

The original documents are located in Box 12, folder “Indochina Refugees - President's Advisory Committee: Suggested Members (3)” of the Theodore C. Marrs Files at the Gerald R. Ford Presidential Library.

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General Mills, Inc.
Governmental Relations Office

Suite 403-1629 K Street, N.W.
Washington, D.C. 20006
(202) 223-2371

May 14, 1975

R. Ford
Roh

Mr. Theodore C. Marrs
Special Assistant to the President for Human Resources
Office of Public Liaison
The White House
Washington, D. C. 20500



Dear Ted:

Rather than suffer possible reverse of any false start, I sounded out and received a commitment from James Summer, Vice Chairman of the Board, General Mills, to serve on a White House Vietnam refugee settlement advisory committee, should he be asked to serve.

I am most hopeful that Jim Summer may be invited to participate in this worthy undertaking. I know he would serve with total dedication and great distinction.

Jim would bring many unique qualities to such an organization. Few chief executives are gifted with his kind of intense human compassion and so deep and abiding a code of social responsibility. Jim Summer literally is a "corporate philosopher in the board room," a characterization I do not make lightly. I have seen similar traits in only a few other top executives, such as David Rockefeller or Sol Linowitz.

Jim truly would be worthy of such an assignment; if there's any possibility of his appointment, I will initiate all efforts helpful to accomplishing that end.

Sincerely,

Graham T.T. Molitor

Graham T.T. Molitor
Director Government Relations

GTMM:lm

Enclosure: Biography

Addendum -- Dear Ted:

An outline of recent remarks describing techniques for predicting the emergence of public policy issues is enclosed. Pages 21-25 describe the basic data tracks -- 5 of them -- used in my prediction model. Pages 26-30 delineate past and prospective consumer policy developments. (The list of 200 pending consumer issues -- pp. 29-30 -- even though still current, was prepared 3 years ago; presently nearly 1,000 consumer issues are being analyzed.)

The first draft master outline describing the prediction techniques I am developing runs some 300 pages, the back-up charts and graphs number perhaps 20,000, and some 5,000 3x5 notecards provide the basic research core. I would gladly make available to the White House any of this data base.

Echoing your comments the other day on the waning political significance of social welfare programs is a speech delivered nearly 5 years ago to the President's National Marketing Advisory Committee (see pp. 2-3).

Dubon T. T. Moore

BIOGRAPHY

JAMES A. SUMMER
Member, Board of Directors,
Vice Chairman of the Board,
and Chief Development and Financial Officer
General Mills, Inc.



James A. Summer was elected a member of the Board of Directors of General Mills in September 1968 and became Vice Chairman of the Board and Chief Development and Financial Officer in June 1973. He had served as President and Chief Operating Officer since November 1969. He joined the company in 1960 as Coordinator of Planning in the Commercial Development Department and was selected the next year as Assistant to General Edwin W. Rawlings, then Executive Vice President and until recently Chairman of the Board of General Mills.

In March 1962 Summer was named General Manager of the Electronics Division and Chief Executive Officer of the Daven Division. Following the company's 1963 decision to withdraw from electronics and defense activities, he supervised their phasing out. His experience in planning and control systems studies led to his election in June 1965 as Corporate Controller. In September 1966 he was given the added responsibility for Corporate Planning. In April 1967 he joined the President's office and the following month resigned as Vice President to become Managing Director of the Smiths Food Group Limited, London, England, which has since become a subsidiary of General Mills. In September 1968 he became Executive Vice President and Chief Operating Officer.

Summer attended Southern Methodist University for two years before being appointed to the U.S. Military Academy, where in 1945 he received a degree in military engineering. His career in engineering systems management began with his assignment by the U.S. Air Force to a special graduate course at the University of Michigan from which he was graduated in 1951 with a M.S. degree in aero engineering. Subsequent assignments in the Air Force included service on the staff of the Air Force Scientific Advisory Board and Chief Air Force Procurement Office, Turin, Italy, where his principal responsibility was with the Fiat Company.

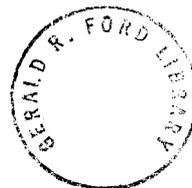
Summer resigned his commission in 1957 to become Export Manager for Avco Corporation's Lycoming Division. He later directed radar and satellite systems projects in the Avco Advanced Research and Development Division. He resigned from Avco in 1960 to join General Mills.

Born June 12, 1923 in Dallas, Texas, Summer is married and has four children.

FUTURISM: "EARLY WARNING" SYSTEMS FOR
PINPOINTING EMERGING ISSUES

Graham T.T. Molitor
Director, Government Relations
General Mills, Inc.
1629 K Street, N.W., Suite 403
Washington, D. C. 20006

National Association of Manufacturers
Second Tuesday Seminar
Sheraton Carlton Hotel
Washington, D. C.



May 13, 1975

OUTLINE OF REMARKS

Washington Reps: Styles and Levels

Shaping and Directing Issues vs. "Muscling" Them

Working with 3-20 Thought Leaders vs. 435 Congressmen
Plus 100 Senators

Abstractions and Their Importance in Public Policy

Ebbs and Flows in Historical Process

Polarity of Notions: Continuum of Basic Social-Political Concepts

Evolutionary Expansion/Refinement: Proceeding from the Abstract
to the Specific

Delays in the Public Policy Making Process

Agents for Change in Fashioning U.S. Public Policy:

Lags Inherent in Pluralistic and Adversarial Process

Legislative Lag: The Congressional Process

Institutionalized Structure and Hierarchy Requires Protracted
Time to Act

Structural Forces Giving Rise to Search for New "Quality of Life"
Standards

Socio-Economic Maturation Model

Magnitude: Population Growth

Maintaining Perspective on Pace of Growth

Urbanization

Ushers in New Genra of Public Policy Problems

Knowledge Explosion

A Structural Force for Advancing Progressive Change

Economic Prosperity vs. Depression/Recession

Affluence

Wealth Opens Up New Opportunities

Big Government -- Taxes and Debt

Funds Under Public Control Set Scope of Government Activities

Leisure Time

More Time for Different Activities: recreation, self-improvement,
pursuit of QOL

Model Statutes

Speeding Up the Diffusion of Laws

Technology

Can Introduce Unique, Unanticipated Situations

Evolutionary Development in the Process of Change

Leading Events

Leading Authorities/Advocates

Leading Literature

Leading Organizations

Leading Political Jurisdiction

International Precursors

Domestic (State and Local) Precursors

Cyclical Recurrence of Consumer Public Policy Action

Four Cycles Since Turn of Century

Consumerism: Trends and Currents in Phase III

Consumerism: Forecast for Phase IV

Consumer Issues, 1975: Over 200 Pending Issues

WASHINGTON REPS: STYLES AND LEVELS OF OPERATION

I. Many different STYLES combine in getting the lobbying job done

A. Early Intervenors

Futurists -- anticipate issues as they are emerging; work with experts in shaping issue focus; problem analyzer and solver; information broker

Researchers -- study issues, pose alternative strategies for coping

Golden tongued orators -- skilled speakers who lecture extensively to head off issues before reaching the legislative front-burner

Watchful waiters -- watchdogs assigned to keep eye on special problem areas (e.g., wage-price controls)

Bill drafters -- put concepts into bill form

B. Direct Actors on Immediate Legislative Issues

Buttonholers -- direct eyeball-to-eyeball lobbying

Contact men -- those who know how to open doors, often well-established socially with the greats and the powerful [White House goers, diplomatic scene, social milieu, Congressional beat, State Department scene, club and athletic circuit, etc.]

Witnesses -- experts, senior management, primadonnas, professional witnesses

Grass roots organizers -- indirect lobbyists who stir up home districts

Economic backers -- political campaign backers

Political persuaders -- rely on political prowess to get legislators' attention (know political situation first-hand)

Propagandists -- architects of persuasion

C. Observers (active but often aren't directly involved)

Periscopes -- sideline spectators, listening posts

Strategists -- (lobbyists' lobbyist) who are experts on timing, tactics, parliamentary maneuvering, setting campaign themes

Scouts -- reconnaissance (without being conspicuous); size up opposition and develop ploys for counter-action

Vendors -- contract hound-dogs; sniff out government interest in sales, R&D, pilot projects, demonstration grants, and other marketing opportunities

D. After-the-fact Operatives

Legislative interpreters -- establish record of "legislative intent" to achieve desired outcome

Judicial obstructionists -- arrange procedural delays, including judicial challenge to forestall or defeat legislative goals

Evaders -- circumventers of the letter of the law; search for loopholes; engage in outright evasion

II. Many different playing fields or LEVELS of Washington Rep operations:

A. International -- increasingly important for multi-national corporation; dealings with UN, World Bank, OAS, EEC, GATT, Embassy Row, etc.

B. National

Congress -- generalists vs. specialists

2 Platoon System -- In-house Democratic and in-house Republican

Caucus specialists -- Negro rep for Black Caucus

Cabinet Offices -- Vice President for Post Office Affairs; Transportation Counsel; etc.

Independent Regulatory Agencies

Technical representatives -- technical experts on key specialized problems (i.e., petitioner for FDA clearance of new drugs)

Outside retainers -- often outside counsel will be hired to handle matters such as antitrust, labor law, patents

Quasi-public organizations

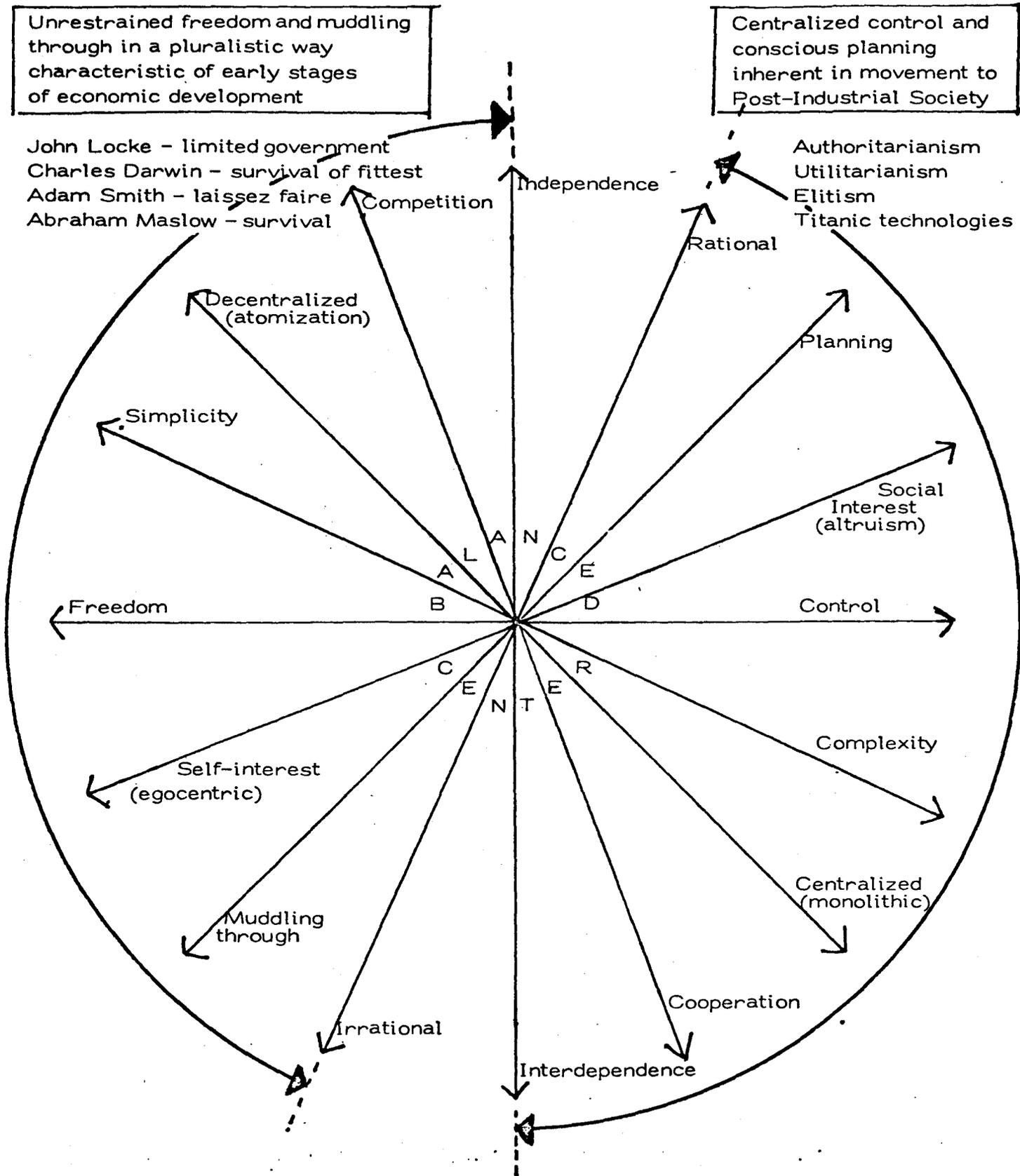
Communications-Satellite Corporation dealings

C. State and Local

Regional Reps -- cover a bloc of contiguous states

POLARITY OF NOTIONS: CONTINUUM OF BASIC
SOCIAL-POLITICAL CONCEPTS

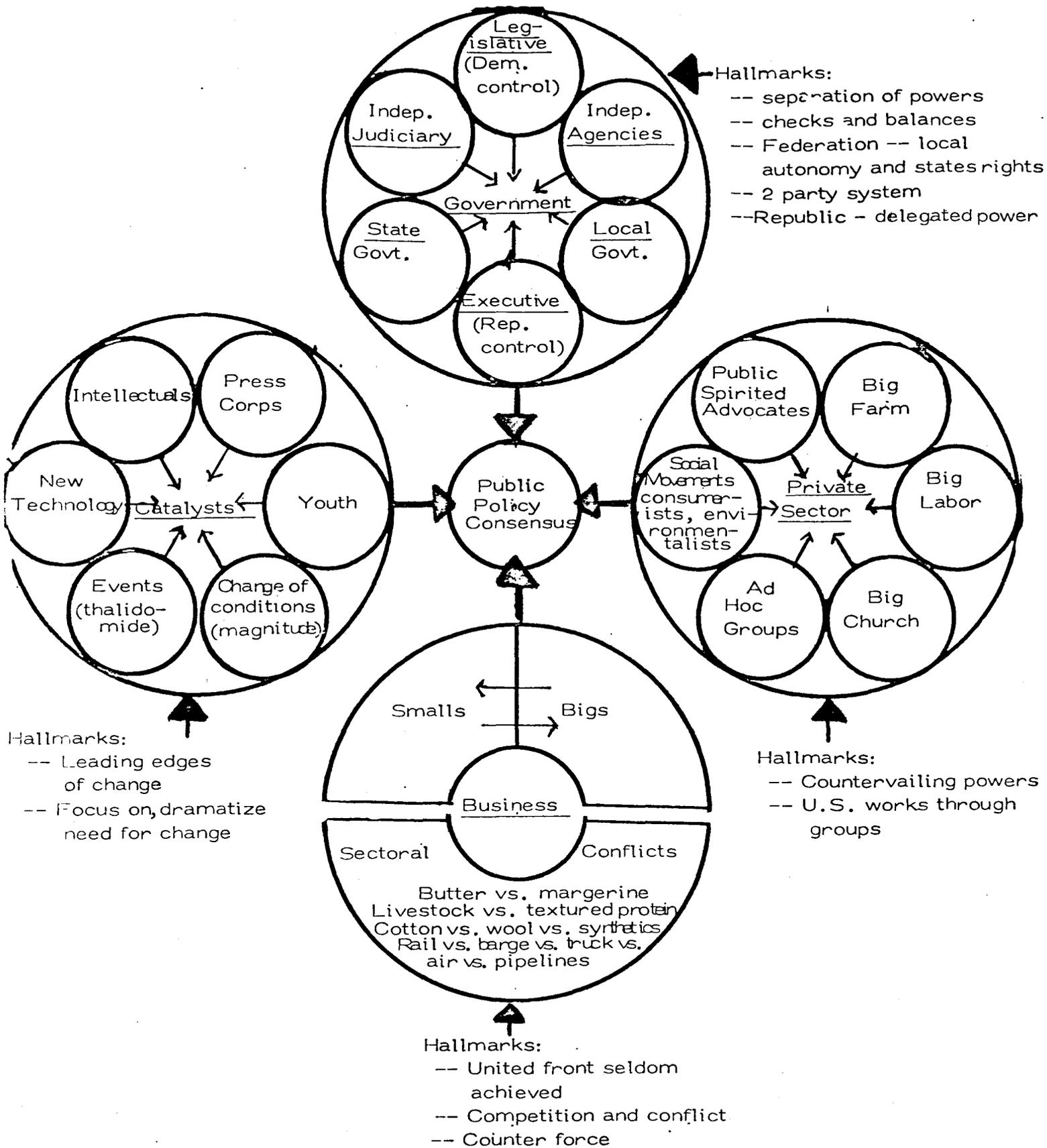
(An Aid To Conceptualizing Historical Ebbs And Flows)



Governments' basic responsibility: to impartially mediate the inter-active search for consensus and the "balanced center"

AGENTS FOR CHANGE IN FASHIONING U.S. PUBLIC POLICY

Lags Inherent In Pluralistic and Adversarial Process



LEGISLATIVE LAG: THE CONGRESSIONAL PROCESS

Institutionalized Structure And Hierarchy Requires Protracted Time To Act

Pre-introduction

- Bill drafted (bills, resolutions -- concurrent, joint or simple)
- Possible bill drafters office view for uniformity

Introduction in House of Representatives (origination mandatory re tax bills; customary re appropriation bills)

- Introduced
- Printed
- First read by title only
- Referred to committee by Speaker/Parliamentarian
 - to joint or multiple committees (for concurrent or successive action)

Committee Action

- Possible referral to subcommittee
- Consideration by subcommittee/committee
 - cognizant agencies comments solicited
 - possible public hearings (invite or subpoena witnesses; prolonged hearings may delay)
 - possible amendments
 - pigeonholed -- killed through inaction or otherwise
- Vote -- if approved:
 - report and amendments drafted and printed
- Full Committee vote
 - possible motion to discharge committee
 - possible executive (closed) sessions
- Rules Committee (major bills)
 - hearings
 - reported (open or closed rule)
 - possible parliamentary bypass maneuvers (Calendar Wednesday)

Floor Action

- Placed on calendar
 - Union (revenue and appropriations)
 - House (public)
 - Private
 - Consent (minor, non-controversial)
 - Discharge (remove bills from committees)
- Scheduled for debate
- Amended -- substitute bill -- rewritten
 - Repeated quorum calls, roll call votes, parliamentary delays
- Passage or defeat
- Referred back to committee (motion to recommit)
- Engrossment of "Act" (true copy, blue paper)
 - Signed by Clerk of the House
 - Reading Clerk delivers to Senate

Senate Action

Referred to Committee
Committee action
Floor action (filibuster possibility)

Conference Committee (when House and Senate versions differ)

Hearings (usually in closed executive session)
Reported
Each House must concur in the conference report

Formalities on Final Action

Enrollment of Act (true copy on parchment -- sometimes up to 500 amendments)
Reviewed for accuracy by Committee on House Administration
Signed by Speaker and by Vice President of Senate

Presidential Action

Approve or permit bill to become law without signature
Veto or pocket veto (failing to sign if bill received less than 10 days before Congress adjourns)

Congressional Reconsideration

Upon Presidential veto, bill returned to originating body (subject to privileged motion)
Override veto
-- Senate -- by 2/3 majority
-- House -- by 2/3 majority

Publication

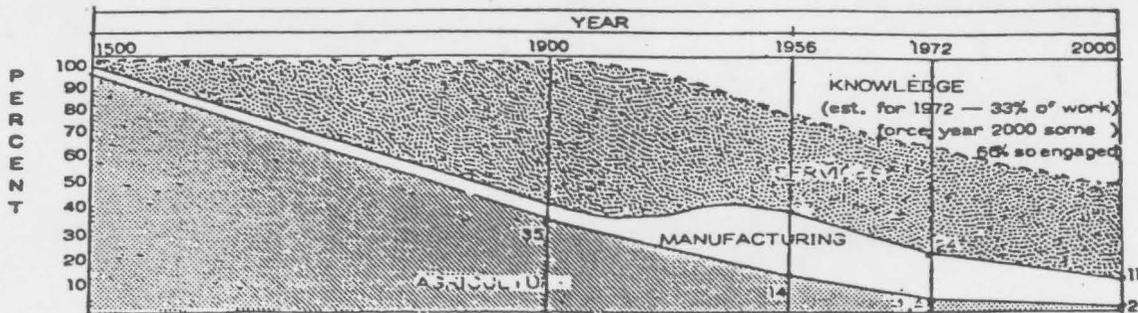
"Slip law" (unbound and published separately)
Statutes at large
United States (and D.C.) Codes

STRUCTURAL FORCES GIVING RISE TO SEARCH FOR NEW
"QUALITY OF LIFE" STANDARDS:

(From "A Look at Government -- Forecasting Public Policy Developments," Technology Assessment, Vol. 1, No. 4, 1973, pp. 272-3, by Graham T.T. Molitor)

SOCIO - ECONOMIC MATURATION MODEL

U.S. EMPLOYMENT -- BY ECONOMIC SECTOR (STATISTICAL APPROXIMATION)



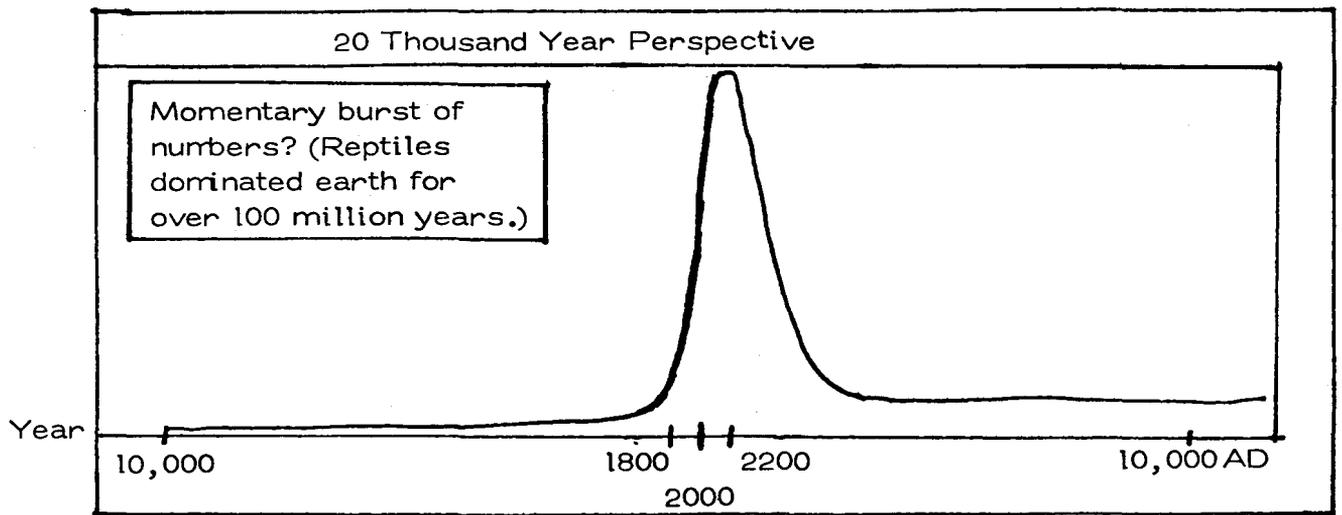
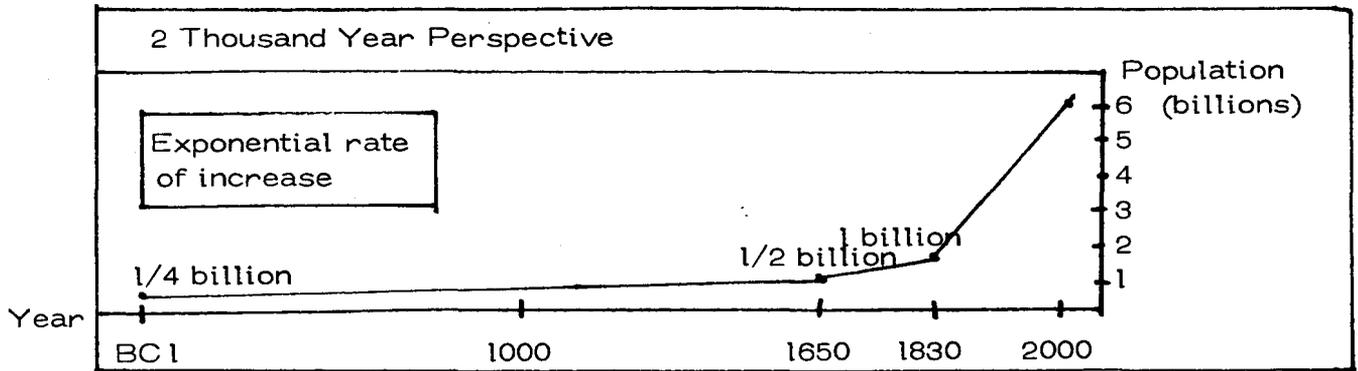
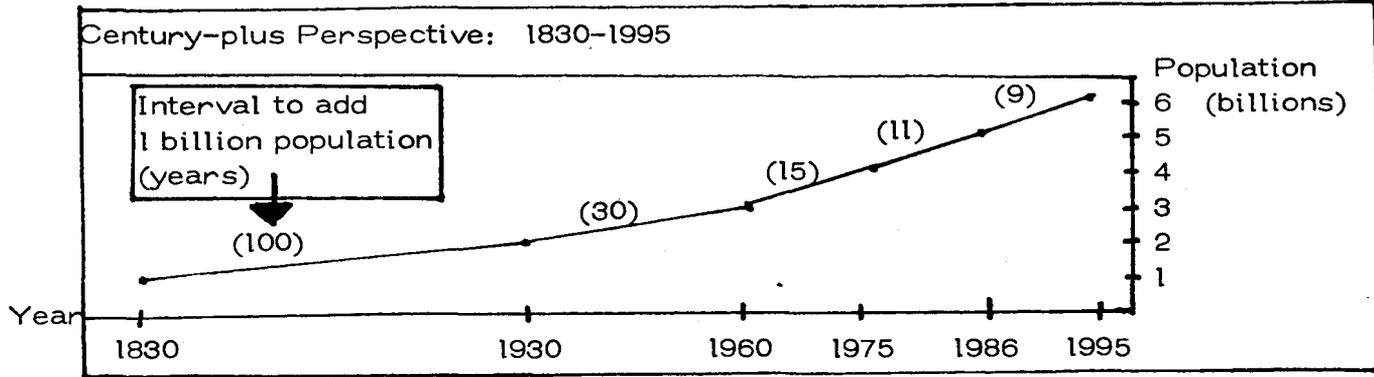
MASLOW HIERARCHY OF NEEDS	Survival	Security	Belongingness	Esteem	Self Actualization
STAGE OF ECONOMIC EVOLUTION	Agrarian Extractive	Manufacturing Early Industrial Advanced Industrial		Service - Knowledge Post Industrial	
ECONOMIC ACTIVITY OR STATUS	Hunter-Gatherer; POW's; Poverty Stricken	Tribal Society; Minorities; Poor; Small Businessman	Organization Man; Man in gray flannel suit; Mass middle class	Ostentatious success; nouveaux riches; keeping up with Joneses; Establishment	Cognitive and Aesthetic challenge; Inner potentials; deeper personal meaning
STAGE OF SOCIO-ECONOMIC DEVELOPMENT	Primitive	Take off/developing		Advanced	Future
BASE OF ECONOMIC WEALTH		Property - things, objects			Ideas; Mind; Experience
GOODS AND SERVICES	Physiological - Necessities		Materialism	Amenities	Psychological; Subjective
CHARACTER OF GOODS	Quantitative			Qualitative.	
AVAILABILITY OF GOODS	Scarcity	Abundance		Super Abundance (restrictions on output)	
ABILITY TO ACQUIRE GOODS	Poor; Limited without	Well-to-do, Rich, Affluent (opens up opportunity to choose, alter values)		(U.S. with 6% world population, 7% land consumes, over 50% world's wealth)	
ABILITY TO PRODUCE GOODS	Muscle-power-to-machine power (industrial revolution) (man or beast)			Brain power-to-EDP, cybernetics (knowledge, information handling revolution)	

