

Consumer education: The catalyst for action for consumer protection

URVASHI PANDE AND MANJARI ACHARYA

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ABSTRACT

An average Indian consumer is noted for his patience and tolerance. Perhaps because of these two traditional traits and due to the influence of the Mahabharata, the Ramayana and the Bhagavad Gita, he considers the receipt of defective goods and services as an act of fate or unfavorable planetary position in his horoscope. When a new television or refrigerator purchased by him turns out to be defective from day one, he takes it reticently, blaming it on his fate or as the consequence of the wrongs committed by him in his previous birth. Very often he is exploited, put to avoidable inconveniences and suffers financial loss. It is rather paradoxical that the customer is advertised as the "king" by the seller and service provider; but in actual practice treated as a slave or servant. Goods are purchased by him along with the label "Items once sold by us will never be received back under any circumstances whatsoever." This unethical, illegal and unilateral declaration has to be viewed in the light of the practice in developed countries where the seller declares, "In case you are not fully satisfied with our product, you can bring the same to us within a month for either replacement or return of your money." This will clearly indicate the level of consumer consciousness. However, things are changing - slowly but steadily - and the momentum has increased considerably since the establishment of consumer courts and due to the efforts of a number of consumer organizations and the media. The next millennium will witness a high degree of consumer awareness and the concepts of "comparative costs", "consumer preference/ resistance/ abstinence" and "consumer choice" will become vital aspects of the economy.

See end of the article for authors' affiliations

Correspondence to:

URVASHI PANDE

P.G. Department of Home Science, Sardar Patel University, Vallabh Vidya Nagar (GUJARAT) INDIA

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Consumption is the sole end and purpose of all production and the interest of the producer ought to be attended to only, so far as it may be necessary for promoting that of the consumer.

In an environment of limited choice, inadequate supplies, incomplete information, ignorant consumers and unlimited demand, it is inevitable that the Indian consumer gets cheated.

Almost all the consumers find themselves helpless as the corporate sector with its vast resources and control over the media, exploits the consumer. Needless to say that the consumer exploitation has become the fashion of day, because the producer, suppliers, manufacturers and retailers are in much superior position as compared to the consumer.

The troubles of a consumer residing in a remote rural area of our country can be imagined, when he finds his hopes belied as the product purchased by him, manufactured by a company situated in an industrial metro, fails to satisfy the purpose for which it is meant for. Due to the complex nature of the product, it cannot be said that the poor, illiterate consumer is in a position to judge its quality, nature or even the safety aspect involved in its use. Where he has to go, what he has to do, if the product fails to fulfill the purpose, or comes out to be substandard or causes some harm to the user. It cannot

be expected from every consumer to become a litigant and move for remedies in the court of law. Herein the need lies for protecting the consumer's interest.

The term 'protection' raised four queries *viz.*,

- Whose protection is required?
- Protection against whom?
- What is to be protected?
- And how to be protected?

For the purpose of this paper the word 'who' represents the ultimate user that is the consumer, the word 'whom' represents the manufacturer, suppliers, retailer, or producer the word 'what' relates to the interest of the consumers which have been identified under Indian law and lastly the word 'how' refers to various legal protections available to a consumer. Thus, consumerism is to be viewed as a movement which calls for the protection of the consumer's rights.

Term "Interest" explained, Salmond supported the theory that a right is based on an interest. The word 'Interest' according to Heck, is that which in its widest connotation embrace all things that man holds dear, and all ideas which guide man's life. It may be submitted the rights do not always coincide with the interest. Sometimes the right is recognized in one person but the interest lies in some other person. Hence every right protects one or the other interest. But all interests are not protected by

law. In order to know which of the interest are protected by law one has to know the law on the subject. The interests of the consumers have three kinds of protections—*viz.*,

- Economic protection,
- Social protection and
- Legal protection.

Hence the protections available to the consumers are not solely dependent upon the rights available to the consumers under any legal system. Since the aim of the legal order, has been advocated by Bentham to promote the ‘happiness of the greatest number,’ therefore in order to achieve this, there has to be a balancing of individual interests’ with the Community Welfare. This was referred by him as ‘Felicific Calculus’.

Hence, the process of converting the interests of consumers into legal rights was started.

As we all know where there are rights there are fights and there comes the derivation of consumer movement.

The previous philosophy of the consumer movement centered mainly around the testing of consumer goods and evaluating services offered, and acting both as a source and also as a clearing house of information, promoting the formation and development of new consumer organization, and providing advice, holding of seminars and rendering practical assistance in consumer protection and consumer education activities.

