

“TARGETING HOUSEHOLDS – FUTURE POLICIES TO CAP CONSUMPTION DEMAND”

22nd Annual ISDRS Conference, Lisbon 2016

13-16.7.2016

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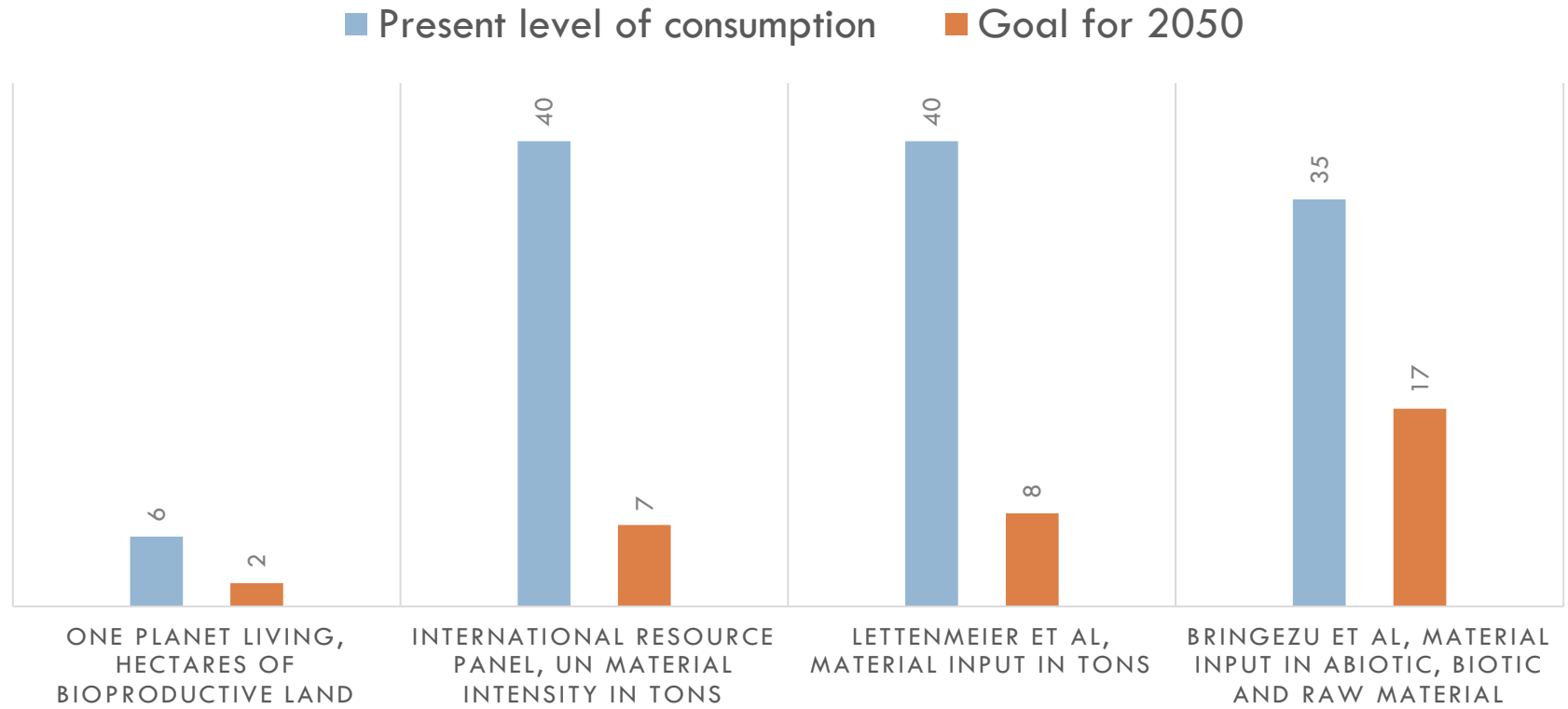
Background



