

## CONSUMER INFORMATION PROGRAMS AROUND THE NORTH ATLANTIC

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### CURRENT CONSUMER INFORMATION (CI) PROGRAMS: CHARACTERISTICS

#### The Testmakers

The International Consumer Information Survey was limited to broad-scope testing, labeling and certification programs in the North Atlantic community of nations. By broad scope we mean programs aimed at consumer goods in general, and this not confined to one product or group of products (appliances). A great number of single-industry programs exist, generally created by trade associations or industry-sponsored research institutes but sometimes by law, as in the case of wool products labeling in the U.S. We have no doubt that in some countries such programs provide more CI in the aggregate than do the broad-scope organizations, although the independence and objectivity of single-industry programs at times may be subject to question.

Comparative testing denotes a special kind of market survey carried out by an independent body. This organization selects the individual samples of the brands of a given product (or products, if the focus is on substitute products) to be tested, and also prescribes the characteristics to be tested, and the test methods to be used. The results obtained for each brand are reported (frequently cross-tabulated). A generalized judgment about the whole product--usually including a consideration of price and of non-testable but relevant features--may be added, in the form of an overall rating, or a categorization in terms of relative recommendability ("best buy", "not acceptable", etc.) as a consumer counseling device. Such judgments are invariably made, for instance, by Consumers Union in the U.S. and frequently by Consumers' Association in the U.K. Some organizations prefer to let the tests of individual characteristics and products speak for themselves, hence generally do not include any overall product ratings, e.g., the Konsument-institutet, a Swedish government agency. Comparative test reports tend to be journals focused on subscribers rather than newsstand sales.

Informative labeling here denotes an activity in which an organization after establishing certain norms as to the range and depth of information about product characteristics to be declared on the label, will permit interested producers to attach the informative label of the organization to their products. The label on a certain brand of a given product will state where on the scale established for each characteristic (color fastness, proportion of wool contents, etc.) that particular brand is to be found. This is determined in advance by testing. A manufacturer may continue to use the label only as long as his products comply with the information given on it.

Labels give ratings for testable properties only. Wherever possible, the characteristics selected are those deemed important from a consumer and per-

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<sup>1</sup>This paper is an outgrowth of the International Consumer Information Survey, a set of comparative research projects sponsored by the International Business Research Institute at Indiana University and the Consumer Research Institute. I am indebted to my associates, Drs. Helmuth Becker, Jack Engledow and Sarah V. Thorelli for many ideas. However, policy conclusions in the paper are my own.

# VDN VARUFAKTA

*Design:* Focus de Luxe, No. 20300

*Materials:* Stainless steel containing 18% chromium, 8% nickel. Knife blades of stainless steel with 14% chromium, hardened. Handles of polyamide plastic (nylon).

*Resistance to Chemical Attack:*

*Note.* All stainless steel may be attacked by the substances in certain foodstuffs. The higher the content of chromium, the greater will be the resistance to attack. See "Instructions for Care" and note the composition of the alloy under "Materials." The stainless steel used for tableware contains at least 12% chromium, and may have as much as 18% chromium and 8% nickel—although hardened knives have at the most 14% chromium.

*Handle's Resistance to Washing:*

Withstands washing by machine with a water temperature of 85° and drying in hot air at 100°. \*Strength of the anchorage after such washing: 5  
After washing by hand in water at 60°: 5  
For normal household use a strength of 3 or 4 is sufficient. For restaurant and institutional use the strength should be 4 or 5.

\*Bending Strength (spoons and forks): 5  
For normal household use a strength of 2 or 3 is sufficient. For restaurant and institutional use the strength should be 4 or 5.

\*Durability of the Cutting Edge: 5  
The higher the figure, the less risk there will be of marking (discolouring) chinaware.

\*Scale 1-5, with 5 representing the greatest strength or durability.

*Instructions for Care:* See back of label.  
*Manufacturer:* AB GENSE, Eskilstuna.

