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Several months ago I sent out copies of the first portion of Professor Goldstein's paper on "The Gonsumer Movement in Canada." The replies, ranging from the severely critical to the highly laudatory, have rapidly overwhelmed my capacities as a correspondent; I would like to express here my appreciation for the interest shown in the paper and in the topic. Both Professor Goldstein and I have learned a good deal about the current state of the movement from the letters received, and have been able to clarify for ourselves a number of difficult points.

The completed version of Professor Goldstein's paper is now available. Owing to its length and the costs of reproduction, I am not sending copies to all those on the original list. I am, however, enclosing copies for those indicating a strong interest in their correspondence, and copies are available to others on request.

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# THE CONSUMER MOVEMENT IN CANADA

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Occasional Papers of the Consumer Interest Study Group
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CONSUMER AND CORPORATE AFFAIRS

Ottawa

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#### A NOTE ON SOURCES

Literature on the Canadian consumer movement is extremely scant. There are at most a handful of articles in scholarly journals on the subject, generally of a descriptive or historical nature. Almost no theoretical analysis of any kind exists. There are, of course, a large number of primary materials -memos, bulletins, annual reports, and the like - as well as some government studies; but this material generally remains uncatalogued and scattered.

There remains what information can be garnered through personal observation and oral interviews. I have talked with a considerable number of government officials, consumer advocates, and members of other organizations with a relationship to the consumer movement for the purposes of this study. Some of those interviewed, however, agreed to discuss their views candidly only on condition that their opinions and recollections remained confidential. Although their comments have contributed substantially to this study, I have avoided quoting any individual directly. A list of those interviewed at length is included in the Appendix.

The opinions expressed in this paper are those of the author and do not necessarily reflect the views of the Department of Consumer and Corporate Affairs or of any of its officials.

### Summary

There is a curious inconsistency in much that has been said and written about consumerism. Many social scientists, government officials, and consumer advocates implicitly or explicitly adopt a pluralistic model of the role of the consumer movement. They assume that consumer organizations effectively represent one legitimate interest in society, just as producers, workers, farmers and other sectors of the economy are also represented. A kind of rough balance is struck among the various interest-groups, each of which achieves a reasonable proportion of its demands.

Such an assumption would be plausible if each of these groups were roughly equal in power, and had an approximately equal opportunity to become conscious of, and defend, its own interests. Social scientists who have studied the actual world of the consumer, however - the information available to him, the amount of time and resources he can mobilize in defining and protecting his interests - have concluded that the consumer as a single individual is in an intrinsically unequal place in the economic marketplace.

The weakness of the individual consumer might be compensated for by the creation of a strong consumer movement which could achieve collectively what the individual consumer cannot attain by himself. One model of such a movement might be the attempt to represent all consumers by a large non-partisan organization claiming to defend a generalized consumer interest, and acting in the name of all consumers while in no way challenging the pre-existent concentrations of power in its society – a consumer organization which would work together with corporations, government and other sectors for the benefit of all consumers.

Such an organization, on the face of it, could not equalize the power of the consumer. It could not do so because it would be both internally and externally weak. Its internal weakness would stem from the fact that it might encompass a myriad of diverse individuals with diffuse, sometimes

conflicting interests, and would therefore not be able to enunciate a clearly-defined ideology; while, in its relations with other sectors of the economy, it would lack the established power of corporations and governments, and would be unable to confront that power effectively.

These difficulties have, to some degree, been overcome by the American consumer movement. In the United States, journalists and social reformers have helped to create a "media constituency" - an aroused public mobilized around morally- and symbolically-charged consumer issues, brought together by the effective use of mass media. This strategy has placed a premium on the tactics of confrontation. A kind of "professional" consumer advocate has emerged whose moral and financial support depends in large measure on his ability to emphasize the incompatibility of consumer and corporate interests. The success created by mobilizing public concern in any one area stimulates financial and moral support which can be used to dramatize consumer abuses in other areas. A generalized awareness that consumers have distinctive interests of their own, and a willingness to support militant action in defense of those interests, characterize the new consumer public.

In Canada, on the other hand, at least until recently, consumer advocates assumed that their interests were not in conflict with those of corporate and government elites; indeed, the Consumers' Association of Canada from the start developed a symbiotic relationship with industry and especially with government, and has to a large degree been dependent on the good will and patronage of the federal government.

The CAC's close and informal relationship with civil servants and Ministers is characteristic of the Canadian tradition of "elite accommodation" - of informal consultations between members of governments and interest-groups which result in pragmatic compromises in the enactment of government policies. The Canadian tradition differs from the American in that the elite groups involved seek to avoid public conflict, and adopt a collaborative rather than an adversarial stance towards each other.

While the CAC has some of the prerogatives and has performed many of the functions of elite private-interest groups, it has lacked the power and the clear definition of its own interests that usually characterize such groups. Although its leaders have enjoyed close and informal contact with government officials and has shared their general ideological outlook, its ability to alter pre-existent power relationships between consumers and other interest groups has been limited. At the same time, the organization has provided information and assistance to the government and helped to legitimate government policy. In the past, therefore, the CAC has served as a kind of "quasi-elite" group.

Within recent years, however, the traditional pattern of accommodation between the federal government and consumer groups like the CAC has come under increasing strain. Ironically, one major source of this tension has stemmed from the new interest demonstrated by the federal government in establishing a professional consumer movement. The increasing pressure on government officials to develop an effective system of adversarial representation (as well as other factors) has led them to encourage the development of professional consumer advocates. While in the United States such professionals are often charismatic leaders, dependent on public support for their success, this has been far less often true in Canada. Most Canadian consumer advocates have been financially dependent on the government, and have tried to change public policy not so much by mobilizing public opinion, as by making representations to government agencies and regulatory boards. The fact that such professionals are directly or indirectly dependent on government and sometimes see government officials as their primary reference group, often leads to internal strains with volunteers in organizations like the CAC.

Similarly, government pressure on the CAC to demonstrate that it is "representative" of Canadian consumers in general and of diverse regional and cultural interests in particular, has intensified internal tensions within the Association. Again, the desire of some government officials to create a more effective and all-encompassing consumer movement has in some ways exacerbated the problems of the CAC.

Contradictory pressures from government bodies, and inconsistencies within the Canadian political and legal tradition have made the task of the CAC in defining its own role even more difficult. While the CAC has increasingly been asked to adopt an adversarial role by the Department of Consumer and Corporate Affairs, it has also become more and more dependent on government funding to do so; and when the CAC has sought to take on an advocacy position, it has often met skepticism or hostility from government regulatory agencies and some government officials. At one time, the CAC was hindered in adopting an effective consumer advocacy role because its relationship to government was symbiotic; more recently, it has been hampered in adopting the same role because its relationship to government is schizophrenic.

In the past few years, a new definition of consumerism and a new constellation of consumer organizations has sprung to life across Canada. These "constituency" groups generally do not claim to represent all consumers of whatever class in their roles as individual purchasers. Such groups are usually centered around particular communities or causes; they have, or are developing, more specific goals and more systematic ideologies; their membership is often small and limited to a particular region; they stress the ideals of collective participation and militant action; and they usually link their particular concerns as consumers to larger political and social questions. Such organizations, however, are frequently hampered by their lack of resources, and their lack of legitimacy within a Canadian solitical culture which has not fully accepted the idea of militant adversary-oriented public-interest groups.

Until now, therefore, both the CAC and the consumer constituency groups have been unable to match the power of the corporate sector and other interest-groups, for reasons largely beyond their control. The CAC has been a large general-purpose consumer organization with diffuse and sometimes conflicting goals, and with scant resources, it has operated within a Canadian tradition of mutual accommodation among established elite groups. Within this context, it was necessarily dependent on the benevolence of business and government, and could achieve those concessions it did obtain only by maintaining its good relations with more powerful interests. The recent attempt of the federal government to transform the CAC into a professional

adversary-oriented group has created new strains within the organization and in its relationship to government - strains which the CAC, as a public-interest group without a clear ideology or a strong constituency, cannot easily resolve. Constituency groups, on the other hand, have been able to define their goals with greater clarity, but lack large resources, easy access to government, or a legal context in which their action could be fully effective.

The Canadian consumer movement, therefore, is caught between an old model of elite accommodation which never served consumer interests well, and a newer adversarial model which is hindered by internal tensions, external constraints, or both. There is relatively little sustained cooperation between the old-style groups and the new, between consumer organizations and other public-interest groups; each sector of the consumer movement is divided from the other, and sometimes, divided within itself.

Large general-interest consumer organizations might be best at performing certain tasks in the consumer movement - such as product-testing or providing consumer education on diet, safety, health and similar non-partisan issues. But they are not well-suited to an adversarial role. The essential precondition for the development of a consumer movement which can adopt clear and forceful stances is the growth of consumer groups which are directly supported by, and responsive to, specific constituencies with specific interests. Direct government efforts to engender such groups may be counter-productive; they can induce consumer groups to spend much of their time trying to conform to, or circumvent, government demands - but they can't ensure that consumer groups will win public support or public participation.

What the government can do is to create a political and legal framework which facilitates new constituency groups creating themselves, and which enables those groups to act effectively once created. Financial and professional resources should be made available to those groups, so that they can form coalitions around concrete issues, and informal, over-lapping networks with other public-interest groups - while at the same time retaining

their specific goals and specific constituencies. Such a policy of increased specialization on the one hand, and increased decentralization on the other, might allow consumer groups to serve different functions without serving contradictory functions. Without some kind of comprehensive strategy for the consumer movement, however, the strains and confusions which now characterize Canadian consumerism are likely to intensify.

### CONSUMERISM: THE HISTORICAL CONTEXT

# The Theory of Consumer Sovereignty

The great economic theorists frequently reminded their readers that the consumer is king - that all economic processes serve the needs of the consumer, or at least, should do so. 1 Although the explicit doctrine of consumer sovereignty was not fully articulated until 1936, the theory was already implied in the writings of some of the major eighteenth— and nineteenth—century economists, notably Adam Smith:

Consumption is the sole end and purpose of all production; the interest of the producer ought to be attended to only so far as it may be necessary for promoting that of the consumer. The maxim is so perfectly self-evident, that it would be absurd to attempt to prove it.

The theory of consumer sovereighty is often invoked by consumer spokesmen; but the enormous distance between the claim that the consumer should be sovereigh and the actual world of the consumer in the marketplace the difference between "is" and "ought" - is often given scant attention by liberal economists.

There is no necessary connection between the theory of consumer sovereignty and a defense of the free-market system; but many of the most passionate defenders of the doctrine have in fact been apologists for at least a modified form of <a href="Laissez-faire">Laissez-faire</a>. The theory has often been associated with three main arguments:

- 1. The consumer is rational and is the best judge of his own needs.
- 2. The consumer is rational and is the best judge of deciding how to achieve his own needs.
- 3. The free-market system is the most rational means of reflecting consumer needs. In such a system, the forces of production will adjust effectively to consumer demand; therefore government intervention is, for the most part, unnecessary.

