

Name _____ Date _____

In Search of Credit

Directions: Complete this sheet using the Web sites listed below as starting points. Use additional paper as needed, and cite your sources.

1. If you bought an iPod on January 1, 2009, for \$199 using a credit card with a 5.9% monthly interest rate and could not pay your bill for 12 months, how much would you owe on January 1, 2010?
2. What would the "Credit Cardholders' Bill of Rights" seek to accomplish?
3. Has any other legislation been passed in the past or recently that advocates for the rights of credit card holders?
4. The average penalty interest rate for cardholders who miss a payment is _____ percent.
5. The total consumer debt in America equals \$ _____.
6. How are credit card companies training employees differently in order to convince debtors to pay their balances in this tough economy?
7. Tom is a 47-year-old man whose debt is as follows: a \$300,000 mortgage, a \$60,000 car, \$80,000 in law school loans, and a balance of \$35,000 on his credit cards. How does his debt compare to that of other Americans?
8. The average college undergraduate carried \$ _____ in credit card debt in 2008 compared to \$ _____ in 2004.

Use the following Times resources to get started:

What Does Your Credit Card Company Know About You?

http://www.nytimes.com/cfr/world/slot1_20080227.html

Your Money: Credit and Credit Card Debts

<http://topics.nytimes.com/your-money/credit/credit-and-debit-cards/index.html>

Your Money: Credit

<http://topics.nytimes.com/your-money/credit/index.html>

Interactive Series: The Debt Trap

<http://www.nytimes.com/interactive/2008/07/20/business/20debt-trap.html>

Personal Finance: When Mail Order Isn't Up To the Mark

<http://www.nytimes.com/1987/08/02/business/personal-finance-when-mail-order-isn-t-up-to-the-mark.html>

Op-Ed: The College Credit Card Trap

<http://www.nytimes.com/2008/10/18/opinion/18sat2.html>