



Sustainable Consumption Research and Action Initiative

# Sustainable consumption in times of Covid-19

Keynote for ISDRS conference; July 15, 2020

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The 26<sup>th</sup> International Sustainable Development Research Society Conference

Sustainability in Transforming Societies

15-17 July, 2020, Budapest, Hungary

#### Overview



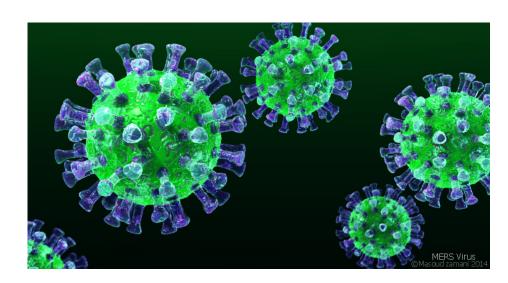
Sustainable Consumption Research and Action Initiative

- 1. Introduction: The challenges of Covid 19
- 2. Short history of Consumption and Consumerism
- 3. What did we learn from Sustainable Consumption Research?
- 4. Impacts of unsustainable consumption
- 5. Systemic change and policies for change
- 6. Role of research and researchers

### 1. Introduction: The challenge of Covid 19:

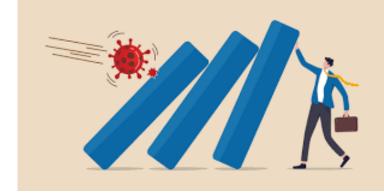
#### Covid 19 changed everything:

- Global supply chains were disrupted
  - Especially for medical supplies
  - Also for consumer goods
- Large-scale behavioral changes
  - Suggested by medical authorities
  - Because no quick technical fix was available
  - Mandated by governments
  - Big gap between "essential" and other workers
- Vulnerability of consumer society
  - Travel collapsed
  - Business, schools, recreational parks closed
  - Employment plummeted
  - Stock markets were hit, but quickly recovered
- Role of the State increased:
  - Neo-classical economics faltered
  - Massive financial injections in economy 7/15/20









What would happen if we all decided not to consume? I never thought that I would see the day when the answer to the latter question materialized in all its dimensions. But here we are, staring at it, during

the Covid-19 crisis.

(Halina Brown, 2020)







# 2. Short history of Consumption and Consumerism





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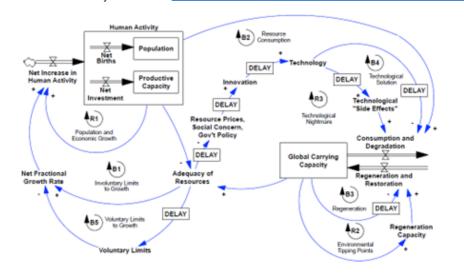
# Contemporary industrialized countries are consumer societies

Consumer society is a **complex system** of technology, culture, infrastructure, institutions, markets, and dominant business models.

