Spring 2021

Let's Talk About (Cred)it

Taylor J. Anderson

LET'S TALK ABOUT ****IT

by

Taylor J. Anderson

A Thesis Submitted in Partial Fulfillment
Of the Requirements for the
University Honors Program

Department of Communication Studies
The University of South Dakota
May 2021

The members of the Honors Thesis Committee appointed
to examine the thesis of Taylor Anderson
find it satisfactory and recommend that is be accepted.

____

Dr. Jill Tyler
Chair and Associate Professor of Communication Studies
Director of the Committee

____

Dr. Leah Seurer
Associate Professor of Communication Studies

____

Prof. Karen Davies
Associate Professor of Accounting

ABSTRACT

Let' Talk About ****it

Taylor J. Anderson

Director: Jill Tyler, Ph.D.

This thesis observes the credit system's communicative patterns and stigmas that have fueled consumer ignorance and discouraged valuable financial discourse and education. For generations, credit consumers have been kept in the dark from imperative personal finance topics. Parents and guardians are not having conversations with their children about credit at home, and neither are a majority of educators. The lack of credit communication at home and in the classroom has ultimately created a massive population that is vulnerable to the manipulation of credit issuers and companies. Consumer ignorance and vulnerability due to the exclusion of credit from conversations and curriculums have created damaging communicative patterns and stigmas surrounding credit and personal finance. These communicative patterns and stigmas have created emotional and material barriers that barricade current and future consumers from financial enlightenment and freedom. We as a society must remove these barriers by communicating with children and educating adolescents on the realities of the credit system and personal finance. So, let's talk about (cred)it.

KEYWORDS: consumer credit; financial literacy; credit communication; personal finance; finance curriculum

TABLE OF CONTENTS

I debated including the word "credit" in the title of my thesis. This thesis observes the credit system's communicative patterns and stigmas, so the word "credit" would make perfect sense in this thesis. As you may have already noticed, the title may or may not include credit at the precaution of deferring interest or inflicting negative emotions on the reader before indulging in my research. I am challenging you, the reader of my credit thesis thus far, to read its entirety, as I will reveal the ignorance and silence shadowing credit and its discourse. I will not observe the ins-and-outs or tips-and-tricks of the multidimensional credit system because, candidly, this system is constantly being manipulated and distorted in favor of the credit corporations at the consumers' expense. Instead, I am going to address why and how corporations can hold such power over their consumers. If you so kindly choose to continue this credit campaign, I promise to educate you on a more avoided topic than the birds and the bees. If you are not entirely convinced about continuing for your common good, continue reading for me, the author who bravely chose to write the longest paper of her career on credit.

First and foremost, thank you for your valuable time and maybe somewhat forced interest. Credit is a scary, adult word, so this journey will begin at everyone's first terrifying adult experience: paying at the register independently for the first time. After anxiously waiting in line, you shuffle up to the register, smiling with a little too many teeth (pre-coronavirus times), as the clerk asks if you found everything okay. Suddenly, the dreaded strand of unavoidable questions and forehead sweats commence. *Do I push debit or credit? What is my pin? Do I want to apply for the in-store credit to save two dollars on my ten-dollar purchase?* If you were socially awkward like me, you likely forgot how to say no and complied with the clerk's request. Rather than gently declining the offer, I would “forget” my email or social security number halfway through the process. These actions took much more time and effort for all parties involved, but adulting is hard.

Adulting is so hard that sixteen-year-old me fell for the bait of agreeing to apply for an in-store line of credit at a Forever 21. The one-time offer of subtracting forty-five dollars from my total purchase proved to be too tempting for my teenage intuition. Thankfully, it turned out I did not know my social security number, so I was unsuccessful in disclosing my personal information to the adolescent clerk. Had I been successful in my first attempt at applying for a line of credit, I would have unknowingly treated it like a gift card that would ultimately sentence me to significant debt and a grounding of at least six weeks. Looking back at this failed attempt, I am grateful I was never allowed to abuse credit at sixteen recklessly, but it would have been a memorable learning experience at a crucial age. Had I racked up the debt in new Forever 21 attire, my mom would have been forced into having a long-overdue conversation with me about credit. This conversation would remain overdue for many years and financial mistakes.

Like the birds and the bees talk, the credit card conversation is often avoided until it is too late. I discovered this parallel while researching why credit is such an avoided and neglected topic of discussion. The first result I was presented with was a scholarly journal on emerging adults' attitudes on how parents should talk more about sex. At first, when the database provided the academic journal on parents communicating with their children about sex while researching credit, I was utterly confused. This result did not aid my direct research, but it provided great insight into excluding credit from conversations. As I read the journal's description of the importance of having this uncomfortable and complicated discussion, it dawned on me that discomfort and complexity were the same underlying emotional barriers that stigmatize and ultimately remove credit from ordinary conversation. These negative emotions surrounding credit and sex discourse dangerously places both topics in an environment that chooses ignorance over enlightenment (Pariera & Brody, 2018). Ignorance is bliss until you are drowning in debt or diapers.

Often, one encounters credit ignorance for the first time from a parent or guardian. This initial introduction to credit and finances plays a prominent role in shaping a child's overall attitude about crucial financial topics. "The interactions within a given environment (i.e., parents, education, work experience) determine children's knowledge and attitudes about money. The negative or positive financial attitudes and knowledge young adults have about finances are influenced by parents and determine how resources are used" (Hancock et al., 2013). The first time I experienced a negative interaction with financial attitudes toward credit occurred after observing my parents' responses to receiving various credit card offers in the mail. At the end of each workday, my dad would grab the mail, sift through it as he walked up the driveway, and then discard one or two items in the trash bin before entering our home. When I inquired about the mail being thrown in the trash, I would get muffled responses of "adult stuff" and "just another credit card scam" to avoid any additional questions that were bound to come from a curious child. These dismissive actions negatively stigmatized credit for me at a young age and significantly impacted my attitude surrounding the discourse of the credit system and its products moving forward.

