With the iPhone, the makers didn’t just give consumers another phone. They asked what people wanted: a computer in your pocket? You got it, and you also can make a few calls. Schau adds: “The recovery will offer us the potential to apply this thinking, an opportunity when all the rules are suspended. We can create what it means to be successful. Business as usual is out of the question.”

Schau teaches integrated marketing communications to Eller undergraduates and to MBA students who design messages, ads, press releases — “anything from the firm suspended. We can create what it means to be successful. This tragedy was even more tragic because it hit smack in the face of what people wanted.”

As consumers or in politics, Schau says, people are using social media to let the world know what they want. “We find out that people want a lot of control over products, using social media to let the world know what they want. “We find out that people want a lot of control over products, over whom they elect. They want to take part.”

Even politics is being shaped by social media, she says.

Michael E. Staten
Professor and Director of Graduate Studies in the Norton School of Family and Consumer Sciences, Director of the Take Charge America Institute, and Take Charge America Endowed Chair

About Your Money
Think interest, budgets, taxes, and credit

I asked my tax-prep expert the other day how much her 20- or 30-something clients know about their own finances. “Absolutely nothing,” she exclaims. “They just live for today.”

And for Michael E. Staten, a professor in the Norton School of Family and Consumer Sciences, that constitutes a career-long challenge.

Staten has become a master at getting middle schoolers through graduate students to think systematically (or at all) about compound interest, budgets, and planning.

For starters, he poses an old math-class problem. Which would you rather have — $50,000 in cash or a penny that doubles daily for a month? (Have your own answers? OK, save it and read on.)

Right answers, he says, aren’t as important as getting students to grasp concepts like saving, investing, borrowing, and taxes. Staten directs the Take Charge America Institute for Consumer Financial Education and Research (TCAI), which has designed a national school curriculum on personal finance used in 24,000 classrooms, reaching up to a million students. You can learn more about the project, based at the Norton School of Family and Consumer Sciences, that constitutes a career-long challenge.

Staten has become a master at getting middle schoolers through graduate students to think systematically (or at all) about compound interest, budgets, and planning. “If the economy goes bad, the companies won’t be able to do professional networking. LinkedIn launched in 2003 and reached one million members in 494 days; it claims 90 million members now and says a million members join every 12 days.”

Meanwhile, Staten is researching accuracy in consumer credit reports for the Federal Trade Commission and will report to Congress next year on his findings.

Now, of course you chose the penny that doubles daily, compounding into millions of dollars in a month, if you know the basics of personal finance. Try that problem on your 13-year-old. You’ll be helping Staten’s cause.

Kathleen Kahle
Associate Professor of Finance in the Eller College of Management

Rainy-day Savings
A strategy for hard times

When President Barack Obama urges top CEOs to get their corporate cash “off the sidelines” and use their stash, perhaps billions of dollars, to create jobs and feed the recovery, he touches a nerve for one UA professor, Kathleen Kahle.

Those strategic decisions by corporations, Kahle says, are similar to the choices made by families around the kitchen table. Will we need that money down the road? If so, we might be smart to stow it, and that might apply to the CEOs.

“If the economy goes bad, the companies won’t be able to raise all the money they need when they need it,” she says. “That’s one reason they are keeping such large cushions, a reserve for a rainy day.”

The biggest reserves seem to be held by Cisco Systems, with a balance of roughly $39.9 billion, according to Moody’s Investors Service. Others with lots of cash on hand recently are Google and Microsoft, both at more than $30 billion; Intel, $18.3 billion, General Electric, $12.9 billion; and Boeing, $8.7 billion.

Looking back to 1980, the average U.S. firm had about 10 percent of its assets in cash. That started creeping upward by a hefty 0.5 percent a year, on average, until by...