

WORKING PAPER 542

GREEN CONSUMERISM AND THE RESPONSE FROM  
BUSINESS AND GOVERNMENT

S.E. EDEN

School of Geography  
University of Leeds  
Leeds LS2 9JT

November 1990

## GREEN CONSUMERISM AND THE RESPONSE FROM BUSINESS AND GOVERNMENT.

### Preface.

This paper is the third in a series of three Working Papers dealing with contemporary aspects of public expressions of environmentalism. Two primary behaviours expressing such pro-environmental ideas are the purchasing of products according to their environmental impacts - a phenomenon often labelled green consumerism - and the growing subscriptions and donations to voluntary environmental organisations.

This paper deals with some of the agents in the environmental debate which influence the public: business and government. The recent emergence of green consumerism, the purchasing of products on the basis of their environmental effects, has brought about changes in technology, marketing, legislation and the political process. Such changes are discussed in terms of their development and also in terms of the critical response they have received from other groups, including environmentalists.

Although environmental ideas about protection and conservation of wildlife and natural systems such as the atmosphere are very much in the public eye, the background to the arguments publicised is often inadequately presented or fragmented. The first paper, Environmental Issues in the Green Consumer Debate: A Contemporary Guide, aims to provide an adequate background by collating and clarifying the technical data regarding those environmental processes which have a high

public profile and which are often cited in debates about environment friendly products. The coverage is wide-ranging and presents the central academic arguments as continuing rather than conclusively resolved.

The second paper, Voluntary Organisations and the Environment, explores the two-way influence between public expressions of environmentalism and the embodiment of environmentalism in the ideologies of the organised environmental groups. There is a discussion of the development and differentiation of the environmental movement alongside wider social changes and growing public support and also consideration of the present status of the movement in terms of its membership, methods and foci.

# GREEN CONSUMERISM AND THE RESPONSE FROM BUSINESS AND GOVERNMENT.

November 1990

## CONTENTS

	Page
1. Introduction.....	4
2. Green Consumerism as a Feature of the Market.....	6
2.1. <i>Introduction</i> .....	6
2.2. <i>What's being Marketed to the Green Consumer</i> ...	8
2.3. <i>An Industry to Advise Industry</i> .....	13
3. Problems in the Greening of Industry.....	16
3.1. <i>The Incompatibility of Environmentalism and Contemporary Industry</i> .....	16
3.2. <i>A Lack of Controls on Marketing</i> .....	19
4. Government Response to Environmental Damage.....	25
4.1. <i>The Environmental Protection Bill</i> .....	25
4.2. <i>The White Paper: a reiterant "strategy"</i> .....	27
5. Politics and the Green Vote.....	30
6. The Response to Green Consumerism from the Environmental Movement.....	33
6.1. <i>Levels of Consumption</i> .....	34
6.2. <i>Distrusting the Claims of Industry</i> .....	36
6.3. <i>Unfair Pricing Structures</i> .....	37
6.4. <i>The Need for Information</i> .....	38
7. Concluding Remarks.....	40
8. Bibliography.....	42

## 1. Introduction.

This paper is concerned with the various responses emerging to the recent phenomenon of green consumerism - the purchasing of products on the basis of their environmental impacts. The phenomenon depends upon the supply of such goods if it is to remain significant in retailing and public consciousness and therefore depends upon the reaction of industry. But such commercial reaction entails problems which have provoked responses from governments, in their legislative capacity, and from environmentalists anxious to maintain the importance of pro-environmental reforms beyond cosmetic changes in consumer patterns.

"Environmental protection may be in the next 50 years what the rise of the welfare state has been in the past 50: a drag on growth, true, but also a huge and hard-to-quantify source of increased human wellbeing."

(The Economist 1990 p.4)

The phenomenon of green consumerism is recent, and despite a general interest in Europe for some years, only since autumn 1988 has it emerged with any force in the UK. In that season, Mrs Thatcher made her first green speech, the media was covering the issues of ozone and tropical rainforest depletion with zeal and, within four weeks of its publication, "The Green Consumer Guide" became a bestseller (The Economist 1990).

Already green consumerism is widely publicised and discussed, but rarely defined. It centres upon the selection and

purchase of products on the basis of their known or perceived environmental effects and primarily by the general public for their domestic use. Such selective purchasing may be a momentary change or a regular preferential pattern, but it has implications in two related spheres of public life.

The first is industry, where green consumerism can be seen as offering a new marketing niche for old and new products. The commercial products which are at the heart of the new purchasing movement are discussed, then the ensuing changes and problems in the industrial sector which supplies the products being chosen or rejected by the consumers in the light of environmental concerns.

The second is government, and other legislative bodies, due to the political influence of increasing public support for environmental pressure groups and political parties. Because of the potential for green consumerism to turn into green voting, some consideration of recent legislation and political patterns is included. It is freely recognised that the nature of environmental law is complex and fragmentary and that it is beyond the scope of this paper to deal with it satisfactorily.

Finally, some environmentalist arguments are outlined, in which the phenomenon of green consumerism can be considered as a compromise action. This is not a case for congratulations if it continues to be an isolated change in attitude towards the environment, as a cosmetic compromise is insufficient and distracts from the root environmental problems.

## 2. Green Consumerism as a Feature of the Market.

### *2.1 Introduction.*

Market research polls and other surveys give varying estimates of the number of green consumers in the UK, depending upon how 'greenness' is defined. A recent (1989) MORI poll defined a green shopper to be one who had chosen one product over another on the basis of its environmental performance at least once. On this basis, 42% of the public, 18 million adults, classed themselves as green consumers, a proportion up 121% from the previous year (quoted in Friends of the Earth 1989b and McCarthy 1989). Analysis by AGB (quoted by Burnside 1990) puts the market penetration of products with 'green appeal' at 20% of UK households. Diagnostics Market Research (ibid.) puts the size of the Green Consumer Base at 45% to 60% of the adult population and includes within this group a proportion of 30% more tightly defined as green thinkers, who actively 'seek out' environmentally friendly products rather than just occasionally preferring them.

