This thesis titled
College Students and Credit Card Use in the Twenty-first Century

by

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ABSTRACT

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The issue of college credit card use has been studied in the United States for decades. This work explores the differences of credit card use between American and Taiwanese college students sampled at Ohio University and National Hsinchu University of Education in Taiwan. Based on sociological theories and Chinese culture, three variables—stigma of debt, fear of financial risks, and distrust of banks—are proposed to explain different credit card use results from culture. The connection between attitudes toward credit cards and five variables, which are credit card ownership, stigma of debt, fear of financial risks, distrust of banks, and parents' suggestions about credit card risks, were tested. The findings suggest that cultural factors—stigma of debt, distrust of banks, and fear of financial risks—and structural/institutional factors—credit card law, financial support from family members, and access to credit cards on campus—contribute to American and Taiwanese college students’ different attitudes toward credit cards. The findings also imply that structural factors are powerful to affect consumer behaviors in different countries.

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CHAPTER 1: INTRODUCTION

The relationship between cultural influence and people’s behavior has long been of interest to sociologists. In recent years, credit card use and mounting debt among college students in the U.S., along with related social problems such as overconsumption and credit card fraud, have drawn increased attention from a range of academic fields. Despite this attention, there remain several unanswered questions. For example, is there a difference in credit card use between American college students and their counterparts from other countries? And if so, what factors are behind these differences? Are the differences driven by institutional factors or cultural factors? In this thesis, I am going to address these questions by exploring the possible factors contributing to the differences between American and Taiwanese college students in an attempt to demonstrate how both institutional and cultural conditions shape consumer culture and credit card use.

The proliferation of credit cards worldwide is one consequence of globalization; many credit card companies are international enterprises. The U.S. and Taiwan are both democratic and capitalist countries where credit card companies offer their products to consumers. The genesis of the credit card can be traced to the mid-1900s in the U.S.; the first credit card was introduced in 1951. Credit cards with a revolving line of credit (also named revolving credit) were issued in 1959 (Gerson & Woolsey, 2009). It was not until 1974 that the first credit card was launched in Taiwan by a private bank; the

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1 According to a Britannica article ("revolving credit", 2011), a revolving line of credit is a rule that cardholders can partially pay their credit card bills over a period of time. Because cardholders are able to make partial payments on their monthly credit card bills, payments are made based on the balance. Based on rules of various credit card lenders, payments are added into the interest charge and service charge depending on the outstanding balance. If a person did not pay his/her credit card bill off over a period of time, he/she was revolving his/her credit card debt. If the balance is paid off, no service charge, debt, and interest need to be paid.
internationally-used credit card with a revolving line of credit was issued in 1989 (Liao, 2007). Although the history of credit card use in Taiwan is younger, credit cards are now common in both countries. However, examining the use of credit cards among college students in Taiwan and the U.S. reveals significant differences in credit card ownership and attitudes about their use.

Credit cards have achieved remarkable influence at both the micro and macro levels of American society (Ritzer, 1995). For example, the credit card, which has become the prevalent tool of consumption, has forever altered the relationship between the buyer and the seller—a relationship that was once based on an exchange of cash is now based on a contract to pay sometime in the future. The prevalence of credit cards has also affected how millions of Americans consume—many of whom charge products that they otherwise cannot afford, and then spend years making monthly minimum payments. Unfortunately, although credit cards are convenient, they can cause subsequent problems. Because of the high interest rates, increasing fees, and overuse of credit cards, credit card debt has become a social problem in western society.

Credit cards and credit card debt have also become a part of many American college students' lives. Sallie Mae reported that "Eighty-four percent of undergraduates had at least one credit card” (Study finds”, 2009). The same report concluded that senior undergraduate students graduated with more than $4,100 in credit card debt (Study Finds”, 2009). The findings shed light on Manning’s (2000) conclusion that American college students who graduate with credit card debt experience continued debt problems post-college graduation. As a result, this population of credit card users has caught the
attention of American scholars (Holub, 2002). The reasons for the interest are many, but include the financial vulnerability and ignorance of many college students; the ever-increasing costs of attending college; the amount of credit that is extended to students, many of who have no jobs; and the implications of living with significant credit card debt, often in addition to student loan debt. For example, credit card debt is also associated with mental health problems and risky behaviors, including drinking, smoking, and insufficient exercise (Berg, Sanem, Lust, Ahluwalia, Kirch, & An, 2010). Manning (2000) also demonstrated that credit card debt resulted in many individual problems which led some college students to withdraw from university. Further, his interviews with college students suggested that credit card debt not only deteriorated the quality of their lives, but also had larger social consequences (Manning, 2000).

In contrast, credit card use and attitudes toward credit cards among non-American college students has been much less studied. For example, while in Taiwan there is research on credit card technology (Li, 2007) and the effects of consumption (Chen, 2002), there is limited research on students and credit card use. One exception is research conducted by MasterCard that concluded that Taiwanese college students, in contrast to American students, paid off a higher percentage of their credit card balances each month (Wang, 2008). Specifically, over ninety percent of Taiwanese university students, including undergraduates and graduates, paid their bill in full every month. Approximately sixty-five percent of American college students who had at least one credit card paid their bills off every month (“Student monitor”, 2008).
Another difference between Taiwanese and American students is that only 16.3 percent of Taiwanese students, in contrast with 84 percent of U.S. students, have credit cards (Wang, 2008). This asymmetry may be due in large part to restrictions imposed by the Taiwanese government and the Banking Bureau in Taiwan. For example, university students who cannot obtain their own financial statements from banks cannot apply for credit cards. In addition, conventional concepts of financial management in Taiwan favor cash over credit. Finally, many Taiwanese are suspicious of credit cards because they often come with fees (Chen, 2006; Tien, 2008).

In general, credit card use in Taiwan is very different from credit card use in the U.S. Taiwan is a non-western region, having a different reaction to globalization, because globalization is highly related to the process of westernization. As the interaction between East-Asia and the U.S. increases, so too does the importance of comparative research. The purpose of this exploratory study is to collect comparative data about college students’ practices and attitudes toward credit cards in the United States and Taiwan. The researcher's personal observations were the initial catalyst for this study. I observed that in contrast to my experience in Taiwan, American college students appeared more likely to own and use credit cards, and that the stigma of debt, distrust of banks, and the fear of financial risks that often affect credit card ownership in Taiwan were absent. To further explore these observations, students at Ohio University in the United States and National Hsinchu University of Education in Taiwan completed self-administered questionnaires that asked about their credit card ownership and attitudes toward credit card debt. The data suggest that American and Taiwanese college students
have significantly different rates of credit card ownership, debt-related stigma, distrust of banks, fear of financial risk, and financial advice from parents.
CHAPTER 2: LITERATURE REVIEW

Credit cards in the U.S. and Taiwan

Credit cards facilitate increased levels of consumption. In the United States, 78 percent of families have one or more credit cards and 76 percent of undergraduates have credit cards (Woolsey & Schulz, 2009). For American college students, using credit cards to buy clothing, the most recent technology, college textbooks, or pay for university fees and tuition is commonplace; additionally, females and males demonstrate different styles of consumption (Hayhoe, Leach, Turner, Bruin, & Lawrence, 2000). This means that for the American college student, using a credit card is generally a widespread, thus familiar, phenomenon.

The phenomenon of credit cards also reveals how much influence banks and corporations have on consumers’ everyday life in a capitalist society, since they are the issuers of cards and the collectors of debts. They are powerful representatives of economic institutions. Thus, the different credit card usage in the U.S. and Taiwan suggests different influences of economic institutions in both countries.

In spite of the convenience, the consumption encouraged by credit cards and the immoderate use by card holders has led to substantial credit card debt and financial problems in the United States. For instance, some students who have insufficient finances use credit card loans to pay their university tuition. Also, some students use credit cards to meet other college expenses and help their family members (Manning, 2000). The limited finances of these young people, coupled with frequently high interest rates on credit cards, cause more debt (Kamenetz, 2006). For the past decade, young adults in the
United States have experienced increased indebtedness as they have been given unprecedented access to credit instruments, namely credit cards (Draut & Silva, 2004). Increased debt among Americans may also result from attitudes toward money and habits of consumption (Roberts & Jones, 2001). In a nutshell, the phenomenon of American college students‘ credit card debt has resulted from a combination of consumer culture, shifts in financial realities, economic organizations (banks and enterprises), and lending policies.

Because of strict credit card laws in Taiwan, information about credit card ownership and demographics among Taiwanese college students is not available; that information is secured by credit card issuers and cannot be acquired for other purposes (Li, 1997). Further, financial research in Taiwan has tended to focus on elementary and high school students, rather than college students (Su, 2006). Compared with their counterparts in Western society, Taiwan people still prefer to use cash (Su, 2006). Among college students who had at least one credit card, the frequency of credit card use and the amount charged was low (Li, 1997). Taiwanese college students who had credit cards favored three features of credit cards the most: “protection when cards are lost”, “24 hour service”, and “worldwide availability” (Li, 1997, p. 91). Li‘s study suggests that Taiwanese, more so than American, college students may pay more attention to the presumed safety of credit card usage. Based on this literature, it appears that Taiwanese frequency and preference of credit card usage are different from that of the U.S.

