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Interview with Richard Morse (Norman Silber)
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Prof. Silber: This is an interview with Prof. Richard Morse. The interview is taking place at the Hyatt Regency Hotel in Kansas City. The interviewer is Dr. Norman Silber. The date is March 15, 1983.

Prof. Morse, could you first talk a little bit about how you came to be interested in consumer affairs, consumer education and then the American Council itself?

Prof. Morse: This came to me very naturally. My father was a professor of physics at City College in New York and taught evenings at Columbia University. Extension, I guess they called it.

He was a rationalist. He was a person interested in scientific inquiry. He was on the Standards Committee, as I recall, of the American Physics Society for electrical circuitry. I don't think he was very active, but he had this bent so that in the late '20s and '30s, although he himself was never involved in anything called the consumer movement, he was in tune with the developments and the interests and found them exciting. At home, we had (and I still have) the confidential issues of *Consumers Research*.

I was born in December, 1916, so you can date my age from there. I remember, as a boy, going down to Cooper Union Square and seeing the offices of Consumer Defender, the organization that was not only testing products, but making products available to...

NS: Cooperative Distributors?

RM: Cooperative Distributors, CD, that's right. Another unusual policy of CD was to publish, in their catalogs, the formula for making your own toothpaste or making your own ink, and so forth.

Our family was one of the first members of Consumers Union, and we got copies of the *Consumer Reports* when they first came out. And I can remember in junior high school—I think this is worthy of note—a woman—goodness knows where she came from, maybe New Jersey Public Health—speaking about toothpaste and quackery. She made a lasting impression on me.

I also recall, when I was in 3rd or 4th grade, wrestling with consumer concerns. We happened to have—I guess by hindsight—a rather wealthy family friend who drove a large car. She would drive us into New York City to where I attended Sunday School, first at Union Theological Seminary, and then when Riverside Church was built, we went over there. That was about 6th grade, I guess.

I remember concerning myself at the time, about how was it that there were good honest people selling Fords and equally good, honest, ethical people selling Chevrolets, let's say. And if it was a matter of faith and trust in the individual, product choice would be a toss-up, and yet, surely the products were not the same.

So, I think I was always interested. Later, I thought that the solution for consumers or the public was to organize consumers' cooperatives.

NS: This was in the '30s now?

RM: Yes, in the mid '30s. I finished high school in '33 and was in the college class of '37. I went to Oberlin for a couple of years where my brothers had both gone and finished. Then, I

transferred to the University of Wisconsin in '35 because my older brother, who was my mentor, thought that if I really was seriously interested in consumer coops, the place to go was Wisconsin. So, I went to Madison. After about a semester on the scene, the minister of the campus house for the Congregational students, knowing of my interest in coops, invited me to organize a student cooperative dining hall. So we organized what was known as the "Congo Cooperative Eating Club, Inc." Copies of the history of that coop are on file in the University of Wisconsin Library.

NS: C-o-n-g-o?

RM: Congo, Congregational—"Congo" Coop.

It's interesting how certain events happen by luck. You're a historian and you can recognize the role of luck in historical developments. I feel there's a lot of luck in historical developments—or there was for me—because about this time, when asked to start a coop, I began wondering and trying to recall what on earth were those basic coop principles I had heard about. And, who should appear in Madison as a public speaker, but Dr. James P. Warbasse, Executive Secretary of the Cooperative League of U.S.A., and he then refreshed my memory of the Rochdale principles and inspired me to develop a true coop.

Open membership was one of those principles, so one of our hallmarks of our student coop in this congregational-supported setting was to have open membership, so my treasurer was a Mormon and my business manager was a Catholic [laughter], and we had all different kinds of people. It was very successful.

I finished in 1937, but I really didn't graduate until later because I had one term paper to complete. I got a job with the help of a very famous man in August, 1937. Everybody knows him as Professor Groves from the University of Wisconsin.

Prof. Groves got me a job with the Madison Cooperative Cleaners as driver of the delivery truck. We also had a cooperative dairy with a fleet of about six trucks that delivered milk. Then, in the fall, I worked with the coop cleaners until school started, and they had me solicit customers for the dairy coop. I went around to all the student apartments and signed them up as Madison Consumer Milk Cooperative customers. Then, when the heating season came along, I sold fuel oil and coal for the other coop, the Madison Consumer Oil Cooperative.

Come Christmas time [laughter], I went back as manager of the cleaners coop. By spring, my family had persuaded me, that if I was really interested in cooperatives, I ought to be more than just a huckster and driver. I should go back and get some good training so I could be more effective.

So, I enrolled at the University of Chicago for graduate studies. I was admitted in the Spring of '38 before I'd really graduated from the University of Wisconsin because of that incomplete term paper, and started there with Frank Knight, Jacob Viner, Henry Simons, and Oscar Lange. That was THE best school of the time. The person that I worked closest with was Hazel Kyrk.

NS: Was this the Economics Department?

RM: Yes.

NS: Who was the last one?

RM: L-a-n-g-e- (pronounced Longey), who was a communist and later became the Economic Minister of Poland. There's a very interesting book that you might be interested in looking at some time. Lange debated with Simons, who wrote the... (if you recall, I made reference to

Simons quite a bit in my paper that I gave in Minnesota), "Positive Program for Laissez Faire" by Henry C. Simons.

NS: About the middle classes?

RM: About the middle class, right.

NS: The paper was called, "The Consumer Movement as a Middle Class Movement"?

RM: Yes, or something of that sort. I quoted rather fully there from Henry Simons, who wrote a book on the free enterprise system. He and Lange had debated capitalism vs. communism, and both agreed that the same economic principles, marginal cost equals marginal revenue, could still be applied under both systems; politics would differ, but the same economic goals to maximize welfare would prevail.

I went through the University of Chicago for five quarters, and then, I guess I might as well finish that. But first I should explain.

There was a very nice scholarship—I think it paid \$2000 at that time—known as the Lydia Roberts Fellowship that was available for persons who were natives of Iowa who had a degree from an Iowa school. I was raised in New Jersey, but my father had a sabbatical and taught at Lake Forest for a semester, and I was drop-shipped with his folks (an awful thing to do to my mother) at Grinnell, Iowa; so I was born in Grinnell, Iowa—so I was a native of Iowa.

NS: Tricky.

RM: The strategy was for me to go back to Iowa—Chicago was getting kind of expensive—whip off a Master's degree, apply for this Lydia Roberts Fellowship, then I'd have my way paid from there on out at Columbia.

It all worked out well, except that Hitler moved into Poland when I went to Iowa in '39. But more importantly is that instead of what I had considered sort of slumming a little bit—by leaving Chicago and going to Iowa State—I found that Iowa State was anything but a second rate department.

Ted Schultz, who is now a Nobel Prize winner, was head of the department. Margaret Reid was my major professor and I had gotten an assistantship in consumption economics. Margaret Reid had been a student of Hazel Kyrk at the University of Chicago, so I am a three-deep Kyrk consumption economist.

Margaret Reid had me start on the area that she thought was very important, that was consumer preferences in consumer market research. I started with a study of consumer preferences for eggs. Not that I ever cared much about eggs, particularly, but the egg people in Iowa were very much interested in yolk color and shell color, and that sort of thing. I did a very good—by hindsight, exceedingly good—study. At one time I had 70 WPA workers doing statistical tabulating, computing, and so forth [laughter].

NS: How did you manage that? Were you working on a grant or something? Not many graduate students have 70 people working for them.

RM: I only had \$100 and I did all this stuff. I canvassed Iowa by using the Extension Service to send out my questionnaires all over the state. That cost me nothing. I bought eggs and related the quality of the eggs bought at retail in Des Moines to the price.

I had the federal inspector do the grading and Swift and Co. provided the storage space at no cost. I made a 500-people house-to-house survey in Des Moines. That was made possible

because the Farm Bureau at the time wanted to invade the local markets with a super egg, and I was invited to go to a luncheon to present the kind of household survey I was interested in. A Safeway representative was there.

Safeway, out of California, was trying to invade the Midwest at the time and so they granted me money for a couple interviewers. Then, I went around to the Chamber of Commerce and said, "I can't accept a chain's money if I can't get some support from the independent retailers," so they provided office space on the mezzanine floor of the biggest hotel there in Des Moines.

I did it all for \$100 because I hitchhiked from Ames to Des Moines. Any time that I couldn't get a ride back to Ames, I had a standing reserved room for 25 cents a night, either next to the furnace in the basement or up in the attic of a home in downtown Des Moines. So, that's how I was able to do it.

Then we got a WPA grant to hand tabulate and calculate the data. Well, I didn't mean to get into that. I got so excited with this project that when I did get the fellowship with Lynd—you know, the famous Lynd of Middletown?

NS: Robert Lynd. Wasn't he at Columbia?

RM: Right. This was the Lydia Roberts Fellowship at Columbia for a native of Iowa who had a degree from an Iowa school, to which I had applied. So, I was going to whip out a Master's degree and then go to Columbia. I got the scholarship and turned it down to stay on at Iowa State. Finished up in 1942.

NS: Did you have a deferment?

RM: No. I finished my Ph.D. dissertation at quarter of five, and at eleven o'clock that night, was on my way to Columbia University going into the midshipman school at V-7 program and became a Navy officer. I was one of those 90-day wonders at Columbia; then went to the Pacific and all that stuff.

We started discussing how I got into the consumer movement. I guess what I've been saying is that I've always been in it. One, because I was ethically concerned about where does the truth lie about a product; and Consumers Union, for example, would be a natural of this sort.

I didn't ever have the feeling of activism, and for consumer rights that came about in the '60s. However, I found that the Kennedy "rights" gave a rationale to the consumer movement that I find very satisfying.

My work has been focused on the right to information needed to make an informed choice, as well as the converse of that, the right to be free of misinformation and the right to choose.

NS: There were some pretty radical consumer activists in the '30s.

RM: There may have been, but they weren't really... Well, my initial connection was through Margaret Reid, who is still a professor at the University of Chicago. She wrote the book, *Consumers and the Market*. I think probably not enough credit is given to some people like Reid and Kyrk and Jessie Coles and Ella McNaughton, who were the home economists who recognized consumer interests. They were concerned about the application of the scientific method, if you'd like to call it that, to helping people make choices applying to the home—needed information, standards, grades, labels, facts.

Unfortunately, they were called radical or were maligned because they had, in the true sense, radical ideas. They were looking for the truth; radical solutions to the conundrums that were facing many of the consumers. And they challenged the market system to provide less puffery

and more information, and better food and drug laws.

I started to say, one of the early experiences I had was the experience with the consumer cooperative movement in Wisconsin, yet at that age, I never felt like I was part of a movement; I was for a cause. I should explain that the word "movement" always does bother me because I don't know when a movement begins and ends. I had the drive of a person pursuing a cause because I was interested, and I thought consumer coops were going to be the answer. I mean, I had the cause, so I was part of a consumer cooperative movement, but I never went to any big meetings or participated in national debates.

I think it was about 1940, when Dr. Reid took us down to Stephens College to attend the annual meeting of The Consumer Institute. That was my first experience with a consumer movement of sorts and where I heard about radicalism.

I can still see the gentleman from General Foods, I guess it was, or perhaps Post Cereals, just raising holy Cain about those utterly ridiculous concerns of consumer educators, who expressed ideas that marked them as unpatriotic, and I suppose, communists. They were thinking that consumers ought to have some (I forgot what the issue was then, probably nutrition labeling), and he knew that the cereals they marketed were serving the needs of the public adequately and should not be challenged or even labeled.

I don't know whether radicalism is the word you used to characterize those at the time?

NS: Yes, I think that Colston Warne, in that May 1936 issue of the *Annals* used a phrase that he himself said came back to haunt him a lot. He said, "Nothing short of a revolution would alter capitalism or its ally, advertising" [laughter]. In a sense, I guess what I was sort of saying is that a number of people who grew up in that period started out with what you might call youthful ideals that changed and others probably confined themselves to consumer questions from the beginning, more narrowly.

RM: Yes, I think that mine was narrow. That is, I did not grow up under the labor movement. My father was an intellectual, as I said, of the middle class intelligentsia, and we never talked in class movement terms. It's people who think in class movement terms, I think, who see radicals vs. others. Right or wrong, that just wasn't part of me. Yet, I knew I was labeled as such because people couldn't figure me out. For example, even within the past month, I had the chairman of a board of a bank come up to me and say, "You should feel good," and I said, "Why?" and he said, "Well, your fellow socialist Mondale just announced he was running for president [laughter]. So, I'm a socialist by his standards.

NS: Right after you got your Ph.D. from Iowa State, did you go right on to teach?

RM: No, I finished up in December, '42, and spent the next 3-1/2 years with the Navy making amphibious landings in the Pacific. I came back then to Iowa State University, where I had a job.

I had come to the attention of the director of the Experiment Station, Dr. R.E. Buchanan. He was dean of the graduate school, head of the Department of Bacteriology and director of the Experiment Station, which was a very large agricultural research phase of Iowa State University. I guess, because of Ted Schultz's telling Buchanan that he ought to have an assistant, I was invited to be Buchanan's assistant. So, my pre- and post-war job was as assistant to the director of the Experiment Station.

With my "tremendous" agricultural background in suburbia of New York City (in New Jersey, we did raise corn, radishes I think, and lettuce), I was really ill-suited for that as a permanent job, but it was a job to come back to. So I went back as assistant to the director of the Agricultural Experiment Station. I begged off half-time to teach two sections of beginning

economics to relearn economics.

