

product. The  $X_i$  again were a set of socioeconomic characteristics;  $\alpha$ ,  $\beta$ ,  $\gamma$ ,  $V_i$  were parameters;  $\epsilon$ ,  $\eta$ ,  $u$  represented disturbance terms;  $\lambda_i$ 's represented the inverse Mills ratio where  $\lambda = \frac{\phi(Z)}{\Phi(Z)}$  if  $Z = 1$ ; and  $\lambda = -\frac{\phi(Z)}{[1 - \Phi(Z)]}$  if  $Z = 0$ ; for the Mills ratio,  $\phi(Z)$  and  $\Phi(Z)$  are the normal probability density function and cumulative density function respectively for the response rule. A maximum likelihood probit estimation procedure was carried out on the "ad" and "awareness" equations. The effect of "ad" was carried through to the "awareness" equation by the inverse Mills ratio of ad variable ( $\lambda_1$ ). The consumption equation was estimated through ordinary least squares (OLS) procedure using the inverse Mills ratio of "ad" ( $\lambda_1$ ) and "awareness" variables ( $\lambda_2$ ), in addition to other relevant variables.

#### Empirical Results

The results related to advertising information and awareness are presented in Table 1. As expected income and education had a positive effect on whether the respondent had seen/heard an "ad"; being black and employed full time had negative effects. The effect of age was not significant. Monthly effects, not reported here, controlled for variation in seasonal consumption patterns and different levels of advertising campaign intensity. For the awareness of the related health issue through 'calcium is very important', income and education had positive effects. However, being black had a negative effect on determining the awareness of calcium in relation to health. Importantly, whether the respondent had seen or heard an "ad" had a statistically significant and positive effect on the awareness of the importance of calcium.

Finally, the effect of advertising and awareness along with other socioeconomic characteristics on consumption (frequency of purchase) of dairy foods is given in Table 2. No price variables were available due to lack of regional or geographic identification in the data set. They were reflected only in monthly variables. The evidence here also showed the strong support for the role of attitudes and beliefs. For instance, the "awareness" of health related issue, included as the inverse Mills ratio-related to awareness of the importance of calcium, had a significant and positive effect on purchases of dairy products. Further, "caring" in terms of taking vitamin supplements had a statistically significant and positive effect on the consumption of dairy foods; the effect was also positive for milk and cheese separately. The direct effects of advertising were positive towards purchases for dairy foods and milk, though not statistically significant.

#### SUMMARY AND CONCLUSIONS

This study addressed several issues related to analysis of the effects of advertising information on product qualities. The role of personal belief and attitudes in the process of acquiring information and evaluating advertising effectiveness

on consumer demand is generally ambiguous under an "expected utility" framework. A model based on a multi-stage information-decision process was formulated and applied to evaluating the effects of calcium advertising on consumption of dairy products. The model was a recursive one of information-awareness-consumption.

The empirical results showed strong evidence for the importance of "awareness" in increasing the purchases of dairy foods. Thus, the information content of the ad (through changing beliefs) affected consumption of the product. The role of the advertising was through creating such an awareness about a particular message (health, in this study). The ad's direct effect on changes in consumer demand, though positive for dairy foods and milk, was not significant. This approach demonstrated the importance of incorporating the process of decision making into evaluation of advertising impacts, and the "selectivity" that occurs relative to those who are exposed to advertisement. Importantly, the effectiveness of agricultural commodity programs is determined by evaluating their ability to increase demand for the commodity. A good understanding of the promotion process is essential to extending the analysis to evaluate the effectiveness of promotion programs.

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TABLE 1. Maximum Likelihood Probit Estimates of Advertising Information and Awareness of Health Issue

Variable	Advertising Information		Awareness of Health	
	Seen or Heard Ad		Calcium Very Important	
	Estimated Coefficient	Asymptotic t-ratio	Estimated Coefficient	Asymptotic t-ratio
Household Income				
\$15,000-24,999	.23	2.71	0.13	1.35
\$25,000-39,999	.27	3.13	0.19	1.91
\$40,000 and over	.32	3.41	0.02	0.16
Don't Know/No Response	-.063	-.68	0.09	0.81
Race				
Black	-.28	-3.00	-0.21	-2.03
Other Non-white	-.36	-2.89	0.18	1.10
Age (respondent)				
25-34	.068	.81	0.11	1.09
35 and above	-.008	-.12	0.09	1.05
High School Grad	.37	5.07	0.15	1.81
Not Married			-0.11	-1.43
Full Time Worker	-.15	-2.52		
Seen Ad (inverse Mills ratio)			0.18	4.46
Intercept	.10	.82	0.76	4.82
Likelihood Ratio Test ( $\chi^2$ )	143.20		67.30	
	(df=21)		(df=22)	

DATA SOURCE: Calcium Ad Tracking Survey, Market Facts, Inc.

TABLE 2. Estimated OLS Coefficients for Frequency of Dairy Consumption

Variable	-----Dairy-----		-----Milk-----		-----Cheese-----	
	Estimated Coefficient	t-ratio	Estimated Coefficient	t-ratio	Estimated Coefficient	t-ratio
Household Income						
\$15,000-24,999	0.45	0.40	0.42	0.55	-0.23	-0.36
\$25,000-39,999	0.60	0.53	0.58	0.77	-0.40	-0.63
\$40,000 and over	-0.46	-0.37	-0.57	-0.70	-1.50	-2.17
Don't Know/No Response	1.08	0.85	1.32	1.56	-0.54	-0.75
Race						
Black	-6.03	-4.83	-2.55	-3.07	-2.92	-4.15
Other	-1.10	-0.64	-0.95	-0.83	-0.12	-0.13
Age (respondent)						
25-34	-0.07	-0.06	-1.09	-1.43	0.92	1.44
35 and above	-2.50	-2.41	-1.67	-2.41	-0.65	-1.11
High School Grad	0.34	0.35	-0.42	-0.64	-.08	-.14
Not Married	-.072	-0.84	-0.31	-0.54	-1.07	-2.22
Children < 18	2.87	3.68	2.36	4.51	.79	1.80
Calcium is Important (inverse Mills ratio)	2.83	5.08	1.56	4.17	0.87	2.77
Milk is Better Calcium Source	2.92	4.02	2.78	5.72	.20	.50
Use Vitamin Supplements	2.33	3.21	0.54	1.12	.71	1.72
Seen Ad (inverse Mills ratio)	0.11	0.22	0.07	0.23	-0.23	-0.86
Intercept	35.56	17.80	19.20	14.32	14.41	12.74
Adjusted R <sup>2</sup>	0.04		0.04		0.02	
F Statistics (26,2413)	4.73		4.51		2.65	

DATA SOURCE: Calcium Ad Tracking Survey, Market Facts, Inc.

GENERIC ADVERTISING OF AGRICULTURAL COMMODITIES:  
A DISCUSSION

Jean Kinsey, University of Minnesota<sup>1</sup>

ABSTRACT

The historical precedent for generic advertising and public policy questions that arise as a result of its cosponsorship by government agencies were examined. With little attention to consumers' welfare, its affect on consumption and producers' welfare was emphasized. A model linking information processing and consumer behavior presents a useful methodology.

Generic advertising is designed to improve the image and consumption of a particular type of food. Sometimes it provides health and nutritional information. Sometimes it provides cooking instructions. Sometimes it is designed to counter adverse nutritional publicity such as the effects of eating cholesterol in beef. Other times it is used to promote nutritional characteristics such as calcium in milk. It is always designed to push out the demand curve for a particular type of food. To the extent that it can induce habitual consumption of that particular type of food, it may also decrease the price elasticity of demand. Both of these results lead consumers to buy more at higher prices than they otherwise would, which is, of course, the desired result from the perspective of the producer who is paying for the advertising.

The paper by Dermot Hayes was an historical account of how generic advertising came to be. A cooperative agreement between producer groups and the government, called marketing orders, enables producer organizations to tax themselves and request favorable regulations that are enforced by the government. It amounts to a government sanctioned and enforced cartel of agricultural producer groups.

The most common activities of agricultural marketing order groups is to spend their collected tax monies to advertise their products, and to conduct or solicit research on marketing strategies and/or product improvements. For example, in an eight month period between September 1984 & April 1985 the National Dairy Board collected \$78 million in assessments from dairy farmers. They spent \$68 million on promoting milk and dairy products on TV and other media, making the National Dairy Board the 43rd largest TV network advertiser in America, bigger than American Express or Xerox[3]. The Beef Industry Council, last year, collected \$60 million from beef farmers and is spending half for advertising beef and the rest for point-of-sale information, new product development and research [1].

The literature on generic advertising presents opposing views about the effects on consumer behavior and thus, on the market power of the seller[2]. One view is that advertising makes consumers less price responsive. That is, it decreases demand elasticity. This gives the seller more market power. That means they can raise prices further without suffering a decline in the quantity sold thereby increasing their revenues substantially. This, of course, raises consumers' expenditures for that type of food. It also raises serious questions about the overall efficacy of publicly sponsored food advertising. There is a limited amount of food that each person will eat and a limited amount of money they will spend for food. If they increase their consumption of a heavily advertised food, it means they will decrease their consumption of some other type of food. All commodity groups cannot be winners in this game.

The second point of view found in the literature is that generic advertising is informative and, as such, it makes the markets more competitive. Consumers become more responsive to the price of specific foods, readily switching to cheaper substitutes. Actually, there is little empirical evidence about what happens to the price elasticity of demand as a result of generic advertising.

Henry Kinnucan's paper was organized around questions that are asked about 1) the demand response and 2) the supply response. Both private and public parties have different concerns about each response to generic advertising. Private parties, those who design and pay for the advertising, want to know if it is profitable. Although it may be found that sales increase, or even that the demand has shifted out, proving profitability is often illusive. Dermot pointed out that generic ads may not improve the welfare of producers as a whole even though most research has shown individual advertising campaigns tend to increase sales in the short run. In spite of the difficulty in proving how advertising alters consumer behavior, biases in the research system, including academic publishing, tend to foster studies that show advertising "works".