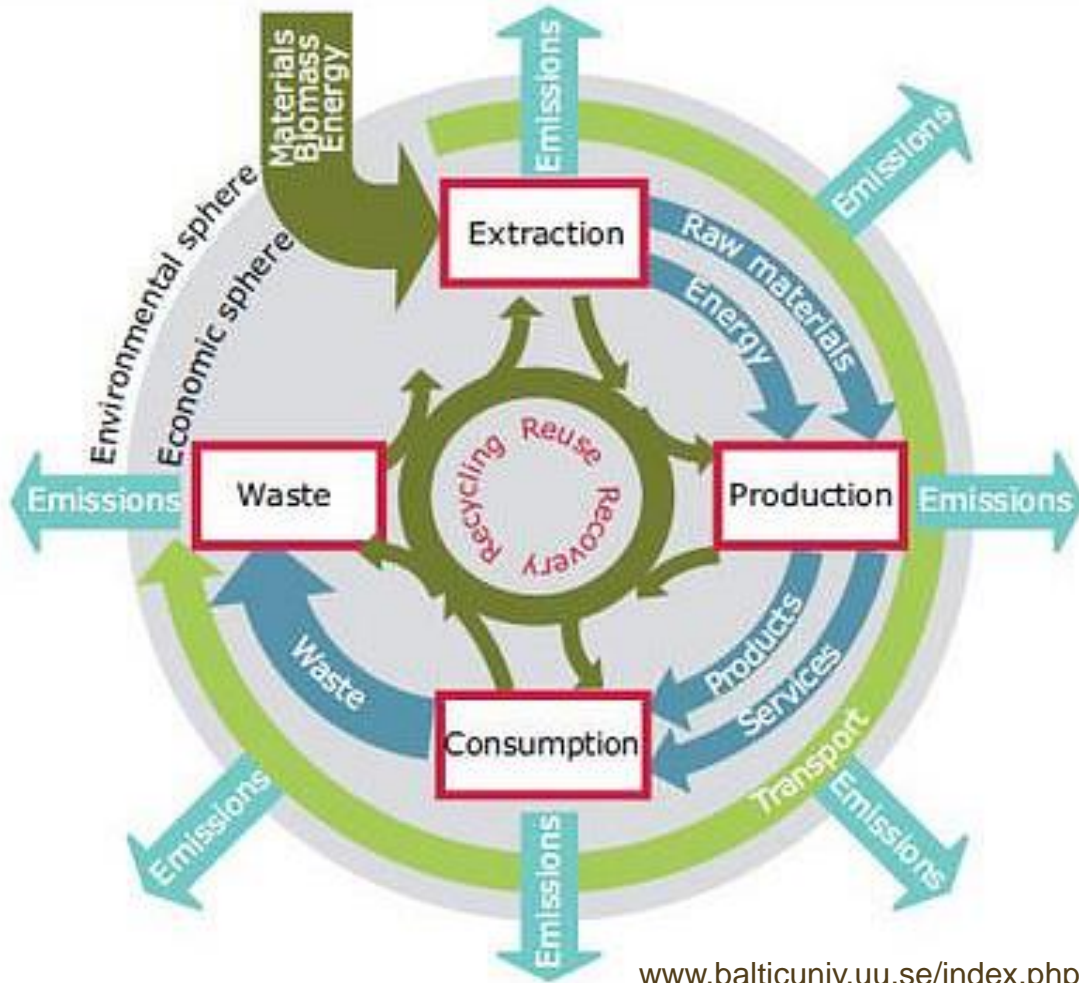
Decision makers' images of the future

Are our decision makers ready to take more radical action and try new ways, since old ones are not enough?