Because of both the dynamism of the situation and the difficulty of defining what frequency and kind of purchasing behaviour earn the label 'green consumer', it would be unhelpful to take such estimates as absolute measures of the phenomenon.

It is equally difficult to assess the value of the present market for environmentally friendly products and for a variety of reasons. One of the most fundamental is the problem of defining what is 'environment friendly' without ambiguity or compromise.

(This is besides the terminological problems of that label, in that no processes are actually *friendly* in a *positive* way, i.e. good to the environment rather than merely less bad.)

A realistic assessment would have to value two markets: the market for products that are substantially different or modified in the light of environmental concerns, and the market of products where little or no change has been made but the marketing makes use of environmental labels. The pressure group Friends of the Earth has used the terms "well intentioned" and "opportunistic" marketing to describe these two kinds of phenomena (Earth Matters 1989).

There is often a marked distinction between claims relating to the 'greenness' of a product and how far these are borne out in a cradle-to-grave audit of the product's environmental effects. (This is also known as a life-cycle analysis (LCA) or eco-profiling a product, depending upon whose work one reads.) Such an audit would include: the use of materials and of energy in the manufacture of the product itself; the product's packaging; the marketing and distribution networks; the way in which the product is used, especially if it consumes materials or energy in use, e.g. an electrical appliance; what happens after it has been used, i.e. waste disposal.

The language and terminology used to describe products, the information we have about the environmental effects of products, the technology of their production and disposal: these three aspects of green products are all subject to rapid change. Such change means that it is difficult to define the 'greenness' of a product or a company on a stable basis. Products must be



continually under review in the light of technological advance and research into environmental damage. This requires time and money to invest in an independent 'watchdog' body with scientific research and government backing. At present, this function resides primarily with pressure groups, e.g. Friends of the Earth and the Women's Environmental Network.

## *2.2. What's Being Marketed to the Green Consumer.*

There are many kinds of goods on offer to the public today which bear the label, however it is phrased, of being 'green'.

Unleaded petrol is commonly sold via a green-coloured pump or hose and the advertising clearly emphasises the environmental angle. According to the Department of the Environment (DoE 1990 p.146) unleaded petrol had a 33% market share in the UK in 1990 and 92% of outlets stocked it - in West Germany the figures were nearer 60% and 100% even in 1989 (Fiori 1989). Unleaded petrol has a price advantage over the leaded version of around ten pence per gallon in this country due to government intervention. This introduces an economic incentive alongside any environmental considerations influencing purchase. However, it might be argued that such an incentive encourages the use of more of this type of petrol, the burning of which still affects the environment in many ways via its exhaust emissions of carbon dioxide, polyaromatic hydrocarbons and nitrous oxides (see Paper 1 in this series for details).

About 90% of sprays retailed to the public in 1990 will be 'ozone friendly' (ibid). It is not clear whether this means they

will not contain chlorofluorocarbons but some other form of gas propellant (e.g. methyl chloroform which is estimated to have 10% to 16% the ozone depletion capacity of CFC propellants (ENDS 1989)) or whether they will be non-aerosol and depend upon compressed air to function.

As for recycled paper, there are several products advertised as being recycled, with some claiming to be '100%' from recycled waste. Some of this waste may be high quality offcuts from the printing industry which has not actually been used by anyone, rather than domestic waste which has been printed or otherwise used - termed 'post-consumer' waste. The fact that the paper industry actually replants more trees than it cuts down has been used by Scott in their advertising campaign to say that recycled paper is not environment friendly because it does not encourage the growth of new trees (ENDS 1989). Environmentalist groups have replied that this fails to mention the habitat disruption engendered in felling, the replanting often of different species, which can affect the entire balance of habitats, the disposal problems of the non-recycled paper waste, nor the greater energy requirements of producing paper from virgin tree pulp rather than from recovered waste (Friends of the Earth 1989a).

Phosphate free washing powder is another product which has been getting a high profile in retailing. The various products so labelled achieved about 2% market penetration in 1989 in the UK compared to 90% in West Germany (Fiori 1989).

The market for organic produce in 1985 in the UK was around £1 million in the supermarkets (Hill 1986) and organic agriculture constituted 1% of all natural produce grown in the UK

in 1989 according to one source (Fiori 1989). The market is expanding: overall European sales have increased tenfold over the last five years (Marketing Week 1990). There are several labels which are used by licensed farmers to mark their produce as grown under one of the reputable schemes, e.g. that of the Soil Association. The schemes require inspections, by an appointed member, of the crops and the conditions before approving the use of the label. The markup obtainable on such organic produce can be considerable depending upon the availability. Up to 35% premiums can operate where produce is sold from the farm gate (Hill 1986). Even in large retailing stores, premiums of 10% over conventional produce are common.

The marketing of goods by reference to the environment is now becoming pervasive in many different sectors, e.g. batteries, cars, detergents of all types, cosmetics using sprays and paper and plastic packaging. Most large retailing companies now stock some form of product sporting an environmentally related label and such stocking has expanded particularly with the involvement of the big supermarket chains such as Sainsbury, Safeway and Tesco. The supermarkets are in a position to put pressure upon their suppliers to make available the kind of products the supermarket customers are demanding.

"The greening of Tesco is the result principally of research which showed that Tesco customers are becoming more sophisticated and critical."

(Higham 1990b p.17)

Supermarket chains can also provide a greener range of own-

brand products, e.g. Sainsbury's GreenForce detergents, Safeway's Ecological range, to tap this environmental market.

Apart from physical goods sold as environmentally friendly, companies as a corporate whole are promoting their image as a green enterprise, e.g. Shell, BP, ICI. This is in line with current ideas about corporate awareness transcending product, but throws up awkward questions about the greenness of the product ranges involved. For example, some of the biggest suppliers of fossil fuels in the form of petrol for domestic vehicles also have a large stake in world fertiliser production, and may be involved in the manufacture of pesticides, such as aldrin, which, though now banned, was manufactured in the UK into the late 1980s (Murrell in Irvine 1989b). A corporation publicising itself as green may be simultaneously commercially committed to the burning of finite fossil fuels, with their resultant car exhaust emissions, and the continuation of conventional farming, which is dependent for its yields upon the use of inorganic fertilisers and pesticides, which have their own environmental impacts. A corporation's activities may thus be less green than its environmentally conscious and caring advertising suggests.

