

## AP Economics “Future of Money” Essay

Due Date : Friday, May 26, 2017

Question: In 1971 President Nixon removed the gold link to the U.S. Dollar, thus creating a form of money that has no connection to a valuable commodity, otherwise known as fiat money. No fiat currency in history has long survived without massive disruptions of the economies that used them. What system of money is best, and what is realistic? Will the U.S. dollar continue as a creation of the Federal Reserve, or will other currencies become more prominent and widely accepted? Will the future of money be fiat, value, virtual, or cryptographic, and how will this affect the economy, politics, freedom, and the world?

### Sample Outline:

1. Introduction / Thesis Statement – Introduce your topic, and declare your opinion/position on the topic of the research paper
2. Body – the bulk of the paper is here, in data taken from the readings and other evidence you have found to support your position
  - a. Brief History of Money
  - b. Current Money System
    1. Fiat money
      1. Money as debt, fractional reserve banking
    2. Bretton Woods Institutions
      1. World Bank
      2. International Monetary Fund
  - c. Future of Money
    1. Future for fiat money?
      1. Collapse inevitable?
    2. Banking and Future Money
      1. Crypto-Currency: Bitcoin
      2. Virtual Currencies: Video games, virtual property
      3. Local Currencies: Bristol pound, will this be the future?
      4. Other Currencies: What else is out there?
    3. Issues
      1. Acceptability: Will merchants accept the money?
      2. Availability: How controlled is the money by the government/banks?
      3. Security: Will it be safe? Theft, counterfeiting, fraud, manipulation?
      4. Private Wealth and Inequality: Will the majority of money be kept by the rich?
      5. Money and the Future World: How will banking work, or will it go away? One world currency or an explosion of local currencies?
      6. Cashless society
        1. No cash = no freedom?
    4. Going forward or going backward?
      1. Gold or commodity money
3. Conclusion – Summarize the important points, and restate your thesis in terms of the DPE (Data, Proof, Evidence) you presented.

### Required Elements:

1. Make sure to include citations *every time you use a statement or an idea from the readings that I have provided, or that you found in your own independent research*. Use APA citation notation (found on website). Using others work without providing proper citation is plagiarism and grounds for immediate failure on this essay.
2. Papers should be 10-12 pages in length in Times New Roman or Ariel 12 point font, double spaced, pages numbered, cover page optional, references on last page (as per APA notation), 1 inch borders on top/bottom and left/right, stapled (no covers or binders). Be sure to include name, period and word count of the title page.
3. Underline your Thesis.
3. Please type all work on a computer.