

Chapter 24 Protecting Consumers

Section 24.2 Sources of Consumer Information

Reading Activity—Apply Knowledge

Directions Read the excerpt from the textbook and complete the steps.

The U.S. government allows businesses to compete in the marketplace with relative freedom. However, many laws have been enacted to regulate and restrict business practices. These key trade laws were created to preserve competition. They also help to protect consumers.

Manufacturers of products for the public must become familiar with consumer protection laws. This helps them to avoid possible recalls of their products and potential lawsuits. Most trade laws are designed to protect the consumer. These laws protect against dishonest sellers, unreasonable credit terms, unsafe products, and mislabeling of products.

Step 1 Look at the two sentences that are underlined. Write a brief statement explaining how both of these statements are true.

Step 2 Write a brief explanation of how laws against dishonest sellers, unreasonable credit terms, unsafe products, and mislabeling of products encourage competition.
