



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org



07251

UNIDO

United Nations Industrial Development Organization

Distr.
LIMITED
ID/WG.238/23
30 November 1976
ENGLISH

Ad-Hoc Expert Group Meeting on Co-operation
among Universities, Industrial Research
Organizations and Industries and the Role
of UNIDO in this Co-operation

Vienna, Austria, 29 November - 3 December 1976

THE CONSUMER MOVEMENT AND INDUSTRIAL DEVELOPMENT^{1/}

by

Peter Sand*

* Head of Research, Consumers' Association, London

^{1/} The views and opinions expressed in this paper are those of the author and do not necessarily reflect the views of the Secretariat of UNIDO. This paper has been reproduced without formal editing.

id.76-6731

We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards, even though the best possible copy was used for preparing the master fiche.

In the paper 'UNIDO and the Consumer Interests' submitted to UNIDO by IOCU (see Appendix), attention is drawn to the part played by consumer organisations in:

- 1) assisting the transfer of technology to developing countries
- 2) fostering the active development of national standards
- 3) increasing consumer awareness as a means of bringing pressure to bear on manufacturers and government to improve standards and quality control systems.

Two further aspects of consumer activity need consideration:

- 4) The role of consumer organizations in identifying consumer needs and in drawing attention to areas in which the economy is not working in the consumer interest
- 5) The role of consumer bodies, particularly those concerned with testing and research, in acting as a bridge between universities, other research institutions and industry when they draw on the help of such institutions to tackle practical projects.

Transfer of technology

IOCU links consumer organizations all over the world. The longer established ones in Europe, N. America and Australia and New Zealand, bring a high degree of technical expertise to bear on consumer problems. Most work closely with government, university and independent research establishments in developing and executing their own testing and research programmes. Some have specialized comparative testing laboratories of their own capable of testing a wide variety of consumer products.

In recent years these organizations have been in close contact with newer consumer bodies in developing countries, some of which have now set up their own testing and research programmes.

At the recent Asian and Pacific Seminar on Consumer Testing and Research held by IOCU in Malaysia, a programme of technical assistance to consumer organizations in the regions was proposed. It includes a series of workshops, centred on practical test projects on local products; the exchange of staff and other personnel between organizations in the Region and those in developed countries for training and orientation.

Some organizations in the region already draw on existing technical resources. The KMMI (Kilusang ng mga Masilitang Filipino), the Philippine Consumers' Movement, for instance, has free use of certain university and government research laboratories for tests on products they submit for testing. Since 1971 they have published test reports on a large number of foodstuffs, cosmetics, as well as on clothes and household goods. Amongst the organizations from which they have received help are the Food and Nutrition Research Centre, the National Pollution Control Commission, the Philippine Textile Research Institute, the Bureau of Lines and the Tests and Standards Division, the University of the Philippines College of Engineering, the Natural Science Research Centre and Department of Pharmacology. This list illustrates the range of technical expertise that is tapped by active consumer organizations. Not all organizations in the region have had so much help, but in some cases the established consumer organizations have provided direct assistance. A twinning arrangement between the New Zealand Consumer Organization and the Consumer Council of Fiji resulted in tests on kerosene stoves and soap powder. The Belgium organization Verbruikersunie conducted tests on batteries and contraceptives for the Consumers' Association of Penang.

This kind of activity acts as a focus of technical development: important consumer problems are highlighted (e.g. unsafe kerosene stoves); university and technical staff are involved in practical problems and industry and government is encouraged to respond.

Standards

Consumer organizations have traditionally exerted pressure on governments and national standards institutions to introduce new standards and improve existing ones. The importance of consumer representation in standards work has been acknowledged in Europe where ways of increasing consumer participation in standards making were recently discussed at an I.S.O. Consumer Standards Forum in London. In developing countries consumer organizations have given priority to Food Standards. Dr. Kumala of the Consumer Guidance Society of India, for instance, attributes poor food standards to the ignorance and helplessness of the Indian consumer. In this area consumer organizations have been active, but if consumer representation in standards committees dealing with consumer products in general is to be significantly increased, considerable technical assistance will be needed.

Consumer awareness

It is the contention of consumer organizations that increased consumer awareness is an important factor in the industrial and economic development of a country. Without pressure from consumers, retailers and manufacturers for satisfactory goods and services, there is a risk of unsuitable, unsafe or unreliable goods flooding the market. Consumer organizations, by virtue of their involvement in testing and reporting and in consumer education programmes, play a part in promoting economic development. Consumer organizations in the Region have associated themselves (particularly in connection with consumer education) with the rural development projects instituted by the Family Planning Associations with the help of such international agencies as ESCAP, FAO, ILO which are aimed at generating a greater degree of interest in the formulation of development-oriented programmes, and at creating mechanisms to mobilize the available manpower to engage in work of a productive nature.

Identifying need and practical problems

The first result of consumer testing and research is to draw public attention to consumer problems and needs.

