CONSUMER PROTECTION

In this 'modern' society one cannot think of leading or even imagining a life without consuming products sold in the market. Consumption is as old as man, it is older than production. Man in ancient time was dependent more on nature and was in that sense self-sufficient and independent. Now we may look back at those days in which each individual was self-sufficient, but cannot go back and live like that. Production, Operation and Commerce have become an inevitable and important part of our life. Today, even the air we inhale and the water we drink are matters of concern to the consumers due to the 'impact' of industry and commerce on these life-sustaining necessities.

In a continuous effort to improve the quality of life, man has made a number of experiments and inventions. In this effort of improving the quality of life, man has built many institutions, systems and developed knowledge in social, cultural, religious, scientific, economic and in many such other fields. Economic activities, that is, production, distribution and consumption have become an inevitable and important part of human activities. Consumer wants are the root causes of all economic activities. Hence, logically consumers can control all economic activities. Consumers can decide and guide activities in agriculture, industry, service sector, commerce and a whole lot of economic activities. If the same logic is applied consumers can even decide and guide whole living system including government policies. (Governments survive on the income derived from taxes levied on economic activities. Particularly in democratic countries the very existence of a government depends on votes exercised by citizens who are all consumers). Keeping the above things in
view, it is rightly remarked, “consumer is the king”. According to Adam Smith, ‘the consumer is the sole and end purpose of all production, and the interest of the producers ought to be attended to only so far as it may be necessary for promoting that of the consumer’. But, reality is different. Today consumers need protection. Even though the degree and nature of consumer exploitation differ from country to country, measures to protect consumers are important issues in many countries. ‘Unfortunately, all types of social systems dominating the world have not been able to eliminate consumer exploitation. Capitalism created a material-minded greedy man who is never satisfied. Aggressive Communism created a violent, frustrated man ever jealous and envious. Socialism created anarchist, characterless, without personality consumer. None of them viewed man in his entirety with respect to his psychological, spiritual needs besides his economic needs’.

Consumer movement is an important effort in human civilization to improve the quality of life. Consumer movement regulates production, distribution and consumption. Now, the pertinent question is whether consumer movement has grown strong enough to protect the interest of consumers.

In the present day market system, the producer has the right to design, distribute, advertise and price his product. The consumer has only the right of “not buying it”. Though the veto power rests with the consumer, it has become difficult for him to exercise this in his best interests due to lack of information (sometimes misinformation), poverty or due to lack of choice. As a result, consumers are vulnerable to exploitation. In addition to this, there is vast research, literature, investment and institutions on production efficiency. On the contrary, there is little research, literature, and investment on consumption efficiency. Here, we have lost sight of the basic premise upon
which our entire economic system is based, namely, that our economic system will not work properly unless there is equality of power between producers and consumers. Without that equality of power, the market tends to tilt, in favour of the producer. Unless consumers build institutions and systems to negate this, imbalance will persist.

The notion that consumers are inefficient is hardly new. Way back in 1912, Wesley C. Mitchell deplored the backward state of the art of spending money, pointing to ‘ignorance of qualities, uncertainty of taste, lack of accounting, carelessness about prices’. This was reiterated by Margaret Reid in 1947. She stated that ‘many are poorly informed, are uncertain in their market selection, credulous and easily influenced, very susceptible to flattery’. Consumer exploitation and measures to protect consumers are universal in nature and only the degree of intensity varies. Hence, consumer protection movement is going to be a continuous effort to improve the quality of life in all time to come perhaps with different manifestations.

Consumer exploitation manifests itself in different ways in different countries. The market is becoming more and more complicated. Technological developments, research-backed intensive marketing strategies, entry of multinational corporations, globalization, hedonism, quality of governance, scarce natural resources have all compounded to make the position of today’s consumer vulnerable and many times weak. As a result, today’s consumers are more confused and exploited. Hence, there is an urgent need for protecting the interest of consumers. J.K. Galbraith has rightly pointed out in his celebrated book *The Affluent Society*, ‘in the light of these considerations it must be evident that the doctrine of consumer’s sovereignty assumes more and more the character of a myth and a dogma’.

3
Even though consumer exploitation and protection are universal issues, it needs more attention in countries like India. Poverty, illiteracy, diversity, (non) performance of successive governments and failure of mass-based consumer protection movement have all made the position of the ‘Indian consumer’ very weak and vulnerable. Poor consumers, especially the poor in rural India suffer more because of illiteracy, ignorance, lack of communication, and transportation. Consumers have to pay dearly not only for the uneconomic working of public and private enterprises, but also for the inefficient and corrupt administrative machinery. As a result, many of the consumer problems in India are not just consumer problems, but they are also ‘basic human problems’. Hence, measures to protect the interest of consumers is one of the urgent needs of the hour in India.

Who is to be protected?, What is to be protected?, How to protect?, Who has to protect?, Protection at what cost?, and What is to be compromised? (example, Development Vs. Environment). Answer to these and many other questions like these are not simple. If one tries sincerely, everything under the sun can be connected to ‘consumer’ in one way or the other. From religion to economics, science to superstition, history to astrology, culture to literature, education to environment, war to peace, are all consumer related issues. Studies on consumption, its driving forces, distribution, natural and institutional impacts, as well as its impact on equitable and sustainable consumption constitute a complex, transdisciplinary and challenging range of concerns. Even though it is difficult, it is necessary to address at least a few of these basic questions as far as consumer protection is concerned. Protection of consumer interests and rights is vital to the general welfare of the people. When consumers are vulnerable, it is the responsibility of all concerned in the society to protect the interest of
consumers through a movement. For instance, in the U.S.A., 'consumerism is intensified due to four elements. Firstly, the existence of private lawyers who take up consumer issue on contingency bases, secondly, government control on consumer issues, thirdly, the involvement of press media, and fourthly, voluntary consumer organisations'.

In the Indian context particularly it is the responsibility of Voluntary Consumer Organisations, Government, Business and Media to strengthen consumer movement. In addition to these, consumers themselves, consumers' co-operatives, and environmental groups have their role to play in protecting the interest of consumers.

**VOLUNTARY CONSUMER ORGANISATIONS:**

From time immemorial, in a number of countries and cultures, people have organised themselves at different levels to find innovative solutions to their specific problems. Organizing at a particular level is a form of collective advocacy on behalf of shared cause or direct action in the service of achieving a collective goal. In today's market conditions, where consumer exploitations galore, there is urgent need for organizing and strengthening voluntary consumer organisations (VCOs).

Consumer protection activities should to be effective, evolve as a "movement" by the consumers. Consumers from all walks of life are to be mobilized at different levels. Consumer protection movement being socio-economic, has to be developed on a voluntary basis through greater participation of VCOs. As a result VCOs have a greater role in protecting the interest of consumers.

