

WHY A CONSUMER ADVOCATE? *The Capitalist Cop Creed*

At this moment in time, the world faces potential that has been heretofore unimaginable. Communications technologies will blur borders and build bridges with speeds that make the head spin. Computer technologies free humanity to accomplish computations and activities that our grandparents couldn't even imagine. Energy technologies will bring cheaper and cleaner power finally making a dent in global warming. And within twenty years, medical technology will have cracked the genetic code so as to effectively cure cancer, the cold, aging diseases and many other conditions that today we view as incurable. Moore's Law will continue to accelerate the pace of change in these four critical technologies.

The promise of just these four essential technologies is so great as to be unfathomable to those who sit here today dizzied by the pace of change and flush with money from an unprecedented economic boom. These are the best of times to an extent that could never have entered Dickens' mind.

And they are the worst of times as well. When the intoxication from our economic affluence wears off and the millenium-fueled dizziness subsides, what lays before us is frightening challenge. That challenge is to preserve the pillars of a functioning and thriving a society. These five foundations (in no certain order) are:

- Economic Efficiency,
- Innovation,
- Equality,
- Justice
- Community.

Twenty years of accelerated pace of change can be very unsettling to a society. The human animal covets security and predictability. And our future can not offer either of these. Within the next two decades, our prosperity will be threatened more than once by recessions and loss of infrastructure. Our mastery of these new technologies will be equaled by other countries and other peoples who will deserve a piece of the pie that America has hoarded this past decade. It will be easy for us to undermine the footings of these foundational pillars as we tackle some of the pressing problems caused by these changes:

- An increasing digital divide, where large identifiable segments of our population will be sentenced to a lower caste that is without the tools to participate in the "information" society. Without these skills, there is little hope of participating in the wealth-creating businesses of the 21st century.

- A growing economic divide between those with wealth and those who will never see it. The disparity of wealth in America can not be tolerated by a healthy society. America's historical strength has been the existence of a thriving middle class. But that great middle is being squeezed and the instability caused by wealth disparity will become increasingly apparent upon our first brush with recession.
- A communication monopoly that is able to control the quality and accuracy of information available to the public in such a way as to promote its own agendas at the expense of the public weal.
- With the dizziness of rapid change comes the hangover and the headache caused by sustained dizziness. And America will have some major headaches as the change continues, unrelentingly. It will be felt in the form of backlashes that can not be cured by aspirin or any other drugs (although drugs will become increasingly used by those who can't keep up).
- A globalization effect that undervalues the importance of community. With the high degree of transiency that was a hallmark of the 20th century, we've seen the family, religion and education institutions stressed to the point of breaking. The sense of community that was once so strong in America has been waning with no new social support institution taking its place. Crime, estrangement and isolation have filled that void and not to the better. As more and more important decisions about our work place, our environment, our commercial rules of conduct and our socialization processes are made by those outside of our communities, this increasing loss of control will generate great resentment in the form of nationalism/factionalism.

This society will be forced to confront these in the next twenty years. If the past 5,000 years are any guide, then we've got our hands full in the coming years. Within only the past three hundred years, we've experimented with all forms and flavors of socialism, communism, totalitarianism, statism and capitalism. As the information age replaces the industrial age, it is becoming clearer that capitalism is the flavor of choice; the only achieving member of a class of underachieving economic/political systems.

Whereas some of the more communitarian systems (Communism and Socialism) give greater weight to equality and community, they are hamstrung by cronyism and inefficiencies that hinder economic efficiency. The current form of Capitalism favored by many countries emphasizes the individual pursuit of wealth that undermines community and equality, but results in significantly more efficient trade and accomplishment.

To the extent that these "isms" compete, Capitalism is currently on top of the standings. For all of its strengths, it has some notable flaws. It is an exploitative process in which there are winners and losers and community is defined as the sum of individual parts acting in their own interests. Its underlying competitive ethic serves to pit person against person, friend against

friend, faction against faction. And this competitiveness can be used by the unscrupulous to engender jealousy and hate.

Regrettably, this very efficient economic system has merged with all of society's institutions, so that our social lives are imbued with the blessings and curses of Capitalism. For example, our system of governance is supported by campaign contributions dictated by those with capital: the result is that politicians appear to be bought and sold.

Our system of justice, perhaps the most immune from financial influence, was exposed by OJ's "Dream Team" for what it really has become: a forum where money affords better justice. If you can't buy a judge, it would appear that you can certainly buy justice.

