

# Credit cards can be a blessing and curse

[Linguistics](#), [English](#)



Credit cards can be a blessing or curse. Credit cards allow individuals to shop on credit from the bank; it allows personal finance, facilities one shop on credits and easy borrowing. The growing trend of using credit card has allowed individuals to easily borrow; it can be a double-edged sword that has benefits as well as drawbacks. Credit cards are a basic source of consumer credit and they have become one of the common causes of personal finance problems as they allow individuals to borrow beyond their ability to pay.

However, the use of the credit card is also a blessing as it is convenient to use; instead of carrying a large sum of cash one can make purchases through a credit card. The monthly statement of your expenditures can allow individuals to keep a record about their expenditures. It allows one to trace that where he is spending more. In addition, credit cards are also a quick source of emergency cash at the times of need but are dependent on the credit line of the customer. If the individual makes monthly payment on time it can build credit rating.

On the contrary, credit card has enormous disadvantages. In the contemporary times, high inflation rates and strict monetary policies have made credits expensive. A certain amount of interest is charged on every purchase, which eventually increases the price of the commodity more. In addition, the easy access to borrowing allows one to spend more than his or her limits. This shows that individuals spend more than their capacity and this eventually leads people to face credit issues that can also influence reputation. In case of the monthly payments being delayed, a penalty fee is charged on the late payment. This penalty becomes a burden for the person who is already facing issues to pay off his or her previous debts. Moreover,

the interest rate that is being charged on the credit card is a lot, the lowest interest card rate is about 11.18 percent, which goes up to a high of 23.95 percent in current times. This means that purchases on credit cards are far expensive than purchases made with cash or debit cards. In case, if your credit card is lost or stolen the others can misuse it. The misuse of the credit card can lead an individual to face certain legal issues till they are cleared. Furthermore, banks charge additional amount of about \$50 for the lost or stolen of the credit card. As monthly payments on time can improve your credit rating, contrarily in case of late payments credit bureaus reduce your credit rating that can be a major obstacle for the approvals of future loans. Credit cards spontaneously develop a strong temptation among people to do heavy shopping by using them. People often cannot resist the temptation to live the life according to their wishes; as a result people accrue huge credit card debts. This can also become an addiction for individuals to spend more than their income that can influence their personal financial status. It shall be noted that there are very few advantages of credit card, but it has more and long-term disadvantages, therefore, I believe that the credit card is a curse more than a blessing.