A few short years later, when I was "ready," or more so age-eligible for credit card companies to start preying on me with personal credit offers in the mail, I was so distraught and clueless that I thought I had done something wrong. When I opened the rare piece of mail with my name on it, I froze in my tracks when I realized what it entailed. *Had I accidentally applied for a credit card? How did they get my information? My mom is going to kill me!* As these thoughts rushed through my head, I frantically grabbed the piece of mail and sprinted out of the house to place it in its designated trash bin. One may have thought I was dealing with a bomb or some other serious threat from how I reacted to this harmless advertising form. I can attest that ignorance dramatized my actions with the knowledge I have now, but I honestly did not know any better as an uninformed teenager. When I mustered up enough courage to tell my mom about my piece of mail laying in the garbage bin later that night, she just laughed, causing even greater confusion within my teenage self.

My credit confusion directly stems from the credit ignorance displayed by my parents during my childhood and adolescence. This credit ignorance theme is generational, as our parents likely also experienced this same ignorance from their parents. "People born between 1980-84 have credit card debt substantially higher than debt held by the previous two generations: on average, $5,689 higher than his or her 'parents' (people born 1950-54) at the same stage of life and $8,156 higher than his or her 'grandparents' (people born 1920-24)" (Anonymous, 2013). This upward trend in credit card debt through the generations further reiterates that credit cards and their repercussions are not being discussed and are increasingly getting worse as time progresses. As stated previously, interactions with parents and given environments determine financial knowledge and attitudes that will equip adolescents to combat these repercussions, but these interactions do not occur.

Why are parents or guardians actively choosing to ignore rather than inform their children on financial topics? “Today, few families are talking about finances, even though most parents and adult children agree that having a detailed financial conversation as a family is important. These conversations illuminate what's most important to the family, financially and otherwise, and help establish a shared plan of success" (TIAA, 2017). Without establishing this plan of success, children will often miss out on an imperative introductory to finances at a critical point in time. Even if the previous family financial plans have been unsuccessful and led to hardships, it is never too late to turn late payments into parent-child conversation lessons. “Many families find it tough to start conversations about money, but parents and adult children who talk about finances feel more positive about them than families who don’t, according to a new survey by Teachers Insurance and Annuity Association of America (TIAA)” (TIAA, 2017). Initiating the conversation is often the most challenging part of the entire exchange.

How do we as a society ignite the needed initiative to hold these conversations in households? “While both parents and adult children consider financial conversations to be very important (74 percent and 87 percent, respectively), surprisingly few people surveyed in either generation are very likely to start a conversation about any financial topic (just 11 percent of parents and 37 percent of adult children)” (TIAA, 2017). These statistics are not only alarming but highly concerning. Primarily, the11 difference in the statistics of those who consider financial conversations to be significant compared to the statistics of those likely to start a conversation illustrates the degree to which stigmas surrounding these topics are deferring discourse. Furthermore, the difference in the statistics of adult children’s emphasis on the importance of having these conversations and willingness to initiate them compared to the same statistics describing their parent's willingness is incredibly disheartening. Not only are adult children more aware of the importance of this conversation, but they are also more willing to initiate the conversation. The gained insight of adult children being more open to this topic of discussion should help alleviate the emotional barriers present for parental reasoning in diverting discourse.

Removing these presumed emotional barriers of discomfort and complexity will not immediately add finance, and specifically credit, into the conversation. Additional material barriers of family income and social class rank deter parents from disclosing their children's financial information. These specific barriers are not about igniting the conversation but rather enabling parents and guardians to speak on credit and finances. In a study done by Sigrid Luhr and published in the Journal of Family and Economic Issues, fifty-two parents and adolescents residing in the United States were interviewed to gain insight on how adolescents learn to navigate the financial world according to their social class. The study's main focus was to determine how children learn about finances from their parents and how their family's social ranking impacts this. While interviewing parents, the study found that middle-class parents in the sample were more likely to be proactive in engaging and teaching their children about finances (Luhr, 2018).

On the other hand, working-class parents did not feel adequately equipped or enabled to teach their children financial skills, resulting in the sheltering of financial matters rather than conversing. The adolescent interviews produced similar findings, as middle-class adolescents felt greater ease entering and maneuvering through the financial world. Working-class adolescents expressed more uncertainty with less comprehensive information than those belonging to the middle-class and less accurate and more contradictory information (Luhr, 2018).

The presentation of these material barriers is more challenging to dismantle than the emotional barriers blocking parents from financial consultation with their children. Although a solution to these physical barriers may not be as evident, this study gives excellent insight into why we see an increase in credit card debt through the generations. Credit card debt has plagued families for generations because family socioeconomic rank carries an influence through the ages. This repetitive cycle of parents accruing debt and financial hardships that indirectly transfer to their children is hard to escape due to the lack of parent-child communication. Parents held captive by this cycle are not to blame for their family’s destined misfortunes. Often, parents also do not have the proper knowledge or educational opportunity to learn about finances and the credit system. “73 million adults are struggling financially, and over 65% of Americans are financially illiterate and unable to manage their finances” (Sherwood, 2020). In common cases where both the parents and the adolescents struggle with communicating on credit and finance concepts, we must look further outside the walls of a home.

Outside of the home, the educational systems we belong to play a substantial role in shaping our thoughts and attitudes towards indispensable topics. In the United States, we heavily rely on our education system as the dominant force in the development and stimulation facilitating children's emotional and intellectual growth. According to the U.S. Department of Education, the overview and mission statement gave claims, "E.D.'s mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access" (U.S. Department of

Education, 2011). This statement is broad to cover multiple disciplines for various populations, but what is missing from the bigger picture is often left out in the details.

