Consumerism and Sustainability

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Family & Consumer Sciences
Consumerism

- Consumerism is the idea that the purchase of material possessions creates happiness.
- Neo-classical economics suggests consumption is driven by the desire to maximize utility.
Consumption

- Consumption is broadly defined as the opposite of production.
  - Any family income that is not saved (Keynes)
- Production includes the design, production and marketing of goods and services.
- Consumption includes the selection, adoption, use, disposal and recycling of goods and services.
Conspicuous Consumption

✓ Conspicuous consumption is the waste of money and/or resources by people to display a higher status than other people.

✓ Veblen, Thorstein (1899) “The Theory of the Leisure Class”

✓ Resources include time.
The Consumer

✓ The household has traditionally been seen as the consuming unit.

✓ Increasingly individuals are seen having utility and hence consumption that is separate from the household (e.g., marketing to children)

✓ Is the goal of the household to maximize utility for its members?
Environmental Concern

✓ Repeated studies since the seventies show that attitudes of environmental concern do not significantly explain consumer behavior
  ✓ Including my own research!

✓ Researchers suggest that consumers are not receiving utility from the environmental aspects of their purchase decisions.
  ✓ Successful changes have economic basis (e.g. skylights at Wal-Mart or hybrid cars)
Quality of Life

✓ Redefining the goal of the household/family to include more than utility opens up the role of the household in environmental, economic and social sustainability.

✓ Quality of Life for household members is the goal of a properly functioning family unit.

✓ This goal includes interactions within and beyond the household and the marketplace.
Home Economics and Sustainability

✓ Home Economics (Family & Consumer Sciences) is an interdisciplinary field that covers the arrangement of food, clothing, shelter and care within the household unit.

✓ Households have a significant impact on environmental sustainability
  ✓ Convenient unit of measurement
  ✓ Drives consumption
Household Production

- While in the past households have been involved in both production and consumption, the trend has been to:
  - Move towards consumption and away from production
  - Regard production by household as inefficient
Consumer scientists argue that the line between consumption and production by individuals and households are not distinct. Instead of use and disposal, the phases after selection may be production, use, production and reuse.

Example: Raw food may be selected, produced into a meal that is used and the waste may be produced into compost which allows the food to be reused.
Decline of Household Production

✓ The removal of production from the household also removes the environmental, social and economic effects of the production.

✓ Examples: Sweatshop production of clothing, toxic agrochemicals, deforestation

✓ Deskills the household for future production

✓ Example: loss of cooking (food production) skills
Marketing of Products

✓ Marketing can be used to create false needs that the product can satisfy
  ✓ Bacteria on the doorknob
✓ Marketing can create role anxiety that the product will resolve
  ✓ “bad parents don’t clean the doorknob”
✓ The solution created by consumption is temporary (unsustainable) because future marketing will create new needs and undermine future roles.
Marketing and Sustainability

- The one role that is NEVER undermined is the role of consumer.
- Marketing based solution of “green consumerism”:
  - Create a false need (Your floor cleaner is toxic!, Your floor is toxic! Your whole house is toxic!)
  - Create role anxiety (You are a bad consumer because you aren’t consuming a “green product”)

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Asymmetry of Information

✓ Neo-Classical Households require specific information to maximize utility.
  ✓ Product attributes (price, aesthetics, utility and durability) will allow the consumer to maximize utility
✓ Perfect information results in perfect markets, but vast amounts of information about production is withheld from consumers
Economics of Information

✓ Product attributes are separated into three levels
  ✓ Search attributes (eg. price or color)
  ✓ Experience attributes (eg. flavor or durability)
  ✓ Credence attributes (eg. organic production)

✓ Information can be added to products in the form of labeling to describe (credence) attributes consumers can’t verify without special knowledge or skills
Maximizing Quality of Life

✓ Quality of Life requires satisfying social, political, environmental and spiritual needs as well as economic and technological needs.

✓ Households require information about production to make consumption decisions that maximize quality of life.
  ✓ Information about products
  ✓ Education about production
Home Economics and Sustainability

- One of the goals of Home Economics is to empower households to maximize Quality of Life.
  - Information about production
    - Production of purchased goods and services
    - Benefits of household-based production alternatives
  - Education about production
    - “Reskilling” households for sustainability
    - Disposal as a form of production rather than consumption
Small Group Discussion

- Break into family-sized groups (3-5) and discuss problems posed by selected articles.
- We will each focus on a different problem
- After group work, we will work as a larger group to create a handout to post on TRACS with our discussion.