The theory of consumer sovereignty has the advantage of being predicated on premises which are clear and logically elegant. It suffers from the disadvantage of being predicated on premises which have very little to do with reality.

The criticisms which can be directed against the theory are of two kinds: first, it mystifies the world of the individual consumer, and grossly exaggerates his capacity to make rational choices; and second, it ignores the destructive effects of the modern capitalist system on the individual's capacity to consume in a rational way.

Thus, the individual may not be able to rationally decide his own needs, or to effectively determine the means of achieving them, because:

- (1) He is impulsive or inexperienced;
- (2) He is neurotic, or suffers from internal psychological conflicts although he knows that (say) cigarettes are bad for him, he has a compulsion to smoke them nonetheless;

- (3) He lacks adequate information, because: (a) The number, variety and complexity of commodities in modern society overwhelms the ability of the consumer to rationally differentiate among them. (b) There is a real cost in time and effort in obtaining adequate information. This cost may often outweigh any benefits accrued by obtaining the information. In some cases, information about the full consequences of using a particular product may be impossible to obtain. Thus, even a chemist might not always know the possible toxic effects of a complex combination of chemical additives; while until recently even the most educated consumer would not have known of the potentially harmful effects of aerosol sprays;
- (4) The consumer may be indifferent to the possible consequences of using inferior or dangerous products, because: (a) The very proliferation of goods in a "throw-away society" creates a consumer psychology which erodes concern about the durability and craftsmanship which inheres in any particular product. (b) The product may benefit him individually but be dangerous to society as a whole: an automobile which lacks a catalytic converter may be cheaper and more efficient, yet will contribute to air pollution.

Even more dubious is the assumption that the free-market system adjusts efficiently to meet consumer needs. Indeed, modern capitalism often makes it more difficult for the consumer to articulate and satisfy his needs. It does so in several ways:

(1) An individual company usually has an interest in encouraging its customers to purchase its goods or services, whether or not it is in the interest of the consumer to do so. Thus, misleading packaging and advertising often occur. While some corporations may try to ensure excellence in order to maintain their reputations, not all companies have a strong interest in doing so. This may be especially true when a company has monopoly or near-monopoly control of one sector of the market, and fears no competition; when a company is likely to sell to a particular customer only once; or when the profits to be made in selling a particular product of low quality outweigh any potential loss of business stemming from a poor reputation.

(2) The corporate sector seeks ever larger markets and, through advertising, promotion schemes, and the use of easy credit encourages ever-increasing consumption. But commodities are in principle scarce and the demand for them can never be fully satisfied. Consumers thus find themselves in a never-ending race to consume more and more, and yet can never reach a point where their needs are fully satisfied.

Furthermore, the consumption ethic promoted by the corporate sector depends for its success on a continuing confusion in the mind of the consumer as to what his real needs are, and how to attain them. A typical advertisment may depict a Chevrolet parked on a deserted beach. The commercial might be misleading not simply because the Chevrolet might not be the most reliable of vehicles, but - more important because the chances of discovering a solitary beach may actually be reduced through the multiplication of automobiles and superhighways. The advertisement evokes a nostalgia for a "natural" setting which is rapidly disappearing in industrial civilization: it establishes a systematic confusion between the desire for deeply-rooted personal satisfactions - serenity, open space, and closeness to nature - and the possibility of obtaining them through the purchase of some new consumer good. Providing the consumer with more data on the Chevrolet's engine performance or gasoline consumption would in no way eliminate that The confusion is in fact a general one - not only about what goods are really worth having, but about whether having commodities of any kind can always satisfy deeply-rooted human needs.

(3) The corporate sector rarely calculates the hidden social costs of the goods it produces. Without outside pressure, it is not likely to worry about the ultimate effects on the environment of manufacturing a particular product. More important, without compulsion of some kind, it rarely has much incentive for doing research on the possible harmful consequences of a product which are as yet unknown.

The consumer, therefore, is very far from being sovereign: the individual consumer is, in fact, in an intrinsically weak position in relationship to the average manufacturer or seller. It might still be

argued, however, that some measure of consumer sovereignty could be maintained through the active intervention of some intermediate agency or agencies - through the efforts of government bodies, private consumer groups, or some combiniation of both. It is this possibility which we shall now proceed to examine.

# The Theory of Liberal Pluralism

Laissez-faire liberalism was predicated on the belief that the common good could be attained without systematic government interference in economic affairs. Economists like Adam Smith assumed that the economic behavior of individual buyers and sellers pursuing their own self-interest would ultimately benefit everyone. Similarly, liberal political theorists like John Stuart Mill emphasized the importance of individual freedom and minimized the role of the State. The theory of <a href="Laissez-faire">Laissez-faire</a> liberalism was often invoked in the nineteenth and earlier twentieth century in North America to justify the lack of government action in consumer affairs. In recent years, however, although some defenders of the free-market ideology remain, most social scientists have come to admit the necessity for government regulation within a capitalist economy. They have developed a new version of liberalism: it is sometimes called "the theory of liberal pluralism."

There are really a number of sub-varieties of this theory, but for the purposes of simplicity two general models can be identified. One - which I shall call "the conflict model" - has been proposed by both American and Canadian political scientists, but - until recently, at least - has been most often applied to the United States. The second model - which I shall label "the symbiotic model" - is perhaps more applicable to Canada.

Both versions of liberal pluralism share certain common premises: they both assume that producers, consumers, labour, farmers and other sectors of the economy tend to form interest groups, each of which presents its own particular demands to the government. Each of these groups is presumed to have some share, probably a roughly equal share, of political power; and, with the help of the government, an approximate balance is

established among the claims of the various groups.

The "conflict model," however, admits that there are permanent and fundamental conflicts of interest between a chamber of commerce and a trade union, or between a consumers' group and a retailers' association. In this model, it is legitimate for each group to apply as much legal political pressure as possible, and to appeal to public opinion. It is assumed that only through the open articulation of conflicting interests and the mobilization of public support will the conflict be rationalized within permissable boundaries, and a relatively equitable distribution of wealth and power be achieved. The result will be not an end to conflict, but an acceptance of the fact that each group does and should play an adversary role in relation to another — a "checks—and—balances" system.

The conflict model of liberal pluralism has been subjected to some devastating critiques, and it seems an especially suspect theory when applied to consumers' interests. The individual consumer, as we have argued, is in an essentially weak position in relation to the producer: the individual automobile owner is rarely in a position to get full justice from General Motors. If the conflict model were to hold, the weakness of the individual consumer would have to be compensated for by the intervention of some other agency — through the assistance, perhaps, of a strong consumer movement.

But, on the face of it, consumers associations seem likely to be relatively ineffective. Some of the reasons for this assumption stem from the same problems which render the individual consumer relatively powerless. The consumer interest is an extremely vague concept, and consumers have highly diffuse interests. Consumer organizations have a limited capacity to evaluate products or to press for legislative remedies, because there are hundreds of thousands of commodities, and an almost infinite number of issues which might concern the consumer. Consumer organizations lack the money, time and research facilities to test all products or concern themselves with the whole range of consumer problems. Furthermore, since everyone is a consumer and consumption is

a more or less continuous process, there are a vast range of heterogeneous and sometimes competing claims a consumers' association may be asked to represent. Should it, for example, support low tarrifs on imported goods, even when doing so may drive Canadian industries out of business and Canadian workers out of jobs? Should consumers be compelled to buy products with optional safety features, even when they would rather not? Do consumers have an interest in the occupational health of the workers who make their products? The answers to questions like these are not immediately obvious: indeed, there may be no one answer which serves the self-interest of all consumers.

A second kind of problem which many consumers' organizations face is common to most large voluntary associations. In such groups, the cost to the individual in time and energy expended often outweighs the direct benefits he is likely to receive from the group. As a single individual, his opportunity to have an impact on the entire organization may be severely limited. He may have little or no interest in any one particular product or issue, out of the myriad problems the organization must confront. As a result, the participation of most members in the group may be more nominal that real, and those who are active are likely to be relatively wealthy people with some free time.

What most such volunteer organizations can hope to accomplish is less than startling.

A volunteer consumers' organization, therefore, would seem to be in a relatively weak position to effect political change. One proposed solution to the problem is the "professionalization" of the consumer movement - the creation of professional consumer advocates who intensify public interest in consumer problems by dramatizing them and deliberately seizing on issues which can arouse the public. Citizens who ordinarily have little time for consumer issues are induced to experience a particular violation of consumers' rights as a matter of immediate concern: perhaps the best way to accomplish this is by making the issue as emotionally-charged as possible.

In the United States, this approach has often been adopted, first by the muckraking journalists of the early twentieth century, and later by Ralph Nader and his colleagues. The American consumerists have been denounced as "sensation-seekers," but such accusations usually miss the The deliberate use of publicity to fuel the consumer movement need not stem from personal vanity or neuroticism; such publicity serves a vital need. Conflict-model consumer groups require an aroused public, both to exert direct political pressure and also to support the movement by buying books and watching television programmes on consumer issues, and thus indirectly helping to finance the movement. Such a strategy has probably been the only plausible one in the United States, where a consumer movement without government support could rely on a vast private sector to maintain it. There is a natural tendency on the part of the consumer advocate to create a permanent "media constituency," dependent on continuing publicity for its vitality, and financing in its turn a professional consumer movement.

In Canada, on the other hand, this kind of approach to consumer issues has rarely been adopted — at least until recently. The Consumers' Association of Canada, by far the most prominent of Canadian consumers' organizations, has tended to adopt a "symbiotic" approach towards industry and especially government. Spokesmen (or spokeswomen) for the organization have often argued that while consumer organizations, producers and the State may each have discreet responsibilities, there is no necessary conflict-of-interest between producers and consumers; and that consumers and the government can work hand-in-hand. From the start, the CAC has been dependent both on government money and government co-operation; its leaders have generally enjoyed a close and informal relationship with certain civil servants and, at times, with members of the Cabinet.

There are a range of possible explanations for the differing approaches adopted by the American and Canadian consumer movements - explanations which will be addressed in the pages that follow. Both movements, however, are haunted by a common problem: they lack the inherent power that established private-interest groups or political elites often hold; and they have not yet developed a comprehensive and compelling ideology of consumerism which could define their distinctive interests

and their ultimate goals. American consumerism in the 1960s, it might be argued, had at least begun to come to grips with the problem. There is, perhaps, the foundation for a relatively self-sustaining consumer constituency guided by professional consumer advocates and supported by a politically active public. And while a clear philosophy of consumer interests is still lacking, the first step towards developing that philosophy - a high degree of political consciousness among consumers - does exist.

