

they obtained new employment. One family reported being garnisheed for a \$700 balance due on a TV set after it had been repossessed.

Intermeshed in all their repossession experiences was another credit difficulty; namely, the co-signing of loans for other people. Roughly a third of our sample had served as co-makers of a loan for another, thinking they were vouching for the character of a friend or relative. Three out of four of this group had been garnisheed at least once for the defaulted debts for which they had co-signed.

Almost half of our families felt that the balances they owed their creditors at the time they went on welfare were higher by the time they went off welfare. A little over 10 per cent of the sample found their debt balance to be about what they had expected. One family reported a balance of \$600 due on a small loan of \$300 contracted before their welfare experience. Apparently, the rest of the sample lacked sufficient knowledge of their situations on which to base an opinion on the matter. There is every reason to believe that interest on the debts left unpaid continued to accrue during the welfare experiences of our sample families. Given the average amount of indebtedness among our families (\$1520.50) when they went on welfare, the customary annual interest rates of 18 per cent on revolving credit accounts and some 24 per cent on small loans could increase the debt problems of our sample families sizably over a period of a year or more.

Not surprisingly, the interviews among our sample families revealed little knowledge of interest charges involved in their credit behavior. Nor as a group did they appear to have records of their credit contracts or payments. While there would seem to be grounds for suspecting fraud on the part of creditors in some of the cases, there was not one attempt in the 168 garnishments admitted by our families to contest the legal actions taken against them. Moreover, there appeared to be a pattern among a number of the families to continue doing business with the same creditors who had been garnisheeing their wages. Asked about this, one husband replied, "I didn't know I could go anywhere else without money." Another replied, "Where else can we make the same payment each week and pick up a new item every time the old bill's about paid up without any change in payments?" With deep resignation one woman sighed, "The only way out of this dollar-down-and-two-dollars-a-week living for people like us is to send us back South." A husband summed up the situation for our sample families with the challenge: "If you were broke most of the time and wanted things for your kids like everybody else, and you kept getting these letters saying, 'We have money waiting for you to pay for your purchase on time,' what would you do?"

CONCLUSIONS

Sociologists proclaim that the first step in solving a social problem is creating an awareness that a problem exists. The foregoing comments represent a few of the more pertinent findings of a modest interview survey which suggest that the debt problems of public welfare families constitute another in the mounting list of neglected consumer problems of low-income families needing the attention of consumer specialists.

A few tentative conclusions from this exploratory survey would seem apparent. They might serve as propositions for more sophisticated research efforts. First, debt problems appear to be an integral part of the money problems of a number of welfare families. Second, budgets devised for individual welfare families which ignore installment credit obligations are doomed to failure. Third, departmental policies voiding use of welfare funds to repay creditors are non-functional as long as the creditor, the more power party to the credit contract, is not a party to the non-payment commitment. Fourth, welfare money is being used both directly and indirectly to pay off a small number of "easy credit" merchants and consumer finance companies. Fifth, a small number of "easy credit" merchants and consumer finance companies are both soliciting and harassing welfare clients and jeopardizing their financial rehabilitation. Sixth, garnishments shortly following a return to work are a constant threat to former welfare recipients and in part are a consequence of departmental policy not to deal realistically with the installment credit problems of its clients.

Obviously, since the determining of public welfare policy is a local responsibility, a survey of policies and programs on the repayment of debts and within public welfare departments across the nation would be a helpful project in itself. Even though conditions and practices in a given locality might differ, it may be helpful to enumerate some questions suggested by the Milwaukee situ-