Our education system, also designed to be immune from Capitalism, is anything but. The correlation between wealth and educational opportunity is undeniable. And a movement to impose economic efficiency upon public schools via vouchers promises to bring Capitalism home to roost in the last egalitarian vestige of our education system.

And the way we get information is also affected. The early 20th century dream of an unbiased news system has given way to the reality of 21st century infotainment. The Internet, which also offered promise of unfettered information, has been similarly tamed by Capitalism. And our Judeo-Christian religions of choice promote economic achievement.

Each of our social institutions have been shaped by the influence of capital. To the extent that community and equality are also important aspects of society, they have to be incorporated into a system that is, at best, tolerant of community and equality – at its worst, downright hostile.

It was not supposed to be that way. The original vision of Adam Smith included a commitment to principles of equality and community. Moral philosopher, often regarded as the founder of modern political economy. Though he wrote two full-length treatises, Moral Sentiments and the celebrated but often misunderstood Wealth of Nations. In Moral Sentiments he explored the ethical conduct of men under the influence of social pressures and concluded that men and women are socialized, self-interested, and cooperative. The individual understands individual self-interest but this influence is offset by the importance of sympathy and empathy with others. It is this sympathy that keeps individuals connected, he opined.

In the Wealth of Nations, Smith was concerned with economic processes resulting from the operation of self-interest. Although he is cited as favoring a free market replete with laissez faire economics, he spends most of his book identifying the important regulating functions of government to guard against market failures and abuse of capitalism. In fact, Smith railed against the creation of corporations out of fear that their access to capital and lack of accountability would lead to abuse of power.

Smith might join the dismay of those who believe that the individual should be accorded greater dignity and community than currently practiced. Capitalism had the potential of enhancing the dignity of the individual. And it still does. But it also has the potential of denying or, worse, selling that dignity to the highest bidder.

It is painful to witness systematic economic exploitation of individuals or classes of persons without capital. While not as stark as political or armed exploitation that we've witnessed through our television sets in Iraq or Serbia, the results are not all that dissimilar.

- Negotiations are often uneven.
- Those with capital enjoy preferential treatment.
- Losers are stripped of self-esteem in the belief that this dressing down will motivate them to achieve.
- Families are torn apart
- The freedom to dream, aspire and hope for better times is denied

Twenty years from today, I expect that this century will likely be seen by the wiser eyes of history as a relatively selfish, uncaring and dysfunctional society. Albeit productive. In a way, I hope this is the case.

Because such eyes will have been those that understand how these negative attributes of the capitalist system can be moderated and, perhaps, offset by the strengths of capitalism --- motivation, creativity, daring and interpersonal communication.

They will be eyes that will have reaffirmed America's founding fathers' commitment to justice, to equality, and to community. Institutions will have been created that helps people restore their self-esteem when it has been trod upon. That makes the individual count in society. That makes it tougher for the predators to feed at the expense of the individual.

By imposing a higher ethical and legal standard upon companies and institutions often blinded by the singular pursuit of capital, future societies will ensure the importance of those values of decency and fairness that have been articulated....but rarely practiced...by our institutions of faith.

By providing high quality, un-manipulated information to make up for the poor quality of information peddled by self-interested sales-driven marketers, we give strength and esteem to a people who must deal with government, businesses and their own communities.

There are, in my mind, few more noble civilizations in history than the Western Euro-American one. Those who created or influenced these western countries did so with an uncommon wisdom borne from centuries of abusive monarchical tyranny. From that oppression sprung forth these critical realizations:

When in the Course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation. We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.

The American Declaration of Independence is as vital and relevant now as it has ever been. The new technologies that propel us into a promising future have a similar potential to erode these self-evident truths. My hope is that twenty years hence, we can look back at our efforts and say, proudly, that we have persevered and succeeded in preserving the elements of justice, community, equality and individual self-esteem. That advances in communications and infrastructures like the Internet have been used to enhance our contributions to community. That our economic system has closed the digital and economic divides that have grown in the last decades of the 20th century. That the lawyers have not rendered intolerable our notions of blind justice. And that our institutions – education, family, religion and government – have helped the individual retain a sense that his or her opinion is meaningful, his or her efforts count to something, that his or her life has contributed to making life better for all those who follow.

The Consumer Advocate has an important role in making the 21st century work. The advocate believes in the founding fathers' commitment to justice, to equality, and to community. And the advocate also takes to heart the philosophical assumptions that Adam Smith relied upon when he developed his vision of a political economy driven by the pursuit of capital.