Something similar has also perhaps begun to happen in Canada: several new public-interest groups have sprung up in recent years, committed in some cases to the public exposure of consumer problems; and there are at least a few full-time professional consumer advocates. Yet the Canadian consumer movement had not yet fully acknowledged its relatively limited influence in the public arena, and has not yet developed any clear strategy for dealing with its political and ideological weaknesses. As a result, the movement has often been caught between an effort to continue its old-style symbiotic relationship with government (a relationship which never fully satisfied the needs of Canadian consumers) and an attempt to imitate some of the features of "conflict model" consumer advocacy - a model which may not be fully appropriate to the Canadian context. At the root of many of the conflicts which plague consumer groups - the debate over volunteerism versus professionalism; over what the relationship between government and the consumer movement should be; over whether the consumer movement could or should be "representative"; over whom, exactly, the consumer movement is supposed to represent - at the root of all these issues lies an essential confusion about what their goals are and how they might best be achieved.

The consumer movement must begin to be seen whole - as an interrelated network of elements that may involve a particular association or
a government regulation or the development of an ongoing relationship
with the media, but which is more encompassing than any one of those
elements. Consumer advocates must begin to address not only specific
consumer problems, but the more general question of what a consumer network
might mean in Canada - and what it should mean for all Canadians.

### Consumerism before World War II

The American consumer movement has a long history: by the late nineteenth century, there was an extended network of cooperatives, farmers' alliances, and labourunions which tried to help their members buy goods more cheaply and easily. In 1862, a Philadelphia trade union cooperative was established to help its workers. The cooperative failed after four years, but after the panic of 1873, the Knights of Labourand the Sovereigns of Industry encouraged their members to establish buying cooperatives. In the same period, the National Grange and later the Farmers' Alliance established agricultural co-ops with a dual role of marketing and purchasing. Although most of the labour union cooperatives had failed by 1900, the farmers' organizations thrived.

A second kind of consumers' movement was concerned with exerting pressure on exploitative employers. The first consumers' league was formed in New York in 1891, and, by the end of the century, Florence Kelly had helped organize a National Consumers' League which organized boycotts against businessmen who mistreated their workers. On occasion, they began to expand the scope of their concern to include issues which involved the entire buying public - and lobbied for laws like the Pure Drugs and Food Act of 1906.

Thirdly, there was the domestic science movement. It began with a series of summer conferences held at Lake Placid, New York, and culminated with the founding of the American Home Economics Association in 1908. The AHEA promised to teach housewives how to consume wisely, and, during World War I, began to call for standardization of consumer goods and better labelling of consumer products. Underlying these relatively limited and pragmatic demands, however, there was a much more central concern: many home economists feared the traditional American family was in immediate danger of dissolution.

They hoped to re-establish the status of domestic life in an increasingly rationalized society by rationalizing the home: women were to be taught the principles of "scientific management" - derived from the results of time-and-motion studies then being conducted by Frederick Taylor and his cohorts on American industry. Their main attention was directed at the middle class, but poor immigrant women were also taught "right living" - they were indoctrinated into the virtues of cleanliness and thrift, and encouraged to emulate a vision of middle-class domesticity.

Somewhat parallel movements developed in Canada before the First World War. Earmers' cooperatives were established in Ontario, Quebec, and the Maritimes; in the Prairies, a strong grain growers cooperative was initiated, while a British Columbia food cooperative attracted ten thousand members. An estimated one hundred consumers' societies were established in villages and towns across Canada.

In 1902, Alphone Desjardins established the first Caisse Populaire at Lévis, and, in the years that followed, a network of credit unions took root in Quebec. Desjardins' goal was to provide credit for ordinary wage-earners who were not likely to get much help from the banks. The <u>caisses</u> were centered around the village parish, which made it possible for a manager to grant credit to a man he knew or knew about on the basis of that man's reputation alone.

In 1909, the Co-operative Union of Canada was formed, organized by consumer cooperatives in Ontario and Nova Scotia. The Union, led by its president, Samuel Carter, and its secretary-treasurer, George Keen, encouraged housing cooperatives, agricultural cooperatives, and labour cooperatives (i.e., worker-run businesses). Strongly influenced by the Protestant Social Gospel, the movement demanded that its members be industrious, honest, and sober. Each member of the cooperative was given a share of the profits, and there was only one vote allowed per member. The movement had a strong predisposition towards rural life. A belief that the moral regeneration of Canadian life could best be kindled in the countryside also infused such movements as the United Farmers Co-operative (founded in 1914) and the Antigonish movement which originated in Nova Scotia in the 1920s.

A minority of cooperative members also tried to use the Union as a weapon in the class war against capitalism. The idea, strangely enough, was suggested by none other than MacKenzie King himself: in his <u>Industry and Humanity</u> (1918), King suggested that "Consumers' Leagues" be formed to boycott employers imposing brutal working conditions. King, however, believed that consumers, as the representatives of the Community, could exert pressure on recalcitrant businessmen while <u>working together</u> with responsible members of Capital, Management and Labor: the Consumers' Leagues, he argued, would be "a partner in Industry."

The Communist Party accepted half his argument. They were perfectly willing to use cooperatives to aid labour; but they were less than convinced of the full cooperation of Capital. In the late twenties and early thirties, they achieved a significant role in the Co-operative Union, but after 1931 their influence began to decline. Their ideological fervor and political militancy, however, were the exception rather than the rule within the Union.

As in the United States, the Canadian women's groups played an important role in the early consumer movement. Several such organizations — notably, the National Council of Women and the Federated Women's Institute, placed a considerable emphasis on consumers' problems like the cost and quality of food; they conducted educational campaigns among their members to teach them intelligent consumer habits. In 1939, the Canadian labelling of textiles and clothing; and during the 1930's, housewives' associations and consumers' leagues were organized to bring down prices and represent the consumer at Tariff Board hearings. It was not until the end of World War II, however, that a national organization of women devoted exclusively to consumer problems was finally organized.

Before World War II, therefore, both Canada and the United States had several kinds of consumer activities: a network of cooperatives; consumer protests and boycotts directed in support of the working class; and women's home economic associations. What Canada lacked, however, was any organization which was at once (a) national in scope; (b) primarily concerned with consumer protection; and (c) concerned with consumer issues for the sake of consumers, for the sake of a distinctive interest group with its own needs and demands. There was a broad range of consumer activities, but no clear and complete ideology of consumerism.

American consumer advocates also lacked any <u>systematic</u> philosophy of consumerism; but by the first decade of the century, the American public was aroused to protest many specific abuses of their rights as consumers. It was the era of the muckrakers: Sinclair Lewis wrote a scathing exposé of the meat-packing industry - <u>The Jungle</u> - which became a runaway best-seller. Hundreds of articles denouncing dangerous drugs, misleading advertising and a host of other consumer abuses poured into print; the new cheap popular magazines and newspapers raced to reveal the latest and juiciest scandals every day, every week.

"Muckracking" was the fuel of the Progressive movement - a great surge of moral protest and reform which infused American politics in the years before World War I. The Progressive movement was, among other things, a movement which expressed the fears and frustrations of the old American middle class, of farmers and storekeepers and professionals and small businessmen, as they faced the threat of the rapid rationalization of American society, and the rise of glant monopolies. Most supporters of the Progressive movement, however, were also uneasy about the danger of big unions, immigrant values, and big-city party machines. They rejected classconscious ideologies and often saw themselves as The Public - as American citizens who embodied the essence of a truly American morality, a morality now under seige. Precisely because consumer issues were often so general in scope, they were perfect vehicles to dramatize the plight of the old middle class; and the anger aroused about consumer abuses embodied their anger about what was happening to American life. While they lacked an elaborate and consistent ideology of consumerism, the American Progressives were able to invest consumer issues with a moral and emotional charge an emotion maintained by the muckrakers. A kind of "media constituency" (a public united not so much by class interest, as by moral anger fueled on publicity) had begun to take root.

The Progressive Era ended after World War I, but the tradition of muckraking was renewed in the late 1920s and 1930s. Your Money's Worth, a corrosive attack on consumer exploitation written by Stuart Chase and Frederick J. Schlink, sold a hundred thousand copies in 1927. Schlink continued to turn out books on consumerism in the next decade; the most

popular, 100,000,000 Guinea Pigs, sold more than a quarter-million copies. The "guinea pigs" were the American consumers - and a whole slew of what became known as "guinea pig" books, denouncing the plight of the American consumer, soon followed.

Chase and Schlink had proposed the formation of a consumer testing organization, and in 1929, Consumers' Research Inc. was founded. A number of other consumers' organization were established during the New Deal Era, and about two hundred local consumer councils were set up to work with the National Recovery Administration. Even after the NRA was declared unconstitutional, some of these groups survived.

Thus, by the time of the Second World War, the seeds of the modern American consumer movement had been planted. There was a mass public which could be aroused to political militancy, growing at a sporadic pace, but growing; there was a lively popular press and publishing industry receptive to consumer issues; and there were, at times, national political movements — Progressivism or the New Deal — which articulated consumer interests and which passed consumer legislation like the Pure Food and Drug Act of 1906 and the Food, Drug and Cosmetic Act of 1938. Consumer issues, it is true, enjoyed only somewhat erratic support, and the consumer movement would go into a partial eclipse during the forties and fifties — but the foundations for Naderism and the new consumerism of the 1960s had already been laid.

There are a number of possible explanations for the growth of an aroused constituency of consumers in the United States. America had a vast reading public, and a tradition of popular journalism: its writers knew how to spotlight culturally-charged symbols of public discontent, and they operated within the American "checks-and-balances" system - a system in which open political conflict was encouraged, within bounds. American advertisers had been the first to develop sophisticated techniques to arouse the desire to consume more and more; this may have had the ironic consequence of making the public more conscious of consumption, and ultimately, therefore, more concerned about the quality of consumer goods. Regional and linguistic differences did not hinder the development of a national consumer consciousness, as they perhaps did in Canada. Finally, at least some American consumer

advocates accepted the thesis that consumer issues were ultimately <u>political</u> issues, and acted accordingly: they allied themselves with political parties and exerted the maximum amount of raw power possible.

In Canada, such an overt manifestation of political discontent on the part of consumer advocates might have been considered rude. Leaders of the cooperative movement like Samuel Carter and George Keen were reluctant Liberals, whose enthusiasm for the party became even more lukewarm after they had begun to suspect that Liberal leaders were playing fast-and-loose with them in promising to support pro-cooperative legislation. The attempts of Communists to take over the Co-operative Union in the late twenties and thirties further alienated the moderate leaders of the Union, and they subsequently refused any close association with any party. The Communists, on the other hand, were politically-motivated - but didn't care all that much about consumer issues. A movement that was both first and foremost devoted to consumer problems, and committed to mass political action just didn't exist in Canada.

Perhaps one reason was the lack of a huge reading public ready to lap up muckraking books. Regional differences may have played some role, too; so too the fact that Canadians were relatively poorer than Americans, and less exposed to the ceaseless seduction of the mass media.

