

## THE 90s: A TIME OF REVIVAL IN CONSUMER EDUCATION?

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I am an economist by profession. It has been said that an economist is like a dermatologist -- the patient never dies, but never recovers. My area of special interest is consumer economics ... or consumer education ... or consumer science ... or consumerism ... The fact that there is not one term that is *the* accepted name for this discipline points to an important problem.

Consumer education has not become a discipline in and of itself as other subjects like math and English have. For many teachers, consumer education is not their primary teaching subject; therefore, they cannot give it the attention they give to their major teaching subject. Consumer education in all too many cases is a stepchild. Thus, the success of consumer education for our school children depends to a considerable degree on the individual teacher's enthusiasm for the subject.

As we enter the 1990s, it seems an appropriate time to examine the outlook for consumer education. Where is consumer education today? Where is it heading? Will there be a "revival" in consumer education? What can we as consumer educators do to insure the future of consumer education?

In 1970, the President's Committee on Consumer Interests published *Suggested Guidelines for Consumer Education* [6]. The guidelines discussed four possible methods of implementing consumer education. The methods are not mutually exclusive and all four may be used simultaneously. The methods are: *Individual Teacher Approach*, which focuses on the development of a course of study taught by one educator; *Team Approach*, which suggests combining the expertise of several teachers to teach a single course; *Interdisciplinary Approach*, which stresses the opportunities for incorporating consumer education into all courses in varying degrees of sophistication; and *System Approach*, which involves the entire school system as well as the community and the parents.

In an ideal world the System Approach would be the method to implement the best in consumer education. In a less than ideal world, the implementation rests with those teachers who are

willing and interested in making consumer education a major activity.

Just a few examples illustrate the continuing need for consumer education. In the State of Illinois for the fiscal year ending June 30, 1989, the number of total personal bankruptcies commenced numbered 48,767 [1]. How many of these personal bankruptcies were due to nothing more than poor personal money management?

In addition, leading doctors tell us that over one-half of the sickness in this country arises not from physical causes but from emotional and nervous disorders -- and more than half of these spring from economic insecurity and money worries. Psychiatrists urge that next to good physical health, financial security is essential for the good mental health of most men and women.

We've heard judges say that quarreling about money is a major reason for America's unprecedented divorce rate. It is difficult to overestimate the vicious part financial trouble plays in destroying the American home.

American consumers are spending almost ten billion dollars every day on durable goods, nondurable goods, and services. How well prepared are they, we, to spend these billions of dollars intelligently?

Good consumer education for all students is a need and a must, but telling this to this audience is like the saved talking to the saved. What are the prospects for the future of consumer education?

As we enter the decade of the 90s, we must work continuously to maintain the progress that has been made and to move forward. During the 60s and 70s tremendous strides were made to expand consumer education and to increase consumer rights in the marketplace through legislation. However, what happened in the 80s is indicative of how fragile the consumer movement can be. The U.S. Office of Consumer Education was eliminated. The staff of the U.S. Office of Consumer Affairs was cut by approximately two-thirds. The activities of the Federal Trade Commission, the Consumer Product Safety Commission, and the National Highway Traffic Safety Administration were reduced sharply. Federal funding for the Consumer Education Resource Network was eliminated and that

ended the National Consumer Education Resource Center. In my own county as well as in a neighboring county, funding for the consumer protection offices was eliminated. Both cuts were made without any public hearings. All of us in consumer education must be alert to rally together and to use our collective lobbying influence to see that further reductions do not happen in the 90s.

Research reported in the *Journal of Consumer Affairs* raises some serious questions about changes taking place in the entire consumer movement [5]. Content analysis was used to analyze the environment of the U.S. consumer movement over a 14-year period based on the information in the *New York Times Index*. The study concludes:

*At the very least, it can be said that the (consumer) movement gradually received much less (1) news coverage of its activities and (2) (much less) overt support from business-oriented groups... Although this can all be interpreted as evidence that the consumer movement is declining, ... it may be that the movement is still rather healthy and just emphasizing quieter activities.*

We consumer educators are facing great challenges. A recent study by the Consumer Federation of America on consumer education drew some very negative conclusions [2]. The study reported that consumer education is doomed to failure due to neglect, because society is not aware of its own huge unmet consumer education needs and the potential for consumer education instruction to meet those needs. The study proposed two practical measures to help raise consumer education consciousness. The first proposal was to stimulate far more and better research on the benefits of consumer education by members of such organizations as the American Council on Consumer Interests and your own Illinois organization. The second measure proposed was the development of a consumer competency examination that could be administered to a random sample of all adults in our society.