Research estimates 50 – 80 % cut in natural resource consumption is necessary

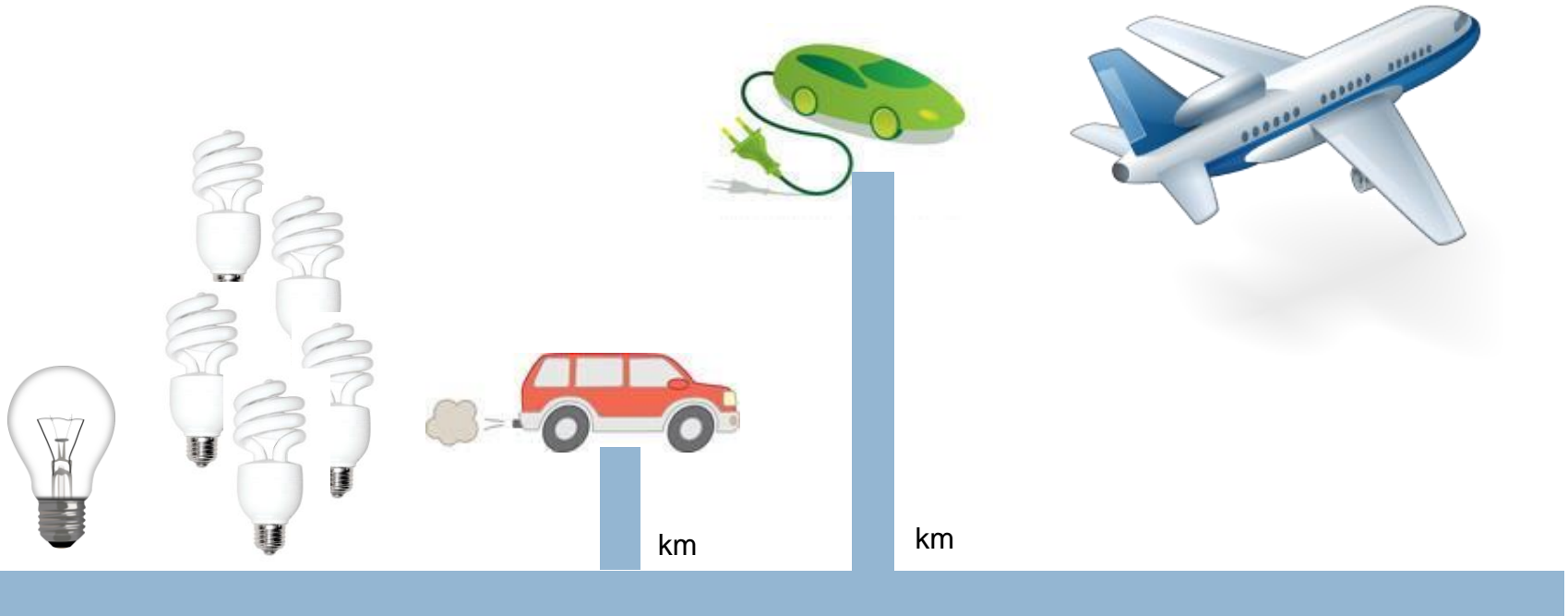


Production & consumption system



www.balticuniv.uu.se/index.php/5a-manufacturing--sustainable-production
http://vi.sualize.us/view/eco_oficina/36c1e40bfc65e6972412e7863f9464e1/

Rebound effect / Jevons' paradox



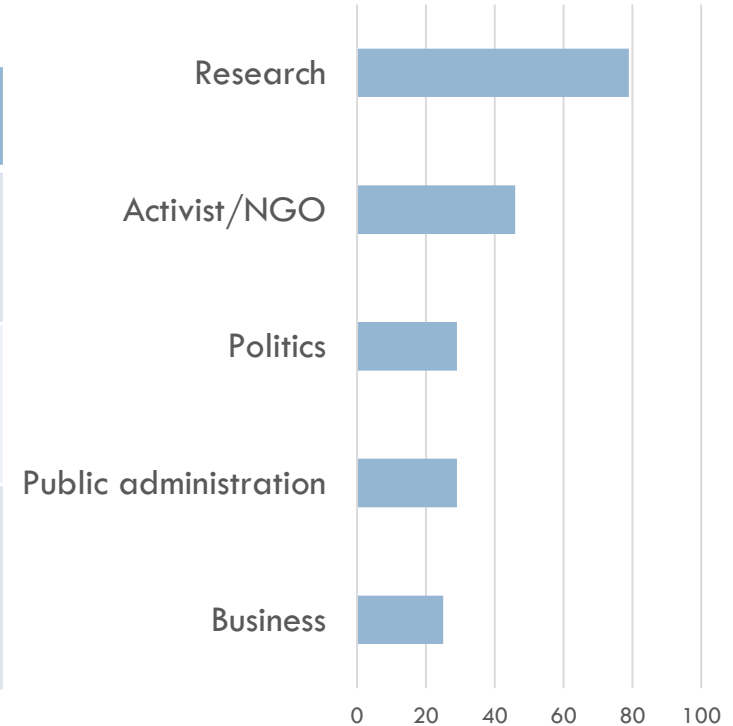
Targeting the demand

How to achieve a radical reduction in natural resource consumption?

