CHAPTER-3
ORIGIN AND DEVELOPMENT OF CONSUMER MOVEMENT

Consumer movement may be described as the collective power of consumers to take a country forward with respect to awareness, education and development. The direction of such movements, which attempt to improve the quality of living of the people, determine the degree of development in a country (Kotler, Philip, 1988).

Consumerism is the safeguard for the consumers against the unethical and abusive practices of traders and business people. After World War II, when Ralph Nader realized that the Americans were cheated by the service providers in various ways, he spearheaded the consumer movement. His book ‘Unsafe at any Speed’ created a stir and the people applauded the benefits of consumerism. In 1962, John F. Kennedy appreciating the movement promulgated the Bill of Rights. It was the first Act that recognized four rights of the consumers. The present concept of consumerism as it is understood in our country, is essentially the American concept. In Kautilya’s Arthasastra’ (Vol IV) we find that consumerism occupied important position in the existing administration. Many of the measures mentioned in the ‘Arthasastra’ are still applicable in the twenty-first century (Sarkar, 1989).

The success story of countries like USA, Canada, Japan, Australia and other developed countries of Europe can be traced to strong consumer revolutions. Even drastic political changes in the USSR and Germany can be attributed to the dissatisfaction of their consumer citizens with the political systems which failed to fulfill their consumer’s needs and rights (Sethi & Seetharaman, 1994). However, economic dependence continues even after more than five decades of independence in India. Neither the rich nor the poor are able to exercise their rights as consumers. The same is the position of other developing countries.
3.1 PHILOSOPHY OF CONSUMER MOVEMENT

The philosophy of the consumer movement centred mainly around testing the consumer goods and evaluation of services offered, acting as a clearing house of information, promoting the formation, development of new consumer organizations, organizing seminars, advising and providing practical assistance in consumer protection and consumer education activities.

In the eighties, a need was felt to adopt a different approach – a change in the philosophy of consumer movement confining it not only to spread of information and testing of goods, co-ordination or aid in development or to render technical assistance but also to project an image of an international advocate to fight against the world-wide trade in hazardous products, wastes and technologies.

Multinationals found that consumer response was necessary for marketing their products. Corrupt and dangerous marketing practices devised in one country deceived consumers in other countries. Such trade practices articulated both as philosophy and a programme. In Jakarta, in 1979, Answer Fazal, the then president of IOCU, listed what he believed to be the guiding philosophy of consumer movement (Sethi, Seetharaman, 1994).

# Critical Awareness : Citizens must be awakened to be more questioning about the quality of goods and services ;
# Involvement or action : Citizens must act with social responsibilities, with concern and sensitivity to the impact of their actions on other citizens, particularly in relation to the disadvantaged groups in the community.
# Ecological responsibilities : There must be a heightened sensitivity to the impact of consumer decisions on the physical environment, which must be developed in a harmonious way for promoting conservation. We must fight against the degradation of this most critical factor in improving the real quality of life for the present and the future.
Solidarity: The best and most effective action is through co-operative efforts; the formation of citizens groups who together can have the strength and influence to ensure that adequate attention is given to the consumer interest.

These principles broadly cover all aspects of consumer movement, both at local and international levels. Some of these guidelines got crystalised in most of the major consumers' campaigns all over the world. These ideas percolated to other consumer activities, including consumer education. International Organisation of Consumer Union (IOCU) currently known as Consumer International (CI) adopted these principles to develop a Chapter for Consumer Action and included them as part of consumer education activities.

3.2 OBJECTIVES OF CONSUMER MOVEMENT

A consumer movement anywhere is definitely less radical than other movements of mass action. It relies on the efforts of a smaller number of organizations based in capital cities. Consumer movement is conceived as a social movement which seeks to enhance the economic wellbeing and bargaining power of consumers. The movement has enjoyed public support in many countries and maintained a continuous presence in the political field.

With international trade, some of the problems of consumers in the exporting countries are transferred to the importing countries. Thus, whether a country is developed or is a developing one, consumers in all countries share the problems of industrialized societies. Consumers in all industrialized countries face similar conditions of production and consumption. They all have a set of core objectives, although each may differ in some respects. These objectives, are three fold: Product safety, solution to consumer problems and consumer information.
3.2.1 Product safety

Removing hazardous products, deceptive sales practices and consumer exploitation from the market, form the basis for consumer movement, as they affect the consumer both directly and indirectly. The consumers are directly affected by the deceptive sales practices, i.e., they are the losers when they are exploited by the producers and sellers. The consumers are indirectly affected when they purchase and use hazardous household products which are likely to affect their safety (Warren and Edward, 1975). Consumers are deceived when sub-standard or defective goods are sold to them. Many consumers face injuries or accidental death due to inflammable fabrics, defective electrical appliances, kerosene stoves, pressure cookers, consumption of hazardous drugs or adulterated food items.

