

OPINION

A minute with Mauti



By **LISA MAUTI**
Columnist
LMM355@PSU.EDU

I came across an article a few weeks ago in my Women's Studies class that really perplexed me. It had to do with American protestors and the War in Iraq. The author was at an international conference for women, when a foreign woman questioned her about why women in the US, or for that matter, men, weren't protesting the War in Iraq. They remembered the 60's where college students protested the Vietnam War and mothers marched to fight for their sons.

It got me to thinking and I want to know why we aren't protesting? Why aren't people speaking out as boldly as in the 60's? Last week's election was a subtle way of speaking out which clearly upset the President. Now reforms are being made and the war is being evaluated, but I still want to know why it took so long.

I started looking for answers and found myself right in the middle of my major. Media. Yup. That's what's different between now and then. When the Vietnam War was taking place, media was just on the rise and it was the first time that US citizens could see what was happening to their boys overseas in a graphic manner. There wasn't censoring like there is today. If people were dying, the US knew about it. If people were being treated inhumanely, it was shown on TV or in the newspaper. So, that incited college students and mothers to go out and rally for their boys. They fought the government tooth and nail, and some protesters were actually killed because they fought so hard. We all know about Kent State. But in today's society, you don't see it. As John Mayer so nicely puts it, "And when you trust your television. What you get is what you got. Cause when they own the information, oh they can bend it all they want." That's just it. Being a communications major, I now see it more clearly than ever. You can't watch the news to find out truth. You have to seek it out for yourself. Someone owns every medium. And that someone has political interests for which they must protect.

Therefore, you do see what they want you to see. We don't see all the innocent people that sacrifice their lives in the name of war. We see pictures of our soldiers in good light, never in bad. So why would we want to protest? People might even be afraid of our government if they would protest. Would they be sentenced to an island somewhere in the ocean if they tried to create unrest about the war? I know that's a little exaggerated, but do you see where I'm trying to go with this? Or is the reason that people aren't out protesting in today's society is that we are too caught up in our own lives to see what is really going on? We've become so accustomed to having everything handed to us.

We drive through, pick up, order online, and have liposuction. But yet, if one thing goes wrong with a gadget in this high tech society, you can bet that someone is going to hear about it. I am guilty of this too. But when you actually sit and think about what is going on over in the Middle East, and how other countries are thinking of us right now, it is a really stark picture. Sometimes the truth can be hard to swallow, but when it impacts your life on a personal level, it really makes you wake the hell up and see what is going on around you. "Weapons of Mass Destruction," were more like "Weapons of Mass Deception."

Start investing in your future

By **CHRISTOPHER CVJIC**
Staff Reporter
CXC374@PSU.EDU

In our last issue, I discussed the importance of not only saving for retirement, but saving for it at an early age. Many people do not save for retirement because they are intimidated by all the investment choices they are faced with. With this article, I hope to give you some basic investment advice that will help you set up your 401(k).

To help alleviate some of the stress you may experience about choosing between different mutual funds, I have some good news; your skill at choosing between mutual funds that invest in similar assets has very little effect on the performance of your portfolio.

In fact, the impact of security selection on your overall performance is only about five percent.

By far, the most important factor in determining your portfolio's performance is the asset allocation you choose. This single factor accounts for more than 90 percent of your performance. Therefore, the best place to start our discussion is with asset allocation.

Asset allocation is the distribution of investment funds among broad classes of assets. In its simplest form, asset allocation comes down to how much of your money is in stocks and how much is in bonds. Most experts recommend taking the number 120 and subtracting your age from it.

The number you come up with is the percentage of your portfolio that should be invested in stocks. For example, if you are 25 years old, you should invest 95 percent of your money in stocks (120 - 25 = 95). As you get older, your exposure to stocks should go down, while your exposure to bonds should go up.

The reasoning behind this is that stocks significantly outperform bonds over the long term. When you are younger, it is important to maximize returns to offset the effects of inflation. Stocks are more risky than bonds though. As you get closer to retirement, it is important to reduce risk and preserve your wealth. I am now going to discuss some specifics about stocks and

bonds to help maximize your returns.