Perhaps the most important reason for the lack of an ideologicallycohesive, politically-militant consumer movement in Canada was the Canadian
tradition of "elite accomodation" of informal and private consultations
among members of the corporate sector, Parliament and the civil service in
order to arrive at a shared distribution of collective goods. There has
been only a limited tradition of mass political militancy in Canada, at
least on a national scale; and, until recently perhaps, Canada has been
characterized by a pattern of deference towards authority. Radical political
movements have generally been relatively small and regionally-based; those
political movements which were active were generally concerned with traditional
class issues; while those people who were active in consumer cooperative
affairs were often middle-class Canadians who were not inclined towards
political agitation. Whatever the reasons, it is a fact that before the Second
World War, Canada experienced little of the consumer activity and consumer
ideology which was then taking hold in the United States. 10

## Consumerism in the Post-War Era

World War II diverted the attention of the American people away from consumer problems; and even after the war, the forties and fifties were a period of relative quiet in consumer activities. 11 Several attempts were made to coordinate the programmes of various groups, but most such attempts failed. It was not until 1967 that a successful umbrella organization was finally established - the Consumer Federation of America. Although the CFA was founded by a large number of consumer groups and labor unions, and at last count included over 140 member-associations, its actual influence is limited: it is headed by an executive director who is assisted only by one or two associates and some secretaries - and serves primarily as an information service.

Probably the most prominant consumer organization in the post-war years was Consumers Union, publisher of <u>Consumer Reports</u>. Circulation of the magazine rose dramatically after the war, from 50,000 readers in 1944 to half a million by the end of the decade. However, Consumers Union has always been first and foremost a product-testing agency, and only opened an office in Washington to lobby for consumer interests in 1969.

Perhaps the most important development in American consumerism during this period, however, was in the minds of the American public. With the end of wartime controls, a dazzling array of consumer goods enticed the average American to buy, buy; easy credit and seductive advertising on an unprecedented scale helped sow the seeds for a consumer society. At the same time, a spate of articles and books appeared which denounced the manipulation of the public by Madison Avenue: perhaps the best known of these was The Hidden Persuaders, Vance Packard's scathing account of advertising techniques, which was published in 1957. Some of the new muckrackers appealed to an undercurrent of anxiety which flowed deep in the American consciousness - an anxiety about the abandonment of older, more ascetic values and the emergence of an "other-directed," conformist, self-indulgent, superficial Organization Man. 12 Perhaps the new consumerism of the sixties was in some measure a moral revolt- a desire for more authenticity and individual autonomy in a society which seemed to have abandoned both. Whatever the reasons, there was increasing awareness among a proportion of the American people that something was amiss in the American marketplace.

By 1961, <u>Consumer Reports</u> reached a circulation of one million readers; and, in the following year, President Kennedy issued his now-famous Consumers' Bill of Rights - declaring that every member of the public has an inherent right to safety; to be informed; to choose along competing products; and finally, to be heard. In 1964, President Johnson appointed Esther Peterson as Special Assistant for Consumer Affairs. Protecting the consumer - or at least promising to - was proving good politics.

The most dramatic moments in the new upsurge of consumer activity were yet to come. In 1965, Ralph Nader's <u>Unsafe at Any Speed</u> was published: the book documented his claim that American automobile manufacturers were building death-traps - carelessly engineered, constructed and designed cars, which were the cause of thousands of unnecessary deaths. The book attracted only moderate attention at first; but after General Motors was forced to admit that it had spied on Nader in the hope of obtaining information which would discredit him and the automobile safety cause, a public uproar ensued. Nader was on his way to becoming an almost mythic popular hero - and the Highway Safety Act of 1966 was passed. At about the same time a rash of consumer protests erupted, and bills which had long lain dormant were suddenly made into law: notably the "Truth-in-Packaging" Law of 1966 and the "Truth-in-Lending" Law, passed two years later. Other new legislation on poultry inspection, pipeline safety, fraudulent sales and radiation hazards in home appliances was also enacted.

Ralph Nader swiftly became a one-man phenomenon - the best-known and most charismatic of all American consumer crusaders, a spokesman on an enormous range of consumer issues and the founder of a network of consumer institutions which engage in intensive public interest research and public interest advocacy. "Nader's Raiders" - hundreds of student volunteers investigating the Interstate Commerce Commission, the Food and Drug Administration, and a host of other agencies and problems - flocked to Washington for the summer, starting in 1970 their numbers grew in succeeding years and some volunteers and a small full-time staff stayed in Washington to run the new organization Nader had instituted - organizations like the Center for the Study of Responsive Law, the Center for Auto Safety, the Project for Corporate Responsibility, and, the Public Interest Research Groups.

The importance of these organizations extends far beyond the immediate purposes of any one group. Nader has stimulated the development not simply of a number of individual groups, but also of a consumer network: a relatively self-sustaining and continuously expanding web of consumer groups which awakens consumer consciousness and which in turn is supported largely by an aroused public. One vital element in this network is information: Nader and his colleagues have established important independent sources of information - from dissatisfied citizens, from secret informants who work within corporations or bureaucracies, and, especially, through independent research into government and corporate practices. Other North American consumer groups, of course, had received some consumer complaints, and conducted some research into the quality of individual products. But what Nader and his associates have done is, first, to deliberately cultivate new sources of information, and, second, to systematize their information-gathering procedures through intensive research - research which involves not simply the testing of particular brands but a comprehensive examination of the entire corporate structure and its effects on rational patterns of consumption.

The information obtained by the new organizations is fed both to the Press and to Congress; and the publicity thus obtained provides more fuel for the consumer movement. Although Nader has a close relationship with some reporters and politicians, it is a relationship in which he maintains his independence — and in which Nader and the consumer groups he represents can be as important to those with power as they are to him. Nader's consumer associations derive their power from their relationship to a large and politically active constituency — and as a result, although they may cooperate with government on specific projects, are largely independent of it.

In Canada, on the other hand, the consumer movement was until recently focused mainly in one organization — an organization whose status depended more on the symbiotic relationship it had established with the federal government, than on the support of any large and militant constituency. The Canadian Association of Consumers was an outgrowth of a government agency and was founded with the financial and moral encouragment of the Canadian government. During World War II, eighteen volunteer women's groups had come

together to support the Consumer Branch of the Wartime Prices and Trade Board. The board had established price-study panels, set up housing registries, conducted clothing conservation measures, enlisted workers to make up ration books, and answered consumer complaints; its general purpose was to increase public support for price control and rationing by ensuring fair consumer treatment. In 1946, Mrs. W.R. Lang, a former member of the Consumer Branch, suggested the foundation of a permanent consumer organization; the following year, the National Council of Women empowered a committee to study the proposal. In April, 1947, a conference was held in Toronto, attended by representatives of 33 women's organizations, former representatives of the Consumer Branch — and a number of important government officials. That same year, the CAC was founded, helped on its way by federal money — and has, ever since, continued to receive government support.

The founders of the CAC had hoped that the organization would soon prove financially self-sufficient; but this did not prove true. Although its original membership fee was only fifty cents, a modest amount considering the fact most members were from middle-to-upper social strata, membership did not increase rapidly during the first years of the organization's existence. The fee was doubled in 1953; but government assistance still proved necessary, although some members worried about becoming too dependent on the government. Nonetheless, as late as 1961, CAC had an annual budget of only \$27,000, of which a full ten thousand dollars came from the federal government.

During the next decade, however, the CAC began an energetic program of expansion. In 1961, men were formally admitted to membership. The following year, the organization was formally incorporated under its new name of the Consumers' Association of Canada. It began to publish the results of comparative product testing in its new magazine, The Canadian Consumer (Le Consommateur Canadien). In 1971, the magazine established an association with the Consumers Union, and encouraged joint subscriptions to both magazines; subscribers automatically became members of the CAC. Largely as a result, membership jumped from 20,000 in 1971 to six times that number three years later.

Throughout most of its history, the CAC has laboured under the double burden which characterizes many general-purpose consumer organizations: limited power and confused goals. Each of these factors re-inforced the other: the lack of real power discouraged the development of any systematic approach towards entrenching consumer rights, since the CAC did not have the means to enforce far-reaching demands; and the confusion over what exactly the organization should be doing and whom it should represent has made it difficult for the association to channel what influence it did have in the most effective manner possible.

There are two ways to estimate the power of the CAC. The first is to consider the explicit goals of the organization and how well it achieved The ultimate power of an interest-group, however, is less easily visible: it consists in the ability to define the boundaries of any issue to decide which problems become the subject of public controversy, and which are kept out of the public arena altogether. The "success" of automobile companies before 1966 in avoiding safety legislation which they considered inimical to their interests, lay not in their ability to defeat safety legislation tabled with broad public support, but in their ability to keep out of the public eye. 14 On the other hand, a public-interest group might have goals which are so vague or general as to win nearly universal assent without changing much of anything; or it might succeed in focussing public attention on one issue for a short time, without channelling that attention into sustained and systematic action. In recent years, the CAC itself has begun to recognize that the best way to evaluate some of its programs is by deciding what "general" benefits they provide - " 'general' " referring to those benefits tending to change the system itself. 15

The explicit goals of the CAC have been extremely heterogeneous. A 1957 CAC Bulletin listed some of the subjects the organization had decided to pursue at its annual meetings:

Grading of meat, labelling of bread, milk and meat boards, textile standards, weight on soap and detergent packages, coffee, consumer credit, cleanliness in restaurants, standards for advertisers, design of stoves, bacon wrapping, housing, protection for marginal income groups, tax on household appliances, jars and jar tops, sales

tax on tea and coffee, spring-filled mattresses, measuring cups and spoons, wire staples, labelling on canned goods, length of flannelette sheets, vitamized apple juice, coupons and premiums, seam allowances on clothing, butter surpluses, nylon hoses, contaminated wadding, conditions in cheese families, trading stamps, and on and on.

The limited evidence which does exist suggests that the CAC's success in achieving its goals in these and other areas has been less than remarkable. Even the CAC Bulletin itself hints that its record is mixed: "Some of these (goals) have been accomplished, some have been abandoned and some are still in the mill." Given the tiny budget and limited resources that were available to the CAC during its first years, there was small chance for the organization to devote a sustained effort to achieving all its objectives. Nonetheless, the CAC Bulletin took comfort in the number of resolutions adopted: "We have variety, at least."

Other studies of the association, however, suggest that this was hardly enough. Helen Jones Dawson, writing in 1963, observed that the CAC had sometimes been able to achieve success on relatively trivial matters, like getting civil servants to alter minor regulations affecting consumers. But she declared: "On occasion the government has held up discussion of a bill before Parliament until after the CAC has submitted its views, but this has never led to any change in government policy." 17

Perhaps a more important question is that of whether the particular objectives of the CAC were ordered according to some reasonable set of priorities, and whether they significantly altered the rules of the game - the unequal position in which the individual consumer is usually put in the marketplace. But, to this day, the CAC has been unable to establish clear priorities; as Transport Commissioner Gray remarked, the CAC "applies no logical criteria" in "determining where it would apply its budget on behalf of consumers."

The choice of which goals to pursue seems to have been determined largely by tradition or convenience — and there has been no easy way for the individual consumer to connect one issue with the next within some general philosophy of consumerism.