FIGURE 1. VDN label for Gense brand stainless steel cutlery.

formance point of view. There is no overall rating but separate ratings for each of the selected properties. In theory this enables practically any product to be labeled, irrespective of its quality. The idea is that a label allows the consumer himself to judge whether the product is suitable for him. Under labeling information is standardized, rather than products, declares a brochure from the Swedish Varudeklarationsnamnden (VDN), the pace-setting organization in the field since its founding in 1951. As informative labeling is fairly unknown on the west side of the Atlantic, we reproduce here a sample VDN label.

Quality certification, as the term suggests, indicates that the product carrying the seal at least measures up to a minimum norm or threshold level of performance or materials contents established by the certifying agency. Again, advance tests are performed and products may carry the seal only as long as they comply with, or exceed, the minimum norm. As regards both labeling and quality certification, routine control that performance levels involved are in fact attained is often entrusted to the producers themselves. However, all organizations retain the right to undertake control tests ex officio, and several will do so on an intermittent basis. The leading quality certification bodies are the RAL of Germany and the Qualite France. Some of the quality seals of the latter organization incorporate informative labels.

Prerequisites and perquisites

A basic prerequisite of meaningful CI programs as defined here is a private enterprise economy, or at least a system which permits a sufficient degree of competition to present the consumer with a number of alternate variants of

a given product. Another obvious prerequisite is that these variants may be readily identified, that is, that they have been designated by brand and/or model number and manufacturer (or, at least, distributor) name. A third prerequisite is product tests. This is obvious in comparative testing. If labeling and certification are to make sense they must also be based on tests:

<sup>1</sup>For further detail see Hans B. Thorelli, "Consumer Information Policy in Sweden--What Can Be Learned?", Journal of Marketing (Jan. 1971), pp. 50-55.

how otherwise can one indicate performance characteristics on a label or certify that a product equals or exceeds a given quality norm? Testing requires scientists and labs. Less obvious but equally important: it requires testing methods which are valid, reliable and standardized--and preferably standardized internationally.

Another important prerequisite is a reasonably advanced stage of local industrial development. Experience indicates that without such development one cannot expect to find the emphasis on quality control and quality consistency at the plant level demanded by the inherent logic of CI programs.

It is also evident that CI programs presuppose a minimum standard of living (without which the consumer would not be in a position to make many choices) and a minimum standard of literacy (without which he would not be able to assimilate the information being disseminated).

An unequivocal finding of our research is that no CI program will be a success without aggressive promotion. In a communications-saturated society even the best ideas don't sell themselves (if they ever did). CI organizations which for either ideological or resource reasons have been unable to stage a sizeable promotion effort have been relegated to a life of relative obscurity.

In view of the commonality in requirements of different CI programs it is hardly surprising that they have both overlapping, competitive and mutually supplementary characteristics. This is suggested by Figure 2, which compares some characteristics of these programs as they appear currently. At first sight the differences may appear great. However, in many respects the var-

Figure 2 Some Characteristics of Comparative Testing, Informative Labeling and Quality Certification

PROGRAM TYPE	PROGRAM CHARACTERISTICS			
	Amount of Information	Degree of Brand Comparison	Counseling	Convenience
Testing	high	high	medium	low
Labeling	medium	medium	low	medium
Certification	low	low	high	high

Note. These are differences typically encountered in practice among the three program types. As discussed in the text, many of the differences are amenable to reduction.

ious programs may be made to emulate each other, i.e.,

as regards amount of information: as more product characteristics are included, labeling moves closer to testing. By adding an informative label to a quality mark, certification moves closer to labeling.

as regards degree of brand comparison: if each retailer carries many brands of a labeled product, or if the labeling agency were to issue a comparative labeling catalogue, labeling moves closer to testing. Similarly, if a quality marking scheme has several classes of quality (such as the green and the gold seals of IVHA, the Dutch marking body), the degree of inter-brand comparison is enhanced.<sup>1</sup>

as regards counseling: testers abstaining from "best buy" or similar ratings are no more "directive" than labelers. The lower the minimum quality "threshold" required by a certification plan, the less directive it becomes.

as regards convenience: if comparative test reports are made available at the point of purchase, we get closer to labeling. Similarly, as labeling information is simplified or made more readable, labeling will approach certification in convenience.