TECHNOLOGICAL GROWTH	Few inventions (great lapse between invention and widespread application)		Many (90% of scientists who ever lived, alive today)	
SCIENTIFIC EMPHASIS	Physical Sciences			Social Sciences
BEHAVIORAL OUTLOOK	Self interest; Darwinism (survival of fittest); Ego oriented; Asocial; Animalistic; Infantlism	Broader social concerns; Egalitarianism; Equality; Social Welfare		New humanism; Maturity
COGNITIVE APPROACH	Irrational; Illogical; Chaotic		Rational; Logical	
AWARENESS	Complacency	Awakening	Experimentation	Lasting Effects
PER CAPITA POWER	Limited Power		Massive Power	
SIZE OF SOCIETY	Small Scale (colonies, tribes, kinsmen)		Huge Scale (25% of persons ever lived, alive today)	
SOCIETAL CONSTRAINT	Freedom	Collaborative, Participatory Action to Restrain	Authoritative, Mandatory Restraints	
SOCIAL DEPENDENCE	Independent (self sufficiency)	Dependent	Inter-Dependent	
LEVEL OF ORGANIZATION	Individual	Group	Cooperative	Large Scale Group ← Public Private
ORGANIZATIONAL STATUS	Decentralized (Automistic)		Centralized	
GEOGRAPHICAL LOCUS	Local (self, family)	Neighborhood	Region State	Nation World Extraterrestrial
COMPLEXITY	Simple (firelight - candlelight - gaslight electric light - power, generation, transmission, etc.)		Complex (vast infrastructure)	
SOCIAL DISCONTENT	Very high - Rising aspirations (ghettos; early labor movement)		Unconcerned Complacency	Very high - eggheads, crusaders, children of affluent society
NORMATIVE BEHAVIOR	Introspective	Aggregation	Uniformity Conformity	
KINDS OF GOODS	Things, material goods		Services; experiences; sensate	
SCIENTIFIC EMPHASIS	Physical, "hard" sciences		Social, "soft" sciences	
STATUS OF POPULATION	"Have Nots"		"Haves"	
BREADTH OF CHOICE	Few stark choices		Bewildering array of choices	
INTELLECTUAL EMPHASIS	Generalists	Specialists	Ad-hocracy	
PROFIT MOTIVE	Maximization of profits		Profitability	Balanced consideration of broader social responsibilities and public interest
OUTLOOK ON WORK	Puritan hard-work ethic		Leisure as a matter of right	



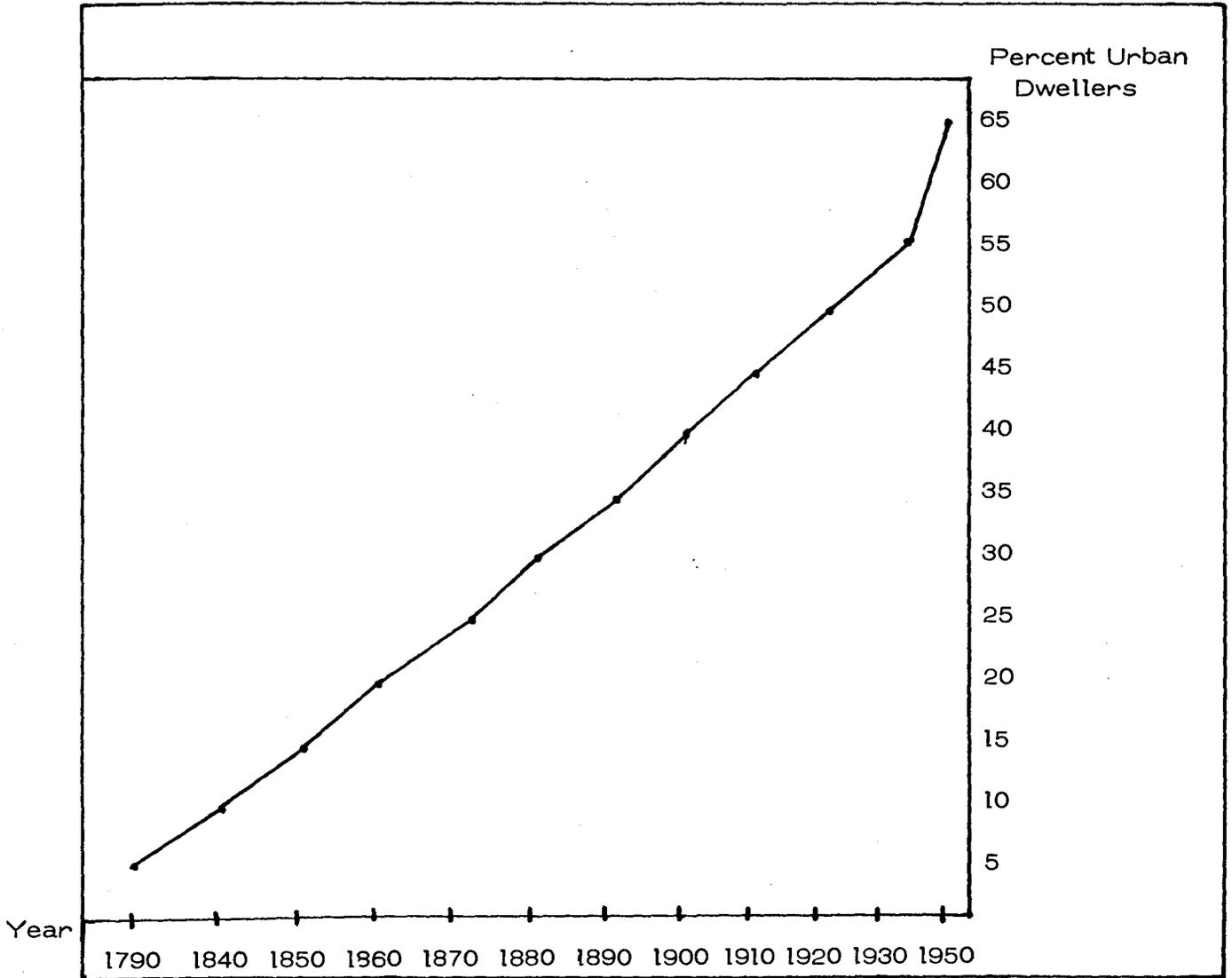
MAGNITUDE: POPULATION GROWTH

Maintaining Perspective on Pace of Growth



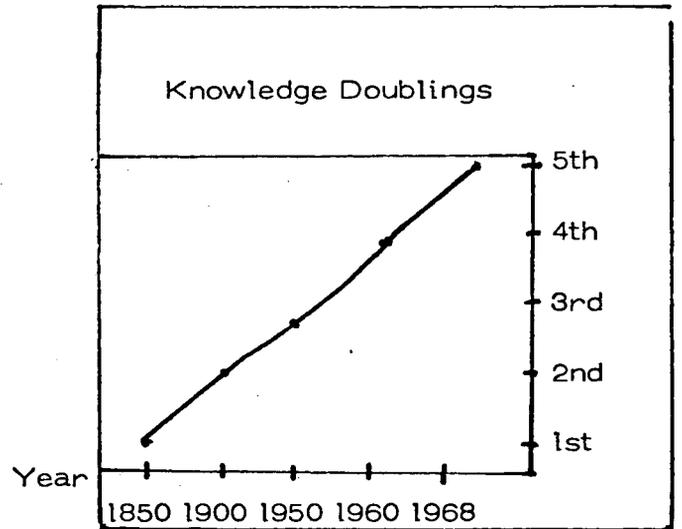
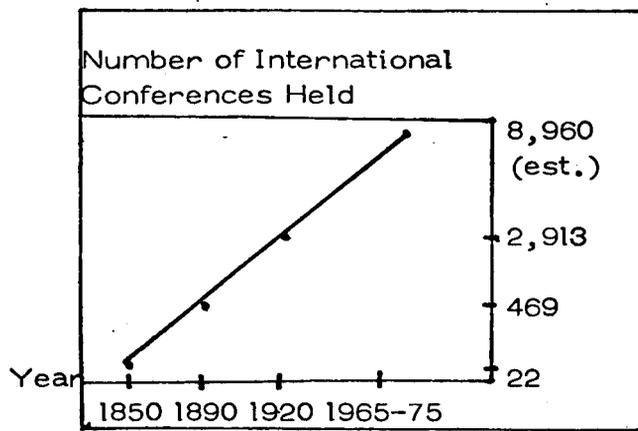
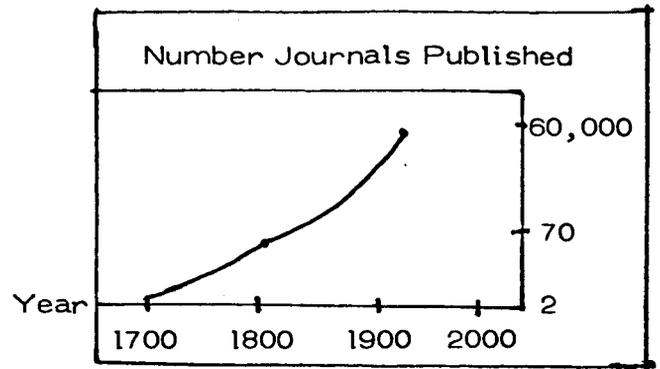
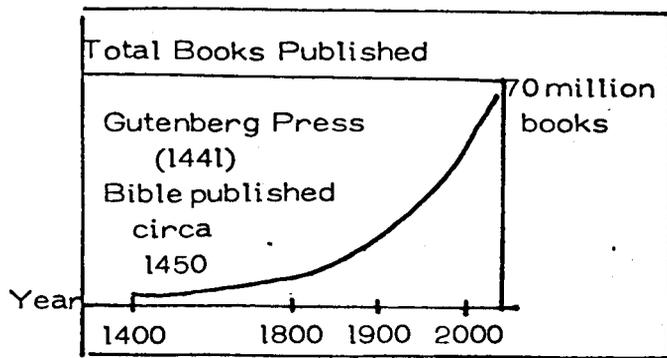
URBANIZATION