3.2.2 Solution to Consumer Problems

Consumer movement also focuses its activities on solving consumer problems by interacting with the government to bring about appropriate, new or amended regulations and for ensuring compliance from manufacturers and for imposing penalties for violations. The protection of consumers from health and environmental hazards is a governmental function. This is particularly important for developing countries. Absence of effective laws encourages the import of dangerous or ineffective products from developed countries, where the sale of these products might have been banned. To protect the consumers, not only governmental controls but also effective laws and legislations are necessary which can help the consumers to find the solution to their problems.

3.2.3 Providing Consumer Information

Enacting laws alone cannot solve the consumer problems. Consumers also need to be informed of these laws. Besides such information, there is a need for making consumers aware about the products. Provision of adequate information about products such as quality, price, handling instructions, after sales services, etc., also form a part of consumer movement. The consumers need to be informed about the safety measures to be followed while using the products. Information can have a significant effect on increasing efficiency of
consumer choice and developing consumer loyalty and resultant profitability of firms that meet this need (George, 1978).

3.3 HISTORY OF CONSUMER MOVEMENT

Historically, the consumer movement can be studied under five periods: (1) prior to 1890, (2) from 1890 to 1929 (early consumer movement) (3) from 1929 through the 1950s (renewed consumer interest) (4) the 1960s (consumption) and 1970s (5) post 1980s.

3.3.1 Period prior to 1890s

Ancestors of the modern man led a highly individualistic life. They wanted freedom and independence and were extremely self-reliant. They were basically self-sustaining and co-operative. The welfare of consumers depended upon the honesty and buying skill of the few local shopkeepers. Most goods had no trademarks and barring few with brand names. The wise consumers knew the merchandise and tried to avoid shoddy products. They had almost no protection against merchants who raised prices needlessly, and could do little to stop frauds such as misbranding and adulteration. But the effects of rapidly growing society towards the end of the century changed the role of the consumer (Aaker and Day, 1980).

Industrialization and the growth in population brought about 40 percent of the people to the cities. Despite the growth of the doctrine of laissez-faire in the late nineteenth century, state and federal governmental concern with the economy extends back at least to the very first years of the republic. Emmette Redford has stated core of Government functions as (i) to maintain order, (ii) to administer justice, (iii) to provide a money system, (iv) to provide a postal system, (v) to provide certain facilities of commerce such as patents, copy rights and uniform weights and measures, (vi) to protect the market and promote foreign trade, and (vii) to provide internal aids to commerce such as building roads.
In the United States, there were more overt manifestations of Government services for consumers. Thus, Pennsylvania had an extensive amount of regulatory activity in the early nineteenth century, including the inspection of various food stuffs, leather, tobacco, lumber, liquor and gunpowder. While such activity benefited consumers, the benefit that accrued to consumers were incidental to the prime purpose of legislation.

The original thrust on post-civil war regulating activity came from farmers. State legislatures granted charters and franchises to rail road companies and subsidized them directly and indirectly. Resentment to these practices transformed into political action and the result was the passage of the "Granger Laws" in mid western farm state in the 1870s and 1880s. Between 1868 and 1887 more than 150 bills and the rail road regulations were introduced in congress. In 1886, the need for congressional action became apparent as a result of the supreme court's decision in the Wabash case. The court held that the states could not regulate inter state rail road traffic within their own boarder even in the absence of congressional regulations.

The passage of the Inter State Commerce Act, 1887 is significant in the development of consumer protection for two reasons. First, it was a landmark bill being the first comprehensive regulation of a particular industry, second, it established the Inter State Commerce Commission and established the proceeding of the independent regulatory commission. This proved to be a momentous precedent in its implications for later enforcement of consumer laws. A nationwide system of rail roads served the economic news of those and had moved into urban areas but the congestion also led to urban poverty, tenement housing, hazardous working conditions, child labour and a variety of consumer problems. To fight these problems, people came together. The numerous reform organizations were also included in this movement. The populists and progressives promoted economic and social changes. Volunteer groups concerned themselves with local issues and newly created unions sought equity for people of working class.
3.3.2 The 1890s through the 1920s: (Early Consumer Movement)

The years from the 1890s through the 1920s can be called the early consumer movement. The first consumer league was formed in 1891 in New York city. In 1899, the National Consumers League was founded and some branch offices were established in twenty states. Upton Sinclair's book "The Jungle" (1906) provided an exposure to working conditions in the Chicago meat packing houses. It created such substantial outcry that congress was compelled to act, even though it failed to enact Pure food legislation in the 1890s and again in 1902. The Meat Inspection Act followed by The Pure Food and Drug Act was passed in 1906. After few years later in 1914, the Federal Trade Commission (FTC) was established to curb monopoly and trade practices.