In the eighties, a need was felt to adopt a different approach—a philosophy of consumer movement not confining it only to spread of information and testing of goods but also to project an image of an international advocate to fight against the world wide trade in hazardous product, wastes and technologies. Hence, policies were designed and legislations enacted to protect the consumers’ interest and grant them the right to choice, safety, information and Redressal.

One of the most important milestones in the consumer movement in the country has been the enactment of the Consumer Protection Act, 1986 to better protect the interest of the consumers.³

It is one of the most progressive and comprehensive pieces of socio-benevolent legislation covering all goods and services. The Act provides for separate three-tier quasi-judicial consumer dispute Redressal machinery, popularly known as consumer courts, at the national, state and district levels to provide simple, speedy and free Redressal against consumers’ complaints. Filing of a simple complaint on plain paper with the details of the case with supporting documents seeking relief or compensation is enough and it is not obligatory to engage

a lawyer. According to the objects and purposes of the Consumer Protection Act, these quasi-judicial bodies observe the principles of natural justice while arbitrate consumer complaints against defective goods, deficient services and restrictive and unfair trade practices through summary trials. The Act applies to all goods and services and covers all sectors, whether private, public or cooperative. The Act was amended in 1991 mainly to incorporate provisions for the quorum of District Forum, appointing persons to preside over State Commission/ District Forum in case of absence of the President to enable the court function uninterruptedly. In 1993 the Act was again amended exhaustively to make it more effective and purposeful.

The Consumer Protection (Amendment) Bill, 2001 introduced in the Rajya Sabha on 26th April 2001 among other things addresses the issues of quicker disposal of complaints, widening the scope of the Act, strengthening the Consumer Courts, streamlining the procedure and a proposal to strengthen the consumer movement. It also proposed to establish a consumer protection council in every district in order to strengthen the consumer movement at the grass root level.

But the success of the consumer movement mainly depends upon the level of consumer awareness around the country. The Government can only be playing the role of a facilitator or catalyst. The growth of consumer movement is a voluntary effort involving the participation of one and all. Only alert consumers can protect themselves and the society.

Most citizens have yet to realize their responsibility in ensuring that the Central and State Exchequer do not lose out on any revenue that might be generated by the sale of goods and services. Several citizens indulge in the buying of smuggled and pirated goods such as Adidas, Nike, Mont blank, etc. for which there runs a parallel indigenous economy. This unregulated sector exists solely due to the fact that there are several irresponsible and apathetic consumers who sustain it. Even citizens who believe they are responsible often do not ask for a cash memo/receipt on the purchase of a commodity in the regulated sector. This basic and ‘small’ problem has a Butterfly Effect on the economy.

The duty of the government, to ensure that the consumer is protected and empowered, has not been carried out entirely. The Consumer Fora, set up under the Consumer Protection Act, 1986, at the national, state and district levels are in the process of empowering the Indian consumer. The very fact that these special courts for consumers exist shows that the area of consumer protection is of paramount importance. Although, the

Consumer Protection Act, 1986 allows an ordinary citizen to appear in the consumer fora by himself and not necessarily through an advocate, this provision does not work on the ground. In fact, several citizens do not even know that this provision exists and even if they do laws and procedures are far too complex for a common man to comprehend. Besides this, for a man to appear in court without an advocate would mean that he would have to spend a considerable amount of time inside or outside the courts. It is not possible for an ordinary citizen to leave all his daily work and wait outside the courts for justice. On the whole, consumerism in our country is still in an embryonic stage.

Factors responsible for imbibing the consumer protection movement:

In order to understand the momentum and stability of the movement seeking protection of consumers it is necessary to look into the underlying factors and problems which have been responsible for evoking the demand for consumer protection. Referring to the cause of consumerism, six such factors have been given. These are:

- Information gap,
- Performance gap,
- The role of impersonal and unresponsive institutions,
- The Budget squeeze,
- The Ghetto consumer,
- Different views of the market place.

Looking to the consumer movement in India, though there is a less response from the side of consumers but one cannot ignore the role of these factors which are gradually influencing the consumer movement. Earlier the consumer used to arrange for the consumable goods required by him through Barter or Exchange. With the development of society, the market became flooded by numerous items, increasing the demands of the individuals and the barter system became ineffective. This was replaced by another practice *i.e.* sale and purchase. Now-a-days the goods range in a number of categories and in various forms. The technology development and a demand of higher standards of life have increased the number of consumer needs and consumer transactions.

