

## Congress Undercuts Food Safety, Information

Shortly before recessing for elections, Congress adopted three last minute riders to appropriations bills that seriously diminish food safety and consumer information.

Specifically, Congress adopted a provision designed to override the U.S. Department of Agriculture (USDA) salmonella testing and enforcement program in meat and poultry inspection.

It also exempted Ohio school kitchens from meeting meat and poultry inspection requirements and directed the Food and Drug Administration (FDA) to develop label euphemisms to substitute for current labeling requirements for irradiated food.

None of the provisions were subjected to congressional hearings.

"These bills and instructions couldn't pass the smell test with the public, so they sneaked them into agency funding bills," said Carol Tucker Foreman, Director of CFA's Food Policy Institute.

### Salmonella Standards Challenged

The FY 2001 agriculture appropriations bill directs USDA to submit its salmonella testing program to the National Advisory Committee on Microbiological Criteria for Food for review.

Dominated by industry representatives and scientists whose work is funded by industry groups, this advisory committee has opposed establishing and enforcing microbiological standards.

As a result, the committee is expected to oppose USDA's present salmonella testing program despite the fact that salmonella contamination on meat and poultry carcasses and in ground beef and turkey has declined between 20 and 50 percent since the program began two

years ago, according to USDA.

"The new pathogen reduction performance standards are working. Meat and poultry are safer than they used to be," Tucker Foreman said.

"Only one plant in the entire country has failed the salmonella tests three times," she added, "but the bottom dwellers in the industry are determined to destroy the one objective standard that has been demonstrated effective."

### Ohio School Kitchens Exempted From Inspection

When school central kitchens prepare extra food and sell it to other programs receiving Child Nutrition Program funding, they are subject to federal inspection requirements.

This is the case in the Dayton, Ohio school district central kitchen, which, according to Ohio authorities, does not meet basic sanitation requirements.

USDA offered to work with local authorities to assure no interruption in food service while problems are being addressed, but Ohio authorities instead argued for an exemption from inspection requirements. They made this argument despite their own recognition that the food is being sold for consumption by groups at high risk for food poisoning.

Ohio Democrats Rep. Marcy Kaptur and Rep. Tony Hall inserted language in the agricultural appropriations bill to provide Ohio school central kitchens with the exemption.

"I am shocked at the actions of these two members who have been supportive on issues in the past," said Tucker Foreman. "Their argument seems to be that it is okay to send food from substandard facilities to poor children."

"Not only is the exemption dangerous and unwarranted, it is expected to spur additional exemption requests, primarily from small businesses," she added.

### Irradiation Labeling Undermined

Convinced that consumers are frightened by the mandatory notification on food labels, "Treated with Irradiation," companies that manufacture equipment

used to irradiate food have sought to remove the labeling.

The new provision adopted by Congress requires FDA to report immediately on alternative phrases that can be used to meet the labeling requirement.

CFA, Center for Science in the Public Interest, Consumers Union, AARP, the National Consumers League, and the food poisoning victims group Safe Tables-Our Priority (S.T.O.P.) have stopped short of

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## Electricity Restructuring Declared a Failure

Judged on its ability to provide consumers with a choice of high quality products at reasonable, stable prices, the restructured electricity market is failing from coast to coast, according to a new CFA analysis.

*The Failure of Electricity Restructuring: It's Broke, Can it be Fixed?* finds that restructured electricity markets are artificially tight because of fundamental flaws in the market structure that have led to anti-competitive, anti-consumer conduct.

"Consumer advocates predicted this would happen before restructuring started, and we have documented the unfolding problems year after year," said CFA Research Director Mark Cooper, who prepared the analysis.

"Consequently, we have no patience with the restructuring apologists who urge policy makers to do little, claiming these are just accidents, or who insist that high prices are the solution, rather than the problem," he added. "Clearly, fundamental policy changes are needed."

The report analyzes the actions by market participants that have created "a highly concentrated, artificially constrained supply-side" and proposes a responsible approach to deregulation.

### Industry Created Market Problems

The report notes, for example, that, while utilities failed to add generation and transmission capacity during the 1990s, they nonetheless found more than ample resources to buy up other utilities. This resulted in concentrated markets vulnerable to manipulation.

