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DULUTH--Military strength, scientific, economic and moral leadership and a continued high standard of living continue to represent the major goals of the American economy.

Dr. Richard O. Sielaff, chairman of UMD's Social Science division, keynoted the day-long Consumer Credit Seminar on the UMD campus Saturday.

Speaking to more than 70 northern Minnesota credit union leaders, Dr. Sielaff said the U.S. must match economic and military strengths in order to be prepared for any international emergency.

"We need to keep our advantage in the fields of the natural sciences in order to command respect in the world markets," he said. "We must invest more and more in scientific research" in order to maintain our technological position.

Sielaff said we cannot take a neutral attitude toward the economic development of other nations if we expect them to follow our leadership.

The average income of American families, he pointed out, has almost doubled in two decades and we must strive to continue to improve our level of living.

Dr. Cecil H. Meyers, professor of business and economics at UMD, reviewed the history of the credit movement. Dr. Meyers said that while the use of more machinery, better homes, higher food consumption and other shifts have taken place in the American economy, the average consumer still has been more thrifty.

"In 1929, the percentage saved was about five per cent," Dr. Meyers said, "whereas, in 1959 the comparable figure was seven per cent. If we counted the purchase of durable goods as an investment, then the percentage of income saved in 1959 would be about an estimated fifteen per cent."

This tendency toward higher savings provides a "real opportunity as well as a challenge to all the organizations engaged in providing outlets for individual savings," Meyers added. He warned, however, that shifts in the pattern of savings depend on the overall productive activity of our resources which, in turn, generate the very income from which savings are made possible.

Dr. John A. Dettmann, professor of business and economics at UMD, spoke on record keeping and its problems. Since Dr. Dettmann spent last year in Korea, he described the Korean "kye" which, he said, is a "hybrid credit union, investment club, and installment loan organization operated on a cooperative basis."

Dr. Dettmann said "kyes" originally were formed centuries ago to assist neighbors to meet funeral, wedding, or travel expenses. Today, they "acquire lump sum funds for educational, housing, and consumer expenditures and for further lending to others. Many kye members will loan their proceeds to retail merchants," Dettmann pointed out.

A panel discussion on practical credit union operations and problems was moderated in the afternoon by Kent W. Francis, director, Member Education Service, Twin Cities. Serving on the panel besides the UMD speakers were Howard E. Ross, treasurer, Cloquet Cooperative Credit Union; George Graff, manager, City and County Employees Credit Union, Duluth; Mirko Dotlich, treasurer, Canisteco District Mine Employees Credit Union, Coleraine; and Peter H. Cohen, president, Duluth-Superior Transit Employees Credit Union, Duluth.

Participating in the conference as topic chairman were Donald Klaber, president, Arrowhead Chapter of Credit Unions, Duluth; and Adolph L. Juten, chairman, Seminar Planning Committee, Duluth.

The program director was R. Kay Humphrey, representing the University's Center for Continuation Study, Minneapolis, which sponsored the seminar with UMD and in cooperation with the Minnesota League of Credit Unions.