

Law Day 2010: Law in the 21st Century

Emerging Challenges and Enduring Traditions

The Federal Trade Commission Act of 1914 created the Federal Trade Commission (FTC), the nation's consumer protection agency. Since its founding, the FTC's function has been to make sure businesses compete fairly and don't mislead consumers about their products or services. Five bi-partisan commissioners head the FTC, and its work is divided among three bureaus: Competition, Consumer Protection, and Economics.

The Bureau of Competition works to promote and protect competition in the marketplace. It does this by ensuring that businesses compete in open and free markets and provide consumers with quality goods or services.

The Bureau of Consumer Protection's job is to guard consumers against unfair, deceptive, or false business practices in the marketplace.

The Bureau of Economics analyzes how the marketplace works. It also writes reports about different business practices and markets, develops rules that explain some of Congress' laws about business activities, and informs consumers about the ways they can gather information to make wise buying decisions and protect themselves in the marketplace.

As innovations and new technologies give rise to new businesses and change how consumers make purchases, it will be the Federal Trade Commission, among others institutions, that will be challenged to achieve its mission of encouraging competition and protecting consumers.

◆ Business Transactions ◆

“Economic depression cannot be cured by legislative action or executive pronouncement. Economic wounds must be healed by the action of the cells of the economic body - the producers and consumers themselves.”

Herbert Hoover,

31st President of the United States

Newspaper Activity:

- ◆ Look through the newspaper in print or online for examples of businesses competing for customers. Comparing two businesses with similar products, which do you think has the better deal? Why? Among the examples, does any offer sound too good to be true? Why?

For more about the FTC go to <http://consumer.gov/ncpw/category/for-kids/>

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PROS	CONS