Patriotic fever, war time shortages and post war readjustments then diverted much attention from consumer problems although consumer incomes rose during early 1920s. Buyers were confused by the growing array of products. Newer and unfamiliar consumer products flooded the market during the buoyant years of the 1920s.

The consumerism fires were lit upon publication of "Your Money's Worth" by Stuart Chase and F.J. Schlink which became best seller in 1927. It attacked most advertising and called for scientific product standards. Consumer's Research Inc., was formed by Schlink in 1929 along with a Number of other product testing laboratories, some of which were run by departmental stores and trade associations were established.

3.3.3 From 1929 through the 1959s

The stock market crash of 1929 forestalled a widespread consumer movement. One third of labour force were unemployed. There was bargain sale of pre-depression merchandise. Consumers were aware of shoddy merchandise. Consumer advisory board declared unconstitutional Schlink and Kallet's book entitled 1,00,000,000 Guinea pigs has pointed out loop holes in the 1906 Pure Food and Drug Act. New Sulphanilamide Drug killed nearly 107 people in 1937. Improved food drug and cosmetic Act was passed in 1938.
The post-war period experienced strong economic growth and rising consumer incomes. Public attention was focused on such consumer problems as inflation and price stabilization, housing shortages, rent control and proposed social security legislation. The conception of consumer protection can be seen in the "Programme for Action" recommended to congress by consumer reports in 1949. The recommendations included a cut of military spending, price and rent controls, an excess profit tax, an improved farm price programme, new antitrust laws and others" (Herman, 1976).

During the late 1940s and through the 1950s, the only consistent voice of consumer interest was consumer union which published consumer reports. While consumer reports began to run articles on chemicals in food, meat inspection and finance rackets, it was largely a voice in the wilderness and the period was one of the general quiescence for consumer protection.

In 1956, the National Association of Consumers quietly merged with the Council on Consumer Information. Increased use of instalment credit and buying new houses and new durable products prompted inclusion of consumer education in school curricula.

But the relative prosperity during 1950s and the interest in space and national defence kept things rather quiet on the consumer front.

3.3.4 Consumerism during the 1960s and 70s

1960s was the beginning of the fourth era of consumer interest which is called consumerism. The "Hidden Persuaders" by Vance Packard published in 1957, delved into motivation research. Packard argued that the consumer was being manipulated largely unconsciously by advertisement. Among other publications, Rachial Carson's the "Silent Spring" (1962, environment), Jesica Mitford's." The American way of Death"" (1962, Funerals), David Caplovitz's "The Poor Pay More" (1963, Poverty and Credit), Maurine neuberger's "Smoke
Screen Tobacco and the public welfare (1963, Cigarettes) and Richard Harris's "The Real Voice" (1964, drug safety) were the best selling books.

The problem of drug safety continued as a pertinent issue. Senator Estes Kefauver's Antitrust and Monopoly sub-committee hearings were held intermittently from 1959 through 1962, the focus being the drug prices. The thalidomide scandal produced birth defects when taken by pregnant woman. It brought widespread public attention. The drug amendments of 1962 became law on December 10, 1962.

On 15th March 1962, John F. Kennedy Presented the first presidential message to congress which was directed at consumer concerns. He asked for legislative action and new programmes in several areas. The most important aspect, however, was the new famous consumer bill of rights: (1) the right to safety, (2) the right to be informed, (3) the right to choose, and (4) the right to be heard. This message became a springboard for a new surge of interest in consumer concerns. Kennedy was explicit that government was the ultimate guarantor of these rights and hence built the foundation for much of the role federal consumerism that plays today.

In January 1964, President Johnson created a new white house position, Special Assistant for Consumer Affairs. In February 1964, Johnson sent a consumer message to congress urging passage of twelve new laws. Other well known issues advocate movement which had many facts: Women's Liberation, Gray Panters, and so on. Later in 1965, Auto safety emerged as a major consumer issue. Ralph Nader's book on Automobile Industry, "Unsafe at Any Speed" in 1965 was a major breakthrough in consumer movement. Moreover, Rachel Carson polarized the pollution issue with "Silent Spring".