Finnish experts – 17 interviews

International & Finnish peers – 24 survey responses

	Social impacts	Environmental impacts	Economic Impacts
8 Researchers	F	M	M
	F	M	M
	M	F	
4 Activists	F	M	M
		M	
5 Practitioners		M	F
		F	
		F	
		M	



Eliminate most harmful options

- Ban harmful products
- Improved product standards

Limit impacts from

Reduce attraction of harmful products

- Ban advertisements
- Targeted taxation

Promote low-consumption

- Mat footprint indicators
- Sharing systems
- Gen. consumption tax
- Local bonus trading system

**Housing
Mobility
Food
Consumables**

Capping total consumption

- Quotas or allowances
- Reducing wealth

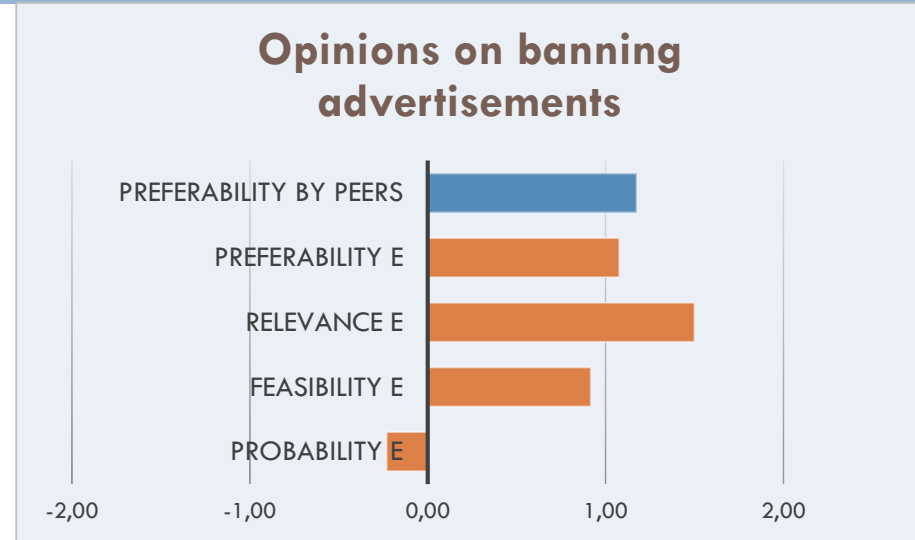
Policy hierarchy





Ban advertisements

- Specific harmful products
 - ▣ Cars, flight travel, meat, etc.
 - ▣ Based on material footprint or other similar criteria
- Certain types of advertising
 - ▣ No human photographs
 - ▣ No pictures
 - ▣ No street or outdoor advertising
- All kinds of advertising



Compulsory signs of harmfulness instead?

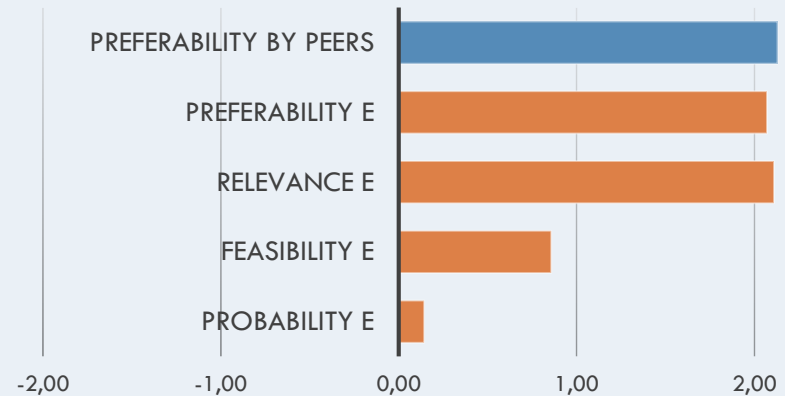
Targeted tax (compensation)