Those issues which were selected, however, often seemed to reflect an implicit outlook - a view that consumer issues primarily involved "collective benefits" - that is, "issues in which every person in the country has a nearly equal interest" - rather than "differential benefits" - issues "in which the impact varies with income" and which "alter pre-existing power relationships between corporations and consumers." Thus the CAC, until recently, has generally concentrated on such issues as standardized labelling for textiles and clothes, better packaging, safer products, and improved consumer information demands which benefitted the middle class at least as much as the poor and which in no way presented any fundamental challenge to established corporate power. Many of the issues were relatively non-controversial - issues in which few people, and especially few poor people, had any compelling interest. 20 is true that the CAC would occasionally mention the need for "protection for marginal income groups" - but usually buried among a huge host of other consumer problems. The CAC never extensively considered what it might take to give poor consumers sustained protection, or whether better labelling or more information was all that was required to allow the consumer to make rational choices in the marketplace.

Perhaps it never did so because its leaders never really believed that corporate concentration was a problem, or that any sustained challenge to the predominance of the established elite was necessary. CAC members generally came from middle- to upper-class backgrounds; their executive was usually staffed by women who had close ties with members of government and industry. As Verne Lynne Kipfel observed in 1969: the CAC is a "middle-class organization with middle-class values helping middle-class people." 21

Furthermore, throughout most of its history, the CAC has been an organization composed exclusively or primarily of volunteer women, who sometimes lacked the expertise, confidence, time or resources to confront the professional spokesmen of the corporate elite and the vast resources that that sector could muster in its own defense.

The limitations in power of the organization were compounded by limitations in philosophy. Not only did the CAC not have any clear way to decide on what issues it should "pressure" the government and corporations — but it was uncertain as to how this pressure should be applied, or whether it should be applied at all. In fact, in 1963 Helen Jones Dawson found that most members objected to the very concept of a "pressure group." CAC members often saw themselves as working cooperatively with business and government within a free-market economy. As Beryl Plumptre declared: "We believe that by helping consumers to be discriminating buyers, we can also be of assistance to those producers who are concerned with raising the quality of their products." 23

At times, the CAC was prepared to insist that it represented not just consumers, but all legitimate groups within society - that it would "provide a channel for bringing the views of consumers to the attention of Government, producers, trade and industry, and also a return channel from these to the consumer." Such a position was unlikely to maximize the organization's power to influence others, or define its own goals with clarity: it is doubtful if the United Auto Workers would have the bargaining power it does have if it saw its main role as that of conveying what workers felt to management, and what management wanted to convey to workers.

In fact, the CAC often went to great lengths to avoid open controversy with business and government. Its strategy was generally to make private representations to industry — "The cooperation usually given," declared a CAC Bulletin, "is a lesson in itself." When necessary, the CAC would then approach government officials — sometimes with formal briefs or representations, but often informally. Its tone was usually moderate, even deferential: CAC officials repeatedly warned against jeopardizing the goodwill already established with business and government. The 1957 Bulletin declared:

In the area of respect and regard in which CAC is held by a great many organizations in Trade and Industry, by Merchants' Associations, and Government departments alike leaves little to be desired. Indeed we are often rather frightened when we realize how much attention is paid to our organization when it speaks officially, and how careful we must be to avoid hasty action and ill-considered opinion. <sup>26</sup>

There is considerable evidence, however, that while businessmen often publicly praised the accomplishments of the organization, they privately regarded it as ineffective. At the 1969 CAC convention, President G.C. Clarke of Standard Brands remarked:

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Often in the past industry has tended to disregard your association either because it saw no real need to consult with you or because industry felt that your Association lacked the breadth of knowlege.

At the same meeting, H.A. Skinner, President of Skinner, Thomas and Associates stated bluntly that the CAC had "a fuzzy, weak, negative, incorrect public image." He declared:

Many people in industry had the impression that the Consumers' Association of Canada was a group of meddling do-gooders.... Industry, publicly, usually says many nice things about CAC. It would be bad politics for them to do otherwise....Behind the corporate office walls, however, Canadian industry has no high regard for your activities. Many businessmen feel you are occasionally badly misinformed and frequently naive.... Few businessmen take your activities seriously — they regard your activities, when they directly concern them, as a confounded nuisance, but rarely as a serious threat to their established business practices.

The next year, John Fisher, a CAC member who had had a career in marketing, warned: "I think we are in danger of becoming an entirely irrelevant organization representing no one. Nobody fears us. We have little political clout. We have almost no power." Fisher described CAC members attending "cozy little tours of some manufacturers' plant, then sitting down to a lunch paid for by that manufacturer, followed by a basket of goodies," - and - referring to the practice of some major retailers in holding a "Consumer Week" in cooperation with the CAC - he asked: "When did you last see a corporation pay for an ad to celebrate Trade Union Week? Who from our organization can sit opposite from executives from General Motors and look them straight in their beady-blue eyes and threaten them?"

What other evidence exists seems to confirm the fact that the CAC has had a less than overwhelming impact on Canadian corporate executives. A 1972 survey conducted in the Guelph area among senior industry representatives

concluded that the CAC rated low in expertise and prestige, but that businessmen saw it as a "trustworthy" organization - that is, willing to communicate its positions freely to the business community.

The practice of close and informal consultations among members of the government and representatives of interest groups has long been part of Canadian politics; as already noted, there is in Canada a tradition of "elite accomodation." CAC strategy was thus in accordance with the general approach adopted by other interest groups and, some have argued, was the strategy most appropriate to the Canadian context.

In fact, however, the CAC seems to have had only some of the characteristics of powerful private interest groups. It did serve many of the same functions that other interest groups often perform in Canada: it assisted the government through its research and by providing information on consumer matters to the appropriate authorities; it supplemented government activity through investigations and studies of its own; it facilitated the development of standardized measures, something often supported by government and industry alike; and it helped explain and legitimate government policies by explaining them to their members.

However, the CAC lacked both the power and the clearly-defined goals which are characteristic of many established private interest groups. It enjoyed a kind of "quasi-elite" status: although it shared the general political outlook and class background of other members of the government and corporate elite and had relatively open access to government officials, its ability to effect major changes in government policy - even if it had wanted to do so - was severely circumscribed. In fact, what influence the CAC did have was largely dependent on the good will and patronage of other sectors of the elite, especially members of the civil service.

For most of the post-war period, the CAC has been the only national organization which claimed to speak for the consumer. In recent years, however, a number of newer public interest groups have sprung up across Canada, many of them concerned with one or another aspect of consumers' rights. At the same time important developments have been taking place within the CAC itself; and a government department has been created to enforce consumer interests. In the next sections, some of the reasons for these developments - and their implications for the Canadian public - will be explored.

#### CANADIAN CONSUMERISM IN THE SEVENTIES

### The CAC

The relationship between the government and the CAC became more complicated and tension-ridden during the late sixties and the seventies. The emergence of Naderism as a political force in the United States had a powerful impact on Canadian public consciousness - compounded by the increasing concern many Canadians demonstrated over rapidly rising prices. The CAC had, for many years, regularly requested the establishment of a federal bureau for consumer affairs - and its requests had been regularly ignored. In 1966, however, the federal government finally asked the Economic Council of Canada to investigate appropriate government measures to enforce consumer rights. Both the ECC and the Special Joint Committee of the Senate and the House of Commons on Consumer Credit (the Croll-Basford Committee), each acting independently of the other, recommended the creation of new legislation; and in 1968, the Department of Consumer and Corporate Affairs was established. Several provincial governments also created offices or departments for consumer protection during this period. Provincial and federal governments passed a wide range of laws on consumer credit, safety, labelling, and related issues.

The Department of Consumer and Corporate Affairs (the DCCA) soon began to exert its considerable influence to create a "professional" consumer movement, in which groups like the CAC could present expertly-prepared formal briefs before royal commissions, regulatory boards, and other government agencies. In 1973, the CAC was given \$100,000 by the Department to expand its consumer advocacy programs; of this amount, CAC allocated only \$35,000

for formal representations before regulatory agencies and the courts - although the entire amount was originally intended by the Department for this purpose. The funding was increased in subsequent years, and the CAC established both a Core Committee on advocacy, consisting mostly of academics, lawyers and other professionals, to carry out the program, and a Regulated Industries Policy Board to determine broad policy questions.

The increasing interest of the government in supporting a professional consumer advocacy program probably reflected a combination of factors — both the growth of consumerism as a political issue, and the growing rationalization of Canadian government and society. A new style of militant consumerism, exemplified in the United States by Ralph Nader, had a powerful impact on Canadian public opinion — an impact compounded by public concern over rising food prices in Canada. By encouraging public—interest groups to engage in consumer advocacy, the government could hope to defuse some of the controversy which might arise if it attempted to identify too closely with any one stance or position. Groups like the CAC could act as political lightening—rods, centering ideological conflict on themselves.

Professional consumer groups also helped the government in its decisionmaking process in several ways; first, under the Trudeau government,
ministries were required to justify their funding programs in a more systematic
way than ever before, and were asked to develop a hierarchy of priorities
in allocating resources. A professional consumer organization could therefore
help the Department legitimate its own activities in general and its funding
of the association in particular.

The existence of professionally-sophisticated public-interest groups also eased the government's task in deciding between competing claimants for the tax dollar, and competing positions on public policy; by providing hitherto weakly-represented sectors with expert guidance, the government could hope to allow all legitimate groups within society to articulate their grievances, and thereby avoid unnecessary dislocations and conflicts. Many members of the government believe the best way to accomplish these goals is through the development of the Regulatory State - in which opposing groups would make representations before regulatory boards on a continuing basis.

Government pressure on the CAC to adopt a more professional, advocacyoriented stance has led to severe tensions within the organization. Many
members of the association have felt that "consumer advocacy" should involve
a range of consumer activities far more general than making representations
before regulatory agencies; and many volunteer workers have felt that the
CAC was in danger of drifting away from the concerns of its original membership — that the new professionals being brought in to assist the group were
in fact taking it over. The professionals have been suspected of being more
concerned about government pressures than the demands of their own members.
Fierce controversy has ranged over this issue, and some professional consumer
advocates have cut their ties with the organization and have begun to engage
in independent strategies of consumer advocacy.

Government demands have also exacerbated a second source of tension within the CAC - the issue of "representativeness." In recent years, members of regulatory agencies have sometimes wondered aloud by what right the CAC could claim to speak for the entire Canadian consumer public. During the era of elite accommodation, the unrepresentative nature of the CAC as an upper-middle-class women's organization presented no particular problem to its leaders: they simply assumed that they spoke for the consumer, as other elite groups spoke for Canadian business or Canadian culture. But with the gradual breakdown of this system of mutual accommodation, and the need for government officials to respond to a much more complex set of pressures, the old system would no longer do.

