

Consumerism Vis-À-Vis Social Welfare in India



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Abstract

Consumerism is a public movement or policies aimed that's aim to regulating the products or services, methods or standards of manufacturers, sellers and advertisers in the interest of buyers. The process of development tied with increasing Globalisation across the country has enabled consumers to realize their increasingly important role in society and governance. However, concentration of the market power in the hands of a select few hands has affected consumers' behaviour over time. In a developing country like India where the incidence of poverty and unemployment is very high and the level of literacy is very low, the people face a volume of problems, particularly in the context of consumer related issues. Unlike in the developed world, consumers in these countries have not been able to play a greater role in the development process. Consumers are a vulnerable lot for exploitation, more so in a developing country with the prevalence of mass poverty and illiteracy. India is no exception to it. Instances like overcharging, black marketing, adulteration, profiteering, lack of proper services in trains, telecommunication, water supply, airlines, etc are not uncommon here. From time to time, the government has attempted to safeguard consumer's interests through legislations and the Consumer Protection Act, 1986 is considered as the most progressive statute for consumer protection. Consumers must be aware of their rights, join voluntary Consumer organizations, raise voice against exploitation and seek redress of their grievances in time. In this paper an analysis has been to explore the present scenario of consumer protection and consumerism in India.

Keywords: Consumer Welfare, Globalization and Consumerism.

Introduction

Consumerism has dissimilar feature of a consumer which contract with the rights, quantity, economic and social policies of consumption etc. Consumerism can be defined in different ways like, a social order, economic order and ideology that promote the purchase of goods and services in ever-greater amounts. It is speaks about the energetic buying and selling by the consumer. It essentially means the growing wants and needs of an individual for goods and services. India is one of the largest and fastest growing economies in the world. The consumer's standard of life is going higher and hence his needs are escalating as well. Consumerism in India, is in a new high, and refuses to show signs of budging anymore. The Indian consumer, due to his exposure, of the global market, strives to get the best of the goods in his home land.¹

As a social movement, consumerism protests against unavoidable marketing practices. Consumerism is not just protests by a consumer or a group of consumers and it is not even a criticism by the press or few public speeches against the firms or businessmen. The procedure of development tied with increasing Liberalization and Globalization athwart the country has enabled consumers to understand their gradually more important role in Society and Governance. However, focus of the market power in the hands of a select few has affect consumers' behavior over time. In a developing country like India where the incidence of poverty and unemployment is very high and the level of literacy is very low, the people face a volume of problems, particularly in the context of consumer related issues. Unlike in the developed world, consumers in these countries have not been able to play a greater role in the development process.

There is confusion between consumerism and materialism. Some critics condemn the consumer movement as artificial stimulation of public demand and desire for more and more and unnecessary material goods and services. Consumerism has nothing to do with craze for materialistic

acquisition. In simple terms, consumerism stands for three things: (a) A choice of vendors, wherever possible, because competition is to the advantage of consumers. (b) Value for Money. Gone are the days when people would meekly accept shoddy goods or inefficient service. When they pay good money for some product or service, they expect good value for it, which they have a right to do. (c) Accountability is another requisite. The vendor or someone who sells the product or service should be held accountable if there is a defect in the product or deficiency in service rendered.²

Consumerism is defined by Richard H. Buskirk and James as "Organized efforts of consumers seeking redress, restitution and remedy for dissatisfaction they have accumulated in the acquisition of their standard of living." Philip Kotler says that "Consumerism is not limited to organised efforts only but, is a social movement seeking to augment the rights and powers of buyers in relation to sellers." Harper W. Boyed and David analyze the consumerism as "the dedication of those activities of both public and private organizations which are designed to protect individuals from practices that impinge upon their rights as consumers." Thus, consumerism, as social movement, may be defined as an organized effort of consumers seeking redress, restitution and remedy for dissatisfaction, that they have accumulation in the acquisition of their standard of living.³

Mahatma Gandhi said, "A consumer is the most important visitor on our premises. He is not dependent on us, we are on him. He is not an interruption to our work; he is the purpose of it. We are not doing a favour to a consumer by giving him an opportunity. He is doing us a favour by giving us opportunity to serve him. But, of late, unfortunately cheating by way of overcharging, black marketing, misleading advertisements, etc has become the common practice of greedy sellers and manufacturers to make unreasonable profits. In this context, it is the duty of the Government to confer some rights on consumers to safeguard their interests."⁴

