What has been said so far about the difficulty of defining and isolating consumer credit emphasizes the problem of data-gathering in this field.[7] From an economic point of view, the main objective of gathering such information is the ascertainment of significant trends in the use of credit—trends that may have important bearing on the national economy as a whole or on the behavior of consumers specifically. From the particular point of view of protecting individual consumers, all credit transactions should be included in which research has uncovered some element of deception or abuse. On this principle, we must recognize the unreality of the legal distinction between cash credit and vendor credit. No useful analytical purpose is served by the attempt to separate transactions of this sort. They are each in essence one and the same thing—a postponement of one half of the exchange transaction. Thus, both must be included in the definition of consumer credit.

Care should be taken to exclude from coverage those transactions which are not forms of consumer credit, even though they may include consumer-credit elements. Some authors, for example, attempt to identify lease arrangements as a form of consumer credit.[8] Such a classification, however, appears to be a mistake, because there really is no granting of credit in a lease. With the possible exception of lease arrangements that include an option to purchase at the end of the term, straight leases are nothing more than the purchase, for a fixed amount, of a specified service for a specified time. For instance, if one leases an automobile for a week or a month, he purchases for a price expressed simply in dollars the use of this machine for that period of time. Since everything is "pay as you go," such economic transactions do not belong under the heading of consumer credit.[9] To call these arrangements merely other means of financing simply confuses the picture. It is true that, in a long-term lease, the lessee obligates himself to definite payments for definite future time periods. But these payments are tied to the enjoyment of definite future services which the lessor obligates himself to provide. In effect, the lessee is as much granting the lessor credit as the lessor is granting it to the lessee. Moreover, if the leased item should be destroyed, the lease ceases to operate. The continued existence of a consumer good purchased on time, however, in no way affects the validity of the installment contract; money which has been advanced must be repaid.

7 See generally Jones, Measurement of Consumer Credit, 48 U. Ill. Bull. 83-99 (1951).

8 See, e.g., The Mortgaged Society, Forbes, Dec. 1, 1965, p. 51.

9 It should be noted, however, that credit can be extended in conjunction with a lease arrangement. To the extent that use of the leased item precedes payment for such use, the lessor has extended credit to the lessee, in the same manner that a vendor grants credit to a vendee by permitting use before payment.