India is marching fast towards market driven economy through privatization, liberalization and globalization. In market economy,
governments cannot exercise control over business as they do in a socialist economy. Particularly in the present day situation when Central and State Governments in India are using different means to woo industrialists and businessmen (both Indian and foreign) to invest, the state is losing its control over the market. Hence, there is the necessity of voluntary organisations to protect the interest of consumers/citizens. As a result, the present public arena has to work as a triangle whose three vertices are the State, Market and Voluntary Organisations – the State to create ‘Public Capital’, the Market to create ‘Market Capital’ and Voluntary Organisations to create ‘Social Capital’. In this situation if any one vertex is weak, the other/s exploits the situation. In this circumstance VCOs have an important responsibility in protecting the interest of consumers. VCOs play the role of filling the gap between the performance of business and the government, act as an advocate of the constituencies neglected or damaged by these two sectors and pressurize them to enhance the welfare of the society. Hence, there is necessity of strong network of VCOs in the country.

The number of voluntary agencies in India is placed at one lakh.\textsuperscript{7} As consumer issues are socio-economic in nature, most of all types of civil society institutions touch consumer issues in one way or the other. But there is necessity of more civil society institutions in the form of VCOs which are exclusively organised to protect the interest of consumers. In India VCOs have taken many forms like consumer organisations, neighbourhood organisations, pressure groups, social action groups and specific objective oriented groups like environmental groups.
GOVERNMENT

The Legislative, the Judiciary and the Executive are the three wings of the Government. Through these three wings, successive Governments in India have taken steps to protect the interest of consumers. In spite of many governmental efforts the consumer has not been properly protected in our country. The reasons are many. The poor quality of governance is one of the important reasons. Another reason is the vacillating attitude of the government in protecting the consumer. Government’s indecisiveness as to whom to protect (Industry, Labour, or Agriculture etc.) and its policy of protecting the ‘baby’ which cries the loudest led to government’s ‘apathy’ towards consumers. Consumers, or consumer organisations failed to ‘cry’ loud enough to get proper attention. In India too, as Richard J. Barber wrote,

‘One major reason for the lack of positive governmental action in this area is that the problems of the consumer have never been defined in any systematic fashion and thus have not been comprehensively contrasted. Consumer’s problems have almost always been viewed on an ad hoc basis – as isolated cases to be resolved individually. Seldom they have been placed in a more general framework or seen as symptoms of a fundamental economic disorder that, must itself be diagnosed and treated’.8

As the late justice G.R.Luthra, Chairman of MRTP Commission, put it,

‘.... In developing countries like India the need for a concept of consumer protection became imperative on account of economic imbalances, inequalities, teeming population, high rate of illiteracy, shortage of essential commodities, adulteration, black marketing, underweighing, wide variations in the quality and prices of comparative products and a vast knowledge gap in consumer rights’.9

In a democratic country one of the top priorities of government is supposed to be protecting the interest of consumers/citizens. Particularly in a
developing country like India, Laws and Government Institutions are important to protect the interest of consumers for the following reasons:

a) In India, a majority of business organisations, both under private and public sectors take up consumer protection and welfare issues only if it is legally binding on them.

b) Government ‘regulations’ have become ‘costly’ for businessmen. Some business organisations have taken up ‘self-regulation’ due to costly legal regulations. This way government legislations indirectly encourage businessmen to take up ‘self-regulation’ to protect consumer interest and welfare.

c) In our country, legal standards dictate the minimum level of service the businessmen have to offer to consumers.

d) There is an inbuilt clash of interest between consumers and businessmen (Profit V/s Quality and Lower Price). In order to align these two important segments of society properly, legal and institutional mechanisms are necessary.

e) As the paradigms of ‘development’ are expanding, new and complicated challenges are encountered by consumers. In order to help the hapless consumers, laws and institutions become necessary.

f) There is government monopoly in many sectors. Even in those sectors where there is private participation, there is no perfect competition.

g) Many consumers are poor and illiterate. There is apathy and inertia among the majority of consumers. There are very few VCOs working actively and then they cater to consumers of towns and cities. Hence, in India Government has an important role in promoting the welfare and protecting the interest of consumers.
In addition to supporting consumer movement, the government's direct help to consumer has been in two ways – through the laws that it passes and the institutions that it sets up to help and protect the consumer. The Government of India has passed more than 30 legislations (see Appendix-IV) to protect the interest of consumers. The constitution of India itself includes different provisions namely equality (Article 14), Consumer Policy (Article 39, 39(6), 39(c), 39(7), 43 and 47) and Freedom of Trade (Article 19(1), 19(6), 301 and 304) to protect the interest of consumers. The 20-point programme introduced by the late Smt. Indira Gandhi included consumer protection (in point number seventeen). Government has established many institutions for consumer protection. For example, a three tier semi-judicial system at District, State and National level (under CPA, 1986), MRTP Commission (under MRTP Act 1969) and Bureau of Indian Standards (under Bureau of Indian Standards Act, 1986). Among all consumer-oriented legislations, CPA, 1986 and redressal mechanisms under it are a landmark in the history of consumer protection.

BUSINESS

The modern concept of marketing emphasizes that business organisations to survive and to grow in the long run have to be consumer oriented. Theoretically there is no dichotomy between protecting consumer interest and making profit. But in practice, due to a number of reasons, many business houses fail to protect the interest of consumers and just concentrate on making profits. Many others (like a majority of public sector undertakings in India) fail either to make profit or to protect the interest of consumers. There are a few business organisations which 'protect' the interest of consumers and do make profit.
In India to a great extent business has failed to protect the interest of the consumer. Even though government has enacted a number of legislations in order to regulate business, these acts have failed to a great extent to 'tame' the businessmen. In turn government has failed to protect the interest of different segments of society, in particular those of the consumer. To some extent both governments and business organisations have realized the negative impacts of these government regulations. Hence, now-a-days in India, governments (both Central and State) speak more of deregulation, open-door policy, privatization and the advisability of doing away with 'license-permit raj'.

While consumers started reacting to the indifference and callous attitude of the manufacturers, suppliers, dealers and advertisers to their needs; and the government too started seeing the consumer as an important entity whose rights have to be safeguarded, certain sections of business tried to establish their, bonafides through setting up their 'codes of ethics' or 'codes of conduct' for self-regulation. Business also felt that government regulations goes on increasing if there is no 'self-discipline' in business. More regulations by the government result in more delay, corruption, inefficiency, interference and more cost. Hence, at least in principle businessmen agree that self-regulation is better than more doses of government regulation. In an 'workshop on the Impact of Consumer Legislation on Business', in 1987, (after the enactment of the CPA, 1986), the CFBP President wrote, 'the consensus was that we should think of ways and means to prevent further doses of government legislations and must work towards self-regulations and evolve a machinery to ensure satisfaction to the consumer'.

Even public sector undertakings in India have noticed the importance of protecting the interest and welfare of consumers. More than 62 central
government undertakings and many state government undertakings have brought out ‘CITIZENS CHARTER’ – a voluntary commitment by the supplier to citizens/consumers for a benchmark minimum standards of service and to set up a mechanism for accountability among staff of the service provider.

In the private sector, a good number of associations of business and trade, set-up their own codes of conduct or ethics, e.g. CFBP (Council for Fair Business Practices), ASCI (Advertising Standards Council of India) have given ‘code of conduct’ for their members. Business organisations adopted methods of certification or guarantee of commodities. Some business associations conducted tests in conformity with nationally recognized methods. Many business houses, to avoid unwarranted litigation, adverse publicity and acrimonious controversy in the media, have developed their own mechanism for ‘self-discipline’. For instance, many business houses like Maruti Udyog Limited, Bajaj Auto Limited, Kelvinator India Limited. have put up consumer complaint boxes in the “corridor of complaints” at the office of the MRTP Commission, New Delhi.

