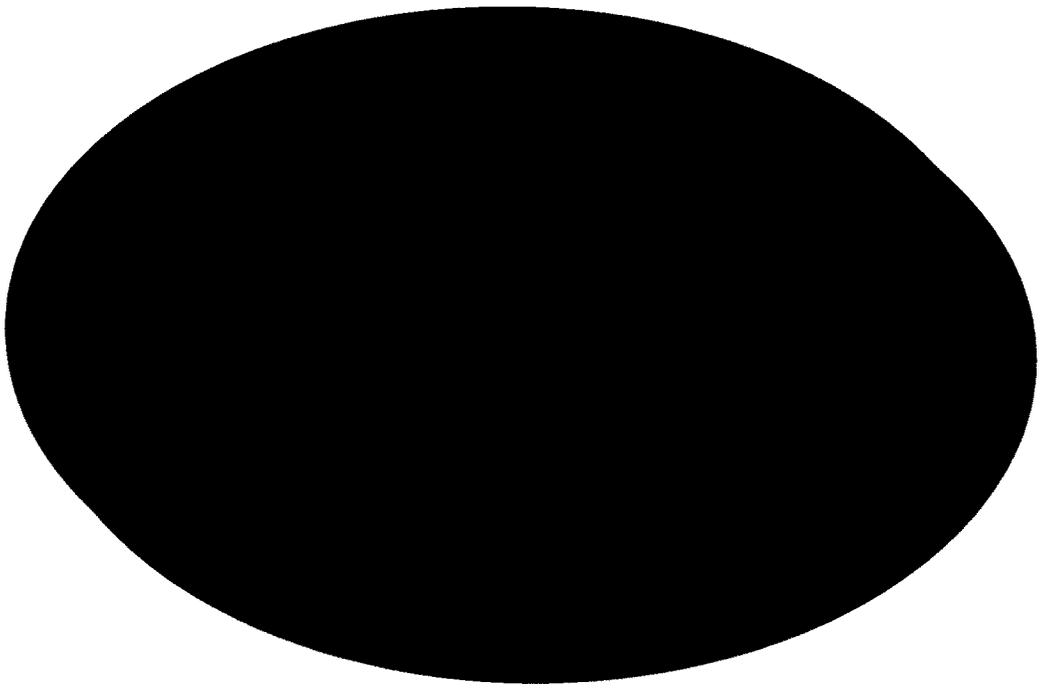


CHAPTER - III



CONSUMER MOVEMENT AND VCOs - AN OVERVIEW

In the previous chapter, we have carried out a conceptual study of Consumerism, Consumer Movement, U.N. guidelines for Consumer Protection, Consumer Protection Act, Consumer Rights and Voluntary Consumer Organisations. In the present chapter, a detailed discussion regarding the Consumer Movement and Voluntary Consumer Organisations abroad, the development and growth of the Consumer Movement and the Voluntary Consumer Organisations in India before and after independence in general and in the study area in particular is presented.

CONSUMER MOVEMENT ABROAD

Consumerism is one of the prominent discoveries of the twentieth century. Two nations, namely the USA and UK, have made pioneering efforts for the protection of consumers' rights. Consumerism first started in the USA in the early 1900s, when the American government introduced two Acts, namely, The Food and Drug Act (1906), The Meat Inspection Act (1906) and created the Federal Trade Commission (1914) for the protection of consumer interest. Since then, more and more Consumer Acts and Laws have been passed in the USA, UK and many other countries. The movement received further impetus when the then American President John F. Kennedy (1962) sent an exclusive message to the American congress in his address on the protection of Consumer interests. The term was not put to wider use until 1963 when a variety of commentators identified it with the very visible concerns triggered indirectly by Rachel Carson and directly by Ralph Nader's auto safety investigations and President Kennedy's efforts.²⁰⁶

The modern consumer movement has its roots in the United States whose Consumers' Union is the largest Consumer Organisation in the

world with more than two million members.²⁰⁷ The main exponent of consumerism was Ralph Nader, who devoted his full-time energies to this task. His exposure to exploitation contributed to a host of consumer legislations being enacted in different countries. President John F. Kennedy gave a fresh impetus to consumerism by declaring the rights of the consumer. There are now thousands of groups in more than seventy countries, many of which are affiliated to "Consumers International" (Earlier known as International Organisation of Consumer Unions).²⁰⁸ In the highly developed economies of the west, consumer awareness is well developed, consumer protection is well established and consumer movements wide spread and militant enough to be effective. On the other hand, in the less developed countries consumer movements are weak and poorly organized. Even the governments of those countries are indifferent to the problems of consumers. Though a few initiatives have been taken by various segments, yet it seems much could not be achieved unless consumers develop a vigilant attitude among themselves and be united to protest against shoddy market practices.²⁰⁹ The Nations where the consumer movement has shown much strength are the USA, Britain, Germany, New Zealand, France and Japan.²¹⁰ Together with that, there have been signs of new efforts in a number of other countries.²¹¹ The developments in and the methods of coping with it differ from country to country and consumer awareness also varies from one country to another. It was neither exclusive to any specific country, nor was it confined to any particular continent. In fact, it became a world-wide phenomenon, as shown in Table 3.1

TABLE 3.1**Origin of Consumer Movement in Different Countries of the World**

Period of Origin	Country
1900 – 09	USA (1906)
1910 – 19	U.K. (1912)
1920 – 29	Netherlands (1926)
1930 – 39	Norway (1939)
1940 – 49	Ireland (1942), Denmark (1947), Federal Republic of Germany (1948), Switzerland (1948), Japan (1948)
1950 – 59	Kenya (1951), France (1952), Hungary (1953), Iceland (1953), Israel (1955), Italy (1955), Canada (1956), Belgium (1957), Srilanka (1958), Australia (1959), New Zealand (1959)
1960 – 69	Austria (1961), South Africa (1961), Luxemburg (1962), Philippines (1962), Korea (1963), Yugoslavia (1963), Trinland (W.I. 1964), Nigeria (1965), Poland (1965), Puerto Rico (1965), Malaysia (1965), India (1966), Jamaica (1966), Mauritius (1967), Pakistan (1968), Venezuela (1968), Taiwan (1969), Spain (1969)
1970 – 79	St. Lucia (1970), Barbados (1970), Guyana (1971), Singapore (1971), Turkey (1971), Fiji (1971), Guam (1972), Mexico (1972), Greece (1972), Montserrat (W.I. 1972), Indonesia (1973), Thailand (1973), Sweden (1973), Iran (1974), Portugal (1974), Hong Kong (1974), Egypt (1974), Bangladesh (1978)

Source: Consumer Directory, International Organisation of Consumer Unions (IOCU), Hague, Netherlands, 1978.

VOLUNTARY CONSUMER ORGANISATIONS (VCOs) ABROAD

The Voluntary Consumer Organisations have sprung up and have diffused across the world since the establishment of the first Consumer Organisation in the USA in 1927. Some of the VCOs are independent, some are sponsored by trade unions and such other similar organisations and some are controlled and regulated by the government. Most of these organisations started as mere voluntary consumer leagues or consumer clubs and now they have become mighty organisations rendering yeoman service to the nation in the matter of educating the consumers to their nutritional needs and inculcating in them a desire for better quality goods. Their membership runs into millions and naturally the circulation of their periodicals almost matches that number. They provide all the relevant information which a consumer desires to have about a product.²¹²

The International evidence reveals considerable diversity in the origins of non-profit Voluntary Consumer Organisations. In France, Belgium, The Netherlands and Austria, for instance, VCOs were affiliated to Labour Organisations. In contrast, VCOs were created as distinct entities but were affiliated to women's guilds in Finland, Canada, Denmark and Switzerland. Now several state sponsored VCOs flourish in Asia and Africa – many of these are affiliated members of the 'Consumers International'.²¹³ Table 3.2 shows the Voluntary Consumer Organisations of different countries of the world with their publications.

