

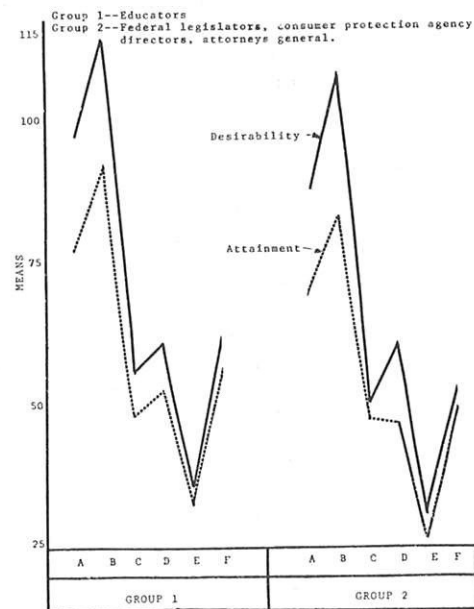
Competency Number	Competency
EO 3.25	Determine the actual value of endorsements such as those by periodicals like <u>Good Housekeeping</u> and endorsing agencies like Underwriter's Laboratory.
EO 5.23	Distinguish how value choices differ between agrarian and industrial societies.
EO 5.24	Determine how value choices might differ between wealthy and poor individuals.
Competency 6	Evaluate wise consumer buying skills.
EO 6.14	Determine what sanitary precautions should be taken in preparing and storing food.
EO 6.15	Analyze controversies related to food additives.

The same general pattern is observable in the ratings of Group Two respondents. The only instances of higher attainment than desirability ratings occur in the following competency items:

Competency Number	Competency
EO 1.29	Evaluate effects of inflationary and deflationary trends on profit motives.
EO 3.25	Determine the actual value of endorsements such as those by periodical publications like <u>Good Housekeeping</u> and endorsing agencies like Underwriter's Laboratory.
EO 5.24	Determine how value choices might differ between wealthy and poor individuals.
EO 6.14	Determine what sanitary precautions should be taken in preparing and storing food.
EO 6.16	Determine why certain manufacturers are not required to list ingredients on packages.
EO 6.24	Relate costs and safety features on consumer goods.
EO 6.25	Point out textile fiber properties and care considerations.

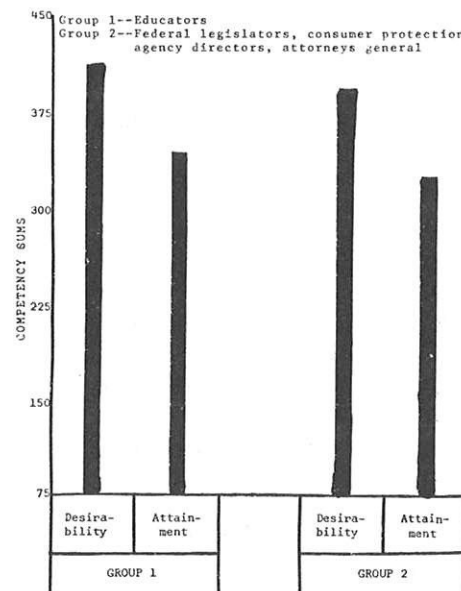
A composite of desirability means as compared to attainment means by group is shown in Figure 1.

FIGURE 1. Means of Competency Desirability Sums Compared to Means of Competency Attainment Sums Within Groups



The linear configuration formed is similar for both groups. In both cases the competency attainment means are lower than the desirability means but follow the same direction. The attainment and desirability ratings of Group Two, however, are generally lower than those of Group One. Total competency desirability and attainment sums are illustrated in Figure 2.

FIGURE 2. Total Competency Desirability Sum Compared to Total Competency Attainment Sum Within Groups



Analysis Between Groups

A series of paired t-tests was conducted to compare the data received from Group One to the data received from Group Two. The purpose of paired t-tests was to reduce extraneous influences on the variables being measured. The tests reduce the effect of subject-to-subject variability. The t-tests comparing competency desirability scores of Group One and Group Two indicate the following items differ significantly:

Competency Number	Competency
Competency 1	Evaluate money management techniques for effectiveness.
TPO 1.1	Analyze financial resources.
EO 1.21	Distinguish between planned market and mixed economies and the difference in effect on the consumer.
EO 1.23	Point out the importance of the profit motive in a free enterprise system.
EO 1.24	Determine consumer roles in the supply and demand, production, and distribution cycle of an economy.
EO 1.25	Interpret the monetary system and its use.
EO 2.12c	Determine the jurisdiction and function of the Consumer Product Safety Commission.
EO 2.12e	Determine the jurisdiction and function of the State Consumer Protection Agencies.
EO 3.14b	Analyze purposes of government intervention in business related to consumer law.
EO 3.13	Outline the constant revisions of consumption patterns brought about by changes in the family life cycle.

The attainment scores of the following items reflect a significant difference in the perceptions of Group One and Group Two respondents:

Competency Number	Competency
EO 1.11	Distinguish between personal loans, 30-day notes, demand deposits, long-term notes, and certificates of deposit.

EO 1.23	Point out the importance of the profit motive in a free enterprise system.
EO 1.24	Determine consumer roles in the supply and demand production, and distribute cycle of an economy.
EO 1.25	Interpret the monetary system and its use.
EO 1.27	Evaluate the role of competition of goods and services on consumers' decision-making abilities.
EO 1.31	Outline suggestions for spending present and future income given client values.
TOP 2.3	Propose ways consumers can have input into the legislative process.
EO 3.22	Outline advantages and disadvantages to consumers.
EO 3.24	Assess how prices are determined and how they are affected by comparison.
EO 4.12	Outline the legal requirements of a contract.
EO 4.13	Point out purposes of wills and trusts and how each is established.
EO 4.22	Analyze the use of eminent domain.
TPO 5.1	Determine how individual goals affect consumer behavior.
EO 5.11	Develop a consumer value system that considers a self-determined quality of life rather than only the quantities of acquisition.
EO 5.14	Relate costs to the values of beauty, function, and conservation.
EO 5.21	Distinguish consumer values in a variety of ethnic cultures and socioeconomic groups.
EO 5.22	Point out advantages and disadvantages of a variety of life styles.
EO 6.15	Analyze controversies related to food additives.

- EO 6.21 Compare advantages and disadvantages of various housing accommodations which exist such as mobile homes, hi-rise apartments, and condominiums.
- EO 6.22 Evaluate criteria used in selecting housing such as safety, convenience, ventilation, lighting, appliances, etc.

In a comparison of the competency desirability means between groups, the means were generally in the same direction and closely aligned with the Group One ratings generally higher. Reversal of this trend occurs only in the following competency items:

Competency Number	Competency
EO 1.18	Describe the types of financial institutions and financial services offered.
EO 1.32	Demonstrate the ability to organize work loads and set priorities.
EO 1.33	Analyze the terms of credit buying.
TPO 2.1	Evaluate legislation affecting consumer rights and responsibilities.
EO 2.11b	Point out FTC rules regarding holder-in-due-course.
EO 2.11c	Point out FTC rules regarding advertising.
EO 4.23	Compare various consumer contracts such as insurance policies, warranties, leases, credit agreements, and purchase agreements.
EO 4.24	Distinguish landlord/tenant rights and privileges.

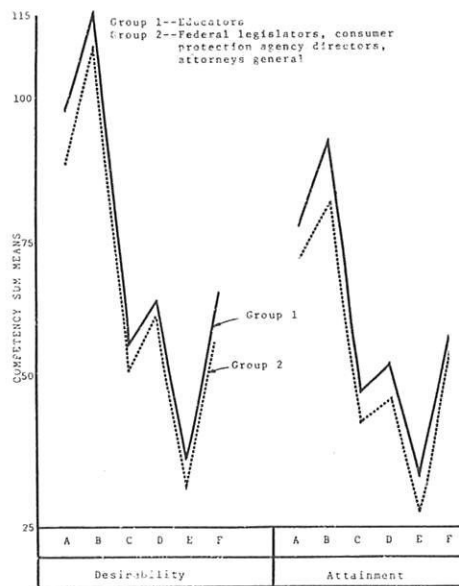
The desirability ratings of the educator group are also generally higher than those of Group Two. Reversal of this positioning occurs only for the competencies listed below:

Competency Number	Competency
EO 1.13	Evaluate different types of checking accounts, NOW accounts, SHARE accounts and savings accounts.

- EO 1.17 Analyze statistical data obtained from conducting research in the area of consumer economics.
- EO 1.18 Describe the types of financial institutions and financial services offered.
- Competency 6 Evaluate wise consumer buying skills.
- TPO 6.1 Develop informed buying techniques related to food purchasing.
- EO 6.11 Analyze nutritional labeling on products.
- EO 6.24 Relate costs and safety features on consumer goods.
- EO 6.27 Assess advantages and disadvantages of licensing occupations.