Another important self-regulation strategy adopted by business is the establishment of internal/company based compliance systems. In this, in house consumer –affairs departments whose job would be to promote customer satisfaction by representing a consumer perspective in management discussions, being responsible for listening to customers, and establishing dialogue with customer or consumer groups. Efforts to satisfy consumer beget a variety of industrial programmes such as warranty programmes, safety programmes, quality control programmes and labelling programmes.
In recent years, an increasing number of business organisations have recognized the benefits of establishing and nurturing ongoing relationships with their customers. Many have shifted their emphasis from discrete transactions to forging longer term, mutually beneficial exchange relationships, often referred to as “relationship marketing”. With markets becoming increasingly more competitive, at some segments we are witnessing a convergence between the interests of business and the interests of consumers. Companies are increasingly looking at matters which are of concern to consumer organisations to gain a competitive edge over their rivals in the market place. Some companies have been or are turning to consumer activists for advice. Some business organisations have gone one step ahead and introduced ‘social audit’ where they audit themselves to know their standing in protecting the interest of consumers, employees, and other stakeholders in the society.

Business organisations individually and through their associations have a great role to play in protecting the welfare and interest of consumers. The spirit of citizens’ charter and self-regulation is to be spread at all levels of business. Business has to co-operate with consumers and government in ‘consumerism’. This co-operation will benefit the consumer, business and society as a whole in the long run.

MEDIA

Media as a mirror and watchdog of the society and as an instrument of social change has an important role to play in consumer protection. In a developing country like India, however, there is a special need to properly harness media of communication through media men and media organisations.
suitable to people’s needs and aspirations so that communication gets
democratized for development purposes.

In India consumers, particularly illiterate and rural consumers, are more
vulnerable to exploitation due to lack of information and sometimes
misguided information. An average consumer is not aware of his rights and
responsibilities. He does not have well-balanced information about the
various goods and services available in the market. This lack of information
also makes a buyer’s decision difficult, since he cannot evaluate the merits
and demerits of a commodity. In many cases consumers do not even realize
that they are exploited. Even when he/she realizes that he/she is being
cheated does not know where to go for remedy. As such, there is a need to
keep the consumers informed of the availability of products and their merits
and demerits, as well as how to allocate scarce financial resources in order to
get maximum return. It is here that the media with the help of the consumer
activists can play a pivotal role in aiding consumers. The mass media can
help the movement at three levels. (a) Educating and informing the
consumers, (b) building up an awareness of the movement itself (specialized
reporting) and, (c) direct involvement in the action (investigative reporting).

Media, if properly used becomes a very powerful tool. Media professionals
have access to information and a wide reach to influence public opinion, and
pressurize policy makers and administrators. So in consumer protection
related issues media has a responsibility to control the ‘minority’ that hold
sway over the ‘majority’. Even though the media in India remained ‘dormant’
for a quite a long time, things are changing as far as consumer protection
issues are concerned. The passing of the CPA and the subsequent setting up of
CDRF at the district, state and national level have brought the consumer
movement in the forefront and the ‘media’ have a great responsibility in
building up ‘consumer movement’ in the country.
Consumers: The real strength of consumer movement in any country lies with its consumers. The consumers being in general vigilant, responsive and responsible, gives strength to the consumer movement. Consumers should form, support and involve in organisations meant for consumer protection. In India consumer protection activities never gathered momentum to become a 'mass based movement.' Businessmen extend the consumer protection and welfare measures not up to the consumers expectations. Consumers are to be assertive in order to get justice from business. Audrey Rebello wrote, 'Indian business is no different from that in the rest of the world. Be it England, or America, or Canada, or Japan; be it the East or the West; or be it be business community in India, it has been only when the consumers have asserted themselves, that business has reacted'.\textsuperscript{11} The Indian consumer has to come out of his apathy. An average Indian consumer is not aware of the consumer movement. Educating and informing consumers about their rights, responsibilities and the consumer movement is the need of the hour.

Consumer Co-operatives: The first documented use of the word 'consumerism reflects the important role of co-operatives in the consumer movement through the 1930's. First documented use of the word consumerism appeared in the New Republic in 1944.

'Some of the oldest and most successful consumer enterprises grew independently of the rural impulse that in recent years has been most active in spreading the idea of consumerism. A business of over one million dollars a year in Waukegan, Illinois grew out of housewives' milk strike 34 years ago'.\textsuperscript{12}

The context of the sentence suggests that the reference is to the co-operative movement. The article dealt with consumer co-operatives and the author expressed an interest in eliminating waste and needles tolls in retail and wholesale distribution.
Even in today's business scenario consumer co-operatives have an important role in protecting the interest of consumers. Consumer co-operatives avoid middlemen to a great extent. The main aim of consumer co-operatives is to give quality products at reasonable price to its members. Its management is on democratic principles. As a result, consumer co-operatives have a great role in protecting the interest of consumers. In other popular forms of business organisations the businessman may compromise with 'consumer protection' for profit. This does not arise in consumer co-operative form of business organisation. (In India there is a four tier structure covering the entire country with a National Co-operative Consumer Federation, 19 State consumers federations, 484 wholesale control stores and 21685 primary consumers stores with a membership of 93.96 lakhs of which individuals constituted 93.31 lakhs). Co-operatives can run model business to set the benchmark standards that they have to be given to consumers. ‘Consumer co-operatives can enter those sectors where there is monopoly or near monopoly and where consumers are more vulnerable’.14

Environmental Groups: The distinction between environment protection and consumer protection is getting obliterated. Consumer groups all over the world are also dealing with environment protection, particularly those relating to health and safety and discouraging conspicuous consumption adversely affecting the environment. In this way environmental organisations are also consumer organisations. ‘Stress on the environment is the product of four interacting factors. Population growth, consumption habits, technology and social organisation’15. Consumption, consumer and environment protection are mutually dependent concepts. Hence, in the long run consumers and
consumer organisations have to protect environment from the ‘sustainable consumption’ angle. Hence organisations protecting the environment cannot be isolated from consumer movement.

In addition to environmental groups, women organisations, labour unions, organisations for eradication of poverty, corruption, and organisations for productivity enhancement also have their role to play in consumer protection movement.

CONSUMER

The word ‘consumer’ has been defined in different ways. For example many VCOs in India do not agree with the definition of word consumer given in CPA, 1986. They say ‘it is very narrow’.

CPA 1986 defines the term ‘consumer’ in its section 2(1) (d) (i) & (ii).

Under section 2(1)(d) consumer means any person who,

i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose; or

ii) hires or avails of any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who hires or avails of the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person.
In accordance with the above definition of consumer under the CPA, 1986, to be a consumer, it is necessary that the transaction should be in respect of goods and services with the following conditions:

a) that the goods must have been purchased for a consideration which has been paid or promised or partly paid and partly promised or under any system of deferred payment.

b) that such goods purchased should not be meant for resale or for any 'commercial purpose'. Commercial purpose does not include use by a consumer of goods bought and used by him exclusively for the purpose of earning his livelihood, by means of self-employment (Inserted by the Consumer Protection (Amendment) Act, 1993).

c) that the services must have been hired or availed of for a consideration which has been paid or promised or partly paid or partly promised or under any system of deferred payment.

d) that the services should not have been rendered free of charge or under a contract of personal service.

e) that the word 'consumer' also includes a person who has not actually or personally paid or promised to pay consideration but who obtains such goods or is a beneficiary of such services with the approval of the person who has paid or promised to pay consideration, wholly or in part or under a system of deferred payments.