TABLE 3.2**Country-wise Voluntary Consumer Organisations and their Publications**

Country	Voluntary Consumer Organisation	Publication
USA	Consumers Union	Consumer Reports
	Better Business Bureau	-
	Public Citizen	-
	Consumer Federation of America	-
	National Consumer League	-
	American Association of University Women	-
	The National League of Women Votes	-
U.K.	Consumers' Association	Which?
	National Consumer Council	-
	The Citizen's Advice Bureau	-
	Retail Trading Standards Association	-
Netherlands	Consumers' Association	-
	Consumers' Contact Foundation	-
	The Netherlands Association of Housewives	-
	Consumer Complaints Foundation	-
Germany	Arbeitsgemeinschaft Der Verbraucher	Stiftung Warentest
	Verbraucher Zentrale	-
	Verbraucherberatbein Bundesminister for Wirtschaft	-
	Consumers' Union	-
Japan	Japan Consumer Information Centre (JCIC)	Tashikana Me
	Shufuren	-
	Consumers Union of Japan (CUJ)	-
	Shodanren	-
	Japan Consumers Association (JCA)	-
Kenya	The Kenya Consumers' Organisation	-
France	National Consumers' Institute	De Consommateurs
Italy	Consumers' Associations in Italy	-
Australia	Australian Consumer Association (ACA)	Choice
	Consumers Federation of Australia	-
	Australian Competition and Consumer Commission (ACCC)	-
New Zealand	Consumer Institute of New Zealand	Consumer
Austria	Consumers' Forum	-
South Africa	National Consumer Forum	-
Philippines	Consumers Federation Groups of the Philippines	-
	IBON Foundation Inc.	-

		Consumer Reports
Korea	Korean Women's Association	
	Consumers Korea	-
	Korean National Council of Consumer Organisations (KNCCO)	-
	Consumers Union of Korea (CUK)	-
Malaysia	Consumers Association of Penang (CAP)	-
	Education and Research Association for Consumers (ERA)	-
	Federation of Malaysian Consumers Association (FOMCA)	-
Pakistan	The network for Consumer Protection in Pakistan	-
Singapore	Consumer Association of Singapore (CASE)	-
Fiji	Consumer Council of Fiji (CCF)	-
Indonesia	Lembaga Pembinaan dan Perlindungan Konsumen	-
	Yayasan Lembaga Konsumen Indonesia	-
Thailand	Foundation for Consumer (FFC)	-
	National Council of Women in Thailand (NCWT)	-
Sweden	The National Consumer Institute	Rad Och Ron
	Konsument Verket	-
Bangladesh	Consumers Association of Bangladesh	-
China	Chinese Women's Consumers Association	-
	China Consumers' Association (CCA)	-
Mongolia	Mongolian Consumers' Association (MCA)	-
Nepal	Forum for the Protection of Public Interest	-
	SEWA Nepal	-
Vietnam	Vietnam Standards and Consumers Association (VINASTAS)	-

Source: <http://www.google.com>, Retrieved on 5th June 2006.

CONSUMER MOVEMENT: A GLOBAL PERSPECTIVE

The development of uniform business techniques throughout the world, particularly in the field of manufacturing, advertising and marketing of goods and services, coupled with the growth of multinational companies in the international markets, increased the volume of international trade and commerce. Many developing countries face the problem of well coordinated public distribution system. A majority of consumers have low

income and they face the problem of non-availability of food products and basic commodities for living with an acceptable quality at a reasonable price. Hence, consumer protection in developing countries has become a sheer necessity and it has led to the development of VCOs throughout the world.²¹⁴ A brief study of the consumer movement in different parts of the world is presented here.

UNITED STATES OF AMERICA

The USA claims to be the most advanced of "Consumer Societies" and it is well known in protecting consumer interests by maintaining the highest level of competition in the market.²¹⁵ Consumer Protection Laws in the US go back to 1906 when congress passed "The Pure Food and Drug Act". In the USA, the Consumer Movement was an outcome of the spark, the drive and initiative of one person, Ralph Nader, a consumer advocate, who acted as a catalyst in spreading the movement in the country. He won public attention with his publication "Unsafe at Any Speed" which is regarding unsafe automobile design. He stressed on consumerism that recognizes the consumer as a very important part of the Business – Consumer-Labour triangle forces which are essential to any healthy economy.²¹⁶

In the USA, consumerism has evolved through three distinct stages, the early 1900s, from 1930s to 1950s and from 1960s to the present. The first phase concentrated on unsafe and unhealthy business practices. The second phase centered on preserving competition. The third phase has focused on a wide range of activities. Two major events provided impetus to consumerism in the United States. First, President John F. Kennedy enumerated the Consumer's Bill of Rights in 1962. Second, as mentioned earlier, Ralph Nader published his work "Unsafe at Any Speed" in 1965. Later new steps were taken in the fields of drugs, control of water and air pollution, recreation, transportation, communication and public health.²¹⁷

In America, there are a number of legislations to protect the interests of the consumers such as Fair Debt Collection Practices Act, Fair Billing Act,

etc. More than these, private non-profit product testing organisations examine products and publish the results in their monthly magazines. In addition, there are various commercial concerns that publish consumer guides. An important institution in the United States is the 'Consumers Union' started in 1935. It is a testing, rating and reporting organisation that provides information to the consumers on competing brands of appliances, automobiles, food products and household equipments through its magazine 'Consumer Reports'. In addition to this, The American Association of University Women, The National League of Women Voters, The General Federation of Women's Club and Business and Professional Women's Club are most important. Besides, a few professional associations like the American Medical Association also render outstanding services to consumers.

UNITED KINGDOM

In the U.K. the consumer movement began to gather momentum during the years following the Second World War through voluntary action mostly by women's organisations. For the first time, one of the leading political parties came into the picture in a significant manner when in 1955 the labour party put out a pamphlet entitled "Battle for the Consumer". Another significant development of the late fifties was the establishment of a Retail Trading Standards Association with the primary objective of helping to resolve disputes between retailers and their consumers.²¹⁸ The single date that can be put against the first development of the organized consumer movement in the UK is 1957, when 'Consumers' Association' had been formed. It was this development that compelled the government to appoint the Molony Committee to report on what changes in the law were desirable "for further protection of the consuming public" and to make recommendations, inter alia, for more and better standards of safety, quality and performance.²¹⁹ In Britain, for instance, the Office of Fair Trading (OFT) and other state agencies provide valuable information to the general public on products and services. The National Consumer Council

(NCC) set up by British government in 1975, is another prominent state agency engaged in the consumer education process.²²⁰

In the U.K., the desire to protect the consumer through legislation has gone a step further by the passage of the Trade Descriptions Act, 1968. Traders are now required to see that descriptions of their goods are accurate with regard to a number of specified characteristics.²²¹ In the UK the most powerful consumer organisation is 'Consumers' Association'. It publishes a monthly test magazine "which?". Consumers' Association takes on the main non-governmental responsibility of promoting the consumers' interest.²²²

Presently, there are more than two dozens of Consumer Protection Acts, various consumer associations, women's organizations, consumer councils, government departments and other public bodies actively engaged in the interest of the British consumers.²²³ Today, there is a Ministry for Consumer Protection in Great Britain which looks after the consumer interest in a systematic manner.

NETHERLANDS

In the Netherlands 'Consumers' Association' was established in 1953. As an independent organization, it tries to further the interests of the consumers; investigates the quality and prices of goods and services and publishes a 'Consumer Guide'. Besides, there are other organisations such as the Consumers' Contact Foundation, The Netherlands Association of Housewives and the Consumer Complaints Foundation. In the Netherlands, the commission for Consumer Affairs was set up in 1965 by the Social Economic Council at the request of the Minister of Economic Affairs. This is primarily an advisory body concentrating on all matters where consumers are involved. Several laws have been passed in the Netherlands to protect the consumers, such as The Commodities Act, The Act on Dangerous Substances, The Act on Dangerous Appliances, Price Act, Door to Door Sales Act and Misleading Publicity Act.²²⁴

GERMANY

In Germany, the first Regional Consumers Co-operative Union was formed in 1864 though an earlier attempt in this direction was made in 1845. The most important organisation in the German Federal Republic is the ADV (Arbeitsgemeinschaft Der Verbraucher), a union which is composed of 32 national, family, housewife and religious associations. The ADV has about 7 million members and 48% of its budget comes from government funds. Its publication the 'Stiftung Warentest' conducts product tests and publishes comparative analysis of consumer goods and services. Further, they have "Verbraucher Zentrale' which distributes information to the consumers and educates and protects them. Of particular interest is a recently created public agency, the 'verbraucherberatbein Bundesminister for Wirtschaft', which tries to ensure that the consumers' voice is heard in government policies concerning his life.²²⁵ In Germany 'Consumers Union', the working community financed by 20 member bodies, is campaigning for consumers particularly on issues such as labeling and standardization.²²⁶