Both Dermot and Henry discussed the possibility of supply increasing in response to higher prices. Increasing supplies could defeat the profit goal as it presses back down on the price - a benefit for consumers. In the case of foods that are already in excess supply, this could, however, increase the need for government expenditures to purchase, store and distribute large surpluses. The concern about increased

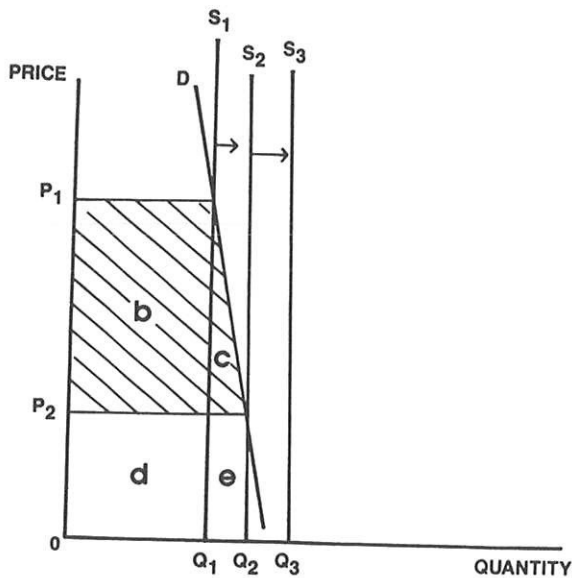
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supply response is, I suspect, exaggerated, but it points out two important assumptions: 1) Generic advertising does, in fact, raise the price. 2) The producer groups have no mechanism for controlling supply. The latter is not necessarily true. Many marketing orders have had provisions for supply control in the past and most have regulations about the size, color, or other characteristics of products that are allowed on the market. These regulations serve to control both the quality and quantity of the supply.

In Henry's paper "public" concerns were identified as those expressed by government regulators and academics. One of these concerns is the cross commodity effects that could raise government costs as demand for the unadvertised foods drops and surpluses build. Another concern is that prices may become less stable if demand elasticity decreases. This is a more subtle point that is driven by inherent instability in the quantity of agricultural commodities coming to market in any given year. If demand is very inelastic, and short run supply is perfectly inelastic, as shown in Figure 1, then a small change in quantity supplied to the market from year to year makes for big changes in the market clearing price. For example, if supply goes from  $S_1$  to  $S_2$  in Figure 1, price drops from  $P_1$  to  $P_2$ .

Figure 1



**FIGURE 1. SHORT-RUN SUPPLY AND DEMAND FOR AGRICULTURAL COMMODITIES**

This leads to big changes in farm incomes and could result in big changes in government expenditures needed to support farm incomes. Unpredictability of government costs is a budgeting problem for the federal government and for those who administer farm programs. Stability of farm prices has been a major goal

of agricultural policies; it is unclear how much this goal benefits consumers.

Among the public concerns identified, I did not see several that should be asked by consumers or their advocates. Serious public policy questions that need to be examined from the consumer's perspective include whether the government should be involved in supporting advertising that may send misleading messages. For example, should we be concerned about the conflicting signals coming from the Beef Industry Council and the National Institute of Health regarding the ingestion of animal fats? Should generic advertising be limited to factual information? If so, which facts and facts substantiated by whom? These are not innocent questions particularly in light of ever new scientific evidence about the connections between nutrition and health. On the other hand, some scientific findings strike at the very heart of widely held values about the inherent goodness of foods such as milk and not all consumers take kindly to "value bashing" even by respected government agencies armed with scientific facts.

Another concern which I did not see addressed directly in any of these papers is whether the costs of advertising is sufficient to shift the supply curve back, further increasing in the price of the commodity. Theoretically, this is certainly possible; it does not seem to be part of the research literature.

Helen Jensen's study of the effects of advertising by the National Dairy Board brings us an important development in modeling consumer behavior. As she pointed out, economists have been largely unsuccessful in explaining how information about product characteristics, other than price, affects demand. In standard economics models all factors, other than price, shift the demand curve in or out, increasing or decreasing consumption. Incorporating appropriate demand shifters into demand analysis has proven to be an incorrigible problem for many (agricultural) economists. The recursive model presented by Helen links consumer response to information through its effect on awareness. To its great credit, it acknowledges and accounts for the information processing that must take place before consumers can and will act. In her conclusions she states that "...information content (through changing beliefs) affected consumption of the product." This still begs the question, however, whether beliefs about product characteristics were changed or whether preferences were changed. For producers, who simply want to sell more products, perhaps it is not important. But, as scholars of consumer economics and consumer behavior we continue to be challenged to learn more about exactly how information changes buying behavior.

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STATE DEVELOPMENTS IN CONSUMER LAW:  
IS THE CART LEADING THE HORSE?

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ABSTRACT

This paper will demonstrate that the federal government has taken a back seat to the states in the field of consumer protection. The specific areas where this appears to be the case include: general laws prohibiting unfair and deceptive trade practices; special remedies for violations of new car warranties (lemon laws); dealer inspections and disclosures for used automobiles; and the regulation of national advertising. The resulting complex variations in the law from state to state may lead to: (1) greater efforts by the federal government to intervene in the marketplace on behalf of consumers along the lines of state law; (2) a push for uniform state laws; or (3) an effort by the federal government to force states to deregulate.

INTRODUCTION

There used to be a time when the states would look to the federal government, particularly the Federal Trade Commission, for leadership in the field of consumer protection. Indeed, every state in the nation now has a type of consumer protection statute that goes by the diminutive term, "little FTC Act." In the last few years, however, we have seen a retreat by the federal government from its preeminent role in consumer protection. The trend in both the FTC and Congress is to let the so-called reasonable consumer protect himself in the perfectly competitive self-regulating marketplace. Meanwhile, the states are forging ahead with greater advancements in consumer law to insure that consumers get a fair deal.

I will demonstrate in this paper how time and again the FTC or Congress have cut back or held back on consumer protection, only to have the states fill the gap. And in this field, federal law typically does not preempt concurrent state laws that are not inconsistent with federal law and are more protective of consumers. The result has been good for consumers in some ways, in that the protections state legislatures feel their constituents need have been enacted. The downside, however, is that we have a slightly different set of legal rules for consumer transactions in each state. This makes it very difficult for national marketers or advertisers to do business, and it makes it difficult for the legal practitioners to figure out exactly which rules will apply in any given transaction.

When the business world was confronted with a similar situation some forty years ago, they came up with the Uniform Commercial Code, which has now been adopted in 49 states. [24, pp. 1-6].

Attempts at uniform consumer laws have not met with similar success. For instance, there were three different "model" or "uniform" little FTC Acts, when these laws were being passed in the late 60's and early 70's. [16, p. 5]. The so-called Uniform Consumer Credit Code has only been adopted by 9 states so far. [22, p. 890].

I predict that as states become more and more aggressive, we will have more situations where there are 50 slightly different state statutes all on the same subject. There will be a hue and cry for uniformity. At that crucial point, it will be interesting to see whether the uniformity is in the direction of more consumer protection, or more deregulation.

LITTLE FTC ACTS

Let me give you some examples of what I am talking about. The FTC Act has for some 50 years prohibited "unfair and deceptive trade practices." [5]. Yet only the FTC itself could enforce these sweeping prohibitions. Individual consumers could not sue for violations of the FTC Act. So during the upswing of the consumer movement in the late 1960's, the FTC called on the states to pass their own "little FTC Acts," but with some crucial differences from the big FTC Act. First, state agencies could be enlisted in the battle against unfair and deceptive trade practices. Second, the state laws also provided individual consumers with the right to sue violators, thus creating hundreds of thousands of "private attorneys general" who could significantly increase the consumer protection effort. [13].

Not surprisingly, when each state got down to writing their Little FTC Acts, there were many issues to be resolved. What should be the scope of the law? Should it cover only consumer transactions or should it cover small businesses who have disputes with bigger businesses as well? Should they cover real estate or landlord-tenant matters? And what about remedies? Should consumers get attorneys fees, multiple damages, etc.? Not surprisingly, each state has come up with its own variations. [19, chapters 3-7].

When writing my book, Consumer Protection and the Law, I found I had to devote five chapters to state little FTC Acts because there was so much variation, and because they were so complex. I also constructed a chart comparing the provisions of each state law. [19, App. 3A]. Unfortunately, the production department at the publishing company threatened to revolt when they took a look at this monster I had created with 50 states going down one side with 16 variables for the content of each law.

In the end I had to simplify the chart, but the situation as it now stands is still very complicated. It is a lawyer's paradise in some ways, yet these 50 different variations on a theme can also create a legal nightmare. One wonders whether there might not have been such a push for state little FTC Acts, however, had the FTC been enforcing the federal law more vigorously, or if

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Congress had simply allowed individual consumers to sue under the FTC Act itself. Since the feds were not doing a sufficient job, the states had to fill the gap and we are left with a patchwork of laws.

## LEMON LAWS

### Origins of State Lemon Laws

Lemon laws provide another example of state law getting out in front of federal law. In what is proving to be one of the most significant developments in state consumer protection law of the 1980's, some 41 states and the District of Columbia have enacted laws aimed at providing better remedies for consumers who end up with new cars that cannot be repaired satisfactorily. [19, App. 15A]. Connecticut in 1982 was the first state to pass such a law, and its statute has been used as a model for other states. [19, p. 15-4]. As might be expected, there are variations from state to state.