It is worth pointing out that many individual products marketed under a green label come from companies which produce other goods not labelled as environmentally friendly. This suggests that, in many cases, green marketing or products are merely further weapons in the arsenal to be used against the commercial competition, rather than heralding a real change of emphasis for the company. This sort of niche marketing is common in the large, established companies who can expand their already

wide product range to explore the potential of green products.

Perhaps only 100 or 200 companies in the world have made environmental 'performance' one of the top concerns in their corporate policy and many of these are companies who have suffered from environmentalist publicity in the past, e.g. ICI, Monsanto. Union Carbide, who owned the plant involved in the Bhopal chemical accident in 1987, have had an environmental policy as part of their corporate requirement since that time. Another chemical producer, Bayer in West Germany, now spends about the same amount on environmental protection as it does on energy or labour as a percentage of its manufacturing costs (about 20%) (The Economist 1990).

Another type of non-physical product being marketed under a green label is that of investment packages. The first green unit trust in Europe was set up in 1988 by the Green Alliance and Merlin Jupiter Unit Trust Managers (Schwarz 1989). The trust chooses which companies to invest in according to ten criteria of positive environmental awareness and action, rather than merely not investing in companies with publicised poor environmental records.

Even where physical changes have not been made to established products, some companies are using marketing tactics in referring to the environment. Fairy Liquid dishwashing detergent claims to have been green for over 50 years, according to its bottle design. Tampax packaging claims that their (bleached wood pulp) tampons have always been environmentally sound because they biodegrade after disposal. This sort of

"defensive advertising" (Irvine 1989b) reveals not only bandwagon jumping, but inertia and complacency as well.

However, some companies see no need to cover their deficiencies with 'Greenspeak': Ecover spends nothing on advertising and yet sales of their household detergent range reached £10 million in 1989 (Marketing 1990).

### *2.3. An Industry to Advise Industry.*

In a recent survey of City analysts, 80% of the respondents said that the marketing in their industrial sector had been affected by environmentalist ideas (Hilton 1989). It is probable that, as marketing is traditionally more responsive to public consciousness and changing ideas than other industrial departments, an environmental reorientation may begin in marketing departments with the potential to initiate change through feedback to other departments in the company.

"There is little doubt ... that the marketing departments are in the front line of this shift in corporate thinking."

(Hilton 1989 p.15)

It is becoming increasingly important to companies that not only should the product be seen to be green but that the company as a whole should develop a green image (Higham 1990b). A recent survey of businessmen indicated that 40% of respondents believed that a green image "made commercial sense" due to its competitive edge and an equal proportion referred to the benefits of a green corporate image (Hilton 1989).

Adverse environmental publicity can be a blow to a company's

public credibility. Even where the problem only involves a 'scare', i.e. the probability of harm through a product is less than is publicised or is even unfounded, the company may be forced to spend considerable sums on advertising and other procedures to regain its public acceptance. Witness Perrier recently when accusations about benzene in its spring water forced a withdrawal of recently distributed bottles, followed by a new advertising campaign when the new batch of products were available.

While not all companies are eagerly attempting to establish green credibility, it is recognised by all that to be seen as polluting the environment or causing other forms of environmental damage has a very negative effect upon a company's image. In this sense, no company wants to be left out for fear of losing a competitive edge in the market, but some are equally wary of being caught in another kind of trap:

"the argument that 'going Green' positively invites an uncomfortable degree of scrutiny and potentially hostile attention from rivals, consumer groups and the Green lobby is one which some large companies deploy to justify foot-dragging."

(Higham 1990 p.17)

Many companies have attempted to avoid such traps by seeking out consultancies specialising in environmental audits and advice. These agencies are often run by people with experience in environmentalist groups, such as John Elkington of SustainAbility, and they enable the company they advise to keep

up to date with legislation on environmental protection and with consumer trends.

This service industry has been expanding of late, with the largest environmental consultancy in the UK employing about 100 specialists and having a turnover of £7 million in 1989 (Vidal 1990). The potential market for the greening of industry has been put at £3.2 billion in the next three years (ibid).

For the environmentalists outside industry, the usual aim is to expose bad industrial and governmental practices and to campaign for changes in the law. In their commercial associations, the environmental consultants, the "candid friends" of industry (Elkington with Burke 1987), describe themselves as "the pragmatists of the environment" (Aspinwall, quoted in Vidal 1990) and depend upon technical argument rather than confrontation in order to encourage gradual change within the budgets and scope of commercial companies.

There are often objections from environmentalists about the consultancies advising compromise measures or even 'getting their hands dirty' after lobbying and campaigning such industries previously. Such accusations of impurity of method can sting those who see their job as helping businesses who do want to change but don't know how or are unable to reorganise from scratch due to financial considerations.



### 3. Problems in the Greening of Industry.

#### *3.1. The Incompatibility of Environmentalism and Contemporary Industry.*

"Consumerism, of the kind represented by advertising and marketing, is largely incompatible with environmentalism."

(Higham 1990b p.17)

Environmentalist objectives are often implicitly directly opposed to those of industry. Commercial companies survive on growth which depends upon the consumption of their products or services. They recognise no limitations on 'public goods' to which there is 'global open access' such as air and water, and it is therefore in their own interests to make the most of such free resources (Pearce et al 1989). One of the basic tenets of environmentalism is that the environment is not there merely for people to exploit and use, but that there is a two-way relationship between nature and people and it is only upon respect for our relationship with nature that humankind can survive. If such a two-way relationship is the basis of reason, the excesses of unlimited growth and exploitation can only be seen as harmful. For modern manufacturing industry, the important considerations are ones of profit and continued viability of the enterprise. These depend upon the continuing growth of the market, a continuous increase in sales of products (Johnston 1989b). The concept of limited growth or even a society based upon a no-growth economy is anathema, or at least alien, to the strategies of modern industry.

There is therefore a clear distinction between the objectives of environmentalist groups and those of industry. This is expressed by a City stockbroker:

"We don't find the want less, consume less and waste less approach of the Green Party particularly helpful because that obviously implies an economic recession, producing less manufactured goods and changing fundamentally the structure of society and manufacturing industry."

(Furnivall quoted in Vidal 1990)

Another problem is that of time frames. John Elkington has had some experience in dealing with companies interested in environmental issues in connection with his environmental consultancy company:

"One of the key difficulties which industrialists face in talking to environmentalists is that they operate on very different time-scales. Most businesses consider a two year time horizon a luxury, focusing instead on quarter-by-quarter results."

(Elkington with Burke 1987 p.65)

The environmentalists, meanwhile, are considering the long term future of species and the environment over periods from the next 20 years to the next two centuries, or further, ahead. To reconcile the two perspectives would require either a real sense of environmental crisis or fundamental changes in the character of the free market as it operates today.

A further issue is that business frequently solves problems through technical modification rather than a change of principles or structure. This step-by-step approach is slow and incorporates only gradual change and not change of perception or behaviour but changes in process and product. This technical fix has been exposed as an insufficient, ineffective way to change attitudes and behaviour (Heberlein 1974) but is usually the one adopted by industry, if any change is indeed made. The following comment made about the car industries' development of green products can be applied to many industries where marketing initiatives have resulted in changes dependent upon their R & D departments:

"... there are growing doubts that the whole race for the Green car is another example of marketers going for the cosmetic fix rather than facing up to the enormity of the problem."

(Smith and Sambrook 1990 p.30)

The overall ethics of environmentalism are mostly alien to the practices of industry. Whilst marketing sections adopt green marketing strategies, they ignore the real issues of environmentalism and the true ideal of green marketing - "the marketing of 'less is more'" (ibid p.31). Hence:

"at some point, the irreconcilable philosophical divisions between environmentalism and conventional customer economics are bound to surface."

(Higham 1990b p.17)

At the present time, the differences in means and ends between commercial and environmental concerns are being papered over with capitalised Green Marketing. The next section will look at the problems in such papering, and later (see: The Response to Green Consumerism from the Environmental Movement) the environmentalist critique of such green salesmanship will be reviewed.

### *3.2. A Lack of Controls on Marketing.*

One major problem with the current irruption of environmental labels into marketing and industry is that of a lack of standards. The recent upsurge in the use of terms like environmentally friendly, ozone friendly, green, organic, phosphate-free, CFC free, non-aerosol, unleaded and so on, has been without control from any body inside or outside the industry.

It is very illuminating to see the way environmental issues have been treated in the marketing sector. Take for example an article published in *What's New in Marketing* entitled "Selling to the greens? It's not so simple" from which the following extract comes (*italics added*):

"Some ideas which might generate thought among marketing executives are outlined below ...

Packaging for *almost any product which can claim it is made up at least in part of recycled materials based on a save materials, save waste pollution label.*

Paper products - from wallpapers to toilet rolls - produced on the same, recycled principle (*they do not have to be 100% recycled to give a green image*)."

(Fletcher 1989, p.25)

This marketing free-for-all led to ambiguity and confusion as environmental claims were made on shaky or spurious evidence or involved downright deception. Many of the marketing logos promoting the environmental friendliness of products resemble approved trademarks, and half the people shown such individual advertising ploys by the Consumers Association believed them to be officially approved and meeting an independent set of standards (Verlander 1990). This confusion needed to be eliminated or at least counteracted as it both misled and disillusioned the buyers who were genuinely looking for less environmentally damaging goods. In a poll this year, 49% of the public agreed that they didn't believe labels that say products are environmentally friendly and 28% disagreed. 67% agreed that "saying a product is environmentally friendly is a way of getting you to pay more for that product" and only 17% disagreed (Phillips 1990).

In 1989, Friends of the Earth (FoE) publicised the first

Green Con Awards for advertising which misinformed the public about the products or used inappropriate claims or descriptions. British Nuclear Fuels were foremost, in connection with their advertisements promoting nuclear energy as the cleaner alternative to fossil fuels due to its reduced emissions to the atmosphere, which were widely condemned by FoE for "factual inaccuracy, significant omission and for playing on the public's fears and ignorance about the Greenhouse Effect" (Earth Matters 1989). Other companies receiving publicity included car manufacturers for promoting cars which run on unleaded petrol as 'ozone friendly'. Whilst lead is a possible health risk in the lower atmosphere when inhaled, the beneficial ozone layer is concentrated around 25km above the Earth's surface and is destroyed by CFCs and other synthesised chemical compounds but not by lead, which is too heavy to rise to such levels (Lutgens and Tarbuck 1979). Ozone is sometimes produced through the chemical reactions of vehicle emissions but remains at ground level where it is a health risk especially to asthmatics (Earth Matters 1989).

Also in 1989, the Advertising Standards Authority (ASA) upheld complaints against Lever Brothers, a major producer of domestic detergents, and ICI, a major chemicals manufacturer. A report produced by the Authority in that year optimistically remarked:

"Some advertisers seem to be paying more attention to making sure their wares are perceived as sitting on the right side of the green fence than to checking the factual accuracy of their claims ... advertisers have a special duty to ensure accuracy in an area where even the scientists are not absolutely sure of their facts."

(ASA quoted in Earth Matters 1989)

The ASA guidelines now forbid the use of absolute terms like 'green', 'clean' and 'environment friendly' in advertisements (ENDS 1990b p.25) and, in 1990, the ITV Association published the first comprehensive guidelines for environmental claims in TV and radio advertisements (Higham 1990a). Whilst such guidelines are not powerful enough to stop the use of misleading environmental marketing, they do indicate that this problem is reaching the consciousness of those bodies who are able to take action to stop such misinformation. Also in this year, the Department of Trade and Industry announced its intention to amend the Trades Description Act, which applies to advertising content and style, in order to stamp out misleading environmental claims and to put the onus upon the manufacturers to prove such claims, instead of on Trading Standards Officers to disprove them (Verlander 1990).

One of the schemes which may help to overcome these concerns is that of eco-labelling or the use of a licensed trademark on goods which have passed various environmental criteria. This would help to counteract the fragmented way in which environmental claims are investigated at present, being the responsibility of separate government departments and agencies.