At the same time, the refusal of utilities to open their transmission systems reduced the willingness of competitors to build power plants. And inadequate transmission capacity and self-interested manipulation of access to the transmission system has limited the ability of power to flow.

Utilities, meanwhile, have resisted allowing consumers to aggregate their demand effectively, and they have undermined the ability of consumers to self-supply by blocking and slowing the deployment of distributed generation capacity.

"While the current extreme tightness of supply will inevitably ease, inflexibility of supply and demand are basic conditions that render the market volatile and vulnerable to abuse," Cooper said.

Short-term supply responses are constrained by the difficulty of storing electricity, and substantial additions to supply require substantial lead times.

At the same time, inflexibility of demand and its sensitivity to weather makes these markets inherently "peaky," Cooper noted. Even though peaks are short in duration, they impose huge price distortions.

### Regulatory Failures Contributed To Problems

These problems have been exacerbated by the breakdown in coordination of an integrated, real-time network under restructuring, the report finds. This, in turn, came about because competition reduces the incentive for market participants to cooperate and makes it difficult for system operators to manage the electricity network.

"The failure to recognize the important role of the continuing monopoly in distribution and transmission resulted in the under-regulation of these industry segments, which are the highways of commerce over which electricity flows," Cooper said.

Specifically, he added, the failure to develop effective transmission organizations in the interstate market has frustrated the development of an effective interstate market.

"A well-functioning interstate market

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## Consumers Win in State Vitamin Settlement

The latest settlement in a massive international vitamin price-fixing case gave consumers a long-awaited victory.

Announced in October, the \$225 million settlement of charges brought by 21 states, the District of Columbia, and Puerto Rico provides for a substantial portion of the funds to go to programs benefitting consumers. These include anti-hunger programs, nutrition programs, and prenatal care programs.

"Finally, the ones who ultimately paid the bill, the nation's consumers, are seeing some benefit, at least in 21 states," said CFA Chairman Sen. Howard Metzenbaum (Ret.).

Sen. Metzenbaum had objected to the settlement of the federal case on the grounds that it benefitted only the so-called "direct purchasers" of the vitamins — corporate giants such as Tyson Foods and Quaker Oats Company — without doing anything to benefit the consumers who wound up paying the higher prices.

Sen. Metzenbaum praised the state attorneys general, led by New York's Eliot Spitzer, for "not being satisfied to see corporate giants be the only winners." Thanks to their efforts, he said, "an outrageous injustice is being addressed," he said.

## Low Interest Savings Cost Consumers Billions

Americans could earn \$30 to \$40 billion in additional interest each year simply by shifting the money they now keep in low-yielding savings accounts into equally safe higher-rate savings accounts, according to a new analysis of Federal Reserve data released by CFA and Providian Financial Corp. in October.

Those potential benefits are magnified over the long-term.

While the roughly \$1 trillion currently held in low-interest accounts will double in 40 years to \$2.3 trillion if maintained in accounts paying the current average interest rate of 2.1 percent, the same amount of money invested for 40 years at 7.1 percent would yield \$15.5 trillion, or more than 12 times the original principal.

One reason consumers fail to take advantage of higher-rate options is that many understand little about the

more lucrative savings options available to them, according to a public opinion survey commissioned by CFA and Providian and conducted by Opinion Research Corporation International.

"Savers who keep over \$1 trillion in low-yielding accounts lose not only tens of billions of dollars in interest income annually but also an important reason to save," said CFA Executive Director Stephen Brobeck.

"Even saving as little as \$100 a month in a high-rate account over a lifetime can yield more than \$100,000 in additional interest income for a family," he noted.

"Financial institutions should help their customers save money — through education and by offering attractive savings options," said Providian Chairman and CEO Shailesh Mehta.

### Older Americans Lose the Most

Well over half of all households (62 percent) maintain low-rate passbook saving, statement saving, or money market deposit accounts, and these accounts are well dispersed throughout the population, according to Federal Reserve data.

However, the seven percent of households with at least \$25,000 in these accounts hold roughly 70 percent of these savings deposits. These households are much older than the rest of the population, with 43 percent headed by someone at least 65 years of age.