United States Government took Kennedy seriously and began an activist role. False and misleading advertising was a major target of the Federal Trade
Commission (FTC) leading to the outset of corrective advertising. Product safety became a major issue especially in the automobile industry. Products were withdrawn from the market because of pollution and public health danger – DDT being a leading example.

During the mid-sixties, caveat emptor "let the buyer beware" was changed to caveat venditor "Let the seller beware". Consumerism of the sixties also saw house-wives boycotting supermarkets because of high meat prices; expose in the form of books, news articles, and radio and television programmes; organization of local consumer action groups.

President Johnson made consumer protection a major part of his legislative programme. He included consumer proposal in his State-of-the Union address in 1968. By 1969, the legitimacy of a government role and the need for further action was to widely accept that a conservative republican president, Richard Nixon, delivered his own consumer message. However, in 1968, the consumer federation of America was formed. It lobbied for consumers in Washington, D.C., primarily on issues of national concerns. It emulated its strength from the nearly 200 other consumer organizations as its members. In general, the years from 1966 to 1968 were the eventful years of congressional action.

3.3.5 Consumer Movement in 1980s

In 1980's many came to feel that governmental regulation was more of hindrance than a help. This pessimism was reflected in the election of both Jimmy Carter and Ronald Regan and the outcome was substantial deregulation in Industries. This resulted in the deregulation of airline and other industries. The Federal Trade Commission (FTC) experienced a sharp reduction in budget followed by a number of statements such as: "Parents, not government, should control the television viewing of their children". A major study by Lewis Haris and Associates revealed that the public is even more
concerned today than previously, but few are taking any kind of activist role (Lewis Harris & Associates Inc., 1983).

The era of 1990s is one of the consumer interest that is matured and organized. It is now recognized that "passing a law does not solve the problem." Today's consumer movement is primarily concerned with increasing effectiveness of the existing laws, and the organizations that protect the consumers. Yet, it calls for further research and pressure for more legislation in the remaining areas of consumer concern. Co-operation is now becoming a mutually satisfactory action in the automobile industry. AUTOCAPS, hear consumer complaints and arbitrate differences between auto dealers and consumers. Issues of interest to consumers are in the headlines everyday and the consumer movement is responding in its attempt to resolve them.

The largest consumer action group Consumer Federation of America (CFA) represents approximately 200 local and state organizations. The voice of CFA is being heard increasingly. Today every state has an organized consumer action group. Strong organization are in California and Ohio. The Local Hyde Park Chicago, co-operative is a very active group "MACAP" (Major Appliance Consumer Action Panel) and dozens of AUTOCAPS are in the cities across the country. The list of present day groups relating the consumer interest is quite long and includes many unions, Chamber of Commerce, Co-operatives, Credit Unions and better business bureaus. The National Consumers League, the Family Finance Association, the National Council of Better Business Bureau, and the Co-operative League of the United States are some of the influential organizations. The American councils on consumer interests, successor to the council on consumer information, is a professional association for those in the consumer field, and it works in an information exchange capacity. The Society for Consumer Affairs Professionals in Business serves a similar function for those who work in business.
Both State and local governments actively sustained consumer interest in a number of ways. Large cities and countries also maintained consumer affairs offices. The expertise and effectiveness of more than 600 government organizations also continued to grow.

3.4 CONSUMER MOVEMENT IN INDIA

In the mid 50s Government of India appointed a Commission to survey the economic situation of the time and the survey may be called as the prelude to the enactment of MRTP Act (Monopolies and Restrictive Trade Practices Act). In the said report, the Commission also analysed the numerous difficulties consumers are required to confront with. But the Commission failed to execute the distinctive need for ameliorating the helpless conditions of consumers who were not even individually recognized to seek redressal of their grievances in the court of law before 1986. It was not that there was no Act. There were as many as 37 Acts which dealt with consumer problems in one form or the other. Most of them were punitive and not compensatory in nature.

The International Organisation of Consumer Unions, an international body had been campaigning for United Nations Organisation (UNO) support for protection of consumers; The UNO constituted a Committee for feasibility study to decide the course of action. Based on the report submitted by the committee, the UN General Assembly adopted a resolution on the "Guidelines for Consumer Protection Act" on 9th April 1985. These guidelines recognized 8 rights though the Consumer Protection Act of India provides for 6 rights only.

In 1982, World Consumer Rights Day was first observed on 15th March to commemorate the enactment of the rights in 1962. With the UNO's adoption of the guidelines, consumer rights were finally elevated to the position of international recognition and legitimacy acknowledged by developing and developed countries (Shourie, 1990). India being a signatory to the UNO
resolution finally enacted the Act known as Consumer Protection Act (CP Act) on 24th December 1986. The Act after its enactment however was not put in place. Ultimately it was taken to the Supreme Court by Sir H.D. Sourie of Common Cause. On the directions given by the Supreme Court the Act became operative in all the states in 1990 (Girimaji, 1994).