Then, my wife, who had her Master's degree in child development (that's how I knew about Bank Street School) in 1941, at Iowa State (that's where we had met), would often ask, "Dick, isn't there a job for somebody in consumer work? You have a degree in consumption economics; isn't there a job?" And I would say, "I really don't know of anybody who is full-time in consumer work," and I didn't.

Consumer faculty were either doing something else, and the consumer work was a fraction of their professional time. At least I didn't know of anybody who was a full-time consumer professional. I didn't know of any jobs of any sort. That is, they might be teaching history or beginning economics and they had critiques, they taught that consumer finance problem or a consumer marketing, or an advertising course with a little consumer bent to it, but there really wasn't anybody that I knew of that was in consumer work. I could have gone into consumer marketing because of my early work in consumer food preferences in eggs.

As a matter of fact, it might be interesting to note, only to people who wonder how you do certain things, the only time I really came close to cracking up, and I'm in pretty good mental health, was when I came back from service. I'd gotten a 50% increase in salary and that was great. But my job in the director's office involved the budget, and I discovered that my peers who had not put in 3-1/2 years of service, were getting twice my raised salary, and that bothered me.

What bothered me even more than that were the changes in the economics department. In 1946, the Research and Marketing Act passed. It was very important for agricultural marketing research. It said, in effect, "We have learned how to produce food; now we need to learn how to market it." And so there was a lot of money given to agricultural experiment stations for market research. You will recall that my Ph.D. was in market research, so about the fifth time that the person who was in charge of marketing at Iowa State (oh, I should back up)... During the war, and you're probably well aware of it, I kept telling people I got my degree in Iowa State, "pre-margarine." Do you know what I'm talking about?

NS: Yes, I know what you're talking about, you might tell....

RM: When I came back from service, most of the economics staff had departed. They weren't fired. They had left what had been an exceedingly excellent department. They stayed together as a faculty because they enjoyed each other's camaraderie and were stimulated by the intellectual ferment within the department. That was gone!

Ted Schultz, the department head, had a grant from the Rockefeller Foundation for a study of agricultural policy in wartime, to deal with such questions as what to do with cattle and farmland, etc. One of the issues that was pertinent was: if you have limited cattle feed, do you feed beef cattle or do you feed dairy cattle? The conclusion was that it would be better to put feed into beef production because the consumer would be just as well off eating fortified margarine. That hit the fan, and the dairy industry raised Cain. As a matter of fact, I think Ted Schultz said recently, when he was awarded the Nobel Prize, what he was proudest of was his stand for academic freedom in response to the flack and pressures resulting from the margarine issues at Iowa State.

He went on to Chicago, Margaret Reid went to USDA, Bill Nichols went to Vanderbilt, and Reiner Shicklie, the last I saw him, he was with FAO Rome--they all just dispersed. Gerhard Tintner stayed there. But, when I came back, only the old guard was still there. And about the sixth time that Professor Shephard, who was responsible for marketing research said, "Hey, Dick, that research project would make a good Ph.D. dissertation," and I would remind him, "I have already written my dissertation," I knew something had to be done. So I took Chapter 3 (I think it was) from my dissertation, which was a review of literature and methodology on

consumer preferences, and had it typed for publication by the experimental station. As a manuscript, submitted for publication, it had to be circulated for review. That way I could force those faculty members on campus most expert in such research to at least read it to decide whether or not to recommend it as an Experiment Station Bulletin. That got my material out into circulation.

One of the individuals who read it and for whom I had great respect said, "Dick, let's go have a cup of coffee." He said, "You don't want to publish that in the Experiment Station Bulletin." He said, "Emil Mrak and I have just signed a contract with Academic Press and we're going to be publishing *Advances in Food Research*." He said, "Why don't you let us have that manuscript?" As a result, if you were to look in Volume 3 of *Advances in Food Research*, you will find my chapter on "Rationale for Consumer Food Acceptance Preference Studies." [laughter] Stewart went on to California to join Mrak who was Chancellor of the University of California at Davis.

After about a year of my wife's asking me, were there no consumer jobs, we had to move, so we bought a house. The next morning after we moved in, there was an Air Mail Special Delivery from Florida State College for Women (soon to change its name to Florida State University) offering me a full professorship in family economics at a salary of around \$6000 or \$7000. That was good money. All that remained was for me to hassle with them as to what was family economics and how it differed from consumer economics or consumption economics.

Of course, I was still the arrogant economist who had some reservations about going into home economics, but it was a very exciting time. I went to Florida State in 1947 and loved it. We'd still be there if it hadn't been for Consumers Union.

NS: You were just discussing how you would have stayed at Florida State College.

RM: For women, which became Florida State University. I was one of 200 faculty employed the first year, and 150 the next year. It was a melting pot of all kinds of persons who came from various colleges. The university started a football team and a graduate program. Faculty meetings were great because of the differences in background; "We didn't do this in Minnesota," "We didn't do this at Davis," "We didn't do this at Rutgers," and so it became a very interesting environment in which to teach.

I used *Consumer Reports* in my classes. First I should point out a curriculum decision I made because I was going to teach Family Finance and the sort of things which are not very academic. That was one of the problems then. It doesn't bother people much any more, but we used to make a distinction and say that a good course might be very interesting but wasn't worth college credit.

I think your historians, your history courses, have gotten around to being pretty non-"intellectually" curious as well. But, at the time, at least, I had great concerns that the courses I taught would be academically respectable. And I didn't think teaching about how to fill out an income tax form was really worthy of college credit. So I made a distinction between the applied and the more theoretical courses. So, in the applied personal finance course, I got into consumer credit. Then I taught "Economic Problems of the Family," which was more a sociological and economic theory kind of course.

I introduced the applied course so I wouldn't disappoint students coming into my good academic course, "Families in the American Economy," that is, a Kyrk-based type of course. But for people who wanted to lead a better consumer life and just want to be employed, I introduced a new course and called it, "Family Finance and Better Buymanship." It was for this course that I had the students buy copies of *Consumer Reports*.

We'd make field trips down to the ...(this is just off to the point, but describes the type of course it was). We'd go down to the Mayo Building in Tallahassee for an experience I'll never forget.

The petroleum lab was where they were testing gasolines and kerosene. In Florida, aristocrats were concerned that their laborers might get blown up if they used too high octane kerosene in their shacks, supported this test facility.

We talked earlier about radicalism. It was interesting to me that Tallahassee had municipal, socialized garbage collection. Flies ate anybody's garbage, which could fly on anybody's food and kids. So public health was always a big deal in the South. It was not considered radical, it made sense. Likewise, also, Florida was an importer of petroleum, so they tested the gasolines sold throughout the state, and their laborers needed protection.

I would take my students down to the labs and we would watch them test gasolines and talk with Syd Andrews, who ran that lab and published a monthly report of the octane ratings of all the filling stations, or samples thereof, throughout the state of Florida. They were giving a complete chemical analysis of the gasoline that was very interesting. You were going to ask me something.

NS: Do you think that's about as early as that kind of course was introduced into the college curriculum?

RM: It was one of the earlier ones. I think Arch Troelstrup was just about ready to come out with his book about that time.

NS: I know Henry Harap had a book that was much older.

RM: Yes, but this was consumer education and I think the kind of level at which Arch pitched his was the National Association of Secondary School Principals. Are you familiar with the series of booklets they had on buying?

You're talking about Henry Harap and there was a group of educators who were interested in that sort of thing. This is something else.

This is jumping ahead about ACCI. I thoroughly enjoyed ACCI because there were three different academic groups that were interested in ACCI. Some were stray economists—you know, economists with a consumer bent like Lee Gordon; educators with a consumer bent particularly business educators, so you've got Ray Price, Ray Heimerl, Henry Harap; and then there were the home economists.

Something I think that is very noteworthy and characteristic of ACCI was that there was never any sex bias and no academic barriers. The business educator kind of a person talked comfortably with the economics kind of a person, with a home economist, and at no time did I hear any "put downs" of one profession against another profession. It was always upbeat. I know I always got a great deal of pleasure in working with my colleagues in ACCI.

Well, back to Florida State. I had students buy pre-ordered *Consumer Reports* at the university bookstore. I thought they ought to be familiar with it, get the information, etc.

One afternoon, just five minutes before a large faculty meeting... (faculty meetings there consisted of everybody from assistant professor on up, so it was a large group). Just before I went to the meeting, the bookstore manager called me and told me that he had just gotten orders from the president's office to burn all copies of the *Consumer Reports*, to cancel all orders.

I went to the faculty meeting with this in mind and at the appropriate time, I had the poor taste (that's what it was called) of raising the question of the college president, in public, as to what the implications of his actions were for my teaching; that if it was not suitable material

for sale in the bookstore, was it suitable material for use in the classroom?

I and one other faculty member the next year at budget time got no increase in salary—you know, there was a blanket increase except for the two of us. So, I looked around...I didn't really look around.

Soon thereafter, I received an inquiry from Kansas State University asking if I would be interested in headship of the Department of (they called it) Household Economics at the time. So I went for an interview, looked over the position and talked with the president of the university. I told him exactly why I was interested in another job. He knew full well what I was talking about, because the year previously Kansas State University had co-sponsored with Consumers Union a conference on campus.

NS: Who would have been instrumental in that, do you know?

RM: Colston Warne. This was during the time that Consumers Union—when they were proselytizing of sorts—they were holding conferences. They held one at Sarah Lawrence, one at Minnesota, and one at Kansas State to generate an awareness of the consumer movement, I guess. The president told me he caught hell from the pharmacists because the conference was going to have something about drug pricing.

You'd have to know President James A. McCain, because one of his great talents was the ability to accommodate people. He could have been a great labor negotiator. Actually, he did become Secretary of our Department of Labor upon his retirement as university president.

He accommodated the pharmacists by saying to them, "Well, whom do you want to put on the panel?" So he put them on the panel. Later, he found that the Chamber of Commerce was just about ready to write Kansas State "off their books" because of the conferences. He said he realized then how important it was to have a Kansas State person on the Board of Directors of the State Chamber of Commerce. So that became his procedure.

I went to Kansas State with this background of advocacy. He full well understood it and he withstood pressures for me. Also, that's why I stayed at Kansas State University from 1955 until now. As I told him, I thought the role of administrator was to keep the awning up and keep the rain off the heads of the academic people, so they could proceed as they should, free of the pressures of the current economic interests. We had that understanding and it did serve me well and I stayed with them.

At one time, I think, at least three members of the Board of Regents were out after my head, but that's another area. I do have documentation here of problems that I had at Florida State and at Kansas State I'd be glad to share with you.

I think this may explain why I've become a little irritated with the consumer who just last year discovered the consumer movement and wants to raise Cain. They really don't have the sweat equity of having sacrificed for the consumer movement.

My wife has still not quite forgiven me, you know. It's been difficult (well, she has, but...). It made a complete disruption of the family.

We left a school system where all the children's teachers had Master's degrees. This was in the poor South, and moved to the affluent Midwest where the first three teachers my three kids had didn't even have a Bachelor's degree. And this was in a university town! We were really set back quite a bit by moving to Kansas.

NS: Did this event at Florida State become news?

RM: No, I don't think I have any press clipping of it at all. It was not newsworthy; this was during the McCarthy era. I'd already shot my mouth off too much by having spoken in Faculty Senate. The press certainly wasn't sensitive to such nuances. It did not become news in any way, even Consumers Union didn't know about it until after it was all over.

I did get a letter from Colston (Warne) saying rumor had gotten to him that I'd had difficulties. Maybe I didn't play my cards right in terms of bringing CU into it, but I really didn't know how to handle it.*

However, at that time I was starting a Credit Union at Florida State University. And I'll say, to the credit of the president, Doak Campbell, that he called me into his office to compliment me on having started the Credit Union. I'd had a little trouble over the last day of work, and last day of pay and he helped me out. I didn't ever feel that.... Bless his heart [laughter]!

NS: Knowing the kind of political environment that existed in 1954-55, was the act of starting a Department of Consumer Education at Kansas State University a controversial one?

RM: Let me back up. I went to a School of Home Economics at Florida State University and they had a Department of Home and Family Life. I became professor of Family Economics in the Department of Home and Family Life.

That department consisted of me in consumer work, somebody in child development and somebody in interior housing, etc., so it was not a conspicuous department of consumerism. As a matter of fact, consumerism did not become a word until about 1964, I don't believe. It was coined by the advertising profession thinking that they would link this consumer business with socialism, and communism, and consumerism. I can't document it, but that's what I've always thought and what I think others have said as well.

NS: You were moving to Kansas just at the moment, really, that ACCI was getting organized?

RM: Almost. When I went to Kansas State, I headed up a department then called Household Economics which was the second oldest department in the College of Home Economics, organized I think, back in 1916, so it had a long tradition. One of the reasons I went to Kansas State was because there was a person there by the name of Myrtle Correll who had been appointed as one of the consultants to the Kansas City Office of the Food and Drug Administration. I followed in the pattern of concern about consumer problems in Kansas, and the William Alan White tradition of advocacy.

Kansans are conservative, but they're mostly conservative with their pocketbook and not with free speech. There are two kinds of conservatives. There are stupid or blind-faith conservatives, and then there are others who are really conservative and will do very radical things once they see that there's a reason for it. For example, Kansas passed, after World War I, the most significant child care legislation. Kansas was one of the first states to have Civil Service for food and health inspection, so it's an uneven bag with respect to radical or advancement. I think Kansas was one of the first states to have small claims courts in every county in the state, etc. Well, that gets us a little bit ahead, but....