We have developed the discussion of interaction possibilities between existing types of CI programs in greater detail elsewhere.<sup>2</sup>

#### CURRENT CI PROGRAMS: IMPACT

##### Program Size and Performance by Country

Before pondering CI systems of the future it would clearly be valuable to know where we stand today. In Figure 3 we are able to present the first grand summary view of existing CI systems around the North Atlantic.<sup>3</sup> We hasten to add that the data for many organizations (and, therefore, countries) are highly approximate estimates. It is a bit paradoxical that the consumer information about many CI organizations could be a lot better; at times one would also wish that the data given out for public relations purposes were less misleading. Yet, while individual data frequently have to be taken with a grain of salt, there is little doubt that this table in the main gives a fair picture of the total situation.

We may also note with reference to Canada that a rather small part of the total activities and budget of the Consumers' Association of Canada (CAC) was devoted to comparative testing in 1969. This was the year before the agreement between CAC and Consumers Union of mutual cooperation in the sponsorship and dissemination of tests and test reports in Canada. Actually, it may well be that the number of Canadian subscribers to Consumer Reports exceeded that of members in CAC. As the number of Canadian members of CU is not known to us, no estimate is included in the Canadian data.

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<sup>1</sup>Note that if there is only one quality "threshold" and it is set sufficiently low all brands may qualify--and the certification scheme loses its value as a consumer information mechanism.

<sup>2</sup>Hans B. Thorelli, "Testing, Labeling, Certifying: A Perspective on Consumer Information," British Journal of Marketing (Autumn, 1970), pp. 126-132.

<sup>3</sup>Iceland, Ireland and Luxemburg are not included, although each of these nations has at least one CI program. Although Italy has a rather vigorous consumer association there is no CI program. Outside this area the most substantial developments thus far have been in Australia, Japan and New Zealand, although a fair number of countries--including some East bloc nations--are getting into the act.

Figure 3. CI Programs in North Atlantic Community of Nations in 1969

COUNTRY <sup>2</sup>	SPONSORSHIP AND NUMBER OF BRANDS TESTED, LABELED OR CERTIFIED <sup>1</sup>					COUNTRY TOTALS (in thousands)	
	CONSUMERS <sup>3</sup>	BUSINESS <sup>4</sup>	GOVERNMENT	PLURALIST <sup>5</sup>		CT SUB- SCRIBERS <sup>6</sup>	CI PROGRAM DOLLAR BUDGETS <sup>7</sup>
				PRIVATE	GOVT.		
Austria					CT 403	22	300
Belgium <sup>7</sup>	CT 845				QC 240	190	500
Canada	CT 129+					23	25
Denmark	CT 78		CT 141		IL 54	40 (53)	640
Finland			CT 20	IL 180	CT 30	4 (13)	115
France <sup>8</sup>	CT 163			QC 747	QC 250	10	480
Germany		CT 800	CT 940		QC + IL n.a.	67 (190)	1,750
Netherlands	CT 696; QC 715		IL 13			260	1,065
Norway <sup>9</sup>			CT 189; IL 581			156	850
Spain		QC 70					20
Sweden			CT 120		IL 868	105	1,334
Switzerland <sup>2</sup>	CT 180			QC 697		20	170
United Kingdom	CT 1,249		IL 77		QC 251	562	3,250
United States <sup>10</sup>	CT 1,437+					1,560+	9,520+
Yugoslavia			CT 200			2 (40)	53
GRAND TOTALS <sup>11</sup>						3,021	20,072

CT = comparative testing  
 IL = informative labeling  
 QC = quality certification

Notes:

<sup>1</sup>Numbers for CT are total brands in tests reported in 1969 only; often older tests would still be valid. Some products and brands may overlap between organizations in a country as well as internationally; a test reported by A and reprinted by B will be counted twice.

For IL and QC data given represent the cumulative number of licenses in force in 1969, unless otherwise indicated. The number of brands would generally be considerable larger, although in most cases no exact data are available.