Speaking at the news conference to release the study, AARP Director of Life Resources Katie Smith Sloan said the findings "underscore a tremendous opportunity for education of AARP members and the population at-large on low-risk, higher-yield, savings vehicles."

If all deposits in low-yield accounts were shifted into high-rate savings accounts, CDs, or Series EE Savings Bonds, all of which pay at least three percentage points higher interest, they would earn at least \$30 billion more in interest annually.

If all low-rate deposits were shifted into Series I Savings Bonds, which pay at least four percentage points higher interest, they would earn at least \$40 billion more in interest annually.

"Because of the 'magic' of interest compounding, these potential interest gains become enormous over time," Brobeck said.

### Lack of Saver Awareness

An important reason for the size of household deposits in low-rate savings accounts is lack of awareness about interest rates of various savings options, according to the CFA/Providian survey

results.

For example, the survey found that:

- most of those with a savings account (57 percent) do not know the interest rate on this account;

- a significant minority (30 percent) erroneously think there is little difference in the interest paid by a typical low-rate savings account and a certificate of deposit (CD); and

- nearly half of Americans (45 percent) do not consider U.S. Savings Bonds an attractive savings vehicle.

The survey also suggests that many Americans believe it is far more convenient to keep savings in a traditional account than in higher-yielding alternatives that are also insured or guaranteed by the federal government. For example:

- well over half (63 percent) keep their largest savings deposits in a local bank or credit union where they maintain a checking account;

- an even higher proportion (80 percent) say convenience of making deposits is an important reason for choosing an institution; and

- 59 percent say that the availability of branches with tellers is an important reason for this choice.

Many respondents (46 percent) also cite a desire to preserve liquidity as an important reason not to shift funds from savings accounts to CDs.

However, CDs, savings bonds, and higher-rate savings accounts are all both easy to purchase and insured or guaranteed by the federal government, Brobeck noted.

Survey results are available on the CFA website at [www.consumerfed.org/save-more.html](http://www.consumerfed.org/save-more.html) or by sending \$10 prepaid to CFA Savings Survey, 1424 16th Street, N.W., Suite 604, Washington, D.C. 20036.

## U.S. Savings Bond Chief Joins CFA

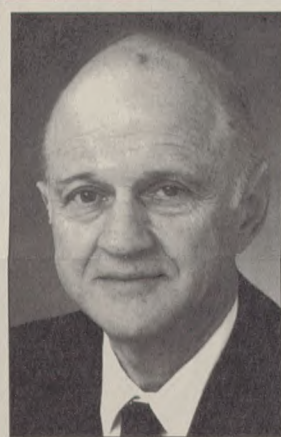
The former Executive Director of the U.S. Treasury Department's Savings Bond Program, Dino De Concini, joined the staff of CFA in September as Director of Financial Education.

"After strengthening the U.S. Savings Bond Program, Dino De Concini is turning his attention to repairing the nation's pocketbooks by improving the financial literacy of the American consumer," said CFA Executive Director Stephen Brobeck.

"Mr. De Concini's long career in public service, including both his experience as director of the savings bond program and his work with the National Partners for Financial Empowerment, make him particularly well qualified for this position," Brobeck added.

"CFA provides an opportunity for public service in areas of national importance. I am delighted to be on the team," De Concini said.

During his five-year term as director of



Dino De Concini

the savings bond program, a long trend of declining sales was reversed, and many new products and services were introduced, including the inflation adjusted or Series I savings bond.

Since May of this year, he has served on the start-up team of the National Partners for Financial Empowerment, a broad coalition of public, private, and non-profit organizations dedicated to improving financial literacy nationwide.

A graduate of the Georgetown University School of Foreign Service and the University of Arizona College of Law, he has served as City Attorney of the City of Tucson, Chief of Staff for the Governor of Arizona, Chairman of the Arizona Commission on the Arts, founder and President of Arizonans for Cultural Development, and in leadership positions in many other civic and educational organizations.

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opposing irradiation, but have demanded clear and accurate labeling to assure informed consumer choice.

"The companies that manufacture irradiation equipment seem to believe they have something to hide," Tucker Foreman said. "Their attitude and this type of legislation, if pursued, will doom their technology."