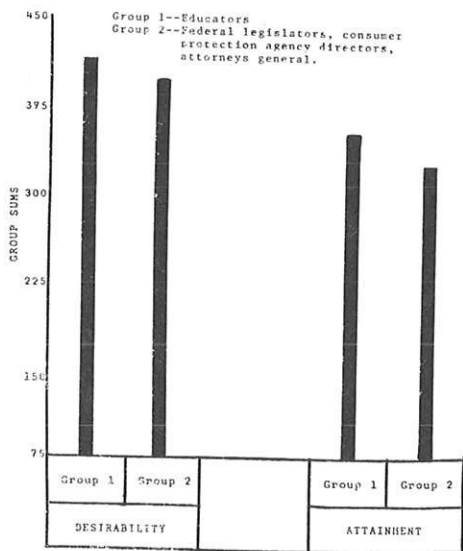
Figure 3 illustrates the sums of competency desirability and attainment ratings for Groups One and Two.

FIGURE 3. Means of Competency Desirability Sums Compared to Means of Competency Attainment Sums Between Groups.



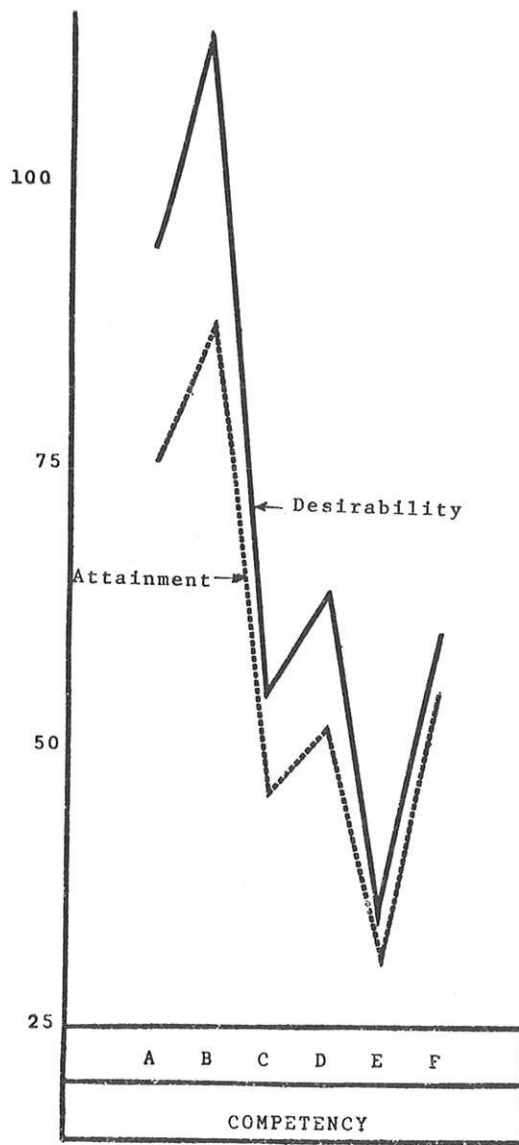
The sums of competencies A to F were compared between groups. No significant difference was found in the perceptions of the two groups regarding competency desirability in Competencies A, B, C, D, E, or F. Similarly no significant difference was found in the perceptions of the respondents as to level of competency attainment. A graphic representation of the competency desirability and attainment sums by group is shown in Figure 4.

FIGURE 4. Total Competency Desirability Sum Compared to Total Competency Attainment Sum Between Groups



A highly significant difference, however, was found between the competency and attainment ratings for Competencies A, B, C, D, and E in both groups. No significant difference was found in the ratings of either group for Competency F concerning wise buying skills indicating satisfaction with the degree of emphasis and achievement related to the competency item. A comparison of total competency desirability and total competency attainment also reveals a significant difference. Figure 5 illustrates competency desirability sums compared to competency attainment sums.

FIGURE 5. Competency Desirability Sums Compared to Competency Attainment Sums



Conclusions

The lack of significant difference between the two test groups indicates a congruence of opinion related to priorities of competency desirability as well as general agreement as the level of competency attainment reached. Curriculum objectives, therefore, should be based on the identified competencies and emphasized as being most desirable to both groups. The significant difference between the desirability and attainment levels indicates a re-evaluation of present curriculum objectives is necessary to facilitate goal attainment. The generally higher ratings of the educator group may reflect either a slight inflation on the part of educator perceptions or a lack of understanding of the nature of consumers' economics education by the members of Group Two. The following specific conclusions have been drawn:

1) Educators, legislators, consumer protection agency directors, and attorneys general perceive the same competencies as desirable. Curriculum objectives should be based on this consensus of competency goals.

2) Educators, legislators, consumer protection agency directors, and attorneys general perceive attainment levels lower than desired levels of competency.

3) Competency attainment related to the evaluation of money management for effectiveness, assessing the role of government in protecting the consumer, evaluating the roles of advertising in consumer purchasing, evaluating the legal rights, responsibilities, and procedures for redress related to consumer purchasing, and developing a set of values and appraising value systems in consumer behavior needs to be upgraded with related curricula enhanced and strengthened.

4) Competency attainment related to the development of wise buying skills indicates a current curricular strength of programs in consumers' economics in home economics.

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URBAN AND RURAL LOW INCOME CONSUMERS' MARKET BEHAVIOR:
Implications for Consumer Education¹

David B. Eastwood and Roger M. Swagler²

Abstract

Rural and urban low-income consumers were surveyed with respect to their behaviors as consumers and their knowledge of and attitudes toward consumer issues. Few significant differences emerged between urban and rural populations; neither could specific pressing needs be identified. A more general pattern of difficulties emerged, suggesting ongoing problems with most aspects of the market.

Introduction

Although most Americans could benefit from additional consumer education, there are pressing reasons why the need is most urgent for low-income consumers. This group has a restricted range of market experiences stemming from limited abilities to purchase. Low incomes are associated with less leverage in the market place, making it harder for individuals to protect themselves. Margins of error are smaller for low-income consumers so that poor purchasing behavior has a pronounced adverse effect on their well-being. Finally, such consumers typically have less formal education and fewer of the general skills which are helpful in the marketplace.

Because the American economy relies primarily upon markets, the fundamental economic question of how to distribute goods and services is answered through the individual's ability to pay. Therefore, individual needs can be met only when there is commensurate purchasing power. It follows that low-income individuals, who by definition have limited purchasing power, have an added incentive to be efficient shoppers. Unfortunately, information on the manner in which low-income consumers operate in the marketplace is limited making an assessment difficult.

Because of variations within the low-income population, it would be useful to differentiate between individuals in urban centers and those in rural areas. Information in this case, however, is even more limited. Both groups have pressing needs, but we would expect that the significant differences between the two would lead to differences in behavior. Physical environments differ, and while the urban consumer has the potential for a greater range of choices, the rural consumer has a greater opportunity for

self-sufficiency. These differences may translate into discrepancies with respect to market experiences, buyer behavior and special needs.

The paper presents the initial results of a survey of urban and rural low-income consumers. The objectives of the study included: determination of where these consumers were having the greatest problems with respect to fraud and deception, identification of inefficient market behaviors, and comparisons of urban and rural consumers. Conclusions drawn from the survey indicate the directions in which low-income consumer education programs should move to be more effective for these populations.

Needs Survey

The consumer studies faculty at the University of Tennessee, Knoxville received funding from the U.S. Office of Consumers' Education for a project to demonstrate that existing public service agencies can be viable mechanisms for the effective delivery of consumer education. Two community action committees offering wide varieties of public services were subcontractors. The Knoxville-Knox County Community Action Committee (CAC) serves an urban population. The Douglas-Cherokee Economic Authority (DCEA) serves a primarily rural population in East Tennessee, spread across six counties. Clients of both agencies, the respondents of the survey, had to meet federal poverty guidelines.

Creation of the Needs Survey was accomplished by the UTK staff in cooperation with the two agencies. Potential problem areas were identified and questions relating to each were constructed.³ Additional questions were developed to learn about the market behavior of these consumers and to obtain some demographic information. Because of the generally low reading levels of the clients, the questions were written at approximately a fourth grade level. A pretest was conducted and changes made to increase the clarity. The Appendix to this paper contains survey questions which are germane to the discussion. Training seminars were held for the agencies' staffs, and graduate students in the consumer program assisted in the interview process. Respondents were clients contacted as part of the on-going agency programs.

¹This research was funded by the U. S. Office of Consumers Education, Department of Health, Education & Welfare, #G007802039 (September, 1978 -December, 1979).

²Associate Professors, University of Tennessee, Knoxville.