What sparked this wave of state legislation? First of all, it should be noted that consumers have some recourse for breach of warranty under the good old Uniform Commercial Code. [23, pp. 593-615]. The problem was, the UCC allows the manufacturer to limit its remedy to repair and replacement of defective parts, whereas the typical lemon owner want to return the car and get her money back. Traditional contract law also did not permit consumers to sue manufacturers directly for breach of implied warranties due to the lack of privity between them, i.e., the manufacturer sells to the dealer who sells to the consumer, but there is no "privity of contract" between the consumer and the remote manufacturer.

### Inadequacy of the Magnuson Moss Warranty Act

So what about the federal government? Why didn't the feds come to the rescue of the lemon buyer? You may have heard of the Magnuson Moss Warranty Act, passed in 1975 at the crest of the consumer protection wave in Congress. [14]. This has been hailed as a major piece of consumer legislation, and indeed it is. But it did not go far enough.

The Magnuson Moss Act concentrates on making sure that the warranties that are offered are disclosed in a manner that is not misleading and that consumers can understand. Manufacturers have the option of offering what is called a full warranty under the Magnuson Moss Act, and a full warranty does provide the sought after remedy of being able to return the lemon and get your money back. [20]. But Congress did not require any manufacturer to offer this protection. It is voluntary. And guess what? The vast majority of automobile manufacturers offer only limited warranties.

### How the Lemon Laws Work

Consumers turned to their state legislatures for

relief, and the states proved willing to provide it, or at least they tried. Under the typical lemon law, if a new car is in the shop for repair for a set period of time (usually 30 days) or if the same problem is not successfully repaired after a certain number of attempts (usually 3 or 4), then the consumer is entitled to a refund or a replacement vehicle. [21] The lemon laws essentially streamline the legal route toward the preferred remedy, namely replacement of the car or a refund. These remedies were available under the UCC, but only if the consumer could overcome some formidable legal barriers. [19, pp. 13-15 to -40].

The lemon laws themselves have some shortcomings and limitations that prevent them from being the panacea that many had hoped they would be. But regardless of their flaws, the lemon laws are the result of a groundswell of political pressure in the state legislatures. People were having problems with their brand new cars that were not being addressed adequately by the legal system. Query whether this development would ever have materialized had Congress mandated that the consumer's preferred remedies be available to new car buyers when they passed the Magnuson Moss Act. Federal enforcement of a federal lemon law might be the best solution at this point. [23, pp. 666-74].

### Informal Dispute Resolution

This is not the end of the story of consumers' disappointment or even betrayal by the federal government in the area of new car warranty problems. Most of the state lemon laws require the consumer to pursue his claims under the manufacturer's informal dispute resolution program. [19, p. 15-16]. This was considered a benefit to consumers who might be able to get some help without having to incur the trouble and expense of hiring a lawyer and going to court. But of course the legislatures wanted to be sure that the informal procedure would be fair to consumers. Some standards would need to be set.

Where did the state legislatures go for the standards for informal dispute resolution? States not yet totally disillusioned with the FTC were willing to incorporate by reference the FTC regulation setting minimum standards for warrantor's informal dispute resolution systems. [19, p. 15-14]. The FTC regulation, known as Rule 703, had been promulgated pursuant to the Magnuson Moss Warranty Act. [7]. The FTC procedures had not had much usage, however, since it was optional for the manufacturer to establish such a system. Naturally, the states chose not to reinvent the wheel when there was already a fairly decent set of standards on the books.

Once states started to condition suit under their lemon laws on the consumer exhausting her remedies under the manufacturer's FTC approved informal dispute resolution process, most of the major automobile manufacturers rushed to set up such programs. [12, pp. 71-72]. Without the state laws, virtually no manufacturer had chosen



to set up programs in compliance with the FTC rule because there was no real incentive for them to do so under the Magnuson Moss Act.

With the onslaught of the new dispute resolution systems, however, came new problems. Some state officials, such as Attorney General Joseph Lieberman of Connecticut, charged that some of the programs of the major car manufacturers were not complying with the FTC rule. [19, p. 15-18]. Yet the FTC was doing nothing about it. Indeed, the FTC exempted most of these programs from the original 40 day deadline for making a decision on the consumers claim, adding an additional 20 day conciliation period. [8].

Once again, the Federal Trade Commission let down its allies in consumer protection in the state governments. Connecticut and other states amended their lemon laws to provide that the state attorney general would have to certify that an informal dispute resolution process complied with the applicable regulations, rather than awaiting any action by the FTC. Other states have set up their own state run programs. [19, pp. 15-18 to -20]. The FTC simply could not be relied on to protect consumer interests adequately.

#### USED CAR SALES LAWS

Lemon laws address the issue of problems with brand new cars that are still under warranty. But many consumers must make do with second hand vehicles. They find themselves at the mercy of the used car dealers. Now of course there are many used car dealers who are honest and fair. But the average consumer is at a disadvantage when it comes to evaluating the worth of a used car. Problems can be hidden, and will not be revealed by the time honored method of kicking the tires. Consumers normally look to the dealer to provide some sort of warranty or guarantee.

The major problem in used car sales, as revealed by a lengthy FTC investigation, was that consumers were likely to take the salesperson's word on the condition of the car and the dealer's promise to repair. Too often, the trusting consumer was sandbagged by the fine print in the contract which took away any promises that might have been made. [9, pp. 45,696-700].

In an attempt to equalize the situation, the FTC in 1978 proposed a rule governing the sale of used cars. The original version would have required dealers to inspect their cars and disclose any defects. This proposal was rejected because it was too costly to dealers, not sufficiently beneficial to consumers and also because this approach posed some legal problems for the Commission. [9, p. 45,719].

The FTC in 1984 (after having an earlier version of the rule vetoed by Congress only to have the veto overturned by a reviewing court), instead opted for a considerably watered down rule. [19, p.16-4]. In the end, the FTC used car rule

simply requires the dealer to post a window sticker describing the warranties offered (if any), warning consumers to get all promises in writing, and suggesting that consumers ask about the possibility of having a third party inspect the car at the consumer's own expense. [9].

The FTC rule has only been on the books for a few years, but predictably, states (such as New York and Rhode Island) are amending their own statutes to make up for the perceived deficiencies in the FTC rule. [19, pp. 16-8 to -11]. Now we face the prospect of a crop of used car lemon laws. Wisconsin and other states already had inspection laws for used car sales on their books before the FTC took action. [Id.] Once again, state legislatures may be inspired to pass legislation if their constituents are still complaining about used car problems despite the passage of the FTC regulation.

#### NATIONAL ADVERTISING

Even in the area of national advertising, a topic especially suited for federal priority, the state attorneys general are having to take up the slack because the FTC is not doing its job. Within the past several years, the state of Texas challenged Kraft's misleading advertising of Cheeze Whiz as "real cheese;" New York, Texas and California have been looking into allegedly misleading advertisements for McDonalds' Chicken McNuggets; and New York alleged that Arby's was promoting a high caloric sandwich as a "lean meal." [11].

Where was the FTC, formerly willing to take on the likes of Kelloggs and General Foods? According to New York Attorney General Robert Abrams in a February 13 speech to the Consumer Federation of America, the FTC pursues cases "against minnows and lets the whales go by" but ignores "the serious instances of deceptive advertising by manufacturers of national products." [1]. For instance, one of the FTC's bigger victories in national advertising in recent years was to obtain an injunction against the maker of "Daily Greens," a powdered vegetable pill touted as a cancer preventative. [10]. The Commission also moved against a false advertisement for a mouthspray that was supposed to help one fool the breathalyser. Granted these cases involved obvious frauds but the sales of such products were so small that only a few consumers were really helped. Such are the minnows pursued by the FTC in recent years. The larger national advertising campaigns, which present more difficult issues but affect many more people, are left for the whalehunters like Attorney General Abrams or for private self-regulatory groups such as the National Advertising Division of the Better Business Bureau.

#### FUTURE DIRECTIONS

As more examples are added each year to the list of areas where the states have felt they had to take over to protect their own consumers because the federal government did not go far enough, one

wonders where all this will end. A situation where national marketers face a crazy quilt of different legal requirements in 50 states may not be tolerated forever. Consumers making multi-state transactions (such as mail order) may find themselves in a quandary as to what their rights actually are. There may well be a pressure for uniformity at some point. But which direction will that take?

One possibility is that the federal government, through Congress, may realize that the will of the people is embodied in the state laws offering consumers more protection in the marketplace. They may upgrade the federal consumer laws to reflect these trends and then preempt state laws providing less protection. Even industry magazines such as Advertising Age are calling for a more vigorous enforcement of deceptive advertising laws by the FTC to avoid having a few states dictate the shape and direction of national advertising. [15].

Second, states may themselves get together and seek to harmonize their laws through the promulgation of uniform or model state laws. The state unfair and deceptive trade practices acts and the state lemon laws are two areas where this would be effective. The major obstacle to this approach, of course, is getting 50 state legislatures to agree on a uniform law.

Finally, the federal government may seek to impose its current free market zeal on the states through its preemptive powers. Thus far, the major federal consumer protection statutes and regulations provide specifically that states may pass their own concurrent measures so long as they are not contradictory to the federal law, and provide at least as much protection as the federal law does. [14, Sec. 2311].

There is a nascent federal power to preempt, however, which may be imposed. This has happened in the area of cable television regulation, where local communities for a while had the power to regulate cable television services, until Congress rewrote the law and essentially wrote the local communities out of the regulatory picture. [3, 2, pp. 2-24 to -33]. Preemptory deregulation is a possible outcome in consumer protection as well. Daniel Oliver, the current Chairman of the FTC, says that state regulation of national advertising, for instance, is a "dark cloud" threatening to allow a single state to erect a total barrier to commerce in the rest of the 49 states. [17]. He would obviously like to prevent the states from exercising any regulatory authority in this area.