Many VCOs are of the opinion that the above definition of the 'consumer' is very narrow. According to, CERC, Ahmedabad “---the consumer is a person who receives goods or services in return for a payment either in the form of taxes or prices”.16
CGSI, Mumbai defines consumer as “any person in need of goods or services is a consumer, unaffordability may make a product or service beyond one’s reach; yet, the person who needs it is a consumer by virtue of an unfulfilled need”. CGSI goes one step ahead and says “Consumerism should encompass all those who need essential goods and basic services such as food, fuel, and health care. Consumer protection is for all people using and requiring these needs”. 17

VCOs in Karnataka State like Consumer Forum, Udupi and Consumers Forum, Basrur have also defined the word ‘consumer’ with broader perspective. Consumers forum, Udupi defines the term consumers as ; ‘Those who have right to get the goods and services are consumers. He (she) might get these rights (either) by paying consideration directly or indirectly (through taxes)’. 18 Consumers Forum, Basrur goes one step further and defines the term consumers as ‘Those who buy goods and services for a consideration (paid directly or indirectly) and who have natural rights to enjoy some goods and services are also consumers’.19

According to these definitions of VCOs, difference between the words ‘citizen’ and ‘consumer’ gets obliterated. All those who buy goods and services, use them and avail themselves of services in different government departments (including departments like police, revenue, and education) are consumers. The claim that even though there is no direct ‘consideration’ in the contract in taking service from a government department like Revenue, these departments are run out of the taxes the citizens have paid to the government. Hence, the above VCOs claim that all those who seek services from government departments are also consumers.
Consumer Forum, Basrur claims that even the right to get pure air and healthy environment are the natural rights of every consumer, even though he does not pay anything for this as consideration directly or indirectly. Whenever these rights are threatened the forum claims, the consumers have every right to protect their rights.

In the United States, Ralph Nader (who contested in the 2000 U.S.A presidential election unsuccessfully as the Green Party candidate) known as the father of modern consumerism. He has taken the view that the term, 'Consumer' should be equated with the word 'citizen' and that the consumer protection law should be regarded as an aspect of the protection of civil rights. If Nader’s ideology is adopted, nothing would remain outside of the jurisdiction of consumer law.

CONSUMERISM

Definitions of 'consumerism', like most 'isms' vary depending on who is doing the defining. The word 'consumerism' is relatively new and its meaning or, more properly, its meanings have been the subject of differing opinions and periodic reinterpretations.

The word ‘consumerism’ has been used in two different ways with altogether two different meanings. One popular meaning of the word is on the basis of the Oxford English Dictionary’s (1989) definition of consumerism as having to do with ‘the Protection of the Consumer’s interests’ and the other meaning of the word consumerism is used to mean ‘excessive materialism’. The two different usages of the word ‘consumerism’ is quite extensive. For example, Brahm Vasudev writes, ‘Let us examine the topic by distinguishing between the two different meanings of consumerism. One refers to the promotion of consumer’s interest (which is assumed to be politically correct)
and the other, to the proposition of buying of consumer goods (which is
looked down upon by some fairly vocal sections of opinion)'.  

**Consumerism as protecting the consumer’s interests:**

The consumer movement can be traced back to nearly a century, but
the word consumerism is of relatively recent origin. Roger Swagler writes
that ‘it is impossible to say when consumerism was first used with reference
to the consumer movement, but it seems the term was in use conversationally
by 1965 or 1966’. Swagler further writes, ‘Since its use in The New
Republic, no documented use of the word consumerism could be found until
its appearance in a headline of an Advertising Age article on March 13, 1967.
The headline read: Furness Role Has Yet to Unfold, but Old Order in
Consumerism Is Changing’. 

The term consumerism spread quickly from 1970s onwards. In 1970
Buskirk and Rothe defined consumerism as “an organised effort of consumers
seeking redress, restitution and remedy for dissatisfaction they have
accumulated in the acquisition of their standard of living”. 

James F. Engel and others offered a more operational definition.
To them consumerism ‘arises because of the failure of business or other
organisations in the exchange relationship to meet and respond to
legitimate consumer demands’.  

According to A. Fazal “Consumerism is a phenomenon of group c
aka ening ushered in a social movement to fight injustice and see a fair deal
in the exchange process”. 

All these definitions of ‘consumerism’ strengthen the version of
consumerism as having to do with the protection of the consumer’s interests.
**Consumerism as excessive materialism:**

The word consumerism is also used to mean excessive materialism. The Oxford Dictionary's (1989) second definition of consumerism is given as: "Name given to a doctrine advocating a continual increase in the consumption of goods as the basis of a sound economy".

Indeed, consumerism was being used in this way before the term was used with reference to protecting the consumers interest. In his 1960 best seller, The Waste Makers, Vance Packard wrote about excited business persons who had "caught a glimpse of potentialities inherent in endlessly expanding the wants of people under consumerism".26

Consumerism as excessive materialism appeared 'in conjunction with Pope John Paul II 1991 encyclical Centesimus Annus (The Hundredth Year). The encyclical represented a papal accommodation with market capitalism, but warned "not in order to be more, but in order to spend life in enjoyment as an end in itself". Newsweek's report on the encyclical applied the term consumerism to the pope's warning and paraphrasing John Paul, concluded that "Consumerism... can be as soulless as communism". The article later made reference to the exploitation of "unchecked consumerism". Swagler further quotes Contz, who defined consumerism as 'a force eating away at family time, neighborhood cohesion and public solidarities'.27

In this study, in spite of the word consumerism having two meanings – one denoting the protection of consumer interest and the other denoting excessive materialism, the first meaning is taken unless otherwise specifically referred to the second one. The first meaning is so popular that some authors go to the extent of calling the second meaning of the word as 'misunderstood' and 'misused'. For example, Francis Cherunilam writes "Consumerism is a
term which if often misunderstood and misused. Several times it is used wrongly to refer to consumer affluence, conspicuous consumption etc. The true meaning of consumerism is quite different from these. 28

REVIEW OF LITERATURE

A diagnostic study of consumer protection in Karnataka encompasses four important aspects. They are role of VCOs, Government, Business and Media in consumer protection. Literature on the role of VCOs, Government, Business and Media is available at the all India level. These works are more or less general in nature. So far no work has been done to diagnose the consumer protection in Karnataka. This research work is the first of its kind.

