

# HOW TO PROTECT OUR RIGHTS

# MODULE 7



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## Topics In This Module

1. What is the Meaning of Consumer Rights?
2. Why Do We Have Consumer Rights?
3. Why Should We Learn About Consumer Rights?
4. What are Our Rights as Consumers?
5. How are Our Rights as Consumers Protected?

Dear learners,

Welcome to the seventh module of our Financial Literacy program.

In this module, we will learn about How to Protect our Rights as Consumers.

Every day we make financial decisions that may have positive or negative consequences in our daily lives. When we learn our rights as consumers, we can protect ourselves from harmful business practices such as fraud by increasing our awareness.

In this module first, we will learn what the concept of consumer rights is. We will discuss its related concepts.

Then, we will learn why we have consumer rights.

Later, we will discuss why we should learn how to protect our rights as consumers. Here we will focus on our gains. Learning about how to protect our rights will help us protect ourselves from fraud and be aware of the consequences of our financial decisions.

After that, we will learn what our rights as consumers are. We will learn about how consumer rights are developed, the UN guidelines for consumer protection and universal consumer rights.

Finally, we will understand how our rights as consumers are protected. We will focus on the case of the European Union.

To understand how to protect our rights as consumers, we need to learn the meanings of consumer, customer, rights, consumer rights and consumer protection.

Let's explain these concepts.



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## Consumer



## Customer



## Rights



## Consumer Rights



## Consumer Protection



## Consumer and Customer

Let's start with consumer.

In our daily lives, we have needs such as food, water, and shelter for survival. So, we have been consumers from the beginning of our existence. In our modern lives, we have needs and wants. Consumption has become a way of living other than just fulfilling our basic needs. In our everyday consumption, we make decisions whether to buy and use or not. A consumer is someone who buys and uses goods or services only for private purposes. Not every person who buys and uses goods or services is a consumer. Buyers and users who make purchases for purposes such as manufacturing or resale to earn income are not consumers.

The concepts of consumer and customer are used interchangeably most of the time. We are both the customers and consumers when we buy goods and use them for our personal purposes. For example, we are both customers and consumers when we buy food and eat it ourselves. Sometimes, a group of people can be consumers. For instance, when we buy a television and use it as a family, we are the customer and the whole family is the consumer. However, there are times when consumers themselves are not the buyers of a good, meaning the customers. For instance, parents can buy clothes or shoes for their children. In this case, the parents are the customers, and their children are the consumers. Another example is when pet-owners buy food or litter for their cats. Here, the pet-owner is the customer, and the cat is the consumer. Also, a company can buy papers and printers. In this case, the company is the customer and its employees who use these papers and printers are the consumers.



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## Rights

The concept of rights is one of the most basic components of law.

Rights are our personal interests which are accepted and protected by laws.

We have several rights such as citizenship rights that are protected by our national laws. These rights change from country to country since every state has their own specific laws.

We also have human rights that are common to all of us and protect every individual's humanity and dignity.

However, our rights are open to abuses or violations even though they are protected by laws. In case of an abuse or violation of our rights, we need to know where to seek justice and how to claim our right.

## Consumer Rights and Consumer Protection

In today's world, we have plenty of alternatives for consumption of goods and services. In the marketplace, the sellers compete for our attention, and they target our choices to sell their goods and services. Therefore, we as consumers are subject to varying influences of the sellers. We as consumers are more vulnerable than the sellers. We rely on the information they give us about the goods and services they sell when we make our purchase decisions. We expect this information to be reliable, clear, and consistent. For this reason, when we buy things, we expect to get a proper use, quality and value that serves our interests the best in exchange for our money. However, it is possible for us to experience unfair business practices or problems such as deception. We have rights designed under consumer protection laws. We get protection when we are defined as consumers legally. Here, we should note that there is no common definition of the term consumer, and its definition may vary across countries.

Let's say we buy a bike and find out that its advertisement is misleading, and it has poorer qualities than its ad promotes. This is against our right to be informed. When this is the case, the seller is obliged to refund or exchange the goods. This is our right to redress. We will learn about these rights in detail in this module. If the seller refuses to refund or exchange goods, we as consumers need protection. Here, the governments have to intervene through policies, laws and regulations to protect our rights as consumers. They oversee our fair treatment as consumers in our purchase and use of goods and services, and our dealings with the sellers.

Consumer protection first of all is to do with educating us about our rights as consumers and businesses about their responsibilities. For instance, we have a right to be well-informed when we make our decisions to purchase a good or a service. We have a right to be



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protected against misleading sales, faulty goods, and fraud. We have a right to access effective enforcement mechanisms if needed. These mechanisms may include penalties, sanctions, license cancellation, return and refund among others to protect us against unfair business practices. Consumer protection maintains our well-being and interests by keeping businesses responsible for their actions.

