



Dear Member of Congress:

As you know, this fall the Federal Trade Commission will be holding hearings on “Global Marketing and Technology.” These hearings should be the occasion for a significant review of the fundamental challenges we face in protecting consumers in the 21<sup>st</sup> Century.

Our nation’s consumer protection paradigm was developed when business operated in radically different markets. In recent years, new online issues have arisen, and we have addressed them piecemeal, adding to the FTC’s responsibilities but not overall resources.

We applaud FTC Chairman Majoras for convening these hearings and inviting comment on what issues to raise. In that spirit, the Center for American Progress has prepared a list of seven themes that we believe should help us form a new paradigm of consumer protection.

One big theme is “from local to global.” Historically, consumer protection was largely a local issue, concerned with the stereotype of the used car dealer or other shady local merchants. Today, there are still plenty of shady practices. The deceptive web site or e-mail pitch, however, often comes from overseas. That means we need a new legal and policy framework to provide the same level of consumer protection we had in the past.

Put another way, over a billion people now use the Internet -- a billion next-door neighbors when it comes to commerce and communication. In the physical world, we know how troublesome a bad neighbor can be. Online, any of those “neighbors” might perpetrate fraud or launch a hacker attack. We have to think carefully about how to develop laws, policies, and practices that will help our economy and increase commerce, while protecting consumers.

To help assure that the hearings live up to their potential to update protection for consumers, we expect to release research on the subject and to host public education events this summer at CAP.

We look forward to being in touch with you further on this topic. Please feel free to contact Peter Swire, our Senior Fellow who is leading our work on this issue, at (240) 994-4142 or [pswire@americanprogress.org](mailto:pswire@americanprogress.org).

Sincerely,

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