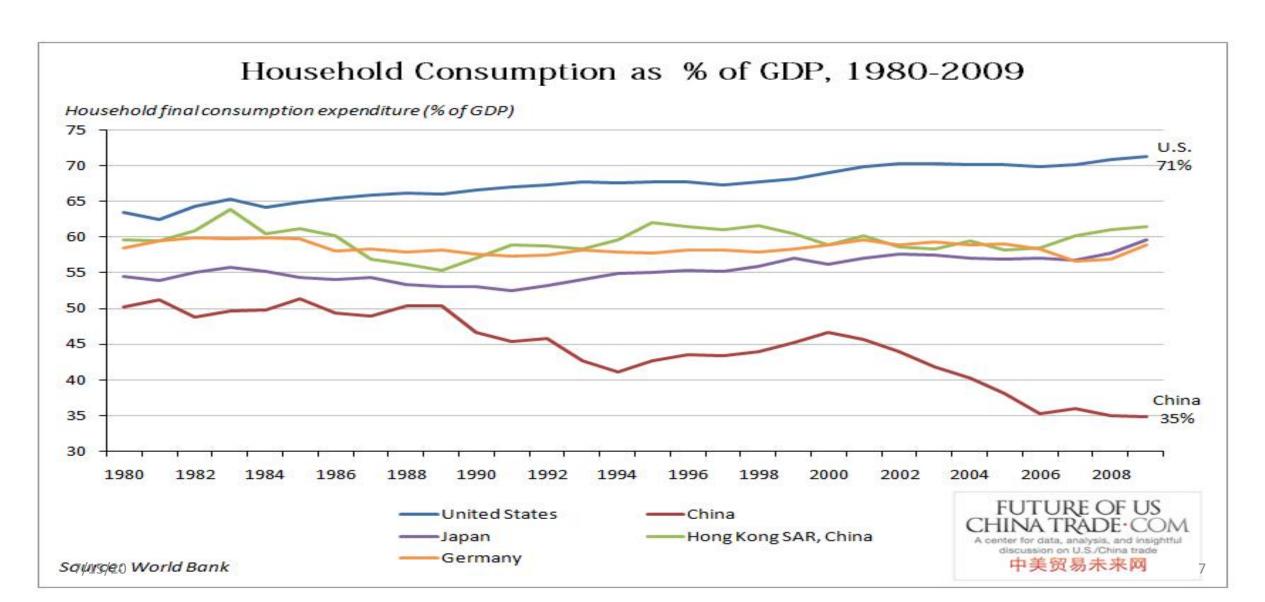
Purchase and maintenance of materials goods and services by households is the **organizing principle** of social and economic life:

- Satisfying everyday needs & wants
- Signaling social position and distinction
- Cultural celebrations and public discourse
- Leisure time
- Formal and informal institutions
- Financing communication media
- Path to life satisfaction??

Consumption as a complex system John Sterman, 2014 <a href="https://www.youtube.com/watch?v=c891j7lnaYk">https://www.youtube.com/watch?v=c891j7lnaYk</a>



#### The economy based on private consumption



### Consumer Society is a Social Construct

- Consumer society was purposefully created after 1945 together with the "American Dream" of good life; which was a life of material prosperity and affluence
- After the war there was tremendous industrial overcapacity
- This needed to be redirected to consumer goods
- Fore these, demand needed to be created
- Creation of suburbs and exurbs, enabled by the automobile; in combination with the "American Dream"; and demobilization of GIs helped to create this demand.
- In the 1980s this was accelerated by the Chicago School of **supply-side economics**, Milton Friedman, supported by Ronald Reagan's policies.

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#### The American Dream envisioned in WWII



It's a promise!

# The Dream House 1950 and 2014





ΙU











# 1920s: Edward Bernays: Creator of modern marketing and advertising

Scientific technique of shaping and manipulating public opinion:

"Engineering of consent": "If we could tap into people's desire to feel good, powerful, and sexy you can sell...anything, from toothpaste to cigarettes to cars and houses."

"We must shift America from the Needs To Desires Culture"

\*\*\*\*



"Our enormously productive economy demands that we make consumption our way of life, that we convert the buying and use of goods into rituals, that we seek our spiritual satisfaction and our ego satisfaction in consumption."

We need things consumed, burned up, worn out, replaced and discarded at an ever-increasing rate" (Economist Victor Lebow)

writing in The Journal of Retailing in 1955, quoted by Richard Heinberg in his book "Afterburn".



#### Don't test one brand alone ... compare them all!

TRY THIS TEST! take a POSUP MODES—and one ples opposite. Then, here's of 1 Date up ather opposite. Take admirally let the stoke core 2 Now do exactly the some thing NOTICE THAT PHILIP MORES DEPOSITE F MADER

Unlike others, we never ask you to test our brand alone. We say . . . compare PHILIP MORRIS . . . match PHILIP MORRIS . . . judge PHILIP MORRIS against any other giggrette! Then make your own choice! Remember

CALL PHILIP

"I smoke a Lucky instead of eating sweets."

Grace M. Hay Grace

Constitution of the second Hay.

Or and the second Hay.