West Germany's Blue Angel mark has been used in this way since its introduction in 1978 and now covers over 3000 products all of which are independently inspected before use of the logo is approved.

The debate about an EC-wide eco-label is still going on and seems unlikely to be resolved soon. The need for an eco-label was accepted by the UK government in August 1989 and a committee set up in May 1990 to advise upon such a scheme. Chris Patten, the Secretary of State for the Environment, expects to have a UK labelling system in place by the end of 1991 if the EC does not establish a European scheme by then. This scheme would be based on voluntary product inclusion, a feature denigrated by environmentalists as allowing the non-green products to be unmarked rather than being sold with an unfavourable label.

The eco-labelling debate highlights issues of compromise due to the different standards administered by individual member states on how products qualify for a green label. There are also arguments as to whether any comprehensive eco-labelling scheme would cause a stagnation in the development and adoption of new, less environmentally damaging processes. Such arguments are based on the premise that the high costs of environmental protection would force smaller companies to continue operating older, less efficient and more polluting equipment rather than buy in the new, expensive technology. Also, the more dynamic industries would be at an advantage as they would adopt greener technology more rapidly during expansion and modification projects prompted by economic considerations.



A further area for industrial concern in eco-labelling and other related legislation is that they "are potentially a highly effective form of protectionism" (The Economist 1990 Survey p.22) and would allow those companies, and countries, who already produce less environmentally damaging products to guard their market share.

As well as an eco-labelling scheme, an EC body is needed to monitor and expose environmental damage and to ensure environmental directives are adhered to uniformly across the community. Proposals for a European Environmental Agency, with a similar brief to the Environmental Protection Agency in the USA, have received favourable attention (Jackson 1989). Such a body would collect data in connection with judging each country's observance of EC environmental standards and laws. To be really effective, it would further need to be empowered to verify the data in individual countries and to inspect their inspectors at firsthand.

#### 4. Government Response to Environmental Damage.

The autumn of 1990 saw the publication of various statements on the environment by the Conservatives, Labour and the Liberal Democrats. Statements by the latter two must clearly be only blueprints for action (Wintour 1990), but the Conservatives are in a position to take such action. Environmentalists and political commentators have thus been keen to assess the actual commitment to pro-environmental action in the Environmental Protection Bill, first outlined in 1989, and in the White Paper ("This Common Inheritance") published on 25th September 1990 as a statement of the Government's environmental strategy. Some of the main issues emerging from this assessment of these two pieces are outlined in this section.

##### *4.1. The Environmental Protection Bill.*

When the Environmental Protection Bill was first published in December 1989, there was considerable emphasis upon the concept of Integrated Pollution Control (IPC) through the consolidation and strengthening of the role of Her Majesty's Inspectorate of Pollution (HMIP). HMIP will become one body responsible for pollution from all industrial sectors and is to provide advice, in the form of 'notes' for each sector (the first of which are now emerging) on the best way to abate pollution. The onus is on industry to adopt the 'best available technology not entailing excessive cost' (BATNEEC) according to that 'best practicable environmental option' (BPEO) which causes the least

damage to the environment as a whole. HMIP is empowered to ensure that industries employ these technologies and provided with stiffer penalties to punish polluters not doing so. It is also instructed to distance itself somewhat from industry. This separation is due to the increased public access initially promised to all the information HMIP collects on industrial pollution. ENDS suggested that such promised access "alone dictates an end to the era of cosy relationships between inspectors and inspected." (ENDS 1990a p.11) Some environmentalists have argued that such full access is unlikely because of its inevitable opposition by industry (Porritt 1989).

It is evident that the protestations of industry caused some changes in the Bill. Originally the timespan for implementation of the pollution abatement requirements was four years commencing in January 1991. By mid 1990, the commencement date had been shifted to April 1991 for new industrial processes, or those having undergone extreme change, and big plants, and to April 1992 for all other processes and plants (ENDS 1990a). This represents an effectual postponement of 15 months for the majority of changes proposed.

Other changes inaugurated by the Bill relate to the control of waste and recycling by local authorities. They will be responsible for monitoring and regulating waste disposal, after its privatisation, and also pollution from domestic sources alongside the National Rivers Authority with its brief to deal with river pollution. The local authorities will all be given new powers to control air pollution and at the same time obliged to recycle higher proportions of their waste materials.

#### 4.2. *The White Paper: a reiterant "strategy".*

Although widely expected to have initially contained proposals of more strength and wider-reaching environmental reforms, the final White Paper has disappointed many environmental commentators. The most common accusation is that it merely restates what has already been done by the government or other governments and bodies and that little reform or new action is proposed. ENDS characterises it as "a document short on targets, deadlines, firm commitments and new initiatives" (ENDS 1990 No. 188 p.11) and remarks that:

"... most of the 350 actions and proposals contained in the White Paper simply restate established policy."

(ibid. p.11)

Another commentator criticises more strongly:

"The intention of this White Paper is quite clearly not to encourage green awareness but simply to placate it ... [The White Paper makes] a failed attempt to placate green opinion whilst not in any way affecting the financial interests of any significant section of the electorate."

(Bryceson 1990 p.1)

Some of the actions due to be taken are part of the Environmental Protection Bill (see previous section), but some points merit discussion.

The interdepartmental standing Cabinet Committee which produced the document will continue to operate and each

government department will also appoint its own 'green' minister (Reynolds 1990). This has been singled out as the one positive structural change in favour of future environmental policy.

The reorganisation of the Nature Conservancy Council (NCC) has been the subject of some controversy. As a government agency with a Council of members appointed on political rather than conservational grounds, the NCC's aims, as defined by the Wildlife and Countryside Act 1981, are to advise the government on conservation issues, mostly in a confidential manner. It also runs the Sites of Special Scientific Interest (SSSIs). The proposed restructure would merge the Countryside Commission (CC) bodies (which run the Areas of Outstanding Natural Beauty (AONBs) amongst other functions) with the NCCs in Scotland and in Wales, thereby creating one department in each region for conservation. Two separate agencies would remain in England (the NCC and the CC), and there would be no agency with overall responsibility for conservation on the wider scale of Great Britain.