Factors responsible for imbibing 'consumerism' in India, call for a detailed analysis:

Consumer information gap:

- Today's market is entirely of a different nature.
- Products demanded and required by the consumers have grown enormously in quantity/quality and

complexity.

- This places a demand upon the information system to provide information of the products which are complex and require evaluation in many more dimensions.
- Markets have been flooded with the foreign goods, particularly electronic goods manufactured in China and Japan.' Much hue and cry is being raised against this liberalized policy.

Results in:

- The buyer who is at the other end as compared to the professional seller usually does not have the time, interest, capacity and competency remake product decision in the absence of authentic information.
- He is left with no other alternative but to rely either upon his personal experience or of his friends' or" upon commercial or independent information services.
- The substantive, source of information upon which the consumers have to rely, come from commercial sources.
- These primarily fulfill the commercial end and secondarily that of the consumer.
- More than 50% of the consumers know that most of advertising today tries to deceive people rather than inform them. Thus the consumers hold the view, "that the Government should provide product information because producers and distributors do not give all the essential information.

All these factors have conspired to create a social and economic problem complex which we may aptly call the 'Consumer Information Gap'.

Performance gap:

Consumer's expectations of product quality, performance, safety and readability have increased from the past.

- New technical products thrown in the market are of such nature, regarding which the consumer is completely ignorant. Hence, he has solely to rely upon the seller or manufacturer.
- The improvements and added features have introduced new possibilities of malfunction.
- The consumer has to face a number of products' failure every day. The consumers are left in lurch when the goods fail to give the desired results. The problem is faced in both the product and services industry. Perhaps these fail to provide adequate service because of the resistance to high costs involved and confusion over warranties.

Since the problems are manifold and arise daily, it is quite impossible to think of an Indian consumer moving

to the court for the redressal of his problem. Otherwise, he will be left but with no other work except with fighting for his rights as consumer. The result is that the consumer is busy searching for a solution to his problem outside the Court of law. This has also given rise to the demand for better protection to the consumers all around.

The consumers require and demand more personal relationships and security in their purchases. But frustration results when his complaint goes unheeded. In the absence of resources and informations he is unable to move to the Court even if he wants. His problem could be solved through negotiations, arbitration and other amicable methods, but are left uncared due to the irresponsible attitude. Sometimes the complaints are not forwarded to the Chief Executive of the Corporation. Everyone in the hierarchy tries to avoid his responsibility. This results in consumer dissatisfaction and he looks for a strong movement to look for his cause.

Absence of informed participation:

Various socio economic decisions require considerations from the stand point of the consumers. The absence of consultation with the consumers or their representatives, results in implementation of certain decisions adversely affecting the consumers. In most of the cases the undertakings and institutions are seen avoiding the party in interest procedure.

It has been suggested that such a situation can be avoided by increasing the participation of the consumers or its organizations in all of the decisions taken by the institutions which affect the interests of the consumers adversely. Its absence has result strong amongst the consumers creating an environment 'consumerism' prospers. Only strong consumer movement can afford to force them to follow the practice.

Budget squeeze and inflation:

There are two factors which attribute to the budget squeeze.

- The first one includes the increased income and the sociological forces which have created expectation for better life style. This in turn demands new producers requiring new expenditure f products and services.
- Inflation absorbs a major portion of the increase income resulting in retarding the people's ability to buy. It may arise as a result of the excessive demand of goods and service which pulls the prices up. It may also be due to rising of the prices of the goods in the other parts of the world, which are imported from there. It has an indirect impact on the cost of living.

We are also living in an age of unprecedented

inflation. The consumer price index is rising every year. This price increase is an irresistible inducement for malpractice large scale and the burden of such inflation is accentuated by the burden of all s malpractices. In the absence of an effective forum to fight the evil and in the absence powerful organization to resort to the mass agitation, the consumer continues to be helpless victim. In our country there is a shortage of laws to contain the price hike. Barring essential commodities and drugs, no law is there to regulate the fixation of prices consumable goods. Further, lack of the consumer's view point at various decisions, indirectly go to raise inflation. Consumer movement primarily demands a check on price rise in the present atmosphere.

Poverty of the consumers:

When the consumers above the poverty line raise hue and cry for their property then the plight of those below the poverty line can be well imagined. India has its major population below poverty line. The number of illiterates in the age group of 15 to 35 the country as a whole has increased from 91 million in 1951 to 110 million in 1981.²⁰ They suffer the most from fraud, excessive prices, exorbitant credit charges, poor quality of merchandise and services. They lack education and consumer education in particular, and are unable to improve their purchase decisions. Consumer education for our country is must for the—

- Creation of critical awareness.
- Active consumer involvement.
- Imbibing social responsibility.
- Realizing ecological responsibility.
- Solidarity of consumers.

