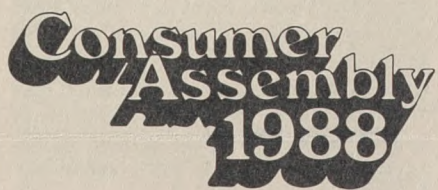


Health, Safety Issues Top Congress's Agenda

Two of Congress's most influential and active consumer advocates—Sen. George Mitchell (D-ME) and Rep. Henry Waxman (D-CA)—listed health and safety issues at the top of their agendas for Congressional action in 1988.

Sen. Mitchell and Rep. Waxman made their comments in keynote speeches at Consumer Assembly '88, "The End of the Reagan Years: Consumer Challenges and Opportunities." More than 500 consumer, government, media, and industry representatives participated in the two-day conference February 4 and 5 in Washington, D.C.

Sen. Mitchell and Rep. Waxman both spoke about what can be accomplished in Congress for consumers in 1988, with Mitchell focusing on air quality issues, and Waxman focusing on product safety.



Air Pollution Poses Major Health Threat

Sen. Mitchell said passage of legislation to expand and reauthorize the Clean Air Act is by far the most important battle for Congress in its efforts "to protect the quality of air we breathe." In the 10 years since the last reauthorization, new issues have emerged and opponents "have made it a priority to see that the Clean Air Act is never reauthorized, particularly if further controls would be required," said Sen. Mitchell, whose reauthorization bill does require additional controls.

Of particular concern, according to Sen. Mitchell, are the health effects of acid rain, air toxics, and the failure of most of our larger urban areas to attain health-based air quality standards.

"Clearly, air pollution affects public health," Sen. Mitchell said. According to American Lung Association estimates, the public spends an extra \$40 billion per year on health care costs associated with air pollution.

"American consumers are paying more in their medical bills because polluting industries are not cleaning up their pollution," Sen. Mitchell said. "This is an important point, because much of the opposition to my legislation is based on claims that control of our air pollution will cost industry, and eventually consumers, too much money."



Sen. George Mitchell (D-ME) outlined the air quality issues at the top of his 1988 Congressional agenda.

Sen. Mitchell said another important priority is passage of legislation to protect consumers from indoor air contamination, including radon contamination, in light of the fact that Americans spend up to 90 percent of the day indoors. "Most people still think that when smog and other air pollution gets too bad outdoors, the best thing is to go indoors, where the air is clean," he said. "But, there is growing evidence that contaminants in the air indoors—in workplaces, schools, and homes—can pose a serious health threat."

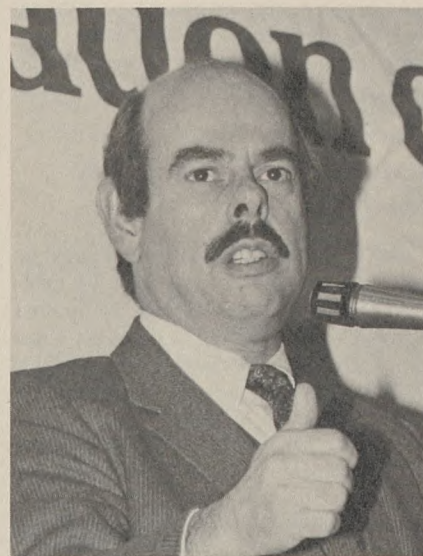
"This Congress has the opportunity to make major advances in protection of the quality of the air we breathe," Sen. Mitchell said. "With your help, Congress can meet the challenge of providing Americans with clean, safe air."

CPSC, Product Liability Top Product Safety Issues

This Congress faces two immediate goals in the area of product safety, according to Rep. Waxman: to try, in the reauthorization bill, to give the U.S. Consumer Product Safety Commission (CPSC) "some chance of limping along" until a more sympathetic administration is in place and to defeat the "Uniform Product Liability Act."

Rep. Waxman called the product liability bill "the worst bill that we have before us so far in the 1988 session" and "an attempt by business interests to immunize themselves from having to face up to their responsibility when consumers are injured or killed by unsafe products."

"The version of the bill that's before us is one that we've got to defeat, or, failing



Rep. Henry Waxman (D-CA) named preserving the CPSC and defeating the "Uniform Product Liability Act" as his two immediate goals.

to defeat it, we've got to amend it in such a way as to make it a decent bill," Rep. Waxman said.