A bond is a debt instrument used by governments and corporations to fund ongoing operations. In plainer terms, they are an IOU from one entity to another. There are two important considerations for us to consider: maturity and credit quality.

Maturity is the length of time until the bond has to be repaid. There are three types of maturity: short, medium, and long. The longer the maturity, the higher the expected risk and return. Credit quality is the likelihood that a corporation or government will repay their debt. There are three main types of credit quality: U.S. government, investment grade, and below investment grade. Just like with maturity, there is a risk/return trade-off. U.S. government bonds are

money invested in bonds should be invested in below investment grade bonds. Likewise, no more than 15 percent of your money invested in bonds should be in long term bonds. Mutual funds have something called a "style box" that will easily help you discover the investment style of the fund.

Stocks represent ownership of a corporation. Like bonds, stocks have nine different subcategories. They are broken up by the size of the companies the fund holds: small, mid, and large cap and the investment style: value, blend, and growth.

Larger companies are generally the least risky but also have the lowest expected returns. Small companies have the most risk and the highest expected returns. Value companies are generally more mature companies that are growing

stocks. These are companies that are located outside the United States. They have the same nine subcategories as U.S. stocks. It is important to have some exposure to international stocks to reduce portfolio risk and increase returns.

This is a lot of information for non-finance majors to absorb. Financial companies have identified this problem and are starting to offer products to ease the anxiety of choosing individual asset mixes. Many mutual fund companies, like Vanguard and Fidelity, have begun offering target retirement funds. These funds have a date attached to them, like 2045, and are designed to offer individuals a single product that offers an appropriate asset mix for their age.

All you have to do is choose the target retirement fund whose date is closest to your expected retirement date. Many 401(k) plans now include target retirement funds.

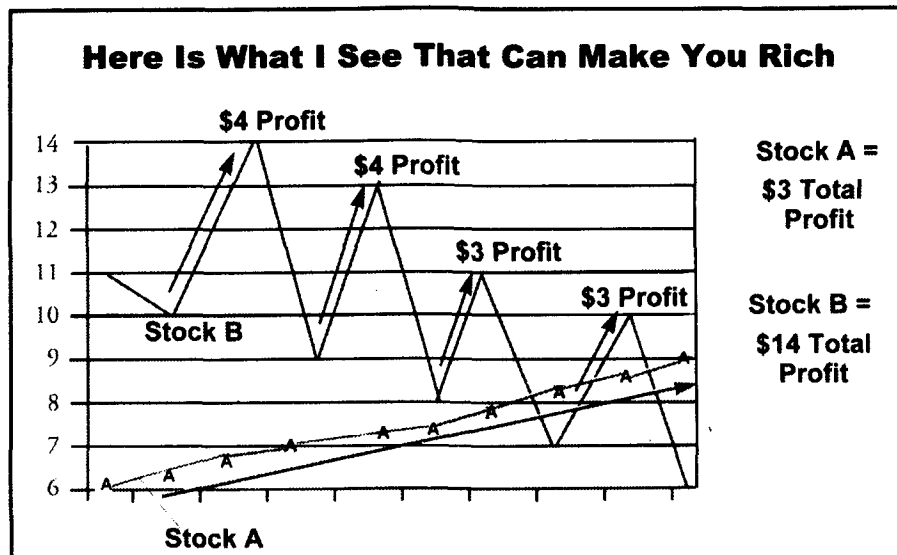
If your plan doesn't include a target retirement fund, I recommend the following asset allocation for individuals under age 35: 15 percent bonds with a preference towards high credit, shorter maturity bonds, 25 percent large cap value, 15 percent large cap growth, 20 percent mid cap stocks, 10 percent small cap stocks, and 15 percent international stocks.

This mix should only be used as a guide. It is important to understand how much risk you can tolerate. If you are someone who cannot tolerate big short-term losses, increase your exposure to bonds by 10 or 15 percent.