- High 60-70% tax on
 - ▣ Housing square metres
 - ▣ Temporary second residences or vacation homes
 - ▣ Cars, parking spots
 - ▣ Fossil based fuel & energy
 - ▣ Meat, dairy

- Minimum thresholds?

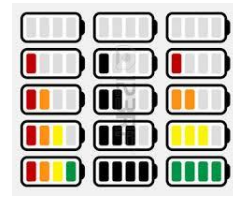
Opinions on progressive consumption taxes



*Tax as compensation
=> The impact becomes
more visible to consumer*

Policy hierarchy





Material footprint indicator

□ Per capita footprint

- Current national average
- Target for 2025 and 2040

□ Personal/household footprint

- Reported yearly with tax accounts
- Compared to national target
- Basis for further quotas or taxation thresholds?

□ Consumption of

- heating energy
- water
- travel miles
- housing square metres

□ Number of

- cars/other motor vehicles
- pets

□ Consumption of

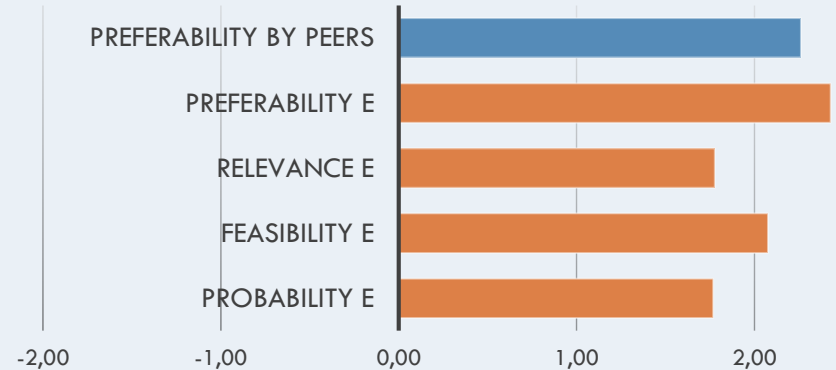
- meat
- dairy
- electronic devices

Sharing systems



- Urban planning & building codes
 - ▣ Increased share of housing square metres to shared spaces
 - ▣ Minimum distance to 'sharepoints'
- Virtual infrastructure
 - ▣ Neighbourhood sharing systems & co-ops
 - ▣ Individual sharing

Opinions on sharing



Combined with high ownership taxation? And bonus systems?

General consumption tax



- To all products
- Based on CO₂ emissions
 - ▣ First household energy and car & flight emissions
 - ▣ Later food and consumables
- Based on material footprint

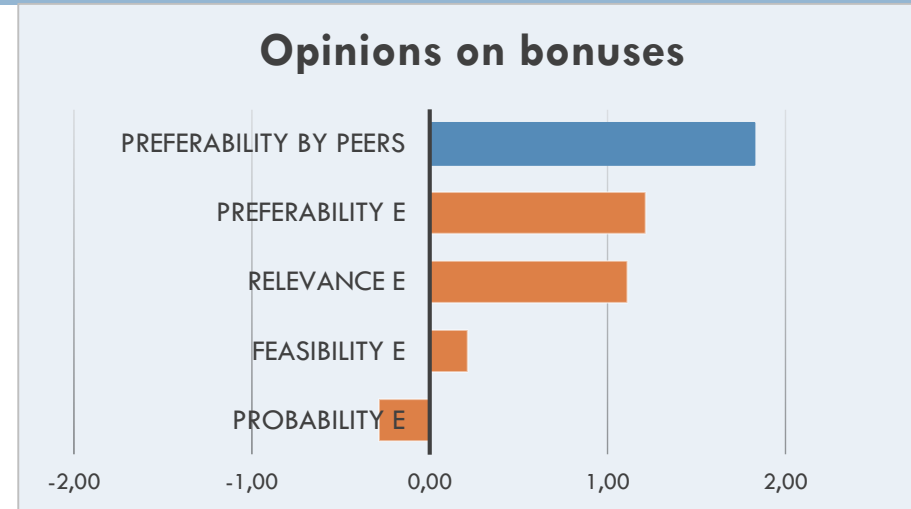
Also progressive?