The phrase "promote student achievement and preparation for global competitiveness" is used to summarize the curriculum's goal in the United States. Having a grasp of the credit system and understanding financial literacy is critical to personal student achievement and the ability to prepare and prosper in global competitiveness. Unfortunately, many U.S. citizens that go through the educational system as students do not exit the system with a proper understanding of this information. "Just as individuals must have reading and math literacy to navigate today's world, they also need basic money management skills – i.e., financial literacy. Yet, financial illiteracy is rampant, leading experts to warn that unless the trend is reversed, a financial crisis awaits Americans and, by extension, their communities and the nation itself" (Anthes, 2004). Reading and math literacy are necessary life skills, but financial literacy is imperative for personal achievement and constructive participation as a consumer. Prospering in global competitiveness is an admirable goal, but the dark reality is that U.S. citizens cannot thrive in their communities due to the emphasis imbalance in our curriculum.

Why is it important to be financially literate? "Financial literacy is a specific component of human capital which allows individuals to deal with fundamental financial issues to make adequate financial decisions" (Arrondel, 2018). When a person is not financially literate, they are not equipped to deal with fundamental financial issues or have the cognitive ability to make decisions to avoid or resolve these issues. This common lack of knowledge often leads to an increase in personal debt. To impede this increase, we must emphasize financial literacy education for all, starting with basics in elementary education and progressing with more rigorous financial topics through secondary and postsecondary education. Not only may this slow down the rate of increase, but it is also a valid attempt to promote the goal of student achievement inside and outside of the classroom in the competitive global world.

Currently, I am a senior undergraduate student at the University of South Dakota. Until recently, I was oblivious to how ill-prepared I was to enter and prosper in global competitiveness following graduation in a few months. My educational experiences leading up to this point have been nothing short of exceptional, but I did not receive a pivotal financial literacy curriculum. "A standardized financial literacy curriculum ensures that all students in a school system receive financial knowledge, which offers them the necessary support to make informed decisions about money management and practice appropriate financial behavior" (Ho Maxwell & Lee Daphnee, 2020). This reappearing theme of financial knowledge is necessary for support. Appropriate financial practice should be the driving focus in the fight to include a standardized financial literacy curriculum in all United States educational systems.

Parents and guardians are not teaching their children about credit cards or in-depth financial topics, and neither are our nation's educators. The two most significant influences in shaping our minds and attitudes are neglecting a monstrous area of influence in shaping our overall wellbeing. Conversing with primary school-aged children about credit can help eliminate misleading stigmas they may soon encounter. We have the valuable opportunity to positively influence their immediate interaction with credit from a helpful and knowledgeable source. Introducing financial literacy at the elementary level instills good habits that, in turn, blossom into lifelong skills and produce positive impacts at an ideal age.

To further observe this, government and non-government organizations promoted a trial in Ghana on the impact of financial education for Ghanaian youth in 2018. They conducted a randomized study of two financial literacy programs in government-run Ghanaian elementary and middle/junior high schools. "The first integrated both financial and social education, while the second included only financial education. Our study finds that after nine months, both programs had positive impacts on self-reported savings at school relative to the control group" (Berry & Pradhan, 2018). Elementary and middle school students participating in financial and social education or solely a financial education course benefitted more than students not enrolled in either class. Understanding how to operate the system to increase personal savings is a directly applicable skill that can substantially make a positive difference in personal finance, notably when understood at an optimal age.

Unfortunately, this highly applicable life skill is often not being introduced until later in one's academic career, if at all. "Just 17 states require high school students to complete a personal finance course" (Carrns, 2019). Through this statistic lens, my academic career ranks above average for including a required personal finance course. I had the privilege of obtaining my kindergarten through twelfth-grade education in the Sioux Falls School District in Sioux Falls, South Dakota. Niche, an in-depth profiler of every school and college in America, ranks the Sioux Falls School District in the top ten of the 185 school districts in South Dakota. "The Best School Districts ranking is based on rigorous analysis of academic and student life data from the U.S. Department of

Education along with test scores, college data, and ratings collected from millions of students" (Best School Districts, 2021). I can attest to the rigor of the Sioux Falls School District curriculum, but I can also verify the lack of focus on this specific curriculum's financial literacy.

This realization has been one of the most challenging concepts for me to process throughout researching and writing this campaign. It is not hard for me to accept that I was naive about my financial abilities to use a credit line resourcefully. It is not hard for me to admit to my deprivation of vital and authoritative knowledge over a system I will inherently be a part of for the rest of my life. It is not too hard for me to disclose my embarrassing experiences due to the deprivation of financial intelligence and stimulation (as you can tell from this autoethnography). What is highly burdensome about this realization is knowing I had an above-average academic experience with minimal retention of financial topics and zero credit interaction or familiarity to validate it. If someone were to have a conversation with me about consumer credit in high school, I would have been almost as intriguing as a brick wall.

The absence of financial literacy retention and communication is not exclusively due to my educators' efforts, the primary and secondary schools I attended, or even the district to which I belonged. My classmates and I's shortcomings directly stem from the content standards accentuated and enforced by South Dakota. The South Dakota Content Standards do not claim to mandate a specific curriculum for school districts. Still, they are the foundation and framework for developing and assessing all South Dakota school districts' curriculums. These content standards are benchmarks for what students should know and demonstrate after each grade level. South Dakota strives to keep these standards current and relevant to learning experiences through the review, revision, and feedback process involving stakeholders throughout the state. Comprehensively, these content standards' goal is to have all students receiving their kindergarten through twelfth-grade education in South Dakota equipped for college and a future career (South Dakota Content Standards, 2021).

