

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

SATURDAY, NOVEMBER 25, 1967

HOUSE OF REPRESENTATIVES,
SPECIAL CONSUMER INQUIRY,
SPECIAL STUDIES SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
St. Louis, Mo.

The subcommittee met, pursuant to notice, at 10 a.m., in St. Nicholas Community Center, 1827 Lucas Street, the Honorable Benjamin S. Rosenthal (chairman of the subcommittee) presiding.

Present: Representatives Rosenthal and Myers.

Also present: Peter S. Barash, professional staff member; I. Warren Harrison, legal assistant; William Copenhaver, minority staff member; and Veryl L. Riddle, U.S. attorney, St. Louis, Mo.

Mr. ROSENTHAL. The subcommittee will be in session.

We are delighted to be here in St. Louis this morning. We believe we have an important function to perform. 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. Hearings were held yesterday in New York City. 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 us 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;