JAPAN

The Consumer Movement in Japan is very strong. It took its root through various legislative measures taken by the government in 1968 for the protection of consumers. In Japan, consumer protection is not confined to the national government, but it is the responsibility of all the municipalities and other local governments. The government of Japan is among other countries now taking a keen interest in the development of the Japan Consumer Information Centre (JCIC), a quasi government body engaged in providing aid for projects related to consumer affairs overseas.²²⁷

The Consumer Organisation in Japan called 'Shufuren' differs considerably from that in the other countries. First, it is extensive and increasingly well organized, particularly in consumer boycott activity. Secondly, it is largely made up of women – 500 housewives group. Through its quality magazine, 'Shufuren' keeps its members informed of

policy decisions and the list of manufacturers who are on its blacklist. 'Shufuren' is active in product testing as well as boycotts, which, in fact, remain as its main work. 'Tashikana Me' is the consumer magazine in Japan.²²⁸

KENYA

In Kenya, there are two bodies which are legally registered to fight for consumer rights and protection, 'The Kenya Consumer Organisation' (KCO) and 'The Public Law Institute'. The KCO was established over thirty years ago with the objective of handling the many consumer complaints as well as creating consumer awareness throughout the country. A survey²²⁹ carried out has shown that there is still a great lack of awareness among many Kenyans and there is a great need for forcing such awareness to assist the consumers not only to be aware of their rights but to be able to identify problems facing them in the field such as; shoddy goods and services, harmful drugs, unfair price and the like. To protect the consumer interest and consumers rights, a complaint desk has been established in Nairobi.

In Kenya, the VCOs lack money, information and understanding. They lack research centers. There is only one centre for standardization and that belongs to the government. They do not have the upper hand in this testing centre as they are not co-opted in these meetings where decisions are taken²³⁰

FRANCE

Although organisations having an objective of the defence of consumer interests have existed since 1912 in France, a clear consumer movement developed only in the late 1960s when the socio-economic conditions were favourable for its development. Overflow of events in the United States (Ralph Nader's Visit) and Sweden, and also certain internal developments pushed the "National Consumers' Institute" into the press. The French government provides more than half of the budget of this institute, the balance being derived from income from publications such as

'De Consommateurs'. It plays a dominant role in consumerist affairs, much to the discontent of a large number of families, co-operatives (union-backed) and National Consumers' Unions who feel threatened and to the disaster of businessmen who feel that a government agency should be a referee. They note that although the institutes' board has members of government, business and VCOs, the latter have the absolute majority. Further, France has similar testing and labeling institutes as in the United States, UK and Sweden.²³¹

AUSTRALIA

In Australia, the Consumer Movement received significant attention both at the Federal and State levels. 'Australian Consumer Association' set up in 1959 is the largest organization and it publishes a monthly magazine called 'Choice'. Consumer Law Association – National (CLA-N) is an emerging Australian network of consumer lawyers. During 1970, most of the Consumer Protection Agencies were established in Australia.

SOUTH AFRICA

In South Africa, The National Consumer Forum (NCF) was established in 1995, as an umbrella body for all VCOs in the country. It is a non-profit, non-political organisation, dedicated to the protection and promotion of various rights of the South African consumers. It provides information and advice on goods, services, health, personal finances and other such areas that affect consumer's rights and the quality of life. The organisation has more than 30 affiliates and is a member of the 'Consumers International'. The National Consumer Forum sees itself as a part of the progressive civil society movement in South Africa, and deals with consumer rights in the context of the struggle for social justice for all.²³²

SWEDEN

Consumer Policy in Sweden is well established and can look back on a long tradition. In 1986, the Swedish Parliament enacted a partial revision of consumer policy, with greater emphasis on matters of household economies, at the same time affirming the interrelationship of prices, competition and consumer policies. There are a number of Acts such as, The Marketing Act, The Consumer Contract Terms Act, The Consumer Credit Act, The Food Act, The Chemical Products Act, The Consumer Sales Act, and National Level Boards like National Board for Consumer Complaints, National Board for Consumer Policies, National Price and Cartel office have been set up for consumer welfare in Sweden, which regulate the job of consumer protection.²³³

The National Consumer Institute became operational in 1957. It publishes a magazine called 'Rad Och Ron'. The importance of the role of the government is unique in the Swedish Consumerist movement. The government finances consumer information and education, freely using the mass media. Since 1973, all Swedish Consumer Organisations that were state-supported grouped together under the National Board for Consumer Policies (Konsument Verket). The Swedish Consumerist Movement is particularly known because of a unique feature; 'The Consumer Ombudsman'. This office was created in 1971 to provide an independent referee on problems between business and consumers. It usually acts on consumer complaints. If necessary, it brings the case to the 'Market Court' (established in 1971) on which representatives of industry, government and consumers are serving. A particularly important aspect of this 'Market Court' is that its decisions are final, without the possibility of appeal. Another role of the court is the preparation of new laws for Consumer Protection.²³⁴ In a nutshell consumers are highly protected against any business malpractices in the country.

BANGLADESH

There are many reasons responsible for the exploitation of consumers in Bangladesh. The widespread illiteracy is one of the main reasons. The illiterate people do not come to know about the duplicate products, as they usually identify the goods by their physical appearance and not by actual writing or trademark affixed on the goods. Secondly, the consumers are exploited because of their low purchasing capacity, most of the consumers choose the low priced goods. The dishonest traders take advantage of this habitual behaviour of the poor consumers and cheat them through fake goods. The poor implementation of the Act in Bangladesh is also mainly responsible for consumer exploitation. Finally, the Industrial development in Bangladesh is still in its infancy, which could be one of the possible reasons for consumer exploitation because due to the lack of production the consumers are not getting a sufficient choice of products. So they are bound to purchase the same product, which is available in the market whether it is good or bad. The Government of Bangladesh has adopted some legislative measures from time to time towards protecting consumers from malpractices of the dishonest traders and manufacturers. The important legislations with regard to this include: Patents and Designs Act 1911, Trade Marks Act 1940, Pure Food Ordinance 1959, Standard of Weights and Measures Act 1982, etc. Though the government has formed many effective Acts regarding consumer protection, the consumer is still exploited by the dishonest traders in Bangladesh.

CHINA

In the early 1980s, China underwent a profound transformation. The architects of the economic reforms have, in fact, on various occasions stressed the need for China to use capitalist methods to boost production. Limited production of consumers goods resulted in the sale of poor quality products at very high prices and forced consumers to purchase.²³⁵

In China, the Consumer Council was established in December 1984, to conduct regular checks on the quality, prices, safety, and hygiene of products to avoid sub-standard goods winding up in consumer's hands. After every checking programme, the council publishes the results to warn consumers of possible hazards. Now much attention has been paid to the importance of legislation for protecting Chinese consumers. Government interference in China in marketing has given the consumer product satisfaction by providing greater choice to the consumers. Consumer Protection has grown in China, thus raising consumer awareness, though it will take a longer period to reach the level of the public acceptance that is enjoyed in the West.

CONSUMERS INTERNATIONAL (CI)

For strengthening the consumer movement it has been found necessary for the VCOs of various countries to render assistance to each other in identifying consumer problems and devising appropriate solutions. One of the important International Organisations for the promotion and protection of consumer interests and rights is the "Consumers International". [Earlier known as "International Organisation of Consumer Unions (IOCU)]. It was founded in 1960 in the Hague (The Netherlands) by consumer groups of the United States, Britain, Australia, Belgium and the Netherlands with a view to promoting worldwide co-operation in consumer information, education and the comparative testing of goods and services.²³⁶

The name of 'IOCU' has been changed as "Consumers International" (CI) and its Head Office also has been shifted to London in 1993. The organization is dedicated to the protection and promotion of consumer rights world wide through institution building, education, research and lobbying by the international decision-making bodies. The membership of CI is diverse which includes Government departments, Testing Organisations and local bodies. The membership rules are stringent. An associate member must exclusively deal with matters of

consumers' interest. It must not only be a non-profit organisation but also independent of political control and cash subsidies which are likely to influence its judgement in respect of matters relating to consumers interest. The three broad areas of work with which Consumers International concerns itself are as follows:

- a) Promoting cooperation amongst members through the exchange of information, experiences and joint activities.
- b) Expanding the consumer movement and nurturing young consumer organisations and
- c) Representing the consumer interest at international forums such as the United Nations.²³⁷

Consumers International has offices at the following places.