The CAC responded to this pressure in two ways: first, between 1970 and 1973, it increased its membership six-fold within three years by taking as members anyone who subscribed to the <u>Canadian Consumer</u> - an offer that was made more attractive by the CAC providing joint subscriptions with the American magazine, <u>Consumer Reports</u>. The vast majority of the CAC's members, however, take no active role in the organization. Secondly, the CAC has sometimes used survey polls. The surveys are usually responded to by only a minute proportion of the entire membership, are conducted without any pretense of employing scientific sampling techniques, do not provide the members an opportunity to arrive at collective decisions through any process of mutual deliberation, and

in any case have no binding force on the executive. Their purpose, one CAC official told me, was to legitimate CAC policy in the eyes of the government by demonstrating that the CAC executive reflects the will of the majority, and indeed, no CAC official I interviewed was able to recall any case in which such a poll indicated anything but agreement between leaders and members.

The difficulties experienced by the CAC in demonstrating that they are somehow "representative" do not stem from any conspiracy on the part of its leaders; they reflect the dilemma which confronts most general-purpose public-interest organizations. A group like the CAC which claims to be "representative" of some objective interest is in an essentially ambiguous position. Private-interest groups usually have their goals defined in the marketplace, and frankly pursue their own economic interests; but groups like the CAC claim to be acting not for their own benefit but for the benefit of the public as a whole. Without such a pre-established goal, or a clear philosophical commitment to a particular understanding of what the public interest is, consumer groups like the CAC are left with only a vague definition of their own goals - a definition which sometimes may involve competing claims.

There is, however, one institution which already claims to speak for the general public interest - Parliament. Public-interest groups like the CAC which are not part of a democratically-elected government can never claim to be "representative" in the way Parliament can. There is no particular reason why an organization of less than one hundred thousand members should claim to speak for all consumers. Even if the CAC had many poor members (which it does not), even if the CAC by some miracle managed to include in its ranks every Canadian, it still would not be fully "representative": at best, it would represent Canadians in virtue of their roles as consumers - but it would still be up to Parliament to represent Canadians as citizens and human beings. Members of the CAC, as consumers, might support the increased supply of cheap imported goods; but Parliament could still decide that these interests are outweighed by the needs of Canadian industry and Canadian labour - and Canadian voters might ultimately agree.

What a public-interest group might do is to argue that its function is not to represent everybody but to persuade - and that its role is to advocate positions which it believes to be in the objective public interest, whether or not the majority of the public as yet acknowledges that assertion. The CAC, however, as a multi-purpose non-partisan organization open to people of every belief, cannot adopt such strong stands easily. There is continuing pressure on the leadership to make the best decisions it can under the circumstances - and then to legitimate those decisions as best it can.

A third contentious issue for the CAC has been the continuing tension between the national office and provincial branches. Some members of the CAC have repeatedly complained that the CAC is dominated by its Ontario members, especially those from Toronto and Ottawa; and that the executive has made important decisions without any systematic consultation of its some provincial offices. In particular, relations between the national office and the Quebec branch - the ACCQ - have often been strained.

The difficulties between the provincial and national offices at first glance seem to be the simple reflection of the tensions which divide the two founding races within Confederation: the ACCQ has criticized the national office for being dominated by anglophones (in 1975 only one member of the Board of Directors, and no member of the Executive, was francophone), and for not implementing a policy of bilingualism. 32 On the other hand, English-speaking members of the national office have frequently said in private that:

(1) no serious problem exists in a democracy, people have the right to disagree; or that, (2) the leaders of the ACCQ are really separatists, anyway.

The internal structure of the CAC and the nature of its relationship to the government have served to exacerbate those differences which do exist, rather than resolve them. On the one side, there is pressure on the CAC to become a more adversarial-style organization, one that can prepare professional briefs that represent the Canadian consumer; on the other hand, some members of regulatory agencies still have not accepted the theory that their proceedings should be truly adversarial in nature; and many regulatory agencies are required to provide little or no advance notice of major policy decisions. The result is that there is an urgent need for the national office to formulate policy quickly - a need which comes into conflict with the desire of local branches to have a say in policy-making. The ACCQ in particular has emphasized a ground-

up policy of decision-making, in which local committees are supposed to formulate policy through collective participation and deliberation - policy which may take months to define.

Many of the problems experienced by the CAC are exemplified in its difficulties over the textile issue. In October, 1976, the Textile and Clothing Board informed the CAC that it was planning major changes in regulating the importation of clothing from abroad. Several members of the executive decided to oppose additional restraints on clothing imports despite the fact that this might endanger the Quebec textile industry. The decision that this should be CAC policy was justified largely on the grounds of "consensus" and "tradition" - that free trade and cheap clothing imports were in accordance with the general philosophy of its members and that CAC representations in the past had always supported this position. Some of the Quebec members were mystified by a "consensus" in which they had not been adequately consulted - and argued that if this had been CAC policy in the past, it was because they had never been adequately consulted.

The CAC Executive therefore proceeded to formulate a position of their own, not out of any Machiavellian motives but because they felt they had to present a brief quickly - and it would not have been possible to go through an elaborate consultation process in the very limited time available. The Executive drew up a statement of position and gave the Board of Directors (on which Provincial Executive Members sit) one week to add comments. The Board of Directors and one member of the Executive admittedly were presented almost with a <u>fait accompli</u>. The Executive is supposed to have incorporated their comments in their brief - but that brief was submitted on December 6, 1976, which allowed no time for serious deliberation by provincial members.

After the submission was made, a poll was sent out to members of the CAC asking how they stood on the issue of imported clothing. The Quebec branch refused to administer the survey, and out of nearly one-hundred thousand members, less than two hundred had replied by January, 1977. The purpose of this poll was - as some of the CAC members interviewed admitted - not to determine a policy decision in this area, but to legitimate the policy

decision that had been taken in the eyes of the regulatory board. At about the same time, the Quebec branch submitted a statement adopting exactly the opposite position.

In addition to severe time limitations, the CAC Executive faced other nearly insuperable obstacles in attempting to prove its case. The CAC has lacked the time and resources to engage in any large-scale study of the effect of trade restrictions; in the absence of such a study, its researchers have made heroic effort to glean what information they could from government reports. The CAC was reduced to observing that "at no time since its inception has the Textile and Clothing Board attempted to calculate the true and total costs to Canadians of existing and proposed trade restrictions."

Such difficulties have caused severe frustration in the CAC staff. Some of them continue to make representations to government agencies under extremely adverse circumstances only because they believe that they are "the only game in town" - that if they did not represent the consumer, nobody would. In fact, the CAC is often the only organization which explicitly represents the consumer interest before a particular government commission or regulatory agency. None-theless, as might be expected, the result is often disappointing to the CAC. As the association itself remarks in its brief of December 6:

It is not unfair to note that in each instance when the CAC has appealed to the Board for recognition of the high consumer cost of import restrictions, the Board has gone on to recommend additional or sustained limitation on clothing imports. 35

The frustrations of CAC members in their relationship to government is not confined to the specific problems they face in making their case heard before regulatory boards. In recent years, government funding of the organization has increased dramatically — at the same time that the CAC is being asked to adopt an increasingly adversarial stance within some regulatory boards. This ambiguous position induces a schizophrenic mood within the organization. Members of the CAC generally acknowledge that government funding has come with "no strings attached" — and there are few instances in which government officials have attacked the organization directly because of a difference of political philosophy. Nonetheless, some members have remarked that the relationship between the Department and the association is

not a healthy one - that a kind of generalized anxiety and anger pervades the mood of at least some members of the CAC's national office. The relationship is one of essential ambiguity: the Department encourages the CAC to adopt positions which will sometimes arouse political opposition, which will in turn cause some government officials to express their unhappiness with the association. At the same time, they are criticized for not being professional and aggressive enough. CAC members often feel that they are damned if they do, damned if they don't.

To summarize: in recent years, the Consumers' Association of Canada has adopted certain adversarial roles, roles which are new to it and new to the Canadian political tradition. It has done so in part in response to government pressure and government money. The Department of Consumer and Corporate Affairs and several regulatory agencies have encouraged the organization to become more "professional" and more "representative"; but they have done so within the context of a Canadian political culture which still has not fully legitimated adversarial public-interest organizations. The CAC is thus caught between its previous role as a kind of quasi-elite group, and a newer, quasi-adversarial model of political action.

While in the United States, professional consumer advocates are often charismatic leaders, responsive to and largely financed by the consumer organizations they directly serve, most Canadian consumer advocates have been financially dependent on the government to a much greater degree, and have tried to change public policy not primarily by mobilizing public opinion against government actions on a given issue, but by making representations to government agencies and regulatory boards. Such consumer advocates often speak the language of government and see government officials as their reference group. The result is often a split between the new professionals and the older volunteers; and the attempt of government officials to impose a professional head on a volunteer body exacerbates tensions within an organization like the CAC.

Government agencies also encourage the CAC to demonstrate its "representativeness" - while at the same time, the rules which govern the operations of such agencies, and the limited time and resources available

to the CAC, make any attempt at developing a common philosophy based on the collective participation of all its members, an impossibility. Decisions are necessarily made at the top, on an <u>ad hoc</u> basis; and the lack of consultation in turn intensifies differences between the national office and provincial branches - especially between Ottawa and Quebec.

Finally, the ambiguous relationship between government and the CAC makes the formulation of clear goals and a clear set of priorities for the consumer movement even more difficult.

Members of the CAC have nonetheless claimed a long list of accomplishments, especially in the areas of better labelling and packaging, safety, credit reform and environmental protection. They have often demonstrated energy, intelligence and zeal in pursuit of the consumer interest. Faced with such enormous difficulties, the wonder is not that they have not managed to do so more effectively, but that they have managed to do so at all. 36

# Constituency Groups

In recent years, a number of consumer groups have sprung up across Canada, often performing different functions and adopting a different strategy than the CAC. Only a small sample of this new array of organizations will be examined in this study - a sample chosen to illustrate some of the more important aspects of the new consumer movement in Canada.

Three such groups are based in Quebec: 1'Association Coopérative d'Economie Familiale du Québec (ACEF); 1'Institut de promotion des intérêts du consommateur (IPIC); and the Automobile Protection Association (APA). The first two are rooted largely in the French-Canadian community. The APA was begun by a former American and is based on American-style adversary tactics; it services both language groups within Montreal, and is beginning to expand to other areas of Canada.

ACEF is a federation of 400 local community organizations; it engages in consumer education, protection and debt counselling. Cooperatives, trade unions, social service agencies and similar agencies are members of the

association and provide it with financial support. Its clientele to a considerable degree is middle— to lower— class, and a relatively high proportion of those who seek help from the association do so upon the advice of friends, or relatives. ACEF is a community—oriented organization in two senses; first, its clients often come into contact with the group through their association with local organizations which they know and trust, or through other kinds of informal contact; secondly, ACEF places a great emphasis on showing consumers how they can act together to achieve common goals. Whenever possible, ACEF undertakes group—action on concrete problems in order to create public pressure on the government. Such a collective approach is in marked contrast with the usual strategy adopted by the national CAC which generally frowns on militant collective protest.