Consumer Protection Act, popularly known as COPRA has been amended many a time but the amendments of 2002 are major and fundamental and have far reaching consequences on the consumer movement. The consumer courts such as District forum, State Commission and the National Commission have the power to grant interim injunction and are authorized to recover amounts ordered to be paid by the Consumer Dispute Redressal Agencies as arrears of land revenues.

The average consumer in India is faced with inflation, black marketing, artificial shortages, adulteration, short weights misleading advertising etc. (Bawa, 1990). Lack of accountability of such public undertakings and apathetic response to consumer complaint add fuel to the fire. Lack of awareness on the part of consumer and lack of enlightened consumer organizations have helped the situation to deteriorate further. It is only in recent times that the educated public have become aware of their rights and are willing to fight against exploitation. This has given rise to numerous consumer organisations in India.

3.4.1 Factors Encouraging Consumer Movement in India
i. Rising prices of goods and services encouraged an attitude among consumers to expect better quality products.
ii. Inflationary tendency made consumers more assertive and conscious of their spending habits
iii. The market place is flooded with a wide range of products.
iv. Advertisement makes product more complex and creates an expectation by better performance of products.
v. Rising income
vi. Spread of Education & awareness.


The eighties can be termed as the beginning of consumerism Seminars, symposia, legislative amendments, write ups, consumer protection day celebrations, court cases, lectures and the protest by voluntary organizations were made their presence in eighties mostly in urban areas. The voice of consumers has found place in various publications. Many writers have written books containing the legal framework available in the country.

Although many consumer organisations confined themselves to urban areas of the country, it is not far off that the consumerism reach the rural areas too. Now many voluntary associations have already made their reach in remote areas. Though few in number, the Associations are also active in the places like, Andaman & Nicobar Islands, Tripura, Assam, etc. Given this development, consumerism will gradually be a major challenge facing the business and industry.

3.4.2 Need for the Consumer Movement in India

The need for consumer protection in India is felt on the following grounds (Bawa, 1990).

i. In a vast country like India, it is very difficult to organise the consumers as the people being backward have linguistic, cultural and religious differences.

ii. Majority of the Indian population is uneducated, ignorant and ill-informed.

iii. Poverty, lack of social awareness, complacent and passive outlook are some of the factors which make consumer movement difficult to thrive.

iv. In the wake of large scale production and the variety of choice conferred on the consumers, a consumer needs guidance which can aptly be provided by a consumer organisation.

v. The advertisements bombard on the consumers create more confusion necessitating consumer guidance.
vi. The deceitful seller does not give a consumer his money's worth. The goods which are substandard, defective, inferior in performance and with high price are passed onto him. The unfair trade practices like hoarding and black marketing on the part of the sellers is a common sight in the Indian business scenario. This is a case of clear consumer exploitation.

3.4.3 Reasons for Low level of Consumer Movement in India

The consumer movement in India was totally absent in the past and going at a snail's pace for a number of reasons (SatyaSunderam, 1985).

**Poverty**: Since a large number of people in India live below the poverty line, therefore, they are unable to exercise their rights as consumers. They are always at the mercy of the producers and sellers owing to their low purchasing power.

**Malnutrition**: Hunger does not differentiate between good and bad, adulterated or unadulterated food. People accept what they get without protest. The malnourished has no time to look at the things and examine before consuming them. Malnutrition forces an individual to grab and eat whatever is available.

**Indifference of the affluent and literate**: Few affluent in the country fulfil their need through the power of money. It is they who should think of their social responsibilities and lead the movement. Instead, the affluent class utilises their money power to exploit the situation by turning a blind eye to all the malpractices of the producers and sellers. Perhaps this affluent class themselves happen to be the producers and sellers. It does not, therefore, affect them directly, whether trade practices are fair or unfair.

**Poor organization of consumers**: The first formal consumer movement was started only in late forties. However, it took more than two decades to organise
voluntary consumer groups working for the basic rights of the consumers. Even these organisations were concerned only with the local problems, and that too, with limited participation of general public. Therefore, they were unable to tackle problems on a national level. The number of people who actually participate in consumer activities, is very negligible. Lack of organised consumer action itself was a major cause for a low level consumer movement in India.

**Poor implementation of laws**: India leads the world in the number of laws it has enacted to protect the consumers. The laws for consumer protection include air, water and noise pollution, environment, quality standards, drug control, essential commodities, weights and measures, food adulteration, etc. But their implementation is very poor. This is caused due to the flaws seen in law, and lack of co-ordination at different levels in the implementation machinery. Above all, consumers themselves are not aware of the existing laws because of illiteracy and ignorance.