## Why Do We Have Consumer Rights?

We buy goods and services for our needs and wants.

Producers and suppliers provide these goods and services to earn money. Sometimes they may mislead us by providing incomplete or false information. This may harm us in different ways. Consumer rights exist to protect our interests and well-being in these situations. Therefore, we need consumer rights to be protected against exploitation, fraud, and unfair practices.

## Why Should We Learn About Consumer Rights?

Every day we make decisions as consumers. We buy goods and services and consume them. We are the ones who are responsible for these decisions. Also, we are the ones who experience the results. That's why knowing the basics of our rights as consumers is important.

Sellers are much more organized and informed than us as consumers. Thus, we need to learn about how to protect our rights.

When we know our rights, we can make sure that we will get high quality goods and services. We will make informed decisions in line with our interests, needs and preferences.

When we learn about our rights as consumers, we can take appropriate action against unfair and deceptive business practices. In this way, sellers will know that we can claim our rights by holding them responsible for their actions. This in return encourages sellers to be fair and transparent about their goods and to maintain high standards.

Knowing about appropriate mechanisms against unfair and deceptive practices will help us maintain our financial well-being and resilience.



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## Development of Consumer Rights

The concept of the protection of consumer rights and necessary legal steps were firstly developed in the United States of America (USA) in the 19th century. The first bill of rights related to the protection of consumers were again declared first in the USA in 1962. It introduced four basic consumer rights. These rights are:

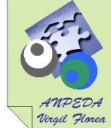
- The right to safety
- The right to be informed
- The right to choose
- The right to be heard

From this day forward, developments for the protection of consumer rights continued.



In 1975, the European Union (EU) introduced its programme for common consumer protection and set out five basic consumer rights. These rights are:

- The right to protection of health and safety
- The right to protection of economic interests
- The right to redress
- The right to information and education
- The right of representation, that is, the right to be heard.



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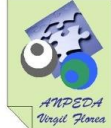
In 1975, the United Nations (UN) started working to protect consumer rights internationally. In 1985, the UN adopted a resolution on the UN Guidelines for Consumer Protection and revised it in 2015. It serves as the universal framework for member states to develop strong consumer rights protection policies to meet the needs such as:

- Access by consumers to essential goods and services
- The protection of vulnerable and disadvantaged consumers
- The protection of consumers from hazards to their health and safety
- Access by consumers to adequate information to enable them to make informed choices according to individual wishes and needs.



## Universal Consumer Rights

In light of these international developments, today we have eight universal consumer rights accepted by the UN unanimously. Let's learn about them.



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- 1) The right to satisfaction of basic needs such as access to enough food, water, clothing, housing and health care.
- 2) The right to safety which is our right to have protection from goods and services that may be unsafe for our health or life. We expect not to be harmed by goods and services as long as we use them in accordance with their purpose and instructions for use.
- 3) The right to choose is to have a range of choices for goods and services at a fair price and good quality. This right enables us to have access to goods and services that are appropriate for our budget and needs.
- 4) The right to be informed is our right to have enough, accurate and full information on goods and services. In this way, we expect to be protected against misleading and dishonest labelling and advertising.
- 5) The right to be educated is our right to have enough knowledge about our rights as consumers in order to make well-informed choices when we buy things. It also includes knowing how to use our rights in cases when they are violated.
- 6) The right to redress is our right to get economic compensation, reparation or change for goods and services we buy. For example, if the good we buy does not function properly, we have a right to return it or change it with a new one. In case the seller does not compensate our losses, we as consumers can apply to consumer courts or consumer arbitration committees within the scope of this right.
- 7) The right to be heard is our expectation that our government considers consumer rights and protection in the laws and regulations. This right is also connected to our right to be organized as consumers. It is also about our right to file a complaint in case of dissatisfaction with the goods and services we buy.
- 8) The right to a healthy environment is our right to live in an environment that is safe and not threatening to our well-being as well as to our future generations. For instance, we have the right to demand living and working in a safe, healthy and ecologically balanced environment without air, water, land and noise pollution. Within the scope of this right, all human beings are consumers. This is also our responsibility as consumers to care for the environment and sustainability when we buy goods and consume them.



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## Protection of Consumer Rights in the European Union

Our national governments are responsible for consumer protection through consumer law. They can impose sanctions when a violation happens.

The EU aims to ensure that every EU citizen has the same right to be treated fairly when buying goods and services anywhere in the EU.

The Consumer Rights Directive gives consumers the same rights across the EU. It aligns and harmonizes national consumer rules. For example, on the information consumers need to be given before they buy goods and services, and on their right to cancel their purchases, wherever they shop in the EU.

