A HISTORICAL APPROACH TO THE CONSUMER MOVEMENTS

UTAKO HORI

I. Before the Consumer movements
II. Consumer affairs
III. The American society at the end of 19th century
IV. Conclusion
References

The aim of this study is to clarify the significance of consumer movements in our society. In this article the author tries to analyse by a historical approach why and how these movements took their origin in the United States in the beginning of the 20th century.

I. Before the Consumer movements

Men manage their lives in gathering the necessary goods as food, clothing and house (production) and using them (consumption), as all the animals do. The aim of life is, not only men but also animals, to maintain life and health for themselves and their children for the eternal existence of their race. It must be an instinct of all the beings. Men, animals, plants manage their lives through this instinct.

Originally, men would manage their lives in a strict way of autarky as wild animals or birds do, e.g. each family realized their own
production and consumption. But along with the evolution of intelligence of men, in the human society, the way of life changed. That is as Adam Smith wrote “the greatest improvement in the productive powers of labour, and the greater part of the skill, dexterity, and judgment with which it is anywhere directed, or applied, seem to have been the effects of the division of labour.” This division of labour mobilized the production in organization. Then the life of men divided in two dimensions: substance and service production in organization and consumption in family.

The first and the most apparent form of division of labour appeared was the sovereignty. This division gathered the political services in an organization: governmental activities e.g. defense, public order. Needless to say these activities were from the beginning useful for men to maintain their life. The sovereign was a person offering them these services and in return they offered the facility for him and his people producing these services. The existence of tax systems in every part of the world would testify how these governmental services were useful for men. They had to produce food, clothing, houses, more than they needed for themselves and these productions obliged them to work harder than before they had such a service offering organization. They offered even to governmental people the necessary goods, so they could devote themselves to their professions as soldier, legislator, administrator.

The existence of government facilitated people to devote themselves to substantial production and the obligation for taxes to substantial production taught them to produce more than they needed. Farmers did not need to produce weapons but cereals and vegetables, carpenters did not need to plow the field but constructed houses. The public order

kept by government allowed the wide area distribution: commerce. Then, appeared the phenomena that Adam Smith pointed out:

"Consumption is the sole end and purpose of all production; and the interest of the producer ought to be attended to only so far as it may be necessary for promoting that of the consumer. The maxim is so perfectly self-evident that it would be absurd to attempt to prove it. But in the mercantile system the interest of the consumer is almost constantly sacrificed to that of the producer; and it seems to consider production, and not consumption, as the ultimate end and object of all industry and commerce."

The sovereignty was the first organ that governed the social economy, then came the mercantile system. These systems made men's lives complex and affluent, but the consumption for man's health and life had long been neglected. The consumption for political, diplomatic and military purposes had been given most importance. Very often, consumption for displaying the prestige enjoyed by sovereigns preceded that of consumers. It was in the United States at the end of the 19th century when men became conscious of their situation not only as producers but also as consumers. In the United States in that era not only food but all daily necessities also became abundant. As producers, they acknowledged that the time when they could sell all of the things they produced had passed away. They become conscious then that they had to produce what they would demand as consumers.

(2) Smith, A., *op.cit.*, Book IV, P.155
II. Consumer Affairs

According to "The Consumer Movement in Historical Perspective" of Professor Robert O. Herrmann of the Pennsylvania State University, at the end of the 19th century, the railway network made the nationwide food distribution possible and food processors and meat packers looked for preservatives. In the 1860's, a bill of pure food legislation had been placed before the Congress but rejected by the members coming from business and regional interests and also from Southern Democrats. In 1883, a head of the Division of Chemistry of the Department of Agriculture, Dr. Harvey W. Wiley found formaldehyde added to canned meats and copper sulphate to canned peas. Dr. Wiley and his staff wrote a 1,400 page document and presented it to the Congress but it aroused little concern.