Brand and license data refers to products only; several of the European CI organizations engage in the testing, labeling or certification of services as well.

<sup>2</sup>Only nationwide organizations are included. Regional organizations in Switzerland reported--or reprinted--tests comprising perhaps sixty brands on a total budget likely not in excess of \$25,000.

<sup>3</sup>The term "consumers" is used rather than "members," in that outside the Anglo-Saxon countries and the Netherlands the subscribers to comparative test reports generally do not elect the governing body of the organization publishing the reports.

<sup>4</sup>Programs limited to a single trade or group of products (such as appliances) are not included. Many such programs are sponsored by trade associations.

<sup>5</sup>Pluralist sponsorship may be private, involving, e.g., consumer organization plus business sponsors. It is listed as governmental in every case where government influence in terms of representation or financing was appreciable and yet not so dominant that the program could be regarded simply as a government organ.

<sup>6</sup>When newsstand sales are great relative to number of subscribers, total circulation is stated within parentheses.

<sup>7</sup>Occasionally a CI program is a mere sideline activity of a group whose prime interest is elsewhere, such as the Belgian family organization. In such cases a rough estimate has been made of the funds going to the CI part of the organization. Dollar figures based on 1969 exchange rates.

<sup>8</sup>Data about the French CT organization OR.GE.CO are excluded, as data given by its President are in stark conflict with what all other French public and private bodies in the consumer field as well as our research team could observe about OR.GE.CO activities.

<sup>9</sup>The figure for VAREFAKTA, the Norwegian IL body, refers to brands for which labels were in force, rather than to licenses.

<sup>10</sup>US data do not include Consumer Research, a CT organization from which as yet we have been unable to acquire this type of information. We would guess that Consumer Research is in a size class similar to that of the Belgian CT organization.

<sup>11</sup>The grand total for CT subscribers does not include newsstand sales.

For further qualifications see text.

A first striking observation is that comparative testing (CT) programs exist in all of these fifteen countries but Spain. Informative labeling (IL) is running a poor second, confined essentially to half a dozen countries in the Northwest corner of Europe. After 1969 the UK has abandoned its Tel-Tag labeling program, while France has now embarked on one. Quality certification (QC) also existed in half a dozen nations, spread along the East Atlantic border from Germany and Netherlands to Spain, with the focus of interest in France.

Again looking at overall data we find that the total number of subscribers to comparative testing reports in the Fifteen was a little over three million. It is an established fact that each copy of these reports is read by a greater number of persons than are popular magazines, the readership being perhaps 3-6 times the number of subscribers.<sup>1</sup> A hip-shot estimate places the total population of the Fifteen at 500 million, which would mean a readership of about 2-4 percent. It may be more meaningful to relate subscribers to the number of households. Again, a free estimate would be 150 million, implying a subscriber rate of two percent as an overall average. However, the rate differs strongly between nations. Norway is setting the pace with a subscriber rate of 14 percent of all households, while in France the rate was well below one in every thousand households.

Budgetwise, our estimate is that a little over \$20 million was spent on all CT, IL and QC programs in the Fifteen. It may be instructive to relate this figure to some others. We may, for instance, state with some confidence that the total amount of product-oriented advertising in these countries was well over \$20 billion, in itself a sum 1,000 times larger than the total spent on CI programs. Before expressing dismay at this relationship it may be well to remember that a fair part of all advertising actually is informative,<sup>2</sup> and that its other prime function--that of persuasion--has been a part of life literally since Adam and Eve. This is indeed not to say that CI programs could not have used greater sums to advantage. One might say, for instance, that \$100 million would have been a much more reasonable figure. It certainly does not seem exaggerated when one learns that the promotion budget of the International Woolmark Secretariat in 1969 amounted to some \$25 million globally.<sup>3</sup>

Among CI organizations, Consumers Union is in a special class, accounting for about one-half each of all subscribers and the total budget of all CI programs in the Fifteen. This is no less significant when one considers that CU also materially contributed to the founding of testing organizations in the UK and Belgium as well as of the International Organization of Consumers Union (IOCU) in the Hague.<sup>4</sup>

Several columns in Figure 3 are devoted to sponsorship information. It must be emphasized that sponsorship is an elusive concept. Representation on boards may or may not be indicative of actual influence. The same thing is true of financial contributions. In either case, influence is a matter of degree. For instance, the Danish CT organization listed as consumer-sponsored

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<sup>1</sup>These reports are also saved by the average subscriber for long periods of time, much like the National Geographic in the United States.