College, a career, and life, in general, will come at you rapidly, whether you are ready for them or not. If you were to ask me if I felt “ready” for college, a career, and life following high school graduation, I would have most certainly overestimated myself and answered positively. At this age, I could have told you how many protons and neutrons numerous elements contained, the history of the Shang dynasty, and even how to find the square root of a fraction on good days. On the other hand, if you were to ask me if the card I was using for transactions was debit or credit at this age, I would have incorrectly responded credit. I honestly thought my debit card was a credit card at eighteen because my father always taught me to choose credit when checking out to avoid the extra step of entering a PIN. His actions also led me to believe that debit cards and credit cards were essentially the same product and could work interchangeably. These fantasies were my reality until my sophomore year of college when the truth enlightened me through an interaction with a peer with a real-life credit card. Looking back, not only do I realize how ill-prepared I was for the following stages of life, but I also realize the impact of the emphasis imbalance in the state's educational content standards, and therefore our district's curriculum. Credit card companies had me cornered in the prime position, in the darkness of silence and ignorance.

If the South Dakota Content Standards want to successfully achieve their goal of having students graduate from their state educational systems ready for college, a career, and life, a severe revamping of their finance standards must transpire. “Formal personal finance classes, increasingly offered in high school, are generally considered the best way to improve people’s personal finance knowledge and discourse” (Scott, 2010). Improved knowledge will lead to greater confidence and comprehensive improvement in speaking on the subject matter. Presently, the South Dakota Content Standards include career and technical education, education technology, English language arts, fine arts, health education, mathematics, Oceti Sakowin essential understandings, physical education, school library, science, social studies, world language, and at the bottom, a section for other, miscellaneous standards. If you expand the section titled "other standards,” you will find one additional measure titled "personal finance standard." They chose not to give personal finance its standard but rather classify it last under "other" does not make immediate sense. It does exemplify the current emphasis imbalance plaguing our state’s educational foundation and framework (South Dakota Content Standards, 2021).

Further research into the personal finance standards led to further disappointment. At this moment in time, there is merely one course detailed in all of the K-12 South Dakota Content Standards under the standard titled "Personal Finance." This course is designed specifically for high school students, typically in their junior or senior year. Students enrolled in this course will contingently earn half of a required finance credit hour upon the successful completion of the course (a passing grade, usually set at 64.5% or higher). No prerequisite courses are required or even offered, with no secondary follow-up courses to build on the limited knowledge provided through the only personal finance course (South Dakota Content Standards, 2021).

When I enrolled in this Personal Finance course as a junior in high school, I did it because it was necessary to be eligible for graduation. It was also known as a stress-free course that often boosted students' grade point averages. Stress-free was the understatement of the century, as I found myself indulging in some of my favorite movies during class time, such as "The Devil Wears Prada" and "Confessions of a Shopaholic." Do not misquote me; I am all for using movies as supplemental aids when teaching a lesson but having little to no basic understanding of the content at hand, the lessons in these movies resonated with me to the same minimal degree when I first viewed these films. When we were not viewing films, we were assigned to unrealistic scenarios and budgets to work with to learn "legitimate" budgeting skills. These scenarios included a sweet sixteen birthday bash with a budget suitable to make it on MTV, and an album release party for rapper Lil' Wayne, also with a budget of more money than I will ever have. Talking over these fantasies was entertaining, but they also stole valuable discussion time in the one class designed to strengthen my financial foundation and dialogue.

At the time, I enjoyed this subject matter as it made budgeting more interesting, but now that I am a broke college student with no relevant budgeting experience, I do wish this course would have been more applicable to students’ current lives and situations. I know I will never get to host Lil’ Wayne an album release party, and I also know I will eventually have to use a credit card and build a reputable credit score. As embarrassing as it is to admit, I did not know how to adequately use a credit card or what a respectable credit score was when I graduated high school. Credit was barely even mentioned throughout the semester-long duration of the one financial literacy course I was required to take in all of my thirteen years in the Sioux Falls School District. When my instructor briefly mentioned credit, it was in a negative light that resulted in the continued personal desire to remain in the dark and further avoid enlightening myself.

This course teaches credit and its products in the light of being potentially harmful and personally damaging to the consumer. Not due to the personal opinions or preferred teaching style of my personal finance instructor, but rather the standards set in place by the state are once again the culprits at fault. The course standards for personal finance set five indicators to test competency. The five indicators highlighted by the South Dakota Content Standards are listed respectively as followed: Analyze elements that affect personal income, implement processes involved in managing personal finances, use an informed decision-making process to manage credit and debt, evaluate savings and investment options to meet short- and long-term goals, and use appropriate and cost-effective risk management strategies. I am unsure where “The Devil Wears Prada” or Lil’ Wayne’s album release party would file under these given indicators. Credit makes a small appearance under the third indicator of using an informed decision-making process to manage credit and debt. Expanding this indicator, you will find in the course description that students have to recall details on consumer credit and use them to explore the consequences of using credit and making poor financial decisions (South Dakota Content Standards, 2021).

I was baffled by the word "recall" in this description, as they expect students to use prior knowledge that is most likely nonexistent for a majority of them enrolled in this class. It is impossible to recall information not taught to you at home or in the classroom. The word recall also insinuates that the initial information covered under this indicator on consumer credit is not adequately comprehended. Personal Finance expects students to have this prior knowledge while offering no prerequisite courses. The state sets these exceptional standards with high hopes for student achievement but then deprives students of the necessary tools and content to reach these standards and achievements.