The role of the Consumer Advocate is more than just someone who stops business rip-offs. They have the potential of being an institution that restores self-esteem. That makes the individual count in society.

By imposing a higher ethical and legal standard upon companies and institutions often blinded by the singular pursuit of capital, we serve as the "Capitalist Cop". By providing comparative information to make up for the poor quality of information peddled by self-interested sales-driven marketers, we give strength and esteem to a customer who must deal with these businesses. By aggregating individuals and representing them as a group, we are bringing the strengths of community to a disconnected society. And by mastering our respective fields, we serve as a beacon shining a floodlight on a capital-infused misinformation system.

There are, in my mind, few more meritorious endeavors in a capitalist society than those that attempt to preserve the elements of justice, community, equality and individual self-esteem. The consumer advocate holds these principles close to their hearts every day they go to work and every moment they are interacting with others.

The Consumer Advocate is comprised of a select group of individuals. And we've hardly succeeded in offsetting all of Capitalism's excesses. But we are among the few with the knowledge, power and ability to effect the evolution of Capitalism into an "ism" that is consistent with the principles that our founders so eloquently articulated and Adam Smith so profoundly understood. It is our high regard for these lofty principles that fuels what so often feels as a Sisyphean punishment. Taking on multi-national or labyrinthian holding companies is difficult and sometime impossible work for an under-resourced group. Just as the American Revolutionary army had no business beating the British armed forces, most consumer advocates have poor odds in succeeding against their targets.

The only thing that keeps them going is the understanding that the effort is a timeless one; there is no war with victors or losers. This is a on-going conflict between the best and the worst of capitalism's attributes. The victories for the advocate come where they succeed in making a business understand that there is more to a bottom line than a bottom line. Where it understands that its best customers will be informed and capable. Where its profitability and longevity are integrally tied with its acceptance into the community it serves.

Sometimes that realization comes through consultation. Sometimes through conflict. The advocate needs to know how to facilitate and educate just as much as how to militate against an offending company. The advocate also needs to understand that the demand-side of the equation – the consumer – can be a powerful educational tool. The mobilized consumer is often the most potent of any mind-changing strategy.

The Internet and concomitant communications infrastructures offer the Advocate an important new tool in which to do educate business as well as mobilize the consumer. The real-time capabilities of the Internet currently allows it to meet many of the customer needs identified above:

- Current comparative information
- Low transaction costs in finding providers and comparing services
- Leverage exercised by aggregating customers
- High quality, real-time customer feedback
- Convenience

In the future, capabilities pertaining to equity, redress and prompt, low-cost redress will be available via the Internet and other networked services. Those companies have position themselves to take advantage of these new capabilities will be positioned to attract far more customers at much lower costs than currently imagineable. The advocate is in a position to demonstrate to businesses that in order to remain competitive they must provide their customers with:

- Comparative information

- Customer redress
- Customer control over information
- Feedback from customers

Future information systems, including the Internet, will afford customers unparalleled abilities to compare services. Those services that resist such comparison will find themselves effectively locked out of the emerging consumer market in network services. The conflict between bundling and comparison will be a challenging one to resolve.

Complaint resolution capabilities of the industry will be sorely tested. The size and scope will make complaints more difficult and expensive to resolve. The Consumer Advocate can only salivate over the growth-potential of class action lawsuits engendered by network providers who fail to improve service quality and customer feedback mechanisms. And the nature of the complaints will become more diverse as the network expands into new areas.

Similarly, privacy, a.k.a. personal information control, is also poised to become one of the key consumer issues of the next century. Privacy laws have not kept up with technology, but consumer expectations of control over personal information has not changed. There exists a very large privacy challenge that includes control over billing information, reduction of electronic intrusions (phone solicitations, junk-mail, junk-fax) and sovereignty over personal information and how it is used.

The 21st Century Advocate may need to focus his or her sights on these four elements. Providing the consumer with comparative information, with the ability to protect and control personal information, to gain redress when required and to provide feedback to a merchant that will be given weight --- these are empowering initiatives that promote a system that rewards efficiency, innovation, equality, justice and community.

With each initiative that we take on, we need to keep our sights focused on whether we are helping our politico-economic system evolve into a system that rewards these five foundations of a health society:

- Efficiency,
- Innovation,
- Equality,
- Justice
- Community.

Only future generations will ever be able to truly judge our effectiveness in securing these pillars. However, we owe them that chance.