Finally, the high saving rate in Taiwan is quite possibly an important factor affecting credit card use. For many Taiwanese, saving money is much more important than buying
things. As such, the desire for a credit card may be diminished. Although Taiwan has
grown as a modern country and enjoys a relatively high standard of living, the general
concepts of financial management are still based on conventional-Chinese belief systems.

**Attitudes toward credit cards.** Existing literature suggests that attitudes toward credit
considerably influence individuals’ spending patterns. According to Chien & Devaney
(2001), American people who reported favorable attitudes toward credit cards had more
installment debt. American college students’ attitudes toward credit were positive (Xiao,
Noring, & Anderson, 1995). They regarded credit cards as a helpful thing in their lives.
In Warwick and Mansfield’s study (2000), American college students’ attitudes towards
credit were “realistic” and “optimistic” (p. 623), thus suggesting that they generally
regarded credit cards as helpful rather than potentially problematic. In contrast,
Taiwanese college students tended to have more prudent attitudes towards money and
were often critical of how they spent their money. For instance, even when they spent
relatively very little money on an item, they often complained that they had spent too
much (Su, 2006). Although the literature is limited, it appears that Taiwanese college
students, compared to their American counterparts, have critical attitudes toward credit
cards.

**Attitudes toward debt.** Research suggests that Americans are much less stigmatized by
debt, especially when compared to the Chinese. For example, academics who study
consumer bankruptcy (Sullivan, Warren & Westbrook, 2006; Thorne & Anderson, 2006)
conclude that while filing for bankruptcy remains highly stigmatized, debt itself is not necessarily something of which Americans are ashamed. Moreover, Sullivan, Warren, & Westbrook report that “credit card debt has become a dominant form of lending in recent years” (2006, p. 232), which may suggest that Americans feel comfortable and are thus not stigmatized by carrying a credit card balance.

Taiwan and mainland China share many components of Chinese culture, and, when compared to the United States, their attitudes toward debt could not be more different. Bucks, Kennickell, Mach, & Moore (2009) reported that there is an obvious difference between Chinese and American families’ accrual of debt:

The most significant different [sic] between Chinese and American households is the percentage of debt ownership. About 80% of American households held some kind of debt. However, only 11.1% of Chinese households had debt. In addition, less than one-tenth of Chinese urban households had a mortgage while 85.5% households owned residential properties. In contrast, 70.9% of U.S. homeowners had a mortgage balance (Bucks et al. 2009). (As cited in Liao, Huang, & Yao, 2010, p. 278)

Bucks, Kennickell, Mach, & Moore’s data suggest that Chinese people are extremely averse to debt—whether it be in the form of credit cards or mortgage loans. Although they had higher rates of homeownership, they had lower rates of mortgage debt compared with U.S. homeowners. This supports the Chinese concept that many Chinese people pay their debt off as soon as they can.
Financial risk. According to Huang (2008), Chinese people tend to save a significant proportion of their income because they fear financial crisis and instability, and a substantial savings account can readily serve as a buffer against economic downturns. According to Liao, Huang and Yao, the financial preparation that is reflected by a sizeable savings account is a central component of socialization in Chinese society: “the high saving rate is consistent with the Chinese culture of being thrifty, conservative, and taking a long range view. The high saving rate is also indicative of suppressed household consumption” (2010, p. 277).

Furthermore, an article in Money Weekly stated that the norm regarding the importance of saving money begins in childhood within Chinese families (“Developing”, 2007). Also, instilling in children a preference for saving can prevent them from accruing credit card debt as young adults (“Developing”, 2007). As the literature suggests, there is a noteworthy difference between American and Chinese attitudes toward saving.

In contrast, American college students appear to be less familiar with saving money and financial literacy in general (Chen & Volpe, 1998). The personal saving rate in the United States was 5.5 percent at the fourth quarter in 2009 (Bureau of Economic Analysis, 2009). Further, many American families do not talk with their children about personal finance and, because financial literacy is not required in the American school system, children might not be financially literate (Freedman, 2010). This literature suggests that, compared to their Chinese counterparts, American youth may be less aware of financial issues.
Financial education. Another factor that may be associated with whether college students have credit cards is their experience with financial management education. Although the United States does not mandate that students complete a financial education class, financial education classes are offered in some junior high and high schools (Kaliski, 1989). Clow stresses the importance of these courses, stating that they can help students develop a better understanding of the country’s economic system as well as “the skills and knowledge necessary for economic decision making as consumers, wage earners, and citizens” (Kaliski, 1989, p. 92). In contrast, rather than relying on the school system to train students in financial literacy, Kiyosaki (1999) argues that parents should teach their children financial skills and general attitudes toward money.

In Taiwan, the journal, Business Today, surveyed college undergraduates about their financial knowledge and habits. They reported that over 80% of respondents had savings accounts, and 78% typically compared prices before they made purchases. However, when students were quizzed on their broader financial knowledge, their average score of 56.3 suggested that while most Taiwanese undergraduates had knowledge of basic financial management, their advanced financial literacy was incomplete and inadequate (Ouyang & Jiang, 2010).

In an effort to improve the financial knowledge and skills of its young people, the Taiwanese government announced that, beginning in 2011, financial management education will become a mandatory core component of the curriculum in elementary and junior high schools. While many Taiwanese applaud the addition to the curriculum, some financial experts assert that parents remain the most effective teachers of children’s
financial management (Ouyang & Jiang, 2010). In addition, Chinese culture in general emphasizes the value and importance of parents’ involvement in children’s education. For example, Chinese parents are often intimately involved in planning for their children’s education and are willing to pay considerable amounts for their children’s college educations (Huang, 2008).

Regardless, it is clear that, to varying degrees, people in the United States and Taiwan recognize that the general educational system, as well as parents, should play a significant role in providing young adults with financial educational skills. Key among these skills is the prudent use of credit cards.

**Personal finance and credit card knowledge.** According to Merrick (1999), American college students have inadequate knowledge of personal finance. Specific to credit cards, Warwick and Mansfield assert that “the majority of students did not report knowing the interest rate they were paying” (2000, p. 623). In Sharp’s study on college students, increased levels of financial knowledge were associated with negative attitudes toward debt (Sharp, 2010). People who have sufficient financial knowledge may more wisely handle their finances and thus avoid debt. Research on Taiwanese college students’ knowledge of credit cards is sparse. However, one study concluded that among Taiwan people who had more than one credit card, they did not completely understand the facts of revolving credit (Lee, 2001), suggesting that Taiwanese credit card holders had inadequate financial knowledge of credit cards. In conclusion, people who have sufficient financial knowledge may manage their finances more cautiously and thus avoid debt.
CHAPTER 3: THEORETICAL FRAMEWORK

*Rationalization and credit card use—another kind of efficiency culture in the modern world*

Due to the scant literature of comparative studies of college credit card use and attitudes, this paper draws upon the theories and perspectives of Weber, Ritzer, Bourdieu, and Goffman. Weber suggests that alienation is an objectified process that occurs as a result of rationalization. Weber proposes that the modern world will embrace rationalization, believing that capitalism and rationalization laid the foundation for the implementation of credit card use in promoting consumption (Gerth & Mills, 1946; Ritzer, 1995). Weber describes the result of rationalization as "the iron cage of rationalization" (Ritzer, 1995, p. 134). Ritzer further clarifies Weber’s iron cage in the following manner: "we are increasingly trapped in rationalized structures like bureaucracies and fast-food restaurants from which there is less and less possibility of escape" (1995, p. 134). Weber's theory and Ritzer's clarification infer that people in the modern world very likely use credit cards because they are a product of rationalization.

To explain the culture of efficiency, Ritzer applies Weber's theory of rationalization to the phenomenon of McDovalization. From Ritzer's perspective, the credit card society is a result of rationalization, which has become virtually global (Ritzer, 2008). Credit cards effectively serve as an instrument to spread American culture (for example, rapid transactions of consumption and American consumption) to the entire world (Ritzer, 1995). In addition, Ritzer (2001) argues that the credit card is similar to McDonald's worldwide expansion and is a representative of globalization. The structure of the credit
card system is characterized by the following features of rationalization: “calculability,” “efficiency,” “predictability,” “substitution of nonhuman for human technology,” and “irrationality of rationality” (Ritzer, 2001, p. 93). The credit card transaction, which is not the conventional way of trading, such as is trading with currencies or by exchange, is based on a numeric method of rationality. Further, the use of the credit card helps insure that consumption is fast and easy. Regardless of where one applies for a credit card, the process is similar—seldom does the applicant experience anything unpredictable. Indeed, unpredictability in the process would be undesirable for the banks because it would hinder the efficiency of the credit card system. Furthermore, credit card operations of every bank rely on complicated computer systems. Traditional human-based financial transactions are no longer effective or efficient for the ubiquitous credit card system.

**Irrationality of rationality—institutional problems of credit card debt.** Despite the strong rational foundations of this financial system, irrational incidents still occur. For example, erroneous debt caused by system errors and credit card fraud are not uncommon, demonstrating that the modern credit card system cannot guarantee reliability, which is a characteristic of rationality. Thus, credit card debt is an example of the “irrationality of rationality” (Ritzer, 2001, p. 93). This suggests that the rationalized world may not be as reliable as proponents of rationalization might prefer.