The test on kerosene stoves in Fiji indicated not only that kerosene stoves being sold locally were unsatisfactory and unsafe but also puts pressure on the government to introduce adequate safety and performance standards. The next step would be for technical experts and industry to explore the possibilities of manufacturing a safe kerosene stove locally rather than continuing to import unsafe ones. Technical experts I have spoken to who have worked in other developing areas of the world (eg. in Turkey, India and Africa) suggest there is a need for other kinds of equipment which can use portable fuel supplies such as kerosene and calor gas. One project of this type, a kerosene fuelled cooking boxes has already been funded by UNICEF. Consumer organizations with experience of evaluating consumer needs and with established technical facilities have a contribution to make in this respect. Consumer Association in UK, for instance, has links with the Institute of Consumer Ergonomics at Loughborough University of Technology, which was set up to look at the design of consumer products from the user's point of view.

Engineers and scientists in such establishments could, with adequate funds, look at problems such as the design of pumps and filters used in agricultural schemes in developing countries; the injector guns and microscopes used by medical and paramedical staff on immunization programmes. At the ICCU seminar, concern was expressed by delegates from Fiji about the outboard motor used there. How suitable are they for the conditions of use in the Pacific region? It is likely that ICCU will set up a joint project involving consumer organizations from a number of countries to find the answer to this question.

Consumer organizations as a bridge between universities, research establishments and industry

The case has already been made in this paper (as illustrated by the example in the Philippines) that consumer organizations are in a unique position to draw on technical help from universities and other research establishments. By focussing the attention of scientists on practical problems and involving them in their negotiations with manufacturers, the consumer organizations help bridge the gap between scientific institutions and industry. Consumer organizations have as their main objective the raising of standards of goods and services that people buy. There is no conflict of priority, (as there sometimes is in institutions of learning and research) in pursuing this objective and it may be that the consumer organization, by taking on much of the organization and routine work required in any investigation of practical problems can complement the efforts of universities.

On the other side consumer organizations are attempting to have a constructive dialogue with industry, not just to criticise but to help ensure that products are being manufactured to meet consumer needs. In the UK, for instance, the National Consumer Council has set up a Motor Industry Consumer Committee which aims specifically to ensure that British motor manufacturers are made aware of the consumers' view of their products.

ANNEX

ROLE AND SCOPE OF THE MOVEMENT

proposals and recommendations by the International Organization of Consumer Unions.

1. GENERAL

Although obviously interested in the growth of consumer protection groups in terms of the necessities and protection of illiterate and economically defenceless communities of the world, there seems little attempt on the part of the executing agencies of the United Nations family to see the movement starkly as one of the essential aspects of economic growth.

Whilst the transfer of technology is clearly regarded as crucial in the race against the population time, consumer protection as anything other than a desirable social activity is not. Indeed technological development has urgent priority throughout the world, but almost entirely without regard for consumerism as an integral factor.

One of the early considerations in economic growth is, practically without exception, the necessity of raising quality levels of industrial and consumer products. Since many of the developing countries have their roots in an agricultural economy, the emphasis in the early years is usually upon the preparation of agricultural products for world markets and the manufacture of other consumer goods. Project objectives are often based upon the syllogism of increasing consumer desire to buy indigenous goods, raising quality levels for exports and the simultaneous earning and conservation of foreign currencies.

With this in mind the fostering of an active national standards body, the development of a product certification scheme and promulgation of standardization generally is often seen by the planners of bi- and multi-lateral schemes alike as a key to national industrial growth.

The problems in institutional development of this kind invariably centre upon:

- (a) Awareness among manufacturers of the economic and sales effects of standardization and quality control.
- (b) The technical problem of preparing standards.
- (c) The understanding and support of Government.
- (d) Adequate curricula activities in universities and teaching establishments.
- (e) The growth of consumer awareness in order to bring pressure on manufacturers from a different direction to adopt standards and quality control systems.

It can be fairly said that (a) to (d) form in greater detail a brief now widely accepted by administrators and specialists executing assistance projects. I suggest that (e) is a field which has not been given adequate consideration either by Governments or funding bodies. Yet it is clearly a corollary of the development of quality control and the significant implications of this for developing countries.

2. RECOMMENDATIONS

We submit that the participation of the United Nations Industrial Development Organization is essential in the growth of consumer protection in developing countries as a further projection of its existing activity in rationalizing the industrial economy.

We recommend assistance in four stages as follows:

- 2.1 Stage one: an international survey preceding the preparation and publication of a document outlining the role of consumer protection in industrial development and the widespread application of quality control.

This publication - a sister document to ILO's "Staty Guide on Consumer Protection" - would be used as a guideline to Governments and executive agencies.