Or and the second Hay. The fact that we were not permitted to smake from the time the Graf Zeppelin left Priedrichshafen until we landed at Lakehurst only increased my appetite for a Lucky Strike. Oh, how good that first one tasted? I'm really keen for Lucky Strike-the tounted flavor is delightful. I smoke a Lucky instead of eating susets -that's what many men have been doing for years. I shink it high time we women smoked Luckies and kept our figures trim." LADY GRACE DEUMMOND HAY The modern common sense way-reach for a Lucky instead of a fattening owest. Thousands are doing ir-men keep healthy and fit, women retain a trim Lucky Strike, the finest tobaccos, skilfully blended, then tousted to develop a flavor which is a delightful alternative for that craving for fattening sweets. Toaiting frees Lucky Strike from Impurities. 20,679 physicians recognize this when they say Lockies are less irritating than other eigarettes. That's why folks say: "It's good to smoke Luckies." A reasonable proportion of sugar in the diet is recommended, but the authorities are overwhelming that too many fattening sweets are harmful. So, Lady Grace for moderation's sake we say:-Drummond Hays not woman to fly the "REACH FOR A LUCKY offensio from Europe INSTEAD OF A SWEET." 'It's toasted No Throat Irritation-No Cough. © 1016, The American Tuberto Co., Manufacturers



# What is Sustainable Consumption?

"...the use of services and products which respond to basic needs and bring a better quality of life while minimizing the use of natural resources and toxic materials as well as the emissions of waste and pollutants over the life cycle of the service or product so as to not jeopardize the needs of future generations."

UN CSD, 1995

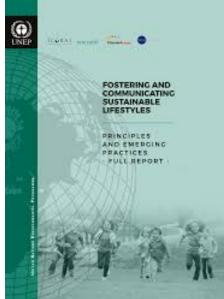




#### UNEP 2016:

A sustainable lifestyle minimizes ecological impacts

- while enabling a flourishing life for individuals, households, communities, and beyond.
- It is the product of individual and collective decisions about aspirations and about satisfying needs and adopting practices,
- which are in turn conditioned, facilitated, and constrained by societal norms, political institutions, public policies, infrastructures, markets, and culture.



# 3. What did we learn from Sustainable Consumption Research?



- Consumption is a collective activity; embedded in economy and culture; reinforced by marketing, social media, the financial system, and existing power relationships
- Economic growth and consumption are two sides of the same coin
- The system also includes the **culture of consumerism**; celebrating shopping, conspicuous consumption, and keeping up with the Joneses
- The **drivers** include the advertising industry which generates desires, wants, perpetual dissatisfaction with the present, and aspirations
- The result is the creation of a **circular treadmill** in people's lives: want->work->earn->spend->consume->want->

#### Diderot Effect: (Grant McCracken, 1988)

Denis Diderot (1713–1784), Treadmill of competitive consumption

My friends, keep your old friends. My friends, fear the touch of wealth. Let my example teach you a lesson. Poverty has its freedoms; opulence has its obstacles.

-- Denis Diderot



### Does consumption makes us happier?

- Relationship between GDP and Social Health indicators
- Income inequality and social health problems

(Wilkinson and Pickett, The Spirit Level: Why Greater Equality Makes Societies Stronger, 2009)

Increased GDP (and thus consumption) does not lead to a better level of social health. In addition, increased inequality decreases social health.

