Not one inmate has told staff he was assaulted."

Madoff was moved to the Butner, N.C. prison's medical ward for treatment. He was treated for a broken nose, fractured ribs and cuts to his head and face, according to a felon serving time in the prison.

He has since returned to the medium security prison he originally occupied, according to the Bureau of Prisons.

Madoff, 71, plead guilty a year ago and is currently serving a 150-year sentence for running a fraud scheme that cost investors billions of dollars.

Google to drop censored search engine

After four years of helping the Chinese government by creating a special search engine to help the government censor Internet search results, Google Inc. co-founder Sergey Brin has resolved to discontinue the partnership.

Relations between Google and the Chinese government were deteriorating for some time. But a recent cyber-attack on Google was traced back to Chinese hackers seemed to finally break the dam.

In addition, China has been consistently increasing their interference with Google's Internet operations since the 2008 Beijing Olympics.

On Monday, Google began to cease censorship, rerouting all searches from mainland China to a site based in Hong Kong that the company is not censoring.

The future of the relationship between Google and China remains uncertain, but the two will mostly likely continue to part ways.

Beacon Business Staff

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Young

continued from front page.

Fannie Mae is a federal national mortgage association which was established in 1938 as a government entity. It was "privatized" in 1968. Freddie Mac is a federal home loan corporation established in 1970. Young stated that between these two corporations along with the United States government, ignited the flames for the recession.

These corporations are considered to be secondary markets, and according to Young, they are "generally a good thing."

"Secondary markets normally allow short term investors to fund long term loans," he said. "This increases liquidity which means less risks, and ultimately allows foreign investors to find domestic home borrowing."

However, Young said, the two corporations made several key mistakes.

"Fannie Mae and Freddie Mac handled the secondary market in an incorrect manner," he said. "The main issue arose when they began to ignore the asymmetric information problems.



Daniel Smith / The Behrend Beacon

Economist Andrew Young spoke to a packed REDC 180 regarding the economic collapse.

Lenders typically received worse information – and less of it."

An "OH NO stage" was reached, he said, when the cash assets for multiple banks substantially decreased.

This happened after they lent out a substantial amount of home owner loans which people were unable to repay.

"The federal government made good on the debts of Fannie and Freddie," he said, "which led the general public and even some government officials to believe that the government backed them the entire time, which was not true.

The housing "bubble" burst mainly due to people believing that Fannie

and Freddie were backed by the government, Young said, and many took out loans in which they could not pay back.

"Fannie and Freddie are intended to increase profits, but they provided residential mortgages to low-income, and undeserved areas, and this is not good for profits," Young said.

Two Views on the Major Event:

Two students share advice on scheduling for next year

AMANDA TAKACH

sophomore marketing major

We all know the scheduling process here at Behrend can be complicated at times.

As a marketing major I have found that without help it can be challenging to schedule because you need to make sure you have all your prerequisites first. When I heard about the Major Event in almost all of my business classes I thought this would be a good thing to take advantage of. And it was.

I attended the Major Event last Monday which was put on by the faculty of the School of Business. Personally, I found it to be very helpful.

Considering the fact that the degree audit looks like foreign language to me, it was nice to have someone explain it in understandable terms and tell me upfront exactly what I needed to take.

At the event, tables were organized by major, which made the process quick and easy. All I needed to do was bring my degree audit and the faculty helped from there.

Overall, I was happy with my experience there even if it was a short one. I got the information I needed and now have a better idea of what to take next fall and my future semesters here at Behrend.

In addition to figuring out what to schedule, I also learned about how to go about getting a minor.

If I had any advice to give to those of you who did not attend this event it would be to definitely get in touch with your advisor before you schedule just to double-check and make sure you're not going to get screwed.

What some people don't know is that some classes are only offered during certain semesters and this can be a big problem. If you feel that your advisor isn't doing a good job you can always ask for another advisor or even talk to other faculty members within your major for help.

It never hurts to ask; because no one wants to end up staying for an extra semester for one or two classes.

AARÓN MORELLI

freshman international business major

At Penn State Behrend I have found scheduling to be difficult. As a freshman, the FTCAP program greatly aided in the entire scheduling process, but when my second semester came I felt as if Penn State's scheduling system was seriously lacking.

Last Monday, my RA told me about the Major Event where the advisors from each business major came and helped answer students' questions about scheduling.

At the event there was free food and tons of students in the same boat that I was in, along with other students in the same field of business that I am. Feeling overwhelmed from the entire scheduling process, I thought it was in my best interest to attend. And it was.

While attempting to decipher my degree audit and look at Penn State's scheduling website I had virtually no idea what I was doing. Although I was not completely off track, I found that I was planning on scheduling classes that I didn't need and not scheduling the classes that I actually needed.

When I met with the faculty member that taught in the International Business major, I learned about a handful of requirements that I have to meet by my junior year.

During the first semester I met with my advisor and felt like I was taking the right classes, but throughout the semester I forgot most of the advice, and I fell off track a little. Now, I feel confident in choosing classes that help me graduate on time.

Meeting with your advisor or even speaking with a faculty member in the same field of study can help greatly since they have dealt with similar situations and understand students' confusion with the whole process.

Overall, it is definitely worth speaking with your advisor to help you stay on track at Penn State Behrend rather than staying here for another semester attempting to take classes you had no idea you needed to take to graduate.

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Amanda Takach

"It's worth speaking with your advisor to help you stay on track... rather than staying here for another semester taking classes you had no idea you needed to take to graduate."

Aarón Morelli

Carroll coaches students on "Money Game"



Penn State Behrend Marketing
Adam Carroll, author of "Winning the Money Game."

ARICA CHRISTMAN
business reporter

If there's one game that we are all playing as college students, it's the "money game," and we should know the rules.

Adam Carroll, co-author of the book "Winning the Money Game" was a featured speaker at Behrend Wednesday, and his goal was to make us all wealthy.

Carroll, who had personal experience with debt from his frivolous college spending, blasted his obligations to smithereens in less than three years while still living an impeccable lifestyle.

To students, he gave these words of wisdom: No. 1, remember, "Time is on your side," he

said, "the difference between a \$1 million retirement and a \$10 million retirement is the pennies that you put away today."

Secondly, "don't borrow from tomorrow."

Carroll stunned students with statistics such as "the average college student carries \$2,700 in debt on their credit card balance." This is because students and much of America are spending their "ifcome," money that they do not have.

In order to keep you from following this path, Carroll recommends, "If you can eat it, drink it, or wear it, it doesn't go on plastic."

"If you can do in two years what most people won't do, you

will be able to do what most people can't for the rest of your life."

This is a testimonial made by Carroll that can be truly life changing if students take it to heart. He advises students to take that 10 percent of their paycheck and put it away because "compound interest is the 8th Wonder of the World", and to apply for the scholarships that so many times go unused because of lack of applicants.

There was nothing but positive remarks from students who now have the knowledge they need to be in control of their finances, and have the tools they need to blast away their debt.