To summarize Weber’s and Ritzer’s perspectives, due to capitalism’s reliance on rationalization, credit cards have become a vital part of modern life. However, the influence of culture necessarily creates diversity when it comes to different societies’
attitudes toward and use of credit cards. For example, in contrast to the United States, Taiwan, a non-western region, exhibits expressly different attitudes toward debt, in general, and credit cards specifically. To compare different cultures like the U.S. and Taiwan, Bourdieu’s theory of habitus provides insight into the power of the influence of culture.

*Cultural habitus and distrust of banks*

Bourdieu’s theory of habitus, which explains the structure of behaviors and ideas, provides a lens through which we can better understand cultural differences. Habitus is a concept that “represents internalized mental or cognitive structures that people use to interpret and evaluate the world” (Salerno, 2004, p. 219). Bourdieu stated that habitus is generated from a social surrounding which includes the “system of dispositions and predispositions” that people learn through experiences (Salerno, 2004, p. 219). Swartz explained that “habitus implies that actors attend to the present and anticipate the future in terms of previous experience” (1997, p. 112). After the habitus is established, it is reflected in the values and attitudes that drive people’s actions. In addition, the reason that habitus highly relates to culture is that habitus adapts to cultural factors, such as cultural regulations and concepts (Webb, Schirato, & Danaher, 2002). Therefore, habitus is a not only a product of the mind, but it is also a social and cultural product (Salerno, 2004).

Using Bourdieu’s theory of habitus, attitudes toward money and debt are, to a large degree, a consequence of socialization, and are enduring across different social situations
Taiwanese people’s attitudes toward money are an example of habitus which results from the Taiwanese-Chinese culture. Although people in Taiwan encounter credit cards (which are a western invention), the ways in which they interact with them are limited by their “internal disposition” which is formed by the Taiwanese culture (Swartz, 1997, p. 107).

According to Bourdieu (1977), social structures lead humans to develop their own dispositions. One example of this may be reflected in the personal saving rate in the United States and Taiwan. In the fourth quarter of 2009 (Bureau of Economic Analysis, 2009), the personal saving rate in the U.S. was 5.5 percent. In contrast, at that same time the personal saving rate in Taiwan was 31 percent (Directorate-General of Budget, Accounting and Statistics). These data suggest that Taiwanese people, more so than Americans, consider saving money very important. This illustrates how social structures shape human behaviors. This process of disposition, which is “habitus,” is unique in different social environments. That is, different cultures or different classes of people develop distinct behaviors or reactions to their environment. American and Taiwanese people live their lives under different habitus. Thus, their reactions to social environments and social change are distinct. Their socio-cultural context may provide insight into the factors that affect use of and attitudes toward credit cards.

The literature on Americans’ and Taiwanese’ attitudes toward banks illustrates Bourdieu’s theory of habitus. For example, a survey conducted by TVBS (a subsidiary television channel of Television Broadcasts Limited in Hong Kong) media group and Business Weekly (2007) concluded that less than fifty percent of Taiwanese adult
respondents (those who were age twenty and over) trusted private banks. Given these findings, it is likely that Taiwanese college students will express a similar distrust of banks, and as such, they may be more cautious with their finances and less likely to accept credit cards. In contrast, a survey on Synovate website showed that, even during the recent recession, 81 percent Americans still trusted their financial institutions (New survey’, 2009). Given this apparent trust, American citizens may therefore think their financial institutions are trustworthy and thus are more likely to accept credit cards.

**Stigma of debt—a cultural symbol in Chinese society**

During Greek times, stigma was defined as a physical mark that signified the negative morale of a person (Goffman, 1963). Today, stigma is widely used in something like the original literal sense, but is applied more to the disgrace itself than to the bodily evidence of it” (Goffman, 1963, p. 1-2). Goffman (1963) further asserts that there are three unique types of stigma. The first is a stigma of various physical deformities” (Goffman, 1963, p. 4). For example, a person with a severe cleft palate may experience stigma.

The second type of stigma can be described as, blemishes of individual character perceived as weak will, domineering or unnatural passions, treacherous and rigid beliefs, and dishonesty, these being inferred from a known record of, for example, mental disorder, imprisonment, addiction, alcoholism, homosexuality, unemployment, suicidal attempts, and radical political behavior (Goffman, 1963, p. 4).
The third type of stigma is “the tribal stigma of race, nation, and religion” (Goffman, 1963, p4.). According to Goffman (1986), stigmatized individuals experience diminished value. Stigmatization is a social and psychological frustration in personal identity. Thus, stigmatized people may not be accepted by the majority of the society in which they live. Relevant to this thesis is the second type of stigma—the blemish of individual character, and specifically the blemish that may be associated with credit card debt.

In Chinese culture, even a small amount of debt suggests a lack of morality; large amounts of debt are extremely shameful. In Taiwan, when a person has high credit card debt, it may be said of them that “their morale is ruined” (Xia, 2008, p. 126). Debts imply an inability to successfully manage individual property, and money and property are regarded as symbols of success in Chinese society. Therefore, it is often assumed that adults who cannot effectively manage finances are weak and incapable, thus, an inability to repay debts is not only embarrassing, it is shameful.

Within Chinese culture, debt is stigmatized. Based on the empirical description of the legal issue of debt in Hong Kong, Japan, and Taiwan, it is clear that debt is correlated with poverty (“Legal Aid”, 2010). Mattison (2006) stated that the American middle class, which tends to carry a large amount of credit card debt, may fall into poverty if they are denied access to personal bankruptcy. This illustrates the potential for debt to lead to poverty. In fact, Waxman suggests that poverty is also a kind of stigma—which attributes to the poor a status of being “less than human” (Waxman, 1983, p. 70). Moreover, based on Campbell and Deacon’s categories of stigma (2006), the stigma of debt implies a
disgraceful factor in personal trait. Therefore, using Goffman’s theory as well as existing literature, this study proposes that debt, stigma and poverty are interwoven.

Furthermore, credit cards are often correlated with indebtedness. Liao, Huang, & Yao (2010) stated that “the changes of debt holdings can reflect the effectiveness of the development and promotion of the credit market” (p. 278), suggesting that the credit market in Chinese society is hindered by attitudes toward debt. The study conducted by Liao, Huang and Yao independently demonstrated the stigma associated with bankruptcy and the stigma associated with debt. Thus, from the difference between Americans‘ and Chinese‘s debt management, stigma of debt is regarded as a cultural factor that influences people‘s willingness to pay off their credit card balances. The attitude toward debt is also influenced by the stigma of debt.

A theoretical synthesis
Weber‘s theory suggests that the modern world is enveloped in rationalization; Ritzer (2001) elaborates on Weber‘s concept of rationalization, but he points out the drawbacks of efficiency culture, i.e. institutions induce irrationality of rationality. Bourdieu‘s theory enunciates the importance of cultural influence from traditional habitus. Goffman’s theory points to the effect of ritualized symbol of stigma on people‘s habit of consumption. Thus, all four theorists help explain the similarities and differences among various countries. There are important similarities between the United States and Taiwan—they are both capitalist societies with democratic politics. That is, both regions have similar economic situations, but different social structures, including financial
regulations, institutions, etc. Financial regulations in different countries may lead to diverse economic developments. Thus, social structure, in addition to cultural influence, may help explain differing credit card usage in the U.S. and Taiwan. According to Weber's theory, people who live in the modern society may have similar consumer behaviors. However, the two countries, especially when it comes to the cultural norms surrounding debt and financial social structure, are quite different.
First and foremost, the objective of this research is to determine whether American and Taiwanese students are equally likely to have credit cards. As an undergraduate studying in Taiwan, the researcher did not observe many classmates who had credit cards. In contrast, when she attended graduate school in the United States, she noted that American college students appeared much more likely to have and use credit cards.

If, indeed, the two samples report significant differences in their rates of credit card ownership, a subsequent objective of the study is to determine whether a few specific factors are associated with different ownership rates. Based on the literature review, there are four factors that may be associated with the likelihood of a student owning a credit card: stigma of debt, distrust of credit card lenders, attitudes toward financial risk, and financial education from parents. In this research, hypotheses are proposed to determine if these factors correlate with American and Taiwanese students' ownership of credit cards.

Hypothesis 1: Taiwanese students will report lower rates of credit card ownership.

Hypothesis 2: Taiwanese students will report increased levels of stigma associated with credit card debt.

Hypothesis 3: Taiwanese students will report increased levels of distrust of credit card lenders.

Hypothesis 4: Taiwanese students will report greater discomfort with financial risk.

Hypothesis 5: Taiwanese students will be more likely to report that their parents provided them with financial education specific to having credit cards.
Consequently, there are two research questions that are central to this research:

1) Do American and Taiwanese students report similar levels of credit card ownership?

2) If American and Taiwanese students report significantly different frequencies of credit card ownership, which variables are most likely to be associated with these differences?
CHAPTER 5: METHODS AND SAMPLE

Methods

In order to achieve the research objectives, data were needed from a large number of respondents. For this reason, a survey was implemented because this research instrument allows the researcher to "obtain information about things that cannot be observed directly, such as attitudes” (McIntyre, 2008, p. 81). Moreover, using a survey, in contrast to an interview, facilitates the effective collection of data at a lower cost (Dillman, 1978).