Tort reform was also discussed as part of a panel on product liability alternative dispute resolution (ADR), which may offer a means of speeding up settlement of product liability cases, according to Linda Lipsen, Legislative Counsel at Consumers Union and a member of the panel.

Consumers want quick resolution of disputes, because delay, and the accompanying expense, clearly helps the defendant, she said. Also, small claims are not economically feasible under the current tort system because torts are too expensive, she said.

Rep. Waxman said other key issues include: passage this year of a medical device law; passage of legislation mandating that every employer provide a minimum health insurance package; expansion of Medicare and Medicaid; amendment of the catastrophic health care bill to include prescription drugs in Medicare coverage; and setting fire safety standards for cigarettes.

"We've got a lot to do this year before we can look to the promises of 1989," he said.

Panels Debate Child Safety, Pesticides

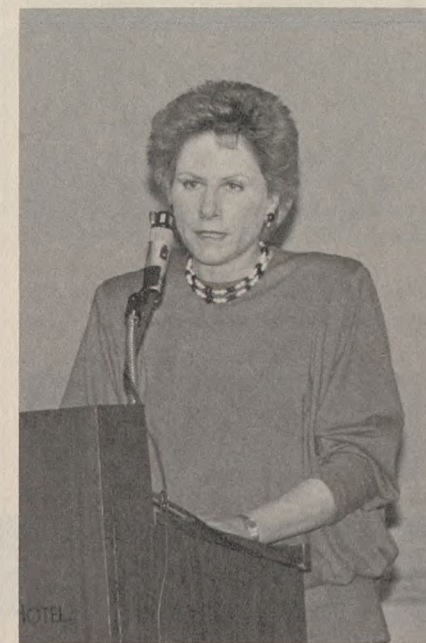
Rep. Waxman's criticism of the CPSC was echoed in a panel on child safety issues. "This is an agency that hasn't promulgated a final rule under the Consumer Product Safety Act since 1984," said CFA Product Safety Director Mary Ellen Fise. And Ann Brown, Chairman of the Consumers Committee of Americans for Democratic Ac-

tion, said, "They certainly are not doing the job over there that they could be doing. One of the things we would like to see is an agency quick to react."

Even CPSC Commissioner Anne Graham leveled criticism at her own agency. "Some would say the commission, at least as it is currently constituted, represents the major risk to child safety," she said. "In part you are right. The commission's record in some areas is one in which I can take no pride." Graham cited the consent decree on all-terrain vehicles as an area in which "the interests of children were not given sufficient attention."

The inadequacy of government programs is also largely responsible for the haphazard system of inspecting foods for pesticide contamination, said Janet Hathaway, Staff Attorney for Natural Resources Defense Council.

Hathaway called on the government to set limits on pesticide residues, to monitor compliance, to impose penalties when violations occur, to develop a system to deter-



CPSC Commissioner Anne Graham said the CPSC has neglected its job on some, but not all, child safety issues.

mine which samples to inspect, to use more sophisticated methods in testing, and to conduct inspections more quickly.

Of particular concern, according to Carolyn Brickey, Counsel to the Senate Committee on Agriculture, Nutrition and Forestry, is the large backlog of older pesticides which were "grandfathered" into the law with no health or safety data.

Another problem is that existing law calls for companies to be indemnified in the event of a recall, which costs millions of dollars, Brickey said.

Low Income Consumers Lack Basic Necessities

Low income consumers often lack access to, as well as money for, such basic necessities as food, housing, energy, health care, and banking, a variety of panelists told Consumer Assembly attendees. Exacerbating the problem, according to the panelists, is the high cost of adequate government programs, which, as a result, are consistently underfunded by Congress and state legislatures.

"I don't think anything will happen until people sit down and say, this is a crisis," said Meredith Manning, Health Legislative Associate to Rep. Ron Wyden.

Manning was speaking as part of a panel on "The Health Insurance Gap: Meeting the Needs of the Un- and Under-insured." Issues facing low income consumers were also targeted in panels on "The Other America: Consumer Problems of the Poor and Near Poor" and "Low Income Banking Needs and Services."