Similarly, IPIC has attempted to mobilize popular consciousness on consumer issues. IPIC was established in 1969 through the joint sponsorship of La Fédération des Magasins Co-op and L'Association Coopérative Féminine du Québec. It has established information booths and experimental kitchens in Cooprix and Co-op stores, and publishes a monthly magazine called "Le Réveil du Consommateur." It also engages in consumer counselling services and tests of food products to demonstrate fraud; the results are widely publicized. IPIC, like ACEF, has encouraged popular education and collective protest; and after ACEF, it (together with the APA) was ranked most highly among Quebec agencies in the consumer field in the study by Marois and Masse. 38

However, neither ACEF nor IPIC have escaped serious problems. Both organizations have experienced fierce political conflict and charges that they have been manipulated by Marxist-Leninists for blatant political purposes. In particular, IPIC was plagued by infighting and resignations; and the Montreal Co-operative Movement has recently severed its links with the organization.

While the reasons for these disputes are complex, the policy of the federal government in directly funding such organizations did nothing to alleviate the atmosphere of suspicion. Paul Cliche, a prominent left-wing member of the consumer movement, has charged that the federal government's

willingness to help organizations controlled by Marxist-Leninist separatists is a flagrant example of how capitalist governments try to subtly undermine progressive movements, by supporting extremists in their midsts. In fact, an examination of internal memos within the Department indicates that the DCCA was prepared to help IPIC despite, rather than because of its Marxist orientation.<sup>39</sup>

Nonetheless, the apparent willingness of the government to assist even those who oppose it most vehemently — in this instance, at least — has not resolved the essential ambiguity of the Department's relationship to the consumer movement: it is expected to help consumer groups to adopt an adversary position towards government, while being part of that government — to feed the mouth that bites it. When the Department doesn't do so, it stands open to the accusation of crude political interference; when it does, it may be suspected of <u>clever</u> political interference. The evidence suggests the need for both government and consumer organizations to investigate ways to lessen the dependence of such groups on direct government funding.

The Automobile Protection Association is a militant consumer organization designed to assist motorists victimized by fraud or incompetence. Drivers' complaints are evaluated by a mechanics' committee for verification that the complaint is justified; by a publicity committee which exposes dishonest garages and companies; and by a legal committee which tries to create new precedents in legal protection for consumers, and has employed novel legal methods to obtain justice for wronged car-owners. When satisfaction is not obtained from a garage, dealer or company, the APA uses "corporate Jui-Jitsu" - boycotts, press conferences, picketing, legal suits or some combination of all these tactics. Phil Edmonston, its president, has centered public anger around highly visible issues (for example, prematurely rusting cars), and created a "media constituency" similar to those Ralph Nader has generated in the United States. Although the organization has concentrated on automobile-related problems until now, Edmonston is beginning to get involved in other areas of consumerism.

The APA strategy for creating a consumer constituency involves four steps: first, obtaining information about consumer problems and diffusing that information to the widest possible audience; second, mobilizing public anger into collective action; third, litigation to protect the consumer; and fourth, pressure to create new legislation to aid both the consumer and consumer organizations. However, the APA is hampered by many problems from which American consumer movements are relatively free. One major difficulty is Canadian law; Canada lacks adequate "sunshine laws" (which require the government to make public all correspondence between itself and interested parties leading to legislation) and adequate freedom-ofinformation laws. Class action suits are impossible, or nearly so, in Canada; and the Canadian people cannot sue their own government without the government's permission. Although new laws are being introduced in both the federal and provincial legislatures, many consumer activists believe that the proposed new legislation lacks teeth and won't change much.

Finally, it is more difficult for Canadian consumer groups to achieve financial independence than for American groups — since Canada has a tenth the population, is a poorer country, and is more sharply divided along regional and especially linguistic boundaries. The APA has made a concerted attempt to retain its financial autonomy: it refuses grants from private companies, and receives most of its money from membership fees, the selling of APA publications, and lectures, television and radio appearances by its leaders. Some of the government aid which it has received has been indirect; the APA hires LIP—grant workers on a trial basis; a few are then retained permanently. In addition, the APA has received grants for research and advocacy programs. Whether such financial aid (which has only become substantial recently) will compromise the independence and the militancy of the organization is yet to be known.

Another group inspired by an American model of consumerism is the Ontario Public Interest Research Group. OPIRG was begun in 1973 as a vehicle for public-interest groups on university campuses as a direct result of a visit to Canada by Ralph Nader, who suggested the idea. As in the United States, OPIRG is financed by student contributions; students

at a particular campus vote or petition to set up a branch of the organization, and when they do, every student who does not request a waiver pays an extra three or five dollars which is channelled into the organization. The movement, after a slow start, has expanded with remarkable speed: a province-wide organization was established in 1976, and it now includes local chapters from six universities - with others which may join soon.

OPIRG has tried to blend certain aspects of American consumer activism with a structure appropriate to Canadian conditions. While in the United States, the PIRG's are often organized on a statewide basis alone, the Canadian version is based on a confederation model, in which local groups have an important role to play in issues of immediate concern to them — as well as supporting a province—wide organization. Although some tensions do exist between the two levels, they create, one member claims, "a healthy dynamic" in which policies and goals are subject to constant discussion and re-definition. Policy differences are resolved in frequent educational sessions and retreats; and there is continuing informal contact between the provincial headquarters in Waterloo and the local branches.

OPIRG has thus far managed to avoid many of the severe disputes which have characterized organizations like the CAC - disputes over centralization, representativeness and professionalism. Overcentralization is avoided through its confederated structure; and unlike the CAC, it makes no claims to being a national organization, with all the inherent tensions that claim involves.

Similarly, OPIRG does not pretend to represent majority opinion in the country; it does not even claim to represent majority student opinion. Rather, it believes that through careful research, reasoned analysis and continuing deliberation it can formulate certain common goals which are in the public interest — and that it is OPIRG's task to help educate the public as to what those interests are. Students benefit not as students but as citizens of Canada. Of course, student members retain the right to remove any member of the Board of Directors, or veto the policy initiatives of the Executive through a referendum. It is possible that OPIRG has come to represent many students because it has a vision of the

national interest which transcends the short-range concerns of individuals at the check-out counter. It tries to create - as one member put it - not a formal bureaucracy with diffuse goals but "a political process in which people can come together and arrive at a shared perspective and a shared vision."

Thus, OPIRG has tried to draw links between the individual's own experience in his everyday life and larger issues in Canadian society. There is a connection, it argues, between expensive empty-calorie foods and the domination of the food industry by a small number of corporate giants; a connection between mercury-polluted rivers and the power of large pulp-and-paper companies. It tries to make this connection by unusual means - by holding public discussions with nutritionists and others not generally involved in large social issues; or by printing ten thousand copies of a tabloid newspaper on mercury pollution and distributing it throughout the province.

OPIRG also deals with the problem of professionalism in unusual ways. All its staff members are paid at the same (very low) rate; exceptions are made only in the case of special need. Its leaders therefore are not tempted to use the organization to advance their own careers or social status. In fact, its leaders are usually young, students or former students, who adopt the life-style and speak the language of the people they work with and serve. They try to be generalists, capable of exercising a wide range of skills, working with a wide spectrum of people. They receive no direct government aid, rarely have contacts in the government; their reference group is the public.

There is an inherent tension within OPIRG between two sets of interests: those of students, who form the membership of the organization and provide it with most of its money; and the interests of the larger public, which OPIRG tries to serve. OPIRG leaders attempt to minimize conflict by maintaining close contact with its members: it holds frequent

conferences, discussions and education sessions; it tries to use volunteers whenever possible, and trains them in new skills; short-term internships are provided to members who want to develop their research and organizing techniques; volunteers are encouraged to suggest new projects, and are provided with a resource centre where they can conduct independent research of their own. OPIRG also hopes to broaden its constituency to include more and more members of the general public, although it will remain campus-based. Whether such steps will be sufficient to resolve the possibility of conflict within the organization remains to be seen.

OPIRG faces some of the same difficulties faced by other new adversary groups; it is hampered by regressive laws, inadequate research facilities, and limited resources. Within a Canadian political culture which has still not granted full legitimacy to adversary groups, it is in danger of remaining only a permanent marginal organization.

### Conclusion

An effective consumer movement in Canada has yet to be built. Such a movement should be rooted in constituency groups - groups united by close and intensive bonds, centered around a clearly-defined common purpose, rooted in a specific community or setting in which people can come together or already are together. Such groups cannot, and should not, pretend to represent the individual consumer in the abstract: there is no such animal. Such groups should not even pretend to represent the general consumer will - because that public has a myriad of conflicting desires, and any concept of a generalized consumer opinion is at best a vague idea, and at worst, a chimera.

Consumers do have interests, however, in this or that context — as owners of rusty automobiles, as recipients of health services, as members of food cooperatives. In these specific cases, a group of people may discover bonds strong enough to motivate them to participate collectively in some common goal. Constituency organizations are effective not because they are extensive — not because they claim to represent one hundred thousand or one million people, but because they are intensive — they represent people who really believe that the purposes of their organization are worth really fighting for; and because such organizations can establish some connection between their own immediate experience as consumers and a more general vision of what Canadian society is like and might be like.

Constituency groups are rooted in relatively specific situations or purposes; but they might, over time, form coalitions with other organizations, uniting in public-interest networks — networks of a wide spectrum of groups which come together over specific issues and for specific purposes, without abandoning their original identity. Some of these networks might have formal links. Thus, in February, 1977, consumer groups, food cooperatives, churches, nutrition organizations, environmental groups, associations concerned with Third World development, farmers' organizations and trade unions came together in a series of educational events during a national "Food Week"; some of these organizations are now continuing on a local or regional level exchanging resources, information and ideas. Such networks might involve large numbers of people who have no particular interest in any vaguely—defined concept of "consumerism," but are interested in more specific goals; and it might allow

those who defined a particular consumer issue rather narrowly to place that issue in the context of a broader social policy.

Because of their stress on informality and collective participation, constituency groups are well designed to redefine the role of public-interest professionals. Programs which train professionals how to work with - and not simply for - a particular constituency - must be expanded; and volunteers should be encouraged to develop some expert skills.

In the near future, however, continued government support of publicinterest groups will still be necessary. As much as possible, federal and
provincial governments might explore ways to use such aid to increase public
support for such groups and thereby decrease their ultimate dependency on
government. One possibility might be for governments to subsidize all
publications of public-interest groups at the point of purchase — so that
books on food policy, energy, the environment and the like might be distributed
widely and purchased cheaply. If there were a large popular demand for such
publications, some of the professional consumer-advocates who speak mainly
to other professionals and to the government might find a new audience, and
might also learn how to speak to that audience.

If direct funding by governments to consumer organizations is still required, the federal government might explore new ways of accomplishing this goal: for example, by funding all consumer groups through the Secretary of State's Office, rather than through the Department of Consumer and Corporate Affairs, so that no direct conflict of interest occurs. The greater use of long-term seed-money should be explored; and groups which do receive government aid might be asked to provide plans through which the extent of such dependency might eventually be reduced.