³These were: owner occupied and rental housing, buying situations (mail-order, mail or phone response to TV or radio ads, door-to-door, unsolicited phone calls to purchase goods or use credit, and car repairs), credit, savings accounts, and life insurance.

Samples for CAC and DCEA respectively were 229 and 298.

Results

Comparisons of the demographic information reveal important similarities and differences. These are highlighted below. No significant difference in the sex of the respondent occurred - approximately three-quarters were female, question 3. Significantly more of the CAC respondents were the heads of households, question 1. There is no significant difference in the proportions having members under 20 years of age. Response to question 8 indicated almost all respondents had a television. CAC respondents were more likely to rent and to have a phone and less likely to have a car than the DCEA respondents, questions 6, 9, and 10. The urban sample of CAC had significantly more aged 65 and over as well as a higher proportion being black, questions 2 and 4. An older sample is consistent with CAC having significantly more respondents living alone. Proportionately fewer DCEA respondents having less than a high school education is not surprising for the Southern Appalachian region.

Examination of the buying situation questions reveals unexpected results. Comparisons of the responses lead to three important implications. One is that no specific area, among those covered, stood out as the most important. Second, there were no significant urban-rural differences. There were no significant differences in the good ratings for home repair (question 12), or landlord satisfaction (question 13), the use of mail order catalogues (questions 14-16, door-to-door sales (questions 17-20), and unsolicited phone calls (question 21), and satisfaction with car repairs (question 32). Third, both groups tended to recognize the same buying situations as risky (question 37). An inference to be drawn is that problems of low-income consumers are not associated with urban vs. rural residence.

Life insurance seems to be somewhat of a problem area. Response to question 33 indicates fairly wide coverage for each group. The method of collection casts some doubt on the quality of the coverage, question 34. Very few of those sampled have other than some sort of term insurance as reflected in question 35. Most of the coverage appears to be burial insurance, question 36, especially with the generally older CAC sample. Perhaps the most insightful insurance question is 55. Less than half of those sampled recognized that there is a difference among policies.

What can be said of the market behavior of urban and rural low-income consumers? The needs survey attempted to address this issue in an unobtrusive

manner. Questions were designed to reveal actual market behavior without their being phrased in such a way as to make the "correct" market behavior response obvious. Examination of these questions identifies where many of the low income consumers' problems lie.

One area is that of information acquisition. Question 38 asked respondents whether they used and trusted various sources of information. Notice the low proportions for buyer's guides, government reports, newspaper or magazine stories, radio or tv ads, and the Extension Service. Given that the CAC sample is older and the DCEA sample is more apt to be living near relatives, the significant differences for friend and relative are expected. Significantly higher use of the Better Business Bureau for the urban sample is not surprising, due to its proximity. Fewer retail stores in rural areas may be the DCEA respondents' reason for greater use of buyers' guides.

A second area is that of perceived buyer expertise with respect to the type of goods purchased. This is reflected in question 39. Very little difference is found in the pattern of experience by type of good for the urban and rural samples. Residential location does not appear to affect buyers' perception of expertise. Another implication is that differences in the use and trust of information sources does not seem to be related to experience.

Comparison shopping does not appear to be a widely employed activity of either group. Roughly 70 percent of each group feels shopping around is worth the time and effort (question 41). But less than two-thirds shop around for groceries and other household items, and approximately one-half of both groups use it when shopping for appliances (question 40). Transportation could be a major factor as revealed by questions 42 and 43.

Several questions were directed towards inter-temporal decisions regarding credit and saving. Credit is used sometimes by 67.1 of the CAC respondents and 76.5 of DCEA's, and the difference is not significant, question 27. Thus, credit costs can be an important expense for those on very limited budgets. CAC had a significantly smaller proportion of respondents with no credit cards, question 11. This was due in part to the age difference. CAC also had significantly more with no loans, question 26. These differences may be a consequence of significantly fewer CAC respondents having a car. Question 29 asked respondents to indicate the rate of interest for their loans, and approximately three-quarters of each group indicated an interest rate which was well outside existing rates for the types of loans they have. These consumers were equally unaware of the interest rate associated with a savings account, if they had one. About one-

third of each group had an account, question 30, and of those who did 69.8 percent of the CAC respondents and 53.8 of the DCEA respondents indicated an incorrect rate of interest, and the difference the percents is not significant, question 31. An inference to be made is that interest rates appear to be misunderstood by these consumers.

Further analysis of low income buyer behavior is provided through a set of specific purchase statements. These are 45 through 59. Three responses were possible for each statement: yes, no, don't know. Coding of the responses was on the basis of whether or not the respondent knew the right answer.⁴ Reported scores are the proportions of each sample correctly responding to the statements. Perhaps the most important observation to make is the very low percentages of correct responses to most of the questions, and this applies to both urban and rural samples. Exceptions are: respondents recognize that credit raises the cost of a good or service, statements 52 and 54, and that checking accounts are to protect your money, statements 56 and 57.

Low Income Consumer Education

How can this needs survey be used to help generate more efficient consumer education? Many problems confront the consumer educator when trying to work with this population. These include the following. Limited financial resources of program sponsors, current and long-run. Difficulty in separating consumer activities from daily routines. The adult population is outside formal educational settings, has low reading skills and tends to feel isolated. Rapport has to be established before any interaction can commence.

The research project demonstrated that the use of existing public service agencies is an effective way of addressing these problems. Such agencies have established rapport with low-income populations. Integrating consumer education into on-going programs in an unobtrusive way reaches this population via the existing rapport. Efficiencies arise in not having to create new agencies and administrative structures, and no time is lost in developing a clientele. This phase of the project clearly pointed out an extremely efficient education structure to reach low-income consumers.

Analysis of the needs survey indicated the direction in which consumer education should move to aid urban and rural low-income consumers. Comparison of urban vs. rural responses reveals

⁴In several instances the right answer depends on Tennessee law.

that location of residence did not appear to be associated with particular consumer problems. Knoxville is a medium-sized metropolitan area which has experienced significant growth in the last decade. Given the city's small-town past, differences between the rural and urban populations may be lessened. Also, some individuals in the urban sample were in-migrants whose rural backgrounds may have an impact. Therefore, urban-rural differences may be more pronounced in larger, older metropolitan areas. However, the consistency of the pattern in these findings and the fact that the rural areas in the sample include some of the most isolated communities in the Eastern United States suggest that rural populations may indeed have assumed characteristics more commonly associated with city dwellers.

Neither group seems to have special problem areas which can be clearly identified as most pressing needs. Rather, a more general pattern of difficulties emerged, suggesting that individuals in the population had ongoing problems dealing with most aspects of the market. The pattern of consumer inefficiency indicates a dysfunctional situation.

Even when available, opportunities for comparison shopping were not taken. Major sources of information were not used and trusted, even though respondents felt their own experience was adequate only for grocery shopping. General confusion was evident with respect to money management, insurance and credit.

A major implication of the study, then, is that efforts to provide consumer education should have a general orientation toward functioning in the market rather than a specific focus on particular buying situations. Given the findings, similar programs were developed for both urban and rural populations. The thrust was toward basic shopping techniques, money management programs and information acquisition patterns.

Given the strength of established patterns and the weakness of behavioral controls, countering dysfunctional behavior is a most ambitious goal for consumer education. However, the needs survey indicates that such an effort is needed. Success in this area has the advantage of impacting on all aspects of consumer behavior.

+The Appendix only presents those questions of the actual survey which pertain to the discussion in the paper. Results are reported as the proportions of each sample and an * denotes a significant (.05) difference between samples. The actual number of responses to a particular question may be different from respective samples due to interviewer errors or nonapplicability.