1. Head Office – London (UK)
2. Regional offices:
 - a) Accra – Ghana (Regional office for Africa)
 - b) Kaulalumpur – Malaysia (Regional office for Asia and the Pacific)
 - c) Santiago – Chile (Regional office for Latin America and the Caribbean)

It has over 220 member organisations in 150 countries. In India there are 15 member organisations which are shown as follows:

1. Association for Consumers Action on Safety and Health (ACASH), Bombay.
2. Citizen, Consumer and Civil Action Group (CAG), Madras.
3. Consumer Education Centre (CEC), Hyderabad.
4. Consumer Co-ordination Council (CCC), Delhi.
5. Consumer Education and Research Society (CERS), Ahmedabad.
6. Consumer Guidance Society of India (CGSI), Bombay.
7. Consumer Protection Council (CPC), Ahmedabad.
8. Consumer Unity and Trust Society (CUTS), Calcutta.
9. Consumer Association of India (CAI).
10. Consumers' Forum (CF), New Delhi.

11. Federation of Consumer Organisations Tamil Nadu and Pondicherry (FEDCOT), Tamil Nadu.
12. Gene Campaign.
13. Ministry of Food and Consumer Affairs, Delhi.
14. Mumbai Grahak Panchayat (MGP), Bombay.
15. Voluntary Organisation in the Interest of Consumer Education (VOICE), Delhi.²³⁸

Using United Nations guidelines as a starting point, Consumers International has developed 'Model Consumer Protection Laws' in Latin America, the South Pacific and Africa.²³⁹ This has been used as the basis for national laws in many countries promoted by National Consumer groups and regional offices of Consumers International. The need for consumer law has now been recognised in all parts of the world. In order to achieve its objectives, Consumers International, through its regional offices and other programmes provides information relating to consumer education. Particular attention is given to training for women, teachers, consumers and community groups. Consumers International has an official status with the various United Nations agencies and International Organisations, such as WTO, WHO, UNESCO, etc. in which it tries to put consumer policies in International debate on sustainable development.²⁴⁰

CONSUMER MOVEMENT IN INDIA

The situation in India, as far as consumer protection is concerned, is more vulnerable. In India, there are more than 100 crores of consumers but there is a complete absence of strong and well-organised consumer movement in the country. The consumers in India are facing a number of problems such as shortage of essential commodities, undue price rise, poor technology and inferior ingredients, poor quality of products coupled with adulteration, low level of consumer education, manipulative advertisements, utter inadequacy of testing laboratories and the cumbersome procedure of law. But instead of protesting against these evils, consumers are suffering in silence. They have always been at the receiving end. The virtual absence of competition in most consumer goods has made

suppliers indifferent to consumer needs. Though, consumers are the vital segment of our economy, they are the most unorganized, widely scattered and highly exploited. In recent days, there can be seen some signs of consumerism developing in our country. A wave of consciousness has flown, voice against exploitation has been raised, and the government has initiated legislations to protect the consumer. But unfortunately, these efforts have been confined only to the big cities of the country, and consumers of small cities are still dwindling in the dark. They are not conscious of their exploitation, not united to fight malpractices and there is no effective governmental machinery to protect their interests.²⁴¹

The Consumer Protection Act, 1986 gave impetus to the Consumer Movement in India. However, the Act was enacted in haste and consequently several inherent lacunae were evident in its application. At the initiative of Consumer Organisations, a high power working group was constituted by the Ministry of Civil Supplies, Consumer Affairs and Public Distribution under the chairmanship of Shri Nirmal Bose for the purpose of suggesting suitable amendments to the Act. The Working Group unanimously recommended the amendment of several provisions of the Act for the better protection of the interests of the consumers.²⁴²

India is moving from control to decontrol, from government monopolies to private industries, from investment to disinvestment. It is a very complex society now. There are all kinds of hurdles and obstacles. India does not grow up civic. It grows up corporate. In the schools and colleges, business courses like marketing, computer programming, advertising, business administration are taken. There are courses on 'Salesmanship', but no course is offered on 'Buymanship'. There is nothing about how to be a skilled consumer or a skilled citizen.²⁴³ Therefore, in India, a lot of efforts are required to achieve Consumer Protection.

GROWTH AND DEVELOPMENT OF CONSUMER MOVEMENT IN INDIA

Consumerism in India, like in the other developed countries, started much earlier. India was one among the countries to enact legislation to protect consumers. Swamy Vivekananda declared that the 'Consumer is King', and Mahatma Gandhi was described as the world's greatest Consumer activist by 'Ralph Nader' – the pioneering American Consumer Activist.

CONSUMER MOVEMENT BEFORE INDEPENDENCE

The consumer movement in India is as old as trade and commerce. Before independence, the government did not provide much importance to the welfare of consumers. Its activities were mostly pro-industrial, i.e., the policies were made in favour of industrialists. The consumer movement historically began in the early part of the 20th century with the formation of Passengers and Traffic Relief Association and the Women Graduates Union, Bombay in 1915. In 1931, Mahila Upabhokta Sangathan started functioning in Lucknow.²⁴⁴ Prior to Independence, the main laws under which the consumers' interests were considered in India were the Indian Penal Code 1860, Contract Act 1872, Negotiable Instruments Act 1881, Indian Railways Act 1890, The Indian Sale of Goods Act 1930, Dangerous Drugs Act 1930, Agricultural Produce (Grading and Marking) Act 1937, Insurance Act 1938, Drugs and Cosmetics Act 1940, Fruits Product Order 1946. Even though, different parts of India exhibited different levels of awareness, in general, the level of consumer awareness was very low and inadequate.²⁴⁵

CONSUMER MOVEMENT AFTER INDEPENDENCE

After independence, consumers began to organize themselves and more and more VCOs were established to promote and protect various rights of the consumers. In 1949, Consumer Protection Council was established in Madras under the patronage of Shri C. Rajagopalachari. The work of this council was confined only to the consumers of Tamil Nadu.

Inspired by the Consumer Rights Bill passed on 15th March, 1962 by the then American President John F. Kennedy and impressed by the consumer problems some enlightened housewives formed the Consumer Guidance Society of India in 1966. Similarly, under the able leadership of late Sri. JRD Tata and late Sri Ramakrishna Bajaj some progressive manufacturers and traders came together and formed the Fair Trade Practices Association in Bombay in March 1966. These two very important events led to the modern consumer movement in India. In the year 1974, Sri Bindu Madhav Joshi started Akhil Bharatiya Grahak Panchayat in Pune. This organisation shaped the philosophy of consumer movement in Maharashtra. This organisation organized consumer agitations successfully. The Government of India took a lot of measures for developing a strong consumer movement in India. The measures taken in this regard are:

- a) **20 Point Programme:** This programme was introduced by the Late Prime Minister Smt. Indira Gandhi which included Consumer Protection in Point No. 17.
- b) **Support to Voluntary Consumer Organisations:** The Government extends financial support and the required encouragement for the establishment and development of VCOs. Owing to the ever increasing awareness, many organisations have buckled down working for the consumer welfare. From the middle of the seventies, VCOs in the field of consumer protection have gradually but steadily been emerging in all parts of the country. At present, there are over 780 such organisations which render assistance to the consumers.²⁴⁶
- c) **Legislative Measures:** Legal environment is the most important ultimate factor in protecting the interests of the consumers when business concerns fail to understand their social responsibilities. If proper support of law does not exist, the consumer cannot defend himself against exploitation in the Court of Law. For the protection of consumers, from time to time, the Government of India has enacted several laws. The most important among them are given in Table 3.3.

TABLE 3.3**Prominent Legislations of Govt. of India for Consumer Protection**

Year	Legislations
1860	Indian Penal Code
1872	Contract Act
1881	Negotiable Instruments Act
1890	Indian Railways Act
1930	The Indian Sale of Goods Act
1930	Dangerous Drugs Act
1937	Agricultural Produce (Grading and Marking) Act
1938	Insurance Act
1940	Drugs and Cosmetics Act
1946	Fruits Product Order
1949	Banking Regulation Act
1950	Emblems and Names (Prevention and Improper Use) Act
1952	Indian Standards Institution (Certification Marks) Act
1954	Prevention of Food Adulteration Act
1954	The Drugs and Magic Remedies (Objectionable Advertisement) Act
1955	The Essential Commodities Act
1956	Companies Act
1956	Indian Medical Council Act
1958	The Trade and Merchandise Marks Act
1963	The Export (Quality Control and Inspection) Act
1969	Monopolies and Restrictive Trade Practices (MRTP) Act
1972	Hire Purchase Act
1974	The Water (Prevention and Control of Pollution) Act
1976	The Standards of Weights and Measures Act

1980	Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act
1981	The Air (Prevention and Control of Pollution) Act
1986	The Environment Protection Act
1986	Bureau of Indian Standards (BIS) Act
1986	Consumer Protection Act
1987	The Railway Claims Tribunal Act

Source: Mohini Sethi and Premavathy Seetharaman (1994), "Consumerism – A Growing Concept", New Delhi, Phoenix Publishing House, pp. 148-149.