Chandrakant Sharma’s work Role of Consumer Organisations in Consumer Protection 29 is based on the samples of VCOs taken from all over India. His work presents an appraisal and projects the role of VCOs in the field of consumer education, awareness, product rating, testing, complaints handling, and carrying out of research and internship programmes. Sharma covers the consumer protection issue from three dimensions, namely – the role of consumer organisations, business houses and aggrieved consumers. Besides this, he deals with consumer exploitation, marketing development vis-à-vis consumerism, marketing practices in India, and development of consumer movement in India. His work makes an assessment of the Government institutions, business class and co-operative efforts in consumer protection. The researcher suggests that consumers need better education and improved complaints handling procedure to settle their grievances. He finds that some of VCOs effectively execute some activities and fail to perform others. He notes that social and environmental forces are mainly responsible for such a situation. He suggests that the VCOs have to concentrate on better
financial management, consumer education, information and involvement of
business in consumer protection activities.

While studying VCOs it is important to know as how they originate. **Hayagreeva Rao** in his article “Caveat Emptor: The Construction of Non-Profit Consumer Watchdog Organisations” investigates how new VCO forms are constituted as cultural objects. He writes, since new organizational forms jeopardize existing interests, institutional entrepreneurs recombine prevalent cultural materials to frame the form as necessary, valid, and appropriate. When rival entrepreneurs promote incompatible frames, the frame that enjoys greater political support from the state, professions, and other organisations becomes ascendant. The proponents of losing frames can exit, migrate, or convert to the ascendant frame.

Rao notes that, by virtue of their monitoring, lobbying, and educational activities, national VCOs have induced American business firms to create special purpose departments concerned with consumer affairs. A new professional group called the Society for Consumers Affairs Professional in Business was set up in 1973, and by 1988, it had 740 large firms as members.

Rao writes – where new organizational forms come from is one of the central questions of organizational theory. New organizational forms are new embodiments of goals, authority, technology and client markets. He further writes “it is only recently that organizational theorists have begun to analyse the origins of new organizational forms from the standpoint of the random variation, constrained variation, and cultural – frame institutional perspectives”.

Rao states rising expenditures on consumer durables, mounting complexity of product choices, changes in the pattern of advertising and lack
of product liability rules created the social context that made it possible for institutional entrepreneurs to mobilize resources for the establishment of VCOs as solutions (in U.S.A). Rao writes that, the international evidence reveals considerable diversity in the origins of VCOs. In France, Belgium, the Netherlands, and Austria for instance VCOs were affiliated with labour organisations. But contrast VCOs were created as distinct entities but were affiliated with women's guilds in Finland, Canada, Denmark and Switzerland. Except the Swis, other VCOs evolved to focus exclusively on consumer issues and roots in women's guilds atrophied. In Norway product testing began in 1939 with support from state authorities and now several state-sponsored VCOs flourish in Asia and Africa many of which are affiliate members of Consumers International.

I. Satya Sundaram in his article entitled “Voluntarism in the New Millenium”31 writes that the number of voluntary agencies in India is placed at one lakh. He further adds ‘The voluntary agencies raise consciousness, motivate, articulate, prioritize needs and mobilize social action. The participatory experience, collective learning process and indigenous leadership dissolve fear and generate confidence for a new society.

Sundaram argues that the long term role of the voluntary agencies is to organize the poor in staking their claims. He writes, ‘Organisation of the rural poor is no easy task not only because these groups are heterogeneous but equally because the rich and the powerful may thwart any such attempt as it would imply challenging their authority. Hence, this delicate task of organizing the rural poor should be taken up by (on priority basis) VCOs and self help groups'.
Any movement to be successful need activists. It is so with the 'consumer protection movement'. Paul Chowdhary in his article, "Voluntarism, Welfare and Development," highlights the role played by activists in empowerment, people participation, promoting social welfare and creating critical consciousness among the communities.

Chowdhary writes 'It was against the background of rural poverty, vested interests, exploitation, traditional prejudices and people's helplessness coupled with inadequacy of the legislative, executive and judicial institutions that young men and women from the middle class took to activism in several areas and fields. This neo-voluntarism was a continuation of the early 20th century reform movement. These activist groups were different in the sense that they were not the agents of the government in running government sponsored and aided structured programmes. Their interest has been beyond social welfare, health and relief measures. They do not provide a package of social services but their main creed is empowerment, people's participation, self-reliance, self-help, promoting social awareness and creating critical consciousness among the communities. They are free from political affiliations. They act as eyes and ears of the people. However, the problem with these activists is that they cover a small area of operation'.

It is true that activists through their voluntary agencies have a great role in consumer protection movement. Choudhary suggests that there should be a co-operative attitude among government, voluntary agencies and the people. He concludes the article with the note that 'the area of responsibility of government and voluntary agencies having been enlarged, they should give up the habit of speaking the language of 'they' and 'we' but only 'we' - government, voluntary agencies and the people'.
Shakuntala Balaraman and Visa Ravindran in their article “Changing Face of Voluntarism” write about ‘the subject of voluntarism and people’s participation in a world of expanding markets and narrowing agendas’. The writers emphasize about the necessity of accountability of NGOs. They argue that the activities of NGOs must be transparent and NGOs are accountable. They suggest that a list of NGOs be prepared and who are to be kept in ‘Red list’. The funding agencies should know which are genuine and which are not. The accounts of NGOs is to be properly audited every year. Today, suggestions of Balaraman and Ravindran are relevant when many NGOs Annual budget crosses sometimes crores and Foreign funding has become a good source.

Lata Shetty in her article, “Professionalisation of Social Work in United States and India” has discussed the concept of professionalisation and extent of professionalisation of social work in U.S.A. and India. In India very few VCOs are professionally managed. A majority of them are neither institutionalized nor professionalised. In spite of many limitations of professionalisation of social work, it is necessary in the Indian context to Institutionalize to give continuity and to professionalise to improve efficiency.

S.S. Gulshan in his book Consumer Protection and Satisfaction analyses the role of consumer organizations and particularly points out the functions of prominent VCOs in India. He notes that VCOs, business organisations, and consumers are mainly responsible for success of consumer movement. He writes ‘Let’s hope the Indian business responds favorably to consumerism!’ and ‘Let’s hope the Indian consumer awakes from his slumber!’
Lak of Consumer Protection in India by D.N.Saraf deals with the basic principles of major consumer laws in the country. He revealed how the pressure by consumer groups had resulted in State regulation of consumer protection. He considers, that though the enactment of legislation is important, it is only the first step for safeguarding the interests of the community. He stresses more on the responsibility of policy makers and social activists to bring about changes in society. Accordingly he has warned that the consumer legislation must be backed by strong consumer movement at the gross root level.

R.K. Nayak in his book Consumer Protection Lak in India : An Eco-Legal Treatise, notes that, enforcement of legislation is weak in India, to eliminate and control exploitation of consumers. He notes the consumers are also need to be educated and informed to defend their rights. He concludes with an observation that the most effective method of safeguarding the interests of consumers is not greater intervention by the state, but active participation of voluntary consumer protection agencies and consumers themselves in the free market economy.

M.J. Antony's book entitled Consumer Rights contains detailed discussion on the functioning of banks, insurance companies, professional services and public utilities in relation to the consumer. In addition to these aspects, the book also deals with unfair practices, misleading advertisements, restrictive practices, consumer forum and weights and measures. The net cast by the book is wide with sample cases in India and abroad and comments by important newspapers and public men to create the right focus.

