

Abstract

This paper explores the concept of competency-based consumer education. The literature pertaining to consumer competencies is reviewed to establish a data base for the subsequent development of consumer competencies. A model for a competency-based consumer education curriculum is proposed, its design and operation discussed, and suggestions made for its practical implementation.

Introduction

The 1970's were years of controversy in two areas which concerned consumer educators. First, consumer education programs achieved a legitimacy and identity of their own. Second, the back-to-basics movement and competency-based education created lively interest in the general public. Curriculum specialists set to work in redesigning courses in the new mold as over 30 states mandated various forms of competency assessment. In the early 1980's the dust has begun to settle. The competency-based curriculum model can be scrutinized as an effective alternative delivery system for the development of consumer education knowledge, skills, and values in high school programs.

The purposes of this paper are to:

1. Overview the competency-based education concept
2. Review the literature related to competency-based consumer education
3. Propose a model for competency-based consumer education
4. Offer suggestions for implementing such a curriculum approach.

Conceptual Basic of
Competency-Based Education

The competency-based education model poses sharp contrasts to the traditional teaching-learning model. Glick, Henning, and Johnson (1975) cite the following premises implicit in this approach:

1. The student is assigned or selects competencies to develop.
2. The student learns at his/her own rate.
3. Individual learning style determines the manner in which each competency is developed.
4. Objectives are performance-based, written in language understood by the student, and shared with the student.
5. Evaluation is criterion-referenced, as opposed to norm-referenced.

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The standard of achievement remains constant. All students achieve the competency; only the time required to do so varies. The teacher shapes the learning environment to permit learning with greater efficiency with respect to the student's needs and abilities. The teacher thus becomes a manager of learning, a diagnostician, and a counselor.

Popham (1975) sees benefits for teachers and students both. Teachers want their students to succeed, and they become frustrated because they have not yet found the means of creating an effective learning environment for the entire class. Students want to learn, and they have become "turned off" because learning experiences do not seem relevant to their needs or the standards they are asked to reach do not seem realistic. Employing the competency-based approach lessens such complaints in Popham's opinion. Teachers and students work jointly toward the mastery of specified competencies and subcompetencies. Success breeds positive attitudes which in turn creates a better learning environment.

At the end of instruction in competency-based education, the learner has acquired the ability to do something. It prepares the consumer to perform essential tasks at stated standards. Says Burns (1972):

It is the specification of the behaviors to be acquired that gives leverage to the competency-based movement. It is this extra power--this exact specification of the behaviors to be acquired by the learner--that is making the competency-based education movement more than just another fad in the field of education.

This combats what Brunson (1975) has called a major criticism of American education--teachers unable to explain clearly and precisely what they intend to accomplish with their students.

In an address before the National Association of Secondary School Principals, Place (1973) surveyed competency-based education's strong points. It increases flexibility and cooperation in the instructional program. It contributes to articulation and spiraling of knowledge. Because students know what is expected of them, proceed at their own pace, and receive periodic feedback as to progress, they are more motivated and possess more positive self-images. Community involvement and respect improve. Teacher decision-making and creativity are enhanced. Constant evaluation and revision are possible. However, Place pointed out two obstacles to the adoption of competency-based curricula. Teacher acceptance is sometimes a problem, and it takes financial resources to develop teacher skills and to develop the necessary materials and procedures.

Brown (1980), in a synthesis of instructional models, says this about the competency-based instructional model:

...the system has created a great deal of misunderstanding from those inside and outside of formal education systems ...However,...the modified competency-based instructional system that supports a well thought out program of instruction has the greatest potential for success in today's formal educational environment.

Thus, competency-based education is more than just a short-lived educational phenomenon. And, more importantly to consumer educators, the principles of competency-based education are being adapted to develop competency-based consumer education (CBCE) curricula, which may perhaps become a significant alternative to more traditional consumer education delivery systems.

Review of Literature Pertinent To Competency-Based Consumer Education

Consumer competencies are consumer tasks performed to a stated minimum standard. Consumer tasks and standards are derived from investigation of the present and future needs of the student and the economic and social demands of the marketplace and society in which the student will satisfy those needs. Consumer educators do not have a large data base of consumer tasks and performance standards at their disposal. Relatively few studies have been done to identify consumer competencies.

Metzen (1963) determined the importance of consumer competencies for young women and the influence of selected socioeconomic factors upon the importance of consumer competencies. He used consumer competency to "describe any knowledge, skill or attitude an individual might possess, which is specifically related to the effective performance or function that are part of his consumer role" (p.10). All 114 competencies were worded in terms of "knowing" something or "knowing how to do" something.

Using Metzen's consumer competencies, Coulter (1971) compared selected characteristics of the consumer behavior of ten physically disabled and ten non-disabled homemakers. The data were gathered by personal home interviews. The median rank order test revealed distinct group differences in the priority of competency rankings. These differences led Coulter to conclude that different types of consumer education are needed to meet effectively needs of both types of homemakers.

Rowley (1974) conducted a study to investigate the relationship between the perceived and aspired consumer education competencies of secondary consumer homemaking students and consumer panel members. A questionnaire was administered to approximately 1300 consumer homemaking students in 15 Colorado secondary schools. At each of these schools, a consumer panel ranked task items on the basis of importance using a Q-sort technique. It was found that the perceived and aspired consumer

competencies of the consumer homemaking students were significantly related to the consumer competencies considered most important by the consumer panel members. In both groups, demographic factors affected the rankings of consumer task items.

Funded by the U.S. Office of Education, Murphy, et al. (1974), developed competency-based curriculum modules in consumer education. After an extensive review of curriculum material in consumer education to locate materials and identify needs that existing programs did not fulfill, modules appropriate for students, ninth grade through adult, were developed. Each module includes a rationale, introduction to content, pre- and post-assessment devices, instructional objectives, learning activities, and a resource list. The content does not encompass the totality of consumer education topics. They are process-, not content-oriented. By mastering the four consumer process competencies characterized by inquiry, valuing, decision-making, and consumer action, the student attains the overarching competency of being a well-informed consumer who has the capacity to think and continue learning.

A U.S. Office of Education funded project completed a four-year investigation of adult functional competencies (Northcutt, 1975). Adult performance levels (APL) were determined on the ability of adults to apply skills (reading, problem solving, computation, and writing) in five knowledge areas (occupational knowledge, consumer economics, government and law, health, and community resources) which are important to adult success. The project defined 65 objectives or fundamental component parts of the APL description of competency from which performance indicators could be written for the subsequent competency testing of five national samples of American adults.

The greatest area difficulty was consumer economics. 29% of the population fell into the lowest level, (APL 1, functioning with difficulty); 33% into the middle level (APL 2, functional but not proficient); and 38% into the highest level (APL 3, proficient).

The California Adult Competency Survey (1979) developed a list of adult competency statements in five broad areas. Competencies were defined as attributes (skill, item of knowledge, attitude) of an individual that have the potential of helping to meet one or more needs of that individual. The economic category sampled competencies needed to acquire and manage goods in a person's role as consumer, saver, borrower, taxpayer, wage-earner, or employer. Thirty-two competency statements in eight subcategories were identified. The study then ascertained the level of performance for each competency for California adults categorized by 20 demographic variables.

To establish a data base for consumer competency development, this writer (1977) developed and validated a consumer task list. Sixteen consumer education curriculum guides, content lists, and studies were used as a content base. Using criteria for task construction and subsequent validation, a preliminary consumer task list was com-

plied. This list was validated by a six-person interdisciplinary jury using a modified Delphi technique. The construction and validation criteria were:

1. Each statement is a consumer task, that is, an activity performed by a consumer.
2. Subtasks are not included. Task statements are to be broad enough to encompass all relevant subtasks.
3. Tasks are written at the same level of specificity; that is, the statements all involve tasks, not subtasks.
4. Tasks are stated at the action or application level, rather than lower levels demanding only the possession and/or comprehension of information.
5. The task statements do not specify a direct standard of performance or achievement.
6. The task list encompasses the entire spectrum of consumer activity as presently perceived by recognized authorities involved in consumer education and consumer affairs from various backgrounds.
7. The task statements are stated in non-technical, unambiguous, and relatively concise terms and are separate and distinct as much as possible.

The final consumer task list consisted of 39 consumer task statements arranged in 18 task categories by consumer education content. A representative sampling of task statements is shown in Figure 1.

Figure 1

SELECTED CONSUMER TASK STATEMENTS*

- A consumer should be able to. . .
1. Use decision-making and problem-solving methods in carrying out consumer activities--in an orderly way, gather and study information about a product before buying, for example (decision-making).
 2. Plan and use a budget for his/her circumstances and goals (money management).
 3. Apply effective specific buying and use practices to food--use cents-off coupons, for example (specific purchasing).
 4. Judge and use buying information--advertising, mass media, labels, grades, product rating reports, business and government publications, etc. (consumer information).
 5. Use credit effectively to buy goods and services (credit).
 6. Recognize and protect himself/herself against fraudulent and deceptive practices encountered in consumer activities (consumer rights and responsibilities).
 7. Use appropriate procedures for carrying out an insurance program--buying insurance, selecting agents, paying premiums, filing claims, etc. (insurance).
 8. Develop and carry out a savings and investment plan to meet financial needs and goals with an investment counselor if necessary (savings and investments).
 9. Maintain a checking account (banking).
 10. Apply math skills to consumer activities--compare credit costs, use a checking account, figure take-home pay, for example (consumer mathematics).

* Consumer task category to which statement belongs is indicated in parentheses. Where necessary, illustrative examples of subtask(s) are also included.

This task list in questionnaire form was subsequently submitted to selected groups of consumers and consumer education teachers for assessment of task importance and standards for high school graduates.