NS: When did you first become acquainted with ACCI?

RM: I was on the mailing list and did get letters of invitation, but I couldn't afford to go to Dayton, Ohio, where the meetings were. Then, of course, I had my own problems in Florida and I had young children. What happened in 1957 was very interesting.

*Copies of this correspondence are to be found in Colston Warne's papers on file in the Archives at Consumers Union.

I first attended in 1957. That's Stewart Lee's time as well. We both went to St. Louis. Ray Price was program chairman. He had written 20-25 people asking them to be on the program. My invitation had gotten lost in the mail, went to Florida and all over the place, and finally I got it and said, "Yes, I would come talk on labeling." I and all 22 or so showed up [laughter]. I think there may have been 50 in attendance, and half of us were speakers [laughter], all attending at our own expense. It was a fantastic group.

That's when Gene Beem did his paper on trading stamps, Stewart Lee did his on discount houses. If you look at the proceedings of that conference, you'll see quite a group. We converged there at St. Louis, because as you know, there was a St. Louis Consumer Federation. That was one of the reasons they broke away from Dayton and went to St. Louis, I think.

How did I get involved with ACCI? I got involved in 1957 because I was told Saturday morning or Friday night (they usually met Friday and Saturday, I think), that I had been elected treasurer [laughter].

NS: How long had you been a member?

RM: About 24 hours, although I had paid membership dues in previous years. So, we met the next morning, and I was treasurer. I guess Ray Price was president. I've forgotten who all was there: Ray Price, Leland Gordon, and somebody else was because that's when I commented that it seemed to me like ACCI was an organization of textbook writers. I'm sure I shocked them all.

NS: What do you mean by that?

RM: Well, Gordon has his *Economics of the Consumer* book which I think he first published in 1938 or 1939, Ray Price was the author of a book, Arch Troelstrup was another one, Fred Archer was a writer of a book, Henry Harap wrote a book, Cleo Fitzsimmons had a book.

NS: Did this seem to you like a vested interest?

RM: No, I was just teasing. But it is something worthy of note. You see, we get mixed up in this business of consumer education and consumer information. I think we like to live in a dream world and forget that somebody has to pay the freight for a person doing consumer work. As I said earlier, I didn't know of anybody who was really a consumerist in residence. By prevailing standards, how could you justify enough students to come through an institution to warrant the hiring of a full faculty member who would devote himself to teaching a full load (whatever a full load is) if it were four courses; I doubt if you could ever get that many, let alone one course at a very high level. But where are you going to get the student traffic?

The economics just aren't there to sustain a full-time professor unless they can do some research or do some writing. It is a real problem. Where can you get sufficient concentration of persons? And, of course, if consumerism is going to be dispersed throughout all of the United States, there will not be support to justify a critical mass necessary for much of a consumer's study center. Maybe it's a strength, but it's also kind of a weakness in terms of keeping enough people around to have an academic program. I think this dispersion of talent haunts ACCI and I don't know what the answer is.

NS: Well, when you said that these were all textbook writers, then that is to say that from the beginning, these weren't grass roots aggrieved consumers.

RM: No.

NS: People who had been victimized as consumers and decided to bank together to protect themselves.

RM: No, these were all intellectuals who knew that consumers needed help in terms of making their choices and so forth. No, these were not grass roots consumers. These weren't ivory tower consumers either, nor were these "respectable" ivory tower theoreticians either.

NS: Can you explain that?

RM: They were not content with making abstract formulas letting "X" equal consumers and "Y" equal their income and then look at the elasticity of demand; they were not involved with econometric research; they were not involved with sophisticated marketing research. They were not involved with trying to estimate price and income elasticities in general.

These were persons who recognized the need for an educational system or for changing the system in a way which would address the problems they knew consumers had or should experience if they were to be functioning responsibly in the market. Maybe it's "do-goodism," but I don't think so.

It's persons who recognized that there was a need for consumers to understand credit, to understand funeral arrangements, to understand these things, and who else could write about it but a person who was in education. These were more like professional educators. I've always looked with pride in being a professional consumer and not a real consumer. I think there's a role for a professional consumer. It's usually written off with denigration as "it's just professional consumers," and I think this has bothered ACCI all along.

I know we're looking at the history, yet I want to recognize that some join ACCI with expectations that ACCI should be doing some things that it's not doing. But I think it has a real role to play by just providing an opportunity for those persons who are professional consumers.

NS: Educators?

RM: Yes. Those are mostly educators without a capital "E". Yes, educators who, by profession, are persons who are not marketers—that is, they're not pragmatists. Educators are persons who are interested in the full sense of the word of educating and leading out; helping people find the truth, to find rationality, to seek out faults; they are not interested in the pragmatic decision-making that...well, it's not worth your while to find out because it's only going to be two cents' difference.

And, to a person who is non-pragmatist, like myself, it's very important that there not be a two-cent difference, or to know why there is a two-cent difference there. Of course, you know what I'm speaking of. I'm speaking of the indictment that I'm under now when I'm talking about Truth in Savings. When the bank's off a couple cents, I'd say (I should say), "Don't let that bother you; your time and postage is worth more than that." In fact, I just spent 60 cents in postage because a bank cheated me 56 cents [laughter]. I would have been better off to shut up. But that's not the way a professional educator/professional consumer views such matters, in my judgment. I don't know whether I'm making...

NS: You are. To move that back, though, to the situation of the latter '50s when you first became actively involved in ACCI. Did you feel at that time that ACCI had a certain kind of set of goals or objectives which it was trying to achieve?

RM: I'm sure it did have, and it does have, in its pamphlets, and I guess, rather than what the words say, you had a group of people that came together at that '57 meeting—people like Stewart Lee, Gene Beem, Marjorie East, Ray Price, Lee Gordon, Colston Warne, Wally Jansen from the Food and Drug Administration—where you had a sense of spirit, a sense of concern that there was not enough being done in public policy or not enough awareness of the needs of the consumer for better information and for orientation in public policy and having the

consumer's needs in mind.

This I would say. Very definitely, ACCI at that meeting, and in later meetings, seemed to me provided in the best sense, a forum for persons who shared this broad concern for the consumers in America. From their various diverse backgrounds and professions they enjoyed and got excitement out of hearing others speak to the issues from their different perspectives. So, it was a good marriage.

NS: I'm curious as to why the same group of you couldn't have gotten together at a meeting of the AHEA or the business association or the AEA.

RM: In the first place, the economists did not recognize this area at all. The home economist did have quite a bit going and they did have a Consumers Interest Committee. They did have a very viable program.

I don't know whether you're aware of the Consumers Interest Committee of the American Home Economics Association. I was chairman of it in 1955; we had a strong legislative program. I'm sure there was a group in business education that Ray Price and Ray Heimerl and others encouraged to recognize consumer education. But I think that ACCI provided an opportunity for full expression to consumer issues without the distraction of the professional disciplines.

In the first place, you didn't have people from Food and Drug, Federal Trade Commission and the other organizations meeting with these other groups (AHEA, AEA, and Bus. Ed.) to discuss consumer interests.

We're a little bit ahead of the story, but I just gave you copies of a document that I prepared for Stewart Lee on three incidents: "Book Burning and Salary Discrimination," which was at Florida State University; "When the Banks Came After Me," and that's when the Kansas Bankers Association wrote all members of the Board of Regents for my head. I came out of that one beautifully thanks to tenure, and am now respected by them; and I think maybe there's another one in there about the pharmaceutical association's executives telling the university president I was a communist.

What Stewart Lee had done was to collect reports from me and others about problems we had experienced and wrote them up as journal articles. He thought this would be a good *Journal of Consumer Affairs* article because he felt that some of our members don't really appreciate what it means to be a consumer activist. Stewart and I have never talked about this article, but the upshot was they wouldn't publish it. The editor and reviewers did not consider it publishable stuff.*

This is one of the problems that bothers me about ACCI and the *Journal of Consumer Affairs*. They want to keep the *JCA* so academically respectable that they are not really fulfilling the role that needs to be played, of helping persons who are responsible in fulfilling their responsibilities even if they catch hell. I personally think that you don't have much of a consumer movement if you don't have some people who have taken positive positions and risked getting burned.

I guess, what we were talking about was that the Council on Consumer Information, as it was called, provided a meeting of persons who were convinced enough of the need for consumer education, advocacy, or what not, to attend. I suppose that we all have our turn-off points, but we were sufficiently interested that we enjoyed meeting, and those motives were mine.

*P.S. Dr. Lee tells me that the editor of the *Journal of Home Economics* has accepted the article.

Stewart Lee had his problems, and observations about his problems and those of other consumer activists were put into a paper. I don't know how Stewart boiled this down on my part. In any case, he submitted the manuscript to the *Journal* editor, and it was turned down.

NS: When was this?

RM: That was written in '78, so it would have been '78, '79, '80. When you interview Stewart, you may wish to ask him about this.

NS: Do you think it would have been accepted in the *Journal* earlier? Or was the *Journal* like this from the very beginning?

RM: No, because we didn't have a journal until 1967. We had a pamphlet series. The pamphlet series had its problems getting authors, but those pamphlets were....Have you looked at them?

NS: I have, but I have not yet looked at the complete series of them.

RM: Well, they were policy-oriented issues. They dealt with funerals and what you could do about it. They dealt with packaging and they didn't pull any punches. They were following in the pattern, I think, of the popular public affairs pamphlet series of the time.

NS: Yes, I know that series.

RM: This aversion to activism is one of my concerns about ACCI. It's tied up with the economies of scale, and who does what for what rewards. Not all of us in academe can be independent; we can't raise our own money. We're dependent upon the student body, and we're dependent upon research grants. We'd like to have the approval of our peers, and often must identify with some group.

I don't know whether ACCI really provides that background support for activists. Publishing the *Journal*, the tone of it has always been one of non-advocacy, and in my judgment, it published what I consider to be not very useful pieces. Some pieces, in that they are academically respectable, are quite good. On the other hand, the *Journal* has provided a vehicle for gaining academic acceptance and it has provided a base for academic promotions for a good many faculty because they have an outlet. The "publish or perish," you know, the kinds of things that they published until the *Journal of Consumer Research* came along (about in 1974), just were not publishable by other journals.

NS: Do you think that journal was an outgrowth of *JCA*?

RM: It didn't have anything to do with the *Journal of Consumer Research*. No, the *Journal of Consumer Affairs* came out of Esther Peterson's shop.

NS: You mean the *Journal of Consumer Research* came out of Esther Peterson's shop?

RM: No, the *Journal of Consumer Affairs* came out of a suggestion made at the time by Dave Swankin from Esther Peterson's office in the White House. He was her legal counsel. Dave came before the ACCI annual meeting and urged the ACCI to establish a professional journal, feeling that this was very much needed. And, indeed, it has provided academic respectability to consumerism.

NS: Let me get back to that period when you first became active—in the late '50s. You were of the opinion then that the group that you first came into contact with was a group of people who were activists in the sense of which you've been speaking, which is to say, had taken active

positions, had made public statements with regard to consumer policies that put them at risk, some of them.

RM: Yes. For example, I think Leland Gordon took some risks. He was involved with Consumers Union and invited Colston Warne to Louisiana, where Gordon was teaching. I can vaguely remember about this. Colston could tell you about that.

Henry Harap and other educators had the Stephens College flare up. He had been party to this and felt, with others, the need for—I think that was behind all of it—that there was a need for some kind of a home for those who were intellectually interested in consumer problems and believed in consumer education.

NS: What kind of purpose did it serve for you going to those meetings and taking part in that organization?

RM: I had a unique situation. I was the only man in home economics. The meetings provided me an opportunity to talk with persons and share with persons from other disciplines who had a consumer perspective. The *Newsletter* kept me aware of what was happening on other campuses. It gave a breath of fresh air, so to speak. And they were a lively group.

I guess there was another aspect to this. These were all very non-commercial persons. That is, they were not paranoid or suspicious, but they were certainly all aware of the over-influence that could be had if persons became beholden to the dollar contributions. So, in a sense, we were living in an ivory tower. Except for the royalties that they got from books, none of them had any contacts with the outside world with respect to gratuities, grants, and...

NS: You weren't consulting?

RM: No. And if they were, it was very minimal. Now, the closest we came to this, and I think you will pick it up from Gene Beem....

NS: I already talked to Mr. Beem.

RM: Yes. He's delightful, isn't he?

NS: Yes, he is.

RM: Let me tell you something that you didn't get from him, I don't suppose. I was opposed to trading stamps. I was, as I said, chairman of the Consumers Interest Committee of the American Home Economics Association, and we tried like the dickens to get AHEA to take an anti-trading stamp position. I even published my own materials about this.

Gene, Stewart and I were at that 1957 meeting and we went to a party at Mrs. Johnson's together. I can still hear Gene. He was talking about how great trading stamps were from a consumer perspective. After all, it wasn't a matter of wider aisles or ding-a-ling songs, or...here we had something--trading stamps—of value for the consumer. So it was a marketing tool, it was not a bad option for the consumer.

I argued that trading stamps cost. Even if you can't find the cost, it must be there. It takes 3%. If you've got 3% to waste, you might as well spend that for the school system. I argued deductively, and he was arguing pragmatically.

We hadn't argued very long, but he took one look at me and he said, "You must be from the University of Chicago," and I said I was [laughter]. I was arguing deductively, you see, and he was just being a very pragmatic marketing person. Gene and I have always enjoyed each other since then.