Some plans may offer two funds with the same investment style. For example, they may allow you to invest in 2 different large cap value funds. When comparing mutual funds with similar investment styles, I recommend favoring mutual funds with lower expense ratios instead of focusing on past returns.

If you have an interest in learning more about retirement planning and asset allocation, I highly recommend CNNMoney.com's Money 101 section (<http://money.cnn.com/pf/101/index.html>). This site has 23 different tutorials that include: budgeting, retirement planning, 401(k)s, asset allocation, buying a home, buying a car, buying insurance, and saving for a child's college education.

The site is useful for clarifying and expanding on the concepts I have introduced today. If you have any questions or comments, don't hesitate to contact me via email.



Stocks can be a valuable asset to financial planning for the future. Bonds are also recommended for a retirement portfolio.

considered to be risk-free since it is assumed the U.S. government will always pay its debts. However, they generally have the lowest returns. Meanwhile, below investment grade bonds, or commonly referred to as junk bonds, have the highest amount of risk, but also the highest expected returns.

It is important to have bonds from each one of these different subclasses. This may seem difficult but fortunately there is a single fund that can provide you with this. Many mutual fund companies, including Vanguard and Fidelity, offer a mutual fund called a total bond market index fund.

If your 401(k) offers you this selection, it is probably the easiest thing to choose. Otherwise, it's my recommendation to overweight bonds with short and medium maturities and U.S. government and investment grade bonds. No more than 10 percent of your

at a slower rate. They also typically pay a dividend. Growth companies are younger companies that are still expanding rapidly. Mutual funds that use a "blend" investment style have the opportunity to invest in both value and growth companies. Value companies are less risky than growth companies and recent research shows they also outperform growth companies long term. Therefore, I recommend having overweight value companies within your portfolio.

Just like with bonds, companies like Vanguard and Fidelity offer total stock market index funds that will expose you to all 9 subclasses. If your 401(k) doesn't offer you total stock market index fund, I recommend the following: be overweight value funds and while you are young be overweight small and mid size companies. Another important addition to any retirement portfolio is international

Don't be afraid to ask Zack

By **ZACK POCOLO**
Staff Reporter
ZJP5006@PSU.EDU

Dear Zack,
My boyfriend of two years recently broke up with me because of his busy sports life. I've always been really supportive of his extracurricular activities, and I thought we were balancing things in our relationship just fine. My friends have been telling me how selfish his reasoning is, and that I should consider it his loss. But I really love him and would like it if we could work things out. I've tried talking to him about it, and he says he loves me, too, but things are just too busy for him right now. Is it a hopeless case or is there some way I can convince him to give it another try? - Lost

Dear Lost,
There is definitely a lot of hope here. Remember we are dealing with love! I do not know if you listen to country music or not, but there is a song that has a verse that says "love can walk through fire without blinking." I am a firm believer in that! Sports are something that your boyfriend cares a lot about

and your continued support is the best way to go. My gut feeling is that there may be more to that story than what he is telling you. When things get serious a lot of guys start to get nervous and back away and they tend to use those "I am too busy right now" excuses. I would recommend giving him some room with his busy schedule but stay in reaching distance. When things start to die down a little, then talk to him some more and let him know again how much you care about him and want to see things work out. He has already said he loves you, which is a huge step, and if he truly feels that way he will not let you go. There is no reason he can not continue with the relationship and play sports. Keep the communication lines open and make sure you do not drift apart. Do not forget, true love comes but once in a lifetime and it is worth the wait! Good luck and let me know how things go!