Given the popularity of consumer protection measures at the state level, however, I doubt that the FTC or Congress will be willing or able to force deregulation by preempting state laws. First of all, there are so many state laws on the books that preemption in the direction of deregulation would cause much turmoil at the state level. Second, the political winds do not

seem to be in favor of eliminating state's efforts to fill the gaps if the FTC remains inert.

I conclude that sooner or later the pendulum will swing back toward greater activity and leadership at the federal level in the area of consumer protection. I would point to the FTC's 1984 Credit Practices Rule as an example of future directions. This rule prohibits the use of several unsavory collection methods that had already been outlawed or restricted in many states (with the usual variations from state to state). [6]. The FTC imposes a uniform rule on these practices, yet it more or less followed a trend toward greater consumer protection that was already developing in the states.

While the FTC and Congress may lag behind the states a bit in future years, eventually these reforms will be imposed on a national level. Political pressures would not permit a preemptive deregulatory strike. In the end, the federal government will follow the lead of the states and might even one day get back into the driver's seat.

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As any modern consumer knows, more and more products are labeled with more and more information. Many of these labels include information that is intended to limit the risks from the product rather than just to describe or sell it. The risks posed by consumer products cover a broad range of severity and consequence, from explosion to a mild rash, from permanent paralysis resulting from improper use of a swimming pool slide to temporary reduction in hearing acuteness.

Providing information, usually through labels, is the most widely-used means of controlling risk from consumer products. Labeling is attractive because providing information is, next to taking no action, the cheapest regulatory response available and because it also retains the broadest range of freedom of choice for the consumer. Direct regulation, which is more expensive, either removes the product from the shelf entirely or imposes severe constraints on the ways in which it can be used, often through design changes.

The answer that this paper gives to the question in the title is, "Yes, providing information on labels can control risks from consumer products, but only under the appropriate conditions." The answer to the other implied question--is information provision an appropriate public policy--is also "yes, under appropriate circumstances."

The conditions under which providing information is an appropriate risk control strategy are easy to describe but difficult to implement: 1) information about the risk and the control strategy must be available; and 2) the form in which the information is presented is clear and straightforward, encouraging the user to take the action necessary to reduce the risk.

The remainder of this paper elaborates on these conditions, suggesting first that present labels do not meet the second criterion and means for overcoming this difficulty and then turning to the question of availability of information. It concludes with a brief discussion of new information-provision programs. Parts of the paper summarize a full-length work on the same subject, but they present the material in a way that differs substantially from the longer work [6].

#### LABELS SHOULD BE EASY TO UNDERSTAND AND USE

Although the eighty-year history of labeling products to reduce risks to consumers is characterized by ever-increasing amounts of label information, policymakers seldom if ever considered the format in which the information should be presented. The result is that most products' labels are poorly organized and difficult to read.

First, labels are difficult to read and understand because of their attempt to provide a lot of information in a few words. For example, the label on charcoal once included a warning to provide "adequate ventilation." Consumers would be hard put to know what "adequate" means in this case. A revised wording is much better but still entails understanding multisyllabic words:

WARNING: Do not use for indoor heating or cooking unless ventilation is provided for exhausting fumes to outside. Toxic fumes may accumulate and cause death [2].

On most ordinary products, the warnings appear at the very bottom of the container and are all jumbled together or, worse, are interspersed in the text with descriptions of product uses and virtues. Consumers do not see the warnings at all, or ignore them because they are part of a long text.

Finally, most labels currently in use require the user to come to them with a broad base of knowledge. In some instances, it is reasonable to assume that a person has the information: individuals with pacemakers heed the warnings on the electronic detectors in stores and libraries. In cases such as saccharin, it is less reasonable to assume that individuals have enough pre-existing knowledge to determine what to do knowing that the product "has caused cancer in laboratory animals." Similarly, consumers generally are not aware of the distinction between hazards indicated by the signal words "DANGER," "WARNING," and "CAUTION." Even the label showing the Recommended Daily Allowance of nutrients requires the user to be able to calculate percentages--a condition not always fulfilled [5].

Labels are by necessity and design short; they are not intended to give all information necessary to understand and control a risk. But labels embody a wide range of assumptions about what people will know. A better policy is to formulate labels that allow people to understand risks more clearly.

#### Suggested Label Changes

Labels can be changed to alleviate these problems. My proposal entails creating a label that is hierarchically organized, with each level providing more detailed risk information than the level above it. Symbols would be added to catch users' attentions and provide first-cut information about risks. Within each level, risks are broken out according to the point in the use cycle at which the hazard may occur. Language is as specific and simple as possible.

Symbols function as the first level in a hierarchy of information by telling users that the product poses a hazard and by providing a first

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indication of the nature (and possible degree) of that hazard. If the danger is germane to the user, he reads the second level of more detailed information to discover exactly how he should act to reduce the hazard, or to obtain a more careful description of the hazard itself. Thus, a symbol system indirectly serves a third purpose: it reduces the likelihood of information overload by allowing users to determine very quickly whether they need to obtain further information. Symbols are especially effective for this purpose because they are processed much more quickly than words.

Since 1970, Canada has used a consistent system of hazard symbols for consumer products. Symbols were chosen for hazard warnings in part because Canada has two national languages. The system uses three different shapes--octagon, diamond, and triangle--to represent three different hazard levels. One of four pictorial symbols indicating the nature of the primary hazard--whether poison, corrosive, flammable, or explosive--is inserted into these shapes [3]. A survey taken seven years after their introduction found the symbols to be quite effective; 80 percent of respondents recognized the poison and flammable symbols, while slightly less than half recognize the other two [4].

Many people have objected to symbol systems. It is difficult to develop pictograms that are easily associated with the many hazards. Pictograms are not exact enough to distinguish among related hazards (e.g., those where a touch will result in a shock from those where it will result in skin damage.) These impediments only arise, however, when symbolic labels are asked to accomplish too much. Pictures require less processing time and are often less ambiguous than words; these advantages are lost as the pictures become more and more detailed, or more and more abstracted from the meaning they are intended to convey. If the purpose to be fulfilled by the pictogram is limited to attracting attention and indicating the general nature of the hazard, then these objections have less force. The symbols I propose for product labels would be limited in number and in detail because they would be used to indicate only the pathway by which the risk is effected.<sup>2</sup> A simple labeling system could also indicate degree of hazard, enhancing its utility as a risk indicator. However, this category of information threatens to overload the symbol, therefore, I would omit it from the first level of information on labels.

The pathway by which the risk accrues is of critical importance to a potential user. Symbols can readily indicate this information by closely representative pictures. Although the hazards themselves are virtually numberless and often difficult to depict, the only pathways by which

a person can be exposed are touch, breathing, or eating, which are easily shown through pictures. (Combustion and explosions, which can injure bystanders, should also be included.) For explosiveness and burning, where heat is often the provoking factor, a symbol could be developed that shows that exposure to heat is of concern.

Figure 1 shows a real label redesigned using the proposed hierarchical arrangement. Level 2, which provides summary warnings, also includes brief descriptions of the consequences of improper use. This feature enhances the utility of labels as conveyers of risk information and also increases the likelihood that people will heed warnings.

Level 3 deepens this information with further descriptions of physical characteristics, more detailed instructions for use, and, where appropriate, additional information about the severity or frequency of risk. Level 3 information is also presented in outline form, which increases both comprehension and ability to use risk information. Its primary innovation is to separate the warnings and other information according to the point at which they apply: that is, in use, in storage, or in disposal. As Figure 1 shows, very different kinds of risks inhere in these different activities. Level 4, which I will not discuss in detail here, consists of a reference to a computerized data base accessible to the public where further detailed information about the product's components, especially chemical components, and their associated risks can be found.

The wording of the information, especially at level 3, is a central element in the utility of the label. Specificity of wording increases the likelihood of effective action. Specific labels also constitute an improvement over general ones because they require the user to bring much less information to the label. The following warning, which was often used on OTC drugs, aptly illustrates a label that requires the user to bring information to the label:

CAUTION: May cause drowsiness. Do not use when operating heavy machinery.

The phrase "heavy machinery" may conjure up images that have more to do with a construction site or manufacturing plant than with the home," even though it is clearly intended to apply to automobiles. In response to these considerations, FDA now requires many drugs to bear the following message:


CAUTION: Avoid driving a motor vehicle or operating heavy machinery [7].

It would be possible to design a still more fully elaborated version, that clearly describes when to take the medicine.

Thus specificity and concreteness, a related characteristic that aids understanding, are achieved by giving examples and clear directions, such as "weigh yourself every day before break-

<sup>2</sup>My proposal also includes symbols indicating whether risk is long- or short-term, but limitations of length preclude discussing that proposal in full.