Perhaps the exploitation of the demand was the cause of poverty by those who happened to be in a position to supply. Increasing industrialization multiplied the scope of exploitation. The producers or merchants of a particular commodity, earn huge profits, impoverishing consumers, if the demand of the commodity they are producing or selling is kept high.

In all such cases the person who is the worst sufferer is the poor consumer. The consumers of our country have right to demand measures for reducing their poverty and also for the supply of the goods required by them at a lower price. Thus, we see that how the above discussed factors have added fuel to the consumer movement.

The one and only one way to overcome the situation is sustainable consumer empowerment through critical consumer education

An empowered consumer will use information and take advantage of the competitive market by being

knowledgeable, confident, assertive and self-reliant. Most significantly, informed consumers are seen to be empowered consumers who can advocate for themselves in their day-to-day consumer affairs. By educating consumers, by giving them the right information, at the right time, consumers will be empowered to make the right decisions.

Three languages for empowered, critical consumer education:

Language of critique:

- Critical consciousness: A slow realization that people do have the power to change things that keeps them own, marginalized, exploited.
- Problem posing: By telling one's own, and reading other's, stories, one can gain the Skill to name the problem in one's life created due to abuse of power
- Self-reflection: Get people to try to figure out 'why you are doing what you do in your daily life'.
- Social critique: Unpeeling the beliefs, attitudes and actions that contribute to subordination of most people by a very few (elite), reveals the current power relations.

Language of possibility and potential:

Once people have unveiled the negative conditions that keep them oppressed, they can reframe their thinking so they can see the possibilities of breaking free of the domination. This is achieved by three actions:

- *Personal voice:* When people realize they can change inside (transform), they find their personal voice and realize that it is valid and needs to be heard in the larger discussions of what society could be like, should be like.
- *Agency:* Agency is the ability to organize future situations and resource distribution. Capacity for agency grows as our social imagination grows, as we work to describe how our lives should be constructed so there is no oppression or inequality.
- *Authorship:* In order to move from being an object that others manipulate to a subject (someone) who is actively involved in constructing their new voice, people have to take ownership of, and express, their ideas to others, leading to collective action.

Language of action:

- *Dialogue:* Involves talking, listening, sharing, perspective taking, questioning, responding, reframing, adapting, suggesting, and even challenging even silence which could indicate confusion, anger, discomfort, anxiety, serious contemplation (consider carefully and at length)
- *Consensus building:* Through dialogue (listening

to understand where others are coming from), people can learn from the opposing view, from contradictions to their own view, leading to growth of their own social imaginations multiple perspectives, the world experienced by others, are shared and assimilate

- *Take collective action:* As a result of focusing on power distortions and social contradictions (negative conditions), people end up in collective action to right the wrongs. This action is positive – cooperative, inclusive and caring in nature (knowing people on a deeper level) – and based on nurtured, helping relationships.

Conclusion:

Power is the root word of empowerment. Consumer educators have always been concerned with helping consumers have power in the marketplace. This has traditionally meant that education programmes tended to give consumers information and advice, teach them how to make rational, efficient choices, and sensitize them to their rights (relative to businesses) and the protection of these rights that governments have entrenched in law. This form of education tries to balance the power between the seller and the buyer but does not question why the power existed nor does it examine the negative impacts of this power relationship. This approach to consumer education may have served people in the past, but the marketplace has changed profoundly. Consumer education has to keep pace with these global changes. One way is to move from seeing the empowered consumer as someone who is trained to serve his/her own self-interest to preparing citizens who are critical of their role in a consumer society, a different sort of power. In this case, power, still the root of empowerment, refers to inner power freed up because of inner reflection, deep examination of the power relationships in our consumer society and emancipation in one's role as a global citizen acting in one of many roles, including a consumer. The result is new social power to change the system rather than just change individual behavior in the current system. Once learned, it cannot be unlearned. This form of critical, sustainable consumer empowerment is the preferred direction for the future of consumer education and that is really a consumer movement.

Authors' affiliations:

MANJARI ACHARYA, P.G. Department of Home Science, Sardar Patel University, Vallabh Vidya Nagar (GUJARAT)INDIA

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Sue McGregor Sustainable consumer empowerment through critical consumer education: a typology of consumer education approaches Faculty of Education, Mount Saint Vincent University, Halifax, Canada