Appendix: Needs Survey Questionnaire+

<u>Demographic Section</u>		<u>CAC</u>	<u>DCEA</u>
1. Are you the head of the household (main bread winner)?	Yes:	76.4 *	60.7
2. How old are you?	Less than 20	3.1	3.7
	20 - 35	21.9	23.2
	36 - 50	14.0*	20.1
	51 - 65	22.4	30.5
	Over 65	38.6*	22.5
3. What is your sex?	Male:	76.0	73.8
4. What is your race:	White:	67.7*	78.5
	Black:	30.6*	20.5
	Other:	0.0	0.0
5. How far did you go in school?	Less than 12 years:	67.0*	76.1
6. Do you own or rent your home?	Own:	55.5*	68.4
	Rent:	44.5	31.6
7. If you have household members in these age groups, circle them.	0-20:	28.5	35.6
	Over 65:	51.6*	29.9
8. Do you have a television?	Yes:	97.8	95.3
9. Does anyone in your household have a car?	Yes:	50.0*	70.5
10. Do you have a telephone?	Yes:	84.2*	75.1
11. How many credit cards do you have?	0:	68.3*	80.3
	1-3:	25.4*	15.5
	Over 3:	6.3	4.1
12. If you are a homeowner and had a repair:			
(a) Do you think the repair was "good"?	Yes:	60.0	65.5
(b) Do you think the materials were "good"?	Yes:	69.0	71.6
13. How satisfied are you with the way the landlord keeps your apartment or house?	<u>Not Satisfied</u>		<u>Satisfied</u>
	<u>1</u>	<u>2</u>	<u>3</u>
	<u>4</u>	<u>5</u>	
	CAC: 17.2	7.5	14.0
	DCEA: 19.3	3.4	11.4
		16.1	6.8
			45.2
			59.1
14. How often do you buy through the mail, a catalogue, or how often do you respond by phone or mail to TV or radio ads?	<u>Never</u>	<u>Occasionally</u>	<u>Frequently</u>
	CAC: 64.6	31.0	3.5
	DCEA: 64.5	30.7	4.7
15. What did you buy in the last two years?			
	<u>CAC</u>	<u>DCEA</u>	<u>CAC</u>
			<u>DCEA</u>
Clothing	30.1	26.9	1.4
Books & Magazines	12.3	10.6	5.5
Appliances	1.4	0.0	0.0
Toys	0.0	0.0	0.0
Seeds & Bulbs			49.3*
Furniture			60.6
Repair Parts			
Other (combination)			

16.	How happy are you with what you bought?						
		<u>Not Satisfied</u>					<u>Satisfied</u>
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>		<u>5</u>
		CAC: 6.9	5.6	2.8	11.1		73.6
		DCEA: 7.1	2.0	5.1	15.2		70.7
17.	Has a door-to-door salesman come by your home in the last two years?					<u>CAC</u>	<u>DCEA</u>
						Yes: 56.0	65.5
18.	Have you bought a product or service from a door-to-door salesman in the last two years?					Yes: 24.2	26.0
19.	What did you buy?						
		<u>CAC</u>	<u>DCEA</u>			<u>CAC</u>	<u>DCEA</u>
	Clothing	9.7	3.6	Seeds & Bulbs		0.0	1.8
	Books & Magazines	29.0	28.6	Furniture		0.0	0.0
	Appliances	3.2	7.1	Repair Parts		0.0	1.8
	Toys	0.0	0.0	Other (combination)		58.1	57.1
20.	How happy were you with what you bought?						
		<u>Not Satisfied</u>					<u>Satisfied</u>
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>		<u>5</u>
		CAC: 16.1	6.5	9.7	6.5		61.3
		DCEA: 32.0	0.0	4.0	4.0		60.0
21.	Have you or anyone in your home been asked to buy something over the phone?					<u>CAC</u>	<u>DCEA</u>
						Yes: 71.1	66.2
22.	Did you buy anything?					Yes: 5.7	7.7
23.	Did you have any problems?					Yes: 7.0	4.0
24.	Has anyone called you on the phone to say you have won a prize or discount?					Yes: 54.6	50.0
25.	Have you received without asking a letter or phone call saying you have been given credit?					Yes: 20.9	25.3
26.	How many loans do you have other than house payments?						
				0:	76.9*		56.7
				1-3:	21.1*		40.3
				Over 3:	2.0		3.0
27.	Do you buy on credit?						
				Never:	33.3*		18.4
				Sometimes:	67.1		76.5
				Regularly:	4.5		4.8
28.	Did you shop around for a loan or credit?						
				No:	74.2*		85.3
				For Some:	19.2		12.8
				For All:	6.6		1.5
29.	If you are paying interest on a loan or credit account, what is the Annual Rate of Interest? (Circle)						
	2% 4% 6% 8% 10% 12% 14% 16% 18% 20% 22% 24%						
	Don't Know						
				Proportion Incorrect:	74.6		74.2
30.	Do you have a savings account?					Yes: 34.2	32.0

31. What's the Annual Rate of Interest it pays?
 3% 4% 5% 6% 7% 8% Don't Know
 Proportion Incorrect: 69.8* 53.8

32. How happy are you with car repairs?

	<u>Not Satisfied</u>			<u>Satisfied</u>	
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
CAC:	29.0	3.2	12.9	9.7	45.2
DCEA:	34.4	4.2	8.3	9.4	43.8

33. Do you have life insurance on:

	<u>CAC</u>	<u>DCEA</u>		<u>CAC</u>	<u>DCEA</u>
Yourself	37.4*	21.1	Children	1.8	1.0
Husband or Wife	6.4	8.2	Combination	35.6	34.7
			No One	18.7*	35.0

34. Does someone collect your insurance money every week or month?

	<u>CAC</u>	<u>DCEA</u>
Yes:	72.8	60.0

35. When you get to be 65 (or your policy is paid up), will you get your money back from your insurance?

	<u>CAC</u>	<u>DCEA</u>
Yes:	22.2	22.9
No:	46.6	45.2
Don't Know:	31.3	31.4

36. Do you have insurance to cover the cost of burial?

Yes:	61.8*	51.9
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37. Everything considered, how risky do you consider each of the following ways to shop? (Think of all kinds of risks: quality, clerks, making mistakes, getting items on time, etc.).

		<u>No Risk</u>		<u>Medium Risk</u>		<u>High Risk</u>	
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	
Usual shopping at store	CAC:	41.9	12.8	29.6	3.4	12.3	
	DCEA:	37.4	26.6	31.8	2.1	2.1	
Door-to-Door salesman	CAC:	5.1	1.5	4.1	5.1	84.2	
	DCEA:	3.5	2.5	13.0	10.9	70.1	
Mail order shopping	CAC:	6.7	7.3	15.0	11.4	59.6	
	DCEA:	9.2	4.3	22.0	13.8	50.7	
Telephone shopping	CAC:	4.7	2.1	5.7	3.6	82.9	
	DCEA:	4.6	3.6	12.7	8.2	71.2	

38. If you think you need to find out more about a product before you buy it, there are a number of places you can go. Some of these are listed below. Check those that you use and trust.

	<u>CAC</u>	<u>DCEA</u>		<u>CAC</u>	<u>DCEA</u>
Buyers Guide	5.6	13.9	Radio or TV Ad	6.5	4.4
Government Reports	7.4	3.4	Information Seller		
Friend	22.9*	4.2	(Salesman, Pamphlets)	2.8	7.1
Relative	23.3*	42.9	Extension service	3.3	2.7
Newspaper or Magazine Story	7.0	3.7	Better Business Bureau	32.6*	13.2
Newspaper Ad	9.8*	21.6			

39. How much experience do you have with buying the following kinds of things?

		<u>Little</u>		<u>Some</u>	<u>Lots</u>
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Groceries	CAC:	3.6	.5	6.8	5.4
	DCEA:	6.1	.3	8.1	4.7
Cars	CAC:	58.6	3.1	17.8	5.6
	DCEA:	48.8	12.1	20.7	7.4

Home Improvements	CAC: 40.6	7.3	24.0	7.3	20.3
	DCEA: 34.6	11.9	30.9	8.9	13.8
Home Appliances	CAC: 25.0	5.1	28.6	14.3	26.0
	DCEA: 15.8	10.2	40.4	11.2	22.5
Clothes	CAC: 3.8	4.7	15.2	12.3	64.0
	DCEA: 9.6	4.4	19.1	11.9	54.9
Non-Prescription Drugs	CAC: 27.5	8.3	29.5	10.4	24.4
	DCEA: 36.6	5.2	22.8	6.9	28.6

40. Do you generally find it more convenient to shop at just one store (instead of shopping around) for:					
			<u>CAC</u>	<u>DCEA</u>	
Groceries and household items	Yes:	63.0		63.4	
Appliances	Yes:	47.0		55.2	
41. Do you think that shopping around is worth the time and effort?	Yes:	68.4		74.5	
42. Is transportation a major problem for you when it comes to shopping?	Yes:	51.2		52.2	
43. Do you think you'd really shop around much more if you had better transportation?	Yes:	49.5		51.2	
44. What do you generally buy:	Cheapest:	38.5*		49.5	
	House Brand:	11.1		16.3	
	Name Brand:	50.5*		34.3	
**45. Suppose someone puts a new roof on your house. You pay him, but he doesn't pay the building supply company for the shingles. That's his problem and you don't have to worry about it.	Right:	23.7		25.8	
46. A friend of mine bought some cookware from a door-to-door salesman. She realized the next day that it was a bad buy, but she had already signed a contract. Does she still have to buy the cookware?	Right:	32.1		35.6	
47. A widow lady I know was renting a house, but the plumbing didn't work. She wrote the landlord about it, but he didn't fix it. Now she says she doesn't have to pay rent until it's fixed. Is she right?	Right:	53.2*		32.0	
48. If there is a GUARANTEE on a product, that means the company will fix it if anything goes wrong.	Right:	24.0		20.4	
49. Suppose you get some greeting cards in the mail, but you didn't order them. Is it legal for you to keep the cards without paying?	Right:	32.1*		49.8	
50. If you see an ad in the paper about a sale, you <u>can believe</u> what it says because the government wouldn't let them print it if it weren't true.	Right:	58.6		54.9	