Food Stamps Fail to Reach Rural Poor

On the average, low income consumers spend 40 percent of their income on food, according to Ellen Haas, Executive Director of Public Voice for Food and Health Policy. This is a particularly heavy burden for the rural poor; most of whom are not served by the food stamp program. Fewer than a third of the elderly rural poor receive food stamps, she said.

Among the reasons this group is particularly hard hit is the difficulty of getting to often distant food stamp offices to obtain benefits, the complexity of the forms, and the termination of outreach efforts to explain the program.

Haas called on consumer advocates to support legislation currently before Congress that would make food stamps more accessible to the rural poor and improve nutritional education.

Federal Energy Assistance Inadequate

As with the food stamp program, federal energy assistance programs serve only a small percentage of those eligible, said Helen Gonzales, an attorney with the National

Consumer Law Center. In 1985, only one third of those eligible under federal energy assistance programs received aid, and for those who did receive aid, benefits were often insufficient, she said. Despite the inadequacy of existing programs, aid was cut 27 percent in 1987, she said.

States are going to have to begin to provide funds for low income energy assistance, and there needs to be better coordination of existing resources, Gonzales said. She suggested, for example, that the federal low income energy program be combined with the low income weatherization program. In the meantime, resources should be targeted toward the poorest of the poor, she said.

Major Housing Program Needed

The government has never provided an adequate program to deal with the problem of homelessness, and with the number of homeless continuing to increase, a major program is now needed, said Cushing Dolbeare, Chairperson of the National Low Income Housing Coalition.

Dolbeare said housing should be made an entitlement, and subsidized housing should be expanded. There are 15 million people in need of subsidized housing, and only four million currently receive it, she said.

Despite recent increases in federal spending to aid the homeless, spending has not kept pace with the growth in homelessness, she said. The inescapable fact, she said, is that there is not sufficient affordable housing available for low income consumers, and the gap is growing.

A program is also needed to ensure that all Americans have access to health care services, Manning said. Currently, 35 million Americans lack that access because they have no health insurance, she said. Because such a system would be expensive, and because huge deficits have made federal support unlikely, "everyone must give up something; providers must be willing to contain costs; businesses must pick up more; and consumers must decide what kind of coverage is really needed."

Diane McCarthy, Chairperson of the Implementation Committee of the Health Policy Agenda for the American People, described the difficulty of agreeing on a set of basic benefits. The best an ad hoc committee with that specific goal was able to do was to "agree on what a package should not look like."

Bruce Fried, Executive Director of the National Health Care Campaign, said a recent poll showed that 78 percent of those polled were in favor of a national health care program. Because we don't have such a program, the United States has fallen behind 13 other countries in quality of health care in the past 30 years, he said.

Kevin Haugh, Research Associate with the Health Insurance Association of America, pointed out that the uninsured do not fit a simple stereotype. Two thirds are in the work force. Others are unable to get insurance, because they are seriously ill. And the uninsured are not the only problem, Fried said. Those who are underinsured find that a costly illness is not covered. "Access to health care is a problem that is going to get dramatically worse," he said.

Panelists on low income banking needs and services described a variety of factors making it difficult for low income consumers to use banks and suggested ways in which banks could improve their service to this group.

Low income consumers may find bank hours and location inconvenient, and they may "have the perception that the institution caters to high income only," said Charlotte Scott, Professor of Commerce and Education at the University of Virginia. She also said that many find bank accounts "too expensive, too bothersome," and many lack sufficient funds to open an account.

Lack of bi-lingual services creates a barrier for another part of the population, said Kenneth McEldowney, Executive Director of Consumer Action-San Francisco. McEldowney said "other forms of discrimination" include requiring a credit card to open an account and lengthy holds placed on deposit checks.

Jane Uebelhoefer, Legislative Director of ACORN, said many problems arise out of divestment, when banks withdraw from communities, particularly poor communities. "There is also a problem with 'red-lining,'" which occurs when banks take money from low income neighborhoods and invest in high income neighborhoods, she said.

Scott suggested that "public policies to attract low income consumers must allow consumers choice of 'no-hassle' checking accounts." She also proposed "mini-workshops" to help consumers learn how to balance checking accounts. McEldowney said the banking industry should expand its educational efforts to teach people how to bank.