### 3.4.4 A Brief Review of Consumer Movement in India

The first formal consumer movement was started in 1949 by a Gandhian in Madras (now called Chennai). Sometime later, a Consumer Protection Council was established in Madras under the patronage of Shri C. Rajagopalachari. The work of this council was confined only to the people of Tamil Nadu. In 1956, nine housewives and social workers combined together to form the Consumer Guidance Society of India (CGSI) in Bombay. It was not until the late sixties that voluntary groups started working for the basic rights of the consumers. As a result, such groups started sprouting in various parts of India (Sahoo, 1991).

In 1977, the Indian Consumers Union was registered in New Delhi, with the main aim of fighting against the spiralling prices of essential commodities. In 1979, the Consumer Education and Research Centre (CERC) was set up
in Ahmedabad. In the meantime, a number of Acts were promulgated by the Government of India to protect the interest of the consumers. Among these, the notable one was the Consumer Protection Act, 1986 (COPRA). This act provided for the establishment of consumer protection council at the state and central levels, for promoting and protecting the rights of consumers. It also provided for redressal agencies at the District, State and Central levels for the speedy redressal of consumer complaints and grievances. However, enactment of COPRA is a milestone in the history of consumer movement in India.

Today there are a number of voluntary organizations operating in different parts of India with varying degree of success. Since 1970, attempts have been made to unite the efforts of voluntary organizations through formation of consumer federation groups throughout the country (Kumar, 1989). National conventions were organized by states who were active in this regard. During the second National Convention held in New Delhi in 1991, Confederation of Indian Consumers Organizations (CICO) was formed. Thus, it was for the first time that most of the consumer organizations all over the country joined together to form a National Consumer Organization. CICO has now 135 members from different states and has mustered enough consumer power to influence the government to act in favour of consumers. With more and more consumer organizations combined together to form larger confederation, it is hoped that the consumer movement in India will gather momentum to solve problems of consumers. This would also in turn see the manufacturers emphasizing more on consumer satisfaction for the sale of their products.

The importance of having consumer satisfaction has started percolating to big organizations and is already gaining ground. Large business organizations have started opening consumer affairs and public relations
departments. For example, Bajaj Electrical, State Bank of India, Indian Gas, Indian Oil, HP. Commercial Banks, LIC etc. and many others have started conferences of their consumer in order to deal with their complaints amicably and expeditiously.

3.4.4.1 Important Measures taken to Strengthen the Consumer Forums

Being the nodal department in the field of consumer protection, the department of Consumer Affairs gives a very high priority for monitoring the functioning of the consumer forums popularly known as Consumer Courts. Following are some of the important steps taken by the Central Government.

★ Department of Consumer Affairs is periodically taking up with the State Governments and UT Administrations, at the level of Chief Ministers, Minister in-charge of Consumer Affairs/Chief Secretaries/Secretaries dealing with Consumer Affairs, the question of strengthening the functioning of the consumer courts by providing adequate infrastructure and to fill up the vacancies of Presidents/Members on time. Review meetings with States/UTs along with the Registrars of the National and State Commissions were taken in batches during August-September, 2003.

★ Functioning of the consumer courts was reviewed in the last meetings of the Central Consumer Protection Council held on 24.3.2003 and 16.7.2003 chaired by the Minister.

★ Consequent upon the last National Development Council (NDC) meetings, Planning Commission has identified and included "Consumer Awareness and Redressal and Enforcement of Consumer Protection Act, 1986. as one of the items of priority agenda for action, among others, for the year 2003-2004. The Planning Commission was therefore, approached to provide funds Rs.280 crores for consumer
protection and also to revise the estimates for 2003-2004, as otherwise it would not be possible for the Department to initiate/formulate meaningful / workable schemes for generating consumer awareness and strengthen the consumer protection activities/machineries nationwide with meagre budget of Rs.3.10 crores per annum in the 10th Plan.

Parliamentary Standing Committee on Food, Civil Supplies and Public Distribution in its 22nd Report also reviewed the functioning of consumer forums and expressed concern over the disposal of cases.

Department of Consumer Affairs has been arranging training for non-judicial members of the consumer courts at the Indian Institute of Public Administration, New Delhi. 939 members have been trained so far in 39 training programmes. In addition, first course for the Presidents of the District Forums was also conducted during the year in which 28 members participated.