When I was working in the White House with Esther Peterson and trading stamps came up, whom did I write immediately? It was Gene Beem, and he loaded me up with all sorts of good materials. I always had great respect for him.

On the board, there were some (I was not program chairman, you see, I was just new) who had invited him and had known him. He'd been secretary for the ACCI in '53 or '54, and I think they felt betrayed by his acceptance of an S&H position.

Marguerite Burk was just incensed because he was going to write a bulletin on trading stamps for ACCI. And what were we going to do with this dad-gum manuscript of his? One compromise was that I write a con and he write a pro position.* The closest we got to that was when I debated him. We were invited by Marjorie East to Pennsylvania State University where we held a debate on trading stamps. But I never had that sense of betrayal, because I had not been party to the original negotiations or had not known him beforehand. The board members certainly were in agreement that they didn't want to have on the Board of the ACCI anybody who had commercial ties.

NS: Did that automatically place the ACCI in the position of having an adversarial role with business and commercial interests, and if so, was that a source of some debate as to whether or not the consumer had a naturally adversarial relationship?

RM: One general comment about having an adversarial relationship is that I'm always shocked that big business with its multi-millions can feel that this little pipsqueak organization could be anti-business and do business any harm. I think it is really a tribute to ACCI's independence. I never felt ACCI was anti-business; it just didn't want to be overwhelmed with an overcoat of business.

As you know, this project here is being funded by business funds, but only after considerable debate. The arrangement as approved provides that you keep that arms-length distance or something (there's a better word for it) so that no outside money shall flow through the board of directors, because they might get accustomed to the larger revenue and depend on it. I'm the number two person in the crusade to keep ACCI untainted. I think the person who has been most definite about all this has been Ray Price.

I debated this at the Denver meetings. On the panel were persons who could see no harm in the ACCI taking commercial funds. I have been adamantly opposed to commercial support because pretty soon it becomes the tail that wags the dog. I'm just afraid of it, and therefore have always been opposed to commercial ties.

NS: Do you see a difference between the grants that for many years supported ACCI, that were given by Consumers Union, and the grants that would be given by commercial interests?

RM: Yes, because Consumers Union has been a purist as well. At no time that I served on the board did I ever feel that Consumers Union had paid any attention to ACCI. The only thing that I objected to is that CU began to cut ACCI off a little bit and wouldn't advertise any of our publications or give us any publicity. We were a small, struggling (not really struggling very hard), but a very small group of persons who had quite a bit to offer, and even Consumers Union wouldn't pay any attention to us.

No, I think there was a difference there. Furthermore, many of the members of the Board of Directors of CCI had also been members of the Board of Consumers Union, and both are elected by their membership. As we all know, we are not privy to whomever is elected to the General

*In February, 1958, President Marjorie East declared the proposed trading stamp pamphlet dead.

Motors or Atlantic Richfield or the Shell Oil Company Board, and it's a different ball game, I think. These are not persons that are approachable and you have no access to them in terms of public policy.

NS: You mentioned the Eugene Beem episode and this most recent Shell Foundation grant. Are there any in between those two, any episodes in ACCI's history that really threatened or jeopardized the non-commercial position?

RM: Yes, I got into a jam of sorts. The exact years I can't recall, but I was not forgiven for some period of time. Because we were short on publications, we couldn't get a pamphlet published for distribution, as promised, for our members. I suggested that we circulate a pamphlet put out by the National Foundation on Consumer Credit. Horrors. I don't think Colston ever did quite forgive me, or anybody else forgive me, for showing any semblance of identification with this outside group.

Of course, there are a lot of people who are emotional about consumer credit, anyway, and think that anybody who extends credit is.... The National Foundation on Consumer Credit is not a very respectable (objective) group. ACCI was trying very hard to issue consumer education materials, and I thought that the NCFR bulletin was about the same size as our pamphlets and it provided descriptive information that would have been very useful for our members. But [laughter] it didn't go over very well.

NS: What were they afraid of? They knew who you were and they knew the position that you took coincided with the position the ACCI ought to expose, at least, to public examination.

RM: They just were so opposed to the credit grantors and their organization that they just didn't want to be party to their distribution. That was a small idea, and I frankly, looking back, think it was probably a poor move on my part. Also, this was before I gained recognition as a knowledgeable contributor to Truth in Lending.

The only other times—I mentioned the Denver meeting where we had the formal debate as part of the conference program. I did tape that but I think I've erased it since then. Then came the debate in the business session over persons who are associated with business should have full membership and voting rights. I held firm to the fact that this was a consumer organization, and that they could take up membership but not necessarily have voting rights. My position prevailed.

I don't know that it has made an awful lot of difference, but even some of the business people were very supportive. It would mean they could come to ACCI without feeling they were coming as a representative or defender of their corporation, but were coming as a person who was interested in consumer problems. I think that makes the difference.

NS: Could you tell me just how this whole situation arose, that it even became an issue?

RM: No, I can't. Ed Metzen can. I was no longer on the board and it came up as a resolution. Ray Price spoke to me before the meeting and said, "We've got to take care of this thing." And so each of us would get up on the floor.

I've had the role, or carved out the role, of having to be the "David" in David and Goliath so long and so much, I'd hate to have my fellow members have the cause of ACCI diluted with persons who are graciously deluded by large grants of funds or by outside interests. You just cannot deal with them in other than an adversary role. It doesn't mean you're opposed to them, but why invite them in? I fought the banks for years over Truth in Lending.

As I told you, I've been a home economist, I've worked with a home economist. I got a resolution adopted in 1959 by the Kansas Home Economics Association for the essence of Truth in Lending, and then I read in the newspaper that Senator Paul Douglas had introduced

legislation. I worked until 1968, when we got that passed. I testified three times before the Senate, once before the House. I was appointed at Senator Douglas' insistence to President Johnson that I be named consultant to Treasury for Truth in Lending. I wrote the act which Proxmire picked up after Douglas' defeat. APR (Annual Percentage Rate) and PPR (Periodic Percentage Rate) are my stuff.

I've testified against Bob Johnson of Purdue, who was at first in Buffalo, then Michigan and then Purdue. I testified against him twice in California and repeatedly in Washington. It now hurts to have the *Journal of Consumer Affairs* and ACCI have Johnson and his sort on our conference programs and publications.

They're out there with their hands outstretched, getting grants of funds from Sears, National Retail Federation, doing "great" big research jobs, (supposedly) snow jobs. They certainly did everything they could to use their talents to show how Truth in Lending was impossible and was not in the consumer's interest.

Now I'm gracious and all that, but I'm not about to have them join my organization, with their clout, in an unequal status. Let them come in, pay their own freight, let them not be a voting member, or if they want to join as an individual, who knows, let them come in that status. Then let's square away, as individuals, all the issues, and not because they are representing Sears, or J.C. Penney, or what not.*

NS: Was there a situation where the AHEA was threatened by a takeover of a commercial, or...I seem to recall Marjorie telling me of a situation at AHEA that may have induced this concern.

RM: I can remember several things. In the first place, they were worried about their income tax status. They were worried about becoming advocates, and then I guess, it's out of that background of observing home economists' timidity, that I have that feeling of concern about business influence.

They didn't see too much wrong with *Good Housekeeping*. After all, Willie Mae Rogers was a nice lady.

They have an organization called Home Economists in Business. You have to be with a profit-making corporation before you belong to the HEIB's. Their thinking just is not very clean. This prompts me to express a sensitivity which I don't think is paranoid. I think it's real. It makes me become very purist, which gets interpreted as being anti-business, which it is not! It's respectful of the businessman for what he is; he's got a message to sell and that's his primary interest. He wants to make a profit, and fine, that's what his mission is. But don't let him cast that prime mission aside and say, "Oh, my profits don't amount to anything; I really want to help the consumer." Let the person come in to ACCI in their own right, and not come as a corporate representative or from some other outside organization.

AHEA was concerned about their business interest identity. They don't have any business interests, but they do get a large bit of revenue from their exhibits at their annual meeting.

For example, they accept commercial exhibits. And some of their officers have been with General Mills, General Foods, etc. And we've got the carry over of Post Grape Nuts and all that stuff that surfaced at Stephens College.

*For example, it is difficult for me to respect J.C. Penney, which filed a court suit in Massachusetts to stay the requirement that 1-1/2% per month also be disclosed as an annual rate of 18%. They claimed the 18% to be misleading....Dummies!

In 1955, I can remember when I met with the Consumers Interest Committee of the American Home Economics Association, the executive secretary, Mrs. Horton, coming in to our meeting and saying Dr. Colston Warne wanted to know if he could come and meet with us. And I told him, no. So, he got turned away at the door of the AHEA. I was chairman of the committee.

My next incident, of sorts, was when we, the Consumers Interest Committee, decided to produce a skit called "Alice Consumer in Wonderland."

NS: That's from Chase and Schlink.

RM: Actually, we decided to put on, for the St. Louis AHEA convention, a three-act skit talking about the problems of the consumer. It was written by someone at Cornell University.

The first skit was a door-to-door salesman of vacuum cleaners with a bait and switch deal. The second skit was a person shopping for clothing, and the problems there were the size and labels. The third skit dealt with comparative shopping between frozen foods and fresh foods.

This helped me realize the pressures that a group gets under. First off, they had a door-to-door salesman come with a vacuum cleaner that was not their cheap advertised number, but about like a Kirby—you know, it mowed the lawn and trimmed the hedge and shampooed the dog and did the whole works. Little did I realize that Mr. Hoover, as chairman of the Vacuum Cleaner Association, claimed such sales tactics didn't exist.

By good fortune, the home economist of the Hoover Company and I had known each other in Florida, and when she found out what I was up to.... I had to go get some props, so I went over to her exhibit to get props to make that old vacuum cleaner just sound like a thrashing machine and I wired it up and stuff. She cooperated beautifully.

NS: This was at the convention?

RM: Yes. So we got in trouble with the vacuum cleaner people, because they allegedly didn't really have any pitchmen that went door to door.

On the clothing, we didn't run into any flack. But on the food one, the frozen food people claimed we had something about salt being in frozen foods, and now I hear about salt. They were defensive about it at that time. We withheld the pressure to have those lines stricken.

NS: When was this?

RM: 1957. The Alice Consumer in Wonderland, the skit in four scenes, and I can supply this. It was prepared by the Consumers Interests Committee. Following the skit, we had invited Persia Campbell, Consumer Counsel to the Governor of the State of New York to give a talk about the consumer movement.

I have no objection to the action taken by the American Home Economics Association, but it is amusing. Actually, we were going to distribute copies of the skit at that time. But AHEA had some second thoughts about distributing the skit and making it widely available 'till they cleaned up the act to the satisfaction of the vacuum cleaner people, etc.

Oh, another amusing incident—while I was on the phone debating with the frozen food people who found the skit most objectionable. I was on the phone with them a long time, so I gave my wife a copy of Persia Campbell's speech for her to read while I was still yacking with these frozen food people complaining about our skit. Marjorie said, "She didn't finish this, it just lopped off, incomplete."

Well, you have to know Persia [laughter]. We had finished the skit in plenty of time, leaving

Persia plenty of time to give her speech. She got to that spot in her speech where she hadn't finished and said to the audience, "Oh, I wish I had more time." [laughter]

In terms of AHEA, I had problems with them on trading stamps. I wanted them to take a position against stamps, which they would not do, but that's understandable. Where I really had troubles with them—and this is what Marjorie East may have told you about—was with respect to Senator Hart's Truth in Packaging Act. I tried to get them to adopt a resolution in support of truth in packaging and technically won.

Some of the home economists who were very vocal in their objection were from Procter and Gamble and from General Foods. The vice president of General Foods testified against the bill, for example, and Procter and Gamble naturally was opposed to any of this stuff.

As I recall, I got the AHEA Board to approve sending the resolution out for a mail ballot. It came back from the mail ballot something like 2/3 for; 1/3 against. But there were an awful lot of them who had abstained. At the next meeting, I got the parliamentarian to rule, because those opposed were claiming we didn't have majority of the 100%, so they had won. I got the parliamentarian to rule that a majority of those voting prevailed and that those who did not vote, in effect, voted to vote with the majority.

Despite that, we still didn't get any supportive action from the American Home Economics Association on truth in packaging even though it had been recommended by the Consumers Interest Committee and then by the board.

NS: Now, had you found the ACCI in contrast?

RM: ACCI took no position on anything. It has been non-activist. Clinton Warne tried to get ACCI to take positions on resolutions, but that effort died after a year or two. We have never had any resolutions. As a matter of fact, at the St. Louis meeting in '60, rumor had it that Persia Campbell was going to be in the running, and Persia couldn't make it to this meeting in '61. That is when I wrote Kennedy and he got the four page telegram back; I'll talk about it later.

NS: In the running for president?

RM: Persia could not attend the meeting of the ACCI. Some of us thought Persia had encouraged Kennedy in his Bronx speech to come out for consumer recognition. No one can pin that down as to who really got to Kennedy and got him to promise recognition of the consumer the night before the election.

The rumor had been, in the paper, that Persia was going to be appointed Kennedy's Consumer Counsel. At our meeting in St. Louis, there were some that thought that it would be appropriate for our organization to at least adopt a resolution (since Kennedy had sent the telegram) to suggest Persia Campbell to Kennedy and give our support for her. Ray Price rose from the floor and said, in effect, "We don't take any positions on anything!" So even this organization would not stick its nose out, even to recommending to the president, Persia Campbell as consumer counsel. I think it gives some indication of how non-controversial ACCI chose to be. As well accepted as that recommendation would have been, they chose not to take any position.