**Survey results indicate the proportions of each sample which correctly answered the statements.

51. If you don't keep up on your car payments, the dealer can just come and pick up the car whenever he wants.	Right: 34.8	29.9
52. Most of the time, if you finance a purchase, it will cost you much more than if you paid cash.	Right: 92.1	89.2
53. It really doesn't matter where you get credit; you'll be charged about the same wherever you go.	Right: 39.0	45.1
54. A store that gives credit will probably have higher prices.	Right: 81.7	78.0
55. It doesn't really matter what kind of life insurance you buy; they're all pretty much the same.	Right: 38.9*	48.8
56. If you have your own checking account, then anyone in your family can use it.	Right: 86.2	87.5
57. Do you feel checking accounts are a way to protect your money?	Right: 64.4*	81.4
58. It really doesn't matter what kind of aspirin you buy, they are all pretty much the same.	Right: 47.4	54.2
59. You need medicine because you are sick; is there only one price for the drug the doctor says you need?	Right: 66.1	68.9

MAKING USE OF EDUCATIONAL OPPORTUNITIES IN
STATE CONSUMER PROTECTION OFFICES

Raymond E. Forgue, University of Kentucky¹
Dona H. Renfro, University of Kentucky²

Abstract

Consumer affairs students can benefit greatly from educational experiences in government consumer protection agencies. With decreased funding for these agencies at the Federal level increased reliance must be placed on state level agencies to provide such experiences. A survey of state consumer protection agencies was conducted to gather data concerning the use of college student personnel in their offices. Although almost three-fourths of the agencies use of college student personnel, less than one-half use students majoring in Consumer Economics or Home Economics. A strategy for consumer educators to use when establishing consumer protection agency based educational programs is presented.

Introduction

As consumer educators we are constantly facing the challenge of making our teaching more interesting, challenging, and realistic for our students. One way of making education more realistic and relevant is to provide students with the opportunity to apply the knowledge and skills obtained in the classroom. What better way to provide this application than through an internship or part-time position in an appropriate setting.

Students in consumer studies are being prepared for positions in industry, education, and government. Even among those students considering a career in education or business, a working knowledge of government consumer protection efforts is very important to their future success. Therefore, a logical setting for the application of consumer education concepts would be an internship position with a government agency

In the past, a considerable focus of consumer affairs internships and work experiences in government has been on the Federal level. Agencies such as the Federal Trade Commission, Food and Drug Administration, and Consumer Education Resource Network have provided students with valuable learning experiences. However, these opportunities were never available to most students because of the scarcity of positions and the difficulty of traveling to Washington for the internship. Furthermore, the recent budget cuts of many of these Federal Agencies have lessened their ability to provide internships.

¹Assistant Professor

²Graduate Student

Another common source of work experience for college students in consumer studies has been state consumer protection agencies. As the opportunity for Federal experiences declines, the relative importance of state agencies as providers of educational experiences will increase. Recently, the University of Kentucky has begun a working relationship with the Consumer Protection Division of the State Attorney General's Office. As a preliminary to the establishment of this relationship, an effort was undertaken to determine how consumer protection offices in other states are using student workers. This paper outlines the results of this effort.

A survey and letter of explanation were sent to the state consumer protection office in each of the fifty states. The offices were asked to respond concerning their use of college students in the administration of their consumer protection function. After one month, a follow-up letter was sent to those who had not responded.

Results

A total of forty-seven states returned completed questionnaires and the remainder were contacted by telephone. Several of the states added information to supplement their answers to the questions. These comments were helpful in determining the importance of student workers to the office, in clarifying how students were utilized, and why in some cases students were not used.

As indicated Table 1, 8 percent of the responding states (43 of 50) reported using students in their consumer protection functions. Although the states not using students tend not to be highly urbanized, no other pattern or commonality was detected.

Student Employee Classifications

Respondents were asked to indicate how their student help was classified (Table 1). Five responses were possible including "other." They were; intern, part-time employee, volunteer, and summer employee.

The most common response was that of intern which was reported by 84 percent of the states which use college students. These student interns receive academic credit for their work and may or may not be paid salaries by the agencies.

In 42 percent of the states which use college students at least some of those students are classified as part-time employees. Students were classified as part-time employees if they received pay but no academic credit for their work. Michigan's Assistant Attorney General replied

"These students have proved invaluable as they have provided not only daily assistance but the personnel for in-depth studies and research which our regular staff, because of budgetary and time restrictions, would be unable to undertake."

The next most commonly reported classification was that of volunteer. These student volunteers provide a free source of help to 40 percent of the offices which reported that they used college students. Volunteer programs may become increasingly popular as economic pressures cause states to cut back on personnel and programs. For example, Iowa takes advantage of students as volunteer "consumer complaint handlers." If it were not for this program, according to the Iowa Attorney General's Office, ". . . We would probably have to turn down as many as 1,500 to 2,000 consumer complaints each year that we now try to work on. This does not even count the numerous telephone calls that they take to advise consumers in their problems."

The classification mentioned least was that of summer employee. Like part-time employees, these students are paid but receive no academic credit for their work. This classification was selected by 35 percent of the states responding that they use college students. It had been thought that most states using college student workers would be especially likely to make use of such help during the summer months because of the need to replace employees on vacation and the fact that more students might be available. A possible explanation for the opposite finding might be that college students desire full-time, well-paid work during the summer and that state agencies are not often able to provide this type of employment.

Academic Background

The questionnaire also focused on the academic background of students working for state consumer protection offices (Table 2). Among those states which use college students the most commonly selected response was that of Law (70%). This was followed by Consumer Economics (47%), and Business Administration (47%). Less than one-half of the states which use college students reported using students with backgrounds in Home Economics (40%), Social Sciences (34%), Journalism (21%), and English (14%).

It was not surprising that law students were most frequently mentioned as being among the students working in state Consumer Protection agencies. The legal nature of many of the tasks performed in these offices places great importance on legal expertise. This importance is exemplified in Michigan where twenty-five law students are employed part-time each year by the Consumer Protection Division.

Of more direct concern to consumer educators is the number of states using consumer economics and home economics students. Consumer economics

students are part of the consumer protection team in forty percent of the states responding. Home economics students work in the consumer protection offices in thirty-four percent of the responding states. Thus, it appears that consumer economics and home economics students are well represented when compared with majors other than law (60%). While this is encouraging, one has to wonder why consumer economics and home economics students have not been placed in those states which either do not use college students at all or which use students from other fields.

States (n=7) which reported that they did not use college students were asked if they would use such students if they were available. None of these states answered this question in the affirmative. When asked the reason for their negative response, most states did not reply. Those that did cited such reasons as lack of space, distance from the colleges, and a lack of experience on the part of students. Judging from the reasons given (or the lack of reasons) it appears that each of the states could be persuaded to make use of college students if the appropriate approach were used.

Expanding Educational Opportunities

What then is the appropriate approach to be taken when attempting to establish an educational relationship with an agency? It might be best to view the situation similarly to a selling situation. In any sales situation a number of steps are taken. They are to get to know the customer (s) and their needs, to describe the product and how it will meet those needs, to overcome objections, to close the sale, and to follow-up to ensure satisfaction. Each of these steps can be adapted to the educational setting.

Getting to know the staff of the consumer protection office is a first step. This can involve going to the office in order to discuss the functions performed, to determine the limitations of the office especially in terms of staffing, and to learn of any previous experiences with college students. A good question that might be asked during such a visit might be, "If you could hire five more people for this office, how would you use them?" The answer should provide insight into the needs of the department and as to how students might provide assistance in meeting those needs.

After this initial visit and discussion the focus can turn to the students. It will be important to provide details as to their special skills and knowledge, especially as they pertain to the agency's needs. The educational benefits of an experiential learning program for the students will also need to be discussed. It is important to focus both on how students can help the agency, and how the agency can help the students. A mutually beneficial relationship should be emphasized.

At this point, agency personnel might become more

specific about their questions about how such a program can be implemented and/or their objections to using students. It will be necessary to be prepared to address such topics as: specific duties students are able or not able to perform, criteria for granting academic credit for the work experience, the duration of the experience, faculty responsibilities for related classroom training, and salary questions if applicable. At this stage it is very important to anticipate questions and objections in order to provide adequate responses.

Hopefully, at this point it will be possible to "close the sale." A good approach is to suggest that one or two students be taken on for a one term trial program. These students should be among those most highly qualified in order to minimize the number of problems that might develop and to serve as "advertising" for future participants.

