# The introduction

At the beginning of occurrence of mankind, there was no necessity of settlement of the relations connected to sale and purchase. It occurred because there was no such wide spectrum of the goods (services) offered to the person. Eventually, all began to vary. The person has learned to simplify the life, using necessary products, services. According to one of economic laws which say, that requirements of the person in process of their satisfaction constantly grow, the individual indefatigably increased quantity of the goods and services. Through certain time, necessity of settlement of a revolution of this side of a public life has appeared. And this necessity is objective. Suppose you are buying a television set. Can you be sure that the set you take home will be of the same type and quality as the one you have looked at in the store? If the TV breaks down after you have bought it, who should pay for the repair – you, the shop or the manufacture? What should you do if you are not satisfied with the repair or with the fee that the engineer charges? If you are very unlucky and the set catches fire, who should pay for any damage to your house? These are questions consumer law.

Each state made the big works on research of problems of the market, found optimum ways of the decision of questions. Developed the bills adequate to modern conditions of a life. But, in connection with that each country has the way of development, accordingly, and the laws regulating the relations of consumers and sellers are various.

In the given work, I shall try to illuminate in the generalized kind corresponding conditions legal relations sellers and buyers in Russia and in foreign countries.

# The law and consumers: the international view

Anyone who buys goods or services, whether an individual shopper or a large business, is a *consumer*. However, consumer law is mostly concerned with the rights of private individuals. Consumer right is not a new concept. Pre-industrial societies throughout the world have imposed punishments on traders who overcharge or otherwise deceive their customers, even if they make honest mistakes. Bakers in Medieval England were so worried about the laws against selling underweight bread that they developed the custom of adding an extra roll free to a batch of twelve. Even today the expression «a baker's dozen» means thirteen of something, not twelve.

In the last thirty years, consumer law has grown at an unprecedented rate and is often studied as a branch of law in its own right. The principles of contract and tort are particularly relevant to consumer matters, but in addition to these, new legislation is passed every year to clarify the law and deal with specific problems.

Not surprisingly, consumer law has grown most quickly in wealthier industrialized countries where people are accustomed to asserting their rights and have a wide range of information available to them. In Britain, the magazine Which? has been publishing independently researched information about products, services and legal rights for thirty years, and popular television programs discuss consumer complaints. If a discontented consumer is forced to take legal action, there are judicial institutions which enable him or her to do this without spending a lot of money. In developing countries where manufactures often have low profit margins, consumers often have to accept lower standards unless they are rich or have important friends. But there are changes here, too. The Chinese government, for example, has responded to a growing demand for better quality goods by setting up special courts to deal with complaints.

It is necessary to note, that the legislation of the western countries in the field of consumer relations has practical character. All instructions of the law are embodied in a life. The consumer has rights not formal, but real. About it speak set of examples. One of them is resulted below.

Ms. Hinchen leased a new 2003 Ford Explorer from Fritts Ford on January 15, 2003. The gross capitalized cost of the vehicle was $45,292.52. Shortly after leasing the vehicle, she began to experience electrical problems, including an inoperable trip meter, the gas gauge registering incorrectly, illumination of a tire fault lamp, inoperable windows and an inoperable message center. She first returned to Ford authorized dealerships for her concerns with the electrical system in July 2003 when the vehicle had 13,416 miles on it. Despite repeated repair attempts by Ford dealers, Ms. Hinchen was required to return to the dealers on twelve separate occasions for these electrical problems. The case proceeded to jury trial in January 2005 in San Bernardino County. The Defendant, Ford Motor Company, contended that a non-party Ford Dealership installed the wrong instrument cluster on Ms. Hinchen first trip to the dealership in July 2003 which caused her continuing electrical problems. Ford further argued that the electrical problems present in the vehicle were corrected and repaired after the correct instrument cluster was put in the vehicle. The jury awarded Ms. Hinchen $15,312.10 and allowed her to keep the vehicle until the end of the lease.

