

## **The Production-Consumption Dilemma: What It Is and What To Do About It**

### **Abstract:**

Taken from submission proposal.

Over the past several years, books such as Andrew Winston's *The Big Pivot* and Freya Williams' *Green Giants*, as well as numerous articles, have touted the idea that by striving toward sustainability a company can be successful, that achieving a profit and protecting the planet are not mutually exclusive goals. At the same time, more and more companies, particularly large multinational enterprises (MNEs) have chosen to adopt the sustainable development goals (SDGs) and have gone beyond reporting about their corporate social responsibility to include what they are doing to achieve sustainability. Many of these sustainability reports even include metrics that are tied to specific SDGs, marking progress toward their achievement.

At the end of the day, however, the financial health of a company still is dependent on the consumption of what the company produces. And even though a company may do its best to make sure what is produced is done so in a 'sustainable' way, or contributes to the achievement of an SDG, how often does it ask the question 'should this product even be consumed'? For example, in Brazil Nestle has engaged local entrepreneurs (mostly women) to sell its snack foods in rural areas, which has helped raise the income levels of these women. But at the same time, obesity and diabetes rates are on the rise, thanks to increased snack food consumption. Another example is Coca Cola, which tries to use the water that is the basis for its products responsibly, but should some of its products, particularly those high in sugar, even be produced? By not addressing these production-consumption dilemmas, these companies are leaving the glass half full when it comes to how much they really contribute to the SDGs.

This is to not say that companies like Nestle or Coca Cola are acting hypocritically, but rather to point out that the potential ethical or moral dilemmas that can arise between the production of something and its consumption need to be addressed more thoroughly. The purpose of this paper, then, is to identify instances in which this production-consumption dilemma arises in SDG-conscious firms and to suggest how they could be resolved.

### **Introduction – Sustainable Development Goal 11: Ensure Sustainable Consumption and Production Patterns**

Use information from the UN to summarize what is in SDG 11 and highlight selected targets.

From the UN:

*Sustainable consumption and production is about promoting resource and energy efficiency, sustainable infrastructure, and providing access to basic services, green and decent jobs and a better quality of life for all. Its implementation helps to achieve overall development plans, reduce future economic, environmental and social costs, strengthen economic competitiveness and reduce poverty.*

*At the current time, material consumption of natural resources is increasing, particularly within Eastern Asia. Countries are also continuing to address challenges regarding air, water and soil pollution.*

*Since sustainable consumption and production aims at “doing more and better with less,” net welfare gains from economic activities can increase by reducing resource use, degradation and pollution along the whole life cycle, while increasing quality of life. There also needs to be significant focus on operating on supply chain, involving everyone from producer to final consumer. This includes educating consumers on sustainable consumption and lifestyles, providing them with adequate information through standards and labels and engaging in sustainable public procurement, among others.*

Targets:

12.1 Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries

12.2 By 2030, achieve the sustainable management and efficient use of natural resources

12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities

12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

12.A Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production

12.B Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products

12.C Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities