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Terrorism, Patriotism, and Consumerism

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Terrorism, Patriotism, and Consumerism

On September 11, 2001, a brigade of subversive, anti-American, anti-Western, fundamentalist religious extremists, cloaked in the rhetoric of the Islamic religion and anti-Semitism, and disguised as ordinary members of the American working class, successfully hijacked four passenger planes. They used the planes as suicide missiles to destroy the World Trade Center—a cultural symbol of the huge material prosperity that has been generated through the secular, international, consumer-oriented marketplace; and an architectural symbol of the stratospheric heights that have been scaled through the complex technology of modernism. Steering clear of the Statue of Liberty, the anti-modernists aimed their commandeered weapons at an icon of commerce and consumerism.

More than three thousand people disappeared in flames, including rescuers who became victims themselves. Millions of people were separated from those who perished by at most a few degrees of familiarity.

Television played and replayed the explosions until the horror of the wrecked urban landscape was uncomfortably familiar. The world lost its geopolitical balance, and a military alliance took shape to confront “terrorists with a global reach.” Meanwhile, Americans struggled to regain some perspective about the changes—economic, social, legal, political—that would necessarily result on the home front.

The horror of the subversion upset habitual complacency about domestic security. Biocrimes spread from New York across the continent. In a flash, it became apparent that the country had misplaced its confidence in the intelligence apparatus, in military power, and in its historically sheltering distance from large-scale terrorist threats. Adopting a positive self-image of our own good intentions and our international politics, we also discounted the hatred many Muslim fundamentalists harbored not just for the U.S. political leadership but for Western cultures generally.

The assault produced strong feelings of vulnerability and premonitions of further catastrophes. In earlier times these feelings might have been designated as “phobic” or “paranoid” but not now—because too many experts and officials were predicting horrible kinds of terrorist attacks in the future. Anthrax “scares” became real worries. Congressional buildings were evacuated while people and ventilation ducts were nervously tested for “biocrimes.” A generation taught to beware of anti-civil liberties and anti-immigrant hysteria now found it necessary to consider its own naïveté. An explosion of concern about security and about the possibility of future catastrophes



MICHAELLA SILBER AND NEW YORK TIMES FRONT PAGE, SEPT. 12, 2001

sent shock waves through the marketplace and spurred federal and state legislatures to respond immediately to the crisis. An economic depression loomed—as it became apparent that tens of billions of dollars in insurance claims would be forthcoming, and hundreds of billions of dollars in government aid would be requested to help commercial entities, many issues soon arose for those who were professionally concerned with the treatment of consumers.

Those familiar with the events of World War II will recall that consumers then were asked to “do their part.” And for the most part consumers did their part, without challenging many policies that diminished their material well-being during the war and for decades thereafter. The urgent retooling for wartime production caused consumer goods manufacturing to brake to a crawl. Wartime procurement policies concentrated market power in the hands of fewer and larger corporations. Savings plans restricted current expenditures. The rationing of food and scarcity of goods became commonplace.

Immediately following “911,” the airline business, and the consumers who needed to make use of it, fared badly. But patriotism, communal purposefulness, and an instinct for self-preservation came into play as consumers again “did their part.” In the weeks after the attack, those who used all forms of public transportation willingly accepted greatly increased inconvenience as a price and sign of tighter security. They acquiesced to heightened screening and searches at airports (and also at train stations and toll booths and border crossings). They accepted the elimination of curb-side check-ins and electronic ticketing controls, and new ticketing rules. They were ready to comply with more stringent restrictions on in-flight baggage. But there were indications that airline passengers, dissatisfied with many aspects of airline travel prior to the attack, would not respond well to these conditions in the longer term: a dramatic drop in passenger travel suggested that the combination of greater inconvenience and diminished confidence in airline safety was discouraging

consumer activity and driving the industry into a downward spiral.

Nor were the bipartisan emergency appropriations for airline and insurance carriers subjects that consumer professionals could afford to ignore, though they sped through Congress towards enactment with a speed that made attention difficult. Consumer advocates worried that taxpayers and travelers were being asked to pay more to save the airlines from poor business decisions and inadequate attention to security and customer satisfaction. It was reported that demands would be made for limitations on the ability of passengers to sue the airlines, as huge numbers of lawsuits were predicted. The policy alternatives required careful study. Should the higher travel costs and curtailed consumer rights be born by all taxpayers, all traveling passengers, or some subset of the above as an acceptable cost of protecting democratic institutions?

All phases of consumer life were affected directly or indirectly. Consumers cut down on traveling and eating out. *The New York Times* reported that restaurants were avoiding “truffles and foie gras and anything celebratory” on their menus in favor of more down-home and sober fare. Businesses with indirect losses, including car rental companies, vacation resorts, and restaurants, asserted that they required subsidies and tax relief in order to remain solvent and avoid layoffs. Some stores raised the prices of their goods and services to compensate for lost volumes of patronage. The insurance industry sought government aid to curb present and future insurance claims. Nonprofit organizations, including some consumer organizations, faced budget difficulties as revenues from their services and fund raising activities dwindled.

The Department of Justice proposed new measures designed to allow them to keep better track of subversive groups. Wiretapping and detention rules were to be relaxed. Fewer expectations of privacy over the Internet and over wireless communicators appeared to be possible as a consequence of the new proposals. Easier access by state

Patriotism, communal purposefulness, and an instinct for self-preservation have come into play.



security agencies to private banking records, telephone logs, stock transactions, and credit card statements appeared to be part of the package.

