Defining Sustainable Consumption-An Applied Activity

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Abstract
Economics plays a significant role in the establishment of sustainable development. However, in viewing production and consumption from the perspective of supply, demand and market price, the assumptions related to consumer behavior theoretically enable sustainable outcomes to the extent that consumers are aware of the inherent responsibility of their consumption and are knowledgeable with respect to the impact of consumption on both the environment and social welfare. Using a replicable life cycle cost assessment assignment, the author provides a rationale and outcome for the incorporation of a sustainability project in the teaching of introductory economics.

Introductory Context
Economics involves the assessment of wants within the context of limited resources; arguably embedded within an efficient economic system is sustainability. Intertemporal reconciliation of wants and limited resources requires sustainable consumption; however assumptions related to "unlimited wants" and undervaluation of resources have fostered the opposite, consumerism. Through this exercise, instructors can increase tangible awareness of consumer behavior and empower students with the insight that individual and to a more significant extent, collective actions can promote sustainable economic outcomes.

The discussion of consumer motivation provides the instructor with the opportunity to discuss and acquaint students with the values embedded in demand and supply, the influence of marketing and advertising on demand, as well as, the potential inconsistency between producer incentives and consumer values as they may relate to sustainability. The evaluation of these concepts creates an opportunity to engage students in self-evaluation of consumption decisions; assessment of the sustainability of consumption decisions; and promotion of the importance of consumer behavior in establishing sustainable consumption. The goal of this activity is to explicitly engage students in an analysis of their own values in relation to the values expressed through their consumption choices. As part of this simple exercise, students will assess the holistic cost of a purchased good, from production to waste, in conjunction with the basis for the consumption choices. As part of this simple exercise, students will assess the holistic cost of a purchased good, from production to waste, in conjunction with the basis for the consumption choices. The students are then asked to assess the life cycle of the product: environmental and human health impact of the beverage from product development to waste disposal (direction to be provided by the instructor and included with poster presentation). Students should be provided with a minimum of a week out-of-class time to develop their assessment. Additionally, students should be given freedom to determine what and how to assess the impact of their beverage; student should be encouraged to research and properly cite sources (resources exist in the Internet specific to environmental impact assessment and on many company websites specific to environmental risks, challenges, and usage related to product development, production and consumption). To facilitate the group assignment, tables are provided to the instructor with parameters presented in a table format to assist them in their holistic assessment. These can include but are not limited to, the water footprint, carbon footprint, greenhouse gas footprint, human health impact, and natural resource impact. For example consequences of consumption may include obesity and diabetes (human health) and resource depletion (production) due to overutilization of true cost of a resource or good. An example of the latter is forest harvesting excluding the cost related to the length of time for forest regeneration or overfishing without consideration of fish population thresholds for regeneration.

Alongside the population of the instructor provided table, students should be directed to answer the following questions in an essay format using a standard style (APA, MLA, Chicago) for any references and in paper citations:

- How did you make consumption decisions prior to this activity?
- Has this activity modified how you will make consumption decisions in the future?
- Which do you view as the most significant attribute to consumption: supply, demand, or price? Why?
- Do consumers implicitly assume that producers are factoring sustainable values? Why or why not?
- How can consumers impact sustainability?

The essay will provide the instructor with a useful tool for evaluating the success of the project as it relates to the stated learning outcomes.

Activities
Following an in-class discussion addressing standard assumptions embedded in demand and supply, including 1) "unlimited wants" on the part of the consumer, 2) market price efficiency, which is the implied view that market price at equilibrium adequately assesses production and consumption costs, and 3) producer incentive alignment with cost minimization and revenue maximization (profit maximization) and the potential informational asymmetry with respect to sustainable production processes that yields market prices that promote profit and at a cost to the environment, ecosystem, and human health, groups comprised of two to three students are to be assigned around a shared favorite beverage. The students are then asked to assess the life cycle of the product: environmental and human health impact of the beverage from product development to waste disposal (direction to be provided by the instructor and included with poster presentation). Students should be provided with a minimum of a week out-of-class time to develop their assessment. Additionally, students should be given freedom to determine what and how to assess the impact of their beverage; student should be encouraged to research and properly cite sources (resources exist in the Internet specific to environmental impact assessment and on many company websites specific to environmental risks, challenges, and usage related to product development, production and consumption). To facilitate the group assignment, tables are provided to the instructor with parameters presented in a table format to assist them in their holistic assessment. These can include but are not limited to, the water footprint, carbon footprint, greenhouse gas footprint, human health impact, and natural resource impact. For example consequences of consumption may include obesity and diabetes (human health) and resource depletion (production) due to overutilization of true cost of a resource or good. An example of the latter is forest harvesting excluding the cost related to the length of time for forest regeneration or overfishing without consideration of fish population thresholds for regeneration.

Reflection Paper
From the student responses and as these relate to forming a culture of sustainability, the outcome of the assignment appeared to increase overall student awareness of externalities involved in their consumption decisions. Of out 62 students participating in the assignment, all noted that they had gained greater awareness and 75% noted an anticipated change in the consumption decisions as a result of the assignment. Student reflections included:...