CONSUMER DISPUTES REDRESSAL AGENCIES (CDRAs) IN INDIA

Since the setting up of the CDRAs under the Consumer Protection Act of 1986, a large number of complaints have been filed at the District, State and National level. An evaluation of the working of the Consumer Fora and Commissions reveals a mixed pattern of success and failures. No doubt, these bodies have been active and within the constraints given, they provide relief to the consumers in a number of cases. Quick justice at cheaper cost is what the consumers are looking for. Delay in the disposal of cases negates the very purpose of the setting up of these quasi-judicial bodies. The number of consumer complaints filed/ disposed of/ and pending in the National Commission, State Commissions and District Fora since inception till 21-11-2008 is presented in Table 3.4, 3.5 and 3.6 respectively.

TABLE 3.4**Performance of National Commission, State Commissions and District Fora since inception. (As on 21.11.2008)**

Sl. No.	Name of the Agency	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of total Disposal
1	National Commission	55,961	45,742	10,219	81.74
2	State Commissions	4,57,413	3,46,103	1,11,310	75.67
3	District Fora	25,91,519	23,56,829	2,34,690	90.94
-	TOTAL	31,04,893	27,48,674	3,56,219	88.53

Source: National Consumer Disputes Redressal Commission Report-
<http://www.fcamin.nic.in>

Table 3.4 presents a consolidated statement of the total number of consumer complaints filed / disposed of at different levels of CDRA's in the country. In the National Commission a total of 55,961 cases have been filed, 45,742 cases have been disposed of and 10,219 cases were still pending as on 21st Nov. 2008. The disposal rate is 81.74%. Similarly in various State Commissions, a total of 4,57,413 cases have been filed, out of which 3,46,103 cases have been disposed of till 21st Nov. 2008. There are 1,11,310 pending cases and the disposal rate is 75.67%. The State Commissions need to take adequate steps to ensure that complaints are disposed of in time and justice delivered. The major pressure seems to be on the District Fora. A total of 25,91,519 cases have been filed, of which 23,56,829 have been disposed of and 2,34,690 cases were still pending as on 21st Nov. 2008. A total of 90.94% of cases have been disposed of. If we take the overall cases, we find that 31,04,893 cases have been filed at different levels of CDRA's under the Consumer Protection Act, out of which 27,48,674 cases have been disposed of and 3,56,219 were still pending as on 21st Nov. 2008. The aggregate disposal rate stands at 88.53%.

TABLE 3.5**Cases Filed/Disposed of/Pending in the National and State Commissions**

Sl. No.	Name of State	Cases filed	Cases disposed	Cases Pending	% of Disposal	As on
	National Commission	55961	45742	10219	81.74	31.10.2008
1	Andhra Pradesh	22986	19568	3418	85.13	30.09.2008
2	A & N Islands	42	38	04	90.48	31.01.2008
3	Arunachal Pradesh	48	37	11	77.08	31.07.2008
4	Assam	2192	1137	1055	51.87	30.09.2008
5	Bihar	12630	8860	3770	70.15	31.07.2008
6	Chandigarh	9205	7969	1236	86.57	31.10.2008
7	Chattisgarh	5199	4228	971	81.32	30.09.2008
8	Daman & Diu and DNH	29	29	00	100.00	30.09.2008
9	Delhi	28486	27549	937	96.71	31.10.2008
10	Goa	2007	1878	129	93.57	31.10.2008
11	Gujarat	29559	24132	5427	81.64	30.09.2008
12	Haryana	35779	21215	14564	59.29	30.09.2008
13	Himachal Pradesh	5896	5215	681	88.45	31.10.2008
14	Jammu & Kashmir	5497	4726	771	85.97	30.06.2008
15	Jharkhand	3784	2758	1026	72.89	31.10.2008
16	Karnataka	26738	26310	428	98.40	31.10.2008
17	Kerala	21537	18390	3147	85.39	30.09.2008
18	Lakshadweep	14	13	01	92.86	30.09.2008
19	Madhya Pradesh	30859	27883	2976	90.36	30.09.2008
20	Maharashtra	44474	26891	17583	60.46	31.10.2008
21	Manipur	139	96	43	69.06	30.09.2008
22	Meghalaya	115	109	06	94.78	31.05.2007
23	Mizoram	150	142	08	94.67	31.10.2008
24	Nagaland	94	64	30	68.09	31.12.2006
25	Orissa	17592	10530	7062	59.86	30.09.2008
26	Puducherry	862	809	53	93.85	31.10.2008
27	Punjab	20839	15738	5101	75.52	30.09.2008
28	Rajasthan	39535	35180	4355	88.98	31.10.2008
29	Sikkim	31	31	00	100.00	30.09.2008
30	Tamil Nadu	20229	17685	2544	87.42	31.10.2008
31	Tripura	1110	1086	24	97.84	31.10.2008
32	Uttar Pradesh	53785	21330	32455	39.66	30.09.2008
33	Uttarakhand	3361	2517	844	74.89	30.09.2008
34	West Bengal	12610	11960	650	94.85	30.09.2008
-	TOTAL	457413	346103	111310	75.67	-

Source: National Consumer Disputes Redressal Commission Report-
<http://www.fcamin.nic.in>

Table 3.5 gives an account of the Cases filed/disposed of / pending in the National Commission and State Commissions in the country. On an average only 75.67% of cases have been disposed of by various State Commissions and the National Commission up to 21st Nov. 2008. Daman & Diu and Sikkim record the highest disposal rate of 100.00% followed by Karnataka (98.40%) and Tripura (97.84%). In Uttar Pradesh only 39.66% cases have been disposed of, which is the lowest among all the States.

TABLE 3.6

Cases Filed/Disposed of / Pending in the District Fora

Sl. No.	Name of State	Cases filed	Cases disposed	Cases Pending	% of Disposal	As on
1	Andhra Pradesh	170996	166363	4633	97.29	30.09.2008
2	A & N Islands	330	301	29	91.21	31.03.2006
3	Arunachal Pradesh	289	255	34	88.24	31.07.2008
4	Assam	15280	9778	5502	63.99	30.06.2008
5	Bihar	72189	61494	10695	85.18	31.07.2008
6	Chandigarh	34919	34060	859	97.54	31.10.2008
7	Chattisgarh	27356	24778	2578	90.58	30.09.2008
8	Daman & Diu and DNH	129	103	26	79.84	30.09.2008
9	Delhi	189822	177851	11971	93.69	30.06.2008
10	Goa	5643	5002	641	88.64	31.10.2008
11	Gujarat	137200	115739	21461	84.36	30.09.2008
12	Haryana	172870	155023	17847	89.68	30.09.2008
13	Himachal Pradesh	47535	44837	2698	94.32	31.10.2008
14	Jammu & Kashmir	20792	18855	1937	90.68	31.12.2007
15	Jharkhand	29067	26841	2226	92.34	31.10.2008
16	Karnataka	114868	110906	3962	96.55	31.10.2008
17	Kerala	156490	147486	9004	94.25	30.09.2008
18	Lakshadweep	55	53	02	96.36	30.09.2008
19	Madhya Pradesh	130470	120917	9553	92.68	30.09.2008
20	Maharashtra	203854	190264	13590	93.33	31.10.2008
21	Manipur	1037	1012	25	97.59	30.09.2008
22	Meghalaya	322	308	14	95.65	31.03.2007
23	Mizoram	2065	2011	54	97.38	31.12.2006
24	Nagaland	246	205	41	83.33	30.06.2006
25	Orissa	74531	69941	4590	93.84	30.09.2008
26	Puducherry	2531	2446	85	96.64	31.10.2008
27	Punjab	112837	107864	4973	95.59	30.09.2008
28	Rajasthan	225718	210420	15298	93.22	31.10.2008
29	Sikkim	223	209	14	93.72	30.09.2008
30	Tamil Nadu	87913	80825	7088	91.94	31.10.2008
31	Tripura	2015	1807	208	89.68	30.09.2008
32	Uttar Pradesh	456937	379663	77274	83.09	30.09.2008
33	Uttarakhand	29752	28020	1732	94.18	30.09.2008
34	West Bengal	65238	61192	4046	93.80	31.08.2008
-	TOTAL	2591519	2356829	234690	90.94	-

Source: National Consumer Disputes Redressal Commission Report-
<http://www.fcamin.nic.in>

Table 3.6 gives an account of the Cases filed/disposed of / pending in the District Fora in the country. On an average 90.94% of cases have been disposed of up to 21st Nov. 2008. The District Fora in Manipur are doing well with a disposal rate of 97.59%, followed by Chandigarh (97.54%) and Mizoram (97.38%), whereas Assam stands last with a disposal rate of 63.99% among all the states of the country.