Figure 1. Proposed Model Product Label

1. Symbol	
2. Summary Cautions and consequences	<b>CAUTION: WILL EXPLODE IF EXPOSED TO HEAT OR FLAME</b>  <b>DO NOT TAKE INTERNALLY OR GET IN EYES: MAY PERMANENTLY HARM EYES OR STOMACH</b>
3. Detailed Risk and Product Description.	<b>USES: Hours of protection from mosquitoes, deer flies, ticks, and chiggers. Repels fleas from treated skin. Also works on clothing.</b> <b>PRODUCT FEATURES: Not greasy, won't stain, resists perspiration. Most effective repellent ingredient ever developed.</b>
<b>TO USE:</b>	<b>SAFETY CAUTIONS: AVOID CONTACT WITH EYES OR LIPS (WILL PERMANENTLY BURN). KEEP OUT OF REACH OF CHILDREN. WAIT UNTIL LIQUID HAS EVAPORATED BEFORE ALLOWING TREATED SURFACES NEAR FIRE, SPARKS, OR FLAME.</b> <b>CHILD-PROOF CAP: To spray, remove tamper-proof tab on front of spray cap. Look into hole on top of cap and turn cap until white mark appears. To lock, turn cap until white mark disappears.</b> <b>DIRECTIONS: To apply to face, spray in palm of hand in short bursts and spread on face and neck, but not near eyes or mouth. Will cause severe stinging of eyes and mouth and may result in permanent damage to vision and/or stomach pains. To apply to body or clothing, hold 6 to 8 inches from surface and moisten slightly with slow sweeping motion. Saturation not necessary. Be sure to apply to pants cuffs and socks and openings in outer clothing if you are trying to stop chiggers or ticks.</b>  <b>Do not apply to rayon, spandex, vinyl, or dyneel, since fabrics may disintegrate when touched by [product].</b>
<b>TO STORE:</b>	<b>SAFETY CAUTIONS: STORE AWAY FROM HEAT OR FLAME CONTENTS MAY EXPLODE.</b>
<b>TO DISPOSE:</b>	<b>SAFETY CAUTIONS: CONTENTS UNDER PRESSURE. DO NOT PUNCTURE OR INCINERATE. CONTENTS MAY EXPLODE.</b>
4. Referral to more detailed information	<b>FOR ACCIDENTAL INGESTION: DO NOT INDUCE VOMITING. KEEP PATIENT QUIET AND CALL POISON CONTROL CENTER. TELL THEM PATIENT HAS INGESTED DIETHYLMETATOLUAMIDE IN ALCOHOL/OIL BASE.</b> <b>For additional information, consult the Consper Data Base. Product #75-22</b>

fast" rather than "weigh yourself every day [1]. Specification is not helpful, however, unless label wording is simplified. The charcoal label described above is an example.

Simplification is not without its drawbacks. Using shorter words and sentences may make the message ambiguous or unable to convey critical technical points. However, the appearance of simplicity, with concomitant gains in comprehension, can also be obtained by following well-known rules of writing style: avoid passive voice and negative statements, for example. Many labels are indeed beginning to show a heightened concern for clearer expression; for example, a new sugar substitute carries the explicit statement: "Phenylkentonurics: Contains Phenylalamine." New York City has found increased compliance with parking regulations when signs explaining them are simplified to increase understanding 8. Combined with a hierarchical presentation of the information, simplification of wording should increase the utility of risk warnings on product labels.

#### Inconsistency

In addition to the problems outlined above, labels are also hard to read and understand because similar hazards are labeled in different ways; in some instances, the same signal is used to indicate different hazards. The evolution of labeling policy and its dispersal among several agencies has exacerbated these inconsistencies. Although most agencies use different words to indicate different degrees of hazard, with "DANGER" indicating the highest risk, some agencies employ two additional categories--indicated by "WARNING" and "CAUTION" respectively--while others have only additional category and use these two words interchangeably. The precise degree of danger indicated by the words is also inconsistent, since the cutoff points for inclusion in the three categories differ among the agencies [6].

Besides signal words, two other devices, color and numbers, are widely employed on warning labels. One widely used system employs toxicity categories for which "1" indicates the most danger, while other systems use "1" to indicate a very low degree of hazard. Still another agency uses letters instead of numbers. Similarly, colors are employed in different ways. Although red is commonly used as an indicator of flammability hazard, yellow is used for oxygen, physical hazards, or reactivity hazards. In other common risk situations, such as traffic, yellow is used to indicate caution.

Because consistency heightens recall and reduces the likelihood that people will respond inappropriately, content as well as format should be made consistent. A set of guidelines should be adopted within all federal agencies that will direct the ways in which particular hazard indicators are used. These guidelines will say, "If you decide to use a numerical hazard warning system, "1" must be used to indicate the highest (or lowest) level of hazard. When using color

indicators, red must be used to indicate the highest level, yellow the intermediate level, and blue the lowest level."

The particulars of these guidelines can be worked out in several ways. One would be to survey agencies and industry to learn which guideline differs least from existing systems. Another would be to conduct research on which systems are most effective. One objection to such guidelines is that they impose costs inequitably on those using different systems. Benefits of consistent labeling, though difficult to measure, would be substantial, since it would enable people to make quick and accurate decisions. Consistent labels could be introduced gradually with new products and inevitable label changes on existing products.

#### Labels Don't Discuss Risk

Many current labels do not present risk information. In this discussion, "risk" connotes both the probability and the nature of unfavorable outcomes. A primary reason for labeling is to provide people with information adequate to allow them to make well-considered risk choices. Policymakers like labeling precisely because it leaves these difficult choices to the individuals who will benefit or suffer the risk. Unfortunately, many labels do not describe the hazards at all, and, of the ones that do describe the hazard, most give limited information about severity and none about probability.

Perhaps the most striking example of labels that do not provide risk information are those on prescription drugs, which inform the user that the drug is not to be taken except on the prescription of a physician. Over-the-counter drugs must be clearly labeled with side effects and contraindications. But prescription drugs, which are more dangerous, are not labeled, except for those few for which Patient Package Inserts have been required. Many products, including consumer goods and some pesticides, simply display instructions on how to avoid hazards (e.g., "do not inhale"), requiring the user to infer the consequences of ignoring the instruction.

Although the history of information provision policies suggests that the purpose of labels is to tell potential consumers about the risks of products, the virtual absence of risk information on labels may not be a serious problem. Labels do generally describe hazards--that is, the undesirable outcome that may occur. What they do not describe is the probability part of risk. We know, however, that people are very poor at understanding and using information about probabilities; their perceptions of probability are subject to the Gambler's Fallacy, the availability bias, and other similar perceptual problems. Provision of full risk information including probabilities may therefore impede rather than assist users in making appropriate decisions about the risks from potentially hazardous products. If labels fulfill the conditions described above, namely that the



hazard is adequately described and clear instructions for mitigating or avoiding the hazard presented, they will probably serve quite adequately to aid consumers in avoiding risks.

#### Long-Term Risks

At the beginning of this paper I suggested two characteristics that would allow information provision to control risk, of which the first is that information about the risk and the control strategy must be available. Thus far, I have ignored this criterion, focusing on possible improvements in the way information should be presented to be useful.

Insofar as the present labeling system is successful, it is because it is focused on acute or short-term hazards--ones whose ill consequences occur immediately if at all. This emphasis is the logical outcome of the relative certainty of information about short-term risks, its low cost, the obvious benefits of providing the information, and the ease of understanding it. The scientific and economic reasons are reinforced by history; a voluntary labeling standard developed by the chemical industry in the 1940s, from which many present-day labeling requirements are derived, stressed acute hazards.

Long-term hazards such as mutagenicity and carcinogenicity are quite different, however. Information about them is not readily available and is difficult to understand when it is available. The saccharin label helpfully tells us that the product "causes cancer in laboratory animals." What are we to make of this information, even if we know the problems of extrapolating from laboratory animals to people and are aware of the precise doses that appeared to cause excess tumors in tumorigenic rats? Moreover, it is very difficult to provide instructions to users about ways to reduce the risk from these products, since we often do not understand the pathways by which the risk accrues.

The alternative to labeling, however, is stronger forms of regulation, including banning. Society is unlikely to wish to bear the costs of such policies for the many substances known to have long-term health effects. Ironically, the prospect is for more and more information about long-term risks to be foisted on consumers; many localities now require that lawns where pesticides have been sprayed be posted with notices of that fact, and some consumers have asked that the Environmental Protection Agency label products as "not fully tested" which have not been subjected to the full range of experiments about long-term health effects. Title III of the Superfund Reauthorization Act of 1986, a separate act known as the Emergency Response and Community Right-to-Know Act, requires that the public have access to vast amounts of information about chemicals stored and used in their communities and about deliberate and accidental emissions of these substances into the environment. Title III does not include any provisions insuring that citizens will be assisted in understanding or acting appropriately on all this information.

Labeling of long-term hazards constitutes a particular challenge for those interested in communicating with consumers. Further studies of risk communication with special attention to risks whose effects are not felt for years, efforts to understand how people do perceive such risks, and attempts to devise appropriate educational programs will constitute an important challenge for a broad range of disciplinary experts in the coming years.

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## JUSTICE AND CONSUMER EDUCATION

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### ABSTRACT

Most emerging social issues--family and consumer, domestic public policy, international relations--relate to questions of preference among consumers and resource distribution. What is it that constitutes satisfaction, for whom, when, and where? And is there a consumer responsibility to correct economic injustices? This paper includes a brief ethical inquiry into the theory of rational choice, and then offers suggestions for research and teaching about ethical aspects of consumption.

### INTRODUCTION

It is with pleasure and a great deal of personal interest and commitment that I respond to the invitation to contribute to the topic of research priorities in consumer education. My thoughts today are directed at the consumer education concepts dealing with the development of household preferences among consumers and the social responsibility of households. I see a need to address in the classroom the emerging social concerns relative to consumption and justice, such as resource use and distribution, environmental pollution, the macro effects of one's consumption on others, and tradeoffs in satisfactions between today's consumers and the needs of future consumers.

The component of a consumer education course which focuses on development of household preferences, Robinson states, is "essentially an examination of the household looking inward to determine its values and goals. . ." (9, p. 10). In my opinion, this component of consumer education is the core out of which all the rest comes. Since it addresses the purposes or ends of living considered by the household to be imperative for satisfaction to be achieved, it defines the basic motivation for consumption activity. However, despite its centrality, this part of a consumer education course is often at best a consciousness-raising exercise about the fact that values exist and are influential. There is usually some reference made to the need for values clarification, acknowledgment of the significance and complexity of value issues, admonition of the need to be aware of the importance of values, and then a summary of sorts that relies heavily on goal setting and decision-making techniques--in fact, a summary of home management theory. As well, many educators feel they should remain value-neutral and thus are reluctant to share or advocate a particular value position, lending a further sterility to this section of the course of study. We just don't know quite what to do with it, and I submit that this is one criterion which makes it a priority for further research effort.