Ushers In New Genra of Public Policy Problems



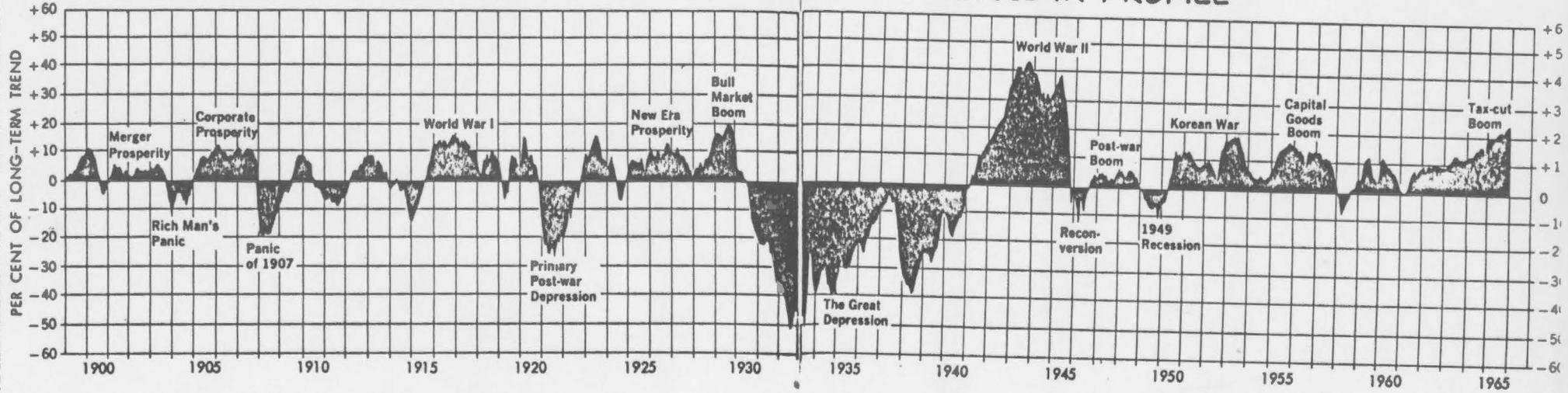
KNOWLEDGE EXPLOSION

A Structural Force For Advancing Progressive Change

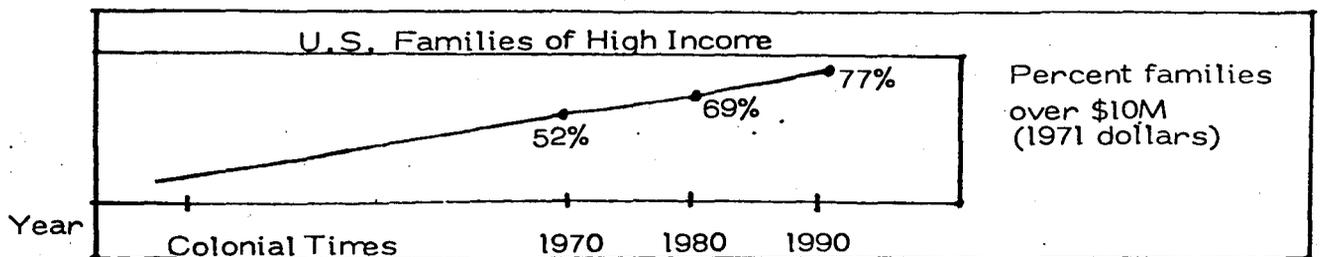
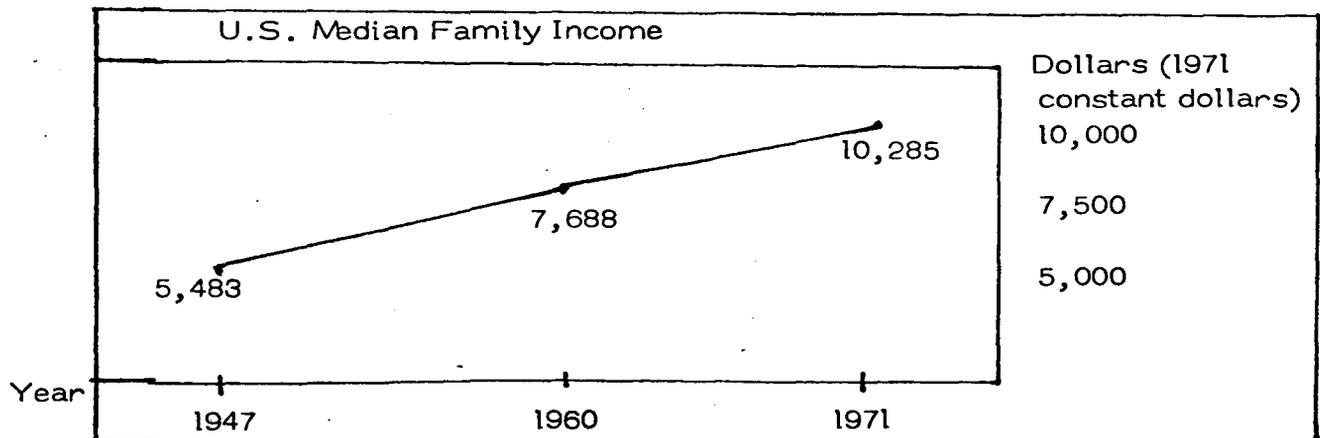
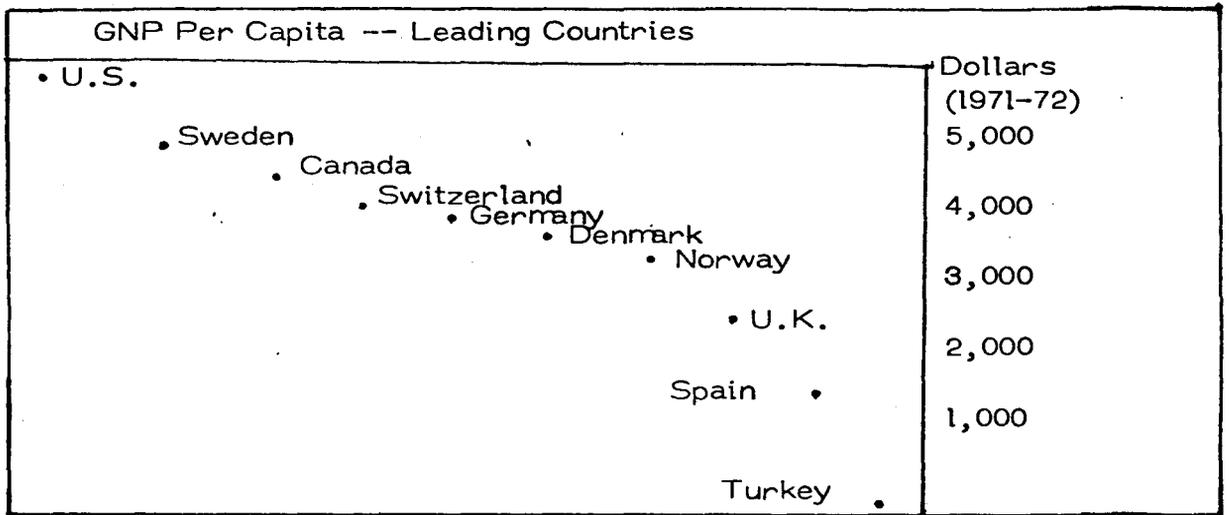
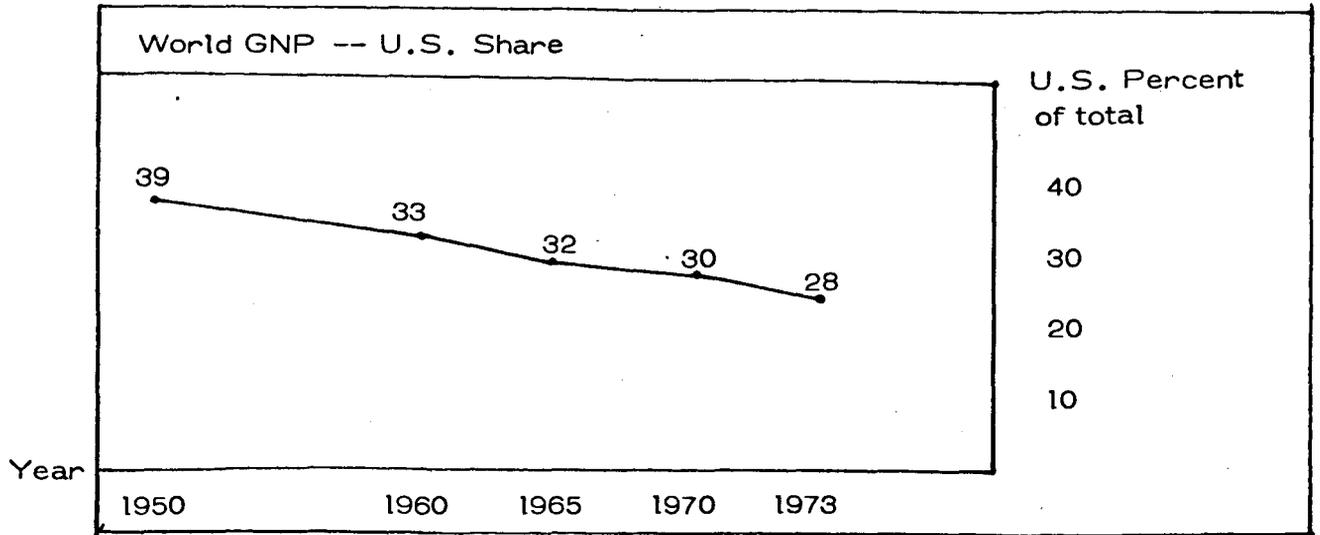


ECONOMIC PROSPERITY VS. DEPRESSION/RECESSION

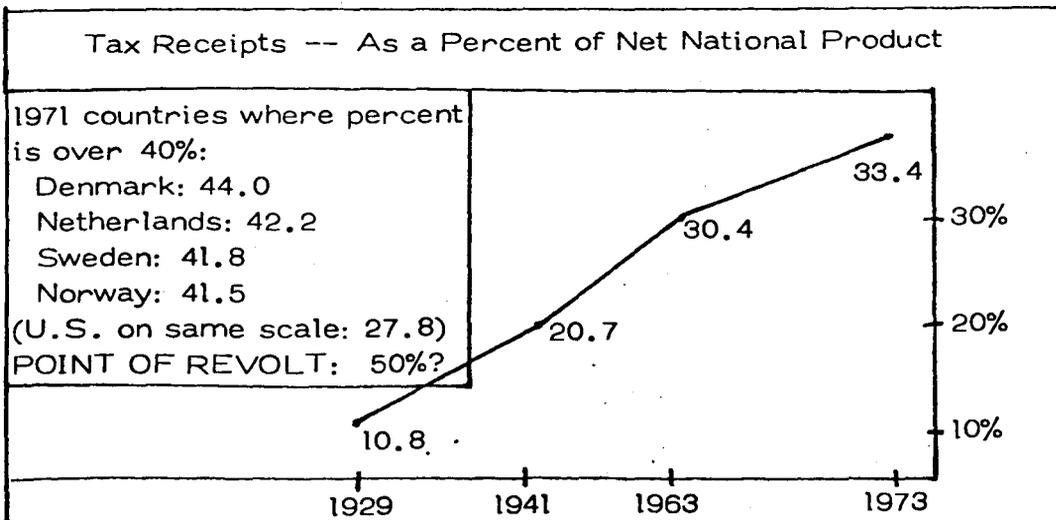
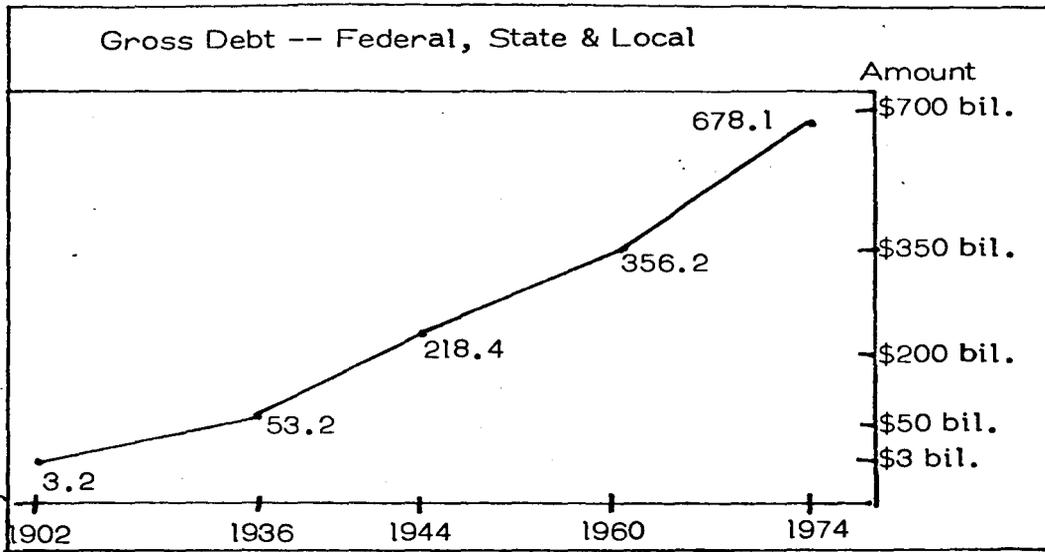
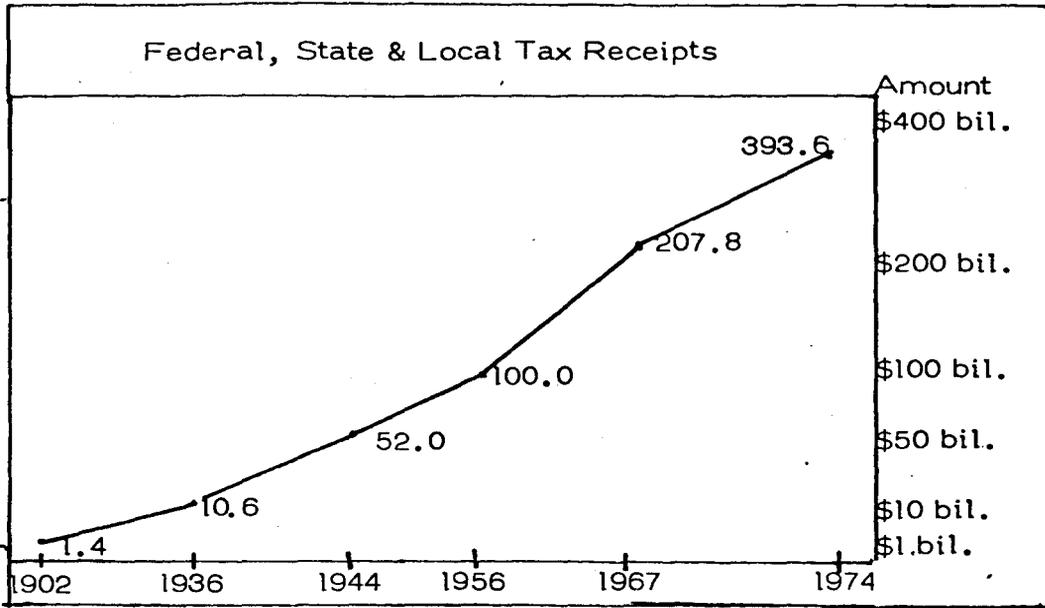
BUSINESS ACTIVITY SINCE 1899: THE AMERICAN BUSINESS CYCLE IN PROFILE



AFFLUENCE -- WEALTH MAKES MANY THINGS THINKABLE

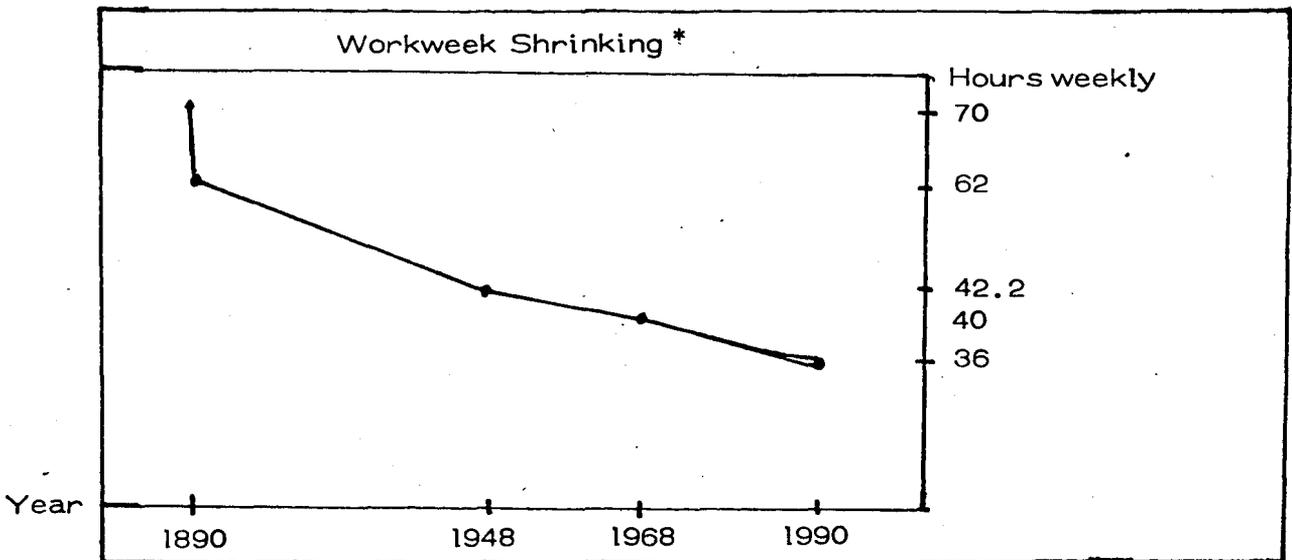
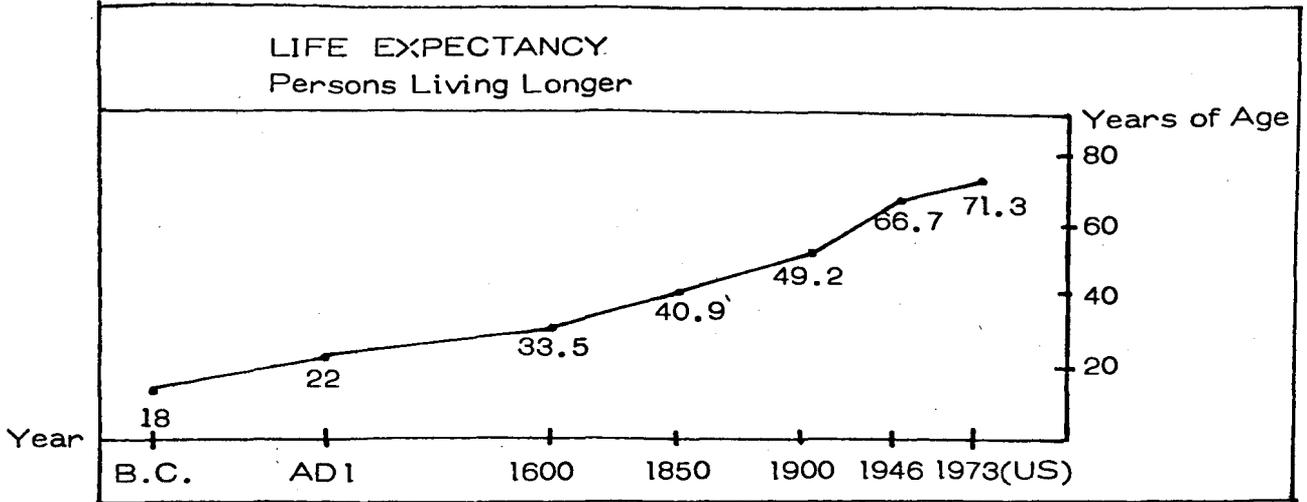


