

(The statements and letter referred to follow:)

STATEMENT BY THE HONORABLE PERCY E. SUTTON, PRESIDENT OF THE BOROUGH OF MANHATTAN

CIVIL RIGHTS FOR THE CONSUMER

Congressman Rosenthal, and distinguished Members of the Special Inquiry on Consumer Representation in the Federal Government.

A congressional investigation of pricing and marketing discrimination against the poor of our cities is long overdue. You are to be highly commended for launching this historic inquiry into one of the most significant but least explored ways in which the residents of our urban ghettos are oppressed.

For too long, the interests of American consumers, who are the foundation of the American economic miracle, and especially the interests of poor consumers, have gone unrepresented in the Halls of Congress.

Congressman Rosenthal, you are to be especially commended for having chosen to bring this important congressional investigation directly to the people of the ghetto by holding these hearings here at Intermediate School 201.

By holding these hearings at Intermediate School 201, you are giving the victims of price discrimination the opportunity to speak out against oppression of the consumer and to help generate the legislation which will help end that oppression.

Recently, carefully conducted studies in New York City and across our Nation have proven conclusively what housewives in the ghetto have suspected for years—the poor pay more for everything.

They pay more for food, more for furniture, proportionately more for rent, and more for credit than is spent by middle-income and upper-income consumers.

The sad truth is that economic discrimination is all too common in the Nation's slums. Indeed, more than a little of the smoldering resentment that has exploded in cities across the country can honestly be attributed to the victimization of the consumer poor.

You already have in your possession a battery of facts and figures, gathered in survey after survey, which offer conclusive evidence that those least able to afford it pay the highest prices for food.

The poor pay more because they must shop in small and often inefficient food-stores rather than in the large supermarkets available in middle-income city neighborhoods and in the suburbs.

The fact is that the large supermarket chains are reluctant to serve ghetto neighborhoods, and that when they do serve ghetto neighborhoods, it is all too frequently with small and obsolete units selling inferior-quality food at elevated prices.

A marketing revolution has swept across our Nation in the last two decades, bringing to the consumer a greater choice of food products and a substantial savings in food-handling costs, but the poor have not been allowed to share the benefits that other consumers are now able to accept as a matter of course.

The excellent survey conducted by Deputy Mayor Timothy Costello has discovered that the greatest form of discrimination by supermarkets against the ghetto consumer is not the price differential or the quality differential, but the lack of any kind of supermarket service at all.

Intensive investigation by the consumer protection unit of MEND, the East Harlem community action program, seems to indicate that systematic discrimination against Harlem and East Harlem consumers is part of the operational policy of certain large supermarket chains.

MEND has also uncovered several instances where food stores have flagrantly raised prices on the days when welfare clients receive their checks.

A common form of discrimination against the ghetto consumer is in the sale of fresh, perishable food. The housewife shopping on 125th Street or on Lenox Avenue may pay the same or more for a head of lettuce or a cut of meat than does the shopper on the middle East Side. Yet for her money, the woman on 125th Street is likely to receive a wilted head of lettuce and a tough, old, and hard to digest piece of meat while the East Side consumer will receive a product of considerably higher quality.

For too long, the supermarket chains have dumped their lowest quality perishable goods into the slum areas.

Discrimination against the poor consumer by food merchants is but one of the hundreds of ways in which the weaknesses of the poor are exploited for