

Layaway signals economic slump

BY JACKIE KINEALY
News Editor
index.newseditor@gmail.com

A sign of the weak economy, layaway is back in Wal-Mart stores for the first Christmas since 2006.

As of Oct. 17, shoppers can pay in installments for toys, electronics and jewelry with a \$5 service charge and a 10 percent down payment, and pick up their items by Dec. 16.

"We went away from it because at the time the economy was strong and [layaway] was not used as much," said Doug Nichting, Kirksville Wal-Mart store manager.

The 2006 company press release cited declining use and increasing cost as more people shopped online and used credit cards to purchase items.

Because of the weak economy, there is a greater need for layaway and customers requested it, Nichting said, so the company reintroduced the program for the holidays. The service has been popular at the Kirksville Wal-Mart since it started last Monday, he said.

"I think everyone has good intentions for setting money aside, including me, but it doesn't always happen," he said.

Putting gifts on layaway gives customers more of an incentive to set aside money for these gifts, he said.

Still, using layaway to incrementally pay for gifts requires a \$5 service fee, and if the item is not paid in full by Dec. 16, a \$10 cancellation fee is deducted from the amount already paid.

"To me it makes more sense to save the money under your bed or in a bank," said

Louis Hyman, a New York Times op-ed contributor who wrote a column in the Oct. 11 edition of the newspaper arguing Wal-Mart layaway is not in consumers' best interest.

Hyman is a labor relations, law and history professor at Cornell University, and wrote a book about the history of American debt during the 20th century.

"It's a business decision by Wal-Mart," he said. "What bothered me is it's being framed as a decision to help people save money because it's actually more expensive for consumers to shop on a layaway plan."

In his column, he provided the example of how a woman putting a \$100 item on layaway with a \$5 service fee and a \$10 down payment is equal to a credit card with a 44 percent interest rate.

He said poor and working class Wal-Mart customers have been hit disproportionately by the recession and are buying fewer items on credit. Meanwhile, Wal-Mart sales are dropping nationwide.

He said layaway makes sense when goods are scarce or could run out before Christmas, but he does not think that's likely at Wal-Mart.

The Federal Trade Commission, a government consumer protection agency, recommends having a merchant's layaway and refund policy in writing and keeping records of payments made, according to its website.

Frank Dorman, an FTC public relations official, said he was not aware of any complaints made to the FTC about Wal-Mart layaway, but even if there were he would not be at liberty to disclose them because all complaints are non-public information.

What bothered me is it's being framed as a decision to help people save money because it's actually more expensive for consumers to shop on a layaway plan.

— Louis Hyman
New York Times op-ed contributor



Lindsey Borgna/Index
Wal-Mart employee Craig Harkness answers the phone at the layaway counter Wednesday afternoon. Customers must put down a \$5 service charge and a 10 percent down payment to use the service.

Search begins to fill student seat on BOG

BY PHILIP ZAHND
Assistant News Editor
index.newseditor@gmail.com

The search for a new student representative to the Truman State Board of Governors is picking up pace as the current representative's term is scheduled to end Jan. 1, 2012.

Current student representative senior Luke Freeland said he is planning to appoint members to the student representative selection committee during the next Student Senate meeting Sunday.

The committee will include Freeland, Ryan Nely, president of the Student Association as the chairman, a senator, a student at-large, members of student athletic committee, Funds Allotment Council, Student Activities Board, Residence Life and a media representative.

Nely said he doesn't know how many applications, which are due Friday, have been submitted online but four or five students have approached him personally about the position.

"The number one thing for me is professionalism," Nely said. "[Freeland] is somebody who can go into the meetings with the Board members, and you can tell that they are going to take him seriously."

Nely said the student representative should be accessible to the student body as he or she is the main link between students and the Board.

"The student rep. should be a thermometer for how things are going on the Board," he said. "If you have any concerns you should be able to talk to them, and he or she can give you an idea on how the Board feels about it and what the plausibility of it is and also take your concern to the Board."

Student Senator junior Drew Paulman said he is applying for the position to try to help keep Truman affordable.

"Higher education has been on the chopping block every single year [of the



Duties of the Student Representative to the Board of Governors

- Attend and participate in all Board meetings
- Report to student government
- Meet with University president
- Attend University functions as BOG representative
- Seek out student opinions, concerns and questions
- Serve on committees pertinent to students and the Board

recession]."

He said that in recent years, tuition has been lower than what it needs to be, which can result in a sudden spike in cost.

Paulman said he also would try to get a Safe Ride program passed through the Board, which has previously failed.

He said other Missouri schools have student fees for these programs, which create scholarship programs.

"I think we need to change that because it benefits everyone to have a Safe Ride program because even if you don't drink, it makes the road safer," he said.

The committee interviews the applicants during the application process. Freeland said depending on the number of applicants, the committee will interview all the candidates or select a few semi-finalists.

When the interview process has end-

ed, the committee will submit a slate of three candidates to Student Senate for questioning and discussion. If Senate passes the slate, Senate will refer the candidates to the Missouri State governor's office to be interviewed in Jefferson City. If the slate is not approved, the committee will make adjustments and might choose different candidates. Freeland said he hopes to have a slate approved in a couple of weeks.

Damion Trasada, deputy director of boards and commissions for Gov. Jay Nixon's office, said that after the candidates are interviewed, the Boards of Commission office will make a recommendation to Gov. Jay Nixon, who makes the final selection.

Trasada said he looks for a student who has been involved in extracurricular activities and organizations, such as student government and community service.

He said he tries to gauge their level of understanding of student issues and affairs that are relevant to their campus and their motivation for participating on the Board. Lastly, he said he asks what personal qualities candidates would bring to the Board and about their commitment to keeping the student body informed about state business.

Trasada said he does not think it would be at the candidate's advantage to be Democrat, the governor's political party.

Freeland said the position goes beyond representing student opinion.

"What I think we should look for is someone that we think is going to be able to not only hold the best interests of the students but be able to communicate it to the board — someone who is also going to be passionate about it, who wants to get involved, someone who wants to put forth that extra effort and to really make something out of the position," he said.

Freeland said there are not a lot of specific requirements for the student representative, but there are a lot of opportunities to become more involved.

"I became an adjunct member of the Student Senate because of this, and that's a great opportunity for me to get involved and get a lot of student input," he said.

Freeland said although the selection of Troy Paino as the new University president occurred just before his term began, he was excited to be involved with the inauguration committee. He said he has also been involved with the provost search this semester.

"The most important thing that I've been able to do is been to relate students to the board members," he said. "Something that has been super important to me is to try to give them a view of what student life is like here."

WOODY'S TIRE, AUTO & TOWING LLC



GOODYEAR, COOPER, KELLY, ELDORADO TIRES

Unlocks • Jump Starts • Brakes • Wheel Balancing

Use your Bulldog Card
to receive \$5 off an oil change!

1102 N. Green • Kirksville, MO
660-665-8617
After Hours 660-216-3123

House for Rent to a Party of Five

--- Minutes from Truman State University ---

Looking to rent a house in 2012 with 4 others ?



Truman State University
S Florence Street

E Jefferson Street

Spacious 5 bedrooms / 2 bathrooms house available for rent starting May 15th, 2012 or earlier including laundry, parking, and large garden. Rent is \$200 person / month (based on 5 tenants excluding any utilities). Contact JoNa Properties at (281) 827-7715 for info and showing.