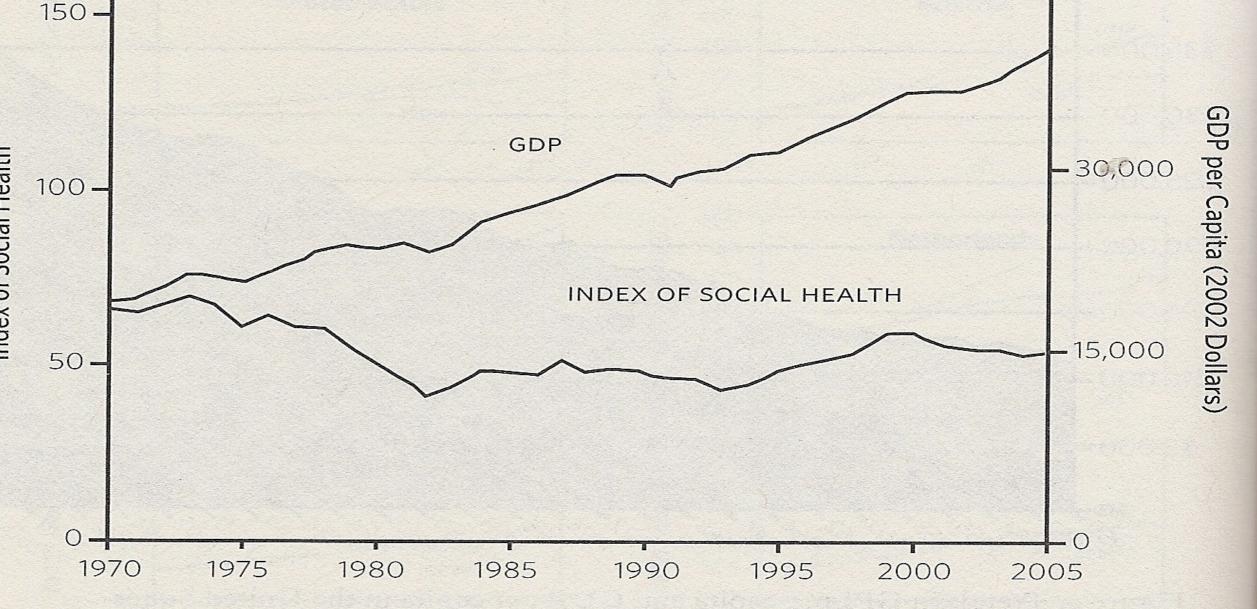


Figure 5. Trends in the Index of Social Health and GDP per capita in the United States, 1970–2005 (Source: Miringoff and Opdycke, *America's Social Health: Putting Social Issues Back on the Public Agenda*, 2007)

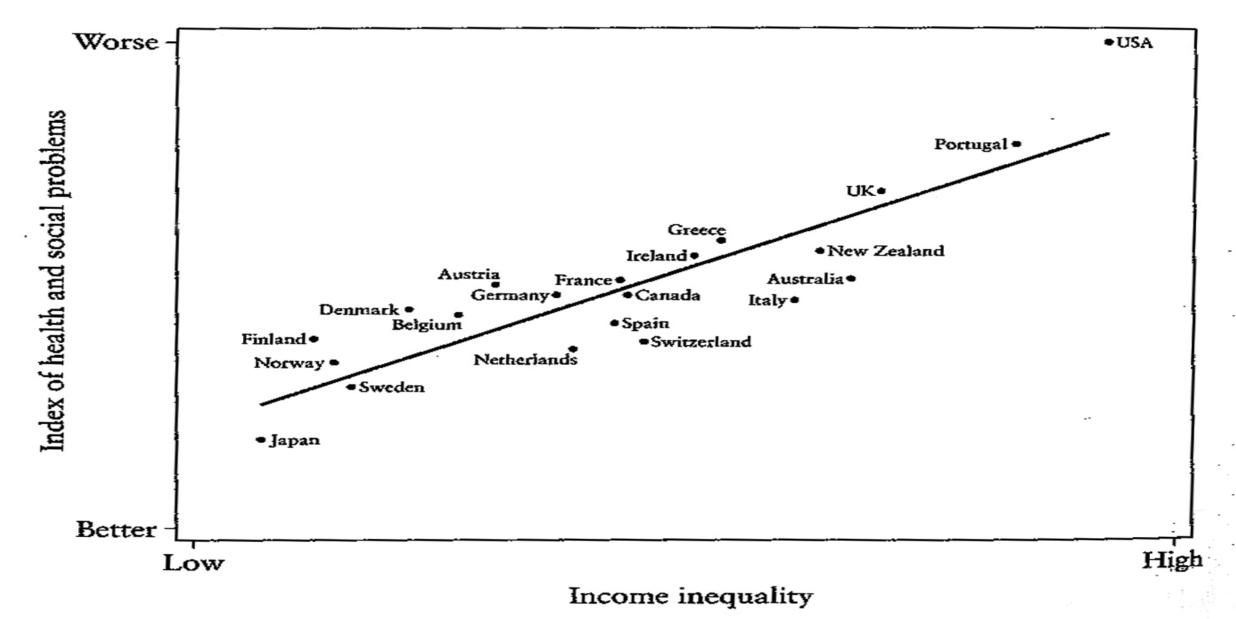
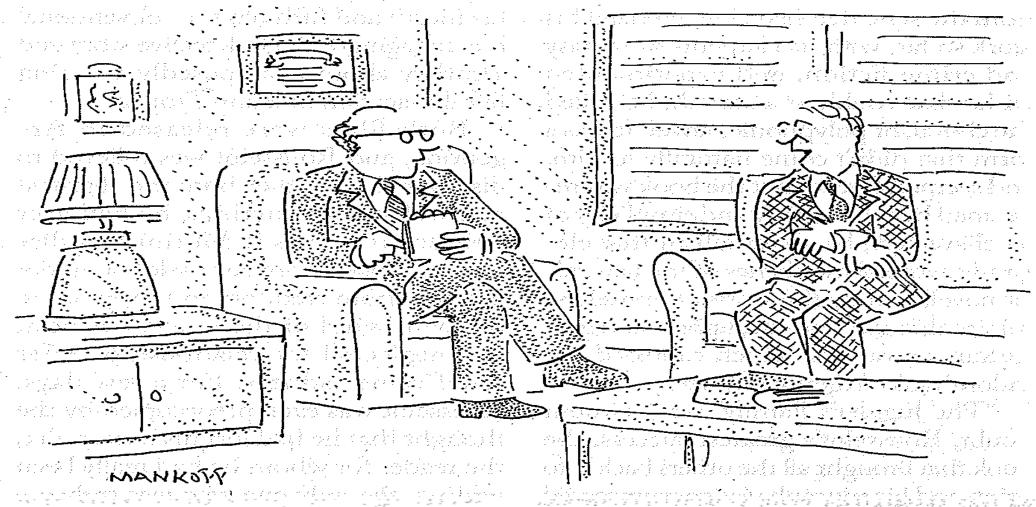