A further imperative which lends its support to the need for research in this area is that the emerging consumer issues, the emerging public policy issues, and even the critical world peace issues relate to that core. What is it that constitutes satisfaction, for whom, when, and where? And is there a consumer responsibility to act in ways which attempt to correct economic injustices? These are philosophical questions, and a return to the foundations of ethical theory is helpful in addressing them, both in the classroom and in society.

### A CASE IN POINT

It was in fact the theory of rational choice which got me into this. I have long had a problem teaching the economic definition of rationality which says that a rational decision is one which maximizes the satisfaction of the decision-maker. Being somewhat conservative I hesitated to fly in the face of standard economic theory; but finally one day in class after we had tossed around the concept of rationality and arrived at the reverse maxim that whatever maximized our satisfaction was therefore rational, I said, "Does anyone else have a problem with this?"

"Well," one student said, "it depends on your perspective. The last beer I drank last night must have maximized my satisfaction then, but this morning it appears I could have maximized better without it and maybe even the one before it. Maybe it's all relative."

"I think it's pretty selfish," said another. "I mean, I might do what I want but what if I cause problems for somebody else when I do it? Is that rational?"

"Not only that," said a third, "but I think it's also wasteful. I could spend all my money in the next two hours or less and have a great time, but where would that leave me tomorrow? Or we could burn up all the oil on earth in our generation, or pollute the water or cut down all the trees, but what about our kids and grandkids? I don't think that's very rational. In fact, according to that definition, you could never be non-rational, could you? Even an impulsive choice would be rational because you would never do anything that didn't make sense to you at the time, for whatever reason. Where does this theory come from?"

Obviously I've paraphrased the discussion, but surfacing out of those student comments are moral and ethical questions. Starting on the search from whence the theory comes is the beginning of the journey toward understanding more about the assumptions underlying our cultural traditions and therefore understanding more about what we ourselves define as satisfactions.

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The theory or definition of rational choice is rooted in economic theory and directed at individual behavior. "Economists will not analyze the motivation of consumer behavior, claiming that that would be beyond their competence and that it would inevitably involve an improper judgment: that of judging one man's way of making the best of his life by another man's standards. As a result, the economist's approach to his subject tacitly assumes that consumers know what they are doing and are doing the best they can, so that the economist's only task is to see that the economy delivers what consumers want" (10, p.5). Since satisfaction for consumers is measured by the notion of utility, rational behavior can be assumed to be whatever maximizes utility on the part of the individual making the decisions. Rationality is therefore dependent on an assessment of the trade-offs between costs and benefits of possible consequences. Now while assessment of consequences is a necessary criterion in any rational approach to a question, maximization of satisfaction through utility is not always a sufficient determinant by which to measure outcomes. Not all questions can or should be resolved by maximizing utility through cost-benefit trade-offs. Applied in its narrowest sense, the economic standard for rationality does run the risk of being short-sighted, wasteful, self-indulgent--maybe even a bit non-sensical. Lester Thurow observes, "Whether individuals buy good X or good Y they are still rational individual utility maximizers. By definition, there is no such thing as an individual who does not maximize his utility. But if a theory can never be wrong, it has no content" (14, p. 218). Yet the theory of rational choice is viewed as a legitimate and workable economic concept about use of resources, and continues to be the standard against which most of consumer behavior is evaluated.

Family and consumer economists have made important contributions toward extending and interpreting the economic notion of rationality. The concepts of consumption levels and standards were developed and analyzed by both Hazel Kyrk and Elizabeth Hoyt (4). The notions of wealth, illth and nealth presented by Gordon and Lee represent an effort to classify levels of satisfaction, at least on an individual level (1). And the matrix developed by Ron Stampfl to show trade-offs between micro-sensibility and macro-responsibility in consumer decisions acknowledges consequential impacts of choice beyond the individual and offers a way to assess the responsibility level of specific choices (11). Although these contributions broaden the notion of rationality considerably, the shortcoming of family economics/consumption theory is that it is culture-centric. While it does attempt to consider values and their roles in choice and trade-off, it does so from an individual standpoint in the context of our culture--again, a carry-over from economic theory into consumption theory.

Now if it is not enough for us as consumers to be concerned about personal utility, satisfaction and efficiency, then what else should we consider? The questions of duty and obligation are being ignored, and as a result the rights of other individuals and cultures are being devalued in our own

cultural consciousness. A brief review of moral theory is in order to broaden our perspectives.

Theories of ethics fall generally into two major categories: those which are teleological and advocate behavior based on goal-oriented rules, sometimes referred to as consequential; and those which are deontological or governed by duty-oriented rules, referred to at times as non-consequential. Utilitarianism is thought by many to be the prevailing ethical theory providing guidance in the U.S. today, and it is most often associated with the 19th century British philosopher, John Stuart Mill. Utilitarianism is a teleological theory which grows out of the economic theory of rational choice, for as Rawls observes, utilitarianism is simply the extension of the notion of individual rationality to the society at large. Rationality in its narrowest sense (standard in economic theory) is to take the most effective means to maximize given ends. For example, each person in attempting to achieve goals is free to balance his own losses against his own gains. He may very well choose to impose a sacrifice on himself now in order to realize a greater advantage later. A person is motivated by and acts to achieve his own greatest good, particularly when others do not seem to be affected by his decisions. Now utilitarianism asks, if these notions of rationality are accepted as proper and admired in an individual person, why shouldn't a society act on exactly the same principles applied to a group of persons rather than just one person? Thus, just as the well-being of a person is constructed from the series of satisfactions acquired through his rational behavior, so the well-being of a society is similarly constructed according to utilitarianism. If the principle for an individual is to advance as far as possible his own welfare, the corresponding principle for the society would be to advance as far as possible the welfare of the group. And just as an individual balances the costs and benefits of competing desires, so a society can balance satisfactions and dissatisfactions among various individuals. The principle of choice for a society is simply an extension and enlargement of the principle of choice for one person. "By this logic, then, one arrives at the principle of utility in a natural way: a society is properly arranged when its institutions maximize the net balance of satisfaction." (8, p. 23-24). However, in order to make this conception of society work, the interests of all persons have somehow to be consolidated into one. The rational social decision thus depends largely on efficient and effective administration, and as a result utilitarianism cannot and does not take seriously the distinction between individuals. For a utilitarian the rightness or morality of an act is judged by its consequence. If the goal has been achieved (increase in aggregate satisfaction or utility), then the right thing was done.

I have said that the United States is primarily a utilitarian society, measuring social success largely by aggregate economic consequence. The goal could be described as the achievement of aggregate satisfaction through the industrial efficiencies of a free growth economy, and therefore the right thing to do is whatever will bring about

increased utility in the aggregate. The emphasis on economic growth and on material gain as the "good" throughout the industrial era has led naturally to a use of the Gross National Product and other national economic indicators as measurements of aggregate satisfaction, the assumption being that more is better. However, because utilitarianism by definition is concerned only with maximizing utility and not with how the utility gained is to be distributed, utilitarianism deemphasizes questions of distributive justice and offers no rules for eliminating dissatisfactions created by unequal distributions of social benefits. (In the U.S. we have believed that if enough can be produced through growth, eventually it will be distributed, either directly or through transfer or trickle-down, so that all will enjoy living levels of sufficiency and decency.) So problems of unequal distribution are viewed by utilitarians as unfortunate but sometimes necessary side-effects brought about by efforts to obtain the larger good, and a utilitarian society is therefore susceptible to injustice, not by intent but by design.

On the occasion of the fiftieth anniversary of Consumer's Union, Rhoda Karpatkin, Executive Director, offered several observations about current consumer issues in her address "Changing Issues, Changing Agendas: Winning for the Consumer in the Next 50 Years" (Karpatkin 1986). Three emerging agenda items she identified and discussed in some detail were (1) the consumer's right to be protected from hazardous technologies and the toxic substances associated with them; (2) corporate crime; and (3) poverty. In her summary she enumerated characteristics which these three issues have in common:

- 1) They enlarge and redefine the more traditional consumer agenda.
- 2) They are among the most pressing national issues at this time.
- 3) They are complex.
- 4) They are health and safety related issues.
- 5) They are global.

She might have added a sixth: They are all questions of justice. If one thinks about these items and their common characteristics, and relates them to the larger issues of economic disillusionment and global citizenship, it becomes clear that a utilitarian moral code cannot consistently derive solutions for these problems because there is no motivation to do so. A utilitarian will weigh these costs (hazards, corruption, poverty) against the benefits derived from their existence in particular situations, and there will be times when such risks and undesirable consequences will be allowed to exist for the greater good of the aggregate utility. Therefore, solutions to these problems will more likely come from a deontological ethical viewpoint--one which responds out of duty and respect for individual human circumstances. For in a deontological code, the right takes precedence over satisfaction, and inalienable human rights cannot be traded off for aggregate economic utility in a cost-benefit analysis.

Deontological ethical theory is most often associated with the work of the eighteenth-century German philosopher Immanuel Kant and is exemplified

by his famous "categorical imperative": "Act only according to that maxim by which you can at the same time will that it should become a universal law" (2, p. 39). The basic premise is that we have a duty to respect the lives and autonomy of other individual humans, just as we ourselves wish for respect and autonomy. We are to treat others as ends in themselves and never solely as means to someone else's ends or in ways to which they would never willingly consent. Kant's theory is sometimes referred to as non-consequential in that the goodness of the action is not measured by its outcome but rather by its intent. When a person behaves according to moral rules, Kant considers that person to have an autonomous will, capable of governing himself or herself according to moral principles. Kant asserts that considerations of consequences--of utility or self-interest--are important but secondary, for the moral worth of a person's action depends on the moral acceptability--the rightness--of the rule from which that person acts. For example, if a public servant tells the truth about a scandal only because he fears the consequences if he is found out in a cover-up, and not out of the duty to tell the truth, he has acted rightly but deserves no moral credit for doing so. His will to tell the truth is based on an invalid rule.