A single credit concept under the third indicator after the introductory "recall" remained of mastering the consequences of using credit and making poor financial decisions. It turns out, “Confessions of a Shopaholic” served as the perfect lesson, taking the place of valuable classroom discussion on credit. This movie is an excellent example of credit consequences and poor financial decisions, but solely viewing this movie to cover critical concepts did not aid in my mastering of these skills. Checking out for most of the along with my classmates, I took the unknown risk of continuing to choose ignorance with hopes that college would soon appropriately advise me on the credit system and its products. I was a naïve eighteen-year-old that had yet to have a purposeful or impactful conversation about credit.

Entering my first year of college with insufficient knowledge of the credit system is an unknown risk that numerous other college students also take each academic year. “College students don’t possess a high degree of financial knowledge, regardless of how it is operationalized for the analysis (whether students are tested on general topics in personal finance or knowledge pertaining to credit cards). In almost every previous study, college students earn what would be considered a failing grade in personal finance” (Robb, 2011). A failing grade in this subject can carry a considerable impact on your financial and overall future. “Debt-related problems such as canceled credit cards and late payments are hitting Americans at a younger age as credit card issuers have expanded their marketing efforts to college students” (Hale, 2001). Credit card companies are aware of the credit ignorance crisis in American adolescents and adults, leading them to take advantage of this vulnerable population to which millions of students, including myself, obliviously belong. The student population is more susceptible to credit card issuers ' manipulative tactics when they take the risk of entering college with limited credit competency or interaction.

Knowing little about your predators is perilous, but knowing even less about yourself being the prey is exceedingly more threatening. "Consumer credit products, such as amounts owed to different creditors and for different purposes (credit card balances, loans, etc.) are complicated to use and understand. Many consumer credit products are easily accessible to university students, even if (the students) are not very competent to use them" (Cloutier & Roy, 2020). Consumer credit products are easily accessible to university students because this population is an exposed and susceptible target for credit corporations. We may not realize our utter lack of credit literacy, but credit card issuers do. Their job is to seek us to reap the considerable potential benefits for their company, not the consumer. Credit card companies profit from consumer incomprehension and negligence, positioning college students as the primary prey on their food chain.

College campuses are viewed as goldmines to credit card companies. “Credit card issuers have found that consumers tend to remain loyal to the first company that gives them a credit card, which has led to a rise in on-campus credit card marketing. The percentage of college students with at least one credit card rose from 67% in 1998 to 78%

in three years" (Hale, 2001). On-campus credit card marketing is a direct way companies can make a first impression on students to attract a fresh new pool of plausible consumers. "Credit card pitches have become ubiquitous at colleges, with 58% of students surveyed saying they found solicitors set up on campus for two days or more during the first two months of the school year. Eighty percent reported they signed up for a card simply to receive free goodies, such as T-shirts and candy bars offered by companies" (Hale, 2001). This pitching tactic is an imminent threat to college students because this interaction between the issuer and the student is often the student's first adult conversation about credit. This exchange can be comparable to a shark assisting his prey in learning how to swim "fast."

Credit issuers are the last person that should jumpstart adding credit to this vulnerable target population's dialogue. Credit solicitors being the primary point of contact for credit for college students is a risk we cannot afford to take. Credit card issuers can manipulate and deceive college students by capitalizing on credit ignorance and their products' fabricated glamorization. "Credit card issuers say college students have proven to be responsible customers and that many are employed. Because so many students are living away from home, the comfort of having a card for emergencies or travel purposes also may entice students to apply for a card, said Maria Mendler, a Citibank spokeswoman" (Hale, 2001). In scarce cases where the student is financially aware and literate, this may be true. Still, statements such as this are not representative of the great majority of the student population. We must identify a neutral ground between speaking about credit with pessimistic overtones and speaking about credit from behind deeply tinted rose-colored glasses. Until we find a neutral ground, ignorance, silence, and credit issuers will prevail in keeping honest and constructive credit conversations from spreading consumer credit awareness.

This deception has bedeviled college students into debts and depressions that have markedly concerned researchers and policymakers over the last decade for disturbing yet real reasons. "A credit card debt over $1,000 is considered risky for college students and has been associated with unhealthy behaviors such as abusing drugs and alcohol, high-stress levels, low financial wellbeing, declined mental and physical health, and lower academic performance" (Hancock, Jorgensen, & Swanson, 2013). A student could find themselves with a credit card debt of $1,000 or more single-handedly from purchasing their required textbooks for just one semester of courses. "The problem of consumer credit card debt has permeated college campuses. Seventy-six percent of undergraduates have at least one credit card, freshman carries an average of $1,585 in credit card debt, and students graduate with credit card balances averaging $2,864" (Morgan, 2009). Textbooks are hardly the tip of the iceberg when it comes to academic tuition and additional fees. College is an expensive and exhaustive experience while simultaneously trying to navigate newfound liberties and responsibilities. Blindly committing to the extensive duties of credit amid these newfound liberties and responsibilities proves to be too much for students.

Recklessly authorizing a line of credit as a college student can produce previously stated short-term ramifications of unhealthy behaviors and the perceived threat of tarnishing one's wellbeing. These short-term complications can develop into long-term issues, as applying for credit as an ill-informed college student is not something that can necessarily be erased or reversed later for at least seven years. "Like numerous adults, they do not grasp the often-expensive issues of grace periods, late payments, finance charges, and minimum payments. Students also need to learn about the importance of building and keeping a good credit history since it affects their chances of getting future loans and even their ability to find a job" (Anonymous, 2000). Generally, students are eligible to enroll in college after qualifying for financial aid assistance. Student loans allow individuals to invest in themselves by making the inflated expense of postsecondary education more attainable. This financial assistance is vital for their future success, as tertiary education is a frequent prerequisite required for many jobs and careers in today's society. Prematurely signing the dotted line of a credit contract can hinder an individual's qualifications to receive assistance, as well as derail their aspirations.

