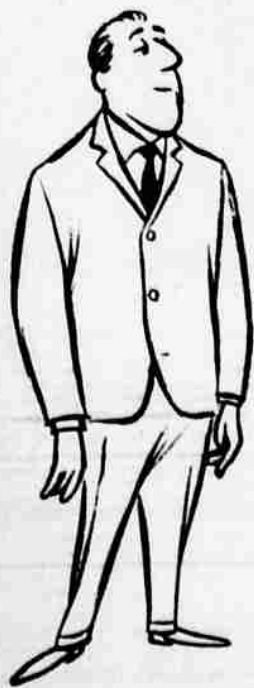


# THE BOOM IN LIVING ON THE CUFF



*At the phenomenal rate that  
people are using  
credit cards  
to charge everything  
from a meal to a wedding,  
it's possible that  
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from suits and  
money itself  
may be on the way out.*

by Joseph N. Bell

THERE IS a junior executive in Chicago who, four times a day, five days a week, visits the same restaurant. His procedure never varies. He has breakfast at 8, coffee at 10, lunch at 12, and coffee again at 3. And each time he pays the bill with a credit card—whether he's buying coffee for himself or the blue-plate for everyone in his office.

Although the bookkeeping on this gentleman is immense and the returns relatively small, he is—in the opinion of a number of people in the credit card business—the prototype of what is coming in consumer buying habits in the United States.

Ralph T. Reed, president of the American Express Company, predicts flatly that we are heading toward a "credit card economy."

An official of the Diners' Club told me cheerfully: "Someday they won't bother to make pockets in suits. Eventually we'll charge everything. Money is on the way out."

They may be right, too—at least if we are to believe the signs of the credit card times. Individual credit systems virtually exploded with growth in 1958, and the trend is continuing this year, with no foreseeable end in sight. Diners' Club, the oldest and largest of

the "comprehensive credit cards," is adding members at the phenomenal rate of 30,000 per month. American Express, which entered the credit card business in October, 1958, already boasts "well over 600,000 members." The Hilton Hotels' Carte Blanche plan got under way this Spring with close to a million members, taken over from the long-existing Hilton hotel credit card. And in addition to these three major plans, dozens of banks, airlines, hotels, and other service organizations are entering the individual credit field.

As a result, the range of use of the credit card has become almost limitless. A man in New York employs his principally to buy an ice-cream soda every afternoon. At the other extreme, a Californian two years ago took a party of ten people on an African safari, and charged the whole trip—\$50,000 worth—on his Diners' Club card.

Individual credit cards aren't new. Oil companies, hotels, department stores, and airlines have issued them for many years. More recently, other credit services (telephone, telegraph, auto rental, for example) have kept male wallets bulging with dozens of different credit cards. The new gambit is