To ensure satisfaction after the "sale" and enhance the placement of students in the future, continued attention to student progress is very important. A key element should be a list of objectives for the experience to be developed by the student soon after beginning the program and with the assistance of the faculty and work supervisors. Students should write the objectives with an eye towards obtaining as wide a variety of educational experiences as possible. These objectives should be reviewed by the work supervisor to ensure that the experiences outlined can be provided by the office and that they meet the agency's needs. The faculty supervisor should review the objectives to ensure that they are appropriate for the number of academic credits to be awarded. This implies that the objectives should be neither too extensive nor too limited.

The objectives will also serve as a basis for evaluating the students' progress periodically and at the conclusion of the program. The final evaluation should be conducted by all three parties: the student, the faculty supervisor, and the work supervisor. Each will be able to provide differing perspectives as to the degree to which the experience was successful and how future experiences might be organized to yield the maximum benefit for all involved.

TABLE 1
CLASSIFICATION OF STUDENTS IN CONSUMER PROTECTION AGENCIES

State	Intern	Part-time	Volunteer	Summer	Other
Alabama		X			
Arizona	X			X	
Arkansas	X	X			
California	X	X	X	X	
Colorado	X	X	X	X	
Connecticut	X				
Delaware	X		X		
Florida	X				
Georgia	X				
Hawaii	X	X		X	
Idaho	X				
Illinois	X		X		
Indiana	X			X	
Iowa	X	X	X	X	
Kansas	X		X		
Kentucky	X	X		X	
Louisiana	X	X		X	
Maine	X	X	X	X	
Maryland	X	X	X	X	
Massachusetts	X	X	X		
Michigan	X				
Minnesota	X				
Mississippi	X				
Missouri	X			X	
Montana	X	X			
Nebraska	X		X		
New Jersey	X		X		
New Mexico			X		
New York	X				
North Carolina	X				
North Dakota	X	X		X	
Ohio	X		X		
Oregon			X	X	
Pennsylvania	X				
Rhode Island	X		X		
South Carolina		X			
Tennessee		X			
Texas		X		X	
Utah					X*
Vermont	X		X		
Virginia	X				
Washington	X	X	X	X	
Wisconsin	X	X			
Total	36	18	17	15	1

*Full-time

TABLE 2

ACADEMIC BACKGROUND OF STUDENTS IN CONSUMER PROTECTION AGENCIES

State	Consumer		Business	Home Economics	Social Sciences	Journalism	Communi- cations	English
	Law	Economics						
Alabama			X					
Arizona	X							
Arkansas	X	X	X					
California	X	X			X	X		X
Colorado	X	X	X	X	X			
Connecticut		X	X	X	X			
Delaware	X	X	X	X				
Florida	X							
Georgia				X				
Hawaii	X							
Idaho	X		X					
Illinois		X		X			X	
Indiana	X	X						
Iowa	X	X	X	X		X	X	
Kansas		X	X	X	X			
Kentucky	X	X	X	X	X			
Louisiana	X							
Maine	X	X	X		X			
Maryland		X	X		X	X	X	X
Massachusetts	X	X	X		X	X	X	X
Michigan	X			X	X		X	
Minnesota	X							
Mississippi	X							
Missouri			X		X			
Montana*								
Nebraska		X						
New Mexico	X			X				
New York	X	X	X	X				
North Carolina	X			X	X			
North Dakota	X	X		X		X		
Ohio		X	X	X				
Oregon				X				
Pennsylvania	X					X	X	X
Rhode Island	X		X		X		X	
South Carolina	X							
Tennessee		X	X					
Texas	X	X	X	X	X	X	X	X
Utah	X							
Vermont	X		X		X			
Virginia	X							
Washington	X		X	X	X	X	X	X
Wisconsin	X	X				X		
Total	30	20	20	17	15	9	9	6

*Did not respond to this item.

ASSESSMENT OF CLERGY FINANCIAL PLANNING ASSISTANCE NEEDS

Ann C. Foster, Auburn University¹
Jacqueline W. Allen²

Abstract

Full-time ministers were surveyed in order to ascertain areas in which assistance (information, education, etc.) was desired to deal with both personal financial problems and requests for financial counseling by congregation members. Assistance with specific problem areas such as housing and consumer credit was less often desired than assistance with more general areas such as financial planning and money management. Ministers interested in personal assistance were also more likely to be interested in professional assistance.

Introduction

Consumers are finding it increasingly difficult to stretch their financial resources to obtain their desired level of living. Rapidly escalating prices, particularly for necessities such as food, energy and shelter have complicated the process of financial planning. In recent years growth in real pretax family income has barely kept pace with inflation. Even when income does increase many consumers find that their disposable income is lowered because this increase has put them into a higher tax bracket. The trend toward increased Social Security, as well as state and local taxes has further diminished income available for consumption and saving.

Increased use of credit has also contributed to financial problems. Consumers who have borrowed up to a "safe" limit often find themselves overextended when events such as increased prices for necessities such as food or energy, an unplanned but needed purchase such as automobile repairs, or loss of income due to illness or unemployment occur.

Successful financial planning is needed for individuals and families to maintain or enhance economic well-being or to solve the problem of financial overextension. Because financial problems have been found to cause and/or aggravate personal and family problems (1,2) successful financial planning can also have a positive influence on overall quality of life.

Interest in financial planning has increased in recent years, perhaps as a response to the previously mentioned factors. The number of magazines and newsletters specifically dealing with financial planning has increased to meet this need. General magazines and newspapers, as well as radio and television have expanded coverage of financial topics. The Cooperative Extension Service has also responded by focusing more of

its educational programs on financial planning for the maintenance of economic well-being as well as for the remediation of financial problems (7). Remediation of financial problems and, in some instances, education programs are provided by over 200 local, nonprofit Consumer Credit Counseling Services (8). Social service agencies, credit unions, labor unions and fraternal organizations also engage in financial counseling and/or education.

Individuals and families are increasingly calling upon the clergy to provide financial planning assistance in addition to the more traditional spiritual counseling. The potential effectiveness of the clergy in the financial planning area is great since they are among the few persons who may have contact with all members of the family throughout the life cycle. Despite the fact they are the first persons many families contact when they have financial problems, the clergy often have the least training in the financial planning field (3).

While there is little systematic research on financial problems of the clergy there are several factors that might necessitate training to deal with financial problems from the personal as well as from the professional perspective. One is that, for the most part, neither clergy salaries nor pension benefits have kept pace with the cost of living. Related to this is the fact that clergy salaries often peak much earlier than those of other professionals with similar levels of education. In addition, high startup expenses in relation to initial and longrun salaries, may cause financial problems for beginning clergy (3).

Some organizations, such as the Interfaith Council for Family Financial Planning, have developed education programs to assist the clergy in family financial planning (4-6). While there is an indication that such programs have been well received, their continued success depends, first of all, upon whether the clergy perceive enough of a need to participate. Even if there is perceived need, such programs must also focus on areas in which the clergy are having the most difficulty. At the present time there is little systematic research on assessment of financial planning problem areas among the clergy, or of clergy willingness to obtain assistance in these areas. The research reported below provides an indication of clergy personal and professional financial planning needs as well as the willingness to obtain assistance.

¹Assistant Professor, Department of Consumer Affairs.

²Former Instructor, Department of Consumer Affairs.

Methodology and Description of Sample

Data were obtained from a mail survey of full-time ministers serving in local United Methodist Churches in the Birmingham Episcopal area which includes the state of Alabama and the North-western panhandle of Florida. The purpose of the survey was to gain an objective understanding of the minister's financial needs and concerns in order to determine what information, services, education programs, etc., are necessary to effectively deal with the rising cost of living and related financial management problems.

Questionnaires were mailed to 632 ministers on November 3, 1980 with a followup letter sent three weeks later on November 24. By the February 1, 1981 cutoff date, 251 ministers (approximately 40 percent) had replied. Almost all (98.4 percent) of the respondents were male and an overwhelming majority (94.8 percent) were married. In order to strengthen conclusions and generalizability it was decided to limit the analysis to male married ministers which reduced the sample to 234.

Most (95.3 percent) of the ministers in the study sample were white; only 3.4 percent were black and 1.3 percent were American Indian. None of the respondents was under 25 years old, while only 3.4 percent were 65 or older. The greatest proportion (38.5 percent) were in the 45-54 age range. The ministers were more highly educated than the general population; nearly 80 percent had graduate degrees and 11 percent had baccalaureate degrees. Average family size was 3.3 persons. In 1979, earnings from ministerial duties ranged from \$1,600 to \$30,000 with a mean of \$12,943. When income from all sources was considered, mean family income was a substantially higher \$17,293. Median family income, however, was \$15,400. This is much lower than the national median or \$21,643 for all husband-wife families in 1979 (9). It should be mentioned that 93 percent of the ministers lived in church-provided housing. Median estimated value of this housing was \$2,800.