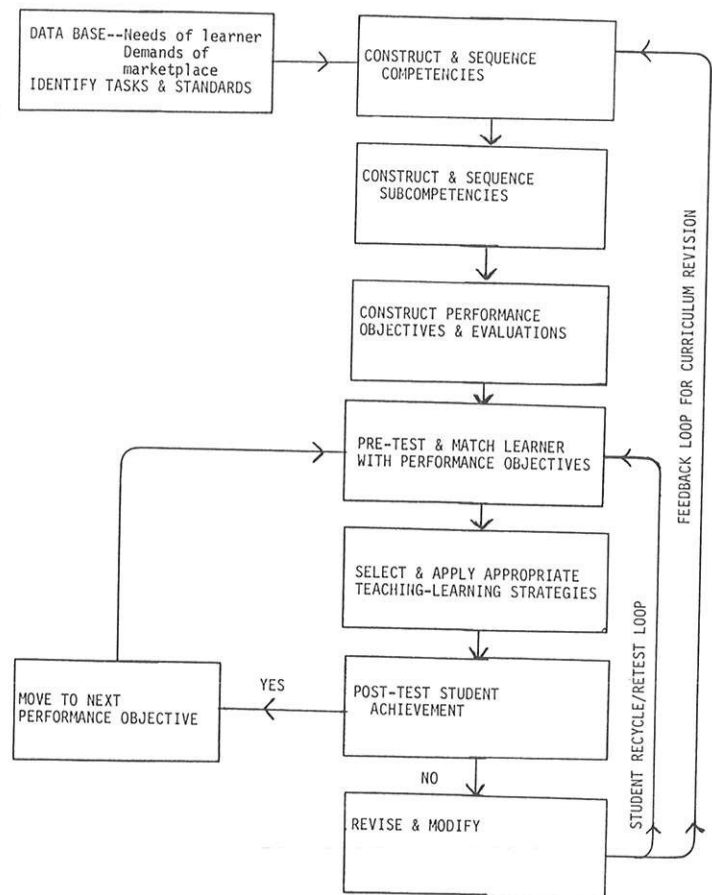
Selected consumers and consumer education teachers did attach significantly different degrees of importance and minimum task standards to some consumer task categories. However, there was more agreement than disagreement among the selected consumer group and consumer education teacher subgroups.

Competency-Based Consumer Education Model

Theoretically speaking, CBCE in its unadulterated form would be completely individualized, self-paced development of consumer competencies in a flexible time frame. Practically speaking, a CBCE instructional model would have to be adapted so it could function within the context of the traditional scheduling, grading, and teacher workload expectations of most secondary schools. Such a model is proposed in Figure 2.

Figure 2

COMPETENCY-BASED CONSUMER EDUCATION MODEL



The data base previously discussed plus other related consumer education research and need assessment studies are used to construct the consumer competencies which reflect the needs of learner populations and factors specific to teaching environments.

Most consumer tasks and the resultant consumer competencies are too complex to be developed as

separate entities so most tasks must be broken down into subtasks or specific component parts. Subcompetencies are constructed by attaching standards of achievement to each of these subtasks. Thus, a consumer who can perform the sequenced array of subcompetencies can then perform the complex consumer activity (allowing for practice in integrating the subcompetencies) at the minimum standard of achievement specified in the consumer competency.

Subcompetencies are not measurable in most cases in a school setting. However, now the instructor can write performance objectives stating action, conditions, and success criteria. An example will serve to make these developmental stages more concrete and show the relatively straight-forward inter-relationships discussed so far.

Sample Consumer Task Converted To Performance Objective

Task:

Apply effective general buying and use practices to goods and services

Subtask (one of many):

Evaluate quality of a product

Standard:

Consistent with recognized criteria for judging quality

Subcompetency:

Evaluate quality of a product by applying recognized criteria for judging quality

Performance Objective:

Given four garments (four shirts, for example) examine each garment and judge quality according to recognized criteria and accurately reach a conclusion as to whether each garment is excellent, good, or poor in quality.

Next, evaluation devices are developed to measure the student's mastery of the behavior stated in the performance objective. Criterion-referenced testing is used in CBCE, rather than norm-referenced testing. A norm-referenced test informs the instructor about each student's performance relative to other students' performance. Thus, norm-referenced tests indicate whether a student's performance is better or worse than another but not necessarily whether the behavior level specified in the performance objective has been reached. In criterion-referenced testing, the student is measured on his/her ability to perform the specified behavior. The criterion of success or failure is unaffected by the results of other students' tests. The criterion-referenced test tells the teacher where the student is relative to the mastery of the competency, not relative to the performance level of other classmates.

Actual classroom operation and interaction with students is very similar to what instructors are normally accustomed to in individualized instruction. Students are administered a pre-test. If a student is already competent, he/she proceeds to the next performance objective and its pre-test.

Normally, a student is not successful and the teacher matches the learner with appropriate learning activities as indicated by the diagnostic pre-test and congruent with the student's learning style. All teaching-learning strategies will not be individualized. Learning modules of an individual nature are used, but small- and large-group instructional techniques are also employed. Discussion or group projects, for example, may be the only way possible to develop certain performance objectives. Furthermore, learners desire peer interaction and a combination of instructional strategies.

After completing the prescribed sequence of learning activities, the learner is post-tested. If successful, the student moves to the next performance objective. If not, the learner enters a recycle/retest loop. After completing alternative, specifically tailored remedial activities, he/she is retested. After completing a variable number of learning activities in a variable time period, the student eventually achieves the minimum standard of achievement specified by the performance objective and moves on to the next performance goal.

When all performance objectives in a certain consumer competency area are mastered, the student progresses to another area of consumer education content of student need or interest. Note that throughout the model two tenets of competency-based education have been adhered to: Learning is constant; time and methodology are variable.

Competency-based instruction evolved from the systems approach to curriculum design, and a feedback loop is used for modification and revision. Teacher-student use of the system generates data and experience which is used to revise the methods and materials. Data from student performance records would be used to modify, for instance, poorly stated or sequenced subcompetencies, tests with low indexes of discrimination on task mastery, poorly designed learning modules, or inefficient teaching-learning techniques. Thus, evaluation and revision are on-going features of the CBCE approach contributing to maximum efficiency of learning plus ensuring currency of content and materials.

Implementing the Model

Consumer educators can easily become alarmed and intimidated by the seeming complexity of CBCE. That may be the initial reaction, but a studied response would be much more receptive. Most consumer education teachers already have experience with performance objectives. Most already use individualized instruction to some degree. These suggestions to consumer education curriculum designers and teachers will allay fears about the implementation of CBCE:

1. Use a gradual approach. It is not pragmatic to assume that everything should be in place ready to go simultaneously. The consumer educator should expect to develop, test, and adapt materials and techniques over an extended phase-in

period.

There are gradations of CBCE. Totally individualized, time-variable systems are not necessary nor desirable. A diverse mix of individual, small-group, and large-group teaching-learning strategies is already in most talented consumer educators' repertoires. These three modes can be used to various degrees depending on the specific demands and limitations of each teaching situation. Adaptation in record-keeping and grading will be needed, too. The instructor must remember that the flow-charted CBCE model is just that--a model. It should suggest and guide, not prescribe or constrict.

2. Start small. Experiment with teaching only selected consumer education topics in a competency-based mode. Some content, such as banking services and shopping skills, is easier to experiment with because they are less complex areas, less value-oriented, and more skill-oriented. The cautious instructor uses experience with them to develop competency-based units in consumer content areas like decision-making or consumer rights and responsibilities which are more challenging areas for designing competency-based materials.

Criterion-referenced testing and student record management will be somewhat different and may be more demanding in terms of time, but changes are small and manageable. It should be remembered, too, that many school systems provide paid release time during the normal school year or summer contracts for the purpose of developing new curriculum approaches and materials.

3. Analyze present teaching methods and materials. Experienced consumer educators will possess a great deal of what CBCE requires. Consumer competencies and subcompetencies can be developed from the consumer education literature. Performance objectives currently used may be inserted with minor alteration leaving only the gaps to be filled. Existing test materials, audio-visual materials and sources, and teaching techniques can be adapted to the competency-based format with some ingenuity and time.

4. Consult the immense number of consumer education experts and their publications on new and innovative methodology and materials. The U.S. Office of Consumers' Education, the American Council on Consumer Interests, the Joint Council on Economic Education, and the Consumer Education Resource Network (CERN) are prime sources.

Competency-based consumer education is a promising alternative delivery system. It is built on recognized learner needs and marketplace demands. It is a sequential, integrated system which detects individual learner needs, prescribes teaching and learning activities tailored to that learner, and produces concrete, measurable changes in consumer behavior. The end products are consumers who are prepared to operate more successfully within our complex economy through the 1980's and into the 21st century.

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HOW INFORMATION DISCLOSURE REFORMS BENEFIT NON-USERS
OF CONSUMER INFORMATION: A REVIEW

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Abstract

Many laws and regulations require sellers to disclose information to consumers. The effectiveness of these disclosure initiatives is typically measured by the extent to which the information is used by consumers. This paper reviews the effects of disclosure on seller behavior (e.g., price competition or innovation) and thereby on all consumers, both users and non-users of information. Recommendations for appropriate research designs are also offered.

Introduction

Within the past fifteen years many laws and regulations have appeared which either require businesses to disclose specific types of information (e.g., interest rates on loans or energy efficiency of appliances) or permit the disclosure of certain types of information for the first time (e.g., advertising by lawyers or ophthalmologists). The information disclosure actions have typically been justified by the argument that consumers have not been receiving enough information from sellers to make informed, rational choices in the marketplace. Correlatively, better informed consumers are more able to reward (through their purchases) those firms that are doing the best job of serving consumers.

A few authors have added another justification for these consumer information initiatives. They argue that information disclosure can benefit all consumers, regardless of whether they actually use the information, by stimulating price competition or innovation (Scitovsky, 1976; Friedman, 1977; Padberg, 1977; Thorelli, Becker, Engledow, 1975). The benefits of such changes in the behavior of sellers go to both users and non-users of the new information; accordingly such effects have been termed "non-use benefits."