Written questionnaires were distributed to undergraduates at two universities: Ohio University in Athens, Ohio, and National Hsinchu University of Education in Hsinchu, Taiwan. Both samples were drawn during the spring of 2010. According to Davies and Lea (1995), third year university students have more debt than students in their first and second years. For that reason, and because the researcher expected that juniors and seniors would be more familiar with the availability and use of credit cards, the sample was comprised of juniors and seniors.\(^2\)

At Ohio University, the researcher contacted instructors from a variety of colleges and schools to request permission to visit their classes and collect data. Surveys were distributed in upper-division classes in the College of Arts and Sciences; College of Engineering; School of Media Arts and Studies; School of Recreation and Sports Science; School of Hearing, Speech, and Language Sciences; and, School of Education.

\(^2\) Within the U.S. sample, 5 of the 201 respondents were either first- or second-year students. Given the focus of this study, these under-class respondents were removed from the sample, leaving a total of 196 U.S. respondents. Within the Taiwanese sample, 39 of the 202 respondents were either first- or second-year students. These under-class respondents were also removed from the sample, leaving a total of 163 Taiwanese respondents.
To collect data in Taiwan, the researcher contacted department chairs from the Department of Education, Department of Arts and Design, and Department of Applied Science. Department chairs recruited faculty from their respective departments to distribute surveys to undergraduate students in their courses. The surveys distributed in Taiwan were translated into Chinese and, prior to distribution, were tested by English-speaking Chinese students to ensure that the English and Taiwanese versions of the survey were comparable. (see Appendix A for a sample of the English-version of the survey.)

The initial section of the questionnaire included several questions to determine students' access to credit cards; students were also asked whether they owned a credit card. Next, students were asked a series of questions to determine their credit use and repayment habits, as well as their parents' involvement with their credit cards. Subsequent questions focused on stigma, trust of banks and credit card lenders, and financial risk. To determine parental involvement in students' financial attitudes, the researcher also asked whether parents had ever discussed the potential risks or harms associated with credit card use. The questionnaire concluded with a series of demographic questions.

*Stigma.* Two questions were designed to measure the stigma associated with credit card debt. The first asked respondents how embarrassed they would be if they could only afford to make a partial payment on their credit card bill rather than paying the full balance. The second question asked respondents how embarrassed they would be if they
received a late-payment notice from their credit card leader and their parents saw the notice.

**Trust.** The researcher relied on two questions to determine the degree to which American and Taiwanese students trust credit card companies. The first question asked respondents how much they would trust or distrust a credit card company to protect them if their credit card was stolen or used illegally. The second question asked those respondents who indicated that they had ever read, or tried to read, the fine print of a credit card solicitation to indicate how much they agreed or disagreed that the fine print was “understandable and transparent.”

**Risk.** Respondents were asked two questions to measure their aversion to financial risk. First, they were asked how worried they would be if they graduated college with a specific amount of credit card debt. The amount of credit card debt for American respondents was $4,000, which was the average amount of credit card debt owed by graduating seniors in 2009 (Creditcards.com). The average amount of credit card debt owed by graduating Taiwanese students has not been documented. Therefore, the amount listed on the Taiwanese questionnaire was based on the following calculation: the average amount of credit card debt owed by American students ($4,000) multiplied by the ratio of the median household incomes in Taiwan and the United States. Thus, the amount of debt listed in the Taiwanese questionnaire was approximately NT$30,000 ($1023, currency ratio: NT$1=$0.0341).

The second question that focused on aversion to financial risk asked respondents how important they believed it was for people their age to have a savings account. This
attitudinal question was followed by a related question that assessed the associated behavior which asked the students if they currently had a savings account.

Sample

A total of 196 American students completed the survey; 64 (33 percent) were juniors and 132 (67 percent) were seniors (see Table 1). In Taiwan, 163 students completed the survey; 96 (59 percent) were juniors and 67 (41 percent) were seniors. Among American respondents, nearly the same percentage of male and female students completed the survey. In Taiwan, approximately two-thirds of the respondents were female. This over-representation of female respondents is likely due to the fact that in Taiwan, the Department of Education and the Department of Arts and Design tend to have higher enrollments of women. In contrast, the Department of Applied Science has a greater percentage of male students. Unfortunately, the researcher was unable to control which departments chose to participate.
Table 1

*Demographic Characteristics, by Students’ Country*

<table>
<thead>
<tr>
<th>Year in School*</th>
<th>United States Respondents (N=196)</th>
<th>Taiwanese Respondents (N=163)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Junior</td>
<td>32.7%</td>
<td>58.9%</td>
</tr>
<tr>
<td>Senior</td>
<td>67.3%</td>
<td>41.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex*</th>
<th>United States Respondents (N=196)</th>
<th>Taiwanese Respondents (N=163)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>52.6%</td>
<td>32.5%</td>
</tr>
<tr>
<td>Female</td>
<td>47.4%</td>
<td>67.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Parents’ Household Income*</th>
<th>United States Respondents (N=196)</th>
<th>Taiwanese Respondents (N=163)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under U.S. $50,000; Taiwan $975</td>
<td>7.6%</td>
<td>25.4%</td>
</tr>
<tr>
<td>U.S. $50,000-$100,000; Taiwan $976-$1,625</td>
<td>32.3%</td>
<td>37.7%</td>
</tr>
<tr>
<td>U.S. $100,001-$150,000; Taiwan $1,626-$2,275</td>
<td>26.6%</td>
<td>18.9%</td>
</tr>
<tr>
<td>U.S. $150,001-$200,000; Taiwan $2,276-$2,925</td>
<td>12.7%</td>
<td>9.0%</td>
</tr>
<tr>
<td>U.S. more than $200,000; Taiwan more than $2,925</td>
<td>20.9%</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

* Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.000).

Reports of annual household income reveal notable differences between the two countries: American students, significantly more than Taiwanese students, came from higher income households. A greater percentage of Taiwanese students reported household incomes in the lower ranges, while a greater percentage of American students reported household incomes in the upper levels. Results reveal a definite trend among Taiwanese families toward relatively lower household incomes. However, in both samples, students’ household incomes did trend toward the middle.³

³The reason the U.S. and the Taiwan respondents’ household incomes are different is that the income distributions are unique in each country. The combined annual income in the American and the Taiwanese


CHAPTER 6: FINDINGS

Students and credit card ownership

The findings from this research echo earlier studies which suggest that American students, especially those with upper-class standing, are very likely to have credit cards (Woolsey & Schulz, 2009). Specifically, results reveal that 72 percent (N=140) of U.S. juniors and seniors in this study have credit cards. In stark contrast, only 3 percent (N=5) of respondents from Taiwan report that they have a credit card. While these results distinctly limit the options for subsequent statistical analysis of the remaining data, they reveal an important finding: whereas credit card ownership appears to be an anomaly among Taiwanese students, it is virtually the norm among American college students.

Student access to credit cards on campus

As Table 2 illustrates, there is, almost without exception, a clear and significant trend toward greater access to credit cards among American students, which may be a contributing structural factor behind their relatively high rates of credit card ownership. For example, American students report significantly higher rates of credit card tables on or near their campuses—at these tables, solicitors attempt to convince students to sign up

*questionnaires were constructed to be relative to one another. The absolute standard cannot be used in this situation because the two countries have very different costs of living and average incomes. An amount of income which represents a particular social class in a country does not represent the same level of social class in another country. The first categories in both American and Taiwanese questionnaire were designed by the median income in the U.S. and Taiwan. The second to the fifth categories are based on the common categories of income. The first to the fifth categories of income in the U.S. and Taiwan questionnaire represent the relatively identical level of social classes in the U.S. and Taiwan. The first categories represent the lower class in the U.S. and Taiwan. The second and third categories represent the middle class in the U.S. and Taiwan. The fourth category represents the upper-middle class in the U.S. and Taiwan. The fifth represents the class richer than upper-middle class in the U.S. and Taiwan. Note that one U.S. dollar is the equivalent of 30.75 Taiwanese dollars.*
for a credit card, often in exchange for a gift such as a free sandwich or a Frisbee.

American students are also significantly more likely to report that they receive credit card solicitations in the mail. Many fewer students, American and Taiwanese alike, report that a credit card solicitor contacted them by telephone. However, when this did occur, Taiwanese students (32.7 percent) are twice as likely as American students (16.4 percent) to report that they were offered a credit card in this way.