The second recommendation has been implemented. A comprehensive test of consumer competency was developed and administered to a sample of 1,139 Americans in spring 1990. The survey was sponsored by the Consumer Federation of America, conducted by the Educational Testing Service, and

funded by the TRW Foundation. Questions related to banking (credit, checking/savings), insurance (auto, life), housing (purchase, rental), food (purchase, nutrition), product safety (household products, drugs), and durable goods (auto purchase, auto repair/maintenance, appliance repair). The results were announced in fall 1990.

The survey clearly indicated that the nation's consumer knowledge is inadequate. Average scores were lowest on questions about housing purchases (45 percent), checking/savings (50 percent), food purchases (50 percent), and life insurance (51 percent). Scores were highest on questions related to medications and auto repair and maintenance. The study showed particularly glaring deficiencies in knowledge among the young, the poor, the least well-educated, and minorities [3].

How can you as a consumer educator further the cause of consumer education? I would suggest an agenda for action that consists of five steps: 1. Organize a campaign. 2. Research an issue. 3. Hold a press conference. 4. Lobby the government. 5. Do comparative testing.

There are so many ways that you can follow through. Some may choose to participate only in one or two of the steps while others might want to get their students involved in a variety of activities. What can be done is only limited by one's imagination.

National Consumers Week gives all of us the opportunity to focus on the consumer and on consumer education. The tenth annual National Consumers Week will be celebrated October 20-26, 1991. Make the most of this opportunity to get involved in your school and community.

There is no question that in numbers there is strength. All of us in the consumer education field should be active participants in consumer organizations. You are to be commended for your participation in the Illinois Consumer Education Association. I wish all fifty states had such an organization.

I would like to urge all of you to be on the mailing list of the National Coalition for Consumer Education. In just the past few years the Coalition has grown and is making a greater impact across the country. The Coalition now has consumer education coordinators in almost all of the fifty states. Get in touch with your own state coordinator, Dr. Hayden Green (Oak Park/River

Forest High School, 201 North Scoville, Oak Park, IL 60302). To learn more about the Coalition and what it can do for you as well as what part you can play in expanding consumer education, contact the Coalition's Executive Director, Carole Glade (Consumer Dynamics International, 14 Main Street, Suite 206, Madison, NJ 07940).

In addition, I would recommend that you consider membership in the American Council on Consumer Interest, the professional consumer educator's national organization. Its publications include the *Journal of Consumer Affairs*, *Advancing the Consumer Interest* journal, and the ACCI *Newsletter*, which is published nine times a year. A sample copy of the newsletter is available by writing the Council at 240 Stanley Hall, University of Missouri, Columbia, MO 56211.

The leadership of consumer educators can make a difference. Just one person can make a difference. One person made a significant difference in Wisconsin. A woman's son was killed in a car accident caused by a tire blow out. The authorities discovered that the tire was bald but had been regrooved. The mother was so incensed to learn that there was no law to prevent regrooving bald tires that she worked diligently and successfully to persuade the legislature to outlaw that practice.

Some of the positive things that have taken place in consumer education are worth noting. There seems to be no question that many businesses have learned that consumers are "Number 1." Business has also come to realize that there are benefits for the corporate community to become more socially responsible. I am convinced that, compared to 30 years ago, a substantial fraction of our population is much better educated about what they have a right to expect from the goods and services supplied by business and government. An encouraging note concerning the consumer movement was published in *The Shopper Report*. Almost half of those surveyed agreed strongly that "the consumer movement seems stronger now than it has been for some time" [4].

A large number of students throughout the country take courses in consumer subjects. They will constitute the not-so-silent majority that will not tolerate any return to the good old days of consumer fraud and abuse. That may well be consumer educators' most important accomplishment. I believe that there

*will* be a revival in consumer education and consumer activity in the 90s.

I think of a revival as an awakening, as a surging forth with purpose, with great enthusiasm, and hopefully with the necessary follow through that makes the revival a sustained movement. It would be my hope that a revival in consumer education would not be a burst of enthusiasm that would expand like a balloon and then burst. All involved have to do their part to maintain a true revival. You have a significant responsibility to further the cause of consumer education.

I would like to close by quoting a contemporary American proverb for your contemplation as you ponder your role in consumer education. "Lead, follow, or get out of the way!" Let all of us in the consumer education field be determined to **LEAD**.

### References

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5. Smith, D. B., and Bloom, P.N., "Using Content Analysis to Understand the Consumer Movement," *Journal of Consumer Affairs*, (Winter) 1989, pp. 301-328.
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**Editor's Note:** This paper was based on Stewart Lee's remarks at the 1990 Illinois Consumer Education Association Annual Conference. It has been updated to include developments since February 1990.