International Consumer Groups Aid Third World Struggle for Survival

Representatives of international consumer organizations called on the U.S. consumer movement to address consumer issues on a global basis and thus aid Third World consumers in their struggle for survival.

"Third World concerns arise out of the poverty and economic crisis of the poorer countries. They arise out of the powerlessness of Third World consumers. And they frequently arise out of centuries of exploitation of Third World countries by First World countries," said Rhoda Karpatkin, Executive Director of Consumers Union and President of the International Organization of Consumers Unions.

Karpatkin (right) was one of three general session panelists speaking on "International Consumer Issues: The U.S. and the Third World." She was joined on the panel by Margaret Kyenkya (center), an infant feeding Project Officer for UNICEF, and Janice Mantell, Executive Director of Action for Corporate Accountability.

First World countries have used the Third World as a dumping ground for unsafe, ineffective, and dangerous products, such as pharmaceuticals, pesticides, and, most recently, milk products contaminated by radiation from the Chernobyl nuclear power plant disaster, the panelists said.

"You have access to information that our government could use and that we as organizers could use to protect ourselves,"



Kyenkya said. "You know your rights. You know how to lobby to protect your rights. That is something that will have to be learned anew in our countries."

She called on First World consumer groups to recognize how their efforts "affect Third World countries' struggle for survival."

Mantell emphasized the need to stop the export of dangerous products and technologies at the source, since consumers in the Third World often don't have access to information about the dangers and don't have laws in place to prevent the sale of dangerous products.

"If people see cheap products [such as radiation contaminated milk products], and

they don't have enough to eat, they will accept them," she said. Even when consumer groups do know about the hazards of a product, they may face arrest, sometimes without a trial, for speaking out, she said.

And finally, when one group wins a battle and manages to keep a dangerous product out of one country, that same product quickly reemerges someplace else, she explained.

"The first step is to get the corporations to accept ethics in marketing—that you don't sell unsafe products anywhere in the world," Karpatkin said. "It will be very slow, and it will be a very great struggle. But, inch by inch, progress can be made."

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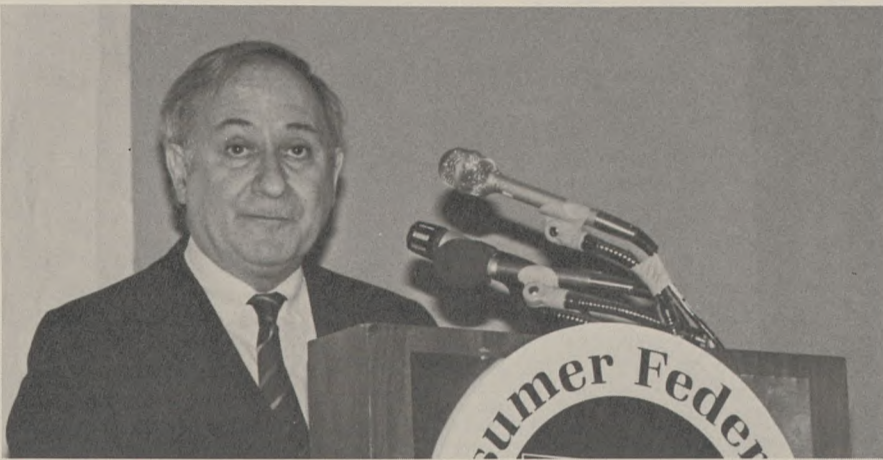
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CFAnews is published eight times a year. Annual subscription rate is \$25 per year.

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Design & Typeset by: Design Consultants, Inc.

Judge Greene Warns of Monopoly Power



Judge Harold H. Greene said that, if restrictions on regional phone companies were lifted, consumer interests, small business, and the American economy would all be harmed.

In one of several Consumer Assembly sessions on deregulation, Judge Harold H. Greene asserted that, if the restrictions on regional phone companies were lifted, "the antitrust laws would once more have been defeated, and monopoly power would rise again like a phoenix from the ashes." Such an anti-competitive step would "harm consumer interests, small business, [and] the American economy."

In his keynote address, Judge Greene began by vigorously defending antitrust statutes. "If the United States is today a consumer and consumption society, rather than one dominated by cartels with price-fixing abilities, it is largely because of the antitrust laws," he said.

Yet, he added, because of a "perversion of values" in our society, where "the making and spending of money is exalted by many as the supreme measure of achievement," the importance of antitrust principles has been forgotten. "The slogan of the last decade among the opponents of vigorous antitrust enforcement has been that big is not necessarily bad. But we hear little about the corollary, that big is not necessarily good," he said.

This is particularly true in the telecommunications area, Greene argued. The removal of antitrust protections in the telecommunication would "be harmful to consumers; would injure, perhaps destroy, most small, independent telecommunications manufacturers and service providers; and would be bad for the nation's economy." It would, he stated, "in short order return the industry to the stagnation that accompanies dominance of an industry by monopoly power."

The regional phone companies, said Greene, "are not entitled to a removal of the core restrictions while their monopoly power is still as pervasive as it is today." These companies continue to control the "essential facilities represented by the local telephone switches and circuits. We have heard no offer from [them] to give up these local bottlenecks to some third party," he said. "They want both—monopoly and competition."

Greene went on to criticize the proposed transfer of authority over enforcement of the AT&T decree from the courts to the Federal Communications Commission (FCC). This would make no sense, he stated, from a "table-of-organization point of view, for under our system it is courts, not regulatory agencies, that enforce court decrees." More important, such a transfer would result in the FCC's giving enforcement "an extremely low priority," he said.

If the nation desires to weaken the antitrust statutes, Greene asserted, then Congress should amend them. "Nothing but mischief, confusion, and cynicism would result if antitrust principles were extinguished in the telephone business by the back door, through assignment of enforcement to an agency hostile to the regulation of business in general and to antitrust enforcement in particular."

Costs Shifted to Natural Gas Consumers

Consumer advocates argued the need for government regulation in several other Consumer Assembly sessions. In a panel discussion on natural gas regulatory initiatives, two speakers tied federal deregulation to discrimination against consumers.

Edwin Rothchild, Assistant Director of the Citizens-Labor Energy Coalition, observed that new pro-competition rules adopted by the Federal Energy Regulatory Commission (FERC) have led to cost-shifting from industrial to residential customers. As a result, in a period of declining gas prices, 1983 to 1986, consumers saw their rates fall only about 15 percent as much as those charged industry.

Southern California Gas Vice President Michael Neiggemann also blamed these FERC rules for a new threat to residential customers, bypass. By eliminating price caps and declaring certain contract clauses unenforceable, this agency has encouraged industrial users to buy gas directly from pipelines, forcing remaining customers of distribution companies to pay a larger share of fixed costs. "For consumers to benefit, regulation is needed," Neiggemann said.

Only Oliver Richard, Executive Vice President of the Northern Natural Gas Company, defended the partial deregulation that has taken place. "Customers have more options, more choices," he stated. "The bottom line is that the market has worked very well because the price has come down."

Diversification Allows Cross-Subsidization

In a session on utility divestiture, consumer advocates also challenged the social desirability of deregulation. William Spratley, Ohio Consumers' Counsel, observed that "deregulation has flowed from the federal level down. Now we're having [this] imposed on us at the state level." But, he added, "deregulation is not in the interests of the consumer."

Both Spratley and CFA Research Director Mark Cooper argued that when utilities diversify, cross-subsidization of the competitive side by the regulated one is extremely difficult to prevent. This is because adequately monitoring accounts is virtually impossible. As Spratley noted, "it would take 17 years to audit electricians." As a result, said Cooper, "diversification is paid for by local ratepayers."

Two corporate representatives defended diversification within their industries. William Newport, Bell Atlantic's Vice President for Strategic Planning, said diversification can bring to consumers the benefits of new technologies. Bruce Edelman of the Edison Electric Institute noted that diversification in electricians is "extremely small" but is necessary

Airline Reforms Proposed

In another session, all the panelists agreed that deregulation had created serious problems for airline passengers. CFA Public Affairs Director Jack Gillis discussed a whole range of cost, health, and convenience concerns. Mergers have led to price hikes; travel agents selling on a commission basis do not always search for the cheapest fares; air pollution in cabins threatens passenger health; and frequent delays cost consumers time.

Gillis proposed four reforms:

- consumers need to be clearly and adequately notified of their rights;
- government should advertise a toll-free complaint number;
- airlines must disclose the number of discounted seats and guarantee a certain percentage; and
- airlines must pay penalties for any unfair practices.

