

The Credit Card Trap: A Lion's Share of Debt

By Aimee Stone
Assistant Editor

Across the country, college students are falling into a trap of credit card debt. The national high of students with credit cards is growing exponentially. Major credit card companies have begun to feast on the financially uneducated college students.

Throughout the nation, college campuses allow credit card companies to set up their tables and hunt for their prey. To entice students to sign up for their card, they offer free T-shirts, cd cases, bookstore discounts, and a low introductory rate.

Many students are seduced by the free gift and think that filling out a piece of paper will not hurt them. Within the next two weeks they receive the credit card, perfect timing because they need to buy their books. One purchase leads to another, and before the student realizes it, they have racked up over \$1,000 in credit card debt.

A recent nationwide survey discovered that 65% of college students carry at least one credit card. Another 20% of that have four or more cards. The average credit card balance is \$2,226.

Many students get caught in the trap of debt because of these reasons: 1) buy now, pay later, how convenient 2) a person can pay it off after a few months 3) the APR, or annual percentage rate. The APR is the amount the credit card holder will be charged against their balance every month. It is the APR that students are not aware of until they realize it tacks on another \$20-30 to your bill.

Most credit card companies offer an irresistible introductory rate of 9.9%, 7.9%, or even 3.9% APR. However, the credit card companies hesitate to tell how the introductory rate works. Many companies carry an introductory rate in one of two ways: 1) the low rate is for six months then skyrockets to about double 2) the rate will remain the same until a

late payment is received. After three late payments the APR can get as high as 22%.

A minimum payment combined with a high APR can be a disastrous combination against your credit history. Credit companies print the bills with a minimum payment requirement however, the card holder is urged to pay more. If a person were to pay the minimum payments on a balance of \$1,000 and 18% APR, it would take 12 years and \$1,115 of interest to pay off.

Henry Nixon, a student at John Jay College in New York, accumulated over \$10,000 in debt. In order to pay for the bills, Nixon was forced to drop out of school for three semesters.

"The first card was the beginning of the end," said Nixon. "One card led to another credit card, another credit card and another credit card, until finally I had 19 credit cards."

The accumulation of such an outstanding amount is occurring more and more often. The average balance on student credit cards is on an increase. In order for the students to maintain a good credit history, many parents are even picking up the tab.

"The first step is to cut up the credit cards," according to Scott Collins, team manager for Money Management International.

One way around credit card debt is self-control. Students are urged to obtain only one credit card when necessary and use it sparingly. The credit card companies issue a credit limit, although a large portion of your credit should be left aside for emergencies.

For many students however, debt education is arriving too late. Many debt counselors are available for those that can not control the plastic urge. If any questions arise concerning your credit history and/or debt problem, Consumer Credit Counseling can be reached at 1-800-388-2227.

"We Want to Suck Your Blood"

The Student Government Association will sponsor a Red Cross Blood Drive on Wednesday, April 14 from 8:00 a.m.-6:00 p.m. in the Student Lounge in the Main Building. Please come out and support this worthy cause.

When disaster strikes, the Red Cross is there; when you need a life-saving course, the Red Cross is there; and when patients need blood, the Red Cross is there.

Approximately every 50 seconds, someone in the Penn-Jersey Region needs a blood transfusion. To meet these needs, local hospitals must have at least 1,750 people donate blood each weekday.

Did you know that 95% of all Americans will require a blood transfusion at some point in their

lives? However, fewer than 5% of all healthy Americans eligible to give blood actually donate each year.

So Save a Life - Be a Blood Donor! Approximately 72 hours after donating, your lifesaving blood is being used in area hospitals. One pint of your blood donated can help as many as five patients. Pledge your Pint of Life today!!!

The Red Cross is there when you need them, so please be there when they need you. It only takes about a half-hour to donate blood, and it's a tremendous feeling knowing you've helped someone in need. Hope to see you there!

To make an appointment to donate blood, please call Christine Boyle at 891-1258.



A little piece of plastic creates enormous heartache.

Cimbala Spins NATO Action

(Continued from page 1)

NATO has made four mistakes so far, according to Dr. Cimbala. First, they telegraphed the punch. "We gave Milosevic plenty of time to get his air defense systems ready, since we threatened him for a few weeks before actually striking." Everyone knows that the best military tactic is achieving surprise, and that wasn't done in this case.

The second mistake made was bringing Russia to the negotiating table, then "kicking them off the boat" when we decided force was needed and Russia disagreed. Russia is the historical protector of Serbia and is a vital player in this political game. Thirdly, NATO went ahead without consulting the United Nations, and fourthly, as mentioned, stated no end-game.

What Dr. Cimbala suggests that Milosevic should do is play "the media strategy" - like North Vietnam did. "I'd keep video of targets and I'd send them onto the Internet, and broadcast them on TV for everyone to see." Especially if footage was broadcast of shot-down American pilots being dragged through the streets of Yugoslavia - imagine the uproar and anti-war sentiments that would cause back home, as it did during Vietnam.

The good-news scenario for NATO would be if Milosevic threw up his hands and cried "Uncle." The

WHYY TV-12

(Continued from page 2)

field, called "networking." As you meet and develop relationships with people, they are now in a position where they are willing to assist you in your endeavors. This may include introducing you to someone or giving you a recommendation. Listing a summer internship looks great on a résumé. It shows that you are eager to work and have gained essential training in the field already.

I have found that I do not want a career in broadcast journalism. However, I am grateful that I had this opportunity to grow and learn in the field of Communications. Because this was such a positive experience I will be interning with a local newspaper this summer and hope to expand my horizons.

The bottom line is this: you only get out of the internship what you put into it. To make the most of your time ask lots of questions and gain as much knowledge as possible. You will find that the employees are very friendly and helpful. They look to you as the future generation of engineers, teachers, or reporters.

bad-news scenario would be if Serbia rode out the air strikes - then what? "If you start talking ground war, you will begin to see a whole new attitude," warns Dr. Cimbala.

There are legal issues to this whole deal. "This is not Bosnia, which was already a failed state," explains Dr. Cimbala. "Yugoslavia is a sovereign nation-state; it has not invaded a country, it's putting down a rebellion."

"What is Milosevic doing to the Albanian Kosovors that Turkey isn't doing to the Kurds? They've set a dangerous precedent... Are they gonna invade Turkey next?"

"So the real issue is: How far is NATO gonna go? Will it transform itself from a defensive coalition to an all-purpose collective security coalition? And how will Russia, the historical protector of Serbia, react?"

As well as increasing casualties, a prolonged NATO campaign would have major political implications. For instance, President Clinton, who we all know has been under much personal scrutiny during his term, could lose what little credibility he has left if American casualties begin piling up. Sure, Clinton insists he will not send ground troops into Yugoslavia, that he will not escalate this conflict - but there have been presidents in the past who have echoed this rhetoric (Wilson, Nixon, LBJ..etc) in vain.

The most important problem evident here is that this isn't a conventional, "numbers" war; this is a war of identity, a question of: *who am I?*

"No matter how many Serbs you kill, they are not going to throw up their hands and surrender," points out Dr. Cimbala. You simply can't destroy ethnicity with bombs.

AIM HIGH

We Don't Ask For
Experience — We Give It!

Most employers ask for experience — we don't. The Air Force offers these powerful tools to prepare you for the 21st century:

- Education
- Training
- Experience

For more information call
1-800-423-USAF or contact your
local Air Force recruiter