### National Labeling Uniformity Act

A fourth anti-consumer provision, the National Uniformity in Food Labeling Act, was still in play when Congress recessed, but seemed doomed by the congressional decision not to return to Washington until after Thanksgiving.

It would prohibit states from enacting

food labeling provisions that exceed federal standards, thus overturning stronger labeling laws in California, Wisconsin, and other states.

Opposed by the Clinton Administration, the bill failed to pass when attempts were made last summer to attach it to the agriculture appropriations bill. Supporters tried to revive the bill late in the session by attaching it to the Labor-Health and Human Services appropriations bill.

It is likely to be raised again in the new congressional session.

"We believe federal standards should be a floor, not a ceiling. States must be allowed to continue to meet the needs of their own citizens," Tucker Foreman said.

## Revived Bankruptcy Bill Stalls in Senate

In something of a surprise victory for consumers, opponents of bankruptcy overhaul legislation staved off a last-minute effort to pass the anti-consumer measure before the Senate recessed for the election.

The bill benefited from a strong lobbying push by bill opponents — led by Sens. Paul Wellstone (D-MN), Ted Kennedy (D-MA), and Charles Schumer (D-NY) — and from the early departure of 16 senators.

As a result, a motion to end debate and proceed to a vote on the bill fell seven votes short of the 60 needed.

"A growing number of senators are no longer buying the false claims of the well-funded creditors behind this bill. The fact is, it would deny a fresh start to millions of average Americans who have suffered genuine financial misfortune while preserving loopholes for wealthy debtors," said CFA Legislative Director Travis Plunkett.

The final fate of the measure remains up in the air, however, as Congress is scheduled to return after the election for a lame duck session, and Senate Majority Leader Trent Lott (R-MS) has said he will revive the measure then.

Should the measure ultimately pass the Senate, the president has vowed to veto it on the grounds that it imposes unreasonable burdens on financially strapped debtors "who turn to bankruptcy as a last resort."

The bill does not appear to have enough support in the Senate to override a veto.

The threat of a veto and an unwillingness on the part of bill supporters either to moderate the bill's harsh treatment of debtors or to adopt provisions reining in abusive creditor practices has stalled the bill since Senate passage early this year.

In October, Republican leaders decided to force a showdown with the president by bringing the conference report to the House floor, where it passed on a voice vote.

"It is quite possible that we haven't seen the last of this harsh bill this year," Plunkett said. "In spite of growing opposition to the bill and the unlikelihood of overcoming a veto, the creditors' lobby continues to try to ram it through Congress this year in the belief that that would put them in a stronger position to finally enact anti-consumer bankruptcy legislation next year."

## No Big Advances for Consumers in New Congress

Republicans will continue to control both the Senate and the House, but with razor-thin majorities, when the 107th Congress convenes in January.

With the House and Senate so closely divided, the potential to move a pro-consumer legislative and regulatory agenda in Congress may largely depend on who wins the White House, which was still being contested as this issue of *CFAnews* went to press.

"Over the last six years, advocates have spent most of their time trying to stop legislation hostile to consumer interests," said CFA Legislative Director Travis Plunkett. "Absent a pro-consumer White House, the prospects for moving a positive consumer agenda remain dim."

According to CFA's legislative voting record, Democrats are generally more likely to advance pro-consumer initiatives and oppose anti-consumer measures, while Republicans have often favored a deregulatory agenda that favors business.

In 1999, for example, House and Senate Democrats voted with consumers 64 and

72 percent of the time respectively, while Republicans in both houses voted with consumers only 11 percent of the time.

However, as the 107th Congress will clearly contain more political moderates from both parties, exceptions to this rule are likely to occur more frequently than in the past, Plunkett predicted.

### Bipartisan Cooperation Essential

In addition, the very thin margins by which the Republicans hold their lead means nothing will be accomplished without bipartisan cooperation, he said.

"Unfortunately, one of the areas where members have mustered bipartisan cooperation in the past is in satisfying the demands of big corporate interests on issues that don't make the headlines everyday but that affect millions of consumers," Plunkett said.