Con Hitchcock, Legal Director of the Aviation Consumer Action Project, added that the antitrust laws need to be enforced to increase competition. John Steven Clark, Attorney General of Arkansas, said that state attorneys general were planning to try to clean up airline advertising. Ads should be conspicuous and, most important, true, he said. And airlines should not be permitted to change rules without notice.

Insurance System Called Inefficient



Andrew Tobias outlined a plan for dramatically reforming the insurance industry.

In a Consumer Assembly keynote speech, Andrew Tobias charged that the insurance system, and most insurers, are wasteful and inefficient. He argued that both need to be completely restructured.

Tobias, a financial expert and author of the best-selling paperback, *The Invisible Bankers*, characterized the insurance industry as "structurally fat. Two million in the industry have been doing a job one million could do," he said. By comparison, the nation's banking system is a model of efficiency. "They handle more money and offer more service with fewer employees," he said.

Tobias explained this inefficiency in terms of lack of effective competition and regulation. Consumers cannot get adequate information on life insurance payouts, for example. In part, this is because state regulators and the industry are much too close, with only a "revolving door" separating the two in many states, he said.

Yet, potential competitors like banks have not been permitted to sell most insurance products. Only three states, he noted, permit savings banks to sell life insurance even though consumer surveys show that these savings institutions charge much less than do insurers.

Even more wasteful than the life insurance system, Tobias asserted, is auto insurance. The current auto insurance system serves agents, personal injury attorneys, and those people hurt in accidents where the other driver is at fault and rich, but not most victims. For every dollar paid for auto liability insurance, he said, 33 cents went to insurers and their agents, 23 cents to lawyers on both sides and to claims investigators, 8 cents to redundant benefits

(those paid twice), 21½ cents to pain and suffering, and only 14½ cents to non-reimbursed medical expenses and lost wages.

What is needed, Tobias stated, is a system in which most of the dollars spent are paid in benefits. Insurance should not be sold one policy at a time. "Imagine how inefficient social security and unemployment insurance would be if they were sold door-to-door," he said.

Moreover, he added, "there is no need to spend a lot of time underwriting the policy. It's all going to even out in the end."

As an alternative, he suggested: "If you want to charge certain groups higher rates, have legislators set an extra fee at the time of licensing and registration." These fees could be covered by higher gasoline taxes, which not only are collected efficiently, but also would reduce gas consumption, air pollution, and oil imports.

This should be part of a national, pay-as-you-go, no-fault auto insurance system. Here there would be far lower expenditures for insurance sales and legal expenses.

Unfortunately, Tobias noted, current no-fault systems are "no-fault in name only." There are always low thresholds, which hardly restrict litigation. "A true no-fault system makes so much sense because you can't accurately reconstruct an accident in court."

Consumer Advocates Outline New Strategies

In an effort to combat increasingly powerful opposition, including an administration uninterested in enforcing consumer protections, consumer organizations have had to develop new strategies and to perfect old techniques. From litigation to direct ballot initiatives, a variety of those techniques and methods for using them were described in Consumer Assembly general sessions.

Alan Morrison, Director of Public Citizen-Litigation Group, said that, while the heyday of litigation against federal agencies has passed, litigation remains an important tool. "You keep the focus on the issue. You may win, or you may learn useful things in discovery. And Congress may refuse to do anything on an issue unless you go to court and lose," he said.

Litigants still have an important tool in the Freedom of Information Act, which has survived efforts to gut it, he said. "Documents are available for the asking... [but] you have to be in a position to go to court when they say no."

Morrison said that, while the courts can no longer be used to set agency policy, they can be used to force agencies to act promptly. And, the threat of a lawsuit provides an important means of controlling the worst excesses of agencies. "If you don't threaten to go to court, and if you don't take them to court once in a while, they are going to do even more harmful things," he said.

Walter Dartland, Special Counsel to the Florida Attorney General for Citizen and

Consumer Affairs, said that at the state level the attorney general can be an important ally for consumers, not only in court, but also as a powerful ally in lobbying for consumer legislation.

