

1077-L5-1244

**Cinnamon Hillyard\*** (chillyard@uwb.edu) and **Pete Nye** (pnye@uwb.edu). *The Financing Choices of American Consumers: The Influence of Quantitative Literacy, Cognitive Disposition and Material Values.*

Some consumers finance discretionary spending at extremely high interest rates. Many carry substantial balances on their credit cards at effective annual interest rates as high as 36%, and some pay annual rates on “pay day” loans in excess of 400%. High interest debt can rapidly cascade into an overwhelming financial burden, threatening the consumer’s credit and long-term financial health. While these choices may seem unwise or even irrational, they are widespread. This survey study investigates how quantitative literacy (QL) may promote wiser financial choices. In addition, we examine consumers’ willingness to apply their quantitative skills and think through the implications of their financing choices. While QL and consumer education matter, we propose that consumer values and motivations may also be important in explaining risky financial choices. For example, materialism drives many American consumers to take on imprudent levels of high interest debt. In addition to providing survey results, we will discuss how we assessed subjective and objective QL and how the results inform QL education practices. (Received September 18, 2011)