NS: In your view, does that diminish the effectiveness and influence of the organization?

RM: I'm sure it does in some cases. On the other hand, you start to think realistically in terms of what good are resolutions anyway. If they are so obvious, they are going to be adopted without much, if any, discussion, and without any preliminary work.

When you've got an organization that can meet at best once a year, and for the executive committee meeting at infrequent interims (that's what we were doing) and most of it at personal expense, you really don't have the staff and the mechanics for doing it right—to address the issues, identify the pros and the cons and spend enough time debating the issues that I just think it is a luxury you can't afford in a small organization unless you just want to avoid controversy and document the obvious.

We do adopt resolutions—thank the city, the mayor for having us, and the good work of committees—you know, the non-consequential motions. I think probably it is beyond the capacity of this organization to come to grips with significant policy issues. We just cannot afford it.

NS: Could we go back a little bit now and maybe a little bit more concretely sketch the duration and kind of involvement you had as an executive officer or as a director with ACCI?

RM: I really don't know as I've anything to contribute. We performed our nominal duties. I don't remember much about '58 or '59. 1958 was in Cincinnati. I just remember that we met there and talked on criteria for consumer education materials. 1959 was in Washington, DC. I think that was when we met Senator Kefauver for the first time and went to the Senate, and that was nice. No, that was at our second meeting in Washington, in 1963.

I'd like to talk about 1960, because I was program chairman for that meeting. I tried to bring together all of the organizations that supposedly had a consumer orientation. It was my hope that we could make ACCI what I thought it had already become, in part, the focal point for the consumer aspects of the various organizations. I think I have a copy of that program.

We brought together people from the American Home Economics Association, the Cooperative League, from labor, from the government—that is, Federal Trade Commission, the Food and Drug Administration and USDA. We brought together consumer groups such as the St. Louis Consumer Federation and we had labor, as I mentioned, and the American Association of University Women, AHEA, the Consumer League there in Minnesota.

We tried to bring together every organization that had a consumer identification to see if we couldn't get a consumer movement out of it, and it worked in many respects. I saw many people who were fighting the battles or working for their causes of their particular area, meeting at CCI with other people.

This was the first time, for example, that Helen Nelson from California came after she had been appointed. Persia had gone out to California and helped Jerry Brown's daddy, Pat Brown, select Helen Nelson, but Helen Nelson had not identified with the consumer people, so this was her introduction to ACCI and to the consumer movement.

Gordon Bivens had written me that he would like to get involved—got him involved there at that meeting, so that was his introduction. Governor Freeman was the major speaker, and that's the first time I had an opportunity to meet somebody of that orientation.

NS: Who was that?

RM: Orville Freeman. He was then Governor of Minnesota. If you would look at this program and see all of the speakers that we had and then realize that all of this tremendous program was put together with a budget of less than a hundred dollars, including the printing of the program. It represents to me how interested or starved or concerned these various people were to come from all over the United States to this conference to participate in it—as speaker or as listener—because, to them, consumer wasn't around enough.

I had this printed and published in Manhattan in our local shop and I paid the bill. I don't know any other way of really dramatizing the niche that the Council on Consumer Information

provided at that time—that you could get all of those. George Larick, from the Food and Drug Administration attended, and I think Wally Jansen's article in that book just published by the Consumers Union, *Consumers Made a Difference*.

Wally Jansen, in that article, shows his sensitivity of the need for getting his boss to the consumer meetings, and by gum, he and Commissioner Larick attended almost every meeting. He was there in '57, '58, '59—they were just regular in attendance. When I stop to think now, I can't believe that we could get the Commissioner of the Food and Drug Administration to come to one of our meetings.

What's happened? Is there so much consumerism around? Has the world gotten so increasingly hectic? Transportation then was much more difficult. That meant a whole week out of his office, I suppose. And yet, he came!

NS: Could you answer the question yourself?

RM: The only answer I have is the fact that there was just nobody else talking about consumer needs, consumer education, protection and advocacy. I've run them all together. The theme here was consumer representation. I think that they felt that this conference was something they could learn from and share with and teach others about their work and that the Council provided that forum of sharing of ideas and the excitement of ideas in a non-disciplinary way—I guess that's the other part, too.

NS: Doesn't the political climate of the early Kennedy administration go a long way in explaining this?

RM: This was before the Kennedy administration.

NS: This was '61, right?

RM: This was 1960. Freeman was then governor.

NS: That's right.

RM: You see, we didn't have it. You've probably seen my piece where I married the whole sequence of consumer representation in government. If not, I'll leave a copy with you. ("Consumer Representation in Government," 1964 and 1967).

You sort of get started with Harriman's appointment (you go back a little further to Harriman's sister, Mary Rumsey) of Persia, and then it's beginning to be picked up with California by Pat Brown. His was the first to appoint a consumer representative approved as an act of the state legislature.

NS: Before Persia?

RM: No, Persia was a governor's appointment, and then Pat Brown got through the legislature the office to which Nelson was appointed. That's the first time the state government recognized it. For some reason, we had in Connecticut, a guy by the name of Frassinelli, who was Commissioner of the Department of Consumer Protection for the State of Connecticut.

NS: Is all this just '58, '59, and '60? Is that what you're saying?

RM: It just all happened.

NS: These were the years when consumer representation really becomes a reality.

RM: That's right. The first time that you've got recognition on the part of any state government.

NS: To what extent do you attribute that in those supposedly "quiescent" '50s?

RM: I think we had the beginnings of concerns for various things like meat inspection, pesticides. Even credit was beginning to attract attention. Advertising was beginning to pick up. We didn't have the advent yet, or much of an impact of TV. I think there was just a growing concern that was recognized by the Arch Troelstrups and the Lee Gordons, etc., and then you began to get it in schools. And the Consumers Interest Committee of the American Home Economics Association which I chaired, was very active.

NS: If ACCI wasn't taking public positions about representation, was there a lobby for a consumer interest at that point among the Democrats?

RM: Yes, I think so.

NS: Democratic party, definitely?

RM: Democratic party, yes. But I don't know, where did Harriman get it? Of course, that's where I begin to think personalities have some; the seeds that were planted by Consumers Union in holding these workshops, the seeds that were planted by Consumers Union in getting ACCI started. There were a few people like Neuberger and Sullivan and there were Kefauvers. Don't forget the Kefauvers, and don't forget even the Trumans in the TNEC days.

NS: So the thalidomide scares and the Rachel Carsons and the smoking problems, anti-smoking—I think Neuberger wrote about the smoking problem. Kefauver was advocating closer regulation of pharmaceuticals.

RM: Right, and Sullivan was asking for the cleanup of the Food and Drug Administration and at least better legislation there.

NS: These people would never have come to a meeting of the Home Economics Association, perhaps, but they would come to the so-called pure, or neutral, ACCI?

RM: Yes. You go to another organization, you get defused. This had strictly a consumer focus. Now, going back to 1960, what organization did have a consumer focus? Except Consumers Union and Consumers Research, I suppose. It had a product orientation, but there was none that I know of.

There was the National Consumers League which was really a misnomer because it was concerned more with workers' rights, so that was not a consumer organization. The AAUW and the AHEA had a section on it, but I think it was the only one.

There was another organization that never amounted to much. You ought to get into the history someplace of the NAC (National Association of Consumers). That's the more radical kind of, I mean, those were the activist kinds of persons like the Helen Halls—which somehow or other this ACCI organization never had—which was to promote education, information and research. Marguerite Burk was great on research and supposedly we were going to do research and issue the findings.

It was not a cause organization. But somebody got to Kennedy in 1960.

NS: This sort of comes back around to this question about the non-political nature of the ACCI. Can't it be more effective than a resolution to have a politician come and speak to a convention?

RM: Yes, much more. These programs usually ran Thursday night, Friday, and Saturday morning, and Friday evening was the banquet speaker—this was Persia Campbell this year, 1960.

When we met in St. Louis in '61, Marguerite Burk was in South America, so it fell my lot as president to continue even as program chairman, partially, for this conference. I tried like the dickens to fill the '61 banquet speaker spot for our St. Louis meeting, and I couldn't get anybody.

I called Senators Estes Kefauver and Paul Douglas—they couldn't make it. Strangely, though, one of Douglas' assistants said, "Have you thought of Senator Hart—he put in some kind of Senate resolution," and I said, "No," and I never did get back to him. I finally fell back into asking Jim Mendenhall. Consumers Union had just put out a film, probably one of the best films that was ever done.

NS: The Lincoln High School thing?

RM: Before that. No, this was a film on how they test products.

NS: "The Consumers' Right to Know," or something like that?

RM: It showed testing of shoes in the playground with the kids.

NS: I know the one you mean. I don't know the exact title.

RM: Very excellent film. That was going to be our evening program. I wish I had a copy of the St. Louis conference. It would be 1961, which would show the scheduled session not to be Senator Hart.

Marguerite Burk came back from South America, checked in, in Washington, and she said, "Somebody from Senator Hart's office stopped by and asked if it would be alright if Senator Hart came to your meeting" [laughter], and I said, "Yes." So, she came to St. Louis with him having invited himself to attend our meeting.

When I broke up the meeting at 4:30 after the session I was presiding over, I said, "I understand that maybe Senator Hart will be here this evening at our banquet." I went up to the banquet, and sure enough, there at the head table was Senator Hart.

He reached into his pocket and pulled out this several page document and he said, "If it's all right with you, I have an announcement I'd like to make; would it be all right? I've timed it. It will only take 7 minutes."

That's when he said—and I think this is characteristic—"In these last several months the new frontiersmen had gradually been leaving their employment at universities and coming to Washington and to the astonishment of some..." He goes on, "For the most part, these are men who still have small children, and for the most part, they lack the incomes of the now departed captains of industry in the financial world who so recently occupied the seats of federal power. Why do I mention these facts? Because I think they suggest that the poor, miserable, battered, befuddled consumer is about to come into his own in Washington."

Now he was seeking the truth. I think the '60s people had kind of run through their savings. We had the baby boom for sure. There were a lot of people who had the money, the likes of which they'd never had before but weren't getting the full life that they thought they should be getting. Also, we had the technological revolution. I hate to be so mundane about it, but nobody had a washing machine until after the war, and Tide didn't come out until...a new kind of detergent.

We did get the breakthroughs at the home front. We talk an awful lot about the cost of war, but we also got the benefits. We got the breaks of life we're now getting with the space age benefits. You couldn't ask grandpa or your dad or your mom, and you did need help. We also had a blossoming of merchandising. We then began to learn the techniques of marketing goods and

selling people and I think there was a great hunger, starvation for, and concern about the consumer. I think all these things put together.

We talked earlier about whether history makes man or man makes history, and I think you have a synergistic effect of the two here, meaning that the times were right, and you had somebody that was speaking out. The other fact that should be recognized is that I don't think it went much beyond the walls of the people who were there. Obviously Hart was looking for someplace in which he could talk, and as a matter of fact, it bothers me that I don't have those tapes.

NS: You don't have those tapes of the meeting itself?

RM: I don't have the tapes of that meeting. I think they've gotten wiped.* It makes me sick, because I always thought that I had them just on the shelf, but I find that I don't have them here. Maybe I do, I brought the tape recorder and the tapes, but we'll look later.

Hart spoke and then I said, "Will you allow yourself open for questioning?" He sat down about two hours later! [laughter]. He did come to pick our brains. He did come to hear what we were concerned with. He did come to have questions put to him. He said, "Well, I can always go back and manage the Detroit Tigers." That was his out. He was a beautiful man and he was so low-keyed but so powerful, and he did sneak up on us to speak. He just came—he was just going to take 7 minutes—I timed it.

NS: Do you think the fact that he had spoken to you had an impact? Did the fact that the Council received him, lend any additional influence or credibility to his position?

RM: No, not at all. I think it helped him appreciate that he was not completely alone. It did help him because Clinton Warne had just issued a pamphlet on deceptive packaging. That's one of the pamphlet series, probably number 13 or 14. It did help him because he always gave me much more credit for helping him on the Truth in Packaging Bill than I ever did. I worked on Truth in Lending.

I did write letters. I've got some very interesting letters that I wrote. I worked on Senator Pearson. I've got some very interesting files of persons writing letters which were sort of anti-truth in packaging, I guess, when they got into what used to be the secret sessions when they marked up the bill.

I sent a letter that must have hit just at the right time. It was because a local grocery man that could care less about policy, but he always liked my students coming in making studies. He saw me come in the store and he ran. He said, "You've got to come and see this." He had a Green Giant pea can that said "smaller size," and then it had an asterisk that said, "smaller than usually grown," or something of that sort. It told you absolutely nothing. Evidently that hit them in the Senate at just the right moment when they were marking up the bill [laughter].

I would remind you to go back and look at Wally Jansen's statement. Wally was there in St. Louis and we were having coffee the next morning, after I got the telegram from President Kennedy. I thought it was nice, but Wally was ecstatic. He said, "This is the first time that a president has really spoken out." He thought that four page telegram was news—biggest, greatest news he had ever seen. He took it down to the St. Louis Post Dispatch and they kind of yawned.

I called my wife that night and had her call the University News Bureau to say that a faculty member got this telegram. They didn't make any press out of it at all, because it was a

*The tapes have been found of Senator Hart's announcement and the extended question-answer period.

Democrat or the consumer was not news. We would have had to have been a Black Panther or whatever, or consumer panther, or picketed or something to have made news.