In today's political climate, new legislation and regulation will likely receive more careful scrutiny to insure that benefits exceed costs. Information disclosure actions may no longer be justifiable simply on the grounds that some consumers want them or that consumers have a "right to know." Rather, a stronger case would rest on the likelihood that information disclosure would affect the marketplace for the better than that is, provide non-use benefits. This paper therefore reviews existing studies of non-use benefits from information disclosure, then evaluates their research methods, and finally suggests methods for collecting this type of evidence in the future.

What Are Non-Use Benefits?

The vast majority of studies evaluating disclosure laws and regulations have measured effectiveness in terms of user benefits; that is, changes in consumer awareness, attitudes, intentions, and behavior resulting from the use of the new information (McCullough and Padberg, 1971; Monroe and Laplaca, 1972; Carman, 1972-73; Isakson and Maurizi, 1973; Lenahan, Thomas, Taylor, and Padberg, 1973; Day and Brandt, 1974; Brandt, Day, and Deutscher, 1975; Scardino, 1976; Anderson and Klippel, 1977). So, for example, if only five percent of respondents report that they used nutrition labeling in their selection of a breakfast cereal or used energy efficiency labeling in their selection of a new refrigerator, then the labeling initiative would probably be considered a failure. This does not consider, however, the possible existence of non-use benefits.

Non-use benefits might arise because the knowledge that even a small number of consumers use the information may suffice to influence the behavior of firms. Suppose that unit pricing reveals that a company's so-called "economy size" package is no more economical than its smaller packages. The knowledge that even just a few customers will notice and be upset about this "deception" might be sufficient incentive for the company to lower the price on its economy size package. Thus, all purchasers of the large package would benefit from the lower price, regardless of whether they checked the unit pricing. (Of course, the firm's decision will depend on which is expected to be greater: the revenue lost because of consumer disaffection or the revenue lost because of the price reduction.)

Another example is offered by Maurizi and Kelly (1978). They explain how mandatory posting of gasoline prices can save all customers both money and time:

The high-price stations will be forced to cut their prices or improve service in order to stave off further losses to the low-price stations. In the end, only the more efficient firms will be left operating and the average price of gasoline will fall. With the high-price firms out of the market and more consumers buying at the lower prices, the dispersion or spread of prices will be lower. Consumers will search less than they did before price posting began because the reduced price dispersion will have reduced the return to search. Searchers and non-searchers alike will buy gasoline at lower prices and with less search (p. 19).

In both of the above examples, the actual or potential use of the new information by a subset

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of consumers is necessary for the generation of non-use benefits. The size of this subset will depend on factors such as the vocalness of the subset and the firm's reliance on repeat purchases. The subset must only be large enough to stimulate action by sellers. Once this occurs, all consumers benefit. Friedman drives home the point with a delightful analogy:

What may be operating here is something akin to what would seem to be the typical voter's attitude toward regulations requiring public disclosure of campaign contributions by political candidates. Few voters are likely to take the time to make sense of these disclosures, but they may nevertheless favor such regulations knowing that the possibility of this information being used by even a small segment of the electorate may well serve to dissuade politicians from accepting large contributions from single sources. The disclosure of information, even infrequently used information, may be favored by the public to assure that packaged foods can be safely bought and that political candidates cannot (pp. 80-81)!

Existing Evidence of Non-Use Benefits

Despite the large number of disclosure laws and regulations promulgated by reforms that exist at federal and state authorities, the number of studies of non-use benefits is small. Nevertheless, there are a few such studies of mandatory disclosure (e.g., gasoline prices, the condition of used cars, warranty coverage, and open dating) or recently permitted disclosure (e.g., advertising by attorneys and advertising of eyeglass prices). Given this variety, it is not surprising that the non-use benefits come in several forms: lower prices, lower time costs, and improved quality.

Existing studies of non-use benefits resulting from information disclosure initiatives are largely of two types: (1) a comparison of market performance in jurisdictions (usually states) with and without the disclosure action, and (2) a comparison of such performance in a single jurisdiction (usually the nation) before and after a disclosure initiative. The findings of these studies is reviewed first; criticisms of their research methods are reserved for a later section.

Comparisons Across Jurisdictions

Within the first class of studies, one can distinguish between those which compare only two or three jurisdictions and those which compare many. Stokes, Haddock, Hoofinagle, and Taylor (1973), for example, compared grocery stores in two towns requiring open dating with stores in a town with no such requirement. They found that before the implementation of the open dating program in the two of the three towns, there were virtually no differences in consumer reports of spoiled food among the three towns. Two months

after the implementation of the open dating program, however, the researchers found substantially lower reports of food spoilage in the stores in the towns with open dating. Stokes and his associates took these differences as evidence of the effectiveness of open dating laws in generating non-use benefits.

Another study which compares only a small number of jurisdictions pertains to Wisconsin's used car disclosure law (Nevin and Trubeck, 1977). This law requires used car dealers to disclose the condition of used cars and repair any safety problem. The experiences of Wisconsin used car buyers after the implementation of the law was compared with those of three groups:

- (1) Wisconsin used car buyers before the law,
- (2) Iowa used car buyers who purchased their car in the period following the Wisconsin law (Iowa requires safety inspections of all used cars but no additional disclosures), and
- (3) Minnesota used car buyers who purchased their car in the period following the Wisconsin law (Minnesota has no requirements for either disclosure or inspection).

Contrary to fears that the Wisconsin law would drive up the price of used cars, the study found that Wisconsin prices declined after passage of the law and were lower than in the two neighboring states. The authors also found that Wisconsin consumers paid less to maintain and repair their cars in the first year after purchase than did consumers in the other states. These consumer benefits were not attributed by the authors to greater use of information by consumers. In fact, the researchers found that less than a third of Wisconsin consumers saw the disclosure form before signing the sales contract. Rather, the benefits were attributed to strict state enforcement and its disciplining effect on dealer behavior.

There are also studies which examine large numbers of states or jurisdictions. Perhaps the most often cited of these is by Lee Benham (1972) and examines the effect of advertising on the price of eyeglasses. Benham compared the average price paid for eyeglasses by individuals living in states with and without restrictions on eyeglass advertising--taking into account differences in income, age, gender, and family size. He concluded that advertising restrictions could increase the price of eyeglasses anywhere from 25 to 100 percent! Benham suggested that advertising, besides stimulating price competition, shifts eyeglass sales toward large firms which employ fewer optometrists per volume of sale and thereby can offer lower prices. (Benham further suggested that eyeglass quality did not vary between high-advertising commercial firms and low-advertising professional firms, but he did not consider his evidence conclusive. Benham made no attempt to compare the quality of services offered.)

The effect of state advertising restrictions on retail prescription drug prices was examined in a similar fashion. Cady (1976) compared drug

prices in nineteen states which prohibited advertising with prices in twenty-one states that allowed it. (Some states now even require drug price posting.) Prices turned out to be higher in the states which restricted advertising.

Cady made an effort to control for factors which might systematically differentiate between the two types of states and thereby offer rival explanations for the findings. For instance, he looked for effects of market size, level of services offered, and shipping costs. Cady did not control for all such possibilities, but his consideration of some rival explanations adds plausibility to his results. If Cady's findings can be trusted, consumers could be saving hundreds of millions of dollars per year if advertising restrictions were lifted (p. 29).

A final example is provided by Maurizi and Kelly's (1978) study of gasoline price posting. First they compared New York City with Los Angeles, two major cities which differed in their laws regarding gasoline price posting. Not only were prices lower in Los Angeles (where price posting was allowed), but there was less price variation there as well. This latter fact means that consumers need to engage in less information search to arrive at optimal decisions. Next, the authors compared fourteen geographical areas. This allowed them to explore the possibility that factors other than price posting explained differences in gasoline prices. Maurizi and Kelly found that whether one compared individual stations on the basis of whether or not they posted prices or compared geographical areas according to the percentage of stations posting prices, price posting was associated with lower prices. As in the case of Cady's study of prescription drug prices, Maurizi and Kelly estimated that more extensive posting of gasoline prices could save consumers hundreds of millions of dollars per year.

Time Comparison Studies

Studies which compare a situation before and after an information disclosure initiative vary in their sophistication. For example, Stuart Baron of Group Legal Services, Inc. (cited in Andrews, 1980) told the American Bar Association's Commission on Advertising that his firm's advertising generated sufficient legal work to enable it to keep legal fees from rising. This presumes, of course, that fees would have risen without the advertising and that advertising was the reason that the firm generated more business. It is possible, however, that the firm's practice might have grown anyway through word-of-mouth publicity.

The Federal Trade Commission conducted a somewhat more convincing study of the impact of disclosure requirements in the Magnuson-Moss Warranty Act. Among other things, the legislation sets the conditions under which a warranty may be called "full" or "limited." Critics of the legislation predicted that rather than meet the stringent requirements of a full warranty, companies would cut back or totally drop their warranty coverage, thus

giving consumers less rather than more protection. In other words, since warranties are essentially promotional devices, a firm would have little incentive to provide extensive coverage under a warranty that must be labeled "limited." A survey conducted by the National Association of Service Managers (1977) seemed to document this prediction (although its research methods were open to attack), so the Federal Trade Commission designed its own study, (Schmitt, Kanter, and Miller, 1979).

To measure warranty coverage prior to the Act, the F.T.C. went back to the 103 warranties studied in a 1974 House of Representatives Staff Report. While recognizing that these warranties cannot be taken as representative of all warranties, the F.T.C. reasoned that these warranties should not have been affected by the Magnuson-Moss Act any more or less than other warranties.