<sup>2</sup>Consumer information in most advertising also includes availability, typically not a feature of CI programs.

<sup>3</sup>Data obtained by the author from the IWS in London.

<sup>4</sup>Corresponding, though smaller, international bodies are the International Labeling Centre (ILC) and the Centre International de Promotion de la Qualite' (CIPQ).

actually receives some government contributions, but vehemently asserts its independence. Some programs are actually conducted by second or third-order organizations, i.e., they are organizations formed by organizations. This is the case with one of the Swiss CT and the Dutch QC organization, for example. Nevertheless, the Figure probably does give justice to the amazing diversity in sponsorship among CI programs.<sup>1</sup>

A major challenge in comparative research of this kind would be to try to establish whether the type (s), sponsorship and size of CI programs in different countries are the result of seemingly accidental developments or rooted in environmental factors, such as economic and educational development, homogeneity and size of population, or "national character" and social values. An attempt will be made to approach this problem in a forthcoming volume.<sup>2</sup>

## CI SYSTEMS OF THE FUTURE

### Environmental trends

Like other institutions, CI programs may be expected to adapt to trends in the environment. There is no doubt that the need for more, and more effectively disseminated, CI will continue to grow. Product, brand and service proliferation will continue in response to growing individualization of demand. The same holds true for product complexity and innovation. At the same time consumer aspiration levels as regards information will skyrocket as a consequence of rising standards of education and living.

What about alternate sources of information? The role of personal experience is more likely to decline further than to rise, or even remain constant. On the other hand, commercial sources -- and notably advertising -- will become more informational. This development in part will be a spontaneous response to better education, in part it will result from environmental pressure, such as that represented by recent FTC demands for corrective ads to repudiate misleading claims. Advertising will also become more informational as a result of increasingly effective self-policing machinery among advertisers, agencies and media. While this is a bright prospect, and while advertising will doubtless continue to be the most important single source of product information, it will be unable to keep up with the aggregate demand for more and better information.

### CI Innovations

CI programs have a major challenge in picking up the slack. This calls for innovation as well as growth. A major thrust will be new variations on the themes of CT, IL and QC. As demonstrated earlier, there are all kinds of possibilities of interaction in this area. Frequently one program could borrow features from another to great advantage. In some instances where separate labeling and certification programs might not be viable an outright combination of the two approaches would seem to hold great promise. One may further predict that in some countries where for institutional or other reasons industry is laggard in meeting its collective responsibilities, informative labeling will become compulsory.<sup>1</sup> One such country might well be the United States.

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<sup>1</sup>It is interesting to note that IL programs uniformly are pluralist or government-sponsored.

<sup>2</sup>Hans B. and Sarah V. Thorelli, Consumer Information Systems (in preparation).

<sup>3</sup>Norway in 1968 passed a law authorizing the government to make labeling obligatory for any line of goods where this type of CI seems desirable, should industry not take the initiative.



The inclusion of ecological characteristics of products of relevance to consumer choice may become a standing feature of CI programs.

We may well see the re-emergence of the old-fashioned fair as a vital means of providing comparative CI in a great number of fields, as in current auto and boat shows. In cases where business groups do not take the initiative one could imagine pluralist sponsorship, including even local governments. Note that the likely revival of specialty stores with a broad assortment of brands and models in a few product lines would perform somewhat the same function. Who knows, you might even live to meet a sales-person with some expertise in the products for sale in the store....

