Finally, it should be pointed out that some arguments employed against consumer-credit controls and contract terms miss the point entirely. For instance, it has often been alleged that consumers do not want and will not use information such as annual-rate percentages. It may be freely conceded that there are some pieces of information that the buyer does not now realize are important for him to know. If, however, it is objectively true that a certain piece of information is essential to a rational decision, then it is perfectly reasonable for the law to require it to be given. It then becomes a matter for consumer education to bring the people to the point where they appreciate the necessity of making a decision only after considering this information. It is inconceivable that anyone can sincerely argue that pertinent information should *not* be made available just because present-day consumers either do not know enough to ask for it or do not use it where it is now available. If the consumer-credit industry really thought this information would have no effect, there would never have been any controversy at all.[24]

Fortunately for the consumer, several federal agencies supervising financial institutions have recently stepped into this matter with a simultaneous release to all agencies under their control. In it they set out guidelines to be followed by financial institutions in advertising to attract deposits from the public. Chief among these directives is the following:

> Interest or dividend rates should be stated in terms of annual rates of simple interest, and the advertisement should state whether such earnings are compounded and, if so, the basis of compounding. Neither the total percentage return if held to final maturity nor the average annual rate achieved by compounding should be stated unless the annual rate of simple interest is presented with equal prominence.[25]

of individual sellers, since all firms will be required to follow the same formula for the specific type of credit.

24 Some of the arguments or positions advanced by credit-industry spokesmen are obviously well calculated to inject confusion and bewilderment into the debate and should hardly be seriously advanced. For instance, all the talk about how difficult or impossible it would be for companies to train their people to tell customers the true annual interest rate sounds hollow when faced with assurances from the publishers of financial tables that they can add a true annual-rate column to their charts with no difficulty or delay, and at minimal expense. See generally Mors, Consumer Credit Finance Charges 108 (1965).

25 See Letter From Board of Governors of the Federal Reserve System to State Member Banks, Dec. 16, 1966, in 52 Fed. Reserve Bull. 1774 (1966). The agencies involved were the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, and the Board of Governors of the Federal Reserve System. See also Business Week, Dec. 24, 1966, p. 81. It is also a source of considerable gratification that the 1967 consumer message from President Johnson contained a request for a percentage rate disclosure per year.