All similar affairs were resolved for the benefit of consumers. To this promoted Lemon Law. This law has been developed by legal firm to strengthen rights of the consumer across the nation. The western representatives of jurisprudence try to develop laws which can be used in practice. These laws work on advantage of consumers.

A lot of consumer law is basic contract law. The consumer must show that has had a contract with the supplier of goods or services, showing that the supplier is in breach of this agreement, and convince the supplier that he would have a good chance of winning if he took the case to court.

Contracts between are businesses are usually full of detailed agreements about who should supply what, when, where and at what price, but every day transactions involving private individuals are more informal.

The consumer must show that a contract has been implied by law. To help him there are consumer law implying certain terms into consumer agreements. In English law, for example, the 1979 Sale of Goods Act implies a term that the seller has a right to sell. This protects the honest buyer from a seller who had no right to sell goods because they had been stolen. Another implied terms is that goods correspond to any description given to the buyer. The 1982 Supply of goods and Service Act implies similar terms regarding services. It also implies that services be provided with reasonable care at a reasonable cost and within a reasonable time. In deciding what is reasonable an English court will refer to similar previous cases. However, the most important guideline is usually common sense in the context of the transaction in question.

Where goods are concerned, the implied terms are conditions. This means that the buyer has the right to discharge the contract – to refuse the goods – if the terms are breached. He may also be entitled to damages. But where services are concerned, the implied terms are intermediate stipulations**.** This means that the consumer may only refuse the services if this is reasonable in the circumstances. The court may decide that he must accept work which has been done, but award him damages where the work has been done badly or too slowly or at too high a cost.

A difficult problem in consumer law is deciding who is responsible when goods are lost in delivery or delivered late. If no express agreement has been made about this, the Sale of Goods Act provides complicated rules. In general, the buyer has no responsibility until the time he takes possession of the goods. If goods arrive late he may be able to discharge the contract (refuse delivery) if he can show that time was of the essence (of vital importance). Sometimes this is implied by the nature of the transaction – for example, a contract to deliver fresh food or newspapers. In other cases, the consumer may make time of the essence by specifying a time for delivery.

Another difficult problem is that of exemptionclauses. These are warnings to the consumer by the supplier that no responsibility will be accepted in the case of loss, damage or injury. For example, dry-cleaning businesses often have notices on a wall or on the back of tickets refusing responsibility for damage to clothes. Sports clubs warn that they are not liable if members injure themselves using their equipment.

The law about exemption clauses varies from country to country, but in general it is important for the consumer to know that not all such clauses are valid. In Britain and the US, for example, a party trying to avoid responsibility must show that the exemption clause was part of the contract with the customer and that it covered the problem in question. The clause is more likely to be part of the contract if it is and a document signed by the customer or was written in a place all customers could read it.

Responsibility for loss or damage or loss can only be avoided if this would be deemed reasonable.

One of the fastest-growing areas of consumer law is *product**liability* – responsibility for damage or injury caused by faulty goods. During the 1960s, a series of cases in the US established the principle that consumers need only to show damage, effect, and a relation between the two.

In Japan, consumers still have to prove not only that there was a defect leading to damage, but that this was a result of the producer's clear negligence. Consumers complain that it is extremely difficult for them to win cases, partly because rules of technological secrets allow companies to withhold important information about products.

Another problem manufacturers now have to worry about is what to do when someone threatens to put poison or glass or some other harmful substance in a product to be consumed by the public. In Japan, organized crime associations and individual employees have often used such threats in order to get money from a company. Even when the company could find evidence of the threat having been carried out, it has usually decided to pay the money rather than take the risk of losing its sales.

In the US the Food and Drug Administration has laid down guidelines for companies depending on the likelihood of harm to the public.

One of the difficulties for governments when they make consumer legislation is to balance the interest of the consumer against those of the producer. In Britain, food shoppers sometimes complain that they are underprotected because their interests are looked after by the same government ministry that looks after the interests of the farming and fishing industry. On the other hand, in the last 25 years, the government has passed legislation about description of goods, consumer credit, unsafe goods, and many other things in addition to the laws mentioned above. Citizen's Active Bureaus give free advice not only about products but also about welfare benefits, health services, educational and other public services. There is a danger that consumer law is becoming so broad it is difficult to define what it is.

