



HISTORY OF CONSUMER MOVEMENT IN INDIA (Ancient –Modern)

- DR.Y.RANGANATHA

Dr.Y.Ranganatha
Lecturer in History
Government PU College
Rajeevnagar
Mysore-19

INTRODUCTION:

Consumer protection was part of ancient culture and formed the core of its administration. However, the introduction of boundless commercialization of activities eclipsed the old rich heritage. As in Europe, in India also the origin of the Consumer Movement was in the form of Consumer \ Co-operatives.

India has an ancient history of consumer protection. Consumer protection was part of its ancient culture and formed the core of its administration. Kautilya's 'Arthasasthra' was the basic law of ancient India and the same was strengthened with provisions to protect consumers. Sale of commodities was organised in such a way that general public was not put to any trouble. 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 sculpturist, carpenter, tailor, washerman, rules for the protection of consumer interest were given.

Thus, for a washerman, it was said that he should return washed clothes in a given time period, i.e., light coloured ones in five days, blue dark coloured 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. 'Onam' in Kerala is one such example. The folk songs relating to Onam celebrate the fact that during the rule of King Mahaballi, people were not at all exploited in any manner. It is believed that there were not shortages or malpractices in weights or measures and nor excessive advertisements.

Consumer Movement in the Modern Period:

Consumer movement in the present form came into being only in the 1930's in the West and only in the 60's in India. The basic objectives of consumer movement worldwide are as follows:

- To provide opportunity to the consumers to buy intelligently,
- Recognition of reasonable consumer requests,
- Protection against fraud, misrepresentation, unsanitary and unjust products
- Participation of consumer representatives in management of aspects affecting \ consumers, promoting consumers, interests Consumer Movement.

The basic reason for the development of consumer movement in India is different from those in the West. In western countries, consumer movement was the result of post industrialisation affluence-for more information about the merits of competing products and to influence producers especially for new and more sophisticated products. In India, the basic reasons for the consumers movement have been:

- Shortage of consumer products; inflation of early 1970's Adulteration and the Black Market.
- Lack of product choices due to lack of development in technology
- Trust of consumer movement in India has been on availability, purity and prices

The factors that stimulated the consumer movement in recent years are:

- Increasing consumer awareness
- Declining quality of goods and services
- Increasing consumer ,expectations because of consumer education
- Influence of the pioneers and leaders of the consumer movement Organised effort through consumer societies

STAGES OF DEVELOPMENT OF THE CONSUMER MOVEMENT:

The Consumer Movement today is undergoing a silent revolution. The movement is bringing qualitative and quantitative changes in the lives of people enabling them to organise themselves as an effective force to reckon with. However, the path to reach this stage has not been easy. It has been a struggle against bad business that always put profit before fairness in transactions.

First Stage:

The first stage of movement was more representational in nature, i.e., to make consumers aware of their rights through speeches and articles in newspapers and magazines and holding exhibitions.

Second Stage:

The second stage was direct action based on boycotting of goods, picketing and demonstration. However, direct action had its own limitations that led to the third stage of professionally managed consumer organizations. From educational activities and handling complaints, it ventured into areas involving lobbying, litigation and laboratory testing. This gave good results. Thus, for instance business sector has started taking notice and cooperating with the movement. It has played a role in hastening the process of passing the Consumer Protection Act, 1986 that has led to the fourth stage. The Act enshrines the consumer rights and provides for setting up of quasi-judicial authorities for redressal of consumer deputed. This act takes justice in the socio-economic sphere a step closer to the common person.

ACHIEVEMENTS OF THE CONSUMER MOVEMENT:

Some interesting developments, which are helping the consumer movement, include, developments taking place in the field of consumer education and some noticeable changes that have taken place among business organizations and their associations or federations. Consumer Protection is being incorporated in the courses at different levels in schools and colleges. Full-fledged courses have been introduced in management and law courses.

A number of large organizations have set up Consumer Grievance Cells as an in-house redressal mechanism. Life Insurance Corporation of India (LIC) has set up claims review committees at the zonal and central levels. Petroleum Companies, Railways, Banks, Income Tax Departments, have also initiated setting up of public grievance cells. The Government of India has set up a separate Directorate called Directorate of Public Grievances at Sardar Patel Bhavan, Sansad Marg, New Delhi. They deal with complaints relating to railways, insurance, pensions and related matters. In the long run, they will cover all the ministries. The nationalized banks are observing 15th of every month as the 'Customer Grievance Day.' where an aggrieved consumer can walk into the top managers' offices in their respective town, district or zone. The Council of Fair Business Practices, of more than 20 years standing, is also trying to help in the redressal of complaints against business from individual consumers or groups. Federation of Indian Chambers of Commerce and Industry (ICCI) has set up a Consumer Business Forum, which meets once a quarter in different cities of the country.

