

Why the credit cards are a social problem



Roy Thomsitt remarks “ Credit card debt is a major social problem in some Western countries. To rid yourself of credit card debt, it is best to recognize the problem as both a social and individual problem”. The influence of society over an individual makes it a social problem of devastating magnitude. Society has changed with a fast pace in the last decade into a world of consumers who need money and nothing but money to make them live every day. The society recognizes little else than high net worth of a global citizen.

Credit cards are a recent mode of money. It is a device which makes available future resource. Credit Card companies thrive on people who are tempted to buy or consume without having the means to do so. Unknowingly the credit card user gets into a debt with higher rates of interest on the default. Companies extort money by unscrupulous means.

Says Thomsitt “ Banks and other credit card issuers are after their slice of that big money, including from you” while their profits are high the consumer goes penniless from debt.

Sociological research illustrates that this social habit of spending beyond capacity is rampant not only in teenagers but also in adults of all classes of society. Credit cards are easily available and the advertising world baits people to buy what they do not need or cannot afford. Hence the behavior leads to credit card debts.

Credit Card Debt and Counseling Statistics proves that roughly 2. 0 to 2. 5 million Americans seek the help of a credit counselor each year, mostly to avoid bankruptcy. From 1990 to 2000, the number of Americans seeking the

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help of a credit counselor doubled. Many individuals experiencing financial difficulties have experienced a job loss, an interruption to their income due to illness, or a divorce / separation. Nearly 75% of those seeking help from a credit counselor held a credit card.

This research explains that credit cards are a social problem. Self control, financial planning, education, and proper counsel at home, may discourage the extensive usage of credit cards and may reduce the psychological – financial problems arising due to them.

References

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