What deontological principles can help us address the shortcomings of economic rationality and the corresponding inherent injustices of utilitarianism? And are they binding on us as consumers? Actually, most consumer issues are questions of distributive justice. Persons who are dissatisfied with their lot are obviously unhappy with their share of the benefits of social cooperation--for one reason or another, they perceive that they do not have enough of something in order to feel satisfied with their position. On a global scale, the moral issue shapes up along lines of economic justice--some nations and peoples in the world have more than they need; others have considerably less than they need. As well, because of interdependencies which are not well understood, in realizing our own satisfactions we may very well be unjustly shortchanging someone else unknowingly and unintentionally. John Rawls's book, A Theory of Justice, provides rich guidance here, for in it he has undertaken a major reanalysis of the ethical bases of justice. Rawls states that one aim of his theory of justice has been to give an account of justice "that is both superior to utilitarianism and a more adequate basis for a democratic society" (6, p. 94).

"Justice is the first virtue of social institutions, as truth is of systems of thought" (8, p. 3). Rawls's theory is much like the theory of consumer sovereignty in that it describes the criteria which would have to exist if the ideal of justice were to be obtained. He wants to let us see how rational people would order their society if they had to choose their policies in collaboration with each other and out of equal consideration for the lot of each person under conditions of fairness and in a well-ordered society. (He refers to this situation as the original position.) "In order to see this he invites us to go through a thought experiment which might be restaged in this way. . . A group of people set off on an interstellar voyage



to colonise an uninhabited star which is similar to earth in its natural conditions. They have to decide in the course of the voyage on what social policy to implement, one which will yield a feudal or democratic society, a liberal or socialist one. However an important feature of their decision situation is that, while they know that human nature will remain the same in the star they are visiting, no one can be sure that on stepping off the space-ship he will not change in shape or sex, age or interest, intelligence or ability, and so on. What social policy would such a group come to adopt? Rawls's book is a careful attempt to work out a detailed and reasoned answer to this question. . . The original position, Rawls suggests, enables the theorist to step outside the limits of his place and time in history. It gives him a voice to speak for those in different cultures, revealing the structure of the just society" (5, p. 100).

As a result of his considered judgment on the relative merits of various competing perspectives on justice, and primarily to utilitarianism as the prevailing mode of thought in the U.S. today, Rawls arrives at two principles which he sets forth as those to which a person in the original position would agree. His theory is thus a form of contract theory representing an agreement which would be entered into and publicly acknowledged by rational persons in a well-defined initial situation. The two principles read as follows:

1. Each person has an equal right to the most extensive scheme of equal basic liberties compatible with a similar scheme of liberties for all.
2. If social and economic inequalities are allowed to exist they must meet two conditions: they must be (a) to the greatest expected benefit of the least advantaged (the maximin criterion); and (b) attached to offices and positions open to all under conditions of fair equality of opportunity (6, p. 95).

Together the two principles address the major components of justice--the notion of just deserts based on rights, and the notion of equality as it refers to distribution. The first principle above is to take priority over the second, reflecting the deontological viewpoint that the concept of right is prior to that of the good. It therefore is impossible for a person to trade off a basic liberty for a more satisfying distribution of social benefits, and rights secured by justice are not subject to political bargaining. The two are not connected. Interests which would override the priority of justice therefore have no value. As Rawls observes, it would seem that the principle of utility is incompatible with the notion of social cooperation among equals for mutual advantage. If principles of justice are thought of as arising out of an original agreement in a situation of fairness, it seems unlikely that persons who view themselves as equals would agree to a principle which may require lesser life prospects for some simply for the sake of a greater sum of advantages enjoyed by others (8, p. 14).

The second principle of justice stated above is referred to by Rawls as the difference principle. This principle acknowledges that although one might suppose that the ideal distribution would be such that everyone would have an equal share of primary goods, in fact there are differences which do exist and perhaps ought to exist. These differences often relate to organizational requirements and economic efficiencies which further the well-being of all in the society. Therefore, Rawls assumes that the basic structure of society should allow these differences as long as 1) they improve everyone's situation, including the least advantaged in the society, and 2) the inequalities are consistent with the claims of fair opportunity and equal liberty. Those who somehow gain more must do so in ways which are justifiable to those who have gained least.

On the surface the difference principle may appear to be biased toward those who are least favored. The intent is simply that inequalities which are allowed to exist must make a functional contribution to those least well off. The assumption is that those who are better off have generally been favored by social and natural contingencies (luck, cultural or status advantages acquired by birth, etc.) and thus have already been rewarded by those advantages which are many times accidental, and that the difference principle is thus appropriate for regulating the system of inequalities which exists.

As Rawls states, the overall question is: by what criterion is a democratic society to organize cooperation and arrange the system of entitlements that encourages and rewards productive efforts? (8). His theory of justice attempts to provide that criterion. It accounts for the accidents of birth and fortune, the priority of individual natural rights and liberties, and the claims between generations. It also acknowledges the necessity for certain inequalities while still providing direction through principles which insure the most fair distribution possible of the benefits and burdens of social cooperation. For purposes of his argument and reasoning Rawls describes his theory as a social theory, macro rather than micro in its application. He intends the focus of his model to be the background, the environment in which individual cases arise and must be decided. However, his model is not without merit as a guide for individuals attempting to decide a just course of action, for it describes the context, order and direction necessary for justice to be realized. Just as, according to the theory of consumer sovereignty, individual consumer decisions have the aggregate potential to determine the character of the market, so, according to the theory of justice, individual moral acts have the aggregate potential to determine the moral character of the society. Either way the responsibility for the achievement of the desired social ends rests with the individual actor in society in collaboration with other individual actors.

I see Rawls's theory as being somewhat parallel to the theory of consumer sovereignty in that it describes the ideal conditions for justice and outlines the principles necessary for the achieving

and maintaining of those conditions, just as the theory of consumer sovereignty describes the conditions necessary for consumers to direct the market. Now the theory of consumer sovereignty is not understood to have imbedded in it the force of obligation or duty. However, with regard to justice, Rawls states that the natural duty of justice requires us to support and to comply with just institutions that apply to us, and to further just arrangements not yet established, at least when this can be done without too much cost to ourselves (8, p. 115). A question thus arises: since consumer decisions are decisions about resource use and thus impact economic distribution both directly and indirectly, could it be said that the duties of justice are indeed imbedded in the theory of consumer sovereignty? That we, as consumers in a rich society, have a duty to exercise sovereignty in ways which will further economic justice? If so, it certainly has implications for consumer education. For when consumer education curricula are limited by strict allegiance to narrow interpretations of economic theory, micro decision rules will continue to be taught which emphasize personal utility as the major criterion for consumer satisfaction. To that extent as well, the potential exists for consumer education to advocate self-serving behavior which is culture-bound, ideological and narrow in scope, and quite inappropriate as a decision model for consumers of our time.

#### ETHICS IN THE CONSUMER EDUCATION CLASSROOM

Applied ethics is defined as moral inquiry directed to making actual choices in moral conflicts. Because of its concern with concrete human problems, applied ethics is of necessity and by definition interdisciplinary (13). I therefore submit that ethical inquiry is especially appropriate in the consumer education classroom. Many if not most consumer issues are ethical issues and can be viewed and analyzed as such by students. Some examples include questions of paternalism in the professions or on the part of government in aggressive consumer safety campaigns. As well, technology has long been a consumer issue having ethical implications. An example prevalent today is medical technology, not only on such issues as medical research, genetic manipulation or euthanasia, but also on questions of quality of life, heroic measures and concomitant economic impacts on families. A third issue centers on legal versus moral questions relating to advertising, corporate crime, hazardous substances and hazardous waste. And of course, the looming social questions mentioned earlier--environmental pollution, resource depletion, intergenerational tradeoffs, effects of individual consumption upon others, global and domestic poverty--are all ethical issues and more particularly questions of justice. We must find a way to address and sort out these problems in the classroom. Otherwise we run the risk of communicating to our students that these threats to our satisfaction are either not important, or that they are too huge, too complex, and too diffuse to be solvable. Those students will carry one or the other conclusion with them to their own real world and they won't try to resolve those issues, either.

Worse, they won't even see them as issues in which they might have some personal responsibility. It is critical today to establish with students the awareness that choices about resource use are not morally up in the air.

In concluding her assessment of consumer education concepts Robinson suggests that the content for consumer education is fairly standard and well-understood, and that persons teaching consumer education "are not likely to discover something dramatically new to revolutionize the ways in which consumers make choices" (9, p. 20). Injecting a dose of philosophy into consumer education may not be dramatically new or revolutionary in itself, but when combined with the tried and true consumer education concepts it does offer new ways of looking at the issues and has provided for me a breath of fresh air and new excitement. For against a larger moral landscape, notions of benefit-cost tradeoffs, opportunity costs and search costs take on a whole new dimension. (All of these notions deal with tradeoffs in consequences. Are there times when certain principles of duty ought to be followed regardless of the individual consequences?) If economic justice is seen as an issue, discussions about government intervention, taxation and charity are couched in a different context. And when one realizes that the collective impact of individual consumer decisions not only drives the American market but also influences international policy and has the potential to create situations of life and death for people elsewhere on the globe, the theories of consumer sovereignty and consumer rationality take on new importance. For when questions of individual moral responsibility arise, our understanding of consumer responsibilities has to expand beyond the usual concepts of good manners in the market or simple observation of law.

With the simultaneous impacts of sophisticated communications technology, multinational corporations, and the information age there is a continuing need for consumer information, but for different kinds of information. It very well may be that we still need to be concerned about the labor conditions under which products are produced for sale, but in a global context. We need to know where products are coming from and what it costs people in other countries to produce the imported magnificence of the American market. We need to know more about international markets and consumption so we can judge the potential and likely effects of our decisions on other nations and peoples. We need to know which companies are acting responsibly both domestically and internationally. We especially need to get in better touch with ourselves. It is important that we know what it is that we need for a high quality life while still realizing our obligations to other people who share our time and space on this earth, or to those who will come later. Research efforts are important in all these areas.