The F.T.C.'s findings turned out to be in sharp contrast to those of the National Association of Service Managers. The Commission found that:

- (1) the number of "full" warranties rose after the Act,
- (2) only two of fifty-one companies switched from "full" to "limited" warranties, and
- (3) overall warranty coverage (in terms of duration, scope, and remedies) increased after the Act.

Thus, the Commission's study suggests that the Act generated both use benefits for consumers who want clear information on warranty coverage and non-use benefits for consumers who do not consider warranty coverage in their purchase decisions.

Evaluation of Existing Studies

Although the literature on non-use benefits has methodological deficiencies (to which we will return shortly), the most striking and disappointing feature of the literature is the paucity of studies. There are numerous studies documenting user benefits (or their absence), but I have cited almost all of the studies of how information disclosure reforms enhance market structure and market performance, and thereby benefit all consumers. It may be too soon to expect studies of the non-use benefits of energy-efficiency labels on appliances or tire performance labels, but one would hope that the necessary baseline data are being collected. And where are studies of laws that have been in effect for several years, like the Real Estate Settlement Practices Act or unit pricing in certain states?

Perhaps the serious methodological difficulties in conducting evaluation studies of non-use benefits partly explains their absence. Phillips and Calder (1979, 1980) do an excellent job of reviewing problems of validity that plague quasi-experimental designs such as those used in the existing literature.

The most serious problem with studies which compare reform states with no-reform states (regard-

less of whether pre-reform measures are taken) is the non-equivalence of the two types of states. One can never be sure whether differences found are attributable to the information disclosure reform or to something else which systematically distinguishes the two types of jurisdiction. For example, states with better educational systems might produce citizens more able to press for information disclosure requirements and managers more able to run efficient firms offering lower prices. If this is the case, it could be a mistake to attribute the lower prices to the disclosure law.

The problems of the research design which compares reform and no-reform jurisdictions can be substantially reduced in two ways; however. One is to take pre-reform measures (preferably several measures) in all jurisdictions. This underscores the importance of early planning in the evaluation process. The second way is to collect data from as many different jurisdictions as possible. This minimizes the chance that some third factor explains the presence or absence of an information initiative as well as some change in market structure and market performance.

Studies which are confined to the comparison of one jurisdiction over time are even more methodologically circumspect. Here, the major problem is the possibility that history, maturation, or just the act of testing accounts for any observed changes rather than the information disclosure reform. For instance, the F.T.C. observed an improvement in warranty coverage subsequent to the Magnuson-Moss Warranty Act. Is it possible, though, that there has been a long-term trend toward improving warranty coverage independent of the Act? Or perhaps something else happened in the period studied which encouraged manufacturers to improve warranty coverage, say, more consumer activism. It might even be that the earlier House Staff Report served as a catalyst for improving warranties in the companies surveyed; therefore, it might have been the earlier study rather than the legislation which caused the warranty improvements.

The same types of problems would hamper an evaluation of the warnings on cigarette packages. One would have to know what cigarette consumption would have been without the warnings. If a consumption decline had occurred, would it have been accurate to attribute the decline to the warnings?

Again, such one-group designs can be improved by the taking of repeated measures both before and after the information disclosure initiative. This is called an "interrupted time series design." Yet, the absence of a control or comparison group still leaves open the possibility of rival explanations. Where possible, then, evaluation studies should: (1) compare jurisdictions with and without the disclosure and (2) take repeated measures both before and after disclosure.

Conclusions

The focus of this paper has been on non-use benefits, but it must be remembered that there are non-use costs as well. The most obvious case is when information disclosure initiatives drive prices upward. Suppose, for example, that unit pricing adds to the cost of operating a grocery store and that the added expenses result in higher food prices. The higher prices are imposed on all consumers. Some consumers, by astute use of the unit pricing data, may still come out ahead, but non-users of the information will not. Thus, if information disclosure results in higher prices (or lower quality), a redistribution of wealth occurs from non-users to users. This becomes all the more disquieting when one recalls that low-income consumers are most likely to be non-users of information (Mayer and Nicosia, 1976).

Fortunately, from the point of view of advocates of consumer information, the research on non-use costs is as weak as it is for non-use benefits. Price increases, quality declines, and reduced competition are attributed to information disclosure reforms without considering rival explanations. In addition, the data is usually gathered and the evaluations sponsored by the affected industries--hardly disinterested parties. Besides the necessity of accurately measuring the non-use costs of disclosure, there is an additional caveat before embarking on future studies of non-use benefits. The absence of such benefits does not necessarily mean that disclosure has not been worthwhile. For one thing, disclosure may only have been intended to provide benefits to information users (e.g., octane labeling). More important, information may be used and appreciated but not alter consumer behavior - and therefore not create "signals" to sellers to change their behavior (Scammon, McNeill, and Preston, 1980). The availability of the information may nevertheless have the positive effect of reducing consumer search time, uncertainty, and anxiety.

In sum, attention must be expanded to non-use benefits and costs without losing sight of the benefits and costs incurred by information users. Further, research designs must be employed that minimize threats to the internal validity of the findings. Information formats must be designed which stimulate and facilitate the use of information by consumers. Only in these ways can those information disclosure reforms that truly benefit consumers be selected and implemented.

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Abstract

This paper examines changes in the consumer movement during the 1970's by identifying four new conceptions of the consumer: the involuntary consumer, the consumer as taxpayer, the consumer as national citizen, and the consumer as planetary citizen. Each of these four expanded views of the consumer entails the incorporation of new issues and the forging of new political alliances. The paper assesses the meaning of these changes for the political prospects of consumerism in the 1980's.

Introduction

In an article published in May of 1980, Robert Herrmann (1980, p. 227) made the prescient statement that the public's "support for consumer protection regulation appears to be peaking out." With the defeat in November, 1980 of so many pro-consumer senators, one might add that the congressional resources of the consumer movement are dwindling as well. In order to assess the prospects of consumerism in the 1980's, it is worth examining what happened to the consumer movement during the 1970's.

The central thesis of this article is that during the 1970's the consumer movement in the United States dramatically expanded its conception of what constitutes a consumer issue. In the process of incorporating new types of issues, the movement entered into new alliances, making both new friends and new enemies. The purpose of this paper is to document this expansion in consumer issues and to speculate on its meaning for the political prospects of consumerism in the 1980's. The major sections of the article correspond to four broader ways of viewing the consumer: (1) the involuntary consumer, (2) the consumer as taxpayer, (3) the consumer as citizen, and (4) the consumer as planetary citizen.

Definitions and Methods

This article contends that the consumer movement in the United States greatly expanded the kinds of issues it was willing to tackle during the 1970's. Whether this represents an abandonment or an expansion of the goals of consumerism by movement organizations depends on how one defines the term "consumerism."

Some authors define consumerism quite narrowly as the effort to increase the rights and powers of buyers compared to those of sellers (Kotler,

1972; Furness, 1976). Accordingly, the broadening of issues we are about to describe could be interpreted as an abandonment of consumerism.

Other definitions of consumerism allow one to view the consumer movement more broadly. For example, Buskirk and Rothe (1970, p. 62) define consumerism as the seeking of "redress, restitution, and remedy for dissatisfaction in acquiring the means to maintain their standard of living." The term "standard of living" is vague enough to include a variety of issues. Similarly, Scott Maynes (1976, p. 306) defines consumerism as "the articulation of consumer discontent and the furtherance of corrective actions." This definition begs the question: consumer of what?

Still other definitions explicitly recognize the broadening scope and variety of consumer issues. McGowan defines consumerism as:

a social movement to inform consumers so that they can make knowledgeable judgments regarding purchases of private and public goods. It is a movement to further corrective action against the misuse of both market and political power held by the suppliers of these goods. It is also a movement to make consumers aware of their responsibilities to deal openly and honorably with those from whom they purchase goods and services (1978, p. 6).

Note this definition's inclusion of issues concerning (a) public goods, (b) the misuse of political in addition to economic power, and (c) consumer responsibilities.

Day and Aaker (1970) also emphasize the evolving nature of consumerism in their definition. They write that consumerism is "the widening range of activities of government, business and independent organizations that are designed to protect individuals from practices (of both business and government) that infringe upon their rights as consumers" (p. 13). We argue here that the broader definitions more adequately capture the nature of consumerism as the 1980's begin.

Besides defining consumerism, it is also necessary to state what is meant by the consumer movement. If the consumer movement is defined as all those individuals and organizations who support the goals of consumerism (whether broadly or narrowly conceived), then the movement is extremely heterogeneous. It includes political activists, educators, consumer affairs professionals in business, trade unionists, journalists, government citizens, and average citizens. It includes some organizations and individuals who operate at the national level but also some whose activities are confined to narrow geographical areas. It would be difficult to speak of this large and diverse group as sharing a single position on any particular

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issue, let alone on a range of consumer issues.

For the purpose of documenting changes in the types of issues addressed by the consumer movement, we use a deliberately narrow definition of the consumer movement. Otherwise it would be impossible to speak of the movement as having coherent positions on particular issues. The consumer movement is therefore defined here by the activities of specific actors--Ralph Nader and the various units of Public Citizen, the Consumer Federation of America, the National Consumers League, and Consumers Union. In other words, we are defining the consumer movement in terms of its leading national organizations.

Note that the decision to define the consumer movement in terms of only a few, nationally-oriented organizations is strictly pragmatic; it is not meant to deny the substantial contributions of consumerists in the business, labor, education, and governmental communities. Rather, this definition is chosen because it focuses on those elements of the consumer movement that (1) play the greatest role in bringing issues to the public's attention, and (2) display a high degree of agreement on these issues.

A final issue needs to be addressed--by what criteria is an issue to be judged as having been incorporated by the consumer movement? Is verbal support for a particular position sufficient evidence, or is lobbying activity necessary before the consumer movement can be said to have incorporated a new issue? And how much lobbying is enough?

