

## THE CONSUMER LOOKS AT FOREIGN CONSUMER PROGRAMS

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Last summer I looked at the rapidly developing European consumer movement. An unprecedented growth of consumer protective organizations has emerged there in the post-war period, some stimulated by the cooperative movement, some given governmental assistance and some arising from independent efforts. In purposes, these movements are highly diverse. Certain of the efforts are primarily concerned with the accurate labelling of products. Others are consumer testing organizations. Still others are interested in legislative protection and, of course, many are essentially directed toward consumer educational programs. Yet, whatever their purpose, one fact is clear - a new and significant force has come to the European scene designed to afford consumers with a greater protection in the price and quality of goods and services purchased.

### Consumer Protection in Denmark

Perhaps the most significant consumer protective agencies in Europe are those developed by the Scandinavian countries where, due to strong trade union and cooperative movements, a consumer climate of opinion has been established. In Denmark, the Danish Consumer Council was established by twelve Danish women's organizations and educational groups. Its emphasis is placed not only upon consumer education but also upon the accurate quality marking of goods. Through the employment of use tests, specifications have been established on such articles as denim work clothes, venetian blinds, children's clothing and curtains, and producers are offered the opportunity of selling goods with a consumer approved label. This effort gave rise to an interest on the part of textile manufacturers to initiate a competitive quality marking program under a plan which included representation of manufacturers, retailers and research organizations as well as that of consumers. Under the manufacturers' plan, less complete quality designation would appear on the label. Supplementing the work of these groups is a new labelling statute enacted last summer, modelled upon the Swedish law. The Statens Husholdningsrads, a state testing laboratory, devotes considerable attention to the quality testing of products and the publication of bulletins indicating the consumer use value of products in a wide variety of fields, including foods, textiles and household equipment. This organization gives representation to housewives' groups, to a wide variety of community groups and to those in the professional and civil service field. It uses films, exhibitions and radio programs as well as publications, and answers consumers' inquiries.

### Sweden

The leading Swedish consumer protective organization is the H.F.I. (Hemmens forskningsinstitut), now in the process of reorganization and expansion as the State Institute on Consumer Questions. This group has developed a substantial program of consumer testing in foods, textiles, and durable goods, as well as of consumer education. Some considerable emphasis has been placed upon household arrangement. In some fields, brand name product testing has been employed. A complementary organization is the Varudeklarations-namnden (the V.D.N.) or Informative Labelling Institute, which was established to lay down specifications which will be included on the labels of consumer goods on a voluntary basis. These labelled products are subject to tests to ensure that the information is accurate. A quality symbol is placed on goods. The V.D.N. is

financed partly by the government and partly by private groups employing the label. Likewise, the controlling board is a blend of business, technical and consumer representation. The aim of the Institute is not to fix one quality below which a commodity should not be given a label, but rather to give the consumer a clear estimate on a label detailing the performance of the goods. Committees of the Institute have been working on such varied problems as canned goods, frozen foods, carpets, stainless steel table ware, vacuum cleaners, tables and electrical radiators. Considerable use has been made of the labelling procedure, particularly in foodstuffs.

#### Norway

Norway has perhaps the most elaborate consumer program of any European country. It has a consumer minister without portfolio whose purpose is to develop a consumer consciousness - to stir up consumers. Indeed, one Norwegian governmental spokesman affirmed "what we need in Norway is to have more irresponsible consumers voicing protests vigorously". Because Norway has a labor government and considers the nation too producer-oriented, countervailing efforts have been introduced in the form of consumer agencies.

The central agency is the Norwegian Consumers Council (Forbrukerradet). Established in 1949 as a federation of various organizations (largely cooperatives and housewives' groups) this agency has headquarters in Oslo and a substantial budget given it by the Norwegian government. It issues buying guides and pamphlets and has been very active in the spreading of consumer education. Its work in consumer commodity testing has, as yet, been somewhat limited, but the organization is most interested in the field and has plans for product rating. Norwegian housewives' groups have given the Council excellent cooperation. The range of topics which come within its purview include such matters as quality standards on cotton goods, product labelling, trade restraints and price control. Its activities range from the testing of medical products to the testing of textiles. A general bulletin is published on How to Buy, of which 14,000 copies have already been sold. Currently, two suits are pending against the agency; one, because of its recommendations concerning orange juice purchase and the other because of its recommendations concerning refrigerators. In each case, producer and importing groups felt aggrieved at the recommendations.