The government might also finance an effective information retrieval-network on consumer issues. At present, it is usually much easier to obtain information from some Canadian city about consumer activities in the United States, than it is to obtain information about activities in that city itself. There are few Canadian publications in the field, and those articles which are published are

not systematically catalogued. Very often research is conducted at great public expense by a government agency itself, and then promptly filed away and forgotten; there seems to be no way to find out about such publications except by rumour, gossip and happenstance. A centralized consumer library and data-bank - either within the Department of Consumer and Corporate Affairs or within a university - would be of enormous assistance to the whole consumer movement. The Department of Consumer and Corporate Affairs has contributed some money and effort towards this goal. It should contribute more.

Finally, there needs to be a drastic revision in Canadian legislation and in procedures before arbitration boards. This means public interest groups banding together to fight for effective freedom-of-information and "sunshine" laws, for class-action legislation with real teeth in it, and for the unchallenged right to sue the government without permission. It means that submissions to regulatory agencies should be paid for by those agencies; and that consumer groups should be given adequate time and opportunity to make their case heard before such boards. If such time and resources are denied, consumer organizations should consider making no representation at all, and tell the public that there is no representation at all, and tell the public that there is no way - at present - that the public could obtain a fair hearing before such boards.

Above all, an autonomous consumer movement would require the development of a long-range strategy. For organizations like the CAC, this would necessitate a clear choice of priorities, and perhaps a decision to abandon consumer advocacy altogether. The adversary role might best be left to constituency groups; and a much greater effort must be expended in developing a legal and political context in which the actions of adversary groups are not continuously frustrated.

Even with extensive citizen's participation, consumer organizations would still have limited power, and limited resources. Consumers still will not be kings; but they also will no longer be at a perpetual disadvantage in the Canadian marketplace.

The following is a list of those people interviewed at some length for this study. For the readers' convenience, I have grouped them under the names of organizations they represent or have represented in the past. However, many of those interviewed have worked for more than one organization. I have omitted some of the names of other people with whom I spoke more briefly, or whose statements were not used for the purposes of this report.

# Consumers' Association of Canada

Catherine Barrick
Maryon Brechin
Ada Brown
Nicole Forget
Ruth Jackson
Helen Morningstar
Beryl Plumptre
Barbara Sulzenko
Irene Spry
Michael Trebilcock

# Department of Consumer and Corporate Affairs

Jonathan Cloud Janet Davies Rod McLean Byron Rogers

# Automobile Protection Association

Phil Edmonston

### Ontario Public Interest Research Group

David Robertson Terry Moore

### Public Petroleum Association

Ann Martin

#### Others

Claude Masse Andrew Roman Ken Rubin Marjorie Hartling

#### FOOTNOTES

- 1. On this and the following, see Jerome Rothenberg, "Consumer Sovereignty," International Encyclopedia of the Social Sciences (New York: McMillan Co. and the Free Press, 1968) pp. 326-335; William Leiss, The Limits to Satisfaction: An Essay on the Problem of Needs and Commodities (Toronto: University of Toronto Press, 1976); and Graham Bannock, "Consumer Sovereignty," in William T. Kelley, ed., The New Consumerism: Selected Readings (Columbus, Ohio: Grid, Inc., 1973) pp. 98-120. I have somewhat modified Rothenberg's arguments in this study.
- 2. Adam Smith, The Wealth of Nations (New York: Modern Library, 1937) p. 625.
- 3. One proponent of the liberal-pluralist theory is Charles Lindblom, The Intelligence of Democracy (New York: Free Press, 1965); on this and the following, see also Mark V. Nadel, The Politics of Consumer Protection (Indiannapolis: Bobbs-Merrill, 1971).
- 4. Cf. Ralph Nader, ed., <u>The Consumer and Corporate Accountability</u>, (New York: Harcourt, Brace, Janovitch, 1973).
- 5. On this and the following, see David A. Aaker and George S. Day,
  Consumerism: Search for the Consumer Interest, 2nd ed., (New
  York: The Free Press, 1974); Kelley; Stuart Ewen, Captains
  of Consciousness: Advertising and the Social Roots of the
  Consumer Culture (New York: McGraw-Hill, 1976); and Barbara
  Ehrenreich and Deirdre English, "The Political History of
  Housework," "Socialist Revolution," Number 26, (October, December,
  1975) pp. 5-40.
- 6. On this and the following, see Maryon Brechin, "Consumer Protection,"

  <u>Encyclopedia Canadiana</u> (Toronto: Grabier, 1970) pp. 94-8; David

  S.R. Leighton, "Consumerism in Canada," in Donald N. Thompston

  Prospects (Toronto: Wiley, 1973) pp. 9-12; Ian MacPherson,

  "The Origins of the Canadian Co-operative Movement, 1900-1914,"

  in the Canadian Historical Association, <u>Historical Papers</u>, 1972;

  and Ian MacPherson, "The Co-operative Union of Canada and Politics,
  1909-1931," <u>Canadian Historical Review</u>, V. 54, No. 2 (June, 1973).
- 7. William Lyon Mackenzie King, <u>Industry and Humanity</u> (Toronto: 1918) p. 483.
- 8. Cf. Arthur Alphonse Ekirch, <u>Progressivism in America: A Study of the Era from Theodore Roosevelt to Woodrow Wilson</u>, (New York: New Viewpoints, 1974).

- 9. Robert Presthus, <u>Elite Accommodation in Canadian Politics</u>, (London: Cambridge University Press, 1973).
- 10. Brechin. p. 95.
- 11. On this and the following, see Aaker and Day; Kelley; and Nadel.
- 12. See, for example, C. Wright Mills, White Collar (New York: Oxford University Press, 1951).
- 13. On this and the following, see Brechin; Mrs. D.H. Glenora Slimmon, "Through the Years," Canadian Consumer, Vol. 2, No. 4 (1972) pp. 127-39; Helen Jones Dawson, "The Consumers' Association of Canada," Canadian Public Administration, Vol. VI, No. 1 (March, 1963) pp. 92-118; Leighton; "CAC A History of Accomplishments" (anonymous blurb, 1957?); and the CAC Annual Reports.
- 14. Cf. Peter Bachrach and Morton Baratz, "Two Faces of Power," <u>American Political Science Review</u>, 56 (December, 1962), pp. 947-952.
- 15. "Consumer Advocacy in Canada: The CAC Experience," Consumers' Association of Canada report presented to the Minister of Consumer and Corporate Affairs, January 31, 1975, p. 6. The CAC argument about "general" interest was specifically applied to its advocacy program.
- 16. CAC Bulletin, December, 1957, No. 73.
- 17. Helen Jones Dawson, "The Consumers' Association of Canada,"

  Canadian Public Administration, Vol. VI, No. (March, 1963),

  pp. 92-118. On the weakness of the CAC, see also Leighton,

  Carol West Richardson, "Responses to Consumerism in Canada:

  Case Studies of Governmental Voluntary and Business Responses,"

  unpublished M.A. thesis, Carleton University, Institute of

  Canadian Studies; and Penny MacRae and Anne Scotton, "Consumers'

  Association of Canada: In-Action or Inaction," unpublished paper,

  1976; see also the sources cited below.

- 18. Commissioner John T. Gray, "In the Matter of Whether the Canadian Transport Commission Should Award Costs to Parties that Appear Before it and More Particularly to Some Intervenors under Certain Circumstances," Canadian Transport Commission, March 15, 1976.
- 19. Nadel, p. 219, ff.
- 20. Some evidence for this is suggested by the 1957 CAC Bulletin, quoted above, which says that the CAC originally hoped for 250,000 members, but was disappointed in its actual membership a membership which was in the fifties and sixties less than one-tenth its original goal. Of these, a very small proportion voted in the CAC's annual elections; on this, see Scotton and MacRae, p. 32.
- 21. Verne Anne Kipfel, "The Role of the Organized Consumer in the Changing Times, CAC Annual Report, 1969. See also Ronald H. Rotenberg, "The Role and Importance of Non-Commercial Sources of Consumer Information as Input in the Decision-Making Process," Pennsylvania State University, unpublished Ph.D. dissertation, p. 113-117; and Scotton and MacRae, p. 31. All those questioned on this issue agreed on the middle-class nature of the organization, and some cited particular cases, in which CAC leaders had close ties to business and/or industry.
- 22. Dawson, p. 103.
- 23. "President's Address," CAC Annual Report, 1964.
- 24. CAC Bulletin, 1957, pp. 134-5.
- 25. <u>Ibid</u>.
- 26. Ibid.
- 27. "The Role of the Organized Consumer in Changing Times," CAC Annual Report, 1969.
- 28. "The Image of the Consumers' Association of Canada and What Can be done to Improve it," CAC Annual Report, 1969.
- 29. "When Consumers Organize in the Marketplace," CAC Annual Report, 1970.
- 30. Constance T. Nakatsku, "The Attitude of Government and Industry Toward the Consumers' Association of Canada," University of Guelph, unpublished M.S. thesis, 1972; See also Richardson. A study taken only of the Quebec branch of the CAC indicates that the public perceives it as less effective than other consumer groups. On this, see Michele Marois and Claude Masse, "Rapport d'une enquête sur L'Efficacité et des Lois et des Organismes de consommation, "Faculté de droit de l'Université de Montréal, 1976.

- 31. On this and the following, see A. Paul Pross, ed., Pressure Group Behaviour in Canadian Politics, Toronto?: McGraw-Hill Ryerson, 1975; and A. Paul Pross, "Canadian Pressure Groups in the 1970's: Their Role and Their Relationship with the Public Service," Canadian Public Administration, 1975, Vol. 18, No. 1, pp. 121-135; and Thompson and Leighton.
- 32. Gerry Brown and Odette D. Dick, "Etude de Nouvelles Structures," (rapport présenté au Conseil d'administration provincial (de 1'ACCQ), Montréal, October, 1975.
- 33. Cf., for example, "Report of the Canadian Transport Commission," (John T. Gray, Commissioner), March 15, 1976, p. 62, ff.
- 34. "Submission to the Textile and Clothing Board on Clothing Imports," Consumers' Association of Canada, December 6, 1976, p. 4.
- 35. Ibid., p. 1.
- 36. "CAC soul-searching precedes a new crusade," Financial Post, July 3, 1976, summarizes many of the recent difficulties of the CAC, including declining memberships, increasing deficits, opposition to its middle-class orientation, and the possibility that the ACCQ will separate from the organization. Recently, the CAC has undertaken a number of steps including re-organizing its structure designed to resolve some of these problems. It is probably too soon to evaluate the results. However, some of those interviewed, while praising the individual abilities of some leaders, viewed these measures with considerable skepticism.
- 37. On this and the following, see Marois and Masse; Anon., "Consumerism in Canada," and "What is the APA?" (Anonymous pamphlet).
- 38. See FN. #30.
- 39. Paul Cliche, "Les Marxistes à l'IPIC: un exemple flagrante de sabotage de nos mouvements progressistes," <u>Le Devoir</u>, Nov. 25, 1976. Other information on this dispute was taken from <u>Le Devoir</u>, <u>La Presse</u>, and <u>The Montreal Gazette</u>, at about this date.



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