In 1892, under the sponsorship of Senator Paddock carrying 10,000 petitions, this bill came to the Congress. It was rejected. In 1902, it was supported by the General Federation of Women's Clubs, the National Consumers' League, and state food and dairy chemists, but rejected. For the 3rd time, in 1904, this bill placed before the Congress and was nearly rejected in February 1906. That same month, Upton Sinclair's *The Jungle* was published disclosing the unsanitary conditions of Chicago meat packing houses. Concerning the effect of this muckraker's publication, Professor Herrmann writes as follows:

"Sales of meat and meat products had dropped by half and it appeared that important European markets might be lost. Fearful that these losses might be permanent, the packers began to realize that a strengthened system of federal inspection was the only way to save their
reputations. A substitute bill passed the House after a brief debate and without a roll call on June 19th."

The passage of the enactment of this Pure Food Law tells us that at the end of 19th century, in the United States, without consumer’s participation, even a bill couldn’t pass the Congress.

III. The American Society at the End of 19th Century

The United States of America was the new world where all doors would be open for whoever knocked on them and everything would be given to whoever wanted it. This country was suitable for the developing of entrepreneurships. They made property, then invested it for building up great capital. Only in the United States could they do it without any accusation.

During the Civil War, a number of capitalists developed thier assets and situation. They didn’t stop to pursue the profit. The trust was the best way they found. The American historians describe as follows:

“In 1882 the Standard Oil Company emerged as the first great trust; dissolved by the Ohio courts, it promptly reincorporated as a holding company under the more generous laws of New Jersey and proceeded unperturbed on its way. Before 1900 Rockefeller had brought order out of the chaos of the oil industry, eliminated most of his competitors, amassed a fabulous fortune while reducting prices, and created the greatest monopolies in the country.

Other trusts and monopolies followed rapidly; the

cottonseed oil in 1884, the linseed oil in 1885, the lead trust and the whiskey trust, and the sugar trust in 1887, the match trust in 1889, the tobacco trust in 1890, the rubber trust in 1892. Aggressive businessmen, following in the footsteps of Rockefeller and Carnegie, began to mark out princely domains for themselves."

In 1890, the Sherman Antitrust Act was enacted.

The historians then add:

“A survey of 1904 showed that 319 industrial trusts, capitalized at over seven billion dollars, had swallowed up about 5300 previously independent concerns, and that 127 utilities (including railroads), capitalized at over thirteen billion dollars, had absorbed some 2400 smaller enterprises.”

IV. Conclusion

The Pure Food Law was passed, not by the effort of government officials, but by the participation of citizens as writers and consumers. In 1890 the Sherman Antitrust Law was enacted but big business didn’t stop establishing trusts. Don’t these two evidences in the United States where the power of big business grew fast, show a fall of the power of government?

At the same time, how were other countries? In Japan, a law was renewed by the Imperial government in the 1870’s concerning the adulteration of food. In the United Kingdom, the quality of food was

(5) NEVINS & COMMAGER, ibid., p. 270
(6) Order by the Ministery of Justice no. 130, 1872
controlled by the administrations and courts.

In the new world, where Industrial men could have initiative in the social economy, and where the governmental function would be relatively lesser, men as consumers were then less protected than in other old countries. And, this was where the Consumer Affairs happened and the Consumer Movements occurred. The Consumer Affairs occurred in the society where the industrial men's power exceeded that of the government which had to adjust the equilibrium of production and consumption. When the government lost its power and became unable to function as a regulator between producer and consumer, the latter became obliged to work themselves to regulate the problems harming their interests.

The apparition of the Consumer Movements signify that according to the rise of big business the government loses its hegemonial power in the social economy and stands on the same level as big business. This situation made Consumers conscious of protecting themselves. In this social situation, the sovereignty was divided into three parts: Producer, Consumer and Government. This is the situation which all mankind are put in.

References

伊藤文雄著『コモンズ研究』同文館、昭和50年
(Ito, F., *J.R. Commons*, Dobukan, 1975)

マックス・ウェーバー著、梶山力・大塚久雄訳
『プロテスタンティズムの倫理と資本主義の精神』岩波文庫・上下、1982

山本俊一著『日本食品衛生史・明治編』中央法規、東京、昭和55年


Department of Agricultural Economics and Rural Sociology, Agricultural Experiment Station, The Pennsylvania State University


Imai, M., “Consumer Education in Japan”, *Japan Academy of Consumer Education, No.4, November 1984*, Nagoya
