

# CONSUMER'S RIGHT TO EDUCATION

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**SUMMARY:** *Consumers' right to education is one of eight fundamental consumers' rights. A contemporary state is also interested in the question of consumers' education, since the general system of education in most cases is within the competence of state. Consumer protection organizations play an important role in educating consumers. Developed European countries and American states pay a lot of attention to the practical realization of consumers' right to education, using joined efforts of state, educational institutions and consumer protection organizations. A new Law on Consumer Protection was passed in Serbia in 2010. The education of consumers is mentioned only in articles 2 and 128 of this Law, where it is stated that it is left to consumer protection organizations. In this way, the responsibility of state for consumers' education was eliminated. The state has not recognized the significance of continual educating of young people in the field of consumer rights and their protection. There is no mention of consumers' rights protection in neither primary nor secondary school syllabuses, contrary to other European countries' school programs.*

**Key words:** *protection, consumer, law, education*

## 1. INTRODUCTION

United Nations General Assembly issued *Guidelines for Consumer Protection*, in Resolution 39/248 from 1985, inducing member-states to legally arrange this area ([www.un.org/documents](http://www.un.org/documents)). The reason for issuing this document was "realization that consumers are often faced with a disbalance between economic relations, educational levels and powers of negotiations, taking care of the fact that a consumer has a right to approach safe products as well as of the importance of the equally distributed, sustainable economic and social development promotion".

European signatory countries of the Treaty establishing the European Economic Community adopted *European charter on consumer education and protection* in 1973, precisely defining the expanded list of rights that comprises: the right to the protection of economic interests of consumers, the right to the protection of life, health and property, the right to efficient legal protection and support from the state, the right to informing and educating the consumers, the right to establishing the consumers' associations aimed at protection of their interests, the right to representation and participation in the activities of the bodies dealing with issues of interest for the consumers.

## 2. CONSUMERS' RIGHT TO EDUCATION

Consumers' right to education is one of principal rights which implies the acquisition of knowledge and skills necessary for correct and reliable choice of products and services, accompanied by the awareness of basic rules and ways of their realization (Vilus, 1996).

The positive role which universities and other public and private organizations may have in the preparation and creation of consumer protection politics is highlighted

in the *United Nations Guidelines for Consumer Protection* (1985). It is stated in section F. in the Guidelines:

“Governments should develop or encourage the development of general consumer education and information programs, including information on the environmental impacts of consumer choices and behavior and the possible implications, including benefits and costs, of changes in consumption, bearing in mind the cultural traditions of the people concerned. The aim of such programs should be to enable people to act as discriminating consumers, capable of making an informed choice of goods and services, and conscious of their rights and responsibilities. In developing such programs, special attention should be given to the needs of disadvantaged consumers, in both rural and urban areas, including low-income consumers and those with low or non-existent literacy levels. Consumer groups, business and other relevant organizations of civil society should be involved in these educational efforts.

Consumer education should, where appropriate, become an integral part of the basic curriculum of the educational system, preferably as a component of existing subjects.

Governments should encourage consumer organizations and other interested groups, including the media, to undertake education and information programs, including on the environmental impacts of consumption patterns and on the possible implications, including benefits and costs, of changes in consumption, particularly for the benefit of low-income consumer groups in rural and urban areas.

Business should, where appropriate, undertake or participate in factual and relevant consumer education and information programs”. ([www.un.org.dokuments](http://www.un.org.dokuments))

It is obvious from the above-cited text that consumer’s rights to information and to education are closely related. By all means, an informed and educated consumer acts rationally on the market, choosing the best products at best price and at the same time being ecologically aware. However, if we take a look at reality and for a moment regard technical and technological development and the development of information technology over the last few decades, it becomes clear that a lot of standardly educated consumers both in the world and in Serbia are not able to follow this extremely fast progress. Global knowledge has increased tremendously, whereas an individual’s capacity has remained the same as a thousand years ago.

In the contemporary world, a state is also interested in educating consumers, because the general system of education is mostly under the jurisdiction of a state. Namely, the state organizes finances and controls regular primary, secondary and high education. If consumers’ education belongs to additional education, it is nevertheless in the state’s best interest to organize it provided that it wants to ensure the welfare of its citizens, i.e. consumers. Since any kind of education costs, the question is which ways of organizing this education are the most efficient. Consumers’ education can be incorporated into regular education programs, starting at a very young age. It can also be included via additional seminars, courses, counselings of specific subjects or via mass media, television, radio, newspapers, magazines, etc. Consumer protection organizations play an important role in consumers’ education. One of their main activities, in whatever country they are placed, is “informing and educating of consumers”. The ways and range in which these educational activities take place is different, depending on economic power of individual countries and on the tradition of consumer movement in them.