BIG GOVERNMENT -- TAXES AND DEBT



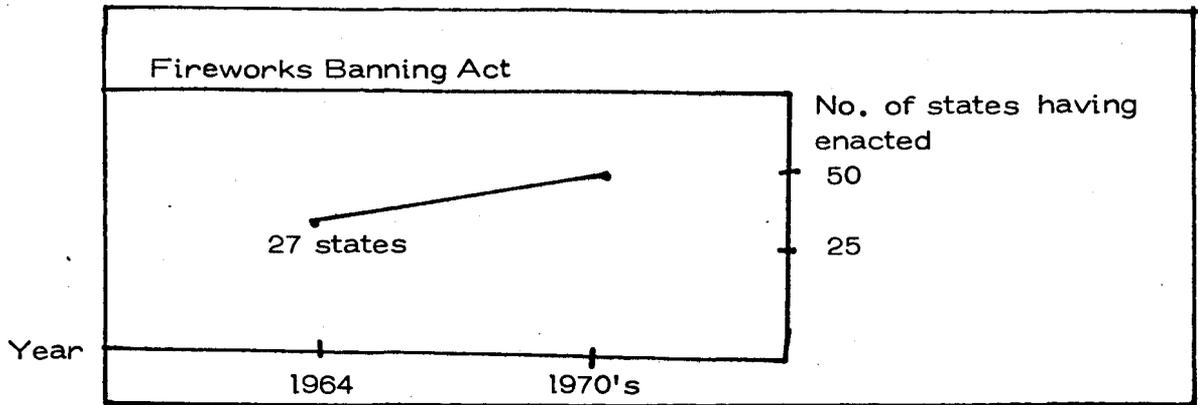
LEISURE TIME

(More time for different activities: recreation, self-improvement, pursuit of QOL)



*Also: Earlier retirement,
more holidays,
increased vacations,
more leaves of absence,
sabbaticals, inc.

MODEL STATUTES: SPEEDING UP THE DIFFUSION OF LAWS



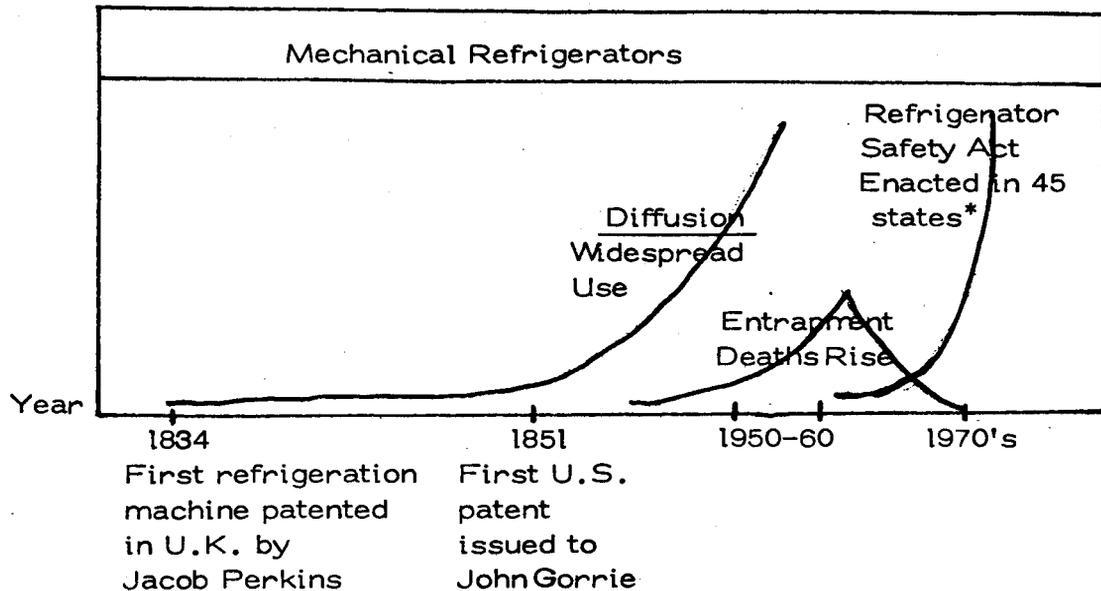
Key Facts: Between 1900-1930, more Americans were killed (4,290) and more maimed (96,000) by fireworks than were killed in the 8-year Revolutionary War (4,044 killed; 6,188 severely wounded)! In 1964 property damage from fireworks was running some \$250,000-500,000.

Conclusion: Commemorating Revolution causing greater death and injury than the war itself!!

Political Choice: how could any legislator resist banning fireworks?

Conclusion: insurance industry reduced actuarial experience and had options of lowered rates/greater profits.

TECHNOLOGY -- CAN INTRODUCE UNIQUE, UNANTICIPATED SITUATIONS



The Problem: After introduction and widespread usage of mechanical refrigerators, children entrapped inside air tight compartments by mechanical locks operable only from the outside died from suffocation.

The Legislative Solution: Design changes so units could be opened from either side of refrigerator door, removal of doors from abandoned units (only 5 states have not enacted Refrigerator Safety Acts -- Colorado, Hawaii, South Dakota, Utah, West Virginia).

Legislative Solution Mooted: Magnetic closures all but eliminate any further problem.

LEADING EVENTS -- deployed in a time-series, isolated events build up to a "data wall" describing an abuse or excess so unconscionable that remedial action is virtually assured.

Key Tracking Point: "Data walls" amass to "critical mass", "take off" points at which time (depending on "cost benefits"), a virtually irreversible on "cost for change" is reached.

BUILDING DATA OR EVIDENTIARY BASE

CATALYTIC EVENTS

Public outrage over severe abuses, threats of widespread hazard, generates immediate demand for action (e.g., elixir sulfanilimide, thalidomide)

TAKE-OFF POINT

Number of events giving rise to major social problems

- Isolated events, bits and pieces, random data -- aberrant, bizarre, unique, unusual, different, dissent, discord, deviant, novel, new, far-out experiments -- not noteworthy on casual glance
- Abuses gathered together, catalogued, quantified, measured
- Aggregation of random events into meaningful clusters, nodes
- Social surveillance systems (General Mills' Cultural Change and Surveillance System)
- Analysis to discern patterns, trends (Social Indicators)
- Computerized data analysis (NEISS)
- Documentation of specifics
- Parameters of problem, its dimensions established
- Record compilation (statistical abstracts, services)
- Jargon, shorthand code words for discussing issue developed and formalized
- Counter viewpoints, opposing views expressed
- Overkill (public interest overtaxed, badgered to death) -- public interest wanes
- Social history analysis (sociology of change refined, revised)

LEADING AUTHORITIES/ADVOCATES -- Intellectual

elites who analyze and articulate social problems tend to emerge around an issue -- likewise the victimized, even though less capable of articulating their plight, emote their feelings and often become powerful propaganda symbols for change

Key Tracking Point: Usually less than 12 innate innovators can be pinpointed on any issue; by monitoring these early vanguards whose ideas ultimately are diffused widely, early indications of change can be forecasted.

VANGUARD FOR CHANGE

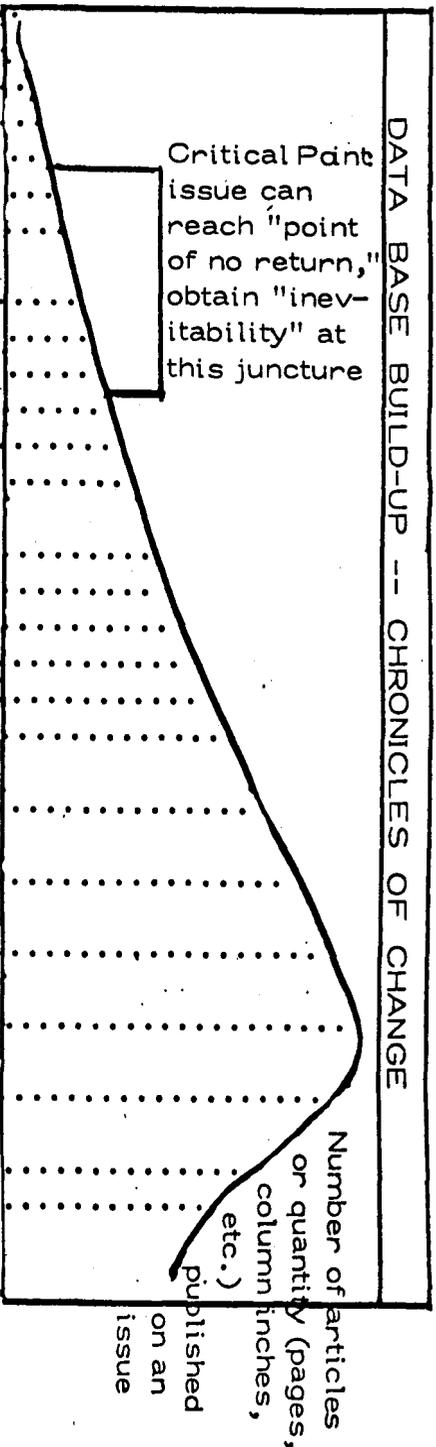
- Innate innovators (Albert Einstein, utopians, visionaries)
- Leading experts (pre-eminent few in any discipline)
- Victims; relatives, close friends or sympathizers of victims (Mitch Kurman)
- Deviant types -- critics, cranks, kooks (but not lunatic fringe)
- Gloom and doom peddlers (Club of Rome)
- Revolutionary-minded types
- Public-spirited crusaders for a cause (Ralph Nader, missionaries, zealots, hairshirts)
- Crusaders spawn disciples, instructors, proselytizers (Naders Raiders, CSPI)
- Think tanks (Hudson Institute, Stanford Research Institute, Institute for the Future, Forecasting International)
- Government-sponsored research (National Science Foundation, Presidential commissions, investigating committees)
- Academia -- leading scholars (Harvard, Yale, Princeton)
- "Invisible colleges" (informal study networks)
- Expert elites (luminaries, leading authorities)
- Issue merchandisers (commercial knowledge exploiters)
- EDP expert forecast composites (Futures Group, GE)
- Public policy research centers (AEI, CED, Conference Board)
- General intelligencia
- Sub-group specialists (split-offs from parent organ.)
- Idea brokers (Dick Wakefield)
- Idea synthesizers (research on research, distillers of prolix)
- Opinion molders (develop intellectual followings)
- natural leaders
- leading personalities (clergy, educators, business, folk heroes, community & political leaders)
- youth
- Mass learning phase
- Issue popularizers
- literary critics (book reviewers)
- Popular wisdom peddlers (cabbies, barbers)

∴ Number of persons involved in championing an idea or issue

LEADING LITERATURE --

Written records progress from modest beginnings to the more prolix which serve to explicate parameters and refine thinking, then to mass literature for public consumption