The EU policies on consumer protection are based on these five fundamental consumer rights:

- The right to health, protection and safety
- The right to protection of economic interests
- The right to damages
- The right to information and education
- The right to representation

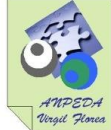
Let's have a look at the EU protection of consumer rights in detail.

The right to redress is very important for the EU. One example of this is the EU passenger rights. In case of a cancellation or a delay of our flight, we are entitled to compensation from the airline – for the new tickets for returning home, accommodation and even food.

We have the European Consumer Centre's Network. Let's say we decide to return two of the three goods we buy online. Then, we follow the instructions of the company for returns. If the company does not give us our money back, it does not compensate us for our loss. In this case, we can contact the European Consumer Centre which is available in every EU member state. The Centres provide advice and assistance on legal protection for our consumer rights. EU consumer protection law gives us the right to redress when we are misled or treated unfairly.

We have the Safety Gate. There might be some goods other than food that pose a serious risk to our safety and well-being. In this case, our national authorities can use the Safety Gate to inform other EU member states and the European Commission about these risks and dangers. In the EU, we as consumers have the right not to be harmed by the goods we buy and use.

We have the Consumer Protection Cooperation Network. There might be situations where we as consumers live and where the transaction occurs might be in different countries. In



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this case, the Consumer Protection Cooperation Network protects us when shopping across national borders. It checks websites of companies within a particular sector such as travel companies or rental companies whether there is a violation of EU consumer protection law. It checks companies on several aspects such as fair advertising and whether they provide sufficient information.

The EU offers us alternative dispute resolution tools. These tools allow us to solve our problems without going to courts. It does not matter whether the seller is based in our own country or in another EU member state. When we have a complaint about the goods or services we buy, there is a large number of out-of-court bodies that we can apply to across the EU.

## What Did We Learn?

- **CONCEPTS ABOUT CONSUMER RIGHTS**
- **OUR RIGHTS AS CONSUMERS**
- **PROTECTION OF OUR RIGHTS**



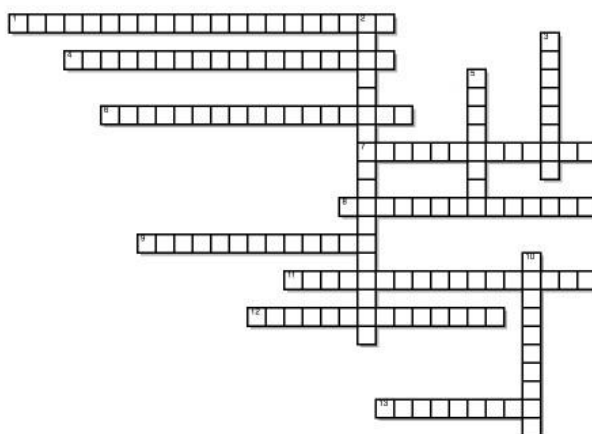
In this module we learned basic concepts like consumer, customer, rights, consumer rights and consumer protection.

We covered why we have consumer rights and why we need to learn about them.

We learned how our rights as consumers are developed and what universal consumer rights areas well as how they are protected in the EU.

Now, Let's solve the crossword puzzle.

How to Protect Our Rights Crossword



**Words:**  
 Consumer  
 Customer  
 Consumer Rights  
 United States of America  
 Consumer Protection  
 Basic Needs  
 Right To Safety  
 Right To Choose  
 Right To Be Informed  
 Right To Be Educated  
 Right To Redress  
 To Be Heard  
 Healthy Environment

### ACROSS

- 1 The concept of consumer rights and necessary legal steps were firstly developed in the ...
- 4 We have a right to live in ...
- 6 This is our right to have enough information on the goods and services before we buy them.
- 7 This is our right to have protection from unsafe goods and services.
- 8 They exist to protect our interests and well-being when we buy goods and services in the marketplace.
- 9 This right protects our economic interests.

### DOWN

- 11 This is our right to learn about our consumer rights.
- 12 Thanks to this right, we can get economic compensation for returns.
- 13 We have a right to have a representation of our interests and complaints as consumers. This is our right ...
- 2 The United Nations have Guidelines for ...
- 3 Person that buys and uses goods or services only for private purposes.
- 5 Person that buys goods or services for someone else's usage.
- 10 We have the right to satisfaction of ...