VOLUNTARY CONSUMER ORGANISATIONS (VCOs) IN INDIA

From the middle of the seventies the VCOs in the field of Consumer Protection have gradually but steadily been emerging in all parts of the country. The VCOs are of varying sizes with diversity in their resources and the functions they perform in the protection of consumer interest. The enactment of the Consumer Protection Act 1986, has contributed tremendously towards the phenomenal growth of consumer groups in the country. It is noteworthy that there has not been an even distribution of consumer groups in the country. In the states like Tamil Nadu, Andhra Pradesh, Gujarat, there has been a heavy concentration of consumer groups whereas the populous states like UP, MP have a meager number of consumer groups. The activities of most of the VCOs are confined to complaint handling, consumer guidance, consumer education, holding of symposia, seminars and meetings on matters of consumer interest litigation. According to T. Tomas, former Chairman of Hindustan Lever Ltd.,²⁴⁷ the role of VCOs is three fold. These are Consumer Education, Product rating and liaison with the government and the producers. Most of the VCOs in India are suffering from a lack of funds. Because of severe limitations of resources it has not been possible for the consumer movement to take off in India. However, in India, there are 787 VCOs working for the promotion and protection of consumer rights and interests. Table 3.7 shows the number of VCOs existing in India.

TABLE 3.7**Voluntary Consumer Organisations in States and UTs**

Name of the State/UT	Number of VCOs
Andaman and Nicobar	5
Andhra Pradesh	203
Assam	5
Bihar	33
Chandigarh	4
Goa	3
Gujarat	79
Haryana	8
Himachal Pradesh	2
J & K	3
Karnataka	120
Kerala	37
Madhya Pradesh	7
Maharashtra	35
Manipur	3
Mizoram	2
New Delhi	35
Orissa	33
Pondicherry	13
Punjab	11
Rajasthan	40
Tamil Nadu	68
Tripura	3
Uttar Pradesh	28
West Bengal	7
Total	787

Source: Directory of Voluntary Consumer Organisations Published by Ministry of Civil Supplies, Consumer Affairs and Public Distribution, Krishi Bhavan, New Delhi (1995)

Leaving aside a few prominent groups like the Consumer Education and Research Centre (CERC), Ahmedabad, Consumer Guidance Society of India (CGSI), Bombay, The Common Cause, Delhi and Voluntary Organisation in the Interest of Consumer Education (VOICE), Delhi, the functioning and impact of most other VCOs is, at best localised. As a matter of fact, VCOs also face a lot of problems, for instance, most VCOs are urban based whereas a majority of the Indian population lives in rural

areas. Moreover, they lack adequate infrastructure, dedicated activists, enough financial resources and necessary moral support from state and local governments. These factors act as stumbling blocks in their day-to-day functioning. Nevertheless, these organisations are certainly doing their maximum to further consumer and societal interests.²⁴⁸ Table 3.8 shows the prominent VCOs in India.

TABLE 3.8

Prominent Voluntary Consumer Organisations in India

Year of Establishment	Name of VCO	Place	Publication
1915	Passengers and Traffic Relief Association	Bombay	-
1915	Women Graduate Union	Bombay	-
1917	Women's Indian Association	Madras	-
1956	Indian Association of Consumers	Delhi	-
1960	Gayathri Charitable Trust	Gujarat	-
1962	Jyoti Sangh Grahak Suraksha Vibhag	Ahmedabad	-
1963	Bombay Civil Trust	Bombay	-
1964	Association of Women Against Rising Expenses	Bombay	-
1966	Consumer Guidance Society of India	Bombay	Keemat
1966	Fair Trade Practices Association	Bombay	-
1966	Baroda Citizen Council	Vadodara	-
1967	Consumer Council of India	Delhi	Indian Consumer
1968	All India Bank Depositors Association	Calcutta	-
1969	Surat Consumer Association	Gujarat	-
1970	Karnataka Consumer Services Society	Bangalore	-
1973	Visaka Consumers Council	Vishakapatnam	-
1973	Consumer Action Forum	Calcutta	-
1974	Akhila Bharathiya Grahak Panchayat	Poona	-
1975	Mumbai Grahak Panchayat	Bombay	Grahak
1976	Trichy District Consumer Council	Tamil Nadu	-
1978	Consumer Education and Research Centre	Ahmedabad	Insight

1978	Akhila Bharatiya Grahak Panchayat	Delhi	-
1979	Grahak Panchayat	Jamshedpur	-
1980	Jagrut Grahak	Baroda	-
1981	Common Cause	Delhi	-
1982	Consumer Education Centre	Hyderabad	Consumer Network News of India
1983	Voluntary Organisation in the Interest of Consumer Education	Delhi	Consumer Voice
1984	Consumer Unity and Trust Society	Jaipur	Patrika
1984	National Centre for Human Settlement and Environment	Bhopal	Vachan
1984	Consumer Guidance Society	Jamshedpur	-
1985	Consumer Action Group	Madras	-
1985	SMN Consumer Protection Council	Madras	-
1985	Bombay Telephone User's Association	Bombay	-
1990	Federation of Consumer Organisations	Tamil Nadu	-
1991	Confederation of Indian Consumer Organisations	Delhi	-
1992	Gujarat State Federation of Consumer Organizations	Gujarat	-
1992	Consumer Co-ordination Council	Delhi	-
1993	Consumer Rights, Education & Awareness Trust	Bangalore	Consumer Info

Source: Consumer Education and Research Centre Publication, Ahmedabad 1994.

PASSENGERS AND TRAFFIC RELIEF ASSOCIATION (PATRA)

The first known collective body of consumers in India, The Passengers and Traffic Relief Association, was set up in 1915, in Bombay. It was formed with a view to ameliorating the hardship and trouble faced by passengers travelling by Railways and steamers and also to redressing the grievances of the Indian Trading Community.²⁴⁹

ASSOCIATION OF WOMEN AGAINST RISING EXPENSES (AWARE)

Association of Women Against Rising Expenses was formed in Bombay in 1964 by some imaginative and enterprising women to fix low prices for goods and services.²⁵⁰

CONSUMER GUIDANCE SOCIETY OF INDIA (CGSI)

Consumer Guidance Society of India was established in 1966 in Bombay by some housewives with the help of a few social workers. The main slogan of this organisation is 'Grahak Seva, Suraksha and Santhosh'. The purposes of this organisation are to protect and promote the rights and interests of consumers. It performs a wide range of activities relating to consumer guidance, protection, education and representation. It publishes a monthly magazine named 'Keemat' for raising consumer awareness and voicing the grievances of consumers. It has many achievements to its credit.²⁵¹

KARNATAKA CONSUMER SERVICES SOCIETY (KCSS)

The consumer organisation which made quite an impact in making the cause of the consumers known throughout the country, was the Karnataka Consumer Services Society formed in 1970 in Bangalore.

The KCSS was formed by ten housewives who attended a programme on Consumer Information. The main strength of the KCSS was Mrs. Mandanna, who spread the word of the movement throughout the country especially among government circles at a time when the word "consumer" was not very familiar to many. From 1976 onwards the society has represented on the Prevention of Food and Drug Adulteration Committee and also held a directorship in Karnataka Food and Civil Supplies Corporation.²⁵²

MUMBAI GRAHAK PANCHAYAT (MGP)

In 1975, Mumbai Grahak Panchayat was set up in Bombay with the objectives of organising the consumers through constructive work, educating the consumers, fighting against injustice done to consumers and protecting the consumers' interest.²⁵³ It publishes a magazine called "Grahak".