All stock exchanges in the country have also set up similar cells. The Advertisement Standard Council of India (ASCI), Confederation of Indian Industry (CII) and FICCI have evolved a code of ethics for their activities. Another significant achievement of the consumer has been the

representation given to consumer organizations on the policy-making bodies (regulator machinery) of governments and Advisory Welfare Committees of big business organizations and the service sector. Central and State (Government) Consumer Protection Councils, regulatory departments of Preventions of Food Adulteration, Supplies of Food and Drugs, Weights and Measures Department, Quality Control Institutions like Bureau of Indian Standards (BIS) and AGMARK, Petroleum Product Department, Railway Commuters Welfare Committees, Regional Advisory Committees for Indian Airlines Services all have representatives of the various consumer organizations. Thus, consumers get full opportunity to participate in policy making aspects.

It appears that the time has come when consumers in India can hope to be 'The King' in the market place very soon. The labor of dedicated individuals and groups who have fought relentlessly for consumers rights through the decades has not been in vain after all.

CHALLENGE AHEAD FOR THE FUTURE:

It is now over a decade since the Consumer Protection Act, 1986 was passed after years of lobbying by the various consumer organizations. The redressal machinery, however, is not fully satisfactory. The number of cases pending in the district forums is piling high. Unless consumer groups take determined action to see that the institutions set up for their protection work effectively, the redressal agencies will go the way of civil courts, where litigants have to wait for years and spend fortunes for the settlements of their disputes. Making the Consumer Protection Act effective is therefore, the first challenge facing the consumer movement in India.

There are now about 1000 organizations of consumers in existence, but not all the cities and towns have been covered. The rural areas where the greater part of our nine hundred million consumers lives are still virtually untouched by the consumer movement.

Though the aim is to have a Consumer Complaints Reprisal Forum in every district, it is not easy for poor rural consumers to go to the forum with complaints, nor do many consumers have an awareness of ways to assert their consumer rights. The solution lies in training rural workers who are already active in the villages. Mass media should be used to penetrate rural houses. Creating consumer awareness in the vast reaches of rural India with its variety of customs, traditions and languages and little formal education is the second challenge for the consumer movement.

The government the likely fall out of the liberalization policy adopts another matter of concern for the consumer. Undoubtedly, liberalization is going to bring us many benefits, notably, up to date technology, more competition and better products, more employment and investment opportunities. However, some possible adverse effects must be taken into account. The export to India of drugs, pesticides and cosmetics, which are sometimes banned in the countries from which they originate, is likely to be much cashier with liberalized import laws. Consumer groups will have to be on their guard against such products and services. For example,

obesity treatments, hair restoration treatments and arthritis cures, which were not approved in the countries of origin, have Consumer Movement. In consumer Movement been brought in here through collaboration and launched with tremendous publicity.

Consumer organizations to take action against them for their misleading and highly exaggerated claim to Laws against cigarette and liquor advertising are being openly flouted through advertising on hoardings and through cable television. Consumer movement needs to be extremely alert regarding dubious or hazardous products entering the country in the wake of liberalization.

Some other emerging areas of consumer protection are environment protection, investor protection and freedom of information. Relentless increase in environmental pollution of all kinds has totally impoverished the quality of our lives and is taking a heavy toll of our health. Consumer groups need to strongly support and work with environmentalists. Every consumer will have to join with others to reduce pollution in his own neighborhood.

Lastly, the concern of consumer movement should also be to discourage racism, communalism, violence, and conspicuous consumption. Violence is today the real hero in most T.V. serials and films. It enters our homes, assaults our senses and influences all of us, specially our children. In the words of Anwar Fazal, Regional Director, United Nations Development Programme for the Asia Pacific Region, "The Consumer Movement should be directed towards service to the people and the Environment instead of just ensuring value for money for consumers." Consumer movement should seek a new vision, which embodies 3 new cultures, i.e., the culture of balance and harmony (so well provided by nature), the culture of trusteeship and stewardship (as we are only guardians of earth) and culture of accountability to the future.

Conclusion:

Consumer protection in India has an ancient history. It was part of our culture and tradition. Generally, there were no shortages and exploitation. Culprits were fined heavily. However, the golden era got over with the invasion of foreigners and modernization.

The origin of consumer activities can be traced to the emergence of co-operatives at the beginning of the present century. The governments also encouraged the development of Consumer Co-operatives. In general, co-operatives have been successful in halting abuses of the monopolies and improving conditions of the lower income groups. Consumer movement in its present form in India, came into being only in the 1960's with the formation of Consumer Guidance Society of India in 1966 in Bombay. With its success, the consumer movement spread over to fight for availability, purity and standard prices of commodities. At present, there are about 1000 organisations all over the country. One can say that the consumer movement in India has come of age. From simple awareness generation, it took over to direct action and then to testing and litigation. Its contribution to the passing of Consumer Protection Act, 1986, has been a historic achievement. Both business and bureaucrats have started taking consumers seriously.

Important organisations and corporations have launched consumer grievance cells. Consumers are represented on a number of consumer welfare committees set up by various organizations. However, with liberalization and globalisation, there are challenges ahead for the consumer groups.

References: Books:

1. Gurjeet Singh “The problem of Consumer Protection in India : A Historical Perspective”
2. Shraddhakar Supakar, Law of Procedure and Justice in India, 38 (1986).
3. Rajendra Nath Sarma, Ancient India According to Manu 142 (1980).
4. N. Dutta, Origin and Development of Criminal Justice in India 26 (1990).
5. Singh, Gurjeet (1997). "Indian Consumer Movement".