Figure 13.1 Health and social problems are more common in more unequal countries.



"I do count my blessings, but then I end up counting those of others who have more and better blessings, and that pisses me off."

#### Lessons learned 2

- technological advances can drive consumption by establishing new social practices.
- Social practices are the rituals and routines widely adopted by individuals and society in every day without much conscious thought given to them.
- Social practice theory has shown how consumption is intertwined with technology and culture; and the resilience of social practices.
- Change in behavior can best be achieved at **life events** like changing jobs, marriage, and empty nests
- Material consumption, above a certain minimum, has not led to greater wellbeing

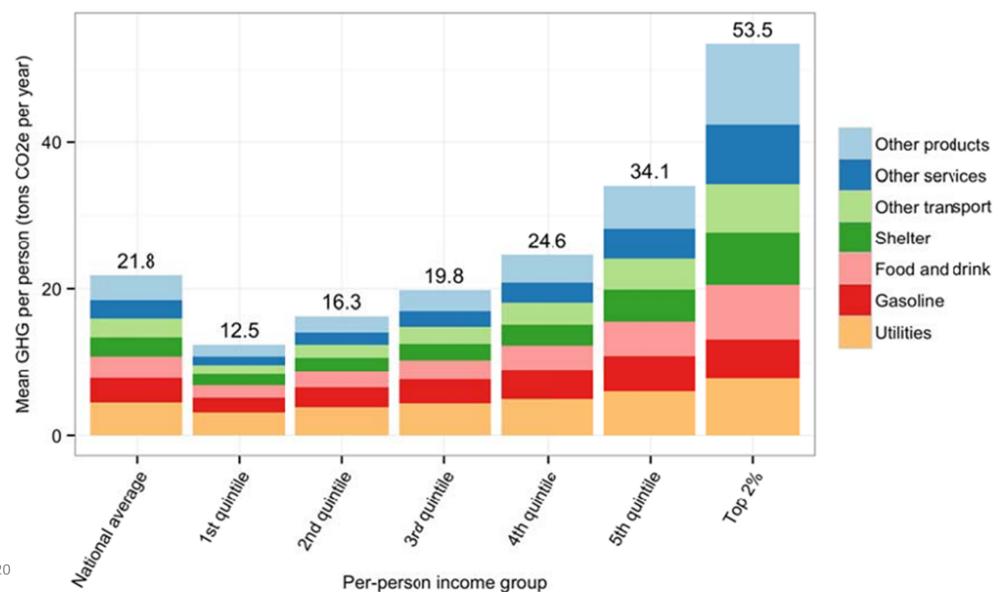
  Overstepping Ourselves
  A our Ecological Footprint Contributes
- The ecological footprint is related to the **level of income**, not so much to the "green intentions" of consumers......







