

Environmentalism

Virtue for sale

How to persuade people to go green .

Adapted from The Economist , October 29th 2005

Last month British Airways (BA) announced it would give passengers the chance to do their bit for the planet by letting them pay a few pounds extra on every ticket and use the money to offset the carbon emissions from their trip . Last week the airline admitted that , so far, hardly anybody seems interested , with fewer than 1 in 200 passengers willing to cough up . That stands in sharp contrast with people's professed anxiety in polls about climate change .

BA points out that the scheme is new . Greens accuse it of failing to do enough advertising . Economists see an example of what they call revealed preferences – the idea that talk is cheap and actions provide the best guide to somebody's beliefs . The cost of cutting carbon emissions is immediate but benefits are deferred and thinly spread . Appeals to people's better natures tend to fall flat if they involve demands on their wallets .

So, too, in electricity , where some firms offer " green tariffs " , which typically charge more for carbon-free renewable energy . Many greens are disappointed with the response to such schemes . Companies guard such information closely , but *The Economist* 's calculations suggest one company, EDF Energy, has signed up only around 10,000 homes in London and the South East (out of several million eligible customers) . Npower, an energy firm , offers , in partnership with Greenpeace , a tariff at the same price as its other contracts . Its scheme is full , because consumers pay no supplement , says Greenpeace' s Stephen Tindale .

But a little self-interest is often enough to incite people to spend more . For example, organic food costs more and confers no scientifically proved benefit on those who eat it . But, in the land of mad-cow disease, people doubt scientists and sales are soaring among those who prefer to take no chances . BA itself illustrates the point : whatever the airline's green scheme does for the planet , it has done BA's brand no harm .

NRC
JUN 2006
JOUR 1
Doc' ECRIT 4