

Learning About Credit Cards

USING CREDIT CARDS

Credit cards can be helpful if used wisely. However, charging purchases can lead to financial problems if people misuse the cards. Sort the “Credit Card-Related Statements” into the “Pros” and “Cons” boxes. Note whether or not you plan to use credit cards as an adult.



CREDIT CARD-RELATED STATEMENTS

The amount owed often grows faster than expected.

Credit cards are easy to use.

Ordering by phone, mail, or computer is easier with a credit card.

Credit cards can be used in an emergency.

Minimum payments are often mostly interest.

Someone could find a lost credit card and charge thousands of dollars in a given day.

Credit cards are safer to carry than cash.

Credit cards allow people to buy necessities they could not otherwise afford.

Some people cannot afford credit card payments.

Credit cards are often easy for people to get, even if they really can't afford them.

Credit card companies insure against theft. Card holders do not have to pay for expenses that are charged by others.

Credit cards provide an unrealistic sense of wealth.

Credit cards can be used for unexpected expenses.

The interest rate on a new credit card often goes up after a few months.

Shopaholics can buy freely with a credit card.

PROS

CONS