

Lab 5

Law



**ASSIGN
BUSTER**

The NBC line, ten part series on the credit card debt trap, offers insight into the lives of a variety of American citizens and how the credit card companies have plunged the country into a debt of around 2.5 trillion dollars. In the subsequent episodes, it is revealed that in the past thirty years, the government has eradicated the maximum rate that credit card companies can charge. This has led to a situation where the companies have become one of the most profitable firms in the country. The credit card companies, via the collection agencies, have resulted to using unscrupulous techniques to collect debt as revealed by a couple.

For the debt collectors, it is revealed that they earn commissions based on the amounts they collect. Consequently, the debt collectors has been employing underhand tactics, harassment and even breaking the law, to accomplish desired targets. Some of the debt collectors have even resulted to using coercion and force in the pursuit of collecting amounts due. Some agencies have even resulted to breaking and entering personal property to recover debts due.

The subsequent episodes show how a portion of the population is taking advantage of people in credit card debt through fraudulent means.

Additionally, it is later revealed that credit companies, may actually be lying regarding credit card debt, repayment plans and interest rates. The credit card firms have also began selling accounts of customers in debt to collection agencies, which is illegal.

That last two episodes are more advisory and reflective. They place emphasis on the fact that, in yester years, American citizens did not accrue so much date. In the last episode, viewers are advised against falling into the trap of credit card debt and for those already in debt, they should be vigilant.

<https://assignbuster.com/lab-5/>

Indeed, credit card debt is termed as the next big crisis in America.

2) Caveat emptor is a legal principle that confers to the buyer, the responsibility of ensuring that the good/service bought, is operational and in good condition. In the legal and business sense, the credit card companies were not liable since, the parties were competent. Moreover, the credit card companies acted in good faith, since the economy was booming and they could not foretell the financial crisis (Andrews 2011).

3) I am sympathetic with some of the people who lost their assets to the credit card companies. However, in legal terms, I do not think the credit card companies took advantage of them.

4) The role of the government is advocating for legislature that mandates all civilians, signing contracts with credit companies, to have a lawyer present.

5) In my opinion, the credit card contracts do not meet the standards of oppression since, even though they are ignorant, the other parties are mentally competent.

6) As a judge, I would rule against the 30 year old because his history suggest he is mentally competent. Furthermore, the primary reason for his inability to repay the debt is financial irresponsibility and the credit crunch.

7) The contract is conscionable because the janitor is partly responsible for his financial position. The janitor failed to disclose valuable information to his employer leading to job termination.

8) (A) I think it's a good idea because it will reduce cases of oppression and coercion. If the idea is adopted, the credit card company loses financially while civilians gain through financial prudence.

(B) It is racially and economically discriminatory because it would lock out most of the minorities in need of credit. This is because a majority of them

are not highly educated.

Works Cited

<https://www.youtube.com/watch?v=Ile5gOboEF4>

Andrews, Neil. Contract Law. Cambridge: Cambridge UP, 2011. Print.