Findings

The questionnaire contained a listing of common financial difficulties encountered by many individuals and families. Ministers were requested to circle those areas with which they desired assistance for personal and/or professional reasons. The mean number of personal problem areas circled was 3.3; for professional problem areas the mean was 3.0.

As Table 1 indicates, general financial planning was the area most often circled for both personal and professional reasons. Since the survey found that 48 percent of the ministers had no long range financial plan, the high proportion inter-

ested in personal assistance is not surprising. Slightly over half of those ministers without long range financial plans were interested in personal assistance. Nearly two-fifths of those ministers with long range financial plans, however, also desired assistance. In another section of the questionnaire ministers were requested to rank the most important financial problems facing congregation members. Although general financial planning ranked eighth, it was felt to be a problem area by a third of the ministers. Its number one ranking under professional assistance desired suggests that the ministers feel that they could (and/or should) provide counsel in this area if they had some training.

TABLE 1. Desired Assistance With Financial Problems

Problem	Type of Assistance Desired by Ministers	
	Personal (%)	Professional (%)
Financial Planning	44.4	31.6
Money Management	38.9	25.6
Taxes	37.6	20.1
Buying Goods and Services	20.9	9.4
Goal Setting	20.5	27.4
Estate Planning	20.5	20.9
Life Insurance	15.0	4.7
Health Insurance	12.4	5.6
Credit	12.0	9.0
Housing	12.0	9.8
Consumer Redness	10.3	8.1
Property and Liability Insurance	6.4	3.8
Other	.1	.1

Money management was the second most frequently chosen area under the personal category and was third under the professional category. It should be noted that over 57 percent of the ministers had either no spending plan or else an unwritten plan. The high personal priority given to this problem may reflect a desire to remedy this situation. Since the ministers ranked money management the second most important financial problem (after inflation) facing congregation members, the high professional priority given to this problem is understandable.

Goal setting, which is fundamental to financial planning, was the second most often circled for professional reasons, but only fifth for personal reasons. The fairly low personal priority might seem curious given the high priority assigned to general financial planning. It should be mentioned that the survey elicited information on both longrun and shortrun financial goals. The fact that three-quarters of the ministers were

able to outline both types of goals indicates that they may feel that goal-setting is not a personal problem area.

Estate planning, another aspect of general financial planning, was chosen by about one-fifth of the sample for both personal and professional reasons. The fairly low personal priority is understandable since the survey found that nearly 60 percent of the ministers had a will and almost half reported that their spouse had a will.

As may be seen, taxes was a problem with which assistance was frequently desired for both personal and professional reasons. Although nearly 21 percent of the ministers wanted personal assistance with buying goods and services, less than 10 percent wanted such information for professional reasons.

Far fewer ministers desired either personal or professional assistance with problems such as insurance, credit, housing and consumer redress. One reason for these findings may be that the ministers did not feel that counseling of their congregation members should extend to specific problem areas such as how to buy life insurance or where to obtain redress for a consumer problem. Another reason may be that most of the respondents may believe that their expertise in these areas is sufficient to handle any related personal and/or professional problems.

Conclusions and Implications

Personal and professional assistance with specific problem areas such as housing and consumer credit were much less often desired than assistance with more general areas such as financial planning and money management. The high proportion of ministers without either long-range financial plans or spending plans may be one reason for the desire for personal assistance. The fact that money management and financial planning were perceived as major problems for congregation members may be one reason for the desire for professional assistance. Although inferences cannot be made about all members of the clergy, it would appear that for this group education programs geared to general financial planning, money management and goal setting is a necessity.

It should be mentioned that a person desiring assistance with a particular problem might not be motivated enough to take advantage of an education program dealing with that problem. Findings indicate that ministers interested in personal assistance were more likely to also be interested in professional assistance. For example, 55 percent of those ministers desiring personal assistance with financial planning also wanted professional assistance. For goal setting this proportion was an even higher 71 percent. It is

likely, therefore, that many of these ministers would take advantage of the recommended education programs since assistance was desired for both personal and professional reasons.

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CONSUMER BOYCOTTS
Monroe Friedman, Eastern Michigan University

This study seeks to advance understanding of consumer boycotts by identifying and describing those which occurred in the United States from 1970 through 1980. The study draws upon a variety of data sources to explore major characteristics of 90 boycotts which occurred during this eleven-year period. Among the questions of concern are the following: Who initiated the boycotts? What were the concerns of the boycotters? What actions did they take? Against what targets? With what degree of success?

In what follows the data collection procedures of the study are delineated, and a summary of the major findings is presented and briefly discussed.

Procedures

Defining Consumer Boycotts

A consumer boycott was defined as an attempt by one or more parties to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace. This boycotts were viewed, for the purposes of this study, as marketplace actions despite the fact that the term is also commonly used to describe social actions of an ostracizing nature, e.g., absencing oneself from a meeting in an effort to communicate one's dissatisfaction with it. The working definition also restricts boycotts to actions involving the discontinuation of marketplace purchases by individuals rather than organizations. A third characteristic of the working definition concerns the objective of the boycott. Consumer boycotts were viewed as marketplace means to what may or may not be marketplace ends. While marketplace ends (e.g., lower prices) have been a common boycott concern of consumer activists, cursory examination of news media publications over the last decade suggests that a variety of other objectives have motivated other activists to initiate consumer boycotts. The study examines these undertakings as well as those of consumer activists.

Data Sources

Principal among the sources of boycott information consulted were major American newspapers and magazines. For the eleven-year period of the study the three newspapers with index (The Christian Science Monitor, The New York Times and The Wall Street Journal) were surveyed for news articles on consumer boycotts. This effort was supplemented by a parallel search of magazines through The Reader's Guide to Periodical Literature and by the use of a relatively new data source, Newsbank, which provides an index to articles appearing in newspapers published in cities throughout the United States. (The articles themselves are available on microfiche transparencies.) In addition, a mail survey was

conducted of consumer editors of daily newspapers with circulations of 100,000 or more in an effort to identify consumer boycotts which occurred in their communities. Still other sources tapped included computerized data bases for various social science and business periodicals and the files of the new Center for the Study of the Consumer Movement, an offspring of Consumers Union, the publisher of Consumer Reports, located in Mount Vernon, New York. Finally, it should be noted that once individual boycotts were identified through these various sources, the information they provided was often found to be incomplete, necessitating mail inquiries to the boycott principals in an effort to fill the gaps.

Potential Sources of Procedural Bias

Before examining the findings of the study, some potential sources of bias which characterize the data collection procedures should be noted. First, despite the fact that they all offer national coverage of the news, the three major newspapers examined have Eastern Seaboard origins (The Christian Science Monitor is published in Boston and The New York Times and The Wall Street Journal in New York) and, as a result, boycotts in this area of the country may be over-represented in the sample. Since the other data sources are more truly nationwide in scope, they are in a position to offset the potential Eastern Seaboard bias, but the use of one of them, Newsbank, may have introduced a bias of another sort. As noted earlier, this reference source was established in 1973, and thus boycotts occurring prior to this time may be under-represented in our sample. For these reasons as well as others, the resultant sample of 90 consumer boycotts should be viewed not as the total population of boycotts occurring in the United States in the 1970-80 period, nor as a representative sample of this population. Caution would suggest that they be considered a cross-section of the population.

Caution would also suggest that the potential for bias in the descriptions of the boycott activity should also be recognized. One candidate is the "event" orientation of news media reports. A successful boycott is in one very real sense a "non-event" in that consumer purchases which would normally be made are not; news media attention therefore is often not attracted to this non-event but rather to the statements of the various principals in the boycott dispute. Thus there is a real danger that news accounts may be more influenced by press statements than by consumer actions in the marketplace.

Complicating matters further is the real possibility that a press statement reported by a major newspaper or television news program becomes an important behavioral reality in itself, which could have more public relations impact on the boycott outcome than the actions (or inactions)

of the boycotters. Thus, news accounts are seen as descriptions of events which may also be important events in themselves.

Principal Findings of the Study

Perhaps the major finding of the study is the pervasiveness with which boycott actions have affected many aspects of American life in the past decade. The study found that boycotts have been called or threatened by groups representing racial and religious minorities, as well as groups distinguished by special social, economic, environmental, labor, political and moral concerns. The targets of their efforts have also been extremely diverse, consisting of financial institutions, retailers, producers, utilities and non-profit organizations. And the offenses which have sparked the boycott initiatives resulted from the actions of these target groups as well as the actions of others, including foreign governments, domestic governments (at city, state and federal levels), television networks, pro-abortion groups and private individuals. Moreover, the study findings indicate that no region of the country has remained untouched by the boycotts, with actions reported in the West and Midwest as well as the South and Northeast. Furthermore, the findings make clear that actions occurred at all territorial levels, although national and local levels were the most commonly reported as the intended scope of the boycotts.