Crenson (1971), in his study of air pollution, suggests that "issuiness" can be measured along a continuum depending on the extent to which community leaders take public stands on a problem. In other words, Crenson considers verbal communication (e.g., through publications, testimony, speeches, or press releases) a sufficient measure of position-taking on issues. In light of the centrality of "consciousness-raising" and constituency expansion" (Nadel, 1971) as goals of the consumer movement, verbal support is used here as a sufficient indicator of the consumer movement's position on particular issues. This choice has clear methodological implications. It means that the assertions in this article are based on the publications, testimony, and public pronouncements of the members of the consumer movement rather than on "stronger" measures of position-taking.

The Involuntary Consumer

Prior to 1970, the consumer movement primarily concerned itself with firmly establishing the four consumer rights enunciated by President Kennedy. These were the rights to safety, information, choice, and a fair hearing from government. Common to all four of these consumer rights was the image of the consumer as an individual engaging in voluntary transactions in the economic marketplace for products and services for personal use.

As these four basic consumer rights became established, the demand for an additional consumer right surfaced--protection from involuntary consumption of air and water pollution, radiation, and noise (Nader, 1978). The call for environmental protection as a consumer right was not simply a function of the growing strength of the environmental movement. It can also be attributed to the central role of the automobile industry as a target for consumer criticism. As early as 1965, Ralph Nader had criticized automobile manufacturers for their lack of concern about air pollution. Nor was it an accident that one of the very earliest reports by "Nader's Raiders" was Vanishing Air, a study of air pollution by John C. Esposito (1970). In the foreword to this book, Nader wrote that air pollution "amounts to compulsory consumption of violence...There is no full escape from such violent ingestions, for breathing is required" (p. viii).

At first glance, the dangers of pollution may seem a simple extension of the oldest consumer issue, safety. Don't adulterated meat and dangerous drugs have the same effects on human health as polluted air and water? The key differences are, however, that environmental problems are (1) borne by the consumer whether or not he/she has contributed to the problem, and (2) difficult or impossible to escape through individual action. For example, consumers who ride bicycles to work still must breathe the air dirtied by people who commute by car. In addition, the possibilities of individual action to escape the air pollution are limited to wearing a gas mask or relocating one's home. Both of these qualities of environmental problems result from the fact that a pollution-free environment is a public good--something whose use cannot be rationed to particular users and whose maintenance requires collective action (or collective restraint).

Economists have captured the difference between the safety issues posed by adulterated food and by polluted air in the concept of "external cost." The dangers associated with using a particular product (whether or not the consumer realizes and consciously accepts these risks) are "internal costs." Internal costs are imposed in voluntary transactions on the person who initiates and intends to benefit from an act of consumption or production (Dolan, 1971). External costs, in contrast, are imposed involuntarily on parties who were not meant to benefit from the activity in question.

The fact that some threats to consumer safety are accepted while others are unanticipated complicates and crosscuts the distinction between traditional safety issues and environmental safety issues. For instance, consumers knowingly accept the risk of driving an automobile, but they are enraged by unnecessarily dangerous design features (e.g., those of early Pinto models). Yet, the same distinction between witting and unwitting acceptance of danger applies to environmental problems. Consumers realize that they are polluting air when they drive cars, but they didn't know until recently that their use of aerosol cans might be depleting the ozone layer in the atmos-

phere. Yet, both of these environmental problems--polluted air and ozone depletion--involve the deterioration of the atmosphere (a public good) and require collective action to ameliorate.

The consumer movement's new concern with involuntary consumption of environmental public "bads" has led it into some new fields and alliances. The best example of this regards the issue of nuclear power. Nader has long opposed nuclear power on safety, environmental, and economic grounds, and the remainder of the consumer movement has generally taken the same stand. This position has helped forge a link between the consumer and environmental movement. With the benefit of hindsight, this coalition seems natural and unproblematic. Yet, at the beginning of the 1970's, some leaders of the environmental movement mistakenly perceived consumerists as only interested in getting the most for their money and not considering whether the good was worth having in the first place.

The anti-nuclear position of the consumer movement did not come without its costs. At least initially, it strained the long-standing coalition between consumerists and organized labor. Recently, however, this tension has been reduced as labor begins to see the job-creating potential of "soft energy paths" (Grossman, 1977; California Public Policy Center, 1978).

From a concern with the possible radiation dangers of nuclear power, the consumer movement seems to be increasingly supportive of renewable, nonpolluting, decentralized sources of power. For instance, consumer advocates lobbied against the Clinch River Breeder Reactor, against construction of federal storage facilities for radioactive wastes, against synthetic fuel development programs, for careful control of overseas sales of nuclear technology, and for solar energy development (Public Citizen, 1978, 1979). These energy issues are in addition to and quite apart from those concerning the structure of the energy industry, decontrol of energy prices, and imposition of a windfall profits tax. The latter energy issues can be thought of as part of the traditional consumerist concern for competition and low prices, that is, the right to choice.

The consumer movement's focus on involuntary consumption of industrial by-products has led it down an additional path--concern with worker health and safety. Over the last five years, consumerists have joined forces with labor in an attempt to reduce worker exposure to asbestos (National Consumers League, 1980), cotton dust, and other carcinogenic substances. In some instances both workers and consumers are exposed (for example, pesticides). In other cases, consumer concern stems simply from the thought of buying an item that involved polluting a worker in the process of its production (for instance, chloroform). Interestingly, this "new" consumer issue harkens back to the very earliest consumer activism at the turn of the 20th century.

In summary, the consumer movement has expanded its concerns by recognizing that some consumption is involuntary. From an early focus on air pollution, the consumer movement today appears to be developing a coherent position on energy development, hazardous wastes, and pollution in the workplace. These concerns have become institutionalized through the formation of organizations such as Public Citizen's Health Research Group and the Solar Lobby.

The Consumer As Taxpayer

While consumer protection is not inherently anti-business, consumer reforms often entail a reduction in the prerogatives, privileges, and occasionally profits of business. It was therefore only a small step for the consumer movement to begin challenging the tax benefits and subsidies received by business from the federal government. (Of course, consumer education has traditionally covered the topic of paying taxes, but the share of the tax burden shouldered by consumers and the cost-effectiveness of government expenditures are relatively new issues.)

Specifically, consumerists have sought to close tax loopholes which benefit either large corporations (for instance, windfall profits tax and capital gains tax) or simply wealthy individuals. This goal is clearly stated in the Consumer Federation of America's Policy Resolutions:

Consumers demand a progressive and equitable tax structure. The present system which forces low and middle income consumers to subsidize corporations is intolerable. Since low and middle income consumers, unlike the wealthy, cannot avail themselves of devices designed to effectively reduce their taxable income, the progressive nature of the system is severely eroded. Legislation should be enacted which comprehensively corrects the abuses of the present system by eliminating wasteful, expensive, and unfair tax preferences. This will insure that adequate tax revenues will be available for future government needs and that those revenues will be contributed fairly by all citizens according to their ability to pay (Consumer Federation of America, 1977, p. 26).

This document goes on to strongly recommend that capital gains be treated as ordinary income, that business should not be allowed accelerated depreciation, and that tax shelters be eliminated.

Another example of concern over the distributional effects of tax policy relates to property-tax limitation measures. In analyzing California's Proposition 13, for example, Consumer Reports (1979) notes that people who use their land for commercial purposes benefitted more than homeowners and that the "benefit gap" between the two is likely to widen in the future. The article's conclusion is that there are more equitable ways to limit taxes and cut government spending.

The broadening of consumer issues to include tax-

payer issues has resulted in the formation of new organizations like Public Citizen's Tax Reform Research Group. More interesting are the new and sometimes unlikely political alliances that have resulted. In seeking to combat a pro-rich bias in tax laws, for example, the consumer movement has strengthened its ties with civil rights groups--a connection which goes back to earlier consumerist concern with abuses in the ghetto marketplace (Caplovitz, 1963; Magnuson and Carper, 1968). Similarly, in championing equal tax treatment for people living in different household arrangements (for example, cohabitation vs. marriage; single vs. married), the consumer movement has formed an implicit alliance with the various groups pressing for civil liberties (for instance, single parents and homosexuals)-- and, of course, alienated groups opposing these changes.

The counterpart of tax benefits is government subsidies. Consumerists have fought against price supports, subsidies, public works projects, energy development programs, and defense projects that they consider wasteful of taxpayer dollars or not in the best interest of consumers. Recent examples include opposition to increased agricultural price supports, the B-1 bomber, a number of water projects, the synthetic fuels program, orbiting solar collectors, and loan guarantees for Chrysler. In opposing these subsidies, the consumer movement has alienated the groups and industries that would benefit from them. Interestingly, though, consumerists have often been joined in their opposition by segments of the business community. For instance, Ralph Nader was joined by General Motors chairman Thomas A. Murphy and by Milton Friedman in opposing Chrysler bailout (Newsweek, 1979), and spokesman for both the Consumer Federation of America and Gulf Oil came out against the synthetic fuels program (Baldwin and Poldhorzer, 1980).

A further example of how involvement in taxpayer issues has led the consumer movement into some new alliances concerns taxpayer privacy. Libertarians have traditionally opposed consumer reforms because these reforms usually impose restrictions on the freedom of action of both firms and consumers. But libertarians and consumerists fought together in establishing certain taxpayer privacy safeguards. For example, both groups supported the 1976 law which prohibits the access of law enforcement officials to tax returns unless the officials can convince a judge that there is cause to believe that the taxpayer has engaged in criminal activity.

The consumer movement's new departure into the expenditure functions of the federal government may prove to be a mixed blessing. On the one hand, the involvement has broadened the movement's constituency and potential allies. On the other hand, though, the number of potential issues is enormous. The attempt to take a stand on all of them could easily distort the movement's identity and stretch its limited resources too far. For example, what should be the consumer

position on the proposed value added tax? What kind of tax cut should consumerists support (if any)? What stand should the consumer movement take on the MX missile system and other defense programs? The problem is not just that the development of a coherent position on such policies will require enormous amounts of time and expertise. It is also that taking stands on tax and expenditure issues could create cracks in the consumer coalition itself (Vogel and Nadel, 1976).