CONSUMER EDUCATION AND RESEARCH CENTRE (CERC)

March 23, 1978 was the historical date in the history of Consumer Movement in India. It was on this date the CERC came into existence with the efforts of four eminent personalities in Ahmedabad. Since then it is making strenuous efforts in solving the problems of consumers. This centre has also established a library which will be of use to the consumers. CERC is successful in dealing with a number of complaints.²⁵⁴ CERC is rendering useful services to the consumer community through complaint handling, product testing, effective usage of law, research, lobbying and advocacy. The CERC fought battles against several institutions like, Indian Airlines, Banks, LIC of India, Gujarat State Road Transport Corporation, Electricity Board etc. to protect the interests of consumers. It has been taking action against misleading advertisements also.²⁵⁵

CERC has spread its research activities over a wide range of areas by organising workshops, seminars, lectures and other activities on consumer protection. It helps the aggrieved consumers in filing complaints with the Consumer Fora/Commissions, MRTP Commission, High Court and Supreme Court. It also files complaints on behalf of the aggrieved consumers. For enlightening the consumers about factual information, the CERC has been publishing two periodicals, a bi-monthly "Insight" (Earlier Known as 'Consumer Confrontation) in English and "Grahak Suraksha" in Gujarathi language. It is India's first consumer magazine that publishes test reports and recommends the 'Best Buy' to consumers. It publishes many National and International consumer related articles.²⁵⁶

COMMON CAUSE

Common Cause was formed in New Delhi in 1981. Mr. H.D. Shourie, a well known consumer activist, was the Director of Common Cause. It was the writ petition filed by the Common Cause which made the Supreme Court to direct the States and Union Territories to establish State Commissions and Consumer Fora under Consumer Protection Act 1986. Common Cause persuaded the public to adopt the problem arising out of Government regulations for study and to prepare comprehensive notes to help the organisations to take up the matters with the concerned authorities.²⁵⁷ H.D. Shourie has received "Padma Bhushan" award by the Government of India, for his effective work in the field of consumer movement even in his eighties.²⁵⁸

CONSUMER EDUCATION CENTRE (CEC)

Consumer Education Centre was established in Hyderabad in December 1982. CEC, to effectively push forward the consumer cause, concentrates on publicity. It started a consumer quarterly 'Consumer Network News of India' which focuses on publishing news from all over the country. It invites organisations and individuals to forward articles and information of interest to consumers and consumer organisations for publication, especially reports on current issues and campaigns engaging the attention of local consumer organisations.²⁵⁹

VOLUNTARY ORGANISATION IN THE INTEREST OF CONSUMER EDUCATION (VOICE)

In 1983, some teachers and students of Delhi University formed a Voluntary Organisation in the Interest of Consumer Education (VOICE) in New Delhi. VOICE conducts consumer research, gives consumer education and undertakes consumer interest litigation.²⁶⁰ VOICE tests the products in its own laboratory and sends the report to the concerned manufacturers and government for necessary action. The Organisation also publishes a bi-monthly consumer magazine "Consumer Voice" in which test reports,

consumer related articles and some important judgments of the National Commission are published to create awareness among consumers.

CONSUMER UNITY AND TRUST SOCIETY (CUTS)

CUTS was established in Jaipur in 1984. It has more than 40 affiliated independent consumer groups in small towns and villages of Rajasthan. CUTS has branch offices at Calcutta, New Delhi, Bombay, Lucknow and Bhopal. It also engages itself in consumer education, complaints handling and litigation.²⁶¹ CUTS publishes a magazine called "Patrika" which highlights various developments in the field of consumerism.²⁶²

FEDERATION OF CONSUMER ORGANISATIONS – TAMIL NADU (FEDCOT)

FEDCOT was established in March 1990. The idea to form a Federation was basically to bring together as many consumer groups as possible in Tamil Nadu under one umbrella. Their specific programmes include holding seminars, conducting workshops and training programmes.²⁶³

CONSUMER COORDINATION COUNCIL (CCC)

Consumer Coordination Council was established in New Delhi in 1992 as an apex national coalition of 50 leading consumer organisations in India. It is a platform which consumer organisations could approach for professional inputs like materials, faculty, case information, booklets/pamphlets etc. Aided by professionals in its secretariat and the latest information technology, Consumer Coordination Council functions as a National Consumer Resource Centre. It is also a member of the Consumers International.²⁶⁴

The VCOs are formed to create awareness among consumers in India. They are playing a vital role in promoting and protecting the rights and interests of the consumers. But most of the VCOs have been set up

only in the urban areas, where a lesser number of Indian population lives. In the rural areas, we do not have any strong Consumer Protection Groups.

CONSUMERISM IN INDIA- THE PRESENT SCENARIO

The Consumer Movement in India is spreading its wings. The Government of India claims to have passed a large number of laws for protecting consumers than any other country in the world. The legislature incorporated amendments to the Consumer Protection Act in 1991, 1993 and 2002. The amendments to the CPA provides for the setting up of a District Consumer Protection Council and District Consumer Information Centre in every district. This provides a forum for promoting and protecting the rights and interests of the consumers at the grass-root level.²⁶⁵

The Government of India has taken up a number of programmes like educating the consumers about their rights, institution of awards for outstanding contribution to the consumer protection movement, training programmes to non-judicial members of Redressal Agencies, printing of literature and journals, broadcasting Consumer Awareness Programmes like 'Apne Adhikar', 'Lo Sathyamma Aa gayee' and 'Jago Grahak Jago' in Radio and TVs.²⁶⁶

The Government of India has also developed the concept of 'Citizens' Charter'. All Government departments dealing with the public are to publish a 'Citizens' Charter' clearly indicating the services offered and the procedure to be followed. All the information has to be available in a single window. But, this programme is in its incipient stage and has a long way to go to achieve the desired levels of consumer satisfaction. Consumer Protection is identified as a thrust area, and the Department of Consumer Affairs, GOI, has been assigned to evolve a "National Action Plan for Consumer Awareness and Redressal and Enforcement of Consumer Protection Act, 1986". The National Action Plan includes;

- ★ Undertaking Consumer Awareness Programmes.
- ★ Strengthening Consumer Grievance Redressal Machinery.
- ★ Strengthening Standards of Literature of Weights and Measures.
- ★ Greater Involvement of States and District Administration.
- ★ Having a National Policy on Consumer Protection.
- ★ Opening of Consumer Clubs in the Schools and Colleges.
- ★ Involvement of Research Institutes / Universities / Colleges.
- ★ Establishment of National Consumer Helpline.

In 1992, the Central govt. set up a 'Consumer Welfare Fund' with the objective of providing financial assistance to VCOs, NGOs and State governments etc. for strengthening the consumer movement especially in the rural areas. In the year 2005, the Karnataka state has also established State Consumer Welfare Fund. December 24th is declared as 'National Consumer Rights Day' in the year 2000. The Ministry of Consumer Affairs, Govt. of India, has instituted 'National Awards' for Consumer Protection to encourage VCOs, Women and Youth to take greater interest in consumer awareness. The Government is also sponsoring financial assistance for research and evaluation studies in the field of consumer welfare. The Ministry of Consumer Affairs has taken a number of measures like assisting the VCOs to organize Workshops, Seminars, Training Programmes and Mass Awareness Programmes under 'Jagruti Shivar Yojana' etc. to promote a strong and broad-based Consumer Protection Movement in the country. Among the new initiatives taken by the Ministry, the setting up of "Consumer Clubs" in schools and colleges will definitely result in educating children about their rights as consumers.²⁶⁷

The programmes announced by the Government of India for the protection of consumer interests no doubt, if properly implemented will definitely yield positive results. But, as it is observed, these plans are not properly implemented so far. Funds are the serious problems for VCOs.

The Central Consumer Welfare Fund does help small organisations with funds for their functioning, but State funds are not easily accessible to consumer groups. The CPA promises that complaints filed with the Consumer Fora / Commissions will be resolved within 90 days from the date of filing. At present, cases in many Consumer Fora/Commissions have been pending for more than two years.²⁶⁸ Still the Government is not serious in celebrating 'National Consumer Rights Day' on December 24th every year in all government departments and educational institutions. Even though the programme of opening up of 'Consumer Clubs' in schools and colleges was launched in the year 2003, it is hardly seen in the schools and colleges. The District Consumer Protection Councils and District Consumer Information Centres are not yet established in most of the districts. It is also observed that most of the Consumer Disputes Redressal Agencies are working in very shabby and unhygienic conditions. Shortage of staff is also faced by many of them.²⁶⁹ Therefore, it is necessary for the governments at the Central as well as States to take special interest in the implementation of the plans and policies relating to consumer protection.