A second study resulted of interest is the strong trend toward increasing frequencies for boycotts over the eleven-year period of the study. Even though some of this effect may be artifactual (reflecting more comprehensive news reportage in more recent years), it seems safe to conclude that boycott frequencies have not declined over the last decade and, indeed, are likely to have increased at least modestly.

While the study findings concerning boycott pervasiveness and increasing frequency may be of primary interest to social scientists, other study results relating to strategic and tactical considerations are more likely to attract the attention of social activists. Three data trends relating to their concerns are especially noteworthy.

The first is the tendency for "direct" boycotts to be associated with success more frequently than "indirect" boycotts. This finding suggests that activist groups considering an indirect (surrogate) boycott should carefully consider whether they can realistically expect their actions against one party to induce it to successfully apply pressure on another.

A second trend in the data which may be of interest to social activists is for boycotts with an intended national scope to succeed more frequently than those with an intended scope at the local level. While this finding may be partly artifactual, reflecting more extensive news coverage for the national level successes, it may

also reflect the presence of better planning and organization for national campaigns. In light of this finding, local groups considering a boycott may wish to pause to ask themselves if they have the wherewithal to carry it off successfully.

A third trend in the data which may have import on the deliberations of social activist groups concerns the differential impact of actions at varying levels of militancy. Interestingly, it was the extreme points on this dimension which were more often associated with success. This finding suggests that groups considering a boycott may wish to make this possibility known in the hopes that the prospective target of the boycott will yield to their demands and avoid the boycott. Should this tactic fail, the study findings suggest that the groups may not wish to pursue the boycott unless they are prepared to mount a fullscale effort including extensive organizational preparations as well as demonstrations and/or pickets.

We close this discussion of study findings with implications for social activists by noting that the coin is two-sided; targets of boycotts can, of course, benefit from the information as well, by using it to influence their judgments concerning the likely impact of the boycotters' actions. It is expected, however, that targets of boycott actions will usually look elsewhere for guidance - to hard data such as changes in sales volume or other indicators of boycott effectiveness.

Summary

Characteristics of 90 consumer boycotts were examined which occurred in the United States during the 1970-80 period. The results indicate that consumer boycotts have affected a wide range of protect groups, target organizations and issues in all regions of the nation. They also appear to be on the increase. Several factors were identified which may influence the effectiveness of boycotts.

MARITAL PROPERTY REFORM: FORMULATION AND IMPACT OF AN
EDUCATIONAL CAMPAIGN ON PUBLIC POLICY

Karen P. Goebel, University of Wisconsin-Madison¹

Abstract

Much of the focus of the consumer movement has been on transactions in the acquisition of property. Only limited attention has been directed toward property ownership. The diversity of property laws across states creates potential confusion concerning the rights of spouses in the control of property. Reform legislation has created the opportunity for involvement by home economists and consumer educators in analysis and education on alternative property law. Wisconsin is considering substantial marital property reform. This report examines proposed property law changes and the educational campaign to inform citizens about alternative proposals.

One of the major efforts in the consumer movement has been to change the existing legal structure to benefit consumers. Major advances have been made in areas such as credit, housing and safety. Home economists and consumer educators have been instrumental in helping consumers to influence decisions and understand public policy.

Currently many states are considering fundamental changes in basic marital property laws. These discussions usually revolve around community property laws. In general, this topic is referred to as marital property reform. These proposed fundamental changes in the legal structure have far-reaching implications for consumers and families. This paper discusses the major issues in marital property reform, a media educational program for consumers and a system to measure the impact of this program.

Marital Property Reform Issues

There is growing recognition throughout the country that inequities and problems exist under the many diverse state property laws. For example, special problems occur as people move from state to state, not realizing that marital property receives different treatment in various jurisdictions.

¹Assistant Professor, School of Family Resources and Consumer Sciences and Extension Specialist, Family and Consumer Economics.

In 42 states which are separate property jurisdictions,² property acquired during marriage belongs to the person whose earnings paid for it.

With that ownership goes the right to manage, control and make decisions regarding this property. Women, whose major contribution to the family has been nonmarket home production, usually build up no rights of property ownership. In many cases these homemakers have not realized that they lack financial resources until they attempt to obtain credit, or until divorce or death of a spouse has forced a property settlement. Because of the lack of recognition of their vulnerable position, they have not utilized the complex legal tools available to make property ownership more equitable. In acquisitions of real property, the decisions regarding optimum ownership arrangements are frequently misunderstood or not investigated, thus the complex legal tools needed to guarantee equality are not used. Marital property reform proposes fundamental changes in how property is handled in marriage. In particular, it reflects the unique economic partnership that marriage represents.

Even though a husband and wife may accumulate the proceeds of their joint work efforts, few of these are legally the wife's unless she has earned wages or received gifts or inheritances. A non-wage earning wife frequently cannot get credit in her own name. Federal credit laws support creditors who deny non-wage earning homemakers credit because the homemakers have no apparent ability to repay.

Even though a wife may have spent most of her life supporting her family with her work in the home, she frequently finds that she has only personal items to give through a will. The contribution of homemaking does not give her an equal right to half the assets of the family or to will them.

²The eight remaining states are community property states (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas and Washington). In community property states the basic underlying assumption is that assets

acquired during marriage, except for gifts and inheritances, belong equally to both spouses, no matter who earns the money to buy them.

In some states, non-wage earning spouses may find themselves in a better legal and economic position after divorce or legal separation because at separation or divorce they may receive half the family assets. Thus, after dissolution of the marriage they have legal control over a substantially greater share of the assets than when married. This strikes many people as inconsistent with the concept of marriage.

Even being an employed homemaker does not solve the problem completely. The employed woman generally earns less than her spouse, yet she still remains the major contributor of "non-valued" homemaking. Furthermore, if spouses do recognize the imbalance of their personal financial resources, they may encounter gift tax obligations when making transfers.

Some attempts to use the existing legal system such as holding property in joint tenancy are not always viable solutions. These attempts may have offsetting costs such as increased inheritance taxes as well as the difficult task of proving contribution to certain incomplete transfers. Even efforts such as increased marital deductions at the time of the breadwinner's death do not remedy the spouse's problem of not having equal management and control of assets during lifetime.

Alternative Reform Proposals

To address the inequities of the present separate property laws in Wisconsin and to bring about reform, legislators, legal experts and concerned citizens began intensive research seven years ago. This study culminated in a proposal called the Comprehensive Marital Reform Bill which incorporates many community property rules. This bill is in many ways similar to the marital property act being drafted by the National Conference of Commissioners of Uniform State Laws and thus may provide a particularly useful example of marital property reform legislation.

The bill recognizes wages, earnings and other economic benefits (such as insurance, pensions, or post-employment benefits) arising from either spouse's labor, skill or employment during marriage as belonging equally to both partners. Gifts and inheritances received by either spouse during the marriage would remain separate property.

This reform legislation may provide the recognition and protection that many couples

now assume they have under current law. For example, based on the non-wage earning spouse's ownership interest of half the marital assets, the law grants creditworthiness to both spouses and provides equal management and control of marital property. It also permits testamentary disposition of one-half of the family's assets, enabling each to will their half. Furthermore, the proposed legislation removes any taxes on gifts and inheritances between spouses. People can modify the system through individual marriage contracts and retain certain property as separate property.

Recently, an alternative bill has been proposed which would retain the Wisconsin separate property system, but "overhaul" it. This alternative bill provides for the right of a spouse to obtain court action for a division of property and/or assignment of income as a means of officially partitioning property during an on-going marriage. It includes increased access to credit for non-wage earning spouses and the opportunity to elect one-half, rather than one-third of the estate at death. It also provides for the right to individual marriage contract agreements and the removal of taxes on interspousal transfers.

Educational Campaign

In order that the people of Wisconsin might participate in this public policy decision, it was important for them to understand the present property system and the proposals for change. Even though people tend to exhibit little interest in public affairs and few participate actively, public education is essential to enhance opportunities for public affairs participation (2, p. 35). Based on this view, an educational campaign was organized.

Goals in the campaign were to make the audience aware of present property laws and current marital property reform bills, to urge people to form attitudes about the reforms, and to encourage them to take action based on these attitudes.

The actions anticipated were that residents would evaluate their own property situation and see the implications of how title is presently held. They would study the proposed bills, share the information with friends and organizations and would let their legislators know their opinions about the bills.

In terms of desired participation in the political process, almost all authorities