Secretary TROWBRIDGE. I am delighted to give you such good service and we will in this case, but I will need a little time.

Mrs. SULLIVAN. Mr. Halpern?

Mr. HALPERN. Mr. Secretary, you suggest that better credit disclosure, that better disclosure of credit terms might generate an expansion in the use of credit as consumers gain confidence and understanding of its mechanisms. Do you feel that people who until this point have been able to get by without using credit are likely to switch from cash to credit when they see the real costs involved?

Secretary TROWBRIDGE. I am not sure that——

Mr. HALPERN. Or from credit to cash?

Secretary TROWBRIDGE. It seems to me we have a parallel in history where, although conditions were obviously different, there was a need for greater disclosure on the makeup of stocks. Many people were buying stocks without really knowing what the commodity was that they were buying and whether it was worth it and what it might do and what the backup of the company was. When we had the disclosure provisions of the Securities and Exchange Commission, there was a good deal, I think, of concern, if my memory of history is correct, as to what impact this disclosure provision would have on the stock market and I think history is certainly proving that confidence resulted from disclosure, that greater purchase of stocks resulted, that the economy was benefited from it. I would hope that there is a parallel in this case.

It seems to me that the American consumer, once he understands more about what he is buying, and has more confidence in it, would react more positively. I think that is the general philosophy of this proposal and I think it makes sense.

Mr. HALPERN. There is general agreement that revolving credit has not only been in the recent past—but will continue to be—the fastest growing type of credit arrangement. Do you foresee any increased economic instability inherent in the expanding use of such credit, where people feel they can continue to buy and still forestall payment?

Secretary TROWBRIDGE. No, I don't see any inherent instability in this situation. It seems to me we have a growing national product, we have a growing retail sales level every year. A very important part of this is the extension of credit. The use of that credit by the American customer is the spur and impetus for much of our economic well-being. I don't see any adverse impact from this.

Mr. HALPERN. Thank you.

Mrs. SULLIVAN. Mr. Minish?

Mr. MINISH. Mr. Harding, one of your OEO programs has as an objective the establishment of credit unions in the poverty areas. Can you tell us how this program and these objectives might relate to the current bill under discussion?

Mr. HARDING. Mr. Shriver talked briefly on this before he had to leave and the general import of what he was trying to communicate to the committee was the fact that among the poor there is a very real educational problem involved in consumer purchasing and in consumer credit and one of the main purpses of these credit union operations is an educational purpose, to acquaint the poor with buying, credit, other factors in the economy, and this is one of the purposes.