There was little in the White Paper that dealt with the suggestions made in the so-called Pearce Report, published for the Department of the Environment in 1989 (Pearce et al 1989), despite the amount of interest and debate the report generated. The Pearce Report was a document designed and communicated by economists and advocated the adoption of market based initiatives to control environmental damage rather than legislative regulation of production. Such a strategy was based on three points: first, the establishment of standards of acceptable pollution; second, the application of charges on pollution, known

as 'green taxes'; third, the supply of tradeable 'permits to pollute' to certain levels. This set of ideas, based upon the Polluter Pays Principle (PPP), was first set out by the Organisation for Economic Cooperation and Development Council in 1974.

It may be that the procedures necessary for the competent policing of the Pearce Report's charges and permits appeared too costly or involved other problems of industrial inertia and timescales (see Problems in the Greening of Industry). In addition, emerging emphasis on the poll tax and other economic issues, e.g. interest rates, and the implication that environmental economics as outlined by Pearce and his colleagues (Pearce et al 1989) would increase taxes and inflation may well have blunted the 'radical edge' of the original White Paper draft (Wintour 1990). The ideas are relegated to an annex to the paper for further reference and research, but there is an implication that the Environment Secretary will continue to push them, despite opposition from Cabinet colleagues in the Departments of Transport and Trade and Industry, as the final sentence states that the suggestions will be pursued "with vigour" (DoE 1990 p.278).

## 5. Politics and the Green Vote.

The expansion of green consumerism as a public expression of pro-environment ideas has been widely discussed.

"But green consumers ... may not be the most durable or pervasive force for corporate change. The green votes will be more influential in the long run."

(The Economist 1990 p.3)

The consequences of green consumerism beyond the marketplace relate primarily to the conversion of green consumer power to green voting power. The influence of this would be in the resulting political action, primarily in laws brought in or modified to please the electorate upon whose support the governing body relies.

"The willingness of the consumer to pay more for goods dressed up as green is probably a temporary phenomenon. What's not temporary is the forthcoming legislation and EC directives on pollution control, and the greenhouse effect is a real phenomenon."

(Furnivall, quoted in Vidal 1990)

In June of 1989, the quinquennial elections to the European parliament took place. Two million votes, comprising 15% of the total cast, went to what The Economist has described as "Britain's muddled little Green Party" (The Economist 1989 p.14). They were, on the basis of this result, "the most successful Green Party in Europe" (Schwarz 1990). A candidate stood in every of the 78 constituencies in Great Britain. In 8% of these, the Green candidate came second to the Conservative, and in 78%

third after the two largest parties (Johnston 1989a). It was the first time the political arm of the environmentalist movement proved to any degree its capacity for showing at the UK polls, and compared favourably to the 1979 Green vote of 1% in the UK.

The accusation of elitism which has been set against this relative expansion of the green vote seems somewhat justified in the regional breakdown of the votes in this election. Greens obtained 20.2% in the South East, 20.1% in the South West, 16% in Greater London, 15% in the Midlands, 11.7% in the North West, 11.6% in the North East and Yorkshire, 11.2% in Wales and 7.2% in Scotland (ibid.). It is too simplistic to assume that such a division of Green support is dependent merely upon middle class values: the influence of nationalist parties in Wales and Scotland, plus the 'protest' votes of the period towards the Centre and the Greens, complicate any analysis based on such an assumption.

Since that 1989 election, the Green voters have been somewhat less significant, leading the main parties to presume that the environment is no longer a priority of the political agenda. However, in the local elections in 1990, the Greens took 8% of the votes overall and their membership has doubled from the European election period to 20,000 in autumn 1990 (Schwarz 1990).

The policies of the Greens are often in direct opposition to the basic structures underlying the modern Western economy, and the governments with which it is associated: the dependence upon economic criteria, a renunciation of long-term benefits and a concentration of power in small sectors of the population. Even



were the green vote to establish any real power for the Green Party in national government, there seems to be an unyielding establishment ranged against any change they might propose. The structures upon which government is based may prove resistant to novel perspectives like those held by the Greens. For the present, and for the foreseeable future, it is possible to identify:

"... the most basic challenge to green policy: the fact that the structure of Whitehall currently gives great power to the producers of filth, rather than to the protectors of the environment. The Department of Energy has always seen its job mainly in terms of ensuring that enough energy is produced. It would be immensely difficult to get the same civil servants to see their role as promoting energy conservation instead. The Ministry of Agriculture sees its job as getting a good deal for farmers and has only recently begun to think about the effect that farming has had on fields and streams. It does not occur to the Department of Transport that building more roads may look odd when cars are a main source of unfriendly gases."

(The Economist July 22 1989 p.14-15)

## 6. The Response to Green Consumerism from the Environmental Movement.

The purchasing of green products, by its very character, is a process dependent upon the free choice of many individuals who may or may not be affiliated to any environmental organisation. The stance of the official environmentalist bodies to such conscious pro-environmental choice is not uniform. Most environmentalist groups can see the hazards as well as the potential benefits inherent in green consumerism and publicise their viewpoints in both jubilant and cautious voice.

They applaud the potential decrease in environmental damage resulting from the adoption of greener products. They appreciate the rapidity of this adoption and the speed with which industry, traditionally adept at dragging its feet in the face of government environmental legislation, has responded to this demand. Their own membership lists have been increased, bringing a boost in funds, and the increased awareness of the public must surely build a securer base of support for pro-environmental groups and policies. The possible conversion of the green consumers to green voters is also noted by environmentalists, although the support for political environmental groups has varied since their emergence in the 1970s (see Politics and the Green Vote). Perhaps the best news to be gleaned from green consumerism for the environmental movement is that:

"it has introduced a huge audience to the idea that consumers are to some extent responsible for the consequences of their buying decisions".

(The Ethical Consumer 1989 p.13)

This awareness allows the consumers to send signals to industry and government about the environmental action they should be taking.

