

Already it adds up to almost as much as the check will be.

And there's that bill for the things she charged at Jones'. A birthday gift to buy for Susan next week. Allowances for the children. And Jim really needs his new suit before that important trip at the end of the month. They've been planning to get it from month to month but there never seems to be enough cash to go around.

Ruth decides she'll talk with Jim about getting the suit on an installment plan. They never have bought clothes "on time," but she sees no other way to get the suit by the time he needs it.

And so it goes—another "easy" payment!

MORE DEBT: GOOD OR BAD?

Many other families are in the same boat as the Mason's—using more and more credit to buy the things they want.

Some folks say this is a bad situation. Others say it's good—that wide use of credit is one of the things that helps to give us such a high standard of living in America.

Good or bad, certainly many families and individuals *do* use credit in order to enjoy today—rather than waiting until they can save the purchase price—such things as automobiles, refrigerators, automatic washers, education and even vacation trips. Others use credit in the form of a charge account simply as a convenience. Still others borrow money to meet emergencies, such as illness or being out of work. And some folks say that buying equipment and furnishings for the home on the installment plan is a way of saving—that they wouldn't be able to save the purchase price of such items without a contract to make them do it. Moreover, some will say, even though it costs more to buy "on time," it's worth the extra cost to have certain conveniences and comforts while the family is growing, rather than to wait until savings can be accumulated.

IT'S HOW YOU MANAGE CREDIT THAT COUNTS

Whatever your reasons, using credit in itself isn't necessarily good or bad. It's the way you use it that means either benefits or problems for you.

You have to manage credit. If you don't your debts will manage you—keep you from doing and having many things you really want.

You may not have thought of it in this way, but actually your credit—the confidence others have in you which makes it possible for you to borrow money or to buy on time—is indeed a valuable personal asset.

The purpose of this leaflet is to bring together some ideas which may be helpful to you in using credit to your advantage.

ASK YOURSELF THESE QUESTIONS:

1. Shall I use credit for this purchase?

In order to answer this question for yourself, there are many others to think about:

How will the payments fit into your family's regular spending? If you haven't been in the habit of budgeting (planning expenses before you spend), now is the time to start—before you take on installment payments. Will you have to go without necessities or other items that are more important to your family than this purchase? No one else can give you the answer. Sometimes it's learned the hard way, by living with installment payments that are too big for your income. Sitting down together as a family and figuring all your living expenses ahead of time isn't easy—but it might save a great deal of real trouble.

How much will credit cost? What's the difference between the cash price and the price you'll pay if you buy "on time"? Is it worth the cost to you to be able to make the purchase now on credit, and pay later? Or would it be better to use savings? Or to wait until you can save enough to pay cash?

Will whatever you are planning to buy outlast the time you'll be making payments? Give long service? (It's no fun to pay for "dead horses"!)

Is this something that you will want as much when you are making the payments as you do now?

Will it mean better family living? (Save time? Save energy? Give satisfaction to the family? Protect health? Make it possible to increase income?)