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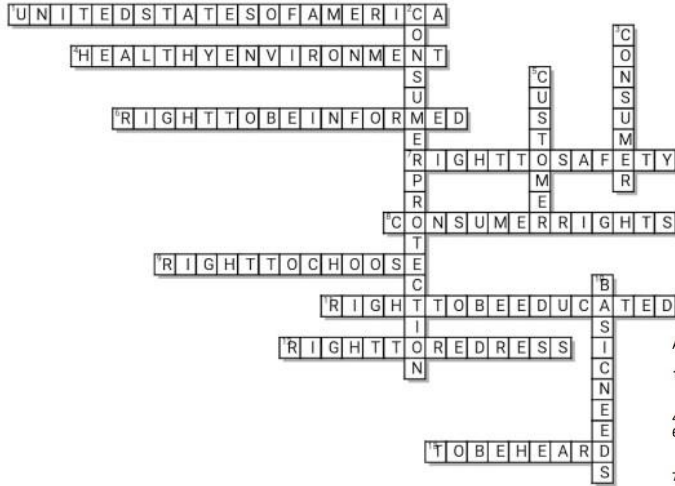


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- These are the answers. How did we do?



### How to Protect Our Rights Crossword



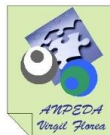
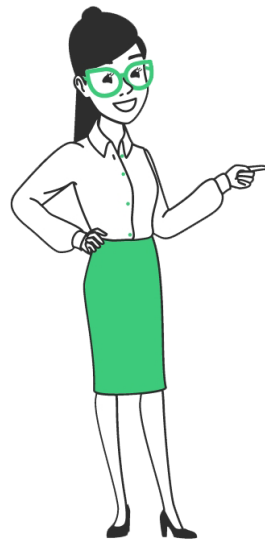
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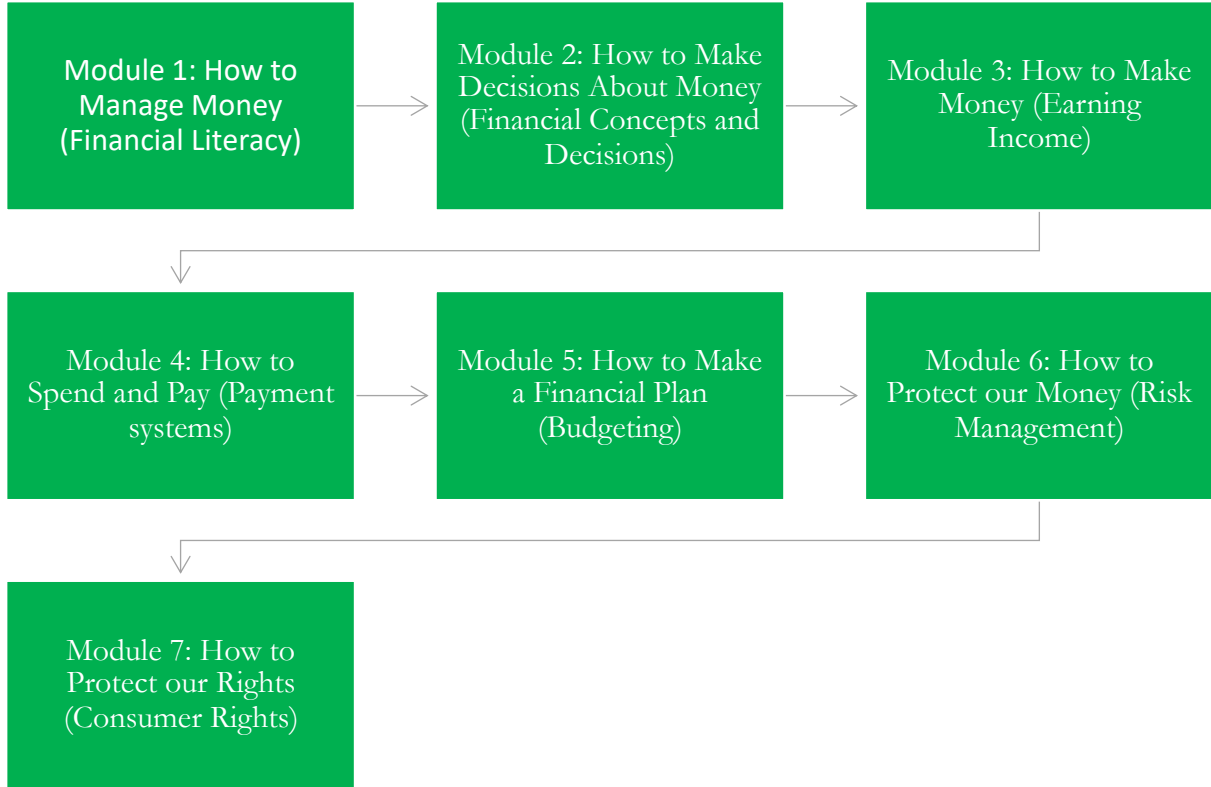


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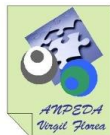


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# Congratulations – Module 7 ✓



- The concepts of financial literacy and their applications to our lives are discussed in detail in the different modules of the program.
- Congratulations we have completed the last module where we discussed how to protect our rights as consumers.



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