The Consumer As National Citizen

One of the four traditional foci of consumer activism is establishing the consumer's right to be heard by government. The long, and to date unsuccessful, battle over an agency for consumer advocacy and representation (Schwartz, 1979) and the initiation of public participation funding are prime examples of this long-standing consumer issue.

During the 1970's the consumer movement broadened its concern over the administrative responsiveness and fairness of the federal government. The thrust of its efforts was to reduce the influence of powerful special interests in elections as well as in the legislative and regulatory activities of government.

Probably the most successful and far-reaching efforts of the consumer movement to make government more open, responsive, and honest were aimed at political campaigns. Working with a variety of neo-progressive groups (like Common Cause) and organized labor (Epstein, 1979), consumer activists have achieved a number of campaign contributions and spending. Another major reform was the public financing of presidential elections. The consumer movement and its allies have been unsuccessful in extending public financing to congressional campaigns. (Few incumbents are willing to vote away the electoral advantages of incumbency.) Consumerists are continuing to press for it (Consumers Union, 1978) in light of the role of campaign contributions in unseating so many pro-consumer senators in the 1980 elections.

Parallel to the consumerist concern for fair elections is the concern for fair legislative and regulatory activity. To reduce the buying of votes, the consumer movement has supported rules to limit the outside income that can be earned by congressmen. To the same end, Mark Green and Andrew Buchsbaum of Congress Watch recently published a detailed account (costing \$25 a copy!) of the activities of two extremely powerful corporate lobbies - the Chamber of Commerce and the Business Roundtable (Green and Buchsbaum, 1980). In addition, the consumer movement has attempted to increase the accountability of congressmen by collecting and disseminating information on voting records (Consumer Federation of America and Public Citizen's Congress Watch, in particular).

Consumerists have also lobbied aggressively on several issues concerning regulatory activities. They have sought to establish and strengthen "revolving door" laws designed to reduce "bureau-

cratic capture" (Kramer and Graham, 1978). Consumerists have also opposed permitting congressional vetoes of regulatory agency decisions (O'Reilly, 1979). In addition, consumerists have resisted attempts to ease the legal requirements for challenging federal regulations. This change, embodied in the Bumpers Amendment, would shift the burden of proof in judicial challenges to regulatory decisions from the challenger to the agency (Light, 1979).

An exception to the consumerist support for reforms which increase the public accountability of government has to do with "sunset" provisions. Such provisions set a termination date for an agency (for example, the Consumer Product Safety Commission) in order to assure that its activities will be thoroughly reviewed and analyzed. Sunset rules usually apply to new agencies, but they could be applied to established agencies as well.

The consumer movement has had some difficulty in formulating a consistent position on sunset rules. The rules certainly have an initial appeal. Yet the movement has generally opposed them for several reasons. One reason is the fear that programs that took years to legislate might be eliminated by a successful filibuster, an intense lobbying effort, or a Presidential veto. Another basis for opposition is the likelihood that corporate welfare programs will fare better than human welfare programs because the former have better-financed and better-organized constituencies. Finally, in the case of the National Consumer Cooperative Bank, consumerists felt that the bank would have difficulty obtaining long-term loans if creditors thought the Bank might be abolished (Public Citizen, 1979).

With the exception of sunset rules, then, the consumer movement has vigorously supported a variety of governmental reforms designed to insulate the political process from special interest influence and to open the process to the general public. Because these political reforms enhance the prospects for more narrowly-conceived consumer reforms, this expansion of consumerist activity is likely to remain a central feature of the consumer movement.

The Consumer As Planetary Citizen

To this point we have examined three ways in which the consumer movement has expanded its conception of the consumer and thereby of what constitutes a consumer issue. We have described issues associated with the "Involuntary Consumer," "Consumer as Taxpayer," and "Consumer as National Citizen." Despite a variety of new alliances and new consumer organizations, the political tactics used to press these issues have not differed greatly from the tactics used to establish the consumer rights to safety, information, choice, and representation. In presenting a fourth and final category of new consumer issues, we will note a shift in political tactics along with a further broadening of what constitutes a consumer issue.

All three of the new types of consumer issues already discussed have direct relevance to American citizens as individuals--whether as consumers, taxpayers, or voters. A fourth set of new consumer issues has little direct impact on the individual; it is composed of moral issues concerning the well-being of other people or other living creatures.

Perhaps the best example of a consumer issue which was raised for the benefit of other consumers is "dumping." Dumping refers to the export of goods that are not considered safe enough for consumption by American consumers. (Note that this differs from another type of dumping--the pricing of exported goods below production cost or below domestic prices.) Instances of the exportation of banned products include: children's pajamas treated with Tris, a carcinogenic flame retardant; the Dalkon Shield intrauterine device, a cause of several serious medical problems; Depo-Provera, an injectable contraceptive shown to cause malignant tumors in laboratory animals; and baby pacifiers and teething rings which did not meet U.S. Consumer Product Safety Commission standards (Dowie, 1979). Dumping has no direct adverse consequences for American consumers--except when banned pesticides return to the United States in crops like bananas and coffee (Weir, Shapiro, and Jacobs, 1979). Yet, because consumerists have begun to take a global point of view, dumping has become a controversial issue.

The sale of infant milk formula in developing countries is a special case of dumping because the product is safe in itself. When infant formula is used in the economic and hygienic context of less developed countries, however, it can become dangerous. The formula is often diluted (to save money) and mixed with unsterilized water, resulting in disease, malnutrition, and sometimes death (Post and Baer, 1978). The consumer movement has joined with several church groups in opposing the sale of infant formula abroad. The most prominent of these religious groups which have become allies of the consumer movement are the Interfaith Center on Corporate Responsibility and the Third World Institute of the Newman Center (Garson, 1977).

Two political tactics have been used by the opponents of infant formula exportation. One is a consumer boycott against Nestle, a leading seller of infant formula. The boycott aims at reducing sales of every product bearing the Nestle name, from Taster's Choice Coffee and Nescafe to Stouffer's dinners and Jarlsburg cheese. The second tactic is the generation of adverse publicity through the introduction of shareholder resolutions and solicitation of proxy votes. For example, the Interfaith Center on Corporate Responsibility has attempted for the past five years to get American Home Products Corporation to end the sale of infant formula in less developed nations.

This "politicization" of the consumer and stockholder (Vogel, 1978) characterizes the fight over other new consumer issues where no direct harm occurs to American consumers. Rather, concern focuses on deficiencies in the conditions under

which goods are produced, that is, where consumers may be considered complicitous, however indirectly. Prime examples are concern over (1) business investment and loans in South Africa (Purcell, 1979) and, closer to home, (2) the anti-labor policies of Gallo and J.P. Stevens (National Consumers League, 1978). It might be said that these issues are originally occupational or political in nature, but that they become consumer issues when consumer boycotts are used as political tactics. (Interestingly, the very first consumer organizations at the turn of the 20th century used consumer boycotts to improve working conditions.) Still, to the extent that the consumer movement has championed these worker issues, it reflects a broadening of perspective and should strengthen the movement's ties with civil rights groups and organized labor.

A final set of new consumer issues emerging from a view of the consumer as a planetary citizen concerns the rights of non-human consumers, that is, animals. The inadvertent killing of porpoises in the process of harvesting tuna is one example. Another is the hunting of baby seals to be used for coats. In both cases, these are consumer issues because the harm to animals is part of the process of producing a good for human consumption.

Thus, the consumer movement has expanded its concern to cover problems that do not directly affect the health, safety, or even pocketbooks of consumers. Rather, this final category of new consumer issues is composed of moral issues which presuppose that consumers perceive a link, however indirect, between their welfare and that of other consumers and other species. In addressing these moral issues, consumerists have generally played a secondary role compared to labor, religious, civil rights, or environmental group more directly affected. But the added political clout provided by the consumer movement has been important.

Conclusion

In a 1970 article, Day and Aaker (1970) predicted that consumerism would eventually "subsume, or be subsumed by two other areas of social concern: distortions and inequities in the economic environment and the declining quality of the physical environment." The two authors also approvingly cite Yohalem's (1970) view that the ultimate goal of consumerism is to end hunger and malnutrition, educate and train the disadvantaged, alleviate pollution, in short, to solve social problems.

It is clear that the consumer movement has widened the scope of its concerns, but has it been subsumed or has it done the subsuming? Further, has the transformation weakened or strengthened the consumer movement?

The answers to these questions depend on whether one defines the consumer movement by reference to certain goals. This paper chose to focus on a

few important organizations, observed a broadening of their goals, and therefore concluded that the goals of consumerism and the consumer movement have been transformed. One might make the opposite argument, however, that consumerism remains the same (i.e., the pursuit of safety, information, choice, and redress) but the organizations that once constituted its base have moved beyond the consumer movement.

Either interpretation is possible, but the author believes that the first explanation makes more sense. That is, the goals of the consumer movement are defined by the goals of consumer-oriented organizations. As the goals of these organizations have changed, so has the nature of the consumer movement and consumerism.

The consumer movement has incorporated some goals from other social movements (e.g., reduce pollution and protect worker health), and it has defined some entirely new goals (e.g., prevent the exportation of hazardous substances). What makes it difficult to distinguish the consumer movement from a variety of other social movements with which it enters into alliances and coalitions is that the consumer movement has greatly expanded its conception of what constitutes a consumer. The consumer is now conceived as "buying" private goods (e.g., cars and houses), environmental goods (e.g., clean air), public services (e.g., national defense), governance services (e.g., legislative and administrative activities), and moral goods (e.g., protection of consumers in other nations). The common thread that unites these new conceptions of the consumer is that people consume as members of a collectivity. In a sense, the "consumer" has become the "citizen," and the consumer movement has become an umbrella for organizations pursuing citizen issues.