Table 2

<table>
<thead>
<tr>
<th>Access to Credit Cards, by Students’ Country</th>
<th>United States</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit card tables on or near campus*</td>
<td>Yes 44.9%</td>
<td>12.3%</td>
</tr>
<tr>
<td></td>
<td>No 55.1%</td>
<td>87.7%</td>
</tr>
<tr>
<td>Credit card offers received in the mail*</td>
<td>Yes 81.0%</td>
<td>11.9%</td>
</tr>
<tr>
<td></td>
<td>No 19.0%</td>
<td>88.1%</td>
</tr>
<tr>
<td>Credit card banks telephoned students to offer credit cards*</td>
<td>Yes 16.4%</td>
<td>32.7%</td>
</tr>
<tr>
<td></td>
<td>No 83.6%</td>
<td>67.3%</td>
</tr>
<tr>
<td>Opportunities on campus for students to sign up for credit cards*</td>
<td>Many opportunities 33.3%</td>
<td>1.9%</td>
</tr>
<tr>
<td></td>
<td>Some opportunities 46.2%</td>
<td>25.6%</td>
</tr>
<tr>
<td></td>
<td>Few opportunities 19.5%</td>
<td>72.5%</td>
</tr>
</tbody>
</table>

*Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.000)

While the previous questions focus on specific techniques employed by credit card companies to get college students to sign up for credit cards, probably the most relevant and informative finding comes from the question which asked students generally about their opportunities on campus to sign up for credit cards. Virtually one-third of American students report “many opportunities” to sign up for credit cards on campus. In
explicit contrast, only two out of every hundred (2 percent) Taiwanese students report similar opportunities to obtain credit cards. Translated, this reflects a 1,652 percent increase in the likelihood that American students have many opportunities to sign up for credit cards on their college campuses. At the other end of the continuum, only two of every ten (19.5 percent) American students state that they have “few opportunities” to sign up for credit cards; whereas almost three-quarters (72.5 percent) of Taiwanese students report “few opportunities.” Clearly, Taiwanese students have significantly more limited access to credit cards on their college campuses.

**College expenses paid by parents**

Although the data suggest that Taiwanese students’ households have comparatively lower annual incomes, parents of Taiwanese students appear to be significantly more likely to pay for their children’s college expenses (see Table 3). For example, Taiwanese students are five times more likely to report that their parents pay “all” of their college expenses. Further, while 88.4 percent of Taiwanese students reported that their parents paid for “most” or “all” of their college expenses, only about half (48.7 percent) of American students reported similar financial support from their parents. Finally, American students are 17 times more likely to assert that their parents do not help with their college expenses at all. These findings are similar to those reported by Wang and Marcucci (2006), suggesting that among Taiwanese students, college expenses were covered primarily by parents and the government—it is possible that this fact explains
some of the variation in rates of credit card ownership among American and Taiwanese college students.

Table 3.

Amount of College Expenses Paid by Parents, by Students’ Country

<table>
<thead>
<tr>
<th>Amount of College Expenses Paid by Parents*</th>
<th>United States</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>All of student's expenses</td>
<td>9.3%</td>
<td>57.7%</td>
</tr>
<tr>
<td>Most of student’s expenses</td>
<td>39.4%</td>
<td>30.7%</td>
</tr>
<tr>
<td>Some of student’s expenses</td>
<td>30.6%</td>
<td>10.4%</td>
</tr>
<tr>
<td>None of student’s expenses</td>
<td>20.7%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

* Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.000).

Student employment rate

As reflected in Table 4, the employment rates of American and Taiwanese respondents, consisting of both part- and full-time employment, are significantly different. Specifically, approximately half of the American respondents indicated that they were employed. In contrast, just over one-third of the Taiwanese students reported that they were working. However, among those who were employed, students in both countries were approximately equally likely to be working either in part-time or full-time employment. Among both American and Taiwanese students who were employed, over ninety percent were employed part-time.
Table 4

**Student Employment, by Students’ Country**

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Employed**</td>
<td>51.0%</td>
<td>36.2%</td>
</tr>
<tr>
<td>Full Time Employment</td>
<td>4.1%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Part Time Employment</td>
<td>95.9%</td>
<td>93.0%</td>
</tr>
</tbody>
</table>

** Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.005).

**Stigma associated with credit card debt**

The findings from this research also suggest that American and Taiwanese students have significantly different levels of stigma associated with credit card debt (see Table 5). For example, when students are asked how embarrassed they would be if they were unable to pay their credit card bill in full and thus could make only a partial payment, more than 60 percent of American students report that they would be not at all embarrassed. In explicit contrast, more than 60 percent of Taiwanese students indicate that they would be very embarrassed if they could not repay the entire balance owed.

Table 5

**Stigma Associated with Credit Card Debt, by Students’ Country**

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Make partial payment*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very embarrassed</td>
<td>5.6%</td>
<td>64.4%</td>
</tr>
<tr>
<td>Somewhat embarrassed</td>
<td>32.1%</td>
<td>26.4%</td>
</tr>
<tr>
<td>Not at all embarrassed</td>
<td>62.2%</td>
<td>9.2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Parents see late payment*</th>
<th>United States</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very embarrassed</td>
<td>14.8%</td>
<td>97.5%</td>
</tr>
<tr>
<td>Somewhat embarrassed</td>
<td>43.4%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Not at all embarrassed</td>
<td>41.8%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

* Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.000).
In a second attempt to measure the stigma associated with credit card debt, students were asked how embarrassed they would be if they received a late payment notice from a credit card lender and their parents saw it. Similar to the previous measure of stigma, the trend is significant and powerful: Virtually all (97.5 percent) of the Taiwanese students indicate that they would be very embarrassed if their parents saw the late notice. However, only 14.8 percent of American student respond similarly. More than eight in ten American students (85.2 percent) state that they would be either somewhat or not at all embarrassed. Clearly, carrying a balance on one’s credit card, and having one’s parents know about late credit card payments, rarely cause embarrassment for American students. In contrast, Taiwanese students find these events deeply stigmatizing.

**Trust of credit card lenders**

Another factor that may be correlated with the likelihood that students have credit cards is the amount of trust they feel toward credit card lenders. In the first attempt to measure this variable, students were asked how much they trusted a credit card lender to protect them if their credit card was stolen or used illegally. American students are significantly more likely to indicate that they trust their credit card company to protect them (see Table 6.) Specifically, three-quarters of American students report that they very much (16.8 percent) or somewhat (57.1 percent) trust their lender to provide protection. In contrast, only 43 percent, or just over four in ten, Taiwanese students feel the same—
and, in comparison to American students, they are half as likely to indicate that they very much trust their lender.

Table 6

**Trust of Credit Card Lenders, by Students’ Country**

<table>
<thead>
<tr>
<th>Protect student from stolen credit card*</th>
<th>United States</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very much trust lender</td>
<td>16.8%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Somewhat trust lender</td>
<td>57.1%</td>
<td>35.0%</td>
</tr>
<tr>
<td>Somewhat distrust lender</td>
<td>21.4%</td>
<td>42.3%</td>
</tr>
<tr>
<td>Very much distrust lender</td>
<td>4.6%</td>
<td>14.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transparency of the fine print**</th>
<th>United States</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very much agree</td>
<td>9.7%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Somewhat agree</td>
<td>56.5%</td>
<td>33.3%</td>
</tr>
<tr>
<td>Somewhat disagree</td>
<td>21.0%</td>
<td>53.3%</td>
</tr>
<tr>
<td>Very much disagree</td>
<td>12.9%</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

* Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.000).
** Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.05).

A second attempt to measure students’ trust of credit card lenders focused on the fine print that is part and parcel of the credit card contract. Students were asked if they had ever read, or tried to read, the fine print that accompanies credit card solicitations. Approximately 36 percent of American students and 19 percent of Taiwanese students report that they had read, or tried to read, the fine print (data not shown). Initially, this appears to suggest that American students are more likely to educate themselves about the policies of credit card lenders. However, given that 72 percent of American respondents have credit cards, this means that only half of them have read the fine print. In contrast, while only 3 percent of the Taiwanese students have credit cards, 19 percent
of respondents have read the fine print—suggesting that even when Taiwanese students do not have credit cards, they are at least somewhat educated about the policies of lenders.

Students who indicated that they had read, or tried to read, the fine print were also asked how much they agreed or disagreed that the policies in the contract were understandable and transparent.” As Table 6 illustrates, American students (approximately 66 percent) are significantly more likely to report that they very much or somewhat believe that the policies are understandable and transparent. In contrast, 63 percent of Taiwanese students indicate that they somewhat or very much disagree that the policies are understandable or transparent.

**Fear of financial risk**

Generally speaking, fear of financial risk may be associated with the likelihood that a student will feel comfortable carrying a balance on a credit card. This is especially likely since carrying balances on credit cards leaves card holders financially vulnerable. Most credit cards have variable annual percentage interest rates, which, at least in the United States, can increase to well over 30% for any number of reasons. Moreover, most credit card lenders attach ever-increasing fees and penalties for late-payments and over-the-limit charges which can quickly cause balances to skyrocket. To determine whether American and Taiwanese students are similar in their discomfort with the financial risk associated with carrying a credit card balance, respondents were asked how worried they would be if they graduated with $4,000 in credit card debt, which is the average amount owed by U.S. college graduates. As Table 7 illustrates, Taiwanese students are four times
more likely than American students to report that they would be very worried if they were indebted at that level upon graduation. Eighty-five percent of Taiwanese students state they would be very worried, and another 14.1 percent indicate they would be somewhat worried; thus, essentially all Taiwanese students say that graduating with this amount of debt would worry them. In contrast, only about one-fifth of American students indicate that they would be very worried (21.5 percent), and approximately 17 percent report they would not be worried at all—which is about 28 times more likely than Taiwanese students to express no worry at all.

Table 7

*Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.000).