Local Bonus trading system



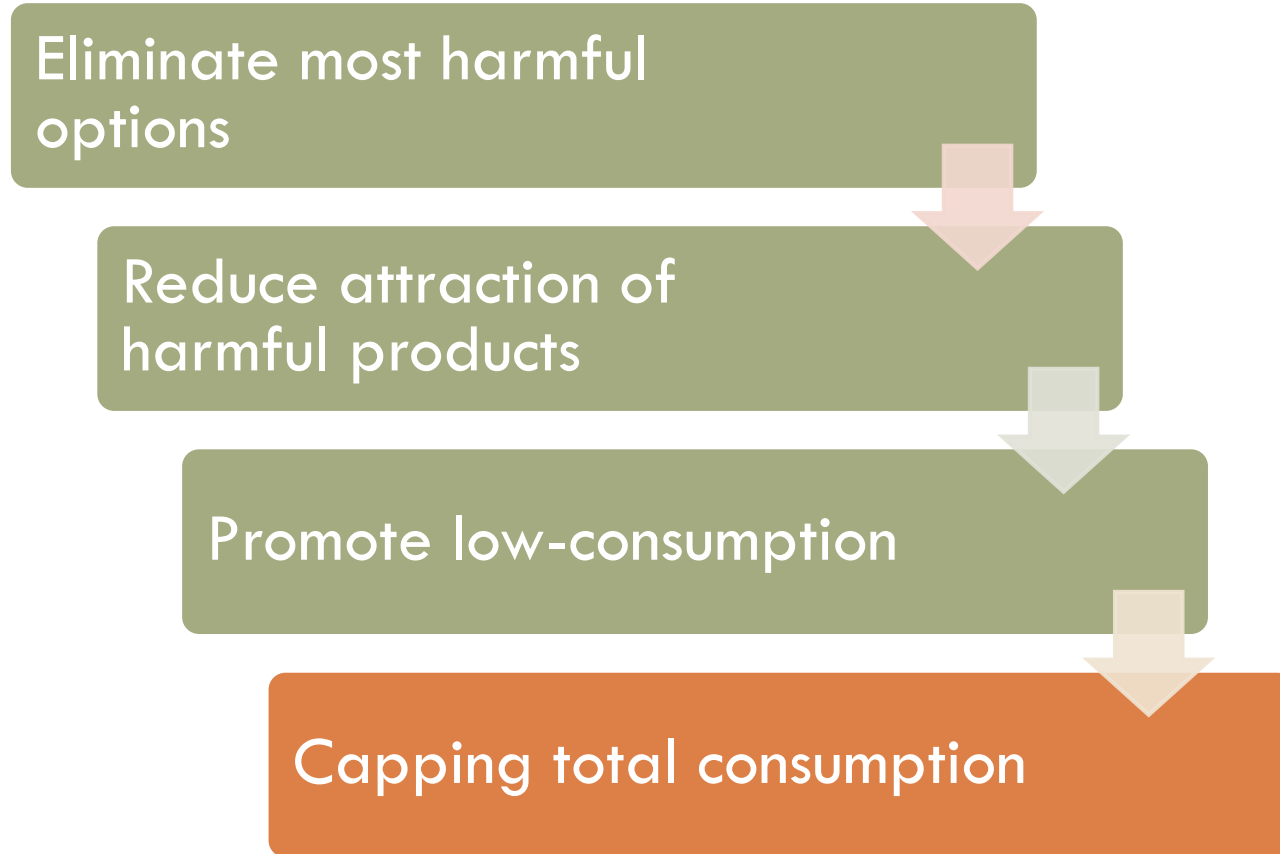
- Bonuses awarded on
 - ▣ Usage of energy and water
 - ▣ Car mileage (local)
 - ▣ Housing square metres, lot size, distance from infrastructure
 - ▣ Participation in sharing schemes