Such, then, are the benefits which the environmental movement can perceive. This paper now outlines some of the main hazards exposed by environmental groups in the growth of green consumerism as a widespread public movement. These points should both refer to some of the issues already raised in the preceding sections, due to an emphasis upon the aims and methods of industry, and bring out some new directions for consideration in the continuing debate about the future of the environment.

#### *6.1. Levels of Consumption.*

One of the basic problems most environmentalists have in dealing with green consumerism is that it fails to address the question of *how much* people consume because of its emphasis upon *what sorts of products* they consume. Sandy Irvine, a strong critic of green consumerism as an isolated force, stresses the need for green consumers not only to assess the products they buy, but their perceived need to buy them at all. He criticises the modern Western lifestyle with reference to its ethos of consumerism as a continual need for more:

"In a nutshell, consumerism equates more possessions with greater happiness. You are what you own, and the more you own, the happier you will be."

(Irvine 1989b p.15)

Purchasing is the basic stimulus behind most commerce and trade in modern society, and the purchasing of more by its customers is the mechanism by which business survives. It may indeed be in the interests of industry to encourage the deflection of attention from unnecessarily high levels of material and energy consumption to arguments about which products - all of which must have some sort of environmental impact - reduce or increase environmental damage. Some environmentalists have characterised such a deflection as a seizure of initiative by industrialists, allowing the latter greater influence in directing the environmental debate:

"Right now the environmental movement has not only lost the initiative, it has allowed the debate over environmental action to be re-framed by government and industry."

(Rose 1990 p.1)

It is also symptomatic of the consumerist ideology that when a product requires modification, industry believes this can be achieved through technological change. Rather than acknowledging the causes of environmental damage as lying in the way society treats its natural assets and its need to consume, industry and government practise what has been termed 'sticking plaster environmentalism' (Irvine 1989b p.23). This involves technological substitution of one product or process for another,

which has been designed to have a lesser impact upon the environment in one respect though rarely in all, or the use of post factum economic measures such as taxing or fining polluting companies. The kind of change the environmental movement is looking for goes far beyond such substitutions to the cause of the problems, advocating a permanent change in society that will prevent problems rather than applying inadequate solutions in the hope that Nature will sort things out.

#### *6.2. Distrusting the Claims of Industry.*

Because environmentalists recognise the importance of continued consumption to the survival of industry, they are distrustful of both the aims and the methods used by industry in the production and marketing of their so-called environment friendly products. This is most evident in the environmentalists' denunciation of many advertising campaigns which seek to promote products under an environmentally related label. The Green Con Awards publicised by Friends of the Earth in 1989 have already been described (see: Problems in the Greening of Industry: A Lack of Controls on Marketing). The problem lies in the attractiveness of environmental claims in the promotion of products. The themes are easily used and provide "an opportunity for aggressive sales campaigns" (The Ethical Consumer 1989 p.12). Sandy Irvine criticises thus:

"... much of the communication is not about actual facts and figures, but the much more subtle weaving of seductive images around a product or an

institution ...

In many ways, green concerns are a godsend to the advertising industry. It has always sought to exploit our hopes and fears by harnessing them to the purchase of this or that commodity. It thrives upon the creation of a state of unease. Public fears about pollution and safety hazards are therefore grist to the mill."

(Irvine 1989b p.12)

### *6.3. Unfair Pricing Structures.*

This perceived exploitation of the public is evinced not only in the advertising but in the price structures of environmentally friendly goods. The higher premiums on a lot of such products can be unfair and cause inequality in several ways. Firstly, it implies that the person consciously deciding to pay more for the less environmentally damaging variety is in fact subsidising those who choose the cheaper versions which cause more environmental damage (Irvine 1989b). This is because the real (environmental) costs of production, use and disposal are not incorporated into products (Pearce et al 1989, Friends of the Earth 1989). The expense of cleaning up after a polluting process is an externality to the costs of the process and is therefore taken on by society, via agencies such as the Water Boards, not by the commercial companies nor by the consumer as a part of the product price.

Further, because a lot of environmentally less damaging

products are more expensive, a class inequality may emerge, where all classes of a population wish to choose products on the basis of their environmental impact but only the middle and upper class consumers can afford to do so. Another unfair aspect of green consumerism is that retailers are willing to put product prices up to levels much above ordinary versions of a products not because of increased production costs but because the demand will *tolerate* such prices. That is, the buyers are willing to pay more for a kind of product that does not cost proportionately more to make. In the case of organic produce, the supply is insufficient to meet consumer demand, and so, according to the normal economic rule, prices will rise to levels at which the goods can still be sold but at higher profits. This seems to be a practice more prevalent in the larger retailing establishments. Irvine cites a case of a supermarket pricing a six-box of free range eggs 34p higher than in a local (much smaller) wholefood shop (Irvine 1989b p.11) despite the economies of scale one might expect.

#### *6.4. The Need for Information.*

Another major problem the environmental movement perceives in green consumerism is the lack of information. Secrecy is beloved of both government and industry and it is difficult to obtain useful data on the environmental effects and practices relating to products. Good information must be a prerequisite of any informed choice (Bryceson 1990) and choice is one of the wonders of the free market economy according to its main players.

Of course, a lack of information about the real processes behind product manufacture, use and disposal is not a new phenomenon, nor is it limited to poor environmental information. The concern now is that a lot of information about the environmental effects of goods is being thrown at consumers, much of it misleading, inaccurate or just confusing.

The proposals for an eco-labelling scheme mentioned above (see: Problems in the Greening of Industry: A Lack of Controls on Marketing) would counteract some of this confusion in having a recognisable logo on products which have been inspected and meet the agreed standards. However, such a scheme will be voluntary for the manufacturers. Friends of the Earth for one would like to see it mandatory for each product to be assessed. The basis will probably be a cradle-to-grave accounting of the effects of a product, but the emphasis is still on the product itself.

There is a need to look at the producing enterprise as a whole unit, rather than just one product out of maybe thousands in a company's range. It is also important to many people in the environmental movement and related groups that the assessment of a product includes issues such as exploitation of Third World resources and peoples, the monopolisation of multinationals over industrial sectors, political affiliations and organisational structures maintained by the companies - e.g. centralised production processes, private sector provision of welfare services (The Ethical Consumer 1989, Irvine 1989b).