As the researcher has noted, personal experience from growing up in Taiwan revealed the importance that families place on savings accounts. In essence, savings accounts are the antithesis of credit card debt—they protect from financial risk whereas credit card debt virtually creates financial risk. For that reason, students were asked about the importance they place on having a savings account. Among both American and Taiwanese students, only a small percentage of the total sample report that having a
savings account is not at all important—however, American students (7.7 percent) are still twice as likely as Taiwanese students (3.7 percent) to report that having a savings account is not at all important. More telling is the finding that more than nine in ten (90.8 percent) of Taiwanese students indicate that having a savings account is very important. In contrast, only 46.2 percent of American students have a similar response.

**Parental guidance regarding credit card use**

Inarguably, the most influential socializing agent is the family unit, especially one’s parents (McIntyre, 2010). For this reason, students were asked whether their parents had talked with them about the potential risks or harms of credit cards. As Table 8 illustrates, American students report that their parents are significantly more likely to talk with them about the potential risks of credit cards: 85.0 percent of American students’ parents have advised them, whereas only 73.6 percent of Taiwanese students’ parents have talked with their children.

<table>
<thead>
<tr>
<th>Parents Talked to Students About the Credit Card Risks, by Students’ Country*</th>
<th>United States</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>85.0%</td>
<td>73.6%</td>
</tr>
<tr>
<td>No</td>
<td>15.0 %</td>
<td>26.4%</td>
</tr>
</tbody>
</table>

* Chi-square results indicate a significant difference between responses from U.S. and Taiwanese students (p<.01).

On the surface, this finding suggests that Taiwanese parents are less concerned about the financial risks that their children might face if they have credit cards. However, when the results from only those students who *have* credit cards are analyzed, the
findings instead reveal that American and Taiwanese parents are *equally* likely to talk with their children about the potential risks, 81.9 percent and 80.0 percent respectively (data not shown). Of course, this finding must be interpreted with caution as only 3 percent of Taiwanese students have credit cards.

Finally, among students who do *not* have credit cards, American parents (94.4 percent) are significantly more likely (p<.001) to have talked with their children about the risks of credit cards than are Taiwanese parents (73.4 percent) (data not shown). This may reflect the fact that American parents are aware of the fact that, as demonstrated in Table 2, their children are significantly more likely to have access to credit cards on college campuses than are Taiwanese students.
CHAPTER 7: DISCUSSION

There is a significant difference between American and Taiwanese credit card ownership. Consequently, the first hypothesis, that Taiwanese students will report lower rates of credit card ownership, is supported. Ritzer (1995) adopted Weber’s theory to explain that people in modern society are trapped in “the iron cage of rationalization” (p. 134). The result of credit card ownership shows that Ritzer’s ideas appropriately explain American college students’ credit card use: they are in the iron cage of credit cards, a product of rationalization. The iron cage of credit cards is a strong mechanism of American social structure. In contrast, Taiwanese college students did not use credit cards to the same degree as their American counterparts, suggesting that rationalization theory does not totally explain the financial experiences of the Taiwanese college student.

The difference between American and Taiwanese credit card ownership is correlated with the following factors: access to credit cards on campus, limits of credit card applications from government, financial assistance from parents, and student employment rates. Although Taiwanese students reported limited access to credit cards on campus, which may partially explain their decreased likelihood of owning a credit card, this does not mean that credit card accessibility in Taiwan is low. In fact, there are frequent advertisements for credit cards on television and ubiquitous credit card solicitors on the streets of Taiwan (Xia, 2008). The Taiwanese government implemented a law in 2006 requiring college students who applied for credit cards to provide a financial affidavit or certification of employment to guarantee that they had the ability to repay any accrued credit card debt. Further, the vast majority of the college expenses of Taiwanese students
were paid by their parents. Approximately eighty-nine percent of Taiwanese students’ college expenses were mostly or all supported by their parents (see Table 3). In contrast, more than half of American college students were either unsupported or only partially supported by their parents. When parents support their children’s college careers, students’ financial pressures are reduced, which may increase the likelihood that they will not need to rely on credit cards to meet their expenses. Consequently, less financial support from parents, an institutional factor, is possibly an important reason for American students’ higher credit card ownership.

The fact that American parents are less likely to pay the majority of their children’s college expenses may also explain why American students, more so than Taiwanese students, need to work to pay for their college expenses. And indeed, as the data showed, American students had a significantly higher rate of employment (51 percent) than Taiwanese students (36.2 percent). College students’ employment may also be related to their need to repay credit card debt. It is possible that having credit cards means that the American students need to be employed to pay their credit card bills (Pinto, Parente, & Palmer, 2001).

Assuming that the American students who have credit cards graduate with an average amount of $4,000 in credit card debt, their indebtedness will certainly affect their financial opportunities. For example, upon graduation indebted individuals must service their debts or face liens and lawsuits. As such, their income, which might otherwise go toward consumption, and therefore revive an otherwise struggling U.S. economy, will be transferred to the credit card lenders. Students graduating without credit card debt will
have more money for general consumption and with which to carry out their life plans. If consumers have more money to spend, the economy will be activated. This suggests that credit card debt may affect not only an individual's financial options but also the national economy. Also, this finding is consistent with Weber's irrationality in rationality. Credit card debt represents irrationality and generates more social problems.

Hypothesis two, which asserts that Taiwanese students will report increased levels of stigma associated with credit card debt, is supported. Additionally, the stigma associated with debt may affect people’s decisions to have credit cards, and even if they choose to have a credit card, the stigma may increase the prudence with which they will use it. The results from this study, which suggest that Taiwanese students have significantly higher levels of stigma associated with credit card debt, is consistent with this inverse connection between stigma associated with credit card debt and credit cards. The stigma associated with credit card debt is a cultural factor that hinders indebtedness, potentially steering Taiwanese college students away from credit cards. This finding aligns with Bourdieu’s concept of the cultural habitus.

Hypothesis three is also supported. The findings suggest that, in contrast with Taiwanese students, American students have more trust in their credit card lenders. This may be a result of the fact that U.S. financial institutions are well-established and powerful organizations, which have a fully-developed enterprise system and are supervised and supported by the U.S. government. These institutions are part of the social environment that deeply influences people’s social behavior, including their financial decisions. The U.S. banks, which issue the majority of the credit cards, are central to
American life. Given this social fact, Americans may be less likely to doubt the reliability of their banks. Thus, Americans may trust and accept their products, namely credit cards, that are issued by their credit card institutions. The trust of banks may result from the influence of the American social environment.

Another reason that American students express more trust in their credit card lenders than Taiwanese students may be because many American college students rely on credit cards, more than relatives, for financial assistance. The credit card is the product of an individualized-society that allows cardholders, who essentially interact with virtual bankers, to sidestep the potential judgment and restrictions of relatives’ decisions. If relatives, and particularly parents, express an objection to applying for a credit card, it would represent a form of informal social control. Essentially, American students can independently apply for a credit card without the informal social control of their parents. Under these circumstances, people may come to accept credit cards as an appropriate method to obtain monetary resources. Gradually, they would regard credit cards as a trustworthy product. Insufficient informal social control appears to be an indirect factor that leads to American students’ trust of banks. In contrast with American society, Taiwanese society is not as individualized. For example, most college students obtain finances from their parents or relatives. Although some students apply for student loans to meet university expenses (Chou, 2007), the majority of Taiwanese students have different financial resources than American students. Thus, the trust of credit card companies can result from a personal and individualized society which provides an alternative means for obtaining financial help for college students. In addition, the social
variation between the U.S and Taiwan in seeking financial assistance is another example of Bourdieu’s habitus.

Hypothesis four—that Taiwanese students will report greater discomfort with financial risk—is supported. Taiwanese students are generally less comfortable with the financial risk of credit card debt. The reason that Taiwanese respondents report more concern about graduating with credit card debt and a stronger recognition of the importance of saving is that graduating with credit card debt and having no savings increases financial risk. Moreover, financial risk may produce debt, including credit card debt, and because debt often results in stigma, Taiwanese students may fight to avoid debt. A simple method to avoid debt is to avoid financial risks. The discomfort with financial risk culturally restricts the Taiwanese students’ credit card indebtedness. Thus, the second hypothesis and the fourth hypothesis are both supported because both of them are associated with each other.

Hypothesis five, which predicts that Taiwanese students will be more likely to report that their parents provided them with financial education specific to having credit cards, is not supported. This is also contrary to the study’s prediction that parents’ discussion of credit cards with their children will prevent students from using credit cards. Among all of the respondents, the data suggest that American parents are more likely to talk to their children about credit card risks. However, when the data are parsed out and we consider only those results from students with credit cards, it appears that both American and Taiwanese parents are equally likely to talk about credit card risks. Given the small percent of Taiwanese students in the sample, however, these similarities should be
considered with caution. One possible reason for this unexpected finding, as discussed earlier, is that American college students may need to rely on credit cards to fund their college education, despite their parents’ warnings about the possible risks associated with credit card borrowing. A second possible reason for American students’ high rates of credit card ownership regardless of parental involvement is the necessity of establishing credit histories and credit scores, both of which can often be achieved by owning and using a credit card. When college students graduate from university, they often need to apply for home mortgages, car loans, and employment—all of which require them to have credit scores. The United States has a long history of credit. The cultural influence and social structure result in an intertwining connection between the credit system and Americans (Klein, 1999). When people have good credit scores, they can also negotiate with banks for better terms on loans, and they can obtain other benefits, such as hotel discounts and service promotions. Essentially, the social milieu of the United States leads Americans to use credit cards in order to gain the opportunities to have the life that is embraced by the American society. Moreover, the consumption-focused culture may stimulate people without financial burdens to apply for a credit card, increasing their opportunities for credit card debt.

