

## Chapter 3

# Comparative Consumer Law Reform and Economic Integration

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### **I Introduction: Australia in Comparative Context**

The United States (US) was an early pioneer in setting out a comprehensive framework for consumer law and policy, beginning with President John F Kennedy's proclamation of four basic rights for consumers: to safety, to be informed, to choose and to be heard. This led to establishment of the Consumer Product Safety Commission (CPSC) in 1972. The federal Fair Trade Commission also moved beyond classic competition law concerns (such as cartel-busting) into regulatory activity more directly targeted at consumer protection (such as controls over misleading conduct in trade).

However, individual US States maintained their own fair trading agencies and consumer protection frameworks, including a variety of safety-setting bodies and enforcement mechanisms, and have not generally controlled unfair terms in consumer contracts. Reformers in the US, even activists such as Ralph Nader, also remained mostly focused on enhancing market mechanisms and private law remedies.<sup>1</sup> The election of President Ronald Reagan in 1981, on a political platform proclaiming that often 'the government is the problem',<sup>2</sup> resulted in reduced funding and powers for consumer protection agencies such as the CPSC.<sup>3</sup> Food safety as well as environmental protection attracted less priority over the 1980s and 1990s, while Europe developed along the opposite trajectory.<sup>4</sup>

Individual countries in northern Europe had begun to strengthen both competition and consumer protection frameworks from the 1960s, with the

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1 Howells G, Ramsay I and Wilhelmsson T, 'Consumer Law in its International Dimension' in Howells G, Ramsay I and Wilhelmsson T (eds), *Handbook of Research on International Consumer Law* (Elgar, Cheltenham, 2010), pp 1, 9.

2 See <<http://www.reagan.utexas.edu/archives/reference/presssketch.html>> accessed 7 September 2012.

3 Nottage L, 'Product Safety Regulation' in Howells et al, above n 1, pp 256, 268-277.

4 Vogel D, 'The Hare and the Tortoise Revisited: The New Politics of Consumer and Environmental Protection in Europe' (2003) 33 *British Journal of Political Science* 557.

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