## 7. Concluding Remarks.

In this paper, some of the recent issues to arise alongside the growth of the green consumerist movement have been addressed. These issues involve: industry as a supplier to the demands of the consumer; government as a legislator and therefore a potential protector of the environment and of the consumer; environmental organisations who collect, disseminate and publicise environmental information and lobby the first two to change their environmental ways.

It is impossible to predict the future for the green consumerism movement. At present, it is but finding its feet in a confusion of claim and counter claim. It would be sad indeed if it is suffocated by misleading information and thereby deserted by the disillusioned consumer. Because of its comparative youth as a widespread phenomenon, it is susceptible to the persuasions of those who might take advantage of its expressed good intentions. It is important that it is protected and maintained so that its influence may pass into other spheres of public life, like industry and policy, and that the environment may benefit from such an infusion of public environmentalism.

The actors not dealt with in this paper are the consumers who practise this environmentalism. Their motivations and objectives are integral to the continued growth of green consumerism and to its spreading influence into other spheres. The green consumers, the public making purchases on the basis of perceived environmental impact, they are the subject of a larger

piece of research which aims to understand why green consumerism exists and what it believes it can achieve.

## 8. Bibliography.

Brown, Paul (1990) *The Guardian* August 3 p.19

Bryceson, Simon (1990) *Seeing Green, or, Educating Society.*  
Wildlife Link White Paper Conference 1990. London: Wildlife  
Link.

Burnside, Amanda (1990) *Keen on Green Marketing* May 17, 35-36

Carritt, Tony (1990) *The Guardian* September 14 p.35

Department of the Environment (1990) *This Common Inheritance:  
Britain's Environmental Strategy.* London: HMSO

*Earth Matters* (1989) No. 6 (Winter)  
- (1990) No. 8 (Summer)

*The Economist* (1989) July 22, 14-15

- (1990) September 8: A Survey of Industry and the Environment.

Elkington, John with Tom Burke (1987) *The Green Capitalists.*  
London: Victor Gollancz Ltd.

Elkington, John and Julia Hailes (1988) *The Green Consumer Guide.*  
London: Victor Gollancz.

ENDS (Environmental Data Services) (1989) *ENDS Report* No. 176  
(September)

- (1990a) *ENDS Report* No. 186 (July)

- (1990b) *ENDS Report* No. 188 (September)

*The Ethical Consumer* (1989) No. 4 (September/October), 12-13

Fiori, Jane (1989) Who has the Greenest House? *Campaign*  
September 22, 38-40

Fletcher, Frank (1989) Selling to the Greens? It's not so  
simple. *What's New in Marketing* August p.23-25

Friends of the Earth (1989a) *Briefing Sheet: Making Recycled  
Paper.* London: Friends of the Earth.

- (1989b) *Briefing Sheet: Green Consumerism.* London: Friends of  
the Earth.

*The Guardian* (1989) November 10 p.25

Heberlein, T.A. (1974) The Three Fixes: technological, cognitive  
and structural. in: Field, D.R., Barron, J.C. & Long, B.L.  
(eds.) *Water and Community Development: social and economic  
perspectives.* Ann Arbor, Mich.: Ann Arbor Science.

- Higham, Nick (1990a) *Marketing Week* 13 (15) June 22, p.17  
 - (1990b) *Marketing Week* 13 (19) July 20, p.17
- Hill, Claude (1986) *The Future for Organic Produce*. Malvern, Worcs.: Food From Britain.
- Hilton, Anthony (1989) The Importance of Being Green. *Marketing* August 11 p.15
- Irvine, Sandy (1989a) *Beyond Green Consumerism*. Friends of the Earth Discussion Paper No. 1. London: Friends of the Earth.  
 - (1989b) Consuming Fashions? The Limits of Green Consumerism. *The Ecologist* 19 (13), 88-93
- Jackson, Caroline (1989) *The Guardian* December 15 p.27
- Johnston, R. J. (1989a) Commentary: An Environmentalist Upsurge in Great Britain? *Environment and Planning A* 21, 851-852  
 - (1989b) *Environmental Problems: Nature, Economy and State*. London: Belhaven.
- Jones, Helen (1990) *Marketing Week* 12 (31) October 6
- Lutgens, Frederick H. and Edward J. Tarbuck (1979) *The Atmosphere: an introduction to meteorology*. New Jersey: Prentice-Hall Inc.
- Marketing* (1990) June 7
- Marketing Week* (1989a) 12, July 21  
 - (1989b) 12, September 22  
 - (1990) 13, September 21
- McCarthy, Michael (1989) *The Times* June 30 p.5
- Moyle, Franny (1989) *Marketing Week* 12, September 1 p.29
- Pearce, David, Anil Markandya and Edward B. Barber (1989) *Blueprint for a Green Economy*. London: Earthscan Publications Ltd.
- Phillips, Melanie (1990) *The Guardian* September 14 p.33
- Porritt, Jonathon (1989) *Earth Matters* No. 6 (Winter) p.1
- Reynolds, Fiona (1989) *The Guardian* December 1 p.17  
 - (1990) *The Guardian* September 28. p.33
- Rose, Chris (1990) *Perception and Deception: the Collapse of the Green Consumer*. Wildlife Link White Paper Conference 1990. London: Wildlife Link.
- Ross, Miranda (1989) Greener-than-thou attitude at the top. *Marketing Week* 12, July 21 p.23

Schwarz, Walter (1989) *The Guardian* November 10 p.27  
- (1990) *The Guardian* September 21 p.34

Smith, Charlotte and Clare Sambrook (1990) *Dead End Street. Marketing* May 10, 28-31

Smith, Malcolm (1990) *The Guardian* February 16 p.27

*The Times* (1989) June 30

Verlander, Neil (1990) *Earth Matters* No. 8 (Summer) p.?

Vidal, John (1990) *The Guardian* January 12 p.25

Walker, Martin (1990) *The Guardian* August 17 p.21

Wintour, Patrick (1990) *The Guardian* July 27 p.23