What determines a premature signing? When someone is genuinely ready to use a credit card, their age or educational level are not telltale factors. Instead, these factors rely on their ability to cognitively process and earnestly understand the credit system's short-term and long-term implications and its products. "It takes a lot of self-control and financial discipline to use a credit card. Without these, you can quickly and easily rack up balances and get yourself in debt, piling interest, and developing poor credit score" (Valuewalk, 2020). In college, you gain an ample understanding and appreciation for self-control and discipline, but I was wildly mistaken in assuming my professors would spend time covering the absolute basics of personal finance. Instead, I was thrown into the deep end with my economic and accounting courses, learning about the various correlations between supply and demand and how to credit accounts receivable that needed decreasing. Thankfully, I had outstanding professors that made learning to swim and staying afloat manageable in these challenging business courses. Ironically, I knew how to use correctly and confidently explain credit in an accounting aspect before I learned how to properly use or give a basic explanation of a credit card. Had I signed on to a line of credit during my college years, I would have prematurely signed an in-depth contract that required advanced credit literacy I was unable to process or understand.

I do not feel cheated by my college education in the same way, I do about my primary and secondary education. Realistically, I should have known how to use a credit card long before I drove down Cherry Street in Vermillion for the first time as a freshman. Additionally, college is a luxury many cannot afford, so I do not believe it should be the primary agent in teaching consumer credit basics. Having a credit score is not a luxury but a necessity that plays a prominent role in your future financial and life endeavors. "Yet, a national survey revealed that many consumers do not understand credit score details with important cost implications" (Targeted News Service, 2016). This assumable revelation needs addressing with urgency. If someone cannot comprehend the details and implications of credit scores, they will not know how to ask questions when they need financial assistance. Questions such as, "What are different ways I can improve my credit score?" or, "How can I set up a monthly payment reminder?" may make all the difference in one's credit score and financial reputation.

Without a respectable credit score, achievements such as owning your own home, applying for any loan, finding feasible interest rates, and even securing employment opportunities are potentially threatened. “A 2006 survey conducted by the Society of Human Resource Management reported that 42 percent of surveyed employers run credit checks on job applicants. This is a big increase from the 25 percent who did so in 1998” (Tell Me More, 2009). With an increase in emphasis on credit scores and credit checks, the role and impact your credit score has on your overall reputation will also increase. When the impact reaches a point of confronting the consumer with the dilemma of being a financial prisoner to their credit score, they no longer get to indulge in their ignorance but rather ponder in it, wondering what could have possibly gone wrong. Ideally, this shift from ignorance to regret will act as a catalyst in igniting the fire in consumers to educate themselves on the credit world's language belatedly.

In the summer leading into my senior year of college, I interned for the First PREMIER Bankcard's business communications department. First PREMIER Bankcard is a credit card company based out of Sioux Falls, SD, that issues millions of credit cards to customers all over the United States. A typical workday for me entailed attending various department meetings, updating the company's intranet site, writing and uploading financial blogs to the company's national website, and other small tasks around the office that required extra input or hands. At this point, you are probably wondering how I got an internship with a credit card company after reading the last twenty-one pages on my deficiencies in consumer credit. Continuing with my transparency theme, I do not know how or why they offered me this position either. Luckily, similar to every previous run-in with credit, the interview process barely scratched the surface of this multidimensional system and product. Accepting this internship was my first real exposure to consumer credit being a part of my everyday dialogue.

Meetings with other departments within the company and editing and updating the intranet kept me in the realm of my comfort zone, as these responsibilities included skills I had mastered throughout my education before taking on this position. However, writing and uploading financial literacy blogs about consumer credit on the company's national website was miles away from my comfort zone. By now, I am sure you have caught on that up until this internship, I would not consider credit and I to be friends or even distant acquaintances, but complete strangers. When they assigned me to write and upload the financial blogs to the company's website to increase our consumers' financial literacy, I was conflicted on whether to laugh or resign. I was bewildered at the thought of me, a top contender for the most financially illiterate person in the room, writing blogs on credit and finance in an attempt to reach millions of customers to facilitate credit education.

Deciding to embrace the challenge at hand and expand my comfort zone, I began my shift from ignorance to insight as I spent most of my days researching varying aspects of the credit system and the workings of consumer credit products. My blog topics varied from setting reminders to avoid late payments to cutting back on small and large purchases when faced with a budget deficit or credit limit. After researching and writing what felt like years' worth of content and discourse (as it probably should have been), I observed that many of my blog topics had negative overtones that I had to try to spin into a favorable lesson. The process behind this included researching assorted consequences credit consumers face in their day-to-day usage of this plastic product. Once I had my topic, I would put on my rose-colored glasses to see the unideal situation's lessons rather than the repercussions. This optimistic lens would also assist in setting the encouraging tone of the blogs.

To better understand the blogs' tone and structure, I have included an excerpt I wrote during my time at First PREMIER.

Holding up the checkout line because of a declined credit card may feel embarrassing, but it is a shared experience in reality. Even if you may have enough funds, there are various reasons why your card may be getting declined. Let's explore some of these scenarios to have a better understanding of how your credit card works before hitting that checkout line.

If you don’t have enough funds or exceed your set credit limit, your transactions may register as declined. Often, people find themselves in this situation when they are unaware of their credit balance or how much they’ve spent. Before you use your credit card, check your current balance on your issuer’s mobile website or app so you can budget before you buy.

If you spend outside of your normal habits, you may be a suspect of fraud, causing a cancellation of your card. Communicate with your issuer about any abnormal spending or vacation plans, so they know it is you making the purchases on the card. This will help your legitimate purchases process and stop actual fraudulent transactions.