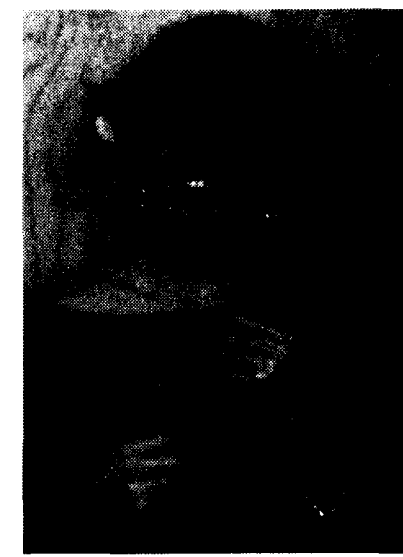
Dear Zack,
I am a second-year English major with plans to become a teacher at the high school level. However, over the past summer, I completely fell in love with an old hobby of mine:

photography. I am considering switching my major possibly schools to follow that path. Problem is, when I told my parents, they totally freaked! They are afraid that photography/journalism is too difficult a field to break into as a career and basically feel that teaching would be a more secure future. It does not help that my grades this year have really starting slipping, as I am losing interest in my English major. Should I follow my heart and follow photography/journalism or do what my head tells me and stay where I am? - Sitting on the Fence

Dear Sitting on the Fence,
The difference between your heart and your head is your heart thinks with emotion and your head thinks with facts/logic. Most of the time I would say a healthy balance is the best way to go. Too much of one or the other is not going to help. However, in this case your heart, I think may have total jurisdiction to make the choice. The fact is, your parents are worried and expressing that to you, but at the same time you need to remember, it is you that will have to live with the choice and not them. However, two

questions I would also ponder are who is paying for your schooling? And if photography does have a slow start, will you need financial support from your parents? In any case, Time is precious; don't waste it on something that you know your heart is not in because if you do you will end up miserable. Follow your dreams, because without them, what is life worth anyway? If you decide to go with your heart, you will need to, at some point, break the news to your parents. They will mostly likely be upset at first but given time (some may need more than others) they will be ok. After all, they do love you and want you to be happy; they are just protecting you. They mean well but need to realize, as do you, that the road to success and your dreams is not a straight shot. You are going to hit pebbles, rocks and boulders along the way and those things will help shape who you will become. Do not be afraid to take a risk and get hurt. There is a reason why our friends and family come on the journey with us; to celebrate in our successes and bring the bulldozers when things get in the way! Good luck and let me know how things go!

President's Corner



By **ARIEL O'MALLEY**
SGA President
AEO5002@PSU.EDU

While walking into school one day last week I heard a group of people behind me complaining nonstop about issues within their lives and this campus.

This caused me to feel very frustrated and annoyed with the attitudes shown by various people on this campus. Has anyone taken the time to stop and realize that the reason we do not have class during the fourth week in November is because of the Thanksgiving holiday and not because Penn State decided to be super nice and give us a random three days off?

Seeing as the holiday season is approaching I feel as if it is time for everyone to take a step back and realize how many good things we have in our lives.

As students here at Penn State we all have an amazing amount of opportunities available to us such as being able to travel anywhere in the United States and find a Penn State alum.

Or how about the fact that we all have a chance to participate in THON, the largest student run philanthropy project in the entire world, and help children with cancer. Not to mention the pure name recognition and pride of being a Penn State student.

Not to mention that as students here at Penn State Harrisburg we have the opportunity to make things happen on this campus. We have the ability to apply for funding to plan all sorts of events and activities on campus.

How about instead of whining that we have to walk around 200 yards (if you get a bad parking spot) from the car to the main building, we act grateful because some of us have cars, the ability to drive them, and the ability to walk into the building.

Or just the simple fact that you only need to walk a few hundred yards to get to your classes as opposed to multiple blocks.

Be thankful that each and every day we each wake up with the opportunity to make a difference. You have the chance to make a difference in your own life as well as the lives of those around you.

You have the opportunity to make a difference on this campus as well as everywhere that you go throughout the day.

Granted the level of difference is all dependent on how you approach each and every day.

If you approach the day with a sense of negativity, it is highly unlikely that you will make a large impact. And I'm not saying that we should all wake up cheery and peppy, but simply that we should approach the day with a positive attitude.

As the holiday season approaches I hope you will all take the time to think about all of things in your lives that you should be thankful for and be grateful for all of the wonderful people in your life because you never know what the next day will bring.

As Oprah Winfrey once said, "Be thankful for what you have; you'll end up having more. If you concentrate on what you don't have, you will never, ever have enough."