Gurjeeth Singh's – The Lak of consumer Protection in India – Justice kithin reach, is one of the best research works on Consumer Protection

In his foreword to the book Menon writes that in India the country’s judicial system consisting of about 7500 courts could cater to the needs of only less than half the population. For a long time, courts and tribunals continued to hear the grievances of the middle and upper classes of Urban Society leaving the rural masses to content with whatever informal systems of dispute resolution available in the mofussil areas. Even then courts were overburdened. The court system accumulated massive arrears of cases. In 1990s reached a staggering figure of 20 million litigations. Menon observes that, 'it was obvious that the system would crack under its own weight if something drastic is not done to re-vamp the judicial process'. In this situation Menon says it is one thing to give rights to consumers under various laws and another to provide mechanisms for agitating those rights for appropriate remedies. He notes that consumer education is a unique feature of Indian Consumer Protection Legislation.

Werner Menski in his introduction to the above book, notes that almost unnoticed by the world, modern Indian law has come of age in the past few decades and is now among the most innovative jurisdictions, at the forefront of struggles to secure justice for the common citizen. Further he observes that, this has not been achieved simply by borrowing from the west, as most people would like to believe, and as the media constantly suggest. According
Gurjeeth Singh’s this well researched, Eight Chapter book is a good source for both academicians and researchers on the law of consumer protection. In this research work, Singh analyses the CPA, 1986, Redressal mechanisms under it and also highlights the increasing ambit and amplitude of the CPA, 1986.

Singh analyses the role played by Social Action Litigation and Environmental Litigation under the chapter New Developments and Emerging Trends in Consumer Protection Jurisprudence in India. Singh highlights the importance of business self-regulation in consumer protection, both by the public sector and private sector. Singh emphasizes the importance of non-legal measures for consumer protection, like, Consumer education, Lobbying and Consumer Advocacy, Consumer boycotts and International Co-ordination.

Singh concludes by propagating three basic themes that run through his research work. First, it has been shown that the enactment of the CPA, 1986 was the outcome of a large number of developments at the national as well as international level. Secondly, the study has demonstrated the successful functioning of this legislation and the resultant effects. Thirdly, it has been argued that, notwithstanding the enactment of any amount of beneficial legislation, it must be backed by the political will to implement and followed by necessary infrastructure to enforce it. Above all, he has argued that
legislation must be supplemented by equally significant non-legal measures to effectively tackle socio-economic problems like consumer protection in a third world jurisdiction like India.

Pushpa Girimaji's book – *Consumer Rights for every one* is one of the latest books on CPA, 1986 and on the working of redressal mechanisms under the Act. There are nine chapters in the book. In the first chapter on 'consumer and the courts', the author has raised many questions on her own and answered (which any consumer encounters when one tries to understand CPA or when one attempts to redress grievances). For example Girimaji has answered questions like who can file a complaint, what kind of complaints can be redressed by these courts and pecuniary, territorial and appellate jurisdiction of these courts.

In the second chapter, titled, 'The Consumer Justice System', the author explains the functioning of the courts, the procedure followed by them and the compensation that the aggrieved consumers can claim. From the to the Eighth chapter the author specifically deals with specific services. These six chapters deal with Housing, Power Supply, Telecommunication, Railways, Life Insurance and Medical negligence. In all these six chapters the author has explained various concepts and issues pertaining to the above six services with relevant court orders. Problems of consumers are well anticipated by the author and a very good effort has been made in the book to clear the doubts that consumers may encounter in these six services.

In the concluding chapter, the author discusses the problems of low awareness among consumers, of the high percentage of cases going against consumers, and the over-enthusiasm displayed by public sectors to file appeals against the judgements of consumer courts. The author wonders, even
when they (Public sector) are at fault and the courts have given a clear verdict of 'guilty' against them, why public sectors are so enthusiastic to file appeals. The author at the end concludes by giving some tips to consumers as how to file a complaint. Here the author highlights the importance of keeping evidence, keeping records of transactions and the importance of writing effective complaints.

H.N.Giri's book - Consumers, Crimes and the Lak is partly based on his doctoral study (University of Allahabad, D.Phil in law). Under the chapter - Consumer Interests and the Consumer Groups - how VCOs have to work as pressure groups has been analysed. The researcher specially emphasizes test case litigation and public interest litigation as tools to protect the interest of consumers.

He sees an analogy between balanced nutrition and consumer health protection. He states, 'Eating good food acts like a medicine against the disease of hunger'. He further notes, 'Drugs are the best friends and can be the worst enemies of human beings and their health'. He cautions consumers and VCOs to be careful about this. He writes- 'The offences against consumers are also sometimes described as socio-economic offences, which somehow or other affect the health and material welfare of the entire community. These offences are committed by the middle class or upper class community during the course of their occupation, i.e., business, trade, commerce or profession. The motive of the offender in such offences is avarice or rapaciousness rather than hate or malice as in traditional offences. These are perpetrated through fraud rather than force and the act is deliberate and wilful. The most common offences against the consumers are in the field of foodstuffs, drugs, medicines and cosmetics. Sometimes this causes extensive deaths, diseases and deformities among the people of the society'.

31
The researcher points out that ‘pro bono publico’ litigation can be filed against the manufacturers, producers or vendors who commit fraud against the health and welfare of the consumers through the process of sale of their commodities.

Malnutrition among the poor is one of the important consumer problems in India. In his analysis of consumer, crime and the food, the researcher writes that ‘the main reasons of malnutrition are: (i) short supply of food grains and their non-availability to the masses as a result of their poor economic condition; (ii) ignorance about the proper way of handling and cooking foodstuffs due to which the nutritive value of food is often lost; (iii) fraud played on the consumers by (a) adulteration of foodstuffs; (b) misbranding of food articles, and (c) supply of rotten or deteriorated or substandard foodstuffs.

The researcher suggests that ‘legal therapeutic measures are to be made more effective. He suggests that publication of the names of offenders with their offence and the sentences imposed on them is a good means to prevent and control criminality relating to foods and drugs. He finds that ‘Society pays respect to these persons because people do not know them as offenders. Publication of the names of the offender with the offence committed and the punishment inflicted on them would serve three purposes: (i) The general consumer will be alert about such dealers and will not be defrauded in future; (ii) it will serve as a deterrent and preventive for other criminals of like nature; (iii) it will be a stigma on the accused to lose his prestige in society’.

The researcher notes that even though section 16(2) of the Prevention of Food Adulteration Act, 1954 and section 35 of the Drugs and Cosmetics
Act, 1940 have provision for this, the implementation of the Acts has to be made effective throughout the country.

Sudharani Shrivastava in her book *Socio-Legal Aspect on Consumerism* have analysed the provisions of CPA, 1986 with reference to Consumer Protection Councils and Consumer Disputes Redressal Agencies. The author has also given State rules pertaining to CPA of different states in India.

