

An ecocentric case for an ecological consumption tax

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In this journal, Allen (2024) argues for a shift in perspective from environmental to *ecological* citizenship, empowered by a global social contract that coordinates individual wants and national concerns better with the long-term collective needs of all life on Earth. One thing we can all do to help to reach this lofty goal, and live our ecocentric values, is to change what we consume.

It is a common and tempting error to reason that one's individual consumption is a mere drop in the ocean and thus does not matter. But it matters greatly. Small personal additions add up to overwhelming forces: raindrops become floods. Without changes to consumption habits, one is not ecocentric but egocentric – contributing to the overlapping ecological crises that we face, and exacerbating overshoot. We – the billions of hyper-consumers of the wealthy countries of the world, along with our livestock and pets – play a key role in driving the disappearance of wildernesses and the extinction of species through our collective choice of diets, goods, and entertainment.

People can be motivated to change their consumption habits in various ways: in response to data and to narratives (that demonstrate, for example, the ecological harm caused by certain products); via shifts in prevailing socio-cultural attitudes; through behavioural 'nudges', and so on. But we should not forget a basic truism of economics: that the most reliable way to influence consumption is via *price*. This is, after all, why governments around the world place heavy taxes on harmful products such as tobacco and alcohol – because this is the most effective way of discouraging their use. For this reason, I suggest we need regulations that place consumption taxes on those products that cause the most environmental damage in their production.

Obvious candidates for an increased consumption tax are meat and other animal products (*cf.* Hepburn and Funke, 2022) – especially those produced via industrialized processes, such as intensive feedlot production. There are strong arguments for vegetarianism and/or veganism that are based in the rights of

non-human animals, their sentience, and so on; and there are arguments based on the health benefits for humans of reducing or eliminating animal products from our diets. But putting all these arguments aside, it is clear that the industrialized production of meat and other animal products is a grossly inefficient way of producing human nutrition, and generates enormous ecological harm. It is estimated that the livestock industry produces more than sixteen per cent of all anthropogenic greenhouse gas emissions, and nearly two thirds of all agricultural land is used for growing livestock feed, compared to the less than ten per cent that is used to grow food for direct human consumption (Twine, 2021). Industrialized meat production also contributes substantially to deforestation, biodiversity loss, pollution of water, and so forth (Brooks, 2011). In comparison, widespread adoption of plant-based nutrition would greatly reduce the negative environmental impacts of the agricultural sector (Chai *et al.*, 2019). Ecocentric diets do not have to be vegetarian or vegan, but can be flexitarian, pescatarian, Mediterranean – so long as they greatly reduce the intake of meat and other animal products compared to the Western ‘norm’.

This example suggests a general principle: the ecological ‘footprint’ of a product can be determined, and then used to set a proportional consumption tax on that product. This simple measure will encourage consumers to choose products that are less ecologically harmful, and thereby encourage producers to move towards less harmful methods of production (*cf.* Ekins and Speck, 2011).

This is an example of the well-known user pays approach. At the moment, much of the ecological costs of our consumption are not paid for by the consumer, but by others – by non-human animals and ecologies, by people in poorer nations, and by future generations. The judicious use of an ecological consumption tax would help to prevent this cost-shifting, and would thereby transform consumption habits.

An ecological consumption tax has a number of advantages over ecological taxes on production, such as the familiar idea of a supply-side carbon tax. To begin with, unless such a tax on production is implemented universally, ecologically damaging industries will tend to respond by shifting production (where possible) to those jurisdictions that do not levy such a tax. A consumption tax, on the other hand, affects all companies that sell into that market, regardless of where they produce. Furthermore, ecological taxes on production – given the complex global value chains often involved – are also substantially more complex to implement compared to consumption taxes (*cf.* Postpischil *et al.*, 2021).

A key criticism of consumption taxes is that they are regressive (Warren, 2008). As ‘Engel’s Law’ points out, poor people spend the largest proportion of their incomes on necessities, such as food, and consumption taxes on basic necessities therefore impact those people disproportionately. One way to overcome this unfairness is by ‘ring fencing’ the government revenue obtained from an ecological consumption tax, and using part of that revenue for rebates for poorer households. The rest of that revenue could then be used to support

ecological restoration projects, such as rewilding areas and rehabilitating salt-damaged or polluted land – as well as other initiatives such as retrofitting houses for energy efficiency, improving public transport to reduce reliance on automobiles, and so forth.

At present, our collective patterns of consumption embody the old anthropocentric habit of seeing nature as endlessly exploitable for human ends – a habit that will destroy us all if we continue indulging it. I have suggested here that one way to help to break us of that habit is through the introduction of an ecological consumption tax – to use the simple mechanism of price to entice consumers to live more ecocentrically. What is more, such a tax preserves the ‘free choice’ beloved by liberalism (and is thus more politically acceptable than outright bans), can be made equitable and fair, and can help to fund the care of the Earth – the cradle of all life.

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