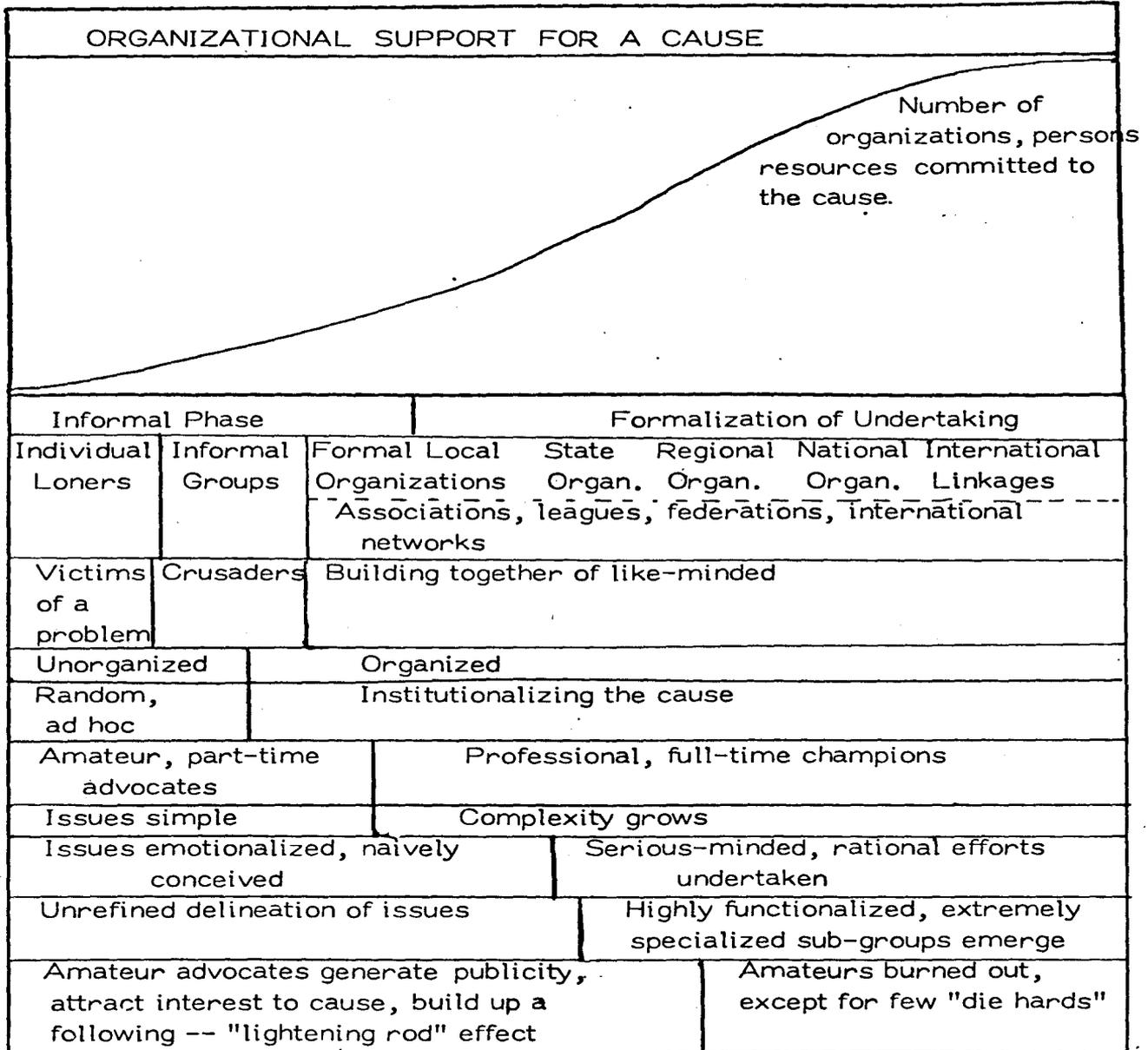
Key Tracking Point: Various classes of literature emerge at different times -- lead-lag times of up to 100 years can be involved -- therefore, "early warnings" about emerging problems can be obtained from careful literature search.



Visionary, uninhibited	Ren-der- ing idea to spec- ifics	Corroba- tion of details	Diffu- sion of an idea among opinion	Inst-itu- tion- al res- ponse	Mass media	Pot- tiling the issue	Instan- taneous coverage for mass con- sumption	Edu- cating people for the new norm	Historical analysis
<ul style="list-style-type: none"> - Artistic, poetic works - Science fiction - Fringe media, underground press - Unpublished notes and speeches - Monographs, treatises - Scientific, technical, professional journals - Highly specialized, narrow viewpoint publications - Statistical documents (social indicators, statistical services) - Abstracting journals, services (NTIS) - Data search composites (Predicast, Scout) - Egghead journals (Science, Scientific American) - Insider "dopesheets" (Product Safety Letter) - Popular intellectual magazines (Harpers, Atlantic) - Network communications (bulletins, newsletters, slipsheets -- IOCU) - Journals for the cause (Consumer Reports) - General interest publications (Time, Newsweek) - Condensations of general literature (Readers Digest) - Poll data, public opinion, behavioral and voter attitudes - Legislative/governmental services, reports - Books <ul style="list-style-type: none"> - Fiction -- novels provide social analysis of times - Non-fiction -- pull together discordant parts into easily understood whole - Newspapers (<u>New York Times</u> and <u>Washington Post</u> early, Southern rural papers late commentators) - Radio/TV (networks comment earlier than local stations) - Education journals - Historical analysis - Doctoral theses 									

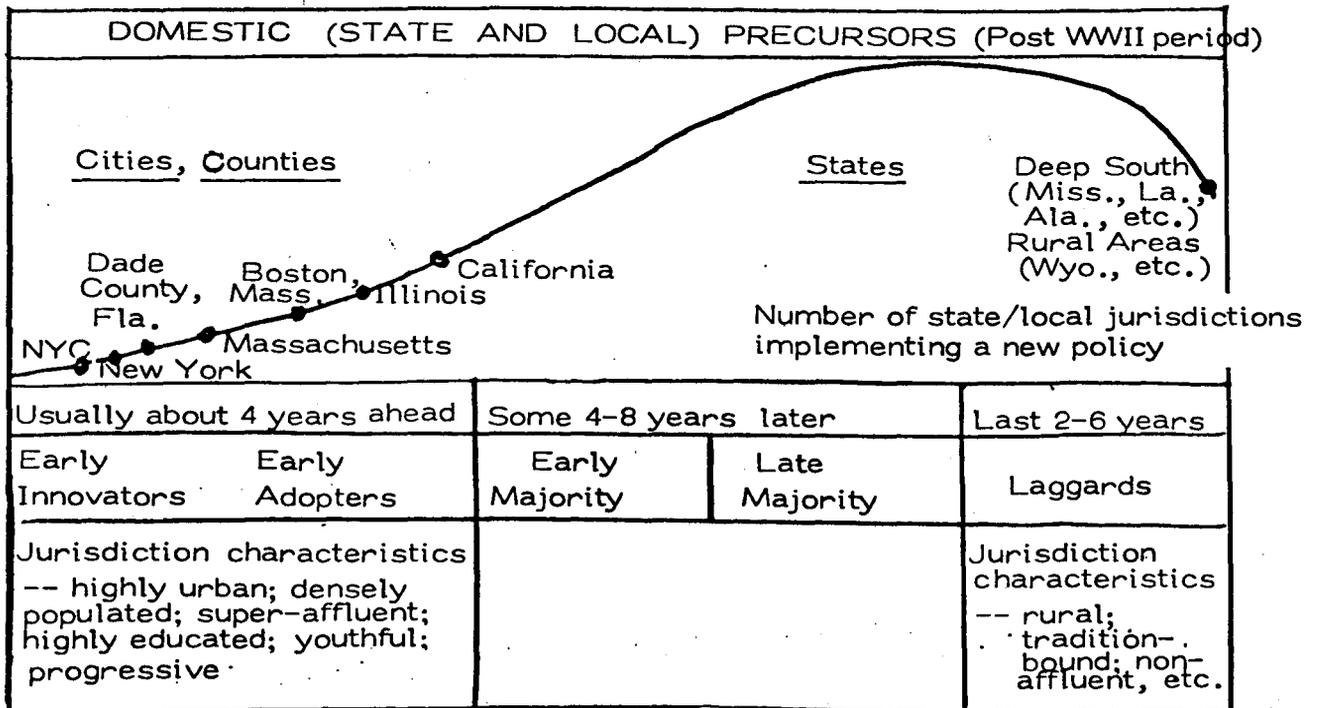
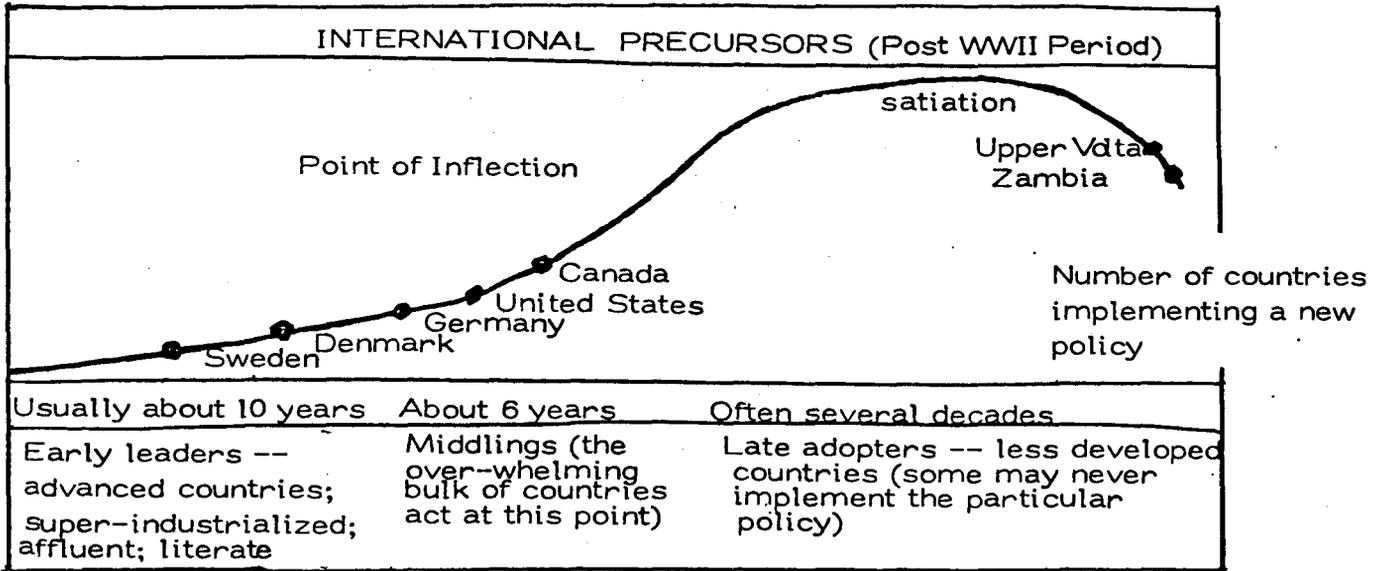
LEADING ORGANIZATIONS -- Innate innovators attract adherents which build up into formal followings and usually become institutionalized

Key Tracking Point: growth of institutional backing for a cause -- whether measured by number of organizations, persons involved or resources committed -- follows exponential increases which tend to force serious consideration of the issue by public policy makers



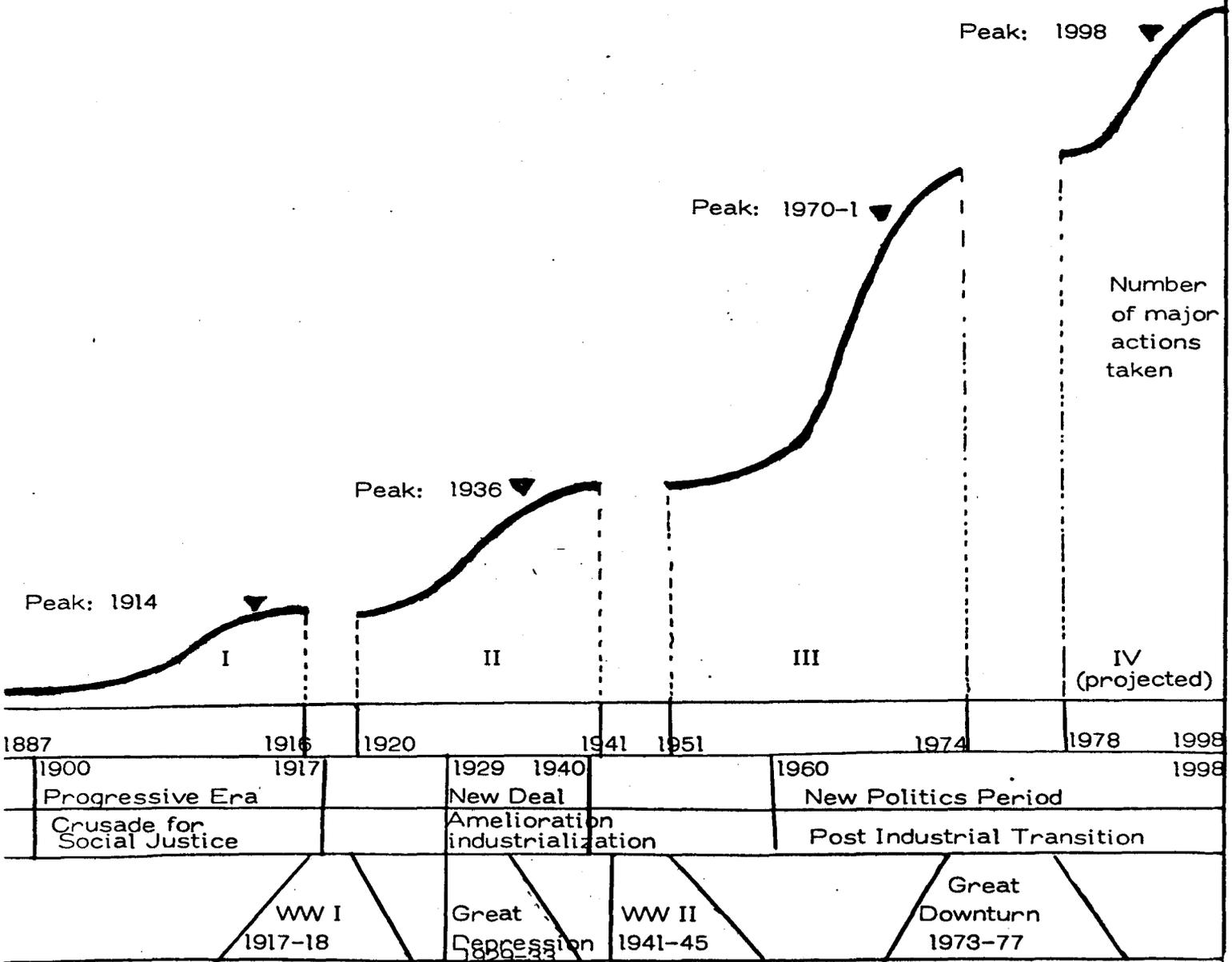
LEADING POLITICAL JURISDICTIONS -- Early innovators and experimenters show the way to others -- after idea is proven, other jurisdictions emulate, follow.