If your credit card is expired, you may receive the declined message. Avoid your card expiring by watching for a replacement card in the mail 30 to 60 days before expiration. You can also call your credit card issuer in advance to notify them that you need a new card.

If you miss payments, your credit card issuer may choose to suspend or cancel your card. Try to catch up on late payments to prevent suspension as well as late charges and damage to your credit score. To avoid missed payments, create a monthly budget and set up account reminders or autopay. Knowing your limit and spending within your means will help you avoid missed payments and denied transactions.

Stay on top of your credit balance with complete access to your First PREMIER® Bank credit card online any time and utilize payment reminders, so you avoid late or missed payments.

While writing these blogs, I structured them to flow like mini conversations held between a knowledgeable source and a desperately in the dark cardholder. Collectively, I was shining a rose-colored spotlight on the uncharted areas of typical conflicts and consequences of consumers improperly using their credit cards. These dark areas are often untouched to save the bliss of ignorance and avoid any negative emotions such as embarrassment. We must recognize the importance of ego and reputation while confronting the dark realities of financial hardships. If we cannot accomplish compassionate and empathetic credit communication, consumer credit will remain a stigmatized conversation topic and never understood.

I firmly believe this is the neutral ground I was trying to identify earlier in this communication crusade. This neutral ground consists of shedding a gentle, optimistic light on the negative consequences of credit that have remained in the dark for too long. No one enjoys blatantly discussing their personal debt, drawbacks, or wrongdoings, especially at the expense of others finding out about their financial hardships. The light's scope cannot be too harsh, or the consequences of consumer credit and their commonality will remain undiscussed and never reach a place of shared understanding.

When the rose-colored spotlight highlights the rare young consumer, whose parents have had a line of credit building for them since birth, this scenario becomes overly optimistic and dramatized. Shining the rose-colored light in the dark, avoided topic areas, brings a neutral ground where anxiety, stress, and embarrassment meet assistance, clarity, and answers. Credit consumers need to feel encouraged, not reprimanded if we want this topic's communication and education to flourish increasingly. At this point, it is not a want, but a need to start talking with our children, appropriately prepare and educate our students, and continue to ask questions and hold these conversations as adults. We must do so with a mindset that their future, your future, your community's future, and the overall future of this country depend on this discourse because they do. The only way to combat credit card companies' monopolistic tendencies and wrongdoings are to communicate and educate current and future consumers. Consumers are more protected and empowered against credit card issuers' predatory ways when they are more knowledgeable.

The development of appropriate personal finance courses will be imperative to protecting and empowering current and future consumers. After collaborating with one of my thesis committee members, Karen Davies, a professor of accounting at the Beacom School of Business, I delightfully discovered that USD recognizes this need for primary financial education. Professor Davies informed me that Beacom once had a Personal Finance class available, but it has been canceled for several years due to low enrollment. It was felt the main problem causing low enrollment numbers was the course design, requiring students to be a junior or senior level to enroll. Consequently, for years, students have not had the opportunity to enroll in a personal finance course, but this trend will soon come to an end.

Starting this coming summer of 2021, an introductory personal finance course titled FIN200 – Financial Literacy will be available to Freshmen, Sophomores, and High School dual credit students through USD. FIN200 is an exemplary model for how a personal finance course should be structured. On the University of South Dakota's website, the public can find a description of FIN200 under their academic course catalog. This description reads, “Financial Literacy is a survey course designed to provide a basic foundation and framework for making good financial choices resulting in wealth creation and financial freedom. Topics include budgeting, human capital, labor markets, mortgages, credit, retirement planning, risk management, personal income taxes, and cost/benefit decision making” (2021).

I want to highlight this introductory survey course is designed to provide the primary financial framework most students have yet to master. The topics discussed in FIN200 should serve as the basis for content standards dictating the personal finance curriculum. USD recognized the need to educate their current and possible future students on these topics, leading to discussions of improved financial education and, ultimately, the introduction of FIN200. I am hopeful that other educational systems will follow USD's lead in appropriating and offering a survey financial course for their students. USD is a small start, but starting is often the most challenging part.

Although I am elated at the news of an adequate personal finance course being added to the University, I believe the content of this course should be offered earlier in one’s academic career. As stated previously, college is a luxury many cannot afford due to their financial situation, so introducing necessary financial content at this level is still leaving a large population of consumers in the dark. This large population left in the dark consists of the current and future consumers that could benefit the greatest from credit discourse and finance education. In order to enlighten this population, the content of the curriculum highlighted in FIN200 needs to be accessible to future consumers at an earlier age.

I firmly believe that introducing the content of FIN200 in primary schools can grant future consumers the opportunity to create their own financial futures and break away from generational cycles of debt. In my opinion, to promote adequate content standards for financial literacy in primary education systems, professionals in finance and cognitive child psychology must be at the forefront for development. Using their expertise, professionals in these disciplines can develop appropriate financial learning standards for each level based on cognitive ability and retainment. For example, if most children can cognitively understand and utilize a budget by the age of ten, then a budget should be introduced in the curriculum around grade five. Crafting a financial curriculum in this way ensures an introductory conversation to finances at an earlier age to a population that can understand the content. This process may take time as it requires extensive research and professional insight, but the good news is it is impossible to show up late to a conversation that has yet to really start. So, let’s start communicating, researching, developing, and educating current and future consumers about ****it.

