

Protesting Food Price Rises in Retail Markets: Consumer Economic Boycotts in Historical Perspective

This historical overview of consumer economic boycotts in the 20th century finds that from the early 1900s to the 1970s, consumers at the grassroots level repeatedly launched boycotts in response to sharp rises in food prices. Among the noteworthy characteristics of these protest actions are the important roles assumed by housewives, both as leaders and followers, and their focus on commodity classes of food, such as meat or milk, rather than individual products or brands.

Monroe Friedman, Eastern Michigan University¹

One of the great enigmas of economic behavior is the reluctance of Americans to form organizations for advancing their interests as consumers. For years, observers of consumer behavior (e.g., Chase & Schlink, 1927) have called attention to the problem. As one economist put it more than fifty years ago:

We organize on the basis of almost every other conceivable interest - political, social, economic, religious. Clubs for this and that exist everywhere. We are very assiduous in organizing on the basis of our interests as producers. Groups of business men organize into trade associations; laborers into unions; lawyers, teachers, doctors into their professional associations. (Coles, 1938, p. 33)

Many students of the consumer movement would agree that the Coles statement holds true (or almost true) the same extent today as it did in 1938. As a result the consumer right to be heard and represented through dedicated organizations remains weak, and especially when compared to other actors in the private sector who are represented by powerful organizations such as the U.S. Chamber of Commerce or the National Association of Manufacturers.

In light of this background it is well to ask what role, if any, organized citizen actions at the grassroots level, such as initiating boycotts, have had in advancing the consumer interest. A full answer to this question is beyond the few pages allowed for this summary presentation of findings. The brief answer, however, appears to be a modest role, with few significant direct actions having been launched by grassroots consumer

groups in the last few decades. Moreover, when direct actions such as boycotts have been pursued, the responsible groups have often not been the establishment organizations in the consumer movement, such as Consumers Union or the Consumer Federation of America. Instead it has been ad hoc consumer groups, often led by women, that have typically launched consumer economic boycotts. And many have come and gone in what a historian would see as a twinkling of the eye - time periods ranging from a few weeks to a few years.

It should come as no surprise that women in general and housewives in particular have been at the forefront of direct grassroots actions such as boycotts to further the consumer interest. For centuries the traditional division of labor meant that it was housewives who did the shopping and thus they were the ones who most directly felt the impact of adverse changes in price or availability for consumer goods. Especially critical were sharp price rises and acute shortages for food, and particularly for such staples as milk or meat. The result was often women-led protests and revolts. As English historian E. P. Thompson has noted in describing food riots of the 18th century, it was women who were "most involved in face-to-face marketing [and hence] most sensitive to price significancies..." He adds, "it is probable that ... women most frequently precipitated the spontaneous actions" (1971, p. 116). Moreover, while the reasons for such actions are not clear, historian Herbert Gutman (1973) suggests a sensibility, with roots in pre-industrial times, focusing upon the illegitimacy of charging unfair prices for necessities like foodstuffs. And it was due to this perceived illegitimacy that some historians saw the rioters' purpose as meting out justice and punishment (Baxandall et al., 1976).

What often distinguishes consumer economic boycotts from other types is their concern with consumers receiving value for the money they spend in the

marketplace. Thus anything which serves to decrease the value received from such consumer transactions has been a potential source of concern to the ad hoc consumer groups. And business firms believed by the groups to be responsible for the value decrement have often been seen as fair game for attack by consumer economic boycotts.

What are the value threats that typically have concerned the ad hoc groups which have resorted to consumer economic boycotts? To answer this question one has to realize that consumer educators (e.g., Garman, 1993) tend to view the concept of "value" as a dual function of the quality or worth of a commodity purchased in the marketplace, and the price paid by the consumer. Thus consumer advocates are likely to become concerned if for a given product or service, a marked increase in price or decrease in quality should occur, and for no apparent reason or for a reason which does not seem to be justifiable. Moreover, changes in price have typically dominated changes in quality as a boycott inducer, perhaps because price changes are usually clearly signaled, while changes in quality often are not.

Another characteristic of consumer economic boycotts is that they tend to be commodity-oriented rather than oriented to a particular product brand. The reasons for deemphasizing individual product brands are not hard to discern. If a particular producer, say Dominos, should blatantly move in an untoward consumer direction with regard to the price or quality of its packaged sugar, individual consumers would presumably note the untoward change with many switching to another brand. Moreover, if many consumers acted in this manner, they would be sending a message to Dominos which would be equivalent to an organized marketplace boycott of the firm; and it seems likely that the message (a dramatic drop in sales) would have an effect similar to the one communicated by an organized marketplace boycott of the branded product.

The point of all this is that consumers appear not to gain very much by resorting to an organized consumer economic boycott of a branded product, especially if a competitive brand of equal or near-equal attractiveness is available to them; for the adverse changes in quality or price which often prompt a boycott are likely to lead consumers to do what comes naturally on their own - namely select another brand with higher quality and/or lower prices. By contrast, most consumer economic boycotts have focused on food commodity groups, such as meat, milk and sugar.

To sum up the foregoing, consumer economic boycotts tend to be undertaken by ad hoc consumer groups rather than established consumer organizations. Their actions often result from an abrupt and seemingly

unjustified drop in the economic value secured from commonly made consumer purchase decisions. The precipitating change may be a decrease in product or service quality but more typically it consists of an increase in the price of a consumer product or service. Moreover, most consumer economic boycotts focus not on a single brand of product or service but on a whole class of commodities, and these items tend to be food staples.

Furthermore, boycott leaders have tended to blame various middle-men for the problems precipitating their actions, with wholesalers or distributors, rather than farmers or retailers, being held responsible for rapid rises in food prices. And the history of consumer economic boycotts finds that they are often accompanied by decreases both in sales volume and retail prices for the boycotted products, but these decreases are rarely sustained far beyond the boycott period.

Acknowledgments

The author would like to thank the Graduate School of Eastern Michigan University for a grant which helped with the preparation of this paper.

References

- Baxandall, R., Gordon, L. & Reverby, S. (eds.) (1976). America's working women: A documentary history, 1600 to the present. New York: Random House.
- Chase, S., & Schlink, F. (1927). Your money's worth. New York: Macmillan.
- Coles, J. V. (1938). The consumer-buyer and the market. New York: Wiley.
- Garman, E. T. (1993). Consumer economic issues in America. (2nd edition) Houston: Dame Publications, Inc.
- Gutman, H. (1973). Work, culture, and society in industrializing America, 1815-1919, American Historical Review, 78, 576-577.
- Thompson, E. P. (1971). The moral economy of the English crowd in the eighteenth century. Past and Present, 50, 116.

Endnote

1. Professor, Department of Psychology.