That's why I have some respect for the persons that really hit the streets. I think we gave assurance to Senator Hart, who had internal strength and didn't need the outside world. I don't suppose there were more than 50 of us at that banquet. Every one of us shot questions and talked with him. He went away, I'm sure, with a much better feeling for the kinds of questions he would have to field later on. Do you know Jerry Cohen?

NS: No.

RM: He was his administrative assistant. Jerry was just fantastic. They were a really good team. You do raise a very good question: how can you be so strong and yet not be so obviously strong. Ghandi comes to mind.—I can't stand the character who is at the University of Chicago, philosopher, just had a series of articles.

NS: Mortimer Adler?

RM: Yes. What is the ultimate truth? He was trying to say the truth is really what the truth is. Two and two is four no matter how much we can argue and debate, and so forth. I guess there was an ultimate truth that Hart was after and that we were after and not true in any terms of conflict of resolution. That's just an obvious manifestation.

The truth was the people wanted to know the size of packages. Opponents of the Truth in Packaging Bill said people would be confused with all the facts, how large is a serving, what is the front panel of a cylinder, and all these sorts of things, whether you have consumer "information overload"—that's the one that always kills me.

I don't know how you can give more information than a person can ever understand, or doesn't want to know. I don't mean to be magical about it, but apparently we were hitting pretty close to something that was really wanted.

NS: Did you feel that you knew the active membership of the entire organization in those years?

RM: Yes, but some would come and go. For example, we used to have student memberships. Ray Heimerl would have his 20 students all sign up—they used to become a member for \$1.00, or something small like that. They would come and go, but the hard core of the membership, yes.

I'm just amazed now. I read that 1953 or 1955 issue that you gave me. Amazing how many of those people I still see. I don't see them every time. Yes, there was a pretty large core of persons that hung in with loyalty and with interest over the years. I think I missed one or two sessions and I always was shocked how many people said, "Hey, we missed you."

NS: Several people, in answering the questionnaire Marjorie Merchant and I sent out about notable events, point to 1963 as the time when the decision was made specifically not to become involved in political advocacy.

RM: I don't know. I was too involved myself at that time because in 1963 I was in Washington. That's when I was on the President's Consumer Advisory Council. I was a bit screwed up as to which hat I was wearing where.

At the 1962 meeting, we carried forward with another kind of something that didn't continue. The Food and Drug Administration had, by that time, established in Washington a consumer specialist, Carla Williams, who had a whole clustering of 13-15 consumer affairs persons in the various regional offices.

It was my hope, when she did this in 1962, to make that their national meeting, so they came to ACCI. I had hoped that the Attorneys General who had Consumer Affairs officers would also bring them to that meeting so that the ACCI meeting could be more like NACA (National Association of Consumer Affairs). It could become the consumer meeting of the year for persons who had various roles in law, foods, credit, or what not.

In the '60s Minneapolis meeting, I tried to bring together all the organizations that were representing consumers normally. We could then bring these groups together. It didn't quite happen. By '63, when we met in Washington, I don't know who was trying to get us activist.

NS: It may have had to do with the tax status for mailing purposes or something of that sort, but it was the decision not to be activist. There was the expression, "The die had been cast," about that time.*

RM: Of course, I can go back to '61 when we decided not even to take a position on Persia Campbell (to recommend her appointment to President Kennedy as his Consumer Counsel). We had a couple leaders who are no longer around much.

Sam Myers, who has now gone into international work was our only black for many years. I got him involved. Then came Irene Oppenheim in 1964 or '65. I think Irene was probably party to this concern over activism. Irene was always a great one to raise questions. She was always questioning, got people talking, interested. I think that has some desirable effects and also some undesirable effects.

When you asked me what our policy was back in '57, 8, 9, I don't know if we were doing it right [laughter]. That's the kind of guy I am. We didn't have the same leadership after '63 and things kind of got to the question, "What should we do?" So we "searched our navel" a little further.

These were turbulent times. By that time I had been off the board (I was treasurer, vice president, president, and program chairman) and I was no longer involved, so I don't think I can be of much help.

NS: When did you cease to be involved clearly in the active leadership?

RM: I was very active in the St. Lawrence '62 meeting because I did all the taping of it as well. By '63, I took a sabbatical and went to Africa, so I wasn't that much involved. There were groups like Jonathan Lindley who were trying to get us involved. Jonathan was Senator Douglas' assistant at the time. He is now the secretary of one of the saving and loan leagues. I guess somebody was trying to force an issue of which this organization is capable of handling. I don't think it was a big deal.

NS: You weren't really active, either, when the *Journal of Consumer Affairs* was put together?

RM: No, I was not party to that at all. They appointed Gordon Bivens. He was the first *Journal* editor and set the policies on it. I've already voiced my concerns about the *Journal*. I think it adds an air of academic respectability. I guess I'm slightly bitter, because for example, I tried to turn in an article on truth in savings way back when, and it was not considered respectable. I'm not that much of an academic person, I guess.

NS: Your membership has never lapsed between '63 and the present?

RM: Oh, no. I've been to almost all of the meetings.

*As early as 1958, the die was cast if not re-cast. Executive Committee minutes of April 11, 1958, responding to Dr. Lee's request that he be allowed to say he was representing CCI in his testimony before a House Committee on Fair Trade legislation, took the position, "Board has decided to remain an information group rather than an action group."

NS: But you have not since then served in an executive capacity?

RM: That's right. I've not been on the board at all. I was active in Madison.

NS: When you say active, do you mean gave papers or presented?

RM: Yes. Personally, I've always been somewhat involved because many of the persons who have taken on CCI positions have either been close associates or students. Bill Fasse, for example, who is president now was a student of mine.

We always held a Kansas State night and we'd have 20 or 30 people around. This is the first time I've been, when I am no longer head of a department, so I am not going to have a K State night tonight.

NS: What I have here is a chart of the membership growth of ACCI.

RM: What happened in '68?

NS: In '68, there was a full-time membership development person.

RM: Was that Brenda Dervin?

NS: Right, through a grant from Consumers Union.

RM: That must have been when we picked up a lot of teachers, didn't we?

NS: Yes. What I wanted to get from you, if I could, were your impressions as to who were the average members of ACCI and if they are as you suggested earlier, educators, why hasn't the organization encompassed a wider or larger group of people?

RM: I don't hold much hope ever of having a large consumer organization, as such, because I just don't think it's in the cards.

I was chairman of the first consumer conference held under President Johnson. We had a thousand people or so attend. It was a tremendous big deal. When President Johnson appointed Esther Peterson, he said, "I want you to get out to the people." So she held four conferences: St. Louis, Salt Lake, Atlanta, and Detroit. I was the general chairman of the first one in St. Louis and I spoke in Salt Lake.

I swear, you have never seen two more frenzied people than our counterparts in the National Association of Manufacturers and the Chamber of Commerce! Those guys had to clean their pants about every ten minutes. You really would have thought that the world was going to come to an end when we held that consumer conference in St. Louis. They had the business community so worked up.

Dick Holton, who was then Assistant Secretary of Commerce, actually came from Washington and held their hands and told them the world wasn't going to come apart for holding this thing.

The Federal Trade Commissioner, past chairman (not Mike Pertschuck, but the one before him), was our luncheon speaker. He spent time with the business community assuring them. The word was all over!

NS: Do you mean Nicholas Johnson?

RM: No, he was the FCC. I can't think of his name now.* But when it was all over, there was a great sigh of relief. But where were the consumers? We bused in a few of the poverty groups and so forth, but that was about it. Business leaders had whipped themselves up into such great concern.

I've never started a consumer association in Kansas because I knew, really, it would end up with one person doing it and I was already doing all I could. If you charge a dollar a member to get cost down to what a low-income person can afford, you're not going to have enough money to do more than one mailing. If you charge what it would cost, nobody is that much interested in consumer problems. *Consumer Reports* has trouble enough selling at newsstands. Unless there is a scare, then it will be on a specific issue that captures attention.

Love Canal is a consumer issue but it's not a consumer movement. You will have rallying around specifics, but not really concern about being philosophical or the ethical issues of the right to choose, the right to be informed.

You are going to have to have professional consumers, that is, persons who have a professional orientation or a sensitivity. Some of these teachers who have joined up have been caught up. That's about the time, too, when we began getting consumer education grants. When did we start getting that money?

NS: That was later in the '70s. Office of Consumer Education grants, is that what you're referring to? I would suppose, then, that you were not displeased when the name was changed from CCI to ACCI and when the emphasis was explicitly made professional consumers?

RM: Thank you for reminding me. Fred Waddell, one of my former students, was the chairman, I think, of the group that changed the name and wrote everybody. I thought it was rather neat that he came up with it without changing the initials [laughter]. The "Council on Consumer Information" never made sense to me anyway. I guess "Consumer Interest" does.

Now the business groups call it Consumer Affairs. I'd just as soon have interests rather than affairs all over the place. I was not displeased at this. I have had the same problem with name change with respect to the home economists who want to change the name—as if it is going to change anything. Changing the name doesn't change the organization, but I think it was probably, by hindsight, a good move.

NS: This professional orientation, you don't think that the name change actually increased the, so to speak, exclusiveness of the organization?

RM: I don't think so. I think it was there anyway. Frankly, I hadn't appreciated it until you brought it up. This is my conviction, that just by its nature, it's going to be.

Maybe, if a person from the FDA or people like Wally Jansen would consider themselves to be professional consumers, maybe that might bother them, but I don't think so. ACCI is the group of persons who are professionally interested in consumer issues. It bothers me that we have never gotten anyone from the legal fraternity or from the business administration facilities.

Gene Beem would be as close to a person who is in marketing. Lee Richardson was a marketing professor from Louisiana. He is now teaching marketing in Maryland. We really have not had our share of marketing types. The marketing association people have changed, too. They have their *Journal of Consumer Research*. Marketing has shifted from being classical marketing to being much more consumer oriented.

*Paul Rand Dixon.

NS: I'm just beginning to immerse myself in this problem. My confusion or sense of ambivalence about the organization itself is perhaps misplaced, but what I am wondering is, you mentioned before how the people in business would rather see it as "Council of Consumer Affairs" as opposed to "Interests."

Doesn't that conceal a real central tension in the organization, if in fact, there are people who really believe firmly in a consumer interest as opposed to simply a professional challenge in determining consumer preference or marketing? Can the organization have a clear and distinct purpose and goal? Is that important?

RM: My reference to the "Affairs" was SOCAP (Society for Consumer Affairs Professionals). We're dealing here partially with semantics. My experience with Europeans is they can spend hours deciding whether they are interested in "consumer information" or "consumer education." What's the difference between the two?

Then you have "consumer protection" and you have got "consumer advocates." In part, I've sustained the view that the ACCI should not be partisan. I've taken positions as an individual. As an organization, what I would like is that more of the members, individually, were a little more aggressive and activist.

What I'm really saying is that I wish they had more of a commitment to the cause for which they have a nominal interest. I've never quite appreciated, during the days when we were fighting for nutrition labeling, why a person.... I don't quite have the respect for the nutritionist, let's say, who would get up before class period after period, student group after student group, and talk about improved nutrition, knowing full well that when those people went to the market, they couldn't find on the shelves, foods with this nutrition information on the labels.

We're perfectly content to (what I call) "process" students, knowing they could not use the information when they hit the market. I'm an activist in that sense. I'd like to see people who are committed not only to meeting the classes and turning in the grade books, but committed to the subject which they are teaching, to the point where they do something about fulfilling the rest of the story so the learning can be applied.

I don't know as ACCI is set up to where it would adopt resolutions and take positions, but I wish that its programs would be such as to excite and encourage a further commitment on the part of its members to get off the stick and do something about something! So that you don't really carry on the nutrition type of thing, so you don't have another professional paper that half the people recognize, the other half don't recognize—the Vitamin B complex that was in such. Carry it one step further and say the label didn't say it—so that's my irritation. It's more with my peers; I don't find many of them ready to really move. I'm a mover! Does that make sense?

NS: Yes.

RM: I don't disrespect the organization, unless of course, the organization (you mentioned this in terms of programming) is that the programmer says, "Oh, now we've got to be balanced about these things so we'll have the oil company give their side and then the consumer give their side." Well, that is an unfair advantage. I saw the oil company executive two meetings ago. After he had gotten through with his presentation on the program, he went off in a corner room where his TV cameras were rolling and his press aide was holding up dummy sheets, to make a TV program that went out to all of their employers all over the United States, relaying what he told the consumers at the meeting, wherever we were—Denver or Dallas—or some place.

I just hate to have ACCI be exploited, saying now they have told the consumers what they are

going to do. They haven't told the consumers anything and they went up and made a fool of themselves, actually. It was just terrible, as far as I was concerned. It was not respectable.

I don't like to see a program chairman who is non-committal and says, "I'm going to keep my skirts clean." I'd just have the pros and the cons.

NS: In a sense, the *Journal* and the organization talk about promoting a dialogue and promoting communication about problems of consumers.

RM: OK, let's have a dialogue but let's have dialogue that has real significance and meaning for the person who is at the cutting edge of fulfilling the rights of the consumer, if you will allow me to come back to consumer rights. Let's get into real tough ethical questions and not avoid them because they are not scientific or cannot be answered with a cost benefit analysis and statistical tests of significance.

NS: You said that one of your critics...

RM: When I turned in the paper Bill Fasse and I had written on truth in savings, one of the critics commented that I had cited, as an example, a person who had misunderstood their communications with their savings institution, and the critic of the paper said, "This is a good speech, but it's not worthy of journal publication because you just cite one example. That's not a valid statistical sample."