### 3. CONSUMER'S EDUCATION IN THE DEVELOPED US AND EU COUNTRIES

Economically developed countries started paying attention to the education of consumers in late 1970s. Consumers organizations with long tradition in those countries have been trying to educate consumers through numerous publications, choosing either the topics that are priorities by their own nature, such as: food safety, products marking, dangers from electric appliances, etc., or those topics that are imposed by different cases- affairs which occasionally shake the whole world, including even the already well-protected consumers living in these developed countries. Information technology development contributed to the availability of numerous publications and announcements on web sites of consumer organizations or public institutions dealing with specific issues of interest for consumers. Due to the importance of educating consumers, the state appears as a significant factor which supports the consumer education, either by completely or partially financing the education programs, or by helping this process through legal regulations.

What is importantly related to this is Resolution 86/C184/07EC issued by EU Council and member-states' Ministers of education in 1986, which indicated that there was the need for introducing consumer education into primary and secondary school programs. According to this Resolution, consumers should be familiar with their fundamental rights and ways to realize them, in the fields of consumer health, life and economic interest protection.

European Commission has developed a net of education about consumption, inviting all member-states to participate in it. The largest parts of this educational net are covered by either actions of General Directorate for Health and Consumer Protection or by European educational programs, "Socrates" and "Leonardo da Vinci", created by European Commission General Directorate for Education and Culture. The European educational programs are realized on three levels: primary and secondary education, high education and education of adults.

An educational program REVIS has functioned in Germany since 2004, cooperating with much University centers and supported by German Ministry for Consumer, Diet and Agriculture Protection. Its aim is to carry out the reforms of education regarding diet and consumption in German schools ([www.evb-online.de](http://www.evb-online.de)).

In Great Britain, a strategic approach to consumer education was created by the Ministry for Consumption and it was presented to the public in 2004 as "Strategy and Framework for Education in the Field of Consumption". Implementing this strategy, the authorized minister formed work groups whose task was to process three priority areas: credit, scam (illegal tricks on Internet) and quality marks ([www.consumerred.org](http://www.consumerred.org)). The aim of British strategy is "offering consumers qualifications and necessary knowledge, so that they could spend products or use services in the efficient and suitable way, with trust".

In Baltic countries, there is currently a project going on in cooperation with the neighboring Nordic countries. It refers to the preparation of school teachers for making consumer education interesting and available to pupils ([www.norden.org/publications](http://www.norden.org/publications)).

In Spain, European Consumer School has been working for more than ten years, based in Santander, which has developed a national educational net about consumption. It unites autonomous regions, with the support of the Education and Science Ministry and National

Spanish Institute for Consumption. There is an advisor for consumer education in each region and even in some municipalities, whose duty is to organize teaching staff or to carry out campaigns in schools ([www.infoconsumo.es](http://www.infoconsumo.es)).

Since 2001, Estonian Council for Consumer Protection and Talin University have organized open competitions for consumer organizations' projects designed for pupils. The idea has been taken from Sweden and adapted to Estonian circumstances. The project was named "Manage you Budget". The main aspects of this project are consumer rights and duties, the choice of groceries, healthy diet, environment protection and, equally important, the development of practical skills.

Norwegian Council for Consumer Protection has opened its Internet portal for consumption, *Forbrukerportalen*, a new space for education especially intended for researchers and lecturers. General information about education and consumption, information for primary and secondary school teachers and information for lecturer education can be found there.

Irish Council for Consumer Protection has organized a competition for best primary and secondary student papers on the subject "Water water everywhere!" in 2005. About 2 200 competitors applied ([portal.consumerline.org](http://portal.consumerline.org)).

Back in 1976, the US Federal Ministry of Health, Education and Social Welfare passed a federal regulation - *Consumer Education Program*, which is treated as an integral part of Elementary, High and University Education Law and is financed in a similar way. The aim of passing this regulation was to ensure better consumer protection by giving them the knowledge they need in order to be able to make rational decisions in the field of consumption, taking into account both their personal needs and social, economic and ecological factors (Vilus, 1996).

It can be said that developed European and American countries pay a lot of attention to the practical realization of consumers' right to education, through joint efforts of the state, educational institutions and consumer organizations, which demonstrate exquisite solidarity and cooperation in the exchange of experiences in this field

#### **4. THE ACTIVITIES OF INTERNATIONAL CONSUMER ORGANIZATIONS IN THE FIELD OF CONSUMER EDUCATION**

Consumer education is one of important fields of action for an international organization Consumers International (CI). As a top international consumer organization, at the moment it primarily supports consumer education programs in the undeveloped countries, to which its help is indispensable. Namely, the implementation of consumer protection programs into regular school programs has been completed in developed countries, whereas the situation in developing countries is bad.