A person who buys goods and services is a consumer. The concept of buying and selling is as old as human civilization. There was a time when goods and services would exchange among people to fulfill their needs; such transactions were known as Barter Transactions. Barter Economy was evident in Stone Age, Bronze Age and Iron Age. With the introduction of „money“ Barter Economy transformed into monetary economy wherein goods and services were provided in exchange of money or things as valuable as money. In order to become a consumer following conditions needs to be fulfilled:

1. A presence of need to purchase/a desire to purchase
2. A presence of power to purchase
3. Availability of goods/services desired,
4. Willingness of the owner of goods and services to sale in exchange of monetary consideration.⁵

According to Oxford Dictionary, consumer mean, "protection or promotion of consumer's interests." According to McMillian Dictionary (1985),

"Consumerism is concerned with protecting consumers from all organizations with which there is exchanged relationship. It encompasses the set of activities of government, business, independent organizations and concerned consumers that are designed to protect the rights of consumers."

Every individual is a consumer, regardless of occupation, age, gender, community or religious affiliation. Consumer rights and welfare are now an integral part of the life of an individual and we all have made use of them at some or the other point in our daily routine. The consumer movement came into public prominence in 1985, when Prime Minister Rajiv Gandhi at a function at Maruti Udyog called on Indian consumers to demand quality. "Then only will industry pay attention and improve the standard of goods. It is because the consumer does not demand and takes whatever is given to him that we lack good quality", he observed. Subsequently in 1986, India passed the Consumer Protection Act — to help the consumer. The genesis of the legislation is a Resolution of the UN General Assembly passed on April 9, 1985, which laid down guidelines to provide a framework to governments to strengthen consumer protection policies and laws. The earlier practice of going to a regular court of law was time-consuming, costly and beyond the means of many ordinary consumers. The Consumer Protection Act provided an easier remedy.⁶

In India, 24th December is celebrated as "National Consumer Rights Day", since the Consumer Protection Act, 1987 was enacted on this day. The Consumer Protection Act was enacted in 1986 based on United Nations guidelines with the objective of providing better protection of consumer's interests. The Act provides for effective safeguards to consumers against various types of exploitations and unfair dealings, relying on mainly compensatory rather than a punitive or preventive approach. It applies to all goods and services unless specifically exempted and covers the private, public and co-operative sectors and provides for speedy and inexpensive adjudication.

The rights under the Consumer Protection Act, 1986 flow from the rights enshrined in Articles 14 to 19 of the Constitution of India. The Right to Information Act (RTI), which has opened up governance processes of our country to the common public also, has far-reaching implications for consumer protection.

As per the Act, a 'Consumer' has been defined as:

1. Any person who buys goods for consideration and any person who uses goods with the approval of the purchaser.
2. Any person, who hires any service for a consideration and any beneficiary of such services, provided the service is available with the approval of the person who had hired the service for a consideration.

Aim of the study

The main aim of the this research paper is to analyse and explore the present scenario of consumer protection and consumerism in india.

Genesis of Consumerism as A Social Movement

India has an ancient history of consumer protection. Consumer protection was part of its ancient culture and formed the core of its administration. In ancient India, Kautilya's 'Arthashastra' was the basic law which was strengthened with provisions to protect consumers. Sale of merchandise was planned in such a way that general public was not put to any problem. If high profits (for the ruler) put general public in trouble, then that trade activity was stopped immediately. For traders, profit limit was to be fixed. Even for services timely response was prescribed; e.g. for sculptor, carpenter, tailor, washer man, rules for the protection of consumer interest were given. Thus, for a washer man, it was said that he should return washed clothes in a given time period, i.e., light colored ones in five days, blue dark colored in 6 days and silken, woolen or embroidered in 7 days. Failing this they had to pay fine. The Superintendent of Commerce was to supervise weights and measures. For shortfall in weighing measuring, sellers were fined heavily. Weights and measures used in trade were manufactured only by the official agency responsible for standardization and inspected every four months. Sellers passing off inferior products as superior were fined eight times the value of articles thus sold. For adulterated things, the seller was not only fined but also compelled to make good the loss. Indeed, the people in different parts of the country today celebrate in different ways the dates dedicated to the remembrance of ancient periods during which, it is believed, people's welfare was the first concern of the rulers.⁷