Well, it's a valid truth if it happened to just one. It's like the old gun law. In this case, it had happened to the guy who is now president of ACCI, Bill Fasse [laughter]. He was deciding whether to withdraw his savings and pay cash for the car for his wife's travel to her teaching assignment, or whether he should borrow the difference.

I got my Ph.D. minor in statistics and I am fully cognizant of the need for good statistics and all that aspect. But it has become an aspect of respectability for the present day journal article, from which I think we ought to relax.

NS: Don't you think, in a sense, that it is that devotion to statistical accuracy and behavioral science competence that has given credence and legitimacy, in some ways to it as a discipline?

RM: This is right and this is where academia fails its citizens. It makes it academically respectable and it does gain promotions for authors. It does get journal publication recognition, but it doesn't provide an outlet for the person who is an advocate of an idea.

NS: Perhaps, without change in the *Journal*, one requires another kind of magazine or publication?

RM: It could be that or they could make the *Journal* have an effect like the letters to the editor, and have some dialogue on some of these issues, which they don't have.

NS: I saw a board proposal to divide the *Journal* into two parts—one part for policy and one part for behavioral studies and so forth.

RM: I think it would be well to do this. Not diatribes, but a good logical exposition as to why something ought to happen. I think there is a role for papers of that sort. The only place we have them is if they publish, let's say, a Colston Warne lecture. Anwar Fazal, of IOCU, is going to be saying an awful lot of things tomorrow that he will not document with statistical findings. It will be based on truths and nuances and understandings that he gets from his global perspective. There is a role for that type of article.

I'll just cite my own case. *The American Economic Review* has gotten to the point where very few economists can read it and understand it, but it is very respectable. It doesn't do the

American Economics Association much good. Of course, that gets off into another profession, but I would like to see them consider a different style of publication.

You do raise an interesting question. How can you be effective without being forthright about it? I must believe that we were doing something right in the early part of the '60s ('58, '59, and '60, anyway) to have helped provide a forum for those who were concerned now.

NS: Did your lack of participation at the executive level after 1963 have anything to do with your discouragement at the direction in which the organization was headed?

RM: Not at all. My lack of participation is time. You have board meetings that go on all night and you're concerned with lots of problems. There will always be problems with organizations. Unless there were a policy issue that came before the floor, I did not participate. I was very active in participating on this matter of membership that we talked about the acceptance of commercial grants. I was extremely active when there was a real brouhaha concerning changing of the organization's office from Missouri to Texas. That was clearly a case where Texas really had no sweat equity, and had no background, had grantsmanship skills, was looking for some organization to justify their existence. They didn't have any background in the area, and we about lost the organization to them.

I should insert for the record, that indeed, I was discouraged by two actions taken by the board in 1965. One was the board's reluctance to accept my credit materials as one publication. They insisted that it be broken into three pamphlets and they encouraged publishing only the first one. I speak about this problem at the close of the interview.

The second problem was more serious in that it reflects on the leadership style of the organization.... I had been aware that Ray Heimerl had asked to be relieved as executive secretary and was seeking a new base for CCI. So I gave serious consideration to the idea of providing space, etc., for CCI at Kansas State University. I discussed the possible move with the university officials, and with their approval, prepared an invitation for CCI to move to Manhattan. I waited what seemed to be hours in the lobby of the hotel in Berkeley for the board to invite me in to discuss the matter. But the invitation was never made; they decided to move to Columbia, Missouri. This did not strike me as honorable treatment.

NS: When you say you were active, were you active in leading the membership to reject the Texas Tech location?

RM: Right. From the floor. I was active on the telephone when I first heard about it and I was active as one of the many who spoke against the move and helped stay the move to Texas, to keep it in Missouri.

I didn't mean to infer that I had not been involved. I remember, in the mid '60s, Gordon Bivens inviting me to a planning meeting for ACCI and I may have been misunderstood, but I said, "Gordon, I think we've done our part, you run it from here on out." There is a point where persons who have worked in an organization need to step aside.

NS: A question that arises is that the movement of the '60s generated a great deal of interest among younger persons in consumer causes and I wonder whether or not ACCI has had a fair share of those people move into its ranks as leaders of the organization?

RM: There is a fair amount of new blood within the organization. It's done pretty well in that respect in keeping a turnover. There have only been a couple retreads. I think Bivens is back on the board and some people began to think the organization was maybe turning too fast and they needed somebody who remembered, "Hey, this organization used to do such and such."

NS: Are the younger people, the people who are the publishers of the quantitative studies and the journals, as opposed to the people who were the Nader's Raiders?

RM: You raise a question I don't have much of an answer for, and that is, the people who have come into the consumer movement now or joined in, what their motivations are and what their interests are, I don't know.

I'm pretty much of a loner myself (not really), but I find that it's very expensive to lead a group. The cost of moving programs yourself let alone moving everybody with you, gets to be a bit much. It's pretty significant, for example, that very few academics (you can count them on less than one hand) got involved with truth in lending. If you go back and read Paul Douglas' *In Our Times*, you find he recognized only Fr. McEwen and me from the academia as helping on truth in lending.

I'm not bitter, but it's the efforts that I made, for example, on truth in lending. I used to have my students regularly finance a car. The trouble with us as consumer leaders is that we're always irresponsible because we're making accusations or making generalizations about things about which we don't know anything. The reason we don't know anything is because we don't have access to the facts.

In this particular case, what do we know about financing cars? We're not in the business. We don't have any power through the courts to get access to the records. The records are private. So how can we ever speak about them?

Well, one of the ways is to use the fifth column, in a sense. Ask students to go out and finance a car and gather data that way. And, of course, then we're accused of only using students' experiences, or secondly, we're accused of students not really caring and it's a hypothetical kind of a case. But it is the best we can do. What I would try to do, was to try to get my colleagues to do the same kind of thing. Then we could gather evidence from around the nation. But you couldn't get faculty members interested in doing this.

This is not really activism, but it is active collection of objective data. On the positive side, I'm doing the same thing, gathering data on the savings accounts. I have written my colleagues, and before the semester is out, I'll have surveys from 15 different states. The results are beautiful. I will, thus, have evidence that nobody else will have, which I can use to good advantage. That's a kind of activism that I think is good for my colleagues to have. They can use it in their classes. It provides evidence and it doesn't cost very much. Significantly, the results of these data will be discussed Thursday by the Consumer Advisory Council of the Federal Reserve Board.

Now, is that an academic pursuit? I think it is. You see, I'll provide evidence which will enable them to make a decision which should have considerable impact.

NS: How would a consumer organization go about aggressively promoting that kind of initiative?

RM: They could have a research arm if they would wish to. They could have a body of persons that would be interested in seizing upon that topic, or separate topics. It takes resources. In this particular case, like I'm doing it, I'm paying for it myself.

I think it's going to cost me about \$4000 because I'm shipping out and giving goodies and buying talent, stuff. I can't afford this, but on the other hand, I figure I've only got about four more professional work years anyway, and I might as well dissipate in this fashion. It's an orientation to teaching.

I don't think teachers should just live with themselves, just meeting classes of 30 each. I decided long ago, that I could spend my lifetime teaching people how to figure the annual percentage rate and have them forget it when they walked out the classroom door. Or, I could get the law changed as it was for truth in lending, and then have the rate advertised as in a

full-page spread of the *Wall Street Journal*: "APR 11.9%"...have it have meaning and have it be precisely defined. I think I've done more of a job of educating as an educator of the public than by merely restricting my teaching to the classroom.

If you're going to have a Council on Consumer Interests as a professional consumer education organization, it should have this aspect if it's going to meet my requirements of a good viable organization. That's just my view. I express disappointment. It's not really disappointment in ACCI, but it's just disappointment that we don't have more involved teachers.

I might say, with respect to Sen. Paul Douglas' mentioning me and Fr. McEwen, I did something of which I don't have copies anymore.*

When the President at that time appointed a blue ribbon committee of top economists to study the financial system, I wrote them that I thought that one of the problems of the financial system is that it didn't make much sense to consumers, that we ought to have truth in lending. I got back a bunch of beautiful letters from people that sort of agreed that this would be a great idea, but they wouldn't really come out for it.

When, at Douglas' insistence, I was named consultant to the Treasury, I compiled all those letters and submitted them to the Treasury. I think they probably got Treasury turned around, because you see, Treasury had opposed truth in lending. Bless Johnson's heart (the President), the in-house group that was opposed to what he was proposing was chosen by him to lead the case for truth in lending for the administration.

Douglas was worried about what they would do, how they would foul it up, and so agreed to the assignment to Treasury, provided I was made their consultant, which is a funny kind of role. I was never assigned a desk. I finally found somebody I could work with. It's not a glamorous kind of a role, but we got the job done.

You'll be interested in the paper that I'm going to give Thursday. I don't like to carry the analogy too far between truth in lending and truth in savings because once truth in lending was passed, it got mucked up with all kinds of super regulations by the Federal Reserve Board.

*Copies of letters sent March, 1961 to members of the Commission on Money and Credit and to 16 members of the Committee on Economic Development (CED) studying money and credit. In this two-page letter, I refer to results of my students' efforts to obtain dollar costs and rate quotations from dealers and lenders. I refer to an article 1935 *Journal of Business* by LeBaron R. Foster about the unreliable and deceptive percentages then being quoted by merchants, and to Dr. Katona's observation in 1960 that full disclosure of credit costs and rates might create a significant shock to the economy, to which I comment, "It is frightening to think that the stability of the economy rests on misinformation! Must we live in fear of telling the truth?"

(This may have triggered Senator Douglas' staff member, Jonathan Lindley and Senator Neuberber's staff member, Jay Jacobson, to change the "Consumer Credit Labeling Bill" (S.2755) to "Truth in Lending," and to call the emerging packaging bill, "Truth in Packaging." They shared this idea with me when we met at the foundation meetings of Maryland Consumers Association, May 26-7, 1961).

My letter to the business-oriented economists concluded with these two paragraphs:

I am sure you will recognize that a good competitive economic system depends in part on informed and alert consumers. My thesis is that in the area of consumer credit, misinformation is all too prevalent, and the cost to the consumer of getting information needed for rational action is prohibitive for most consumers. I urge you who are leaders in CED and who are charged with the study of money and credit to give serious study to improving the reliability, validity, and usefulness of information available to consumers for rational and efficient decision-making in the credit-savings sector of their (individual) economies.

I quote them in full because I now (1983) find myself repeating this plea in regard to the need for Truth in Savings. This file of letters was effectively used in persuading the Assistant Secretary of the Treasury, Joseph Barr, to fully support Truth in Savings when I became consultant. Note also the effective use made of student-gathered data.

What we, who wrote truth in lending, didn't do well, and probably could not have done to get it passed, was to write the legislation initially so precisely that we didn't leave room for the regulators to accommodate all the screwy former arrangements. So they've nicely emasculated by now what could have been a very clean, fine-tuned bill. They still haven't defined, for example, how many days there are in a year [laughter], so that kind of kills any meaningful annual percentage rate.

I really can't help much through here. A lot of people have joined the consumer education movement because there is a great need for it. How many of these are really interested in the basic consumer problems or whether they're just interested in merchandising, consumer retooling, redrafting. For example, the re-editing of the information put out by the American Institute of Life Insurance, or whatever it's called now. That'll go under the guise of being consumer education, but it really won't help very much in terms of giving us a critical understanding of the kind of insurance that is needed for the consumers' interest.

NS: If there are allies of particular causes, certainly one takes advantage of those allies if there are commercial interests. If the insurance industry is interested in reducing accidents, it will promote auto safety and you can use that support in opposition to the auto interests or the auto industry, etc.

RM: I don't know as those people are directly involved. I think many of them are just reading. The best thing about ACCI is the *Newsletter* that Stewart Lee does and has done since 1960 [laughter].

NS: Why?

RM: Because it's informative.

NS: You look forward to getting that newsletter because of what it tells you.

RM: I use it. Yes. It tells me stuff that's coming out. Another backup on that is, where does one keep up on what's happening? There are an increasing number of sources. There's the *Consumer News Weekly* and the *Consumers Union Digest* which is at a different kind of level, but for consumer educators, for instance, who are looking for textbooks and things and legislative developments.

Stewart Lee does a fantastic job of summarizing a mass of information. He does it for nothing, practically. That's the kind of consumer leader I like [laughter]. He's dedicated; he is surely being exploited in a sense of what you would have to pay for somebody for his editorial skills.

ACCI tried putting out a series of materials for consumer educators and that sort of bombed. I've never been very much impressed with it, which indicates my concern about the other people that have joined up, that's the *Forum*. I've never been impressed with it. The job placement material is always good for any profession.

NS: In a kind of summarial way, it seems to me that your feelings are that ACCI has really contributed to the creation of discipline. Out of a disparate group of academic fields, ACCI came along at a certain point in time and enabled them to get together those people who had these interests and put them together to the extent that the consumer movement has a respectability and a professionalism about it. ACCI would deserve some of the credit for that.

RM: Very well put. What it might have done, it didn't do, would have been to go a little bit further and become more like a professional organization and established some standards for certification and all that horrible stuff. It could have given a little more structure. Ron Stampfl will be giving a paper here Thursday or Friday which will be significant in that regard.

Ron Stampfl got some money from the Department of Consumer Education (or whatever it's called) and invited about 50 people for a week at the University of Wisconsin to define consumer sciences. He's put in an awful lot of work. People hung in there; they didn't come just for a vacation; they participated. I've seen some of the papers; they're good. I think it will be a significant contribution.