The financial burdens of attending college and the social structure of the United States often translate into American students having credit cards, despite their parents’ warnings about doing so. Most of the Taiwanese respondents’ college expenses were supported by their parents, thus, they may be less likely to apply for credit cards in order to pay for their education. In addition, the credit system in Taiwan is considerably
younger than the U.S. credit system. Specifically, the credit score was not established in Taiwan until 2006. Prior to that time, lenders relied on variables such as income, occupation, savings, and security to evaluate their customers' creditworthiness. Indeed, even today, these categories of evaluation are often used instead of credit scores.

Of course, there are many other differences between the United States and Taiwan that were not incorporated into this study and which may better explain the findings. For example, while the annual income in Taiwan appears quite low in comparison to that in America, the costs associated with food and transportation are also considerably lower in Taiwan. Taiwanese also pay relatively low taxes; they receive universal health care for a small monthly fee of approximately $20; and top-ranked universities are government supported. Thus, for a middle-class Taiwanese family, it is not a financial burden for their children to attend university.

**Limitations of the study**

Inarguably, the most consequential limitation of the study is the small percentage of Taiwanese respondents who reported having credit cards. With such a small percent (3 percent, or 5 of 163 total respondents) the level of statistical analysis is quite limited. As such, the conclusions reported herein must be interpreted very cautiously.

Also, the two samples, while respectable in size, were limited to only two universities. Ohio University is a public institution located in the Midwestern region of the United States. The National Hsinchu University of Education is a public institution in North Taiwan. Each offers limited representation of all college students in the United States and Taiwan. For researchers who wish to generalize to the larger population of
college students, it would be critical to collect data from a range of diverse universities—for example, private institutions, community colleges, for-profit universities, and universities in different geographic locations. Further, in future studies of this type, the sample should be broadened to include a wider range of majors.

Also, because the institution of education is a powerful socializing agent, in future studies respondents should also be asked whether they have completed financial education courses in either high school or college. Because this study asks only limited questions about respondents’ financial knowledge, the potential to compare American and Taiwanese students’ financial literacy and its effects on credit card ownership is minimal.

Also, the gender distribution among the Taiwanese respondents was exceptionally asymmetrical and overwhelmingly female. To make a powerful and meaningful comparison between women and men, parity would be necessary. For future research, it would be beneficial to have access to departments with more equal enrollments of male and female students.

Although the United States and Taiwan are both democratic and capitalist societies, these countries also have some profound differences that may affect students’ attitudes toward, and likelihood of having, credit cards and thus the results reported in this thesis. For example, the cost of attending a university is considerably more for students in the United States, and, as a result, many American students graduate with high student loan debt. For example, among the 86 percent of 2008 college graduates who owed student loan debt, their loan debt averaged approximately $24,000 (Alberts, 2010). According to
Chou (2007), annual tuition of national universities in Taiwan averages NT$59232, or about $2,038 in American dollars. Chou (2007) reported that public university tuition in the United States is three to seven times greater than tuition in Taiwan. Taiwanese students also have universal health care and access to inexpensive transportation. Moreover, most of them are supported by their parents to study at universities. Given this, it may be that American students have little choice but to use their credit cards to help fund their college education.

Also, the laws associated with credit cards are quite different in the U.S. and Taiwan. For example, prior to the Credit Card Accountability Responsibility and Disclosure (CARD) Act of 2009, credit card lenders in the United States could legally set up tables on college campuses to solicit to college students, could offer gifts in exchange for signing up for a credit card, and could give credit cards to people under the age of 21 (Monroe, 2010). With the CARD Act, American college student access to credit cards may considerably diminish.
CHAPTER 8: CONCLUSION

The results of this research suggest, first and foremost, that American students are significantly more likely than Taiwanese students to have credit cards. Further, the findings suggest that Taiwanese students are much more likely to experience stigma associated with credit card debt, distrust of credit card lenders, and fear of financial risks. The findings are consistent with Bourdieu’s concept of habitus which asserts that culture influences people’s concepts and behaviors. In addition to these cultural factors, structural factors, including financial institutions and legitimate restrictions, may contribute to the differences between the two groups of students. Thus, because American and Taiwanese college students are under different cultural and structural influences, they have different attitudes toward credit cards.

**Cultural reasons for differences**

Results from this study suggest that American college students have much greater access to credit cards, which is likely the result of the institutional arrangements in American society. It is also quite likely that American college students’ attitudes toward credit cards are highly influenced by the institutional arrangements of the American credit card system that Ritzer (1995) described. Although the Taiwanese government has established some limitations on credit card applications for college students, Taiwanese college students still have opportunities to obtain credit cards if they complete the required documentation.

Still, results from this study show that credit card ownership among Taiwanese students is considerably lower, and results also suggest that three cultural factors—stigma
associated with credit card debt, distrust of credit card lenders, and fear of financial
risks—significantly influence Taiwanese students’ attitudes toward credit cards. The
other cultural factor incorporated into the study is the financial education specific to
credit cards provided by parents. While American college students generally report more
parental education regarding credit cards, they still have much higher rates of credit card
ownership. This may suggest that parents’ discussions of credit card risks are not a
decisive factor in the credit card use of American college students. Further, the relatively
lower rates of parents’ discussion of credit card risks among Taiwanese students do not
appear to result in a higher rate of credit card ownership. As this discussion illustrates,
the reasons for high credit card ownership in the U.S. are complex and likely driven by
both cultural and structural factors.

**Structural/institutional reasons for differences**

Unique structural factors, such as financial institutions and legitimate solicitations
for credit cards, likely explain some of the differences in credit card use between U.S.
and Taiwanese college students. For example, higher employment rates among American
college students may be correlated with structural imperatives, such as increasing
university tuition rates, reduced opportunities for grants, and easy access to credit cards
on campus. Though cultural factors lead to the difference between the U.S. and
Taiwanese college students, the structural factors also have a significant influence on the
findings.

Another structural difference between the two countries is that American financial
institutions are much more powerful—they generally have more freedom to expand their
business, while the financial institutions in Taiwan are bound by more government limitations. Credit card laws in Taiwan serve as a good example of how the solicitation of credit cards to university students is supervised by the government. Global credit card companies cannot market to university students in Taiwan like they can in the U.S.

Further, it was not until 2009 that the Chunghwa Post (the postal service in Taiwan is also one of the national banks) introduced Visa debit cards (Huang, 2009). Prior to this, debit cards were rare in Taiwan. During the same time period, 71 percent of Americans aged 18 to 24 were using debit cards (Javelin, 2009). The process of using a debit card is very similar to that of using a credit card, thus, a debit card can be conceptualized as a trainer credit card, training users for future credit card use. Additionally, Taiwan is still a primarily cash-based society, a preference which naturally hinders debit card usage. Since Taiwanese debit card usage is low, it may affect the frequency of credit card use. The lower rate of debit card usage also suggests that Taiwanese financial institutions’ influence on Taiwanese society is limited, because many possible reasons hinder the financial institutions’ freedom to profit. The first reason is the strict process of governmental admission of financial products. The second reason is that major banks in Taiwan are national, owned by the Taiwanese government⁴. It is quite possible that these structural factors affect American and Taiwanese college students’ differing use of and attitudes toward credit cards.

⁴The national banks in Taiwan are more similar to non-profit organizations in that making a profit is not their chief purpose. Compared with private banks, national banks are not keen on marketing profit-making financial products. Thus, in 2005, when credit cards increased in popularity in Taiwan, private banks served as the primary lenders.
The findings from this study may also be useful for future research into the potential effects of financial stress caused by credit card debt. For example, college graduates who have credit card debt might experience financial pressure which could affect their mental health and family relationships. Mental health experts have suggested that people who suffer economic problems often have negative emotional reactions and even psychogenic syndromes (Belluck, 2009). Economic pressures can also affect the harmony of a marriage and even result in children’s emotional problems (Takeuchi, Williams, & Adair, 1991). Personal mental health problems and family conflict can in turn lead to more social problems. Therefore, credit card debt may well be connected to social stability. This study can be a reference for advanced research on credit card debt’s social influence.

This research is an exploratory study that compares credit card ownership, as well as attitudes toward credit card debt, between Taiwanese and American college students. Though research on American college credit card use is abundant, comparative studies of American and other cultures’ credit card use are sparse. The comparison of different cultures can spark future investigation of cultural studies in consumer behaviors.

The literature on Taiwanese college students’ attitudes toward credit cards is insufficient. Thus, this research provides a valuable reference for scholars who are interested in further study of this topic. The findings discussed here also provide new literature for the study of American college students’ credit card use. Moreover, the differences between the two cultures can help shape future studies and provide crucial ideas for promoting students’ financial management.
Culture is the foundation of this study. The influence of the stigma of debt, distrust of banks, and fear of financial risks suggests that culture retains a strong influence over consumer behavior, especially in Taiwan, even though the country is a democratic and capitalist society. Despite the transformation toward a more western culture, Taiwanese college students' financial behavior retains its own characteristics which are shaped by conventional Chinese culture. Therefore, this research is also a valuable reference for academics who are interested in the financial behaviors and attitudes of Taiwanese college students.