With the support of CI, the Civil Consumption Net has been developed in Europe since 2004. It gathers 125 university institutions, environment protection institutions and consumer organizations from 29 countries. Its aim is to promote sustainable consumption and mutual solidarity.

On CI's initiative, Consumer Educators Network - CEN, has been created in Asia. It has been working on introducing consumer education into regular school syllabuses, extra-curriculum activities, teaching staff education and special training for adult and rural population since 1985. To this objective, a web site providing materials for teaching in the field of consumer protection, i.e. free textbooks, was created ([www.ciroap.org/ce/books](http://www.ciroap.org/ce/books)).

In Latin America, the Second Latin America Conference organized by CI, with 70 participants – consumer organizations and government agencies for consumer protection – whose main objective was to promote consumer education, significantly influenced the introduction of consumer education into regular schools.

BEUC is a European international organization dealing with consumer education. It offers consumers an abundance of materials through its web site and through the cooperation with consumer organizations from member-states.

## **5. CENTRAL AND EAST EUROPEAN COUNTRIES AND CONSUMER EDUCATION**

Central and East European Countries started transition processes in 1990s, after the crash of socialism. The liberalization of these countries' markets caused many foreign companies to enter these markets without following ethical codexes that are strictly obeyed in a domicile state. These companies launched on east European markets all those products that could not be sold on well protected markets of European Union. Unprepared consumers, eager to buy foreign goods, bought this, that and the other. One of warning examples were the banks that promoted pyramidal saving, which caused the ruin of numerous gullible citizens' savings and the loss of trust in banks.

Many of these countries tried to join the EU as soon as possible, after they left the Warsaw Treaty. However, it was necessary to achieve certain economic, political and social level in order to do so, as recommended in the so-called *White Book*. In order to help these countries reach the required level, the EU started help programs. One of them is PHARE program, designed for restructuring of those economies into market economy, which also includes a consumer help project. Since the level of consumer organizing and protection was generally low in transitional European countries, the guidelines for raising that level were given in these documents. It is stated that the first step is to train teaching staff how to organize courses, seminars or other activities intended for consumer education. The strategy of training was such that it was planned to first train managers, directors of consumer organizations, state officials in charge of consumer protection politics, representatives of professional organizations, politicians and legal experts (lawyers, university professors, researchers) (Vilus, 1996).

## **6. CONSUMER PROTECTION IN SERBIA REALIZED THROUGH THE RIGHT TO EDUCATION**

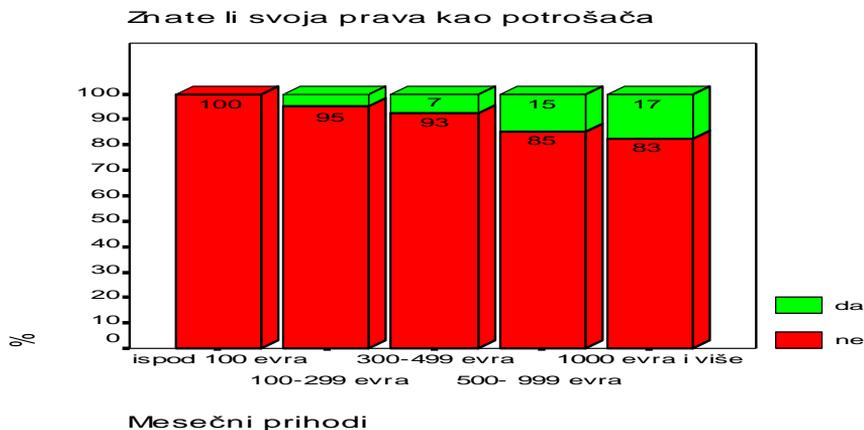
The three pillars of consumer protection system in all countries, including Serbia, are: state organs, companies and consumer organizations as consumer representatives. A new Consumer Protection Act was passed in Serbia in 2010, in which the consumers' right to education is mentioned only in the form of definition in article 2 and in the form of a statement that this education is left entirely to the consumer protection organizations, in article 128. In this way, the responsibility of state, as an agent of educational system for educating consumers has been completely eliminated.

Only consumer organizations and media deal with consumer education in Serbia. There is a few larger consumer organizations which inform and at the same time educate consumers via their web pages.

The state has not yet recognized the importance of continual education of young people on consumer rights and protection. There is no mention of consumer rights protection on primary or secondary schools syllabuses in Serbia, which is a situation contrary to that in other European countries.

The survey that was carried out on the sample of 350 subjects in 24 municipalities in Serbia at the end of 2010 and beginning of 2011 aimed to research consumer habits in Serbia, to

define the most important problems in consumption and to determine the nature of consumer attitudes and opinions in regard to important aspects of consumer rights protection.