"Issues such as bankruptcy 'reform' and modernization of the financial services market will have an enormous impact on consumers, but the debate in Congress on these issues has been almost

entirely dominated by free-spending special interests," he noted.

Still, the recent Senate vote on bankruptcy, in which the supporters failed to amass the 60 votes needed to end a filibuster, demonstrates what a committed minority can do to stop anti-consumer measures, Plunkett said.

In addition, a few issues have emerged that seem to present an opportunity for bipartisan legislation to advance consumer interests, including expanding prescription drug benefits under Medicare, as well as protecting consumer privacy, reining in predatory lending practices, extending managed care patient protections, and bringing electric rates under control in some states that have deregulated the electricity market.

"The big question is whether the leadership of the Senate and House will respond to the new 'moderate majority' that exists in Congress," said Plunkett. "If that happens, consumers actually have a shot at seeing meaningful legislation enacted."

### Results for CFA Endorsees

Election results for CFA-endorsed candidates were indicative of the broader congressional results.

All but one of the 109 CFA-endorsed incumbents won reelection. Rep. Sam Gejdenson (D-CT) was the only exception. In addition, two of the eight open seat candidates endorsed by CFA — Jon Corzine (D-NJ) in the Senate and William Clay, Jr. (D-MO) in the House — were elected.

On the other hand, none of the 15 endorsed challengers to anti-consumer members was elected.

Consumers also made some modest gains in races where CFA did not endorse a candidate.

This was particularly true in the Senate, where the four Republican senators who were defeated all had consistently poor consumer voting records: Sen. John Ashcroft of Missouri (eight percent CFA lifetime record), Rod Grams of Minnesota (nine percent), Spencer Abraham of Michigan (19 percent), and William Roth of Delaware (35 percent).

## Richardson: Energy Policy Should Aid Consumers

The nation's energy policy should both help consumers and help consumers to help themselves, U.S. Secretary of Energy Bill Richardson said in a keynote address at CFA's utility conference.

"The national debate over energy policy is often focused on technical issues, such as barrels of oil produced, natural gas pipeline capacity, electricity transmission congestion, and automobile fuel efficiency standards," Richardson said.

Beyond those "cold statistics," however, are issues of the cost of electricity, heating oil, and gasoline that have a very real effect on people's lives, he said.

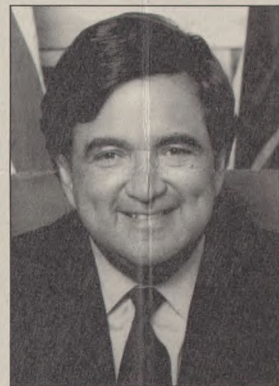
That was the reasoning behind the

administration's decisions to establish a Northeast Home Heating Oil Reserve, to release \$400 million in additional Low Income Home Energy Assistance program funds, and to release crude oil from the Strategic Petroleum Reserve, he said.

Furthermore, because fuel released from the Reserve will be returned with a premium, the latter action will actually "further increase the nation's protection against potential or actual energy supply disruptions," he said.

"When you act to help America's working families and then get more back in return, that is a clear sign that your energy policy is working," he said.

Richardson also touted the administration's success in winning increased funding this year for the Low-Income



Energy Secretary  
Bill Richardson

Weatherization Program, but he lamented the deep funding cuts of the mid-90s that have left the program at just 70 percent of its earlier funding even after the recent boost.

"If the funding level had even stayed the same, we could have weatherized almost 250,000 more low-income homes, saving each family about \$200 a year in utility bills," he said.

Other recent administration initiatives cited by Richardson included the release of a new home

heating tips pamphlet and improvements to the department's website, including the addition of a new fuel economy guide that allows consumers to compare the gas mileage of vehicles produced over the last 15 years.

"For consumers, information is power — whether shopping for a car armed with

fuel economy data or tapping the knowledge of our nation's energy experts to cut energy costs," he said.

But information alone is not enough, he said, which is why the administration has also proposed new energy efficiency standards for central air-conditioners and heat pumps to reduce their electricity usage by up to 30 percent.

Combined with new standards set by the administration for refrigerators, room air conditioners, and fluorescent lights, these efficiency gains will save enough energy in 2010 to light every home in the country for two years, he said.