Generally speaking, there is a great need for local CI not now being adequately met in any country. We are thinking, for example, of consumer advice centers of the general type now found in some of the larger cities of Austria and Germany. Beyond the need for personal advice is that of local market surveys of availability and price of products and of the professional competence and pricing practices of service establishments. This need may be met by local consumer groups and/or local government, perhaps working with chambers of commerce or other local business groups in pluralist fashion.

The most radically new departure in the CI area will be computerized CI banks.

#### The Computerized CI Bank

The emergence of computerized CI banks will be a truly exciting development. Independently of each other, this grand vision was conceived by the Consumers' Association of Canada<sup>1</sup> and Sweden's VDN in 1968. Consumers Union has also sponsored some exploratory work. On the basis of a VDN experiment a pilot module of such a computer data bank has been developed at Indiana University. This pilot Consumer Enquirer Program, which takes the form of a dialog between a prospective buyer of a tape recorder and the computer, is admittedly a primitive creation--somewhat of a Rube Goldberg contraption. Yet it does demonstrate the technical feasibility of computerized CI banks.<sup>2</sup>

We confidently predict the development of computerized CI banks due to their several inherent advantages. The greatest of these is a dialog feature, which literally makes possible information--and advice--tailored to the personal wants of the individual consumer. Even our own prehistoric program demonstrates two other important advantages. It incorporates basic consumer education about tape recorders, not merely brand comparisons. The consumer who already has sufficient background knowledge can simply by-pass the educational part of the program. The program also carries data about local availability of various brands of tape recorders and corresponding service facilities in Bloomington, Indiana, thus combining general educational and product information with highly desirable local data. As picture-phones, two-way cable TV or cheap time-sharing computer terminals for home use develop the CI bank will also have the great merit of universal personal accessibility. These technological developments are already on the horizon. Pending their everyday availability, access may be arranged by calling an intermediary operator at a time-sharing terminal from

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<sup>1</sup>Gail Stewart and Cathy Starrs, "The Community Information Network Proposal," Canadian Consumer (Jan.-Feb., 1972), pp. 17-21.

<sup>2</sup>We invite any Doubting Thomas to take a look at the medical and legal data banks already in operation in the U.S. or the computerized library reference systems existing in several countries. The World Trade Center in New York will have a computer-managed trade inquiry system.

any telephone. The intermediary will reduce the spontaneity of the consumer-computer dialog, and the process is also more time-consuming than direct access. Yet one would expect many consumers to welcome even this arrangement for some of the purchases most important to them.

Against this background someone may wonder why we do not already have CI banks. The answer is twofold. First, no bank can be any better than the information which is fed into it. Even assuming the willingness of testing, labeling and certifying organizations to cooperate, it is a formidable effort to prepare all their information in a format suitable to the computer, not to speak of attendant programming of educational and dialog routines for all products involved. It is also a fact that for hundreds of products the requisite data do not yet exist--here one would have to make do with market surveys based on manufacturer catalogs pending neutral testing data. Second, the economics of this kind of venture is still quite uncertain. Consumers Union for its part has concluded that the time has not yet come when even that large organization can afford the risk of sinking millions of dollars into the building of a data bank of the huge dimensions required for practical use.

This brings up the question of sponsorship. It is our understanding that the Consumers' Association of Canada had in mind a governmentally sponsored system a few years ago. However, if consumers are ready to pay the operating costs it may well be that national and local consumer groups and business organizations would be willing to shoulder the responsibility of establishing the system.<sup>1</sup> Due to the high fixed costs of set-up, some kind of pluralist sponsorship seems natural.

#### Wanted: Consumer Information Systems

In part, CT, IL and QC have different missions. The prime appeal of test reports is to highly educated middle-class persons to whom a given purchase is of special importance or interest. At the other extreme, QC appeals mostly to underprivileged--who will rarely sit down with a journal like Consumer Reports--and to the well-educated middle-class consumer who is in a hurry, or who is looking for a product of marginal importance in his own set of values. After all, time will increasingly be of the essence.