# The law and consumers in Russia

The relations arising between consumers and sellers (manufacturers) at a revolution of the goods, rendering of services the law «About protection of the rights of consumers» adjusts. He establishes rights of consumers on purchase of the goods (services) of appropriate quality, safe for a life, health, an environment. The law establishes rights of consumers on reception of the information on the goods (services) and about manufacturers. Establishes the state and public protection of interests of consumers. The given statutory act defines the mechanism of realization of the specified rights.

According to this law, the consumer – the citizen having intention to order or get the goods only for personal, family needs. The seller – the organization irrespective of its legal form, and also the businessman who realizes the goods to consumers under the contract of sale and purchase.

Besides relations in the field of protection of the rights of consumers are adjusted by the Civil code of the Russian Federation.

The state control and supervision of observance of the laws regulating the relations in the field of protection of the rights of consumers are carried out by the authorized federal enforcement authority.

Citizens have the right to be united on a voluntary basis in public associations of consumers (association, the unions), which carry out the activity according to charters of the specified associations (associations, the unions) and the legislation of the Russian Federation.

## The consumer

The legislation of the Russian Federation provides a lot of the norms protecting interests of fair consumers. Among the basic it is possible to name what are resulted below.

The consumer has the right that the goods (service) under usual conditions of his use, storages were safe for a life, health of the consumer. Requirements which should provide safety of the goods (service) are obligatory.

One important fact, according to the law, that absence at the consumer of the cash or commodity check or other document, certifying the fact and conditions of purchase of the goods, is not the basis for refusal in satisfaction of his requirements is.

Often occurs so, that, having bought what – or an article of food, already at home consumer is not pleasant. What in such situation to do? It is resolved with norm of the law which says, that the consumer has the right to exchange these goods at the seller if he has not approached under the form, to a coloring, the size. The given exchange is made within 14 days, not considering day of its purchase.

It is necessary to tell, that as the goods can serve not only a thing. The goods are also service. Here as the seller the executor acts. In this sphere of commodity circulation the law also protects interests of consumers.

Besides the consumer has the right to demand the full indemnification of the losses caused to him in connection with infringement of terms of rendering of service. Losses are compensated in time, established for satisfaction of corresponding requirements of the consumer.

The consumer has the right to refuse execution of the contract about performance of works (rendering of services) at any time under condition of payment to the executor of the charges actually suffered by him connected to execution of obligations under the given contract.

It is not necessary to count, that the law gives the consumer only rights, he also imposes on him and duties. Mainly they are based on conscientiousness of the consumer. He should show the requirements in corresponding terms, at an exchange of the goods – to keep his packaging (labels, labels, integrity of the goods, cleanliness). If the consumer wishes, that his requirements have been executed, he should follow the law completely.

## The seller (manufacturer)

The legislation imposes a number of duties as the seller (manufacturer) should bear the responsibility for the goods sold in the market.

Initially, the law establishes, that the seller (executor) is obliged to transfer to the consumer the goods (to render service) the quality of meets which the conditions of contract. Selling goods up on a sample and (or) a description the seller is obliged to transfer to the consumer the goods which meet the sample and (or) the description. The law states obligatory requirements for the goods (service), the seller (executor) is obliged to transfer the consumer the goods corresponding to these requirements.