Key Tracking Point: Some 4-6 countries (and often simultaneously their internal local jurisdictions) invariably are the first to innovate by implementing new public policy ideas -- these leading jurisdictions vary with different times in history and for different issues



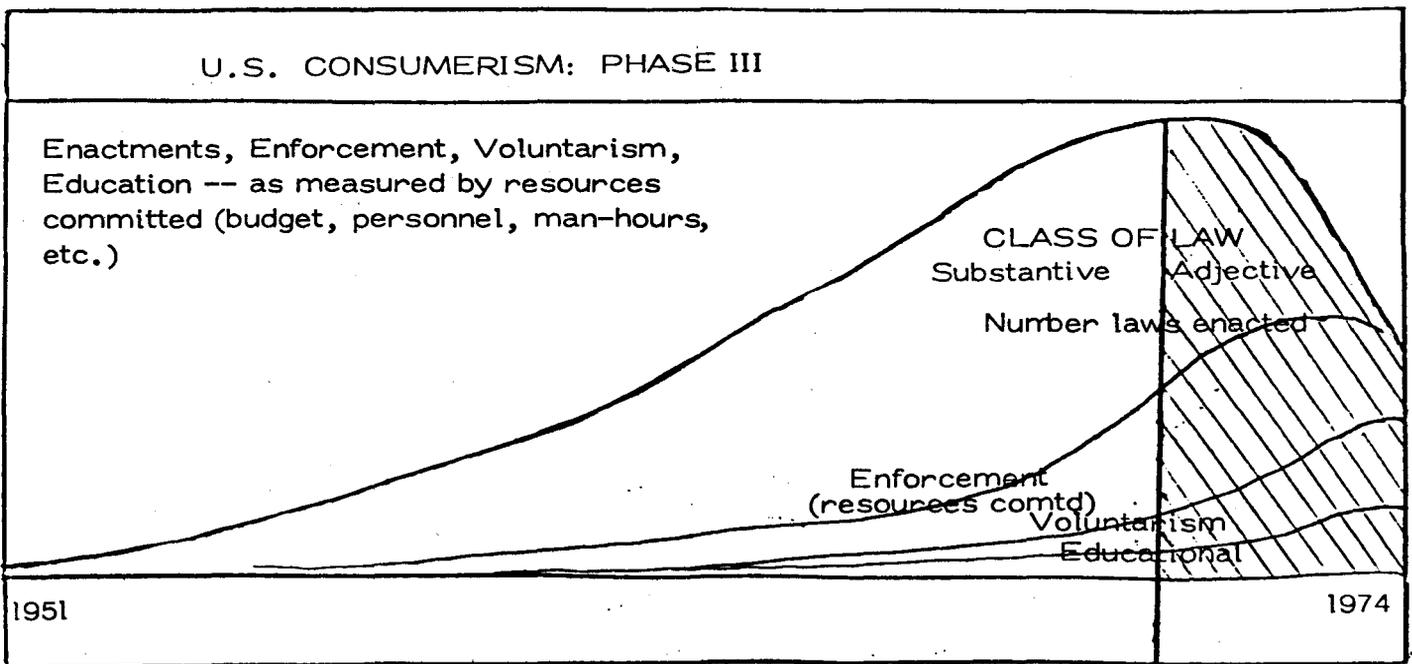
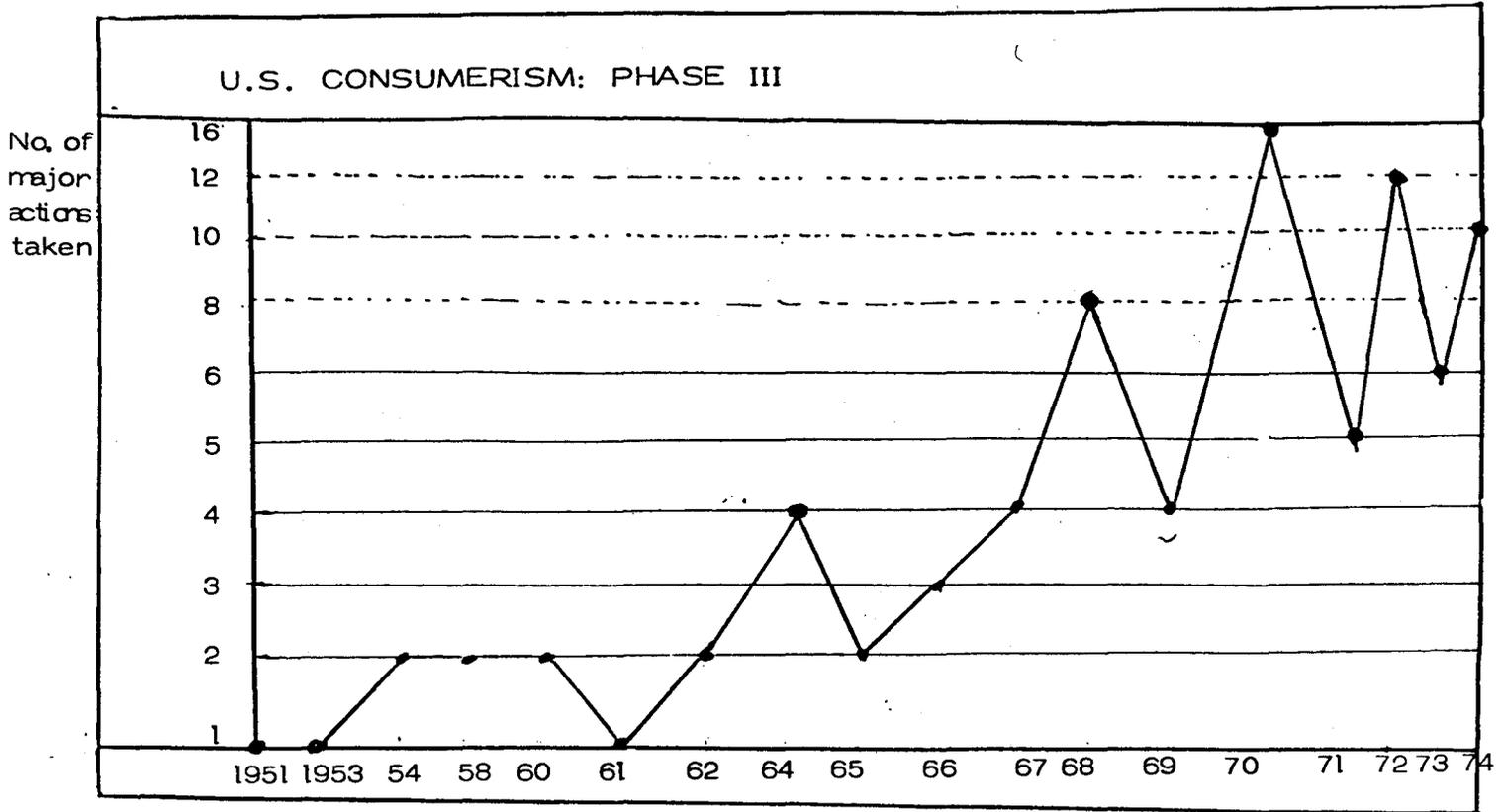
Cyclical Recurrence of Consumer Public Policy Action --
Four Cycles Since Turn of Century

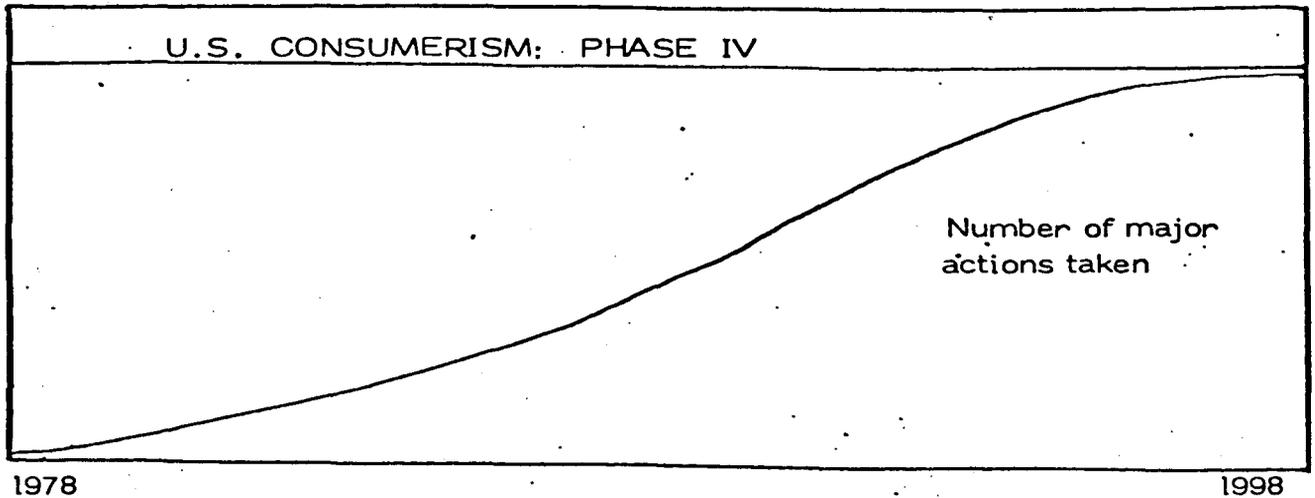
U.S. CONSUMERISM: 4 CYCLES (As measured by number of major actions)



Interruptions to Continuing Progressive Trend: Wars, Economic Disasters & Readjustment

CONSUMERISM: TRENDS AND CURRENTS IN PHASE III





Some factors required for next cycle "take off":

Information processing technologies to enable consumer to cope with impending "information overload":

- computer-assisted "best buy" search
 - Universal Product Code -- widespread implementation required
 - Automated electronic retail front-ends
 - Individual "black box" link to central data banks (pocket calculator, touch tone telephone, cable TV, electronic home consols, etc.)
 - Comprehensive data banks (nutrition; ingredients; additives; etc.)

Urban density (unbearably long check-out lines) and need for productivity impel retailers to close neighborhood supermarkets, move to strategically located hyper-marches

- Electronic home ordering systems (electronic shopper catalogues; wall screen T.V.; video-phone; touch-tone phone digital ordering systems; etc.)
 - Strategically situated regional warehouses deliver EDP ordered/assembled market baskets swiftly and efficiently during non-congested street periods (1-6 a.m.)

Kinds of issues to be coped with by EDP shopping assistance

- EDP search for "best buys" -- quantitative/qualitative
 - Nutritional efficacy (protein quality -- PER ratios; saturated/unsaturated fatty acid ratios; micro-trace elements, nutrients; health factors -- hand-tailored metabolic efficiencies
 - Mathematical calculations -- adjustments for varying percent main/active ingredients; drained weight adjustments; etc.
 - Special searches for allergenics (ingredient rejections, etc.)
 - Overall quality assurance ratings of manufacturers
 - Social responsiveness of manufacturer
 - Special ratings, gradings, ratios
 - Packaging material preference (reusable container; recyclable materials; special preservation techniques -- nitrogen gassed; irradiated; aseptic packaging; etc.)
 - Unit pricing; open dating; etc.
 - Murphy's Law disclosures -- abuse factors leading to potential hazards (e.g., aerosols -- "sniffer" problems; atmospheric disturbances)

CONSUMER ISSUES 1975: OVER 200 PENDING ISSUES

1. Quantitative Measurements. Unit pricing; packaging to price; psychological pricing; slack fill; drained weight disclosure; size standardization; product proliferation; package size characterization; metric weights and measures; cost-benefit questions (re implementation).
2. Qualitative Measurements. Value comparison criteria; grade labeling; restaurant rating systems; octane ratings; seals of approval (UL, Good Housekeeping); nutrition labeling (MDR vs. RDA; minimum vs. maximum); "quality shaving"; full ingredient disclosure; ingredient source disclosure; percent labeling; protein labeling (PER's -- protein efficacy ratios); fatty acid labeling; open dating; private labels vs. brand names; efficacy (of drugs, foods); performance evaluation (of durables); health maintenance through proper diet; special dietary foods; high protein foods; low calorie foods; low sodium foods; low fat foods; enrichment and fortification; engineered foods (food analogs); natural ("organic") foods; adulteration (fillers, extenders, inert ingredients); long term effects of trace contaminants (carcinogenic, mutagenic, teratogenic); Delaney "anti-cancer" clause; residual contaminants [pesticides (DDT); fertilizers; irradiation; veterinary medicines (DES); heavy metals (mercury); extraction solvent residues; package transmigration (PCB's)].
3. Safety/Efficacy of Products. Hazard warning declarations (e.g., cigarettes, cyclamates, fatty acids, etc.); additives -- GRAS list review; WHO survey; plant inspections (e.g., re wholesomeness -- fish, meat); unsanitary shipping/storage; self-certification; quality control; filth guidelines; product recalls; toxic substances; electrical hazards; flammable materials (textiles, plastics, etc.); thermal hazards; aerosol propellants; lead-based paints; medical and therapeutic devices; tire safety; auto safety; toy safety; drug safety.
4. Environmental-related Issues. Planned obsolescence; persistent residuals (mercury, heavy metals); solid waste -- man made: bottles, cans, plastic, paper containers; natural: bones, fish heads, citrus rind; managing finite resources (reuse, reclaim, recycle); bans on packaging materials (aluminum, PVC); mandatory cash deposits on 1-way containers; trash tax; impact of mass-produced goods and one-way convenience packaging; hasty, ill-considered applications of new technology (phosphates/NTB in detergents); noise pollution; air/water pollution; "aesthetic" pollution; phosphate-based detergent bans; edible packaging.
5. Advertising. More informative disclosures; detailed comparative disclosures; truth in advertising; affirmative disclosure; corrective ads; puffing; half-truths; exaggerated statements and demonstrations; judgement or opinion claims; appeals to reason vs. emotions; performance claims; factual claims; factual health and safety claims; suggested product uses and inherent safety risks; price and price comparisons; controversial public issues; fairness doctrine; special audiences (kids, ethnic, etc.); competition (barrier to entry).
6. Promotion of Products. Premiums; coupons; games; contests; sweepstakes; trading stamps; cents off; "two-fer's"; point of purchase information.