Figure 1: Average GHG footprint and income per person<sup>15</sup>



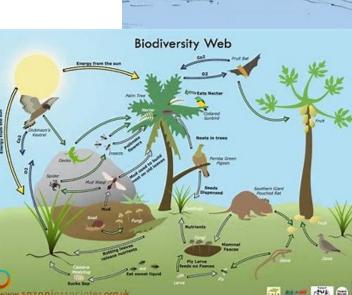
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# 4. Some impacts of unsustainable consumption and economic growth

- Climate change
- Loss of biodiversity and wild nature
- Inequity and poverty
- Vulnerability for natural disasters and epidemics
- Stress and unhappiness







# Growing recognition of consumption as core driver of GHG emissions

• <u>Paris agreement 2016:</u> "Sustainable lifestyles and sustainable patterns of consumption and production...play an important role in addressing climate change"

• <u>Pope Francis 2015 Laudato Si encyclical:</u> "The pace of consumption....has so stretched the planet's capacity that our contemporary lifestyle, unsustainable as it is, can only precipitate catastrophes."

• <u>IPCC 2014:</u> "Lifestyle and behavioral changes could reduce energy demand by up to 50 percent of present levels by mid-century"

### Household Carbon Footprint/ embodied energy

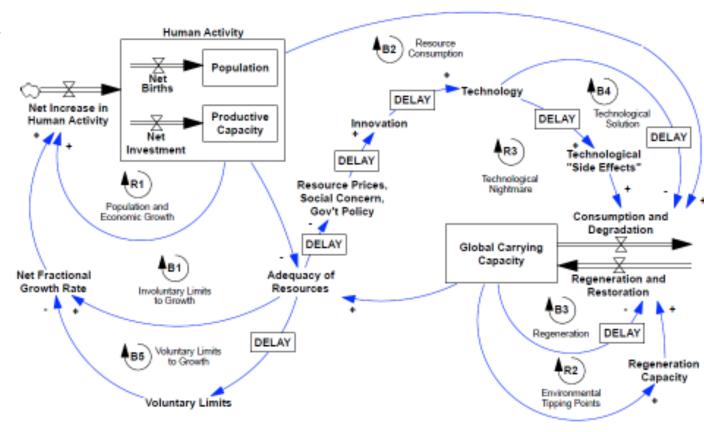


### 5: Systemic change and policies for change

Consumer society is a complex system:

John Sterman, 2014

https://www.youtube.com/watch?v=c891j7lnaYk



# Technology alone cannot solve climate change



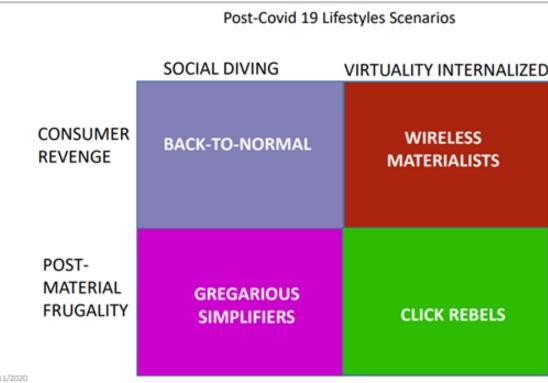
- Technology (like renewable energy, electric cars) is necessary but not sufficient.
- Reducing global poverty \$3 -> \$8/day will consume 66% of < 2 degrees carbon budget
- Huge investments in renewables and infrastructure require energy & materials dependent on fossil fuels

Eva Alfredsson, Magnus Bengtsson, Halina Szejnwald Brown, Cindy Isenhour, Sylvia Lorek, Dimitris Stevis & Philip Vergragt (2018) Why achieving the Paris Agreement requires reduced consumption and production, Sustainability: Science, Practice and Policy, 14:1, 1-5, <a href="https://doi.org/10.1080/15487733.2018.1458815">https://doi.org/10.1080/15487733.2018.1458815</a>