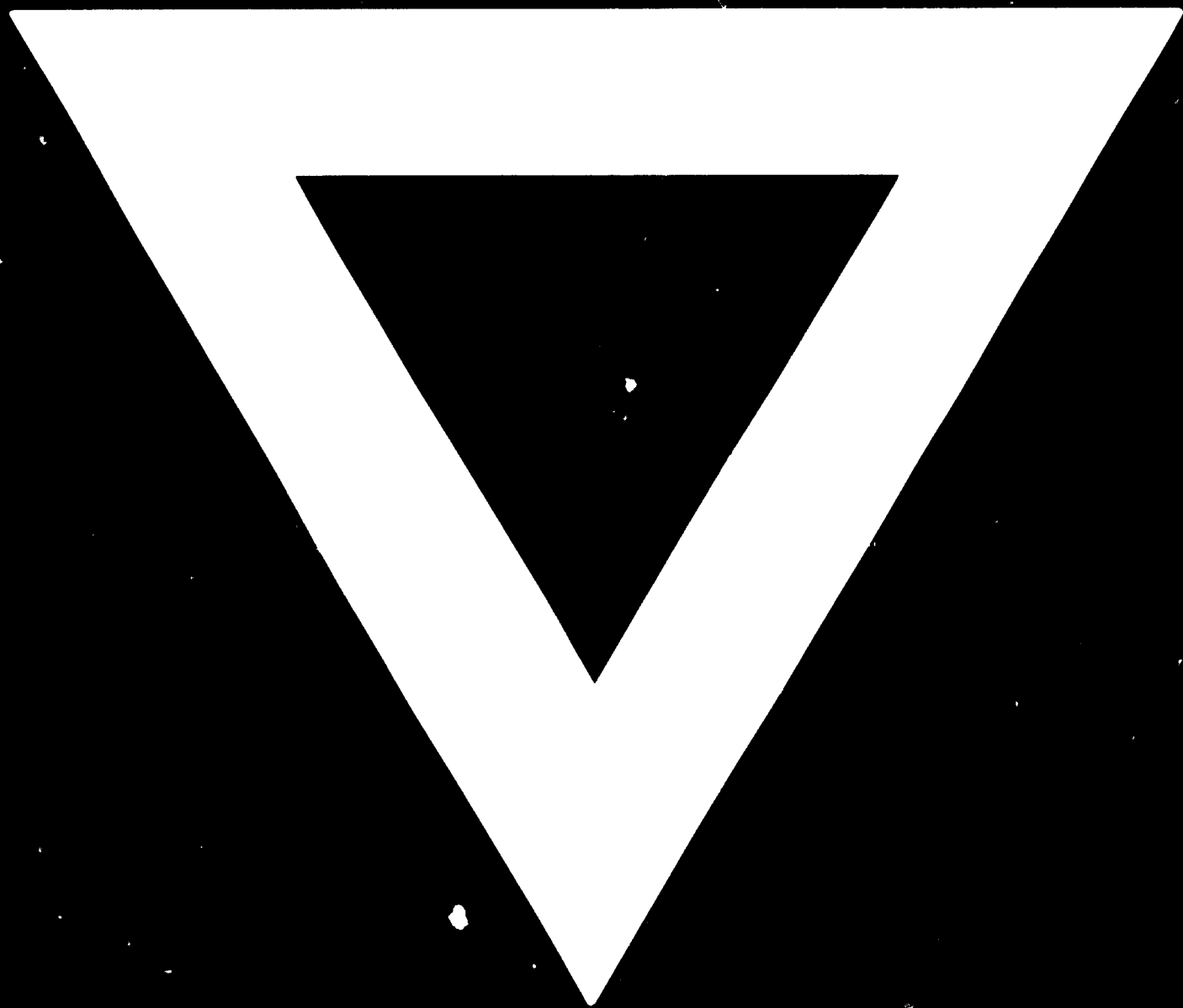
- 2.2 Stage two the provision of short-term experts to prepare reports of the facilities from Governments (statutory and otherwise) for the protection of consumer interests. These would include:
- 2.2.1 The establishment of a Consumer Council or similar institution for harmonising all facets of consumer support - independent organisations, product test laboratories, etc.
 - 2.2.2 Legal requirements such as those for weights and measures, national certification schemes and food and drug marking and marketing.
 - 2.2.3 The integration of the efforts of standards and consumer bodies.
- 2.3 Stage three: the setting-up on a regular rotational basis of UNIDO/IOCU regional workshops and seminars designed to educate consumer and government representatives and bring together Governments, manufacturers, standards and consumer interests.
- 2.4 Stage four: Expert assistance for independent consumer organisations - particularly on the technical aspects - in individual countries. These may be independent advisers or attached to relevant projects. They may also be full experts under UNIDO contracts or associate experts.
- It is realized that UN agencies operate on the basis of Government requests and co-commitment but this proposal may well be relevant to emerging UN thinking that it will be possible to include agency assistance to non-governmental projects which have the sanction of Governments.

CONCLUSIONS

These proposals are made as a new dimension of technical assistance. It is a dimension which has not hitherto been recognised and seems to IOCU to be a development in schemes for economic growth which is highly significant.



B - 266



77.06.27