#### The Netherlands

The Dutch have two somewhat competitive consumer movements, The Netherlands Consumers Union (Nederlandse Consumentenbond) established in 1953, and the Netherlands Household Council (Nederlandse Huishoudraad). The former, whose publication accepts no advertising, seeks to give consumer guidance with relationship to price and quality. It accepts into membership individuals and groups. The Nederlandse Huishoudraad seeks product improvement in cooperation with manufacturers. It includes in its control body representatives of women's organizations, as well as state organizations. Its work includes a wide range of consumer activities, including educational efforts in such fields as the functional development of the home, informative labelling, budgets, instalment plans, food distribution and government standardization. It has done considerable work with housewives' panels and has valuable exhibits. The Nederlandse Consumentenbond, though limited in finances, has sought the help of universities in developing tests, particularly in the field of milk and coffee. It has also undertaken such projects as lowering milk prices and seeking to break price agreements on imported foods. The essential difference between the two Dutch movements is the tendency of the Netherlands Consumers Union to take vigorous

action and to be outspoken concerning consumer problems and the tendency for the Netherlands Household Council to seek in a quiet way to spread consumer education without disturbing business interests.

#### Great Britain

Great Britain has two consumer organizations. The British Consumers Research, which is now being founded and will publish its first bulletin next September, is patterned after Consumers Union of the United States. It will publish brand ratings based upon laboratory tests. A report has been received from a substantial group in technical, educational and cooperative circles. The development of this effort reflects an altered feeling on the part of British consumers. Earlier it had been felt that the libel law of the country precluded the possibility of publishing brand name ratings.

The second British consumer group publishes Consumer Report, a bulletin of the British Standards Institute, which is concerned with a quality labelling program and has its own consumer advisory committee. This publication covers a wide range of interests, such as fire hazards, frost prevention. It does a useful but limited service.

#### France and Italy

France has developed The Federal Union of Consumers (Union Federale de la Consommation) which has a monthly publication. This publication includes buying advice as well as the result of tests. It also deals with living costs and includes articles on consumer movements in other countries. A primary testing under the French program lies in the field of textiles and foods. While considerable support has been given the French effort by the cooperative movement, its influence is not very great.

Italy has the National Union of Consumers with headquarters in Rome. A recent letter from one of the leaders of the Italian movement describes some of the problems of the Italian Movement. "So it can be seen that the situation of the Unione Nazionale Consumatori is anything but rosy. This does not mean that nothing has been done, or that many things are not being done -- although they are being done slowly, which leads to more expense, which has to be spread over a certain time. For example, we have set up local committees in several regions, one of which has recently held an important meeting in Milan on distribution costs; we have made a valid contribution in exposing and limiting some of the more widespread fraudulent practices, such as the sale of synthetic oil as olive oil; we opposed the increase of the electricity tariff, which has been postponed until now; we collaborated actively towards the success of an Experimental Diet Consulting Station during the recent International Congress of Dietetics; we took part in the Goteborg conference on Fabric Quality and Informative Labelling in Sweden; we have done and we are doing market study and research; we have requested dispositions to be taken in the public interest, amongst which some regulations on advertising, which is at present uncontrolled in Italy, and leads to a great deal of fraud; we have created a state of some alarm amongst dishonest producers and traders, and have begun to call the attention of the authorities and the public to the continually increasing problems of consumption".

#### West Germany

The leading West German consumer organization, the Arbeitsgemeinschaft der Verbraucher Verbände of Bonn-Buell (The General Federation of Consumer

Organizations), is federative in character. This central federation coordinates the activity on the consumer front of some nineteen consumer efforts, including housewives' groups, cooperatives, and regional organizations. Through press releases and its publication it reports on price changes and consumer legislation, and suggests which commodities are good bargains. It seeks to represent the consumers' interests in the German economy. Explorations are being made into the legal and technical possibilities of developing consumer testing on a more extensive basis both by the Arbeitsgemeinschaft and by some other groups.

As in other European countries, Germany has a number of groups devoted to quality designation and testing, often organized on the basis of particular products. Some excellent consumer testing work is undertaken by the Bundesforschungsanstalt für Hauswirtschaft of Stuttgart-Hohenheim. While some differences of a political character exist in the German consumer movement, interest in consumer welfare is particularly marked.

#### Consumers Everywhere Have Common Problems

These brief thumbnail sketches of European consumer movements will give one a sense of the diversity of European consumer organizations. All of these movements are in one way or another concerned with the development of consumer education. Some of them are interested in such problems as the elimination of unsafe chemicals from foodstuffs or the elimination of Cartel pricing practices, as well as resale price maintenance. Some of them are concerned with consumer testing programs and others with the better design of household equipment. Some are worried over false and misleading advertising, while others take a positive program of seeking accurate consumer labelling. All of these movements are essentially interested in consumer protection. Steps are currently under way to develop closer international cooperation which, in its initial stages, may take the form of an international consumer conference. The important thing to remember is that most of the problems facing the American consumer are those facing the consumers of other countries. Each country is proceeding experimentally to find suitable solutions. We in the United States are perhaps more advanced in some areas of consumer protection than Europe. We must, however, look to Europe for leadership in certain of these areas, notably in the field of quality labelling.