The conference, held in Washington, D.C. in early October, also included sessions on trends in oil and gas availability and price, electricity capacity and reliability, electricity and gas restructuring, telecommunications restructuring, telephone service, trends in Internet access and use, consumer concerns about marketing and privacy, and public concerns about programming and access in the digital age.



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### Electric Restructuring, Continued from Page 1

would make the exercise of market power much more difficult and efficient generation of electricity much easier, since most states are too small to constitute an efficient market," he said.

"It would also enhance the quality of supply and allow the capture of economies of coordination, which are still strong in the physical marketplace for electricity," he added.

### Pro-consumer Reforms Advocated

The first step toward resolving problems in the electricity market is to open the "highways of commerce" by creating an independent entity dedicated to ensuring transmission reliability and supporting non-discriminatory market transactions.

In addition, the generation market "must be de-concentrated before it is deregulated," Cooper said.

Specifically, the market should not be

deregulated until an affirmative finding by responsible antitrust authorities that there is an absence of market power and that the market is irreversibly open to competition, he said.

On the demand side, favorable rules for aggregating small consumer demand should be adopted, and favorable treatment of distributed generation should be implemented, including streamlined interconnection and payment at the top of the market, he said.

In addition, more effective programs for short-term reductions in demand among commercial and industrial customers must be developed, he said.

Meanwhile, states that have not deregulated their markets should not do so until it can be demonstrated that restructuring can serve the consumer interest, he said.

States that have just begun to deregulate should slow or stop the process until they gain confidence that a true market for

generation will be created and that the grid can be operated in a manner that promotes reliability and supports market transactions.

"States where Humpty Dumpty has been broken and is not likely to be put back together again should undertake vigorous efforts to protect residential consumers," Cooper added.

These should include rules to prevent price spikes, strong enforcement against pricing abuse, and requirements to participate in effective market-opening transmission organizations, he said.

The main policy challenges, however, are at the federal level, Cooper added.

"If federal authorities cannot create an effective interstate market, states will inevitably fail in their restructuring efforts," Cooper said. "Unless comprehensive federal reforms are enacted, the chances of success at the state level are slim."

## Digital Divide Disadvantages Millions

Although computer ownership and Internet use continue to grow, a "digital divide" persists and is unlikely to disappear anytime soon, according to a report released in October by CFA and Consumers Union (CU).

"The gap that separates those who are connected to the Internet from those who are not puts millions of Americans at a disadvantage in our increasingly online society," said CFA Research Director Mark Cooper, principle author of the report, *Disconnected, Disadvantaged and Disenfranchised*.

"The more important the Internet becomes, the more serious the problem will be, unless steps are taken to close the gap," he added.

Based on a detailed national survey, the report divides households into four groups:

- the fully connected (36 percent of the population) who have an Internet Service Provider or high speed Internet access at home;
- the partially connected (17 percent) who have basic Internet or e-mail service at home;
- the potentially connected (21 percent) who have no Internet service, but who do own a computer at home or have a cellular phone; and
- the disconnected (26 percent) who do not have any Internet service and do not have a computer or a cell phone.

Lower income, elderly, and minorities are more likely to be among the disconnected.

### Divide Likely to Persist

Furthermore, based on patterns of connection to the Internet in the recent past and survey respondents' statements about their intentions to get connected in the near future, the report concludes that, despite the spread of digital technologies through the population, the divide persists for some groups and is not likely to disappear in the near future.

In particular, those in the bottom half by income distribution are lagging behind by a half decade, and a substantial portion of these are likely to remain disconnected.

Fully 40 percent of survey respondents said they do not have the Internet at home today, and they do not intend to get connected in the next four years.

The report also presents the first direct comparison of a broad range of physical space and cyberspace activities for commerce, information gathering, education, civic discourse, and political participation. In doing so, it documents "a troubling new source of inequality in our society," Cooper said.

Households without Internet access cannot shop as effectively or conveniently, are not offered attractive pricing plans, and cannot gather information or contact public officials and other people as effectively, the report finds.

"The problem is not that the disconnected do not participate in physical space, it is that they cannot participate in cyberspace," Cooper said. "People who are able to participate in physical space are nonetheless becoming disadvantaged and

disenfranchised in cyberspace."