*Consumer Protection and the Lak* is the book edited by D. Himachalam. The book contains 19 articles. The book is informative. The article “Consumer Protection : Rational and Methods” by Francis Cherunilam, analyses exploitation of consumers and need for consumer protection. U.N. Lakshman in his article, “Consumer Protection in India”, analyses why consumerism is not powerful in India. He notes, “Docile and fear attitude of the common citizen in India, apathy of the consumers, increase in population, and lack of knowledge are the main reasons for weak consumer movement in the country”. B.R. Jena in his article entitled, “Consumer Movement in India – some recent efforts”, notes that environmental pollution, investor protection, medical practices and international trade are, he says, recent issues in consumer movement. N. Thanulingum analyses the role of co-operatives in the development of consumerism in his article entitled “Role of Co-operatives in Development of Consumerism”. He suggests that co-operatives can be involved in public distribution system and for protection against adulteration, under-weighment and price discrimination. He rightly concludes that if properly used, consumer co-operatives have a strong potentiality to protect the consumers. D. Himachalam in his article “Consumer Protection in India – A Brief Analysis”, traces the important steps taken to protect the interest of consumers. He finds that even though CPA is a
landmark legislation, its implementation is not effective. He emphasizes the role of the media and the Government in activating consumer movement in the country.

Mohini Sethi and Premavathy Seetharaman in their book *Consumerism a Growing Concept* traces different vital developments in consumerism in the Indian context. The book has been divided into four units. The first unit of the book is an introduction to consumerism. The authors cite how Indian consumers are exploited and analyse the philosophy and objectives of consumer movement. The authors emphasize the importance of three objectives – product safety, solution to consumer problems and providing information to consumers. The authors claim that the consumer movement is picking up in India due to spread of education, consumer awareness, rising prices, inflationary trends, variety in goods, rising income, legislative measures and due to the role of VCOs. In the end they highlight how budgeting is to be done at family level. Under “savings and investments” heading the authors give guidelines for sound investments. In the second unit of the book authors have highlighted the importance of consumer education in consumer movement. They identify consumer rights and responsibilities as important topics for teaching consumerism. Under “Product Evaluation” stress has been given on buying drugs and medicines, food adulteration, selection of food articles, guarantee, availability of after-sale service, safety and saving of cost, time and energy on purchase of goods and services. Under unit three, “Marketing”, The authors have suggested consumers tips to decide what, where, when, how, and how much to buy.

The Foreword to the book is written by Justice, V.Balakrishna Eradi, the first President of National Consumer Disputes Redressal Commission. Justice Eradi rightly writes “I have great pleasure in recommending this book.
as an excellent treatise on the important topic of consumerism which encompasses the whole range of topics covered by the wide expression Consumerism”.

S.K. Grover’s book *Trade Mark / Brand Duplication and Consumer Protection* is a modified version of his Ph.D. Thesis submitted to the University of Delhi, Delhi. The researcher analyses the consumer perception in identifying and buying the desired branded/trade-marked product. The book highlights the spurt in unscrupulous activity of trademark duplication which has shaken the confidence of consumers in such products. For protecting consumers from trade mark/brand duplication, Grover recommends that the authorities, particularly the Bureau of Indian Standards, Weights and Measures, Drug Controller and the local Health Authorities have to make their administrative supervision effective.

I. Satya Sundaram in his book, *Consumer Protection in India* writes ‘A vast entity of consumers have been practically reduced to a neglected entity in the nation’s economy. The author stresses the importance of new consumer protection methods like more Janata (people) shops, need for Jantata Hotels, Community Kitchens to help consumers (He cites the example of the ‘Indira Community Kitchen which was registered as a public trust started in Pune in June, 1974). He finds that public distribution systems have an important role to play in a developing country like India. He cautions that unless the purchasing power of the rural people is stepped up, public distribution cannot be a success in rural areas.

Sirajuddin Siddiqui and C.R. Sarma in their research project report *Organisation for consumer protection* traces the important aspects of consumer problems and underlines the areas in which action is to be taken. In
their research findings on consumers, they say 'they have found a 'startling' picture'. They find that: (a) The awareness level, among the poor, about their exploitation is high.... They do not have the necessary means to fight for their rights. The organisations working with these people observe that the poor are receptive and, given some support, are very active in demanding their rights, (b) the middle class people are unwilling to spend time and money to fight for their rights and get their grievances redressed. This is mainly because the process involved is lengthy and time consuming and the cost of redressal may be much higher than the initial cost of the item. The rich are not affected either by adulteration or by substandard quality, (c) Consumer education and protection has not yet become institutionalized in the country. The researchers have suggested four strategies for tackling the various problems of consumers. One is to resort to legal action by VCOs or by the people themselves. The other is to educate the people so that they do not get cheated in the marketplace. The third is Legislations and regulatory agencies and the fourth self-regulation by industry.

They find that VCOs have an important role to play in protecting Indian poor consumers. They write that the approach of VCOs must be different from those of other NGOs. They write, 'The fundamental drive to work with the poor rather than for the poor is particularly significant in a programme like consumer protection, where the individual habits, attitudes and activities of the poor persons in their everyday lives are so vital part of the programme. Unlike educational and training programs, or employment programmes, or health programmes all of which are based on professional services, consumer programmes usually involve the actions of the poor when they are alone in a shop or with a peddler in their homes'. Researchers further write that 'consumer action programme, to be effective must involve a substantial
proportion of the target area’s residents in a programme that provides them with motivation, consumer education, credit facilities and information on the availability of needed services and other opportunities. And it must do this in ways which encourage residents to work together and which will give them experience in planning and making decisions on their own. They identify, low income, lack of low-cost credit, inadequate transportation, lack of information, fraud and deception, legal exploitation, inadequate housing, lack of public and social facilities, lack of education and benefits of government schemes not reaching them are basic problems of the poor consumers.


Societal response to consumer movement: Government: The author has discussed ‘Government institutions for consumer protection’. She cites a number of institutions starting from ‘Indian Association of Consumers’ which was set up in 1956 with the “financial backing of the planning commission”. The author writes, ‘But it did not even last as a nine-day wonder’. Nothing much came out of the government effort until the formation of the consumer protection councils at the national and state levels under the CPA, 1986. The author writes, ‘However, though these councils had become a statutory permanent establishment, it was so only on paper, while in reality a number of the state councils had not met even once; many of them just once; and almost none of them on a regular and continuous frequency since being constituted.’

On public utilities and public sector undertakings and consumer protection,
she writes, 'The government had taken on itself the task of providing certain essential services, such as railways, posts and telecommunications, water, electricity etc. These had been taken over to ensure that the citizen, the consumer, gets his essential services without having to pay through his nose for it, and at the same time to assure of timely and quality treatment'. However, in reality, the consumer has not really been helped even after the essential services have become government monopolies. On the other hand, the situation has only worsened. Further she writes, 'Even after the passage of specific Acts (like CPA,1986) to protect the consumer, the PSUs and government departments continue with their don't care and callous attitudes.' In the concluding chapter 'Lessons for the Consumer and the Consumer Activist' --she writes for strong voluntary action through the network of VCOs. She writes "Concerted action through a centralized agency to act as a vocal mouthpiece, and become a loudly-crying child whose voice will be heard over the others of the business groups, or even arouse the sleeping bureaucrats from their impassiveness to the consumer needs and problems; and a vocal and effective mouthpiece in the government itself, are two of the urgent requirements for the movement to move ahead."