The Central Government, with the approval of Planning Commission, provided as a one time financial assistance of Rs.61.80 crores in four instalments in the year 1995 to 1999 to the States/UTs to supplement their efforts for strengthening the infrastructure and other facilities of consumer forums.

Periodical reports on the functioning of consumer courts, pendency position, the progress on filling vacancies and utilization of one time assistance scheme are being obtained to review the overall position of the functioning of the consumer courts and to take it up with the States for appropriate action.

6 posts, including a post of Joint Registrar, were created in January, 2003 in the National Commission for meeting the requirements of Section 24B of the Consumer Protection Act, 1986 to enable them to effectively monitor the working of the consumer forums.

Additional Bench was set up in National Commission on 24 September, 2003.
3.4.4.2 Consumer Protection Programmes taken by the Government for Consumer Awareness

* To make the Consumer Protection Act, 1986 more effective and functional the Consumer Protection (Amendment) Act, 2002 (62 of 2002) was passed in December, 2002. The provisions of the Act have been brought in force w.e.f. 15th March, 2003.

* The Department has been undertaking various multi-media programmes to generate consumer awareness involving the States, Voluntary Consumer Organisations, Trade Bodies, AIR, and Doordarshan etc. in observing the National Consumer Day on 24th December and World Consumer Rights Day on 15th March.

* The frequency of the 'Jago Grahak Jago' radio programme has been increased with the starting of an additional programme from 14th December, 2003. The episodes for second broadcast are to be made mainly on the welfare schemes and activities for the benefit of consumer at large, particular primary, upper-primary and secondary level students of schools.

3.4.4.3 Consumer welfare fund

* In 1991, the Central Government amended the Central Excise and Salt Act, 1944 to create the Consumer Welfare Fund. The Fund has been set up by the Department of Revenue and is being operated by the Department of Consumers Affairs. The money which is not refunded to manufacturers is credited to the Fund. The main objective of the Fund is to provide financial assistance for promoting and protecting the welfare of consumers, generating consumer awareness and strengthening the consumer movement in the country particularly in rural areas. So far, a sum of about Rs.76 crores has been credited to the Fund. The Standing Committee constituted under the Consumer Welfare Fund Rules has cleared 620 proposals in 35 meetings held till October, 2003 involving a financial assistance of Rs.998 crores.
A new scheme on Consumer Clubs has been introduced in order to give impetus to the consumer movement at children level by involving them in various consumer welfare and consumer protection activities. Under the scheme financial support at the rate of Rs.10,000/- per annum would be granted to each Consumer Club. The best Consumer Club would be awarded cash prize.

Besides the above, the Government of India has instituted "Swami Vivekananda National Awards on Consumer Protection" for the work of voluntary organisation particularly women organisations and "Jagriti Shivir Yojna" for creating awareness amongst the below poverty line categories of the population.

3.5 CONSUMER MOVEMENT IN ORISSA

There are 31 district redressal forums in Orissa. Conventions and workshops have been organized at state and district levels since 1992. The consumer movement in Orissa is marching ahead. There are various landmark judgements by District Forums and State Commission. The redressal machinery in Orissa have made solid contribution for implementation of Consumer Protection Act. Many District Consumer Forums in Orissa are quite active in redressing the grievances of the consumers.

Despite deficiencies, several instances have established the fact that consumer protection movement is forging ahead, of course at a slow pace. A few of the evidences may be cited here. In one case, the Orissa Consumer Association filed a complaint regarding the non-supply of required medicines to the patients and about poor maintenance of toilets, etc. in the S.C.B. Medical College and Hospital Cuttack. The State Level Commission intervened and directed the authorities concerned for immediate compliance which was acted upon. A petition was also filed against the then Orissa State Electricity Board alleging irregular supply of power, irregular billing and unusual delay in giving new connection to various applicants. Even disconnection of lines without due notice was complained against the Telephone Department.
Further, people have gone to the extent of bringing to the notice of the Commission about the unusual delay in the publication of the results by the Council of Higher Secondary Education, Orissa. Consumer Protection Council, Rourkela, Bipani Consumer Counselling Centre, Bhubaneswar and Orissa Consumer Association, Cuttack are the few consumer organizations which are doing some eye-catching work in the interest of the consumers. It is learnt that Bipani Consumer Counselling Centre has successfully settled 34 cases at the counselling level, 56 at the level of the redressal machinery and 120 are in the process of settlement (Grahak 'O' Bipani, 1996). These are only a few clear evidences of the fact that consumer movement has gathered momentum in Orissa.