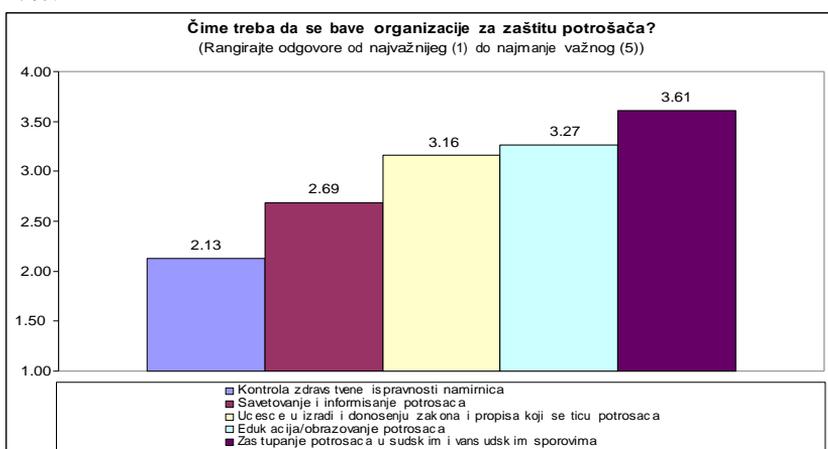


**Graph 1.** Znate li svoja prava kao potrosaca-Do you know your consumer rights?

Mesecni prihodi- Monthly income

Struktura...- The structure of the sample according to the knowledge of legal regulations and consumer rights, in accordance with thier monthly income

Only 10% of 350 subjects demonstrated the knowledge of legal regulations which protect consumers and were familiar with fundamental consumer rights. This survey proves that consumers lack information about the rights they have, so the majority of citizens do not know how, where or whom to ask for help or information if they face problems in any aspect of shopping. However, this survey also demonstrated that consumers get better informed about legal regulations related to their protection as the income and educational level of a subject increases. While the subjects of the survey whose income is lower than 100 euros are not at all familiar with their consumer rights, there is a larger percent of informed subjects among consumers with higher income, and in the group of subjects with higher income, that percentage is as high as 17%.



**Graph 2.** The structure of the sample according to the consumers' attitude towards consumer organization priorities

What should consumer protection organizations deal with? (Rank answers from the most important (1) to the least important (5))

The survey carried out on the representative sample was also supposed to provide an answer to the question which activities that consumer organizations usually perform in the world are the most important for consumers in Serbia. The subjects' answers were ranked on the basis of the calculated arithmetical middle of the answers in each suggested variant. Based on this, a ranked scale of Serbian consumers' attitudes to priority activities of consumer organizations was created.

In subjects' opinion, the most important activity of consumer organizations in Serbia is to control groceries safety (product safety) in an objective and unbiased way and to inform the public on that. Second important activity of consumer organizations in Serbia should be counseling and informing consumers. It is interesting to note that subjects of the survey pay a lot of attention to the passing of laws and legal regulations related to consumer rights protection. At the fourth place is consumer education. Although subject did not rank this activity as the most important, the experience of developed consumer movements demonstrates proves that only well educated and informed consumers can protect themselves, at least to a certain level. For this reason, in many developed countries, consumer protection has been introduced as a school subject in primary schools, secondary schools and even in some universities. The activity ranked as fifth and the last is consumer representation in court and out-of-court disputes. The reason for such an attitude of subjects is probably the fact that consumer organizations in Serbia have not performed this activity so far, together with very strong mistrust in courts, since citizens consider them corrupted to high extent.

## 7. CONCLUSION

Consumer education is one of eight fundamental consumer rights. If consumer education is defined as acquisition of knowledge and skills necessary for regular and reliable choice of products and services, as well as being familiar with fundamental consumer rights and duties and ways of their realization, it comes out that there is no good regulation of the market without educated and informed consumers.

Realizing the importance of consumer education, economically developed countries in the world and in Europe included consumer education into their school systems, from elementary to high level of education, even as far as postgraduate education. Consumer education is one of fundamental activities of consumer organizations which, in various forms of communication with consumers, put in efforts to raise the level of citizens' knowledge in order to be able to face the challenges of contemporary economy.

In Serbia, currently only consumer organizations and media deal with consumer education. The survey results prove that consumers in Serbia are mostly not familiar with the legal regulations which protect them, organizations they could address, or their fundamental rights. The groups of consumers with lowest income are those that are the most disadvantaged, and additionally, they have the lowest level of knowledge about protection possibilities.

In the close future, in the process of Serbia joining the European Union, consumer education will certainly become an issue of priority. For this reason, it is necessary to arrange consumer protection rights according to the EU standards, which imply stronger participation of the state and consumer organizations in consumer education. Consumer rights protection should be implemented into educational system, either as a separate school subject, or as a part of already existing subjects, such as Civil Education or a similar one.

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