But the three classic types of CI programs can also supplement and reinforce each other, having a combined impact much greater than the total achievable without coordination. This is clearly indicated by the Scandinavian and Dutch experience, even though coordination in these countries has been modest. In other nations, coordination has been non-existent--at least viewed from the level of the consumer. There is a great need to think in terms of total Consumer Information Systems. Some gains could be made by elimination of wasteful duplication--although some redundancy is surely desirable in the information area (just think of advertising practice!). The prime benefit will be from the reinforcement effect. For reasons indicated below, we would still urge a great degree of decentralization and variety in sponsorship among different elements of the total system.

More active cooperation is needed--and likely to come--in several areas of importance to the successful operation of CI systems. International cooperation could be greatly expanded. The principal arrangements of this kind thus far are those between CAC and CU, between half a dozen European testing organizations for collective car testing in the facilities of Consumers Assoc-

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<sup>1</sup>Day-to-day operation might be contracted out to private enterprise, as long as control over data supplied would remain in neutral hands.

iation (U.K.), between Association des Consommateurs in Belgium and Union Federale de Consommateurs in France and between the four Nordic countries. These are great beginnings, but much more could be done--even though differences between national markets (even inside the EEC after a decade of the "Common" Market) should certainly not be underestimated.

National and local organizations are surprisingly poorly coordinated in all countries where local groups exist, except Austria. To get truly effective CI systems more attention must be given to local availability, price and service data--and sometimes even to local tastes and local brands.

The bottleneck area of SMMP development is crying for spirited teamwork effort of consumer organizations, industry, universities, standardization groups and governments. It is essential not only to develop new testing methods but also that they be standardized at the international as well as national levels. There is, finally a need to relate the work going on in several areas to the activities of CI organizations. These related areas include the following:

- antitrust and competition policy
- standardization
- advertising
- sales training
- consumer education
- consumer protection
- complaints handling
- environment protection

#### The Right to Information Demands Freedom of Information

It used to be said in laudable terms that Sweden's way of life was the Middle Way. After forty years of Social Democratic government this statement is no longer true--she has veered considerably to the left of that path. For instance, pointing to the fact that most users of CI programs are highly educated middle class consumers a number of radical elements are now saying that such programs constitute a system of privilege and should be abandoned. In the place of such programs they advocate direct government intervention on a vast scale in the marketplace to guarantee not just health and safety but an adequate supply of "people's products" as defined by some authority.

One may certainly regret that CI programs in the past have failed to reach the underprivileged in most countries in any direct way, and many of us would welcome more aggressive efforts in this direction, as suggested earlier. But the way is not to eliminate current CI programs. Indeed, this would likely be exactly contrary to the interest of the underprivileged consumer. The reason, quite simply, is that the sophisticates who do make use of CI programs serve a vital purpose as the active minority that keeps the free market from decaying. In addition, the sophisticates in large part serve as proxy purchasing agents for the underprivileged.<sup>1</sup> This situation will not be altered by the elimination of CI programs, which will only make the sophisticates more poorly informed. Further, sophisticates have sufficiently individualized tastes to assure a reasonable range of alternatives. Most importantly: these sophisticates have no other power in a free market than their own taste and their ability to set examples for others. Can there be a doubt in democratic minds that the influence of information-conscious consumers on the marketplace is preferable to a government bureau of well-meaning know-it-all's telling the consumer what products to buy?

<sup>1</sup>Cf. Katz and Lazarsfeld's and other diffusion theories and related research.

We have argued the need for integration of CI programs into an overall Consumer Information System. To the extent that the parts of the system reinforce each other and the wastes of overlap are avoided, this will be all to the good. However, care should be taken to decentralize the units of the system and to encourage different sponsorship of the parts--and for two reasons. First, the field is still in need of free-wheeling experimentation and innovation. Second--and most importantly--only in this way can we guard against the ever-present possibilities of abuse.

After all, knowledge is power. A monopoly on information would be worse than one on a product. Hidden informers would be worse than hidden persuaders, and we do not want our testmakers to become our tastemakers. Freedom of consumer information is quite as important as freedom of the press.