Highlights of The Consumer Protection Bill, 2018

1. The Bill replaces the Consumer Protection Act, 1986. The Bill enforces consumer rights, and provides a mechanism for redressal of complaints regarding defect in goods and deficiency in services.
2. Consumer Disputes Redressal Commissions will be set up at the District, State and National levels for adjudicating consumer complaints. Appeals from the District and State Commissions will be heard at the next level and from the National Commission by the Supreme Court.
3. The Bill sets up a Central Consumer Protection Authority to promote, protect and enforce consumer rights as a class. It can issue safety notices for goods and services, order refunds, recall goods and rule against misleading advertisements.
4. If a consumer suffers an injury from a defect in a good or a deficiency in service, he may file a claim of product liability against the manufacturer, the seller, or the service provider.
5. The Bill defines contracts as 'unfair' if they significantly affect the rights of consumers. It also defines unfair and restrictive trade practices.
6. The Bill establishes Consumer Protection Councils at the district, state and national levels to render advice on consumer protection.⁸

Key Issues and Analysis

1. The Bill sets up the Consumer Disputes Redressal Commissions as quasi-judicial bodies to adjudicate disputes. The Bill empowers the central government to appoint members to these Commissions. The Bill does not specify that the Commissions will comprise a judicial member. If the Commissions were to have members only from the executive, the principle of separation of powers may be violated.
2. The Bill empowers the central government to appoint, remove and prescribe conditions of service for members of the District, State and National Consumer Disputes Redressal Commissions. The Bill leaves the composition of the Commissions to the central government. This could affect the independence of these quasi-judicial bodies.
3. Consumer Protection Councils will be set up at the district, state, and national level, as advisory bodies. The State and National Councils are headed by Ministers in-charge of Consumer Affairs. The Bill does not specify whom the Councils will advise. If the Councils advise the government, it is unclear in what capacity such advice will be given.⁹

Conclusion and Suggestions

It is clear that business, consumers and Government live on each other, live off each other and because of each other. Producers and the government are merely a means to consumer satisfaction. Therefore, in any development process, it is important that both consumers and producers work together in the attainment of their goals.¹⁰ The efficient and effective program of Consumer Protection is of special significance to the modern consumer driven economy. If both the producers/ providers and consumers realize the need for co-existence, adulterated products, spurious goods and other deficiencies in services would become a thing of the past. Every consumer in his own interest has to realize his role and importance in the right perspective. In a competitive economic environment the consumer has to exercise his choice either in favour of or against the goods and services. His choice is going to be vital and final. He should realize his importance and prepare himself to exercise his rights with responsibility. After all the dictum in constitutional democracy, the citizens get a government they deserve. Similarly the consumers in society get a position in the market depending upon the choices they exercise. It is agreed on all points that "consumer empowerment" in India has a long way to go. This is the right time to act to prepare for the new era of "Consumerism". As the poet P.B Shelley puts it – "If winter comes, can spring be far behind?"¹¹ Usually, consumers are a susceptible lot for exploitation, additional in a developing country with the dominance of mass poverty and illiteracy. India too is no exception to it. Occurrence like overpricing, duplicating, black marketing, corruption, profiteering, lack of proper services in public departments etc are not uncommon here.

In India consumers need protection due to the illiteracy and ignorance, unorganised consumers,

spurious goods, deceptive advertising, malpractices of businessmen, freedom of enterprise, legitimacy for existence and trusteeship etc. The Government has effort to protect consumer's welfare through legislations. The Consumer Production Act 1986 is measured as the most progressive bill for consumer welfare and it's procedural simplicity, immediate and inexpensive redress of consumer complaint as contained in the CPA are really unique and have few parallels in the world. Performance of the Act reveals that interests of consumers are better secluded than ever before. On the other hand, consumer consciousness through consumer education, legislation, consumer protester, and consumer welfare associations are needed to make consumer welfare movement in the country.

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