The ACCI has a status with respect to the United States Mission to the United Nations. This came about actually by request from Persia Campbell, who asked that I make the proper contact with U.S. Mission and request that we be given NGO status (non-governmental organization), and here's the letter from Mr. Walls Irwin to me dated April 14, 1961:

This will reply to your letter of March 31, requesting us to transfer the accreditation of the National Association of Consumers to the Council on Consumer Information. I understand that both organizations join in this request.

I think that it was Persia's thought that rather than ask for special recognition of ACCI, that the job be accomplished by making the transition from one that had already been accepted to this organization. He goes on to say:

I am, therefore, sending a copy of this letter to Miss Helen Hall requesting the return to the U.S. Mission accreditation cards now held by Dr. Campbell and Mrs. Natsinger, etc.

I can make this letter a part of the file and other correspondence relative to it, but this is how it happens that ACCI does hold NGO status with the United Nations.

NS: The other issue we were going to talk about was the pamphlet.

RM: We always had difficulty getting editors for the pamphlets. The pamphlet series had sort of run its course and we were having trouble getting new publications. In 1959, we got someone from the *Wall Street Journal* to do one on "Federal Protective Services," Mr. Karmin. Then Dr. Aaron, from the Consumers Union, did the one on "Doctor, Hospital, and Health Insurance," and also one on "Protection of Health." These were two which were very useful and helpful and kept the pamphlet series going. Dr. Aaron was the medical consultant for Consumers Union, so that was an easy one to get.

Then Clinton Warne did one on "The Consumer Looks at Deceptive Packaging," written in August of 1961, which was fortunate because this was about the time that Senator Hart was beginning to stir an interest in consumer packaging. That publication was most helpful.

Then, a person by the name of Charles Neal had started a credit counseling service in Des Moines. He was a friend of Gordon Bivens and I had met him. He was a syndicated columnist and he did us a good job on writing a "Guide for Family Financial Counseling."

Jessie Coles, formerly of Missouri, then to California, did us the favor of doing a pamphlet on "The Consumer Looks at Labels." She had written the classic textbook on standards and labels. It was very nice that she had done this. I volunteered because I was interested and active at the time in truth in lending, to do a bulletin on "Consumer Credit." What I wanted to do was to do one on "Shopping for Credit," which was the buymanship part, and include in that the arguments for and discussion of truth in lending.

Finally, because the most important part of truth in lending (that is the hard part if you are convinced that it's noble and great to tell the truth), is what is the truth in terms of credit so that the terms are well defined and carefully used, so "Computation of Credit" was an essential part of the series.

I don't know exactly what happened, but my colleagues all seemed to fall apart on this series. They actually picked at it and only by perseverance, did they publish the total works, but then only by putting them into a three-part series.

The first one, "Shopping for Credit," was very well received, but they picked away at the other two. I think, unfortunately, it was because most of them didn't understand how to figure interest anyway. Therefore, I was caught in a Catch 22 situation of no matter how clearly it was written, it was too complicated and not readable, and not of consumer interest. Furthermore, they were hesitant about anything written that would be advocacy for truth in lending, which was the middle pamphlet.

I spoke earlier about the concern that too many of my colleagues are unwilling to take positions. Not only were they unwilling to take positions, but they were unwilling to have their organization even discuss these issues. And, at this point, they were published.

When the executive office moved to Missouri, the pamphlets were issued and distributed to members, but we got very few requests for reprints of these publications. I never could understand whether the organization was ashamed of them or what. I can report that they were used effectively when I was consultant to Treasury. I was able to use these pamphlets with the staff of Treasury in educating them, because I could excerpt parts of it and distribute it.

I know that I was able to literally train the legal counsel of Treasury to understand some of the intricacies of credit. They were very useful, but they never did become very much a part of the publications that the leadership of ACCI, at the time, seemed to speak of with great pride. I think this was too bad, and I suppose, this suggests my concern that we maintain in membership of ACCI and leadership positions, persons who are not necessarily advocates of any particular position, but persons who are willing to put forth positions which are controversial and worthy of discussion, and are educational by their very presence because they are irritating and do cause people to think. Although I might say, looking back at this publication, there was nothing controversial in it. Maybe that's my prejudiced side.

NS: Thank you very much.

I. BOOK BURNING AND SALARY DISCRIMINATION

Just a few minutes before Faculty Senate meeting, the manager of the bookstore telephoned me to say that the President of the University had ordered him to destroy all copies of *Consumer Reports* that were on hand, and to cancel all subscriptions to *Consumer Reports* that had been made through the bookstore.

I went on to the meeting of the Faculty Senate (attended by an estimated 200 faculty members) and repeated the information reported to me. I asked of the President, who was presiding, what the implications were for the instructor's use of such materials in the classroom if they were deemed unsuitable for bookstore sale. The President answered by saying that he had been alerted to an investigation of the University being planned by state legislators and he wished to avoid any problems that might arise by their discovery of the university's handling of *Consumer Reports*. (Consumers Union was on the list of subversive organizations compiled by the Dies House Unamerican Activities Committee and the list had been reprinted and widely circulated by the American Legion, General Federation of Women's Clubs and other patriotic groups. The record will show that it was placed on the list without a public hearing by a staff member, Mr. J. B. Matthews. It was later removed from the list after suitable investigation. Also Mr. Matthews was removed from the staff soon after he publicly accused the Protestant clergy of communistic tendencies).

The faculty responded to the implications of censorship and pointed out that Consumers Union did not appear on the official government list of subversive organizations prepared by the Attorney General. The faculty was sensitive to the intimidations of Senator Joe McCarthy and the implications for academic freedom.

I was criticized by my Dean for exercising poor judgment and taste. I was told that I should not have brought the matter up in a faculty meeting. I should have discussed it privately with the President.... When the budget was prepared for the next year, all faculty members, with the exception of two, received salary increases. I received none.... I learned of the danger of teaching in a university whose administration does not fully understand its role in protecting the faculty from outside pressures.

Several months later I was invited to consider the headship of the Department of Family Economics at Kansas State University. President McCain of K.S.U. and I discussed the problems I had confronted at Florida State University and we arrived at an understanding that endured for over twenty years, despite great pressures upon him from time to time as I became involved with trading stamps, drug pricing, standards of dairy products, hamburger standards, Truth in Lending, Truth in Savings, and credit cards.

II. A UNIVERSITY PRESIDENT WHO UNDERSTANDS

The only time I was ever called to the office of the President turned out to be a beautiful and memorable experience.

Perhaps I should first relieve you of any anxiety about the call; it was in pursuit of protocol. The Attorney General had wanted my services and proceeded to ask the University President who in turn called me to his office to inform me of the request. Actually the matter concerned the financing of home construction and I was asked to provide technical services in computing the rate of charge. As it turned out, had the victim been able to finance the construction at anything less than 200%, he would have been better off. The case was later dropped as a result of considerations other than the merits of the case.

Now back to the beginning. When I heard of the call to the President's office, I was not aware of any reason, although it did enter my mind that several weeks prior I had been in attendance with the Kansas Pre-White House Conference on Aging and had introduced a recommendation that the consumer problems of the elderly be incorporated in our recommendations. When someone in the audience asked for examples of problems that the older consumers were having, I cited among other matters the high cost of drugs which were then being publicized by the U.S. Senator Kefauver. When I entered the President's office I was surprised to see that a member of the Board of Regents was present. Nevertheless, and out of respect for my President, I was prompted to ask, "Why did you want to see me? Has someone called me a communist?" He leaned back in his chair, laughed heartily and said, "Yes, as a matter of fact, I did receive a call," and then (I shall always remember this), he turned to the member of the Board of Regents and explained, "I wouldn't normally bother a faculty member with such a matter but I know Dick well enough that I must tell him." He then proceeded to tell me that the call was from the Executive Secretary of the Kansas Pharmaceutical Association and the caller had said, "Why is it every time I meet a faculty member from your university he is a communist?"

I later worked successfully with this individual in a joint effort to keep trading stamps out of the state of Kansas. I was not considered a communist. In fact, I discovered from this experience that in some people's minds communists are all those who hold opinions different from theirs. They are in fact "bad guys." They are the persons who hold views which are in direct contradiction to the views of the accuser. The use of the word communism has nothing to do with the political orientation.

This was, to my knowledge, the first test to which the President had been put by my activities. I appreciated his concern that the faculty not be bothered with such trivia, and his sense of responsibility as an administrator to protect the faculty from such accusations. Several years later I turned down a very responsible position with a prestigious institution because I did not feel that its administration would have acted this responsibly if put to a similar test.

III. WHEN THE BANKS CAME AFTER ME

For eight years I had worked diligently for the passage of a Federal Truth in Lending Act. (Over the period beginning in 1959, I had persistently queried persons in or running for public office as to their position on Truth in Lending. I had testified three times before Senate and once before House committees, wrote Truth in Lending into the Department of Defense Directive, was appointed Consultant to the U.S. Treasury Department for writing of Truth in Lending, and developed S.5 which Senator Proxmire picked up as the "new workable bill" following the valiant efforts of Senator Douglas). Immediately following passage of the federal act, Kansas financial institutions joined together to pass a Kansas Truth in Lending Act, allegedly to protect Kansas from federal intrusion. Had this been their only reason for passage of a Kansas Truth in Lending Act, the bill would have stopped at the end of the first twelve pages which were identical to the federal act and edited to insert Kansas names.

The true motivating force was contained in the next twelve pages. They authorized increased rates on loans and credit sales, and legalized practices then in current use or desired by creditors such as authorization of bank credit cards. This became the most intensely debated bill in the 1968 session of the Kansas legislature. Although it passed with the Truth in Lending provisions intact, Kansas failed to gain exemption, although this was the alleged reason for its passage. As predicted and as suspected, the Act was a self-serving finance industry-supported proposal.

I was brought into the controversy by a statehouse employee staff member concerned about low income consumers and the effect this bill would have upon them. He had contacted Washington for assistance and was told of my presence in Kansas. He asked me to assist him by providing technical information. Later, he became anxious that I be invited to testify on the bill, and made arrangements for a senator to ask me. The more I revealed about the built-in rate increases, the more agitated the representatives of the finance industry became. At that time, I was not only a member of the faculty, but also chairman of the Attorney General's Consumer Advisory Committee.

At one point, the lobbyist of the Kansas Bankers Association wrote all members of the Board of Regents complaining of my active role in exposing the implications of the proposed legislation both in testimony and in public statements. A reporter from the capital city newspaper recognized the news value of this confrontation and telephoned me for a response. It was a tense situation both for him and for me. He recognized his responsibility as a member of the press to publicize this controversial matter. On the other hand, he did not want to jeopardize my position at the University. I too was somewhat concerned. Nevertheless, I told him bravely that I could not be touched because I had tenure at the University. In fact, I was reaching, as I talked on the telephone, for a copy of University faculty regulations to quote to him when I had a stroke of good judgment and suggested that if he were concerned about my position that perhaps he might best call the University President. Much to my pleasure, and not really to my surprise, a beautiful quote from President McCain appeared in the next edition of the paper. This incident was reported widely by the Kansas State Federation of Labor:

Last weekend Dr. Morse ran into criticism from the chief lobbyist for the Kansas Bankers association, Harold A. Stones, who challenged some of the K-State professor's statements, and objected to a university professor coming out against the bill.

Dr. Morse asserted again that he was "telling it like it is," and that his statements did not reflect any official attitude so far as Kansas State University was concerned.

He was sustained by Dr. James McCain, president of K-State, who in an official statement pointed out that Dr. Morse had been invited to testify March 19 before the House Commercial and Financial Institutions committee.

"He was speaking as an individual—as an expert in his field. This comes up

frequently," the K-State president said in a reply to the complaint of Stones. "Professors are allowed to speak on matters concerning their field of academic interest. Morse was not speaking for the university."

Morse has testified before numerous federal and congressional bodies on behalf of consumer protection legislation.

"The state of Kansas pays my salary, and I have a duty to Kansas citizens to speak out on this issue," Dr. Morse declared.

Perhaps by coincidence, but a fortuitous circumstance, I received a call several months later from the American Bankers Association asking if I would be willing to serve on a committee of consumer advocates they were establishing to help them better communicate with the consumer front. I told the individual who had made the initial contact that they must be kidding. But they weren't. I served for the four years on the Advisory Council on Consumer Affairs of the American Bankers Association. We learned from the bankers that after passage of Truth in Lending, they realized they had indeed made fools of themselves in opposing a piece of legislation which turned out to be beneficial to the banks and felt a need for better communication with consumer advocates.

There is some feeling among consumer activists that consumers should not sit down with such groups for fear that they may be co-opted. I must say that I share the concern of my consumer activist colleagues, but feel that each situation must be treated on its own merits and be evaluated by the conscience of the individual participant. I know that by working directly with the bankers it was possible to persuade them that it was the bankers' advantage to cease their opposition to the holder-in-due-course limitations on consumer credit. I believe the record will show that when the Federal Trade Commission issued its regulations, there was not serious opposition from the bank association. This was also the pattern in Kansas when we had worked convincingly with the Kansas Bankers Association. From this and several other experiences I have had, I am convinced that some accomplishments can be achieved at less cost (of volunteer time) by working with the interested parties. On the other hand, I am also convinced that we would never have had Truth in Lending had there not been the confrontation of legislation and enforcement. For example, the financial institutions have not recognized the merits of Truth in Savings and encouraged its implementation either through regulation or legislation although they have known about it since 1968.

Documents From: Richard L.D. Morse
To: Stewart Lee
Date: June 16, 1978