The sociological literature on social movements is replete with examples of goal transformation (Gusfield, 1955; Messinger, 1955; Zald and Denton, 1965). In some cases goals become displaced or abandoned as movement organizations lose sight of their original purpose and become obsessed with perpetuating themselves (Michels, 1949). This is a sign of movement weakness. But movement goals can also change because the original goals have been largely attained. This can be a sign that the movement's organizations have successfully coped with the problems of finding leadership, mobilizing resources, securing public acceptance, and maintaining supportive relations with each other and with other social movement (Perrow, 1961). This is known as goal succession rather than goal displacement.

Thus, the widening scope of consumer issues represents a positive--although not costless--development for the consumer movement. It signifies that the movement organizations have not become preoccupied with maintaining themselves for the sake of providing jobs for their staff. It also suggests that the consumer movement is accumulating political IOU's from other social movements. On the negative side, however, the consumer movement may lose the support of those who conceive of it in a more traditional sense, antagonize

groups that were previously neutral toward consumerism, and be forced to divert its resources from goal attainment to coordination and public relations.

It is difficult to assess whether, on balance, the consumer movement has benefitted from the broadening of its goals and whether it will continue to do. The consumer movement will likely restrict its definition of consumer issues in the 1980's for two reasons. First, with the coming of a Republican administration and Senate, many of the consumer-oriented officials appointed by President Carter will return to the consumer movement leadership (although some will undoubtedly be lost in a new version of the "revolving door"). These former officials will likely have learned the importance of defining issues in concrete and practical terms rather than in moral and ideological terms.

The second reason is that with the defeat of the consumer protection agency, the consumer movement rededicated itself to organizing on the state and local levels. At these levels, consumerists will find that the most salient issues are inflation, taxation (but not, so much, government spending), and consumer deception. Thus, in rebuilding its political base, the consumer movement will likely emphasize more traditional consumer issues. The movement will from time to time lend its support to the efforts of environmental, labor, clean government, religious, and civil rights groups, but the consumer movement will be busy forging its own--and more narrow--agenda for the 1980's.

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CONSUMER POLICY: THE BALANCE BETWEEN CONSUMER EDUCATION,
INFORMATION, AND PROTECTION

E. Scott Maynes*

Abstract

This presentation has two objectives:

- (1) to identify the necessary educational background for consumer policy analysis;
- (2) to discuss selected advantages and disadvantages of consumer education, information, and protection approaches to consumer policy.

We begin by posing three "tests" for consumers. The answers to these tests may be regarded as parables.

Three "Tests" as Parables

Our test takes a true-false format.

From the Consumer Viewpoint:

- (1) Interest rate ceilings are desirable. T or F (?)
- (2) Unit pricing has been a success. (Do not take account of any non-use benefits of unit pricing.) T or F (?)
- (3) Product recalls have failed. T or F (?)

We turn now to the answers.

Interest Rate Ceilings

From the consumer viewpoint, interest rate ceilings are not desirable. Let me say why.

The purpose of such ceilings is to make low-cost credit available to everyone, but especially the disadvantaged. That this is a desirable objective, most will agree. Unfortunately, both deductive arguments and empirical evidence show interest rate ceilings to be an obstacle to, not a means of, achieving this end.

The arguments are straightforward. Understandably, lenders in their pursuit of profit will expect to cover all costs, including losses from "bad loans." Lenders cover losses from bad loans by collecting a "risk premium" from all borrowers, using the funds collected to offset losses from loans that are not repaid. Understandably also, losses from bad loans will be greater for the disadvantaged who tend to be poorer risks since often they are irregularly employed and lack savings or collateral. When interest rate ceilings are set too low, lenders cannot collect an adequate risk premium. Under these circumstances, they adjust by tightening their loan standards: they stop making loans to

"poor risks," usually the disadvantaged. So, instead of assuring low-cost loans to the disadvantaged, interest rate ceilings may keep this group from obtaining any loans at all!

This is what economic theory tells us; this is what many empirical studies confirm [4,7]! The possibly deleterious effects of interest rate ceilings is one of the most firmly grounded propositions in the consumer credit area. The fact that many consumerists and some consumer organizations still lobby strongly for interest rate ceilings underlines the need for grounding in economic analysis.

Unit Pricing

Unit pricing has not been a success, or perhaps more carefully, only a partial success. Again, let me say why.

The problem that unit pricing addresses is how the shopper in a supermarket can identify the cheapest item per unit of purchase, e.g., the brand/container size of peanut butter with the lowest price per ounce.

It is the inability of consumers to calculate on which unit pricing focuses. Hardly a man or woman is now alive who can calculate quickly and accurately the unit price of (say) a fifteen ounce container whose price is \$1.99. Unit pricing does this for us. In this example the correct answer is 13¢.

But what the unit pricing reform neglected is the information processing problem posed for the shopper when the unit prices are printed on tags and distributed along fifteen feet of shelf spacing. Precisely, the task facing the consumer in choosing among 20 brand/container variants, is to make pairwise comparisons over 19 pairs. In each case the consumer decides which unit price is lowest, discards the highest, and carries the lowest forward to the next comparison. This is an error-prone, time-consuming process. In a little experiment conducted with 20 brand/container variants, it took "shoppers" an average of 52 seconds to identify the lowest price per unit. What is more, one out of five erred. Bear in mind that these results were achieved under the ideal conditions of an artificial experiment. One solution to this information processing problem would be the posting of a list of unit prices for peanut butter, ordered from lowest to highest by unit price. This would enable the shopper to quickly and accurately identify the lowest priced variants. An experiment, testing this proposal and the earlier "ordinary" unit pricing format, estimated savings of at least three percent of sales for the posting variant and one percent for traditional unit pricing [13].

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But the lesson of this parable is the discovery of a problem that consumerists, consumer economists, and economists alike had missed: the need to be aware of and to take account of how information is processed.

Product Recalls

Product recalls have both failed and succeeded. Again, an explanation is in order. The short-run objective of product recalls is to remove defective items from the hands of consumers less they be harmed. Recent articles from Changing Times [12] and Consumer Reports [5] have documented the dramatic failure of product recalls to achieve this goal despite large outlays and genuine efforts on the part of both manufacturers and government.

But both consumer voices--Changing Times and Consumer Reports--failed to deal with the long-run effect of product recalls. This can be expressed best in a question about a particular recall, the Corning coffeepots whose handles occasionally fell off! Can anyone doubt that Corning Glassworks, maker of the coffeepot, will be more careful in designing and testing future products after its recall experience? Consider:

- (1) a 10% reduction in Corning's profits in 1979 due to recall expenses;
- (2) widespread adverse publicity;
- (3) possible product liability lawsuits;
- (4) a fine of \$475,000.

Generalized, the net long-run effect of product recalls should be safer products (but not perfectly safe) for which consumers will pay a higher price than would have prevailed in the absence of recalls.

But, again, the lesson is the need for economic analysis. Both consumer "voices" dealt solely with the short-run effects, perhaps leading hundreds of thousands of consumers to conclude erroneously that product recalls were not in the consumer interest.

The Lessons

Parables beget lessons. The lessons begat by our parables are two:

- (1) the centrality of economic analysis, and
- (2) the importance of understanding information.

It is the absence of economic analysis that has led and will lead innocent but sincere consumers to believe that interest rate ceilings will indeed attain their desired end. Similarly, it is economic analysis that calls our attention to the long-run as well as the short-run effects of product recalls. And it is an understanding of the long-run effects that converts our view of product recalls from negative to positive.

The unit pricing example underlines the need of students of consumer policy to understand information. When information is organized--as in the Russo proposal [13]--consumers can digest it more

readily. As noted earlier, this should result in a 3% rather than a 1% saving as a result of the unit pricing reform. Another aspect of understanding information, not dealt with in our parables, is the need for information to be assembled. One of the defects of otherwise commendable Truth-in-_____ is they do not relieve the consumer of the costly and error-prone process of assembling information. One of the defects of advertising, commonly overlooked by its critiques, is its failure to assemble information, again leaving this task to the consumer.

The Approaches to Consumer Policy¹

It helps to be clear about what one is speaking. Hence, I will follow Humpty-Dumpty: "When I use a word, it means just what I choose it to mean--neither more nor less."

By Consumer Education I mean the development and transmission of knowledge, understandings, and analytical capacities that will enable the individual consumer or consumer units to function effectively in purchasing, investing, using time, saving, and that--as citizens--will enable the consumer to assess alternative policies and institutions that affect consumers individually and collectively. Note that this definition encompasses any level of learning from kindergarten to graduate study. Note, too, that it includes the development of a body of knowledge. Hence, research on consumer problems, no matter by whom undertaken, becomes part of the consumer education process.

The Consumer Information approach to consumer policy consists of activities and policies, either voluntary or involuntary, private or governmental, designed to provide information pertaining to particular purchases. Examples would include labeling; information minima such as weights and measures, unit pricing, quality rating, price posting, open dating, truth-in-lending; the use of understandable language in contracts and warranties; activities and publications of product testing organizations; local consumer information systems [10,14].

Consumer Protection consists of activities and policies, again voluntary or involuntary, private or governmental, that prohibit actions or behavior that is regarded as harmful, require certain actions or behavior that is desirable, and/or regulate actions or behavior in a direction that is viewed as desirable from the consumer viewpoint.²

¹The remainder of the paper was summarized in cursory fashion in Minneapolis.

²Definitions are tailored to purposes. You should know that in an earlier article [Maynes, 8] I defined "Consumer Protection" to consist, in essence, of actions or policies designed to promote consumer sovereignty. Thus it comprised all three of the elements under discussion here--consumer protection narrowly defined, consumer information, and consumer education.