Was there a coherent consumer perspective on the subject of these new intrusions on privacy? Concern for protecting the privacy of consumer records prior to September 11th was a major issue for several major consumer organizations (although some consumer advocates had argued that combating consumer fraud online required providing greater latitude to enforcement activities). As concerns about security became less improbable than ever, however, (concerns about anthrax and biological warfare, about the safety of the food supply, about the mails, about the energy grid and the transportation system, among others) privacy, in wartime, appeared to be a luxury every consumer group seemed willing to subordinate—if not sacrifice—to the more urgent problem of an antiterrorism campaign.

As military troops mobilized and were shipped overseas, a concern of the military became the consumer problems of the troops. Many in the armed forces had large credit card debts and mortgage payments due, with balances that would grow larger for the duration of their deployment. The Pentagon invoked a law prohibiting excessive rates of interest to be charged to armed services personnel. Consumer protection regulations, particularly for members of the

services, serve the interests of defense.

“Racial profiling” found new defenders, as the stakes involved in failing to find criminals rose astronomically, and as prominent targets for suspicion of criminality shifted from African American to Middle Eastern communities. And the issues related to discrimination and profiling arose in the marketplace, too: everywhere from taxicabs to donut shops, as well as on the streets. Consumer advocates had ordinarily adopted a libertarian position on the subject of discrimination, in a marketplace corollary to the principle that it is “far better for one hundred guilty men to go free than for one innocent man to go to prison.” But the traditional principle received qualification at a time when failing to apprehend one suspect could destroy a sizeable part of the country, while the cost in pain, suffering and reputation of wrongful apprehension of an innocent person might be recompensable and repairable.

These are only a few of the important tests of policy that emerged from the sad and frightening events of September 11, 2001. The problem of mediating between the public interest and consumer welfare became more complicated than ever in times of terrorism and war.

Whether the wartime policies of the administration would sustain twenty-first century consumer prosperity, or diminish it, became an important unanswered question. Even more important questions, however, were whether consumer leaders would courageously temper several long-held policy positions for the national security and the public good; and whether they would outspokenly oppose, without any temporizing, commercial interests who sought to exploit current difficulties for their own benefit.

GLOBALIZATION AND FREE TRADE

This issue of *ACI* tries to address several important consumer problems, including globalization, free trade and consumer welfare. The Reader Reaction in this issue is a response to a previous article, written by Julia Marlowe and Raúl Rivadeneyra Santibáñez, concerning consumer education



about globalization. E. Scott Maynes offers an updated and unqualified defense of free trade—as unambiguously in the consumer interest. Elsewhere in this issue, however, Rhoda H. Karpatkin presents a very different view in her review of Thomas Friedman's book *The Lexus and the Olive Tree*. Also related to this discussion is an article by ACCI's president Mohamed Abdel-Ghany and me, offering an exploration of patent law and the consumer interest that considers among other subjects the effects of globalization and the contrast between U.S. and other approaches.

FINANCIAL PROBLEMS

Two articles and a special section of the Legal Digest concern policy issues related to the financial difficulties of special groups of consumers. Maude Toussaint-Comeau and Sherrie L.W. Rhine present an empirical study of consumers in a middle income, minority neighborhood of Chicago, and offer steps that might be taken to improve access to financial services for black households. Stephen Gardner recommends a series of steps to curb abusive practices by credit counseling services which, all too often in his view only masquerade as friends of consumers in debt. Finally, the Legal Digest records recent decisions related to the regulation of commercial speech and contains a special section concerned with the Fair Debt Collection Practices Act.

THE LAST FREE-STANDING ISSUE OF ACI

ACI: Advancing the Consumer Interest is being absorbed by ACCI's sister publication, *The Journal of Consumer Affairs*, which is ably edited by Herbert Rotfeld. Professor Rotfeld has a wide-ranging understanding of consumer problems, encompassing not only consumer research but also consumer policy. Indeed, a new section within *JCA* will pursue *ACI*'s standing mission: to connect consumer research to consumer policy. Those who would have submitted articles to this journal are encouraged to submit them to the *Journal of Consumer Affairs*.

I owe many thanks to the people who

have made possible the publication of *ACI* possible during my editorship. Stephen Meili has creatively and carefully edited the Legal Digest, along with his able colleagues and student researchers.

The members of the Advisory Board, Rima Apple, Stephen Brobeck, Michael Greenfield, Jeanne Hogarth, Bonnie Liebman, E. Scott Maynes, and Susan Reverby, have helped in soliciting submissions, in reviewing and reacting to articles, and in many other ways.

The Editorial Board, consisting of Jessie Fan, Ray Fogue, Janet Garkey, Tahira Hira, Irene Leech, and Jeffrey Sovern, helped out as authors, in the selection of reviewers and as reviewers themselves.

Thanks to the many members of ACCI who have helped by reviewing submissions. Special thanks to Nancy Zucker for her talented layout and design work, Scott Fields and Linda Bradford for copy editing, and Park Printing for its publishing and production services.

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And thanks, finally, to the board of directors and the members of ACCI for their support of the journal and its independence.

It has been my honor to edit *Advancing the Consumer Interest*. I hope that until now it has retained its interest and usefulness to its readers, and I am confident that the issues it has addressed will continue to receive attention within the *Journal of Consumer Affairs*.

Norman I. Silber
Editor

"Thanks to the people who have made possible the publication of ACI."