We are seeing something of a backlash today against moral relativity in the resurgence of interest in ethics education. And because consumer decisions and behaviors lend themselves so well to a variety of questions about moral action, courses

in consumer education are natural vehicles for the study of applied ethics. Over the years as I have looked at consumer education curricula, attended meetings, and read the literature, I continue to find most of the focus on "business as usual", on helping persons learn to function more effectively for future roles as individual consumers in an affluent, mass-consumption, industrial-age economy. Few seem to question whether indeed we do or we should or we will continue to live in an affluent, mass-consumption, industrial age economy. To me, much of the education effort aimed at consumers has seemed to be nicely detailed but too small, and sometimes I share Fred Wilhelms fear that, "with exceptions all too rare, about all that is being taught is at the lowest cognitive level of consumer knowledge and skill" (15, p. 28). If we start asking bigger questions in consumer education, we will be viewed by others as having something to say. For as Roger Swagler said so well, "With affluence, consumption becomes intimately bound up with the culture itself; sovereignty in one requires sovereignty in the other. If it is true that consumers have lost their ability to direct production, it is also true that consumers have lost control over their culture" (12, p. 168).

Not long ago an acquaintance asked me what I had done while recently on sabbatical. When I told her that I was working on a book on the ethical implications of consumer behavior, she responded enthusiastically, "Oh, ethics seems to be a real trendy topic right now." I'm not sure whether I hope she's right or I hope she's wrong. I hope she's right that there is a movement across the land which validates the importance of grounding and understanding our moral relationships with each other. I hope she's wrong that it's trendy. I hope that in years to come all students will gain a better understanding of their individual responsibilities toward each other, both in attending to duty and in the maximizing of personal satisfactions.

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WHAT NEXT FOR CONSUMER EDUCATION RESEARCH?  
A LOOK AT THE WINGSPREAD CONFERENCE PROPOSALS

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RESEARCH AND THE FIELD OF CONSUMER EDUCATION

The importance of research in developing any field is hard to understate. There must be well documented, and usually, repeatable observations in order to have growth over time and throughout the network of policy makers, teachers and program operators. To date we have relied heavily on contributions from other fields - education, consumer behavior, marketing and the basic disciplines on which these fields build. This isn't bad, but it isn't enough for us to simply borrow and apply. We must have our own body of concepts and data that allows us to improve our selection, and application and, in time, to direct the efforts of the contributors inside and outside our field. Consequently, the ACCI consumer education committee has made research a major priority. Having a consumer education section as part of the Wingspread Conference fitted our priorities, and hopefully, this conference session will provide an agenda and some encouragement for all of us in this important area.

THE VALUE OF GOOD THEORIES

Lest we run off to collect data without doing our homework, I want to indicate that we need to make our theories, concepts and models explicit to facilitate building programs of research rather than simply doing "ad hoc" research. We need for theory what the Classification of Concepts is for the content of consumer education. Since my instructions were to speak to the things that we can do rather than dreaming of what we would like to do, I want to defend this call for better theory by saying that without explicit theory development as a high priority most of what we do in research is likely to be useless for the long term development in the field. Theory development is a major ingredient in systematic programs of research.

THE WINGSPREAD PROPOSALS

Having implied that the Classification of Concepts has done its job to define consumer education, I need to quickly point out that one of the papers explicitly called for a definition of the scope and content of consumer education as it applies to various target groups. Next year, in Chicago, the consumer education committee will present a major review of the Classification of Concepts to see how well it has done various

jobs. I suspect we will find that the Classification has done its job at a very general level and that the key concern for definition expressed by Hayden Green at Wingspread may reflect an absence of agreed upon minimum levels of knowledge, skill or behavior or a need to relate content to stages of development. If these areas of policy making and research are part of his proposal, I fully agree. Generally speaking, the content of any field is a function of social policy which prescribes the level of performance citizens are expected to exhibit. (For example, we define as socially desirable a pride in our heritage and therefore a certain content in history or literature.) Once content is defined we can do research on how to expose people to this content.

A second, related area, again articulated by Hayden Green, was the development of research methods and models by which we can measure the effects of consumer education. Again, I fully agree. There is some literature on this topic. There have been some efforts to measure knowledge, behavior or attitude change. There have been lessons learned about cultural biases, levels of development from pre-school to high school, etc. We can address this area with a running start. I would like to see a special issue of JCA pull this area together as a way of drawing a base line from which many can work. Without strength in this area, we can't expect to improve the work of professionals in consumer education or to demonstrate to anyone's satisfaction a program in consumer education makes it possible for things to be different.

A third area that was noted in more than one paper, but not particularly developed in any way was the need to understand the process by which people learn to be consumers. With this knowledge we can design more effective programs and materials, and we can determine appropriate roles for the various participants in the consumer education system. It is the last point, determining appropriate roles, that was either explicitly or implicitly raised in all the papers. It is the understanding of the process which is the research priority. In this regard, the five papers to which I am referring were invited from various groups or sectors (business, government, schools, etc.). If we note that consumers learn in four situations (socializing relationships, schools, self-guided learning projects and shopping experiences) we can see that Wingspread drew comments on schools and on support for the consumer directed learning projects that arise when consumers perceive a need. Clearly, understanding the process by which people learn to be consumers requires a study of all four areas -

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particularly the process of socialization. All these are big topics and warrant better articulation than I can give here. Suffice it to say that I agree with these priorities both as an academic and as one who sometimes gets involved with policy and program development. Getting very far with an understanding of the process by which consumers learn consuming is a long term objective. The sooner we mount a major research thrust, the better.

There is a final comment I think needs to be made about the Wingspread papers. I was amazed when I reviewed the five papers and realized that only one of the five gave any extensive treatment of research needs, accomplishments or directions. At a well financed, carefully organized conference on research this is very surprising. It made me wonder if there needs to be a more concerted effort to simply identify the research that has been done, who has done it and where it is leading in terms of future research and application. We may have given such prominence to policy and program considerations that we have failed to draw attention to the research base we have to build on. If so, this needs correction to give more visibility to this part of our field. More on this later.

#### THE REALITIES OF RESEARCH IN CONSUMER EDUCATION

A reality of research in almost any field is the lack of funding sources that will support programs of research. Therefore, we must identify those things we can do which lead to programmatic research but which demonstrate value as stand alone projects of interest to the agencies that will fund such projects for their short run contributions.

A second reality of research involving consumer behavior is the relatively young stage of development for research methods. Much has been accomplished in the 20 years since we began to see good basic texts on consumer behavior but much of this development has been in the area of consumer information which begs the questions we want to study about consumer education. The study of child development has some things to offer as does the field of adult learning, but whatever we do next, we will have to be aware of methodological weaknesses at this stage of development for both consumer education and those fields from which we borrow.

A final reality is that most of us got into consumer education as teachers or influencers of consumers, not as researchers. We don't have a tradition of research as a priority. We don't have a pool of tried and established research centers. A look at the Wingspread program, assuming it reflects the state of the art in consumer education research, reveals a much earlier stage of development than other fields of research in the consumer interest. The difference is even more dramatic when we compare the consumer education sections with research sections at meetings such as the ACR, CS/D, or other consumer research oriented groups. Or

consider that at the Fort Worth meetings one of the sessions was to present a new agenda for consumer education. None of the items on the agenda (which had many good items) addressed the need for research into the fundamental nature of consumer education. Whatever goes ahead next must facilitate the best use of the scarce leadership and experience we have. We also must promote consumer education as an important area with interesting researchable topics. We need more strong researchers in consumer education.

#### WHAT NEXT?

At this point I should be held responsible for a list of priorities which build on the proposals from Wingspread and fit the constraints I have noted. I will do that by suggesting a list of topics on which I would like to see reports either at a future ACCI meeting or in the JCA, JCP or one of the education journals (particularly including the Journal of Consumer Education).

Measures of Consumer Competence: Theory and Application (building on Crosby and Taylor, Dickinson and Shaver, Dlabay, Duff, Moran and Vosburgh, and others)

Consumer Satisfaction, Consumer Well-being and Other Criteria for Measuring the Health of the Marketplace (building on Olander, Wickstrom, Woodruff, Cadott and Jenkins, Church and Surpenant and others)

Measures of the Contribution of Consumer Education to Consumer Satisfaction, Well-being or Other Criteria for Measuring the Health of the Marketplace (building on Langrehr, and those listed above as well as others)

An Analysis of the Probability of Undertaking a Consumer Education Learning Project: the Application of the COR Model of Adult Learning (building on Cross, Tough and others)

The Limits to Consumer Education: Variables that Mitigate Against the Affects of Consumer Education (building on Cross, Langrehr, TARP and others)

The Development and Application of Needs Assessment Techniques to Consumer Education (building on Kaufman and English, and others)

Toward an Understanding of the Role of Socialization in Consumer Education (building on Kuhlman, Moschis and Moore, Langrehr, Mayer and Belk and others)

Is Consumer Education as Field Defined by Content, Application, Process or Some Combination? A Search for Taxonomy of Approaches to Consumer Education

Toward a Marketplace Theory of Consumer Education: A Closer Look at Shopping Experience as Education (with or without assistance from POP education materials)

Stage in Life-Cycle and Consumer Education Requirements and Limitations (building on Stampfl and the large body of literature on competencies and interests for each stage)

Of course, all these broad topic areas need to be narrowed, the terms operationalized, the extraneous variables dealt with and all the other things that make research more concrete. However, consumer education has a fledgling body of research literature which needs to be systematically organized, widely known, carefully assessed and enthusiastically built upon. ACCI members and as an organization undoubtedly has a major role to play in all these activities.