

Affluenza

At What Point Does Conspicuous Consumption Become Toxic?

A key principle of marketing, particularly of luxury goods, is to link consumption with success and self-worth. “He who dies with the most toys wins,” as the saying goes. Call it affluenza, conspicuous consumption, or luxury fever; it’s part of our culture. The environmental consequences of such behavior are only now starting to be recognized: hypocritical and inconsistent actions with respect to the environment can lead to a faded image. Is your company’s brand at risk?

Every once in a while a news report will cause me to smack the side of my head and shout, “What were they thinking?” Stories of shameless hypocrisy usually don’t trigger this response. No, it has to reach the extreme level of disconnect from reality wherein someone blissfully can take action on two diametrically opposing notions simultaneously. Some might call such behavior cognitive dissonance or schizophrenia; I call it totally whacko.

The latest bout of head slapping was triggered by two stories. First, *Time* magazine ran a feature article reporting that Sir Richard Branson is launching a space tourism business called Virgin Galactic. Then, the next month, *FORTUNE* reported that he “is set on saving the planet” by initiating the

US\$25-million “Virgin Earth Challenge” reward for the best plan to remove greenhouse gases.¹

Think about it. The wealthy will be able to play briefly in space (sex was mentioned in the article), getting there by God-knows-how-many tons of pollutants dumped into our atmosphere. Two hours for \$200,000! And all the while, Sir Branson thinks he is a green hero for saving the planet with his latest public relations stunt.

The repeated blows to the head were triggered by a magazine that runs environmental cover stories (*Time*’s April 2006 classic: “Be worried – Be very worried”), yet is totally oblivious to the environmental consequences of an amusement park ride for the super rich. I suppose this is understandable. The lifestyles of the rich and famous have always fascinated the general public and, thus, the media. Indeed, in American culture, living opulently as a measure of success is hard-wired into our DNA.

CONSPICUOUS CONSUMPTION

One of the first to write about this cultural affliction was Thorstein Veblen in his 1899 classic *The Theory of the Leisure Class*. His reasoning was that people spent

Affluenza, n. A portmanteau word formed by the contraction of affluence and influenza.

1. An unsustainable addiction to economic growth. 2. An epidemic of stress, overwork, waste and indebtedness caused by dogged pursuit of the “American Dream.”



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ostentatiously to show where they ranked in society. For consumption to be conspicuous (he coined the phrase), it had to far exceed basic needs. More recently, authors such as John de Graaf, Benjamin Barber, and Clive Hamilton have put forth similar themes on “luxury fever.”²

The link between consumption by the masses and environmental degradation has been around for decades. The basic story line is, “What would happen if everyone in developing countries consumed like Americans?” However, it is fascinating that the logic supporting this dread has not yet extended to the consumption habits of the super rich.

To my earlier point: marketing strategies and media stories have hard-wired extravagant displays of material goods to super success. If someone wants to spend \$50 million on a rare Picasso painting or a private Boeing 737 airplane, so be it. Both would be portrayed favorably by today’s media as success stories. But there is a major difference between the two in terms of their environmental footprint. One has essentially none and the other will have very real environmental ramifications.

These ramifications are tied to two concepts known to environmental professionals as the “tragedy of the commons” and “externalities.” In Veblen’s day, the commons—our shared environment—was seemingly limitless. If someone wanted to clear a tropical forest to build a mahogany and teak yacht, they could just do it. By today’s standards, even if you were very rich, you might be hard-pressed to do this. For example, you risk imprisonment if you want to capture an endangered species as a trophy from a safari expedition. In some areas, the commons has become very small and additional drains on its finite resources are apparent. However, this same sensitivity has not developed in other areas of the commons such as our atmosphere and oceans.

Sir Branson will be able to blast tourists off into space because the cost of the pollution from these activities is borne by everyone on the planet. The system to directly charge passengers for these externalities does not exist. In effect, they would get a free ride on externalities. If they paid the full freight, so to speak, one wonders how viable this project would be, especially if a social stigma were attached to such behavior. Polluting the commons

for a thrill should not be considered cool and a measure of success—it should be considered irresponsible.

HOW DOES THIS RELATE TO YOUR JOB?

There has been a steady stream of companies that have said one thing and done the opposite when it comes to the environment. The term “greenwash” has been coined to describe this phenomenon and several books have been written on the subject.³ Companies such as BP, Shell, GE, Wal-Mart, Monsanto, Chevron, and Ford have been accused of such actions.

One of our jobs as environmental professionals is to provide business management with an assessment of how the business is behaving with regard to the environment. This relationship extends throughout the supply chain, operations, research and development, product use, and ultimate fate in the environment. While you may rightfully claim that the task of “corporate social responsibility” is not in the scope of your job, someone within the company has to do it.

Corporate social responsibility goes beyond just current regulatory compliance and includes emerging trends and cultural issues. Indeed, when headline-grabbing issues arise nowadays they generally are not related to clear-cut violations of environmental regulations. The public’s reaction is, however, always the same, “What were they thinking?”

With the dramatic recent increase in media attention on the environment and business management’s desire to sell green products, it is now critical to be at the business table when green strategies are discussed. Don’t leave it up to the marketing and communications folks to shape green business plans. **em**

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