Examples include product recalls; product liability laws; product standards, e.g., mandatory seatbelts, certification of drugs, housing codes, requirement or minima for healthful ingredients and prohibition or maxima for harmful ingredients; cooling-off periods for contracts.

These definitions in place, we are ready to consider certain merits and demerits of the three approaches.

The Choice Among Alternative Approaches³

The most attractive property of all three approaches is that they represent external economies, conferring benefits on everyone and not simply on those directly affected. To the extent that consumer education, information, and protection approaches are effective, they will enhance the working of markets and provide better market outcomes for everyone. Hence there is a public interest in the promotion of effective consumer policy.

Consumer Education

Of the three approaches, consumer education, in my judgment, merits the highest priority. This is because it enhances the possibility of consumers themselves (1) making optimal choices in purchasing, investing, and so forth, and (2) understanding and thus making knowledgeable assessments of consumer policies and institutions. In a sense, consumer education "drives" the other two approaches. Better educated consumers will be better equipped to deal effectively with both consumer information and consumer protection.

If consumer education is a high priority mission for the nation, it follows that research should be a first priority mission for ACCI. The argument again is straightforward. The quality of consumer education depends, in part, on the body of consumer knowledge that we possess. This body of knowledge, in turn, must be researched-based if it is to be good.

As the academic arm of the consumer interest, ACCI should be a focal point for the presentation and assessment of the research in the consumer interest. In this role, ACCI should invite and encourage presentation and participation by researchers from all disciplines and groups: economists who are not consumer economists, marketers from the Association for Consumer Research and elsewhere, sociologists, researchers associated with public interest research groups.

Assigning a greater emphasis to consumer research does not imply a neglect of consumer education. Indeed, an important mission of ACCI is to see to it that the best fruits of research are made accessible to consumer educators who are not themselves researchers.

³For a comprehensive discussion of the issues and corrective measures in consumer protection, see [8,9].

My parables have implications for higher education also. They underline the need for our graduate students--whether they study under the banner of Family Economics, Consumer Affairs, Consumer Science, Consumer Education, Home Economics, or Consumer Economics--to master the "necessary" tools. What are these necessary tools? They include economics and economic theory, especially the economics of information, time and industrial organization; mathematics and quantitative methods; some exposure to information processing and the literature of consumer behavior. To what level of proficiency? So that our graduate students can have access to most of the relevant literature and can compete confidently with other pure and applied economists and social scientists at the same level of training. At the same time there is a parallel need for our undergraduate students to receive more and rigorous training in economics, consumer economics (that is, economics differentiated toward the consumer viewpoint, and quantitative methods).

Let me say one word about the search for a better means of delivery for consumer education. So far the printed word has been the chief means of delivery. ACCI members must be sensitive of and responsive to the possibilities of computers, television, and both together as possible vehicles for the future delivery of consumer education.

Consumer Information⁴

First I would like to place on the table for your consideration what I regard as a critical insight regarding consumer information. My proposition is that to be effective, information regarding particular purchases must be:

- (1) available at the time of use;
- (2) available at the site of use;
- (3) assembled;
- (4) comparable;
- (5) credible;
- (6) organized, to permit digestion;
- (7) flexible, to fit the canons of consumer sovereignty. Hence, it should be available as a single quality index or, in a form that permits the user to insert his/her own weights and evaluations.

If my "critical insight" stands the test of criticism, it should form a basis for assessing alternative consumer information approaches.

The ultimate objective of consumer information approaches has to be the improvement of the market economy in two ways--(1) by drastically reducing price dispersion, quality constant, thus assuring that everyone, even the uninformed "get more for their money," and (2) by inducing sellers to offer better quality products initially. The detection of such long-run effects, as a research problem, is devilishly difficult. There has been no research so far that even suggests that our most important consumer information institutions--the product testing

⁴See [2] for a comprehensive treatment.

organizations--have had any influence in reducing price dispersion. As to inducing better design, there now comes some tentative evidence from Germany suggesting that washing machine manufacturers, in designing new machines for the European market, are taking into account the performance characteristics assigned heavy weight in the product test undertaken by Stiftung Warentest, the German product testing organization [6]. How much influence the testing organizations really have and whether it is to the good remains to be seen.

An underappreciated problem of the consumer product testing organizations is their underfinancing. There are at least two arguments supporting the notion that the product testing organizations are indeed underused and, hence, under-supported. First, there is evidence that many consumers fail to realize how badly markets work [1]. Not knowing this, they do not seek out Consumer Reports and thus do not contribute to the greater supply of information that their subscriptions would support. A second argument involves the "free rider problem." Here the problem lies with consumers who recognize the worth of Consumer Reports but borrow it from libraries or friends instead of subscribing themselves and thus contributing resources to the production of further consumer information. A provocative solution to the latter problem is offered by Beales and Salop [3] who urge Consumers Union to sell its ratings for use in advertising by manufacturers whose products are rated in Consumer Reports. Their proposal would accomplish two ends:

- (1) it would provide Consumers Union with greater revenues, and
- (2) given Madison Avenue's flair, it would amplify the effects of CU's ratings by rewarding makers and sellers of better rated, better performing products.

The proposal raises hackles with supporters of Consumers Union who have elevated into dogma the notion that "purity," in the form of total non-association with commercial organizations, is essential to the credibility of Consumers Union. Is purity necessary or are reputations of credibility more robust? The continued credibility of the Michelin Restaurant and Hotel Guide, published by the Michelin Tire Company--a profit making organization--suggests that purity is not a sine-qua non. Further investigation of the issue is surely in order.

Consumer Protection

Consumer protection measures are intended to protect all of us against physical or market hazards some of which we are unaware and others from which we cannot protect ourselves, even when we are aware of them. In addition, it is designed to shield those vulnerable consumers--the aged, the less educated--who may be open to exploitation when average consumers are not. In the era just ended it was probably appropriate for students of consumer policy to urge consumers to ask

questions of "appropriateness" and "efficiency" before advocating a new consumer protection measure. Appropriateness would refer to whether a consumer protection measure would achieve its intended objective while efficiency referred to the resources necessary to enforce a consumer protection measure. The case for benefits for consumer protection measures was always made and often optimistically made.

In the just dawning era of Reaganomics and Reagan ideology, the balance of argumentation will be reversed. Almost automatically, members of the Reagan administration will tend to underestimate the benefits and overestimate the costs and difficulty of consumer protection measures. It will be the responsibility of students of consumer policy to redress the balance and to make the case for consumer protection measures where merited.

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JOB INSIGHTS FOR CONSUMER AFFAIRS GRADUATES

Robert L. McCleary¹

Abstract

Consumer Affairs encompasses a wide range of different responsibilities in business.

Most Consumer Affairs positions are responsible for dealing with consumers.

Interpersonal skills are extremely important since dealing with and understanding people is the core of Consumer Affairs.

For practical considerations, basic business courses should be mastered to provide an entry into the job market.

It is important to understand that the title Consumer Affairs Manager describes many different jobs.

The most common factor is consumer response.

Product information may be the next most common factor.

Hopefully providing consumer feedback is also part of the job. From there the differences multiply.

I can only address Consumer Affairs from my perspective which is not valid for the entire job market universe.

My employer is a manufacturer of basic, durable goods - housewares, who deals directly with the consumer only when the retail/wholesale process fails to work to the satisfaction of the consumer or when a consumer elects to circumvent the retailer and come directly to the manufacturer; (or when we choose to service warranties directly with the consumer).

We have a high volume of consumer mail which requires response and the responders are generally not college graduates at the B.S. level.

We do look for and encourage our employees to become A.A.S. degree holders.

We do encourage the able and industrious to get the B.S., but they then move into other more rewarding jobs.

The managers and supervisors are chosen based on their proven ability to supervise groups of people, manage budgeted funds, and grow to meet the challenge.

They are usually generalists with multiyear, multi-

career backgrounds.

They learn about Consumer Affairs by trial and error or not at all.

The good news is that any manager looking for a supervisor or manager in the "Consumer Affairs" area would be pleased to find an able supervisor with Consumer Affairs training.

The bad news is you have to have enough basic business tools to have been hired for some other reason.

At Corning, marketing is the most reasonable other reason; Product Information once was a potential opportunity but it is less so now.

If I were a B.S. candidate in Consumer Affairs, where would I look for tools to get employment? Marketing, Accounting, Q.B.A., Computer Technology, Interpersonal Skills.

If I were a B.S. graduate with the opportunity to enter graduate school, I would consider an M.B.A. Why? Again to get the basic business tools.

If you wish to work in business, you can be effective only if you speak the language and can regard Consumer Affairs as a part of the total business.

The bottom line of every managers job is to contribute positively to the profit of the business - don't ever forget that.

An equally practical consideration to remember is that your effectiveness in Consumer Affairs, as in all other areas of employment, is totally dependent on the support you receive from the top of the organization.

I hope that anyone considering a profession in Consumer Affairs is basically a compassionate person who is driven by the desire to serve their fellow citizens. You must also have the courage to introduce change in an environment that typically resists change. Finally, you must be capable of exhibiting patience and understanding for both the business and consumers point of view.

In a growing number of Consumer Affairs positions, there is an opportunity to be broadly involved in business while at the same time performing a service to society and this makes the job worthwhile.

The most important training you can get for Consumer Affairs or any other position is interpersonal skills. The business of the world is people and their relationships with other people and systems.

Your ability to get along with people and to deal

¹Consumer Affairs Manager, Corning Glass Works

with people in stressful situations is the key in Consumer Affairs.

You must be able to console consumers when they have run afoul of systems they don't understand, to be firm with consumers who understand but really believe that given enough argument you will give them more than they are entitled to, and be willing to take the time to untangle some situations which seem to have no solution.

The key is to care and to be willing to develop the necessary interpersonal skills to translate caring into productive activity.