_Societal Response to Consumer Movement : Business:_ In this book the author writes about the changing attitude of business from "Caveat Emptor" to "Caveat venditer". The author writes about the 'self-regulation' measures taken by different business associations to protect the interest of consumers. She cautions consumers and consumer activists that "Businessmen have been reacting only to the extent to which consumers have been assertive and demanding". Hence, Indian consumers are to be more assertive.'
Emergence and Formation of Consumer Groups – A Perspective: In this book, the emergence and formation of consumer groups in India has been traced through four different stages. The book deals with 30 VCOs and other consumer related organisations, five Federations of VCOs and one Foundation (German based) which gives support to consumer protection activities. Among 30 consumer organisations two are from Karnataka, KCSS, Bangalore and Consumers Forum, Udupi.

The period 1900 – 1959 is considered an era of emergence of consumer movement in India. 1960-69, the second stage which is identified as ‘Consumers – fighting for their rights’. The editor claims that the third stage of the consumer movement (1970-79) emerged as a result of the inadequacies of direct action and establishment of professionally managed consumer organisations. Through this stage the editor claims that the movement started ‘spreading its roots’ in the country. She claims that ‘passing the CPA, 1986 has given rise to the fourth stage. This act is a milestone in the annals of the consumer movement in India. This stage has resulted in the ‘dawn of a new-era’ (1980-1989). During this stage many VCOs came into existence in the country, before and after the passing of CPA. One among them is Consumers Forum, Udupi in Karnataka State, which was established in 1980 well before the passing of CPA.

The concluding chapter of the book ‘A concerted effort to an united approach’ refers to various efforts made on the national level to establish a ‘central agency’ of VCOs. It also highlights the role of state level federations in Tamil Nadu and Gujarat, CICO and CCC at the national level and IOCU (Present Consumer International) and German based foundation – Friedrich Naumann Foundation in Consumer Protection Movement, at the international level.
KARNATAKA IN INDIA

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In order to make proper use of media for consumer protection, CERC has published *a Manual, on Media and Consumer Protection*. The emphasis is given in the manual to analyse the advantages and disadvantages of various opportunities available with different print, electronic and unconventional media.

KARNATAKA AN INTRODUCTION

Karnataka is one of the twenty-eight states of India. It is situated in the central postion of south India, known as the Deccan plateau. It occupies an area 1,91,791 sq.kms. Geographically it lies between 11° 30' and 18° 45' north latitude and between 74° 12' and 78° 30' east longitude. That is it extends north-south about 770 kms and east-west 400 kms. It is surrounded by Maharastra on the north-west and north, by Andhra Pardesh on the north-east and east, by Tamil Nadu and Kerala states on the south and by the Arabian sea on the west.

OBJECTIVES OF THE STUDY

The main objectives of the study are:

1. To study the role played by VCOs, CPA, Business and Media in Consumer Protection.

2. To evaluate
   a) the working of VCOs and their contribution to consumer protection,
   b) the working of District Forum, State Commission and National Commission in comparison with the need and objectives set out in the passing of the Act,
   c) the effectiveness of 'self-regulation' and 'citizen charter' measures taken by business to protect the interest and welfare of consumers, and
   d) the role of media in consumer protection.
3. To suggest:

a) measures for the healthy growth and effective functioning of VCOs,
b) measures to make consumer disputes redressal agencies more effective and 'consumer friendly',
c) remedies to make business initiated welfare strategies more effective, and
d) measures to make media more useful in consumer protection and empowerment.

METHODOLOGY

The research study is based both on primary and secondary data. A consumers sample survey was conducted with the help of a structured questionnaire (See Appendix – VII). The structured questionnaire (in Kannada) was administered to 675 respondents in the state in order to elicit their opinion on the working of consumer protection mechanisms. While drawing the sample, proportionate representation was given to rural and urban, literate and illiterate, men and women consumers on the basis of population (1991 census).

Three sources were used to collect data on the working of VCOs. These three sources are questionnaires, personal visits to VCOs and publications of VCOs. Even though 68 questionnaires were sent, only 10 VCOs responded. Among the remaining 58 VCOs, only 6 were found working. On researcher's personal visit, the data were collected from those 6 VCOs. Further, some of the observations made in the study are based on the personal discussions the researcher had with the office bearers of VCOs.

Data on the working of CDRAs under the CPA, were collected from District Fora, State Commission and publications of Food and Civil Supplies.
The members and presidents of district fora were interviewed to gather first-hand information about the working of district fora. Selected complainants and defendants in the district fora and state commission were interviewed to get their experiences and opinions on the working of CDRA. Information from the National Commission and news, views and statistics published in print media were also made use of.

Self-regulation in business is studied with the help of 'code of ethics', 'consumer care practices' and other publications of business associations. 'Citizens charters' have come to stay. Various citizen charters published by public sector units and other organisations under Government of India, and Karnataka State Government were analysed.

In analysing the role of media, the opinion of consumers about media is elicited through the sample survey of consumers. The coverage in newspapers on 'consumer protection matters' is collected by analysing newspapers of one week. News letters, books, leaflets and other materials published by VCOs in Karnataka were analysed. To know the role of television, the viewers response to consumer protection programmes telecast have been analysed. In the same way to know the role of radio, the listeners' response to consumer protection programmes have been analysed.

LIMITATIONS OF THE STUDY

The first limitation of the study is that, it has taken into consideration only four aspects which influence the protection of consumers in Karnataka State. They are: Role of VCOs, CPA 1986, Business and Media.

In analysing the role of VCOs, specific purpose NGOs like Environmental groups, Consumers Co-operative Societies, Telephone users
association etc. are not studied, even though they are very much part of the consumer protection movement.

In the Karnataka State though there are 125 VCOs on paper (Annexure III), only 16 VCOs are found ‘working’. These ‘living’ and ‘working’ VCOs are only considered for analysis. For example, it is found that the VCOs in Dharwad, Hunsur, Dandeli and Kollegal were dead long back even though they found place in the directory of voluntary consumer organisations in India, published by CERC, Ahemadabad.

In analysing the role of government in consumer protection, the role of CPA, 1986 and CDRA established under CPA are studied. There are more than 30 other (Appendix IV) legislations and many institutions which are oriented towards consumer protection. For example, MRTP Act, Drug Control Act, Essential Commodities Act etc. These acts and complaint redressal mechanisms under them are not included in the study.

Another limitation of the study is that, in analysing the working of District Forums, no separate study is made on the newly carved out seven districts. The state government has not established separate district forums for these new districts. Hence, the data for the undivided district is taken for study on the working of District Forums.

Appeals on Karnataka State Commissions judgements in the National Commission and appeals against National Commission judgements in the Supreme Court from Karnataka are not included in the work.

While studying the role of business in consumer protection, the effort of individual business organisations in self-regulation is not studied. Only the
role played by business associations through their 'code of conduct', 'code of ethics' and such other self-regulation measures are studied.

CHAPTER DESIGN

The plan of this research work is as follows. Chapter 1, is an introductory chapter which deals with the role of VCOs, Government (CPA), Business and Media in protecting consumers. Chapter 2 deals with the functioning of VCOs. Further a comparative evaluation of selected VCOs is made in this chapter. Chapter 3 covers the working of district fora and state commission in Karnataka. Self regulation in business through citizen charter and code of conduct is analysed in the 4th chapter. Importance of media in consumer protection is the subject matter of chapter 5. Chapter 6 is the concluding chapter.

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