### Potential changes in lifestyles: Scenarios

- SCORAI-Global has formed a working group that explores consequences of Covid-19 in various global areas; and future scenarios for sustainable lifestyles.
- From SCORAI-Brazil the following lifestyle scenarios have been developed:



### Life style changes are not enough: Recommendations for systemic change:

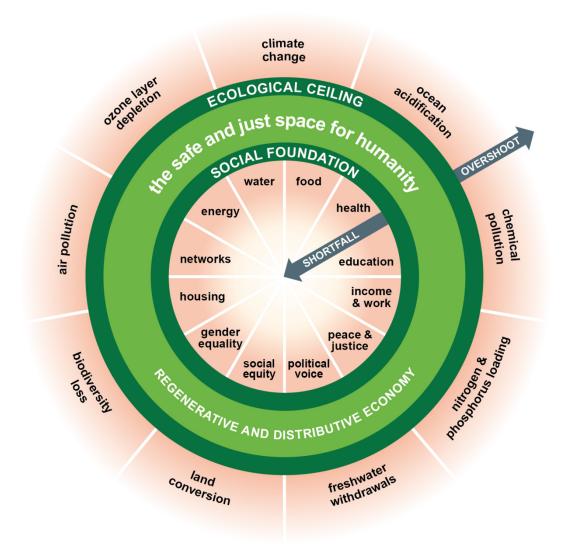


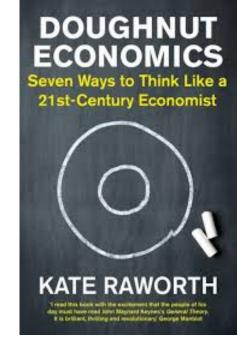
- Change economics from neoclassical growth to Doughnut economics within ecological boundaries
- Adopt many of the recommendations by the DeGrowth movement
- Curtail the global financial system and bring it down to the level of mainstream economies
- In order to remain below 1.5 degrees, curtail **individual consumption** in rich and overconsuming societies
- Communicate better how our consumption is related to climate change and other ecological disasters
- Communicate better the relationship between inequality and overconsumption

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### Kate Raworth: Doughnut economics

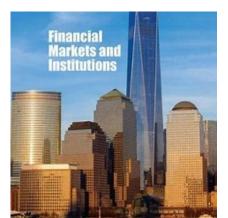






## Policies to promote sustainable consumption

- For the **middle class**: Universal Basic Services; shortening of the working week; C-pricing of goods and services; less expendable income for individual consumption, especially of unnecessary stuff.
- For the upper class: wealth tax; steeply progressive income tax;
   inheritance tax; progressive real estate tax; taxation of stocks and bonds
- For the **low-income groups**: jobs creation; free education; low-cost health, child, and elderly care; financial safety net
- Laws curtailing multinational corporations
- Laws curtailing financial institutions and markets
- Global sustainable trade regime





#### Role of research and researchers



- Generate new data
- Develop new conceptual frameworks and theories
- Co-create new knowledge through action research with stakeholders
- Develop deep knowledge about root causes and solution directions
- Develop policy options; and communicate to policy makers
- Try to influence decision making and policy
- Reflect on our own roles as co-creators of knowledge, as communicators, and influencers



### Thank you



www.scorai.org

pvergragt@outlook.com

#### I wish you a fruitful conference



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### DeGrowth proposals (Barcelona 2010)

- Promotion of <u>local currencies</u>, elimination of <u>fiat money</u> and reforms of <u>interest</u>
- Transition to non-profit and small scale companies
- Increase of local commons and support of participative approaches in <u>decision-making</u>
- Reducing working hours and facilitation of <u>volunteer work</u>
- Reusing empty housing and cohousing
- Introduction of the <u>basic income</u> and an income ceiling built on a maximumminimum ratio
- Limitation of the <u>exploitation of natural resources</u> and preservation of the <u>biodiversity</u> and culture by regulations, taxes and compensations
- Minimize the <u>waste</u> production with education and legal instruments
- Elimination of mega infrastructures, transition from a car-based system to a more local, biking, walking-based one.
- Suppression of advertising from the public space<sup>[54]</sup>

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