

CONSUMER PROBLEMS OF THE POOR: SUPERMARKET OPERATIONS IN LOW-INCOME AREAS AND THE FEDERAL RESPONSE

FRIDAY, NOVEMBER 24, 1967

HOUSE OF REPRESENTATIVES,
SPECIAL CONSUMER INQUIRY,
SPECIAL STUDIES SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
New York, N.Y.

The subcommittee met at 10 a.m. at the Intermediate School 201, 2005 Madison Avenue, East 127th Street, New York City, Hon. Benjamin S. Rosenthal presiding.

Present: Representatives Rosenthal, Gallagher, Reid, and Erlenborn.

Also present: Messrs. Barash, Harrison, and Copenhaver, staff members, Committee on Government Operations, Washington, D.C.

Mr. ROSENTHAL. The subcommittee will be in order. Today's hearing by the Special Consumer Inquiry of the House Committee on Government Operations continues and broadens an investigation begun last month in Washington, D.C., on charges that certain supermarket chainstores discriminate in their pricing and marketing practices against the poor. Subsequent to our Washington, D.C., hearing, numerous reports of similar practices in other cities, including New York and St. Louis, have been received. We are confronted, therefore, with allegations that there may be exploitation of the poor in their most essential human activity—the consumption of food.

Whether or not the charges being heard today are sustained, events of the last month lead me to the conclusion that consumer problems of the poor in our society have not received the kind of attention that they deserve. No less than five Federal agencies have either a legal responsibility or a moral obligation, or both, to confront the types of consumer injustices to be alleged here today.

Federal responsibility in this area is clear:

The Federal Trade Commission has broad legal responsibilities to safeguard the consuming public by preventing unfair or deceptive acts or practices and also has a responsibility for putting the spotlight of publicity on economic developments adverse to the public interest which may fall short of specific law violations.

The Office of Economic Opportunity represents the institutional embodiment of U.S. policy to eliminate the paradox of "poverty in the midst of plenty" in this Nation by opening to everyone the opportunity to live in decency and dignity.