- Bonuses used to
 - ▣ Pay municipal taxes
 - ▣ Buy local products
 - ▣ Buy certified eco-friendly products



*Similarity to local
currency schemes*

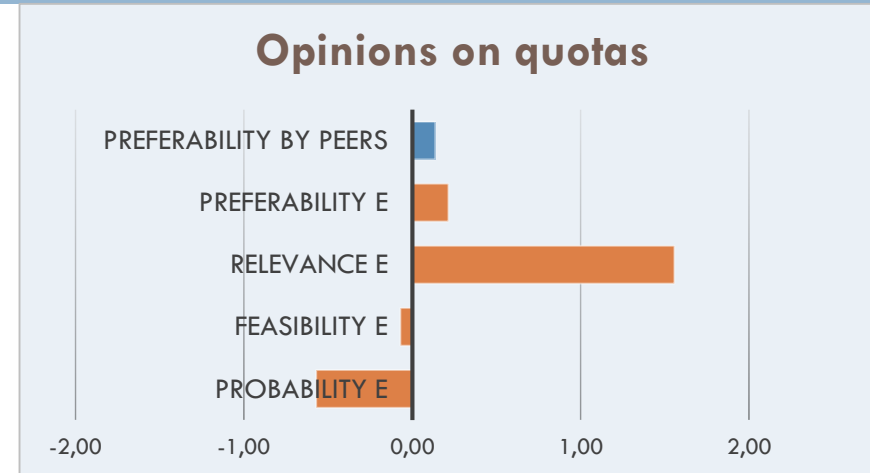
Policy hierarchy



Quotas or allowances



1. Personal CO2 emission quota
 - ▣ Include first household energy and car & flight emissions
 - ▣ Later include food and consumables
 - ▣ Incorporate into the taxing system
2. Individual consumption quotas
 - ▣ Energy consumption (kWh)
 - ▣ Flight travel mileage (km)
 - ▣ Household size per inhabitant (m2)
 - ▣ Not absolute quotas but with a high tax threshold?



Should this be combined with a trading system and or bonuses?

Reducing wealth



- Capping wages
 - ▣ Max. 200 000 per year
 - ▣ All income beyond is taxed 100 %
- Capping work time
 - ▣ Max. 24 hours per week

Opinions on reducing work hours



Elasticity btw income and consumption is low

Observations

- Enforcement and control vs. expense and efficiency
- Targeted policies vs. generalised approaches policies
- Control vs. privacy
- Financial vs. regulatory instruments
- Capping vs. freedom of choice
- Win-win policy impacts – environmental & social impacts
- Equality in consumption?

Thank you!



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Research funded by

TAH TIINA AND ANTTI
HERLIN FOUNDATION

References

- To slide: Research estimates 50 – 80 % cut in natural resource consumption is necessary
 - BRINGEZU, S., 2015. Possible Target Corridor for Sustainable Use of Global Material Resources. *Resources*, 4(1), pp. 25-54.
 - LETTENMEIER, M., LIEDTKE, C. and ROHN, H., 2014. Eight Tons of Material Footprint” Suggestion for a Resource Cap for Household Consumption in Finland. *Resources*, 3(3), pp. 488-515.
 - UNEP, 2014. *Managing and Conserving the Natural Resource Base for Sustained Economic and Social Development. A reflection from the International Resource Panel on the establishment of Sustainable Development Goals aimed at decoupling economic growth from escalating resource use and environmental degradation.* UNEP.
 - WWF One planet living
http://wwf.panda.org/what_we_do/how_we_work/conservation/one_planet_living/about_opl/footprint/

My questions for the audience

- Is this set enough to
 - ▣ Provoke discussion?
 - ▣ Focus on the essential things to cap the consumer demand for natural resources?
 - ▣ Present a feasible – although presently not so probable – alternative?
 - ▣ Really change the consumption system and radically reduce consumption?