Government of Orissa have constituted the state Consumer Protection Council, which has been reconstituted with effect from 4th June 1993. Voluntary organizations, individual consumer activists, organizations of women, youth and senior citizens, experts from Universities and other centers of socio-economic studies, local bodies, co-operative organizations and other corporate/voluntary organizations have, inter alia, been represented in the council, in order to make it broad-based and purposeful.

With the objective to disseminate the message of consumer consciousness, District Consumer Protection Councils at the district level and Sub-Divisional Consumer Protection Councils at the sub-divisional level have been created by the state government. Among others, organizations and activists of the voluntary consumer movement have been represented in these councils. The major thrust areas of both the councils are (a) promotion of consumer education, consumer awareness and consumer welfare, (b) monitoring of public distribution system at the operational level, and (c) creation of an atmosphere of trust, confidence and understanding between consumers on the one hand and the producers, distributors and dealers on the other.
3.5.1 Voluntary Consumer Societies at Block Level: Kalyan Mandal

Government of Orissa has resolved to divest the consumer movement from its urban orientation to rural orientation. Steps have been taken for motivating rural consumers to form voluntary consumer societies at block level in the name of Kalyan Mandal. The prime concern of the Kalyan Mandal will be to create an atmosphere of consumer awareness in rural areas. At the same time, these Mandals may act for promotion of national integration, communal harmony, literacy, health and family welfare and the welfare of the children, the women, the aged and the handicapped. Care is also taken to motivate substantial number of ladies to join these societies at the block level so that the movement may be made more effective and purposeful. The number of voluntary organizations in Orissa is more than 300, the highest in the country. This may lead a powerful thrust to the consumer movement by ensuring active participation of the activists at the grassroots level.

3.5.2 Establishment of Chetana Bhavan

With a view to ensuring effective dissemination of the spirit of consumer awareness, the Government of Orissa is going ahead to execute a comprehensive and innovative project for setting up a regional institute named the Chetana Bhavan, in collaboration with the Orissa State Civil Supplies Corporation. This institute will comprise of (a) a centre for production of literature and audio-visual materials, (b) a consumer guidance Centre, (c) a documentation-cum-research centre and (d) a centre for training, exhibition and discourse. Apart from the voluntary consumer organizations of the state, eminent experts and activists of national stature from various states and union territories will be associated in the venture.

The state Government has instituted the Chetana Sammans, i.e., the State Awards on consumer awareness by various agencies in multiple spheres. The State Government present the Chetana Sammans to (a) an eminent voluntary organization, (b) an eminent author contributing to consumer
movement through his writings, (c) a young consumer activist and (d) a conscious consumer who successfully takes up his case for redressal of his grievances.

3.5.3 Consumer education for students

The Universities of Orissa are being motivated to institute a Diploma Course on Consumer Welfare. Similarly, the Universities, the Council of Higher Secondary education and the Board of Secondary Education have taken steps for introduction of consumer welfare oriented courses of studies at the degree, higher-secondary and secondary levels.

An essay competition is organized for the students of the high schools and colleges on a specified theme of consumer welfare and prizes are awarded at the district levels and the state level.

3.5.4 Improvement of Distribution System for the Welfare of Consumers

An endeavour is made to improve upon (a) the network of storage and distribution, and (b) system of delivery of essential commodities. At the first phase, it has been contemplated to provide a storage godown and a mobile van in each of the 143 revamped public distribution system block (ITDP – DPA Blocks). Government of India has been moved for sanction of loan-cum-subsidy as per the central assistance scheme.

3.5.5 Generation of Awareness amongst Government Organizations and State Public Undertakings

Guidelines have been issued for generation of awareness about consumer welfare programmes among the functionaries of Government organizations and state public undertakings. Instructions have also been issued to the said organizations to handle consumer grievances with an open mind even if a consumer has gone to a consumer court seeking redressal thereof.
3.5.6 Publications, Publicity and Dissemination

A quarterly journal to highlight various aspects of consumer awareness and consumer welfare, named Chetana is published by the Government of Orissa, Department of Food Supplies and Consumer Welfare. It is published annually.

Dissemination of the message of consumer awareness and welfare through the media and mass communication is absolutely essential. The Directorate of Audio-Visual Publicity, the Press Information Bureau, the Doordarshan, the All India Radio and the State Directorate of Information have been moved to mount a meaningful and effective publicity drive. The editors of newspapers published in Orissa have weekly/fortnightly columns on consumer matters.

Steps have been initiated to (a) install a few hoardings of display units, and (b) organize exhibitions of visual art on the theme of consumer awareness and welfare. The Directorate of Consumer Affairs Government of Orissa has no field – formations of its own at the district level and hence there are difficulties in monitoring the programmes through various functionaries in the outlying areas.
REFERENCES


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