7. Credit/Financing. 'Cashless' society; "checkless" society; hidden charges; usury; sales below cost/discounts/ rebates; supermarket/economic boycotts; credit records -- invasion of privacy.
8. Market Structure and Competition. Antitrust revisions; oligopoly; franchising; foreign trade protectionism vs. freer trade; idiosyncraticity -- fragmentation of markets.
9. Procedural Redress (Adjective law) -- Simple, speedy, satisfactory settlement for consumer problems. Ombudsman; consumer advocate intervention; class action; Consumer Protection Agency (council, department); curbstone justice -- neighborhood courts, small claims courts; tougher enforcement; additional funds/staff for enforcement; trade regulation rules; licensing of food plants; private settlements (conciliation, mediation, arbitration); simplified warranties; money-back guarantees; toll free complaint/service calls.
10. Consumer Education. In the schools; in the marketplace (fuller information/ advertising disclosures; outreach programs); info tags, hang tags; care labeling; computerized national data bank; institutional advertising; public service advertising; fairness doctrine; counter-advertising; information "overload".
11. Consumer Movement. Origins, history; future trends and perspectives; overseas experience; activities in "leading jurisdictions"; consumption trends (allocation of disposable income); back to nature movement; anti-establishmentarianism; retailing/distribution in the future (Universal Product Code; automated "front-ends"); industry self-regulation; model state statutes; federal pre-emption vs. state/local diversity; who speaks for consumers.

PROPOSITIONS - CONSUMERISM

Remarks by: Graham T. T. Molitor
Counsel, Government Relations
National Biscuit Company

Presented to: U.S. Department of Commerce
National Marketing Advisory Committee
Washington, D. C.

November 19, 1970



Mr. Chairman. Distinguished members and guests.

In the next few minutes, I will present several ideas on consumerism, stating them as separate propositions to get across as many thoughts as possible within a short time.

Proposition (1). Political parties are beginning the search for a new nucleus of issues upon which their continued existence is likely to depend.

The old social-welfare hub of issues which President Roosevelt fashioned into a political instrument and with which the Democrat Party has thrived for more than 3 decades is rapidly becoming out-dated, passé.

That is not to say social-welfare issues are no longer important or no longer of concern. The point is that as an issue-base this humanitarian cause has ceased to be the crusade around which national political parties can continue to be formed. New crusades are being formed.

The new hub of issues upon which political parties of the future must be built revolves around a "quality of life" theme. The common thread which can tie the new package of issues together is, at this moment, yet to be discovered. / President Kennedy set the tone, Senator Muskie has been running with one of the important elements - ecology.

The rallying point is destined to be environmentalism - air, water, solid waste, noise, thermal and radioactive pollution, even extra-terrestrial pollution (the flotsam and jetsam of orbiting rocket boosters and the more frightening prospect of Consumerism and the "quest for quality" better enabling persons to cope with abundance and technology is a second main theme.

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might
inadvertently
bring back from
stellar reaches)

The impersonal nature of the marketplace, product proliferation, and the increasing complexity of the new technologies give rise to consumerism.

The new politics will be an urban politics. Urban because by year 2000 an incredible 85% of all Americans may be crowded into "ant hill" metro areas comprising a mere scrap of 4-7% of America's land space. This intense crowding into urban heaps, accompanied by increased clustering of manufacturing in those same areas, generates the crisis proportion of the pollution issue. Americans want the place they live to be clean, healthful and safe.

Above all else, the political importance of this issue is based on numbers. Numbers mean majorities. Urban Americans may soon comprise 85% of the population. Urban Americans moreover will be searching for a mouthpiece, a mechanism for voicing their new-felt needs. Appealing to this group, solving unique problems plaguing this group, can bring the kind of loyalty that means votes. Votes are the stuff with which political parties are made.

This "politicalization" of consumerism, environmentalism and the "quality of life" theme mean increased activity on these issues. Business is directly involved and will play an important role in resolving these issues. So, it's especially important to fully understand them.

Proposition (2). Consumerism, like many great issues, is an evolutionary force whose themes constantly recur with cyclical regularity.

The reason for this is that law is evolutionary, and is constantly in the process of refinement.

Consumer laws (or laws of any kind) are society's institutional means for constraining the excesses of behavior. More laws are inevitable as society - including its economic structure - becomes larger, more complex and more interrelated.

Basically new laws reflect man's constant search for perfection (a goal he is incapable of ever fully achieving). All of this means endless tinkering.

Pressures for new laws build up in response to a catalog of abuses. Once the body of evidence is documented and compiled a compelling and irreversible force for corrective legislation begins anew. The swiftness of this process often depends upon dramatic events - "catalysts" such as the thalidomide tragedy-which create a sense of outrage that triggers political response.

Historical precedent reveals a 10-20 year cycle as a new clutch of consumer reforms emerge and are satisfactorily dealt with. The first wave of consumerism

/in this Century occurred...

in this Century occurred during the Progressive Era and lasted some 20 years (1887-1907). The second cycle, ushered in by shock of the Great Depression, lasted some 10 years (1929-1938).

We're now in the midst of the third great wave of consumerism in this Century. Measuring the current cycle from 1958 (enactment of the Automobile Disclosure Act, and the beginning of Senator Kefauver's drug investigations and truth-in-packaging crusade), we can anticipate, on the basis of historical precedent alone, up to 8 more years of consumer activism.

∟Proposition (3). Consumer laws...

Proposition (3). Consumer laws protecting against the more serious kinds of wrongs - fraud, misrepresentation and deception - have long since been won; now upon us are new laws protecting against mere confusion.

The new breed of protections facilitate "value" comparisons, strive to simplify supermarket mathematics and attempt to of determining "best buys",/protect consumers against their own carelessness (for example, "cooling off" periods for reconsideration of door-to-door contracts, cautionary labels, making products "people-proof").

The process of change had earlier precedents. Along the way Caveat Emptor (Let the Buyer Beware) is being supplanted by Caveat Venditor (Let the Seller Beware), implied warranties have been extended, the defense of privity has been relaxed, and the strict liability doctrine has been enlarged.

Even more vast are changes underway to protect against the broader social consequences of business actions. On the social consequences front:

- phosphates in detergents are being banned;
- throw-away beverage containers are being outlawed;
- persistent residual pesticides such as DDT have been curtailed.

These are marked changes in degree which vastly extend traditional legal doctrine.

/Proposition (4). Consumers ...

Proposition (4). Consumers are clamoring for fuller disclosure of qualitative and quantitative information enabling them to more intelligently determine "value".

Consumers buy more and more, but understand less and less about what they buy. This "information gap" is the seedbed for bewilderment, confusion, and frustration which nurtures into irritation, mistrust and eventually resentment. It gives impetus to consumer causes.

A cautious approach is required lest a large number of additional objective measurements create an "information overload" so that product appraisal is confused, not clarified, and so consumers are hindered, not helped.

Simplicity, not a clutter of technical comparative detail is what is needed.

∟Proposition (5). The frantic...

Proposition (5). The frantic pace of technology as well as its growing complexity makes consumers less and less able to evaluate products.

In simpler days, evaluating less complicated staple products was not too difficult.

A buyer of fresh fruit from bulk lots could see, feel, smell and otherwise make decisions based on first-hand experience. Modern packaging forecloses most of these direct evaluations.

Compounding the problem is the consumer's inability to judge side-effects of additives, processing losses, nutrient efficiency ratios, grade, variety and a large number of other factors. Judgments concerning these matters are increasingly remote from the consumer's capabilities.

The emergence of "ersatz"(synthetic) foods difficult to tell apart from the real thing, exotically blended combination foods (containing 20 ingredients or more), TV dinners, and a new host of processed foods further increase the consumer's disability to evaluate, let alone make comparisons.

Today's part-time amateur buyers, unarmed with facts and without a simple means for comparing products, feel overwhelmed by full-time professional sellers.

Consumer awareness that manufacturers' purchasing agents buy with detailed specifications and standards while consumers, bereft of similar factual information for finished products, are left to shift for themselves creates friction.

Buyers are only too well aware of these steadily increasing inabilities. Consumers seem to be getting tired of trying to outguess manufacturers. Business had better heed the warning signals.

Proposition (6). An increasingly impersonal marketplace requires consumers to shift for themselves and raises the need for "self-guidance tools" for ascertaining "best buys".

In simpler days, life-long neighborhood residents knew local manufacturers and dealt with well-known local merchants. Now these old neighborhood ties have been broken.

In today's transient society, one person out of every five moves each year. Products emanate from remote and little known manufacturers who distribute nation-wide. Self-service stores and pre-packaged goods have displaced local tradesmen as a source of information.

On the horizon are changes that will still further impersonalize the market. Grocery retailing may shift from stocked items for carryout, to giant sample shops. In these stores of tomorrow, consumers will insert credit cards into display slots and pick-up groceries at the door or have them delivered from neighborhood distribution centers. In the future shopping might even be from a home-based video-phone with comparison shopping accomplished through computers linked to telephone or cable television.

Increasing impersonalization requires product labeling (as well as the total flow of product information

∟aimed at consumers to...

aimed at consumers) to stress objective criteria.

Consumers turn more and more to third persons and a whole range of expedients to short-cut the time-consuming and complicated task of evaluating and comparing competing products. They rely upon: recommendations from salesmen, friends, word of mouth, professional consumer organizations, and government product tests; the reputation and integrity of local stores and brand names; and assumptions such as that the most expensive product is best, and that the "large economy size" is less expensive.

The hit-and-miss nature and general inadequacies of these guides creates discontent which limits the days consumers will tolerate a marketplace devoid of "best buy" guideposts.

Proposition (7). Product proliferation and resultant sheer breadth of choice make it increasingly difficult for consumers to be well informed, or even to keep up with new developments.

The range of products grows steadily and is constantly changing. Time magazine calculated 5 years ago that 26,000 new products are introduced every year. A contemporary NICB study further reported 3 out of 10 major new products fail. As a result of product failures and the short life cycle of some products (1-3 years), products come and go so fast that consumers do not even have the opportunity to evaluate them.

Some observers are beginning to question whether or not man is being overwhelmed by too much choice. The answer turns upon man's capacity for meaningful choice. The missing link is a shorthand means for a discerning evaluation of goods.

∟Proposition (8). Marketing...

Proposition (8). Marketing experts^{can and}/are beginning to turn consumer issues to business advantage.

Today a new attitude seems to be shaping up. An increasing number of companies are taking a close second-look at what consumers are saying, and zeroing in on underlaying causes giving rise to consumer protests. Instead of running headlong against the tide of events, enlightened companies are riding with the tide and, at the same time, presenting their moves as "marketing pluses":

- Motorola's "works in a drawer" modular television circuitry helps overcome that industry's number one consumer complaint - serviceability.
- Nabisco enriched its entire U.S. line of wheat based crackers and cookies - a "nutrition plus".
- Ronzoni spaghetti sauce touts more meat than competitors (a kind of percentage disclosure of ingredients).
- Open date labeling of bread and other perishables is being used by retail store private label merchandise - establishing "freshness" over competing brands.

∟Giant Food Supermarkets hired...

- Giant Food Supermarkets hired Esther Peterson,
former White House consumer assistant -
a practical demonstration of a broader
consumer sensitivity.

This short list clearly indicates that instead of
regarding consumer issues as problems and opposing them
headlong, important customer loyalties can be won by
regarding consumer criticisms as opportunities. The
initiative is yours for the taking.

THE WHITE HOUSE
WASHINGTON

May 15, 1975



MEMORANDUM FOR: TED MARRS

FROM: MARGITA E. WHITE *mauw*

FYI. I will respond after the proposed advisory commission on refugees has been announced. In the meantime, if it is not too late it might be worth considering adding an Asian-American to the membership, as I mentioned to John Borling. I would not recommend Mr. Chai, however.

Attachement

THE CITY COLLEGE
OF
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NEW YORK, N. Y. 10031

DEPARTMENT OF ASIAN STUDIES

(212) ~~EX~~ 690-6776
(Home) (201) 694-7667

May 7, 1975

Mrs. Margita E. White
Assistant News Secretary
The White House
Washington, D. C.

Dear Margita:

Please accept this rather belated congratulations for your new post at the White House. I, myself, resigned from the University of Redlands in 1973 to accept this new position as chairman of Asian Studies at City College of New York. City College has the largest number of Asian students on one campus in the U.S. (over 2,000) and a community oriented academic program. Our students expect to work in social agencies in Chinatown as part of their graduation requirements.

My letter, in fact, relates directly to the problems of Asians in America. I was pleased to see the admission of some 130,000 new Asians into this country. The United States is the land of immigrants; and President Ford's policy is consistent with the great American tradition of this country--to provide shelter and comfort to a desperate but free people.

On the other hand, President Ford's humanitarian gesture, at a time when our national economy has not been recovered and our own minorities are suffering the greatest unemployment, could be disastrous unless we handle this new influx of Asian immigrants with greatest care and popular support.

As an illustration, I would recommend the following which you may wish to communicate to the President:

(1) Establishment of a Presidential Commission including concerned minority leaders from the academic as well as the local community:

- (a) to recommend national policy;
- (b) to relate community needs;

- (c) to study problems of adjustments and to offer solutions.
- (d) to initiate long-range studies by comparing Vietnamese with recent Chinese or Cuban immigrants, for example.

(2) Establishment of a special "Humanitarian Corp" of teachers, social workers and technicians to offer the following services:

- (a) training refugees to speak English;
- (b) training refugees to relate to "American way of life";
- (c) offer placement and career guidance.

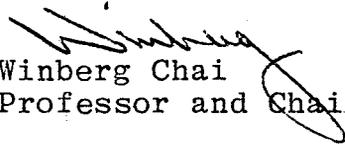
A two to three week training workshop should be provided for all members of the "Humanitarian Corp" at university centers to acquaint them with Vietnamese culture.

I'm merely making these recommendations as illustrative of the kind of national policy needed to resolve the sudden influx of immigrants to this country. Detailed proposals can be made upon your request.

Personally, I expect to be in Asia this summer for research on comparative ethnicity in Asian countries. However, if I can be of use to the President to resolve some of the problems with respect to the settlement of the newly arrived Asians, I am of course, at his disposal.

With personal regards,

Cordially,


Winberg Chai
Professor and Chairman

WC:ee