For long use goods (service), the manufacturer (executor) has the right to establish service life – the period during which the manufacturer (executor) undertakes to provide to the consumer the opportunity to use of goods and to bear the responsibility for essential lacks. On food stuffs, the perfumer – cosmetic goods, medicines, the goods of household, chemical goods and other similar goods the manufacturer (executor) is obliged to establish working life – the period after which the goods are considered unsuitable for use. Sale of the goods after a target date of the validity, and also the goods on which working life should be established, but it is not established is forbidden. The manufacturer (executor) has the right to establish a warranty period – the period during which in case of detection of lack of the goods the manufacturer (executor), the seller, is obliged to satisfy requirements of the consumer. The seller has the right to establish a warranty period if it is not established by the manufacturer. The manufacturer (executor) is obliged to provide safety of the goods during working life of the goods. The seller (manufacturer) is obliged to accept the goods of inadequate quality from the consumer and in case of the need to inspect the quality of the goods. The consumer has the right to participate in the check of the quality of the goods. If term of elimination of lacks of the goods is not determined in writing by the agreement of the sides, these lacks should be eliminated by the manufacturer (seller) immediately. If the consumer has found out lacks of the goods the seller is obliged him to replace within 7 days. If the seller (manufacturer) at the moment of presentation of the requirement does not have goods necessary for replacement, replacement should be carried out within a month from the date of presentation of such requirement. The goods which be replaced should new. The warranty period, in this case, is estimated anew, from the date of replacement. For infringement of terms of an exchange, the seller pays to the consumer the penalty per every day of delay.

## The harm

Protection of the rights of consumers is carried out by court.

The right to demand compensation of the harm caused owing to lacks of the goods (service), admits for any victim irrespective of, he has consisted in contractual relations with the seller (executor) whether or not.

The harm caused to a life, health or property of the consumer owing to industrial or other lacks of the goods (service), is subject to compensation in full.

The harm caused to a life, health or property of the consumer, is subject to compensation if harm is caused during a target date of service or working life of the goods (service).

The harm caused owing to lacks of the goods, is subject to compensation by the seller or the manufacturer of the goods at the choice of the victim.

The harm caused owing to lacks of work or service, is subject to compensation by the executor.

Indemnification of moral harm is carried out irrespective of compensation of property harm and the losses suffered by the consumer.

# The conclusion

In the given work some moments which open rights and duties of participants of commodity circulation are resulted. But, it is possible to draw a conclusion that, in Russia and in foreign countries, the law protects the interests of consumers.

In conclusion I highlight some important positions and compare Russian and European legislation related to consumers rights. The comparison is made in the table.

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| RUSSIA | THE EUROPE |
| *Distinctions.* | |
| In Russia laws which protecting the rights of the consumers, exist not so long ago. These laws cannot brag of precise experience of their application, therefore often there are problems in practice with their realization. The consumer cannot enjoy his rights because he is often simply is not aware of them. Unfair manufacturers use this ignorance. A Russian consumer used to act traditionally, to trust a word, not to give due attention to details. Such attitude of the Russian consumer also is caused by the history and the traditions of the state; it is enough to recollect long domination of the planned economy and communism.  Russian mentality is characterized by the irresponsible relation to possible consequences. The Russian consumer is accustomed hopes for a happy-end. He does not think of problems which can arise if the goods appear poor-quality. | In these countries the society has been developing gradually and consistently. Consumer law reflects on changes on the economy and is efficiently applied. In Europe as against Russia, consumers are fully aware of their rights.  European people have got practical mentality. They always collect and keep all receipts, checks and other documents related to a purchase. |

This table does not open all features of relations of consumers and manufacturers; it only gives a primary general view. But the information which above mentioned enables to generate precisely the attitude to study of the legislation on an investigated theme in Russia and the western states. Pleases, that the Russian legislation has adopted the best parties and experience of the western states, but thus takes into account features of the Russian consumer. The Russian consumer – the especial consumer. This feature will consist in mentality, concerning the Russian person to laws. This relation differs from predilection of western people to know and protect the rights, and also honesty to carry out the duties in conformity to the law. The Russian person is more located on observance of traditions. He is focused on practice of human relations, human dialogue. Russian hopes for a miracle, he trusts in despicableness.

In general, for realization of the rights in any sphere, each person (the consumer, the seller, the manufacturer) should know laws. In this case he will not have any problems with restoration of the broken right and indemnification.

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