Survey results also clearly indicate that consumers recognize this as a problem.

"People of every age, income, and race are concerned that technological advances are widening the gap between rich and poor," added Gene Kimmelman, Co-director of CU's Washington Office. "They fear that the information revolution will leave many behind.

"Once policy makers understand that these vulnerable groups are harmed by their lack of access to technology, they should begin to seek cost-effective avenues to address this deprivation," he said.

### Lack of Skills, Opportunities Cause Divide

Although the report does not offer a specific set of policy recommendations, it does establish a starting point by exploring attitudes toward and experience with information-age technologies.

Significantly, the report finds that the digital divide is not the result of a failure of those without access to appreciate the importance of technology, but instead results from a maldistribution of skills and opportunities.

Nearly all of those without access believe that computer skills are vital (93 percent), that understanding technology is critical to success (83 percent), and that children learn more when they have access to technology (84 percent).

Not surprisingly, however, those without access have much less confidence in

their ability to use these technologies:

- Only 21 percent of the "disconnected" consider themselves computer savvy, compared with 57 percent of the "fully connected."

- Half say they do not know what the Internet is or how it could help them, compared with one-eighth of the "fully connected."

- Two-thirds of the disconnected say the Internet is too expensive.

"The Internet is already an important avenue for participation in society," Cooper said. "As it becomes the main avenue of commerce and communications, people not connected to the Internet could become a new category of the disenfranchised."

"Public policy to close the digital divide must give people the skills to use technology, the experience to make them comfortable with it, and the resources to bring it into their homes, where they conduct their personal business," he said.

"Bills currently before Congress which aim to bridge the digital divide by giving tax breaks to corporations for building infrastructure are misguided," Kimmelman added. "We should direct tax dollars or subsidies to the people who cannot afford technology, not to corporations," he concluded.

The report is available on CFA's website at <http://www.consumerfed.org/digitaldivide/disconnected102000.htm>. To receive a print copy send \$10 prepaid to CFA, Digital Divide report, 1424 16th Street, N.W., Suite 604, Washington, D.C. 20036.

## Community Leader Kit Promotes Energy Efficiency

The Consumer Federation of America Foundation is distributing a community leader kit – *10 Bright Ideas to Promote Energy Efficiency* – to assist organizations in efforts to increase consumer awareness of the cost-saving, environmental, and health benefits of energy efficiency.

The kit was developed as part of CFA's comprehensive energy efficiency project, funded by the Environmental Protection Agency. As of November, kits had been distributed to approximately 100 community organizations and state agencies across the country.

"Energy efficient products help consumers to save money through lower energy bills," said CFA Project Manager Mel Hall-Crawford. "Because they use less energy, they also result in less air pollution associated with electricity generation."

The average household could save up to \$400 annually on its energy bill by buying energy efficient products, Hall-Crawford noted. By using equipment with the EPA and Department of Energy's ENERGY STAR® label, the average household could also prevent the release of 70,000 pounds of carbon dioxide over the lifetime of the products, the "equivalent of taking a car off the road for seven years," she added.

The community leader kit provides step-by-step suggestions for developing an energy efficiency awareness project. It also provides basic information about the benefits of energy efficient products and how to identify them. At the heart of the kit, however, are ten specific suggestions for projects groups can undertake to promote energy efficiency, such as placing an article in the organization's newsletter, conducting outreach to college campuses and the local business community, and encouraging new buildings to be built as ENERGY STAR® labeled buildings.

In a number of these areas, the kit provides specific models. For example, a sample newsletter article, radio feed, news release, letter to the editor, and letter to government officials are all provided both in writing and on computer diskette.

Finally, the kit provides information on contacts and other resources to use in developing a plan, lists additional support materials with ordering information, and suggests events organizations can tie into when launching a project.

Organizations that wish to receive a kit should contact Hall-Crawford at (202) 387-6121 or by e-mail at [info@buyenergyefficient.org](mailto:info@buyenergyefficient.org). Supplies are limited. However, portions of the kit will be provided on the [www.buyenergyefficient.org](http://www.buyenergyefficient.org) website early in 2001.

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