Group #2

Money 2.0

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**Q & A**

**Group 1:**

**Q:** What effect does Money 2.0 have on the way the government receives tax dollars? Does it result in more or less taxes for us as citizens?

**A:** The same rules would apply to individuals who make money online. As US citizens we are required to report all income to the IRS, and we must include any businesses that we may run. Failure to report such information to the IRS typically can have some serious repercussions. So in the end, it may involve paying more taxes and the government receiving more money.

**Group 2:**

(Our group)

**Group 3:**

**Q:** While Bitcoins are intended to be be scarce and are somewhat regulated are there any measures being taken to ensure other kinds of "currency" created by Software Developers (such as "unusual hats") are regulated, controlled and protected? If a Hacker manages to give him-self a million unusual hats, wouldn't that devalue other's people's investment? "What are the risks associated to digital currency?

**A:** There are many different ways to protect these other currencies, but it seems that most developers aim to make getting these types of currencies very difficult to obtain. Thus, making there worth and value increase. These currencies are very hard to decry and take large amounts of time since they are all individuals’ bits of encoded objects. So in the likely-hood that someone could actually obtain a million of these "dollars" from hacking would mean that they spent an extremely huge amount of time which in the end still would not have gained them such a gross amount. There are always risks to such currency though since they carry code with them, although I do not personally understand the realm of it, that someone can attach malicious code or spyware to a digital coin and infect many clients that end up using that coin.

**Group 4:**

**Q:** Google currently dominates the search market with roughly a 70% market share. As a result, it is estimated that nearly 97% of its revenue comes from ads. Which means that Google is key component of how companies can increase online revenue? Although Bing is a distant second in regards to market share, Facebook is now using Bing to power its searches and so it Apple via iOS 7. Could there be a potential power shift in advertising revenue? People are now spending more time on Facebook than on Google. How do you think that the online advertising landscape will change over the next decade? Here is an article for your reference.[http://www.businessinsider.com/google-and-facebook-are-at-war-for-domination-of-latent-search-a-business-thats-about-to-be-huge-2013-10](http://www.linkedin.com/redirect?url=http%3A%2F%2Fwww%2Ebusinessinsider%2Ecom%2Fgoogle-and-facebook-are-at-war-for-domination-of-latent-search-a-business-thats-about-to-be-huge-2013-10&urlhash=4US_&_t=tracking_disc)

**A:** In advertising it is possible that Google may be losing its ground. But if you really look at the big picture Bing (a Microsoft Product) and Google are two very big powerful dominating search engines. At the end of the day, most people are looking for what’s fast and most intuitive. Google has a bunch of innovative projects going on, and so does Microsoft. So ultimately, I think that power all depends on whose offering that fastest most intuitive technology at the time, and personally I think Bing may have a slight advantage at the moment. Advertising online has never really changed its look much over the years. In the past, you saw pictures and GIFs and you still see them today, while now you can also find video ads. It seems that people appeal to ads that are simple, funny, and appeal to their wants. Honestly it’s very hard to say what will happen in these upcoming years, but for one I think they may start mixing ads with actual products giving off a subliminal message type of concept. This way it embeds into people’s minds, kind of like how in the past and still in the present if you wanted to search for something you would "Google it."

**Group 5:**

**Q:** In terms of the law, would the reproduction of digital currencies (ie bit coins) be considered counterfeiting or stealing (or both)?

**A:** In terms of the law, would not really depend on "what" law, but rather "who's" law. Many online things are not really well managed by governing parties, because there are so many jurisdiction issues that come into play. It may come down to a concept were foreign governing parties may need to come together to regulate these online currencies, and in that time may begin to do things that make it illegal to "mine" or "create." But even if they do, the real problem lies ultimately in the difficulty in mining it really is. Getting something like a "bitcoin" from mining is almost like trying to search the ground for fallen quarters to collect and get rich. Needless to say, that will take a very long time.

**Group 6:**

**Q:** [http://www.caseyresearch.com/articles/so-long-us-dollar](http://www.linkedin.com/redirect?url=http%3A%2F%2Fwww%2Ecaseyresearch%2Ecom%2Farticles%2Fso-long-us-dollar&urlhash=R_os&_t=tracking_disc)   
There has been talk that China in particular is trying to cut out the US Dollar is the international standard for currency exchange. When currencies are currently exchanged, they are first converted into the US Dollar first and then from there into the desired currency. The "danger" of the bitcoin is often posed in terms of its unanimity but how much of the United States’ push back on the bitcoin rooted in the need to keep the US Dollar as the international standard for currency exchange?

**A:** The danger to the US is not quite as high as you may think it is currently. Maybe sometime far in the future when people start to get a better understanding of it, but as far as the US goes there is nothing that they really need to worry about, because at the end of the day people don't care about what seems more intuitive, they go with what they already know and what’s easy for them, which now still goes to trading the US dollar. Also bitcoin is a danger to almost all governing parties currencies, because in a sense it aims to bring currency under one real roof.

**Group 7:**

**Q:** How is the exchangeable rate from bitmoney/currencies to traditional money and vice versa is being determined?

**A:** When it comes to purchasing and exchange of bitcoin you have to more or less go to one of the exchanges like MtGox.com, Intersango.com and BitPay.com. There you will see pricing and cost for the bitcoin. As to how they exchange it I am not totally sure, but I believe they just do it based on cost per dollar.

**Group 8:**

(No question was asked)

**Group 9:**

**Q:** With the way the internet has globalized the world, and considering the way online currency is used, do you think the future expansion of online currency can affect the way developed countries value the normal currency (physical currency)? And, if so, what changes could occur to normal, physical transactions in the long run? Would everything end up being through digital means? How secure would that be for powerful countries?

**A:** I think that the way the currency is growing, it could actually affect physical currency in a negative way. We can already see that it is losing ground as the credit companies continue to take hold of wallets. At the end of the day, when you really think about it, credit cards as well as bank cards are now just forms of online credit or another version of "bitcoin" that hold value for our physical dollar, which in itself holds value for gold. But no one really uses gold to buy things, and you rarely find people who go to banks to withdraw money or keep money in their wallets anymore to go purchase things. So to sum up all your questions into the one answer, everything is moving towards a total digital currency, and as to security, nothing is secure online, but with encryption and new ways to hide code, it’s becoming harder and harder for hackers to actually hack, because at the end of the day, the people who create the code themselves are making it so they can't even hack their own product.

**Group 10:**

**(Dr. Shankar)**

## Q: Comment on Web 2.0 patterns.

**A:** Web 2.0 patterns provide a foundation for applications well into the future even though the big picture may change. They are basically used as a solution to recurring problems. Patterns consist of a problem, the context the problem occurs, and the solution to the problem. They also must have a name with a short description of the pattern, a business problem, and an optional as known as name. Most patterns are constrained in a Meta model which has different instances of patterns. The Meta model is used as a specialization of the basic architectural pattern. Some patterns that are used in the Meta model are architectural patterns, design patterns, and idioms. Architectural patterns provide fundamental structural organization for software systems. Design patterns help redefine subsystems and components of a software system and also show how they are related. Idioms are specific to programming languages and are the lowest level patterns.