"Under the present administration in Washington, the idea is to shift the focus from the federal level to the state level. That has opened up a new opportunity for the attorney general to become an important consumer advocate," Dartland said.

a fundamental change in our relationship with the public," Schultz said. Consumer groups have to learn to aim their message at all voters, and they have to realize that a ballot initiative "becomes a litmus test for every other issue in that area." If you lose on one issue, you can lose important political momentum on a variety of related issues, he said.

Therefore, it is important to take an issue to the ballot only when you know you

On low income banking issues, consumer groups have learned to make effective use of two laws passed in the 1970s—the Home Mortgage Disclosure Act, which requires banks to disclose the geographic breakdown of their mortgage lending practices, and the Community Reinvestment Act (CRA), which spells out the responsibility of banks and savings and loans to the entire community.

Using information gained through use of the disclosure act, consumer groups have been able to use CRA challenges to force banks to negotiate agreements, said Allen Fishbein, General Counsel for the Center for Community Change. "As a result of CRA action, banks are becoming more cooperative," he said.

Fishbein said 1987 was a "record year" for CRA challenges, with more than 50 filed throughout the country, a tenfold increase over the number filed in 1984. Since 1977, when the law went into effect, CRA challenges have been responsible for more than \$5 billion in loans made available to low and moderate income communities despite "lax enforcement by federal banking regulators," Fishbein said.

This will be a critical year in determining whether CRA will continue to offer an effective tool, because of decisions being made regarding financial services deregulation, Fishbein said. "With deregulation, disinvestment becomes more and more of a problem." It is essential to the consumer interest that Congress tie expansions of banking powers to community reinvestment, he said.



While each attorney general has slightly different powers, all can follow "a very aggressive policy," including getting immediate injunctions, freezing bank accounts, and locking out employees. He called on consumer groups to provide their attorneys general with needed information.

Consumer groups have become increasingly effective in using direct ballot initiatives to pass pro-consumer legislation, said James Schultz, Policy Analyst for Consumers Union-West Coast.

Relying on ballot initiatives rather than more traditional advocacy efforts "creates

have 60 or 70 percent of the vote, he said. "The best that can be hoped for is erosion, because you will be outspent by the other side by five to one." This has become even more important since the loss of the fairness doctrine, he said.

Despite the risks, going to the ballot remains a valuable tool, Schultz said. "The consumer movement, at its heart, ought to be about consumer empowerment. It pays to give the public the opportunity to actually be involved in that process," he concluded.

Economic Constraints Shape Consumer Attitudes, Issues

A pollster and two journalists described the new economic and public opinion environment in which consumerists must work. Their conclusion—economic constraints have caused apprehension about the future and reduced government ability to fund consumer programs.

Pollster Stanley Greenberg focused on the "disjunction between the objective economic indicators of what is happening with the economy and people's attitude about what they think is happening." The result is a "persistent anxiety about the future and problems that are on the horizon."

Greenberg, President of The Analysis Group, cited several factors as causes of this apprehension. Budget and trade deficits are the most important, but excessive consumer borrowing, regional recessions, and economic problems faced by the baby-boom generation are also significant.

Of particular concern to many are the poor economic prospects of their children and other young people. More kids live at home longer; fewer can afford to purchase homes; secure jobs are harder to find.

This apprehension, according to Greenberg, presents groups like CFA with an opportunity. People believe that government should take "a larger role." Most important, the nation should "invest in itself." An important part of this investment should be improved child care.

Commenting on many of the same issues, Rich Thomas, *Newsweek's* Chief Economic Correspondent, also emphasized the primacy of economics but drew different policy implications. Thomas stressed the need for greater efficiency "to make the United States competitive in world markets" and suggested reform of the product liability system as one approach. "Consumerists would be well advised to consider caps on pain and suffering awards."

Thomas focused even more attention on federal budgetary constraints and the need to reduce deficits. The implication for consumerists here is that there will be greatest government receptivity to consumer proposals that do not require Congressional funding, such as banking disclosures or reform of the Consumer Product Safety Commission.

CBS News Consumer Correspondent Erin Moriarty also noted that the federal government is less willing to support consumer programs but attributed this reluctance principally to the Reagan Administration. As a result, the states, especially attorney general's offices, are taking greater initiative to address consumer concerns. They are criticizing the federal government for inaction on problems ranging from automobile sudden acceleration to the safety of all-terrain vehicles.

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