This study also raises an important and interesting question for scholars of American financial behavior. Namely, is it possible that, as a result of recent structural shifts, American college students will adopt attitudes and behaviors toward credit cards that more closely resemble their Taiwanese counterparts? For example, how will the CARD Act affect credit card behavior? And did the Wall Street scandals (Chan, 2011) and concomitant financial crisis of 2008 undermine Americans' confidence in the banking system to the point that they will develop a distrust of credit card lenders? Is it possible that these powerful structural forces will result in cultural shifts that push American students to behave more like college students in Taiwan?
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APPENDIX A: QUESTIONNAIRE

COLLEGE STUDENTS AND CREDIT CARD USE IN THE TWENTY-FIRST CENTURY

This survey is part of a Master’s research project at Ohio University. You MUST be at least 18 years of age to complete this survey. Your participation is completely voluntary. If you do not want to participate, or if you choose to skip certain questions, there will be no negative consequences.

Please do not write your name anywhere on the survey. This guarantees that your responses are completely anonymous and cannot be traced back to you. The only individuals who will see the raw data are the research team: Zhong-Wen Li and Dr. Deborah Thorne of the Department of Sociology and Anthropology at Ohio University. Thank you for your help with this research. If you have questions, please contact Zhong-Wen Li and Dr. Deborah Thorne in the Department of Sociology and Anthropology at Ohio University at zl377708@ohio.edu & thorned@ohio.edu.

Please note:
Completion of this survey implies your consent to use the data for research purposes.
PLEASE BEGIN THE SURVEY HERE

The following questions pertain ONLY to CREDIT CARDS (not debit cards). Examples of credit cards include VISA, MasterCard, American Express, Discover, and other store-specific credit or charge cards.

1. Since you began college at Ohio University, have you seen any tables on or near campus where students could apply for credit cards?
   - Yes
   - No → SKIP to Question 3

2. Did any of the solicitors at these tables offer gifts, such as a T-shirt or food, to students who signed up for a credit card?
   - Yes
   - No
   - Don’t know

3. Since you began college at Ohio University, have you ever gotten a credit card offer in the mail?
   - Yes
   - No → SKIP to Question 5

4. In the past month, approximately how many offers for credit cards have you gotten in the mail?
   - 0
   - 1-5
   - 6-10
   - More than 10
   - Don’t know

5. Since you began college at Ohio University, has a credit card company ever called you on the telephone and offered you a credit card?
   - Yes
   - No → SKIP to Question 7
6. In the past month, approximately how many times has a credit card company called you on the telephone and offered you a credit card?
   □ 0
   □ 1-5
   □ 6-10
   □ More than 10
   □ Don’t know

7. Since you have been in college, have you ever applied for a credit card, but been denied?
   □ Yes
   □ No

8. In general, would you say that there are many, some, or few opportunities on campus for students at Ohio University to sign up for credit cards?
   □ Many opportunities
   □ Some opportunities
   □ Few opportunities

9. Do you have a credit card? For example, do you have a VISA, MasterCard, American Express, Discover, or a charge card for a store? (Remember, we are only interested in credit cards, not debit cards.)
   □ Yes
   □ No → SKIP to Question 16

If you have MORE THAN ONE CREDIT CARD, please think of the one you USE MOST OFTEN as you answer these questions.

10. Last month, approximately how many times did you charge something on your credit card? Again, please think of the credit card that you use most often as you answer this question.
    □ You did not use your credit card even once last month
    □ You charged on this credit card approximately once a week, or about 4 times last month
    □ You charged on this credit card approximately twice a week, or about 8 times last month
    □ You charged on this credit card approximately three times a week, or about 12 times last month
    □ You charged on this credit card approximately four times a week, or about 16 times last month
    □ You charged on this credit card five or more times a week last month, or 20 times or more last month
11. Is the credit card that you use most often in your name only or is your parents’ name also on the card?
   - Your name only
   - Your parents’ name is also on the card

12. Do your parents supervise or limit your use of this credit card?
   - Yes
   - No

13. When the bill comes for this credit card, who most often pays the bill?
   - You most often pay this credit card bill
   - Your parents most often pay this credit card bill
   - Someone else (other than you or your parents) most often pays this credit card bill

14. Again, thinking of the credit card you use most often, the last time the bill came for this credit card, did you or someone else pay the entire amount that was owed, or did you or they pay only a part of what was owed?
   - The entire balance was paid in full
   - Only part of the balance was paid
   - Don’t know

15. When you add together ALL of the credit card debt that you have at this time, approximately what is the total amount that you owe? (If you are not sure of the total amount that you owe, please provide your best estimate.)
   - You do not owe any credit card debt
   - Less than $500
   - $500 - 1,500
   - $1,501 – 2,500
   - $2,501 – 3,000
   - $3,001 – 5,000
   - $5,001 – 7,000
   - More than $7,000

PLEASE CONTINUE TO THE NEXT PAGE ➔
16. Please consider the following hypothetical situation: Let’s assume that you need a new suit for a job interview. You go shopping and find the perfect suit. It costs $500, which is more than you can afford, but you really like the suit. So you charge the $500 suit to your credit card. When the credit card bill come, you can only afford to pay half of the balance ($250); you won’t be able to pay the other $250 until next month. How embarrassed would you be if you could only afford to pay $250, rather than the full $500 that you owed on the credit card?
   □ Very embarrassed
   □ Somewhat embarrassed
   □ Not at all embarrassed

17. Please consider the following hypothetical situation: If you owed money on a credit card and could not afford to pay your credit card bill on time, how embarrassed would you be if the credit card company sent you a late notice and your parents saw the late notice?
   □ Very embarrassed
   □ Somewhat embarrassed
   □ Not at all embarrassed

18. When you think about the credit card companies that have offered you credit cards, in general, how much do you trust or distrust these companies to protect you if your credit card is stolen or used illegally? Do you:
   □ Very much trust the credit card companies to protect you
   □ Somewhat trust the credit card companies to protect you
   □ Somewhat distrust the credit card companies to protect you
   □ Very much distrust the credit card companies to protect you

19. It is now common for credit card companies to charge late-fees and over-the-limit fees of $30 or more, even if borrowers are only one day late or one dollar over the credit limit. How fair do you these charges are?
   □ Very fair
   □ Somewhat fair
   □ Somewhat unfair
   □ Very unfair

20. All credit card offers come with contracts, which are often referred to as “the fine print.” The contracts outline all of the rules and regulations associated with the credit card. Have you ever read, or tried to read, one of these contracts?
   □ Yes
   □ No  → SKIP to Question 22
21. How much do you agree that these contracts are understandable and transparent?
   □ Very much agree
   □ Somewhat agree
   □ Somewhat disagree
   □ Very much disagree

22. If you graduated from college and owed approximately $4,000 on a credit card, how worried would you be about owing this amount?
   □ Very worried
   □ Somewhat worried
   □ Not at all worried

23. In general, how important do you think it is for people at your age to regularly put money in a savings account?
   □ Very important
   □ Somewhat important
   □ Not at all important

24. Do you currently have a savings account?
   □ Yes
   □ No

25. Are you currently employed?
   □ Yes
   □ No  → SKIP to Question 28

26. Is your job full-time (40 hours a week) or part-time (less than 40 hours a week)?
   □ Full-time (40 hours a week or more)
   □ Part-time (less than 40 hours a week)

27. LAST MONTH approximately how much income did you earn from this job?
   □ $0-$250
   □ $251-$500
   □ $501-$750
   □ $751 - $1,000
   □ More than $1,000
   □ Don’t know
28. Have your parents ever talked with you about the possible financial risks or harms of using credit cards?
   □ Yes
   □ No

29. LAST MONTH approximately how much did you spend (either in cash or charged to a credit card) on social activities, such as partying, gifts, vacation travel?
   □ Less than $100
   □ $100-$200
   □ $201-$300
   □ $301-$400
   □ More than $400
   □ Don’t know

30. What is your sex?
   □ Male
   □ Female

31. What year are you in school?
   □ Freshman
   □ Sophomore
   □ Junior
   □ Senior
   □ Other
   Please explain: ____________________________

32. This school year, which of the following best describes where you live? Do you live:
   □ On campus—for example, in the dorms or a sorority/fraternity
   □ With your parents
   □ Off campus—for example, in an apartment
   □ Other
   Please explain____________________________

PLEASE CONTINUE TO THE NEXT PAGE →
33. Last year, in 2009, approximately how much was your parents’ COMBINED ANNUAL income?
□ Under $50,000
□ $50,000 – 100,000
□ $100,001 – 150,000
□ $150,001 – 200,000
□ More than $200,000
□ Don’t know

34. Since you began college, approximately how much of your college expenses have your parents paid? This includes the cost of tuition, books, and housing. Have your parents paid:
□ All of your college expenses
□ Most of your college expenses
□ Some of your college expenses
□ None of your college expenses

Again, thank you for your help with this research.
Your thoughtful answers are greatly appreciated.