References

Anonymous, (2013). Credit card debt starts with the young. *USA Today, 141*, 8. Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/magazines/credit-card-debt-starts-with-young/docview/1324451001/se-2?accountid=14750

Anonymous, (2000). Are college students ready for credit cards? *USA Today, 129*, 9-10. Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/magazines/are-college-students-ready-credit-cards/docview/214603905/se-2?accountid=14750

Anthes, W. L. (2004). Financial illiteracy in America: A perfect storm, a perfect opportunity. *Journal of Financial Service Professionals, 58*(6), 49-57. Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/scholarly-journals/financial-illiteracy-america-perfect-storm/docview/209616118/se-2?accountid=14750

Arrondel, L. (2018). Financial literacy and asset behaviour: Poor education and zero for conduct? *Comparative Economic Studies, 60*(1), 144-160. doi:http://dx.doi.org.usd.idm.oclc.org/10.1057/s41294-018-0053-9

Berry, J., Karlan, D., & Pradhan, M. (2018). The impact of financial education for youth in Ghana. *World Development, 102*, 71. Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/scholarly-journals/impact-financial-education-youth-ghana/docview/2007967392/se-2?accountid=14750

Best school districts. (2021). Niche. Retrieved March 22, 2021, from https://www.niche.com/k12/search/best-school-districts/s/south-dakota/

Carrns, A. (2019). As college debt rises, so does interest in teaching financial literacy. *The New York Times*. Retrieved March 22, 2021, from https://www.nytimes.com/2019/04/26/your-money/student-loan-debt-financial-literacy.html

Cloutier, J., & Roy, A. (2020). Consumer Credit Use of Undergraduate, Graduate and Postgraduate Students: An Application of the Theory of Planned Behaviour: *Journal of Consumer Policy, 43*(3), 565-592. http://dx.doi.org.usd.idm.oclc.org/10.1007/s10603-019-09447-8

Hale, S. (2001, April 06). More students are falling into credit card debt; finances: Issuers are targeting college kids, a consumer group says, promoting financial woes and bankruptcy at an early age.: [home edition]. *Los Angeles Times* Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/newspapers/more-students-are-falling-into-credit-card-debt/docview/421625948/se-2?accountid=14750.

Hancock, A. M., Jorgensen, B. L., & Swanson, M. S. (2013). College Students and Credit Card Use: The Role of Parents, Work Experience, Financial Knowledge, and Credit Card Attitudes. *Journal of Family and Economic Issues, 34*(4), 369-381. http://dx.doi.org.usd.idm.oclc.org/10.1007/s10834-012-9338-8

Ho Maxwell, C. S., & Lee Daphnee, H. L. (2020). School banding effects on student financial literacy acquisition in a standardized financial literacy curriculum. *The Asia - Pacific Education Researcher, 29*(4), 377-391. doi:http://dx.doi.org.usd.idm.oclc.org/10.1007/s40299-019-00491-z

Teachers Insurance and Annuity Association (TIAA). (2017). It's time for parents and their adult children to start having better financial discussions. (March 01). *Business Wire* Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/wire-feeds/time-parents-their-adult-children-start-having/docview/1872793868/se-2?accountid=14750

Luhr, S. (2018). How social class shapes adolescent financial socialization: Understanding differences in the transition to adulthood. *Journal of Family and Economic Issues*, *39*(3), 457-473. doi:http://dx.doi.org.usd.idm.oclc.org/10.1007/s10834-018-9573-8

Morgan, B. L. (2009). *The interactive effects of personal credit literacy in predicting the credit card debt of college students and subsequent outcomes* (Order No. 3353657). Available from ProQuest Dissertations & Theses Global. (305132166). Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/dissertations-theses/interactive-effects-personal-credit-literacy/docview/305132166/se-2?accountid=14750

Pariera, K. L., & Brody, E. (2018). "Talk more about it": Emerging adults' attitudes about how and when parents should talk about sex. *Sexuality Research & Social Policy*, *15*(2), 219-229. doi:http://dx.doi.org.usd.idm.oclc.org/10.1007/s13178-017-0314-9

Robb, C. A. (2011). Financial knowledge and credit card behavior of college students. *Journal of Family and Economic Issues, 32*(4), 690-698. doi:http://dx.doi.org.usd.idm.oclc.org/10.1007/s10834-011-9259-y

Scott, Robert H., I., II. (2010). Credit Card Ownership Among American High School Seniors: 1997-2008. *Journal of Family and Economic Issues, 31*(2), 151-160. http://dx.doi.org.usd.idm.oclc.org/10.1007/s10834-010-9182-7

Sherwood, A. R. (2020). *Differences in financial literacy across generations* (Order No. 28001493). Available from ProQuest Dissertations & Theses Global. (2418415961). Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/dissertations-theses/differences-financial-literacy-across-generations/docview/2418415961/se-2?accountid=14750

South Dakota Content Standards. (2021). South Dakota Department of Education. Retrieved March 24, 2021, from https://doe.sd.gov/contentstandards/

Targeted News Service. (2016). 6th annual credit score survey reveals large majority know credit score basics but don't understand important details. (June 13). *Targeted News Service* Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/newspapers/6th-annual-credit-score-survey-reveals-large/docview/1796173435/se-2?accountid=14750

Tell Me More. (2009) *Low credit scores affect job applicants*. (August 11). Washington, D.C.: NPR. Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/other-sources/low-credit-scores-affect-job-applicants/docview/1016066865/se-2?accountid=14750

U.S. Department of Education. (2011). *About E.D. overview: Mission.* Retrieved March 29, 2021, from https://www2.ed.gov/about/overview/mission/mission.html

ValueWalk. (2020). *Phil's stock world: A Beginner's Guide: Everything you need to know about credit cards*. Chatham: Newstex. Retrieved from https://usd.idm.oclc.org/login?url=https://www-proquest-com.usd.idm.oclc.org/blogs-podcasts-websites/phils-stock-world-beginner-s-guide-everything-you/docview/2430686992/se-2?accountid=14750