CONSUMER MOVEMENT IN KARNATAKA

To cite a few examples of the efforts being made to institute Consumer Movement in Karnataka by the consumers themselves – The Karnataka Consumer Service Society Bangalore, Balakedarara Vedike Udupi, Balakedarara Vedike Basrur, Consumers' Forum Hubli, Consumers' Forum Sagar, CREAT Bangalore, Mysore Grahaka Parishath and there might be a few other such organisations. Some individuals like Mrs. Jaji Mandanna, Dr. M.R. Pai, Dr. K.P.S. Kamat, Dr. P. Narayana Rao, Smt. Vinuta Rao have been championing the cause of consumers in Karnataka. The Karnataka Government has also recognised the importance of consumer protection and has constituted the Consumer Protection Board in 1984 where representatives of consumer organisations drawn from several districts of Karnataka were the members. Even before passing CPA 1986 in India, on the request of the then Chief Minister of Karnataka State Late.

Shri Ramakrishna Hegde, The Consumer Protection Board had submitted the Draft of Consumer Protection Bill to the Government of Karnataka in February 1985.²⁷⁰

The Consumers in Karnataka, though a non-entity, are indeed a hub of innumerable problems of living, which have been generated due to the factors such as uncertain weather conditions, food production not being commensurate with the ever increasing population growth, unchecked urbanisation, illiteracy and poverty. In addition to the above factors, the consumer here is more sober in the sense that he does not raise his voice in protest against injustices done to him and endures quietly. In other words, he is gullible enough to be cheated. This is where the VCOs and other bodies have a significant role to play. The consumers in Karnataka have to be almost nose-led. The responsibility lies mainly with the consumer on the one hand and the government on the other.²⁷¹

In Karnataka, the government has taken several steps for the protection of consumers. The government has created State Consumer Welfare Fund and provides financial assistance to the VCOs and other NGOs for conducting programmes, workshops, seminars on Consumer Protection. All the districts in Karnataka have District Consumer Disputes Redressal Agencies for the settlement of Consumer Complaints. Some districts have Consumer Protection Councils and Consumer Information Centres. In addition to this, in Karnataka, there are about 120 Voluntary Consumer Organisations.²⁷² The Government has also taken initiatives to open 'Consumer Clubs' in schools and colleges in Karnataka. Consumerism in Karnataka is still in its infancy and deserves to be nourished till such time the consumer develops and musters enough strength to be on his own.

CONSUMER MOVEMENT IN D.K. AND UDUPI DISTRICTS

Dakshina Kannada and Udupi are the developed districts of Karnataka State in terms of Education, Health, Banking, Transport and Communication. Moreover, these districts are known as "Districts of Intellectuals". Naturally, people exert themselves for their rights and they are conscious about the global situation.²⁷³

In 1976, when a state of emergency was declared, there was widespread resentment among the educated middle classes. For the first time, since independence, India witnessed human rights violation on an alarming scale affecting all sections of the society. Shortly, after the emergency, a group of youngsters in Udupi gathered together and decided to work on an appropriate remedy. What they wanted was a permanent solution to the evils that enveloped them. The problems with the Indian society are both complex and numerous. Corruption, ignorance of governmental systems fuelled by illiteracy, total lack of understanding of rights and duties of a responsible citizen, fear of the unknown, bureaucratic arrogance and feudalism were only a few among them. It was absolutely necessary to study the attitudes and ambitions of the average citizens of the land and arrive at an appropriate strategy. After a great deal of discussion and dialogue, a small group of individuals decided to begin with the simplest issues and then gradually started working on consumer related issues.²⁷⁴ Finally, Dr. K.P.S. Kamat officially started a Voluntary Consumer Organisation by name "Balakedarara Vedike" at Udupi on 3rd May 1980 when he found that the government machinery is corrupt, slow moving and not responding to people's aspirations. This was the first Voluntary Consumer Organisation formed in the undivided D.K. district. When the founder moved over to the United States, Dr. P. Narayana Rao and his wife Smt. Vinuta Rao took up the reign of the movement and during their tenure the activities related to consumer education and consumer awareness were undertaken. A number of meetings, workshops and seminars were organized.²⁷⁵

Later, a few persons in Basrur in Udupi district saw that people of Basrur and neighbouring villages were tolerating the attacks on their fundamental rights. So, they came together and began to discuss how a remedy could be effected. Having decided to do something, they conducted a study on the problems faced by the people of this area. At the same time (i.e., in 1980) the news about the establishment of a 'Balakedarara Vedike' at Udupi caught their attention. They studied the byelaws and the code of conduct of that Forum and a year later, established a similar Forum by name 'Balakedarara Vedike' in Basrur on 17th May 1981.²⁷⁶ In the first few years most of the complaints filed in these VCOs were against government offices, not against erring traders and the public utilities. It was only after the implementation of CPA in 1986, that these VCOs started getting complaints against businessmen.

Inspired by the formation of these two VCOs, gradually VCOs have been formed in other parts of D.K. and Udupi districts. At present there are 40 active VCOs in these two districts.²⁷⁷ The names and addresses of the sample VCOs have been given in Appendix V. Four major VCOs in the study area namely, Balakedarara Vedike Udupi, Balakedarara Vedike Basrur, Nagarika Samanvaya Samithi Moodbidri, and Consumer Welfare Forum Puttur are the leading organisations in the field of Consumer Complaints settlement, spreading consumer awareness and giving consumer education. These organisations are run by the people drawn from various avenues like Banking, Insurance, Teaching, Industry, Service etc., who work with the noble cause of serving the unfortunate lot. These people are working with a sense of dedication and devotion. These organisations conduct consumer education programmes to college students, self-employed women, senior citizens and arrange face to face meetings between consumers and government and quasi government departments, like Telephone, Electricity, Transport authorities and the like. These VCOs spearheaded the negotiation between Government / RTO and Bus Owners Association to scale down fare hike and relentlessly worked to introduce the concept of "watch-dog committee' to oversee the civil works

like road/building/bridge etc. Consumers' Forum Udupi has been instrumental in streamlining the PDS in the State. All the VCOs operating in the study area are rendering services free of cost. Some of the VCOs are publishing and selling magazines/newsletters at a subsidized price for giving information to the consumers. All the VCOs are impartial and do not have any political affiliations.²⁷⁸ In addition, D.K. and Udupi districts have District Consumer Disputes Redressal Fora. Also, there is a Consumer Protection Council in D.K. district and Consumer Information Centre in Udupi district. However, the Consumer Movement in D.K. and Udupi districts has still to grow into gigantic proportions, to take care of the consumers in all respects.

CONSUMERISM IN THE FUTURE

The ideology of consumerism has now established itself in India and it is there to stay. It is not there merely to fight for the cause of consumers' just rights, but also to have a say in the economy. The rising income level of Indian consumer, the cornucopia of new products and the impressive growth rate of wholesale and retail business has multiplied the number, value and variety of consumer market transactions. In this transition phase there are greater chances of consumer deception than ever before. There is established evidence that a tremendous future exists in rural India, accelerated by growing rural incomes.²⁷⁹ Hence, it is necessary to have a planned organized strategy for the future to uplift the status of consumers in India.

Consumers today are generally more sensitive to social and environmental issues. Along with sources of dissatisfaction, the plight of the poor, waste disposal, pollution, urbanization and the treatment of animals in medical and cosmetic research are other social and environmental causes receiving attention. There is a call for the implementation of green consumerism for the survival of man and his environment. The VCOs will look at most consumer problems from wider environmental perspectives and will emphasize the need for consumption of 'Environment Friendly Products' (EFPs) by the consumers. (EFPs are those products which do not

cause harm or damage to man and his environment during their production and use and which do not pollute the environment on their disposal or recycling). Compared to earlier generations, young people are better educated, more articulate and more inclined to speak out. People of all ages are generally less intimidated by large organisations and less willing to accept the status quo. Responding to this increased public sensitivity, there are also politicians who demonstrate a greater concern for societal issues. Since problems remain, consumerism in the remainder of the decade will focus on some of the same areas as in the past. For e.g., fair treatment of disadvantaged consumers and personal safety will be major concerns. In addition, waste management, efficient utilization of resources, and the preservation of natural beauty are environmental issues that will draw continued attention.²⁸⁰ Making consumers aware of their rights and taking consumer movement to rural India will be the most important problem and challenge before the VCOs.

In this chapter, we have carried out a study of the Consumer Movement and Voluntary Consumer Organisations in India and abroad. Consumer Protection Movement for it to be effective and meaningful needs the proactive support of the government, business, civil society, educational and research institutions, etc. The policies, schemes and programmes of the government are no doubt, useful but their effectiveness finally depends on the involvement of the institutions and the people at large. The consumers have to assert and protect themselves from unscrupulous traders, unethical professionals and irresponsible public undertakings.

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