### WIFO

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WIFO

#### Lifestyles und Gesamtumwelteffekt des privaten Konsums

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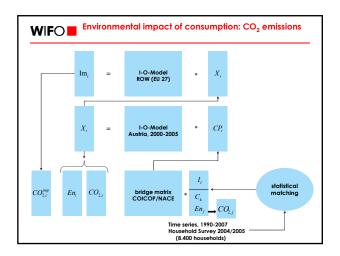
### WIFO Household energy demand

Full environmental impact accounting of households & spatial sustainability

- Consumers' expenditure or utility as welfare measure instead of GDP
- Consumers' expenditure has environmental impacts → 'weak' or 'strong' sustainability/social welfare or binding resource constraints (land use & ecological footprint)
- Trade, consumer welfare and spatial sustainability: "why should the arbitrary boundaries of 19<sup>th</sup> century national states be valid for global externalities?"
- → An input-output model of direct and indirect household environmental impact including external trade

### WIFO Household energy demand

- Full environmental impact accounting of households & spatial sustainability: model blocks
- Consumers' energy demand → direct environmental impact
- Other consumers' demand (food, cars...) → indirect environmental impact
- Direct and indirect imports for consumers' demand → imported environmental impact
- > Future research within this project: environmental impacts: land-use, ecological footprint, ...other aspects of spatial sustainability: transport & lifestyles
- → Other future research: full consumption model: income/wealth, prices, technology, sociodemographics, full environmental impact





### WIFO AIDS model for household consumption

## Time series model

→budget share (prices and income)

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w_{it} = \alpha_i + \sum_i \gamma_{ij} \log p_{jt} + \beta_i \log \left(\frac{C_t}{P_i}\right)
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The budget share in 2005 w<sub>it</sub> is the sum of w<sub>it,k</sub> with k = number of households (8,400)

Identifying sustainable lifestyles:

Households with: (i) same income, (ii) same size and composition, (iii) living in the same region and for given prices (2005) use less energy than others → statistical matching

# WIFO AIDS model for household consumption

#### Statistical matching:

- (i) identical households ("statistical twins") concerning the household characteristics (income, size, composition, region, etc.) → different energy consumption (heating, electricity, private transport)
- (ii) Ordering identified households according to energy consumption per unit of income and taking into account region
- (iii) Calculating the median of energy consumption and constructing two groups of households: "more sustainable" vs. "less sustainable"

### WIFO Data sources, 2000 - 2005

National Accounts for Austria (private consumption):

Durables (energy & non-energy), food/beverages, clothing/footwear, gasoline/diesel, transport services, heating, electricity, other commodities.

Input-Output tables for Austria, 1995, 2000 and 2005: 60 industries (NACE), imported and domestic

intermediates

Input-Output table for EU 27, 2000: 60 industries (NACE), imported and domestic

intermediates

Statistics Austria, IEA: NAMEA energy & CO<sub>2</sub> emissions Statistics Austria: Household Survey 2004/05, 3,500 households with socio-demographic characteristics

		Households	
	Sustainable	Others	Sustainable in % of Others
	Budget sho	ares in %	
Private Consumption	100.0	100.0	74.2
Disposible income	125.4	93.0	100.0
Food/beverage/tobacco	15.8	13.7	85.9
Clothing/shoes	5.7	5.9	72.3
Gasoline/diesel	2.0	5.1	29.1
Transport services	0.9	0.5	146.0
Electricity	1.6	1.9	61.0
Heating	2.0	3.1	46.7
Other goods & services	72.0	69.9	76.4

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Gross output in basic prices (current prices)	% of	aross outc	ut. induce	d by priva	e consum	ption
	2000	2001	2002	2003	2004	200
Products of agriculture, hunting and related services	61.3	56.4	57.4	56.1	53.8	51.7
Products of forestry, logging and related services	28.0	26.6	27.8	31.7	30.1	33.3
Fish and other fishing products; services incidental of fishing	85.4	75.3	77.2	83.3	74.6	74.1
Food products and beverages	66.9	60.5	60.9	61.6	54.8	52.7
Pulp, paper and paper products	12.3	12.4	11.8	9.9	9.8	10.1
Coke, refined petroleum products and nuclear fuels	53.3	47.8	49.4	51.9	44.0	43.2
Other non-metallic mineral products	13.0	13.0	13.9	13.1	12.7	12.7
Electrical energy, gas, steam and hot water	58.3	53.3	51.3	49.7	51.9	51.0



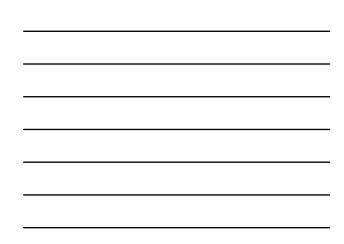
CO <sub>2</sub> emissions in 1,000 tons						
	2000	2001	ed by priv 2002	2003	2004	2005
roducts of agriculture, hunting o	ind					
elated services	657	592	623	563	513	492
ood products and beverages	685	680	801	632	518	571
other non-metallic mineral						
roducts	553	563	590	562	566	602
lectrical energy, gas, steam and ot water	d 6.100	7.027	6.207	7.416	7.635	7.106
and transport; transport via	0,100	7,027	0,207	7,410	7,000	7,100
pipeline services	1.395	1.455	1.410	1.438	1.675	2.086
lir transport services	1.943	1.830	1.740	1.562	1.585	1.659



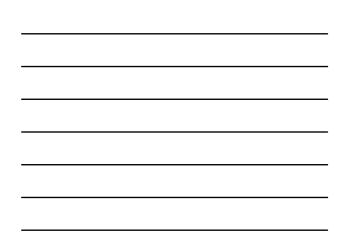
2 emissions in 1,000 tons		
	Induced by priv	ate consumption
	2000	2005
emissions, households	18,479	19,665
emissions, production	15,185	16,683
of emissions in production	32.4	29.6
2 emissions, imports	14,272	17,420
6 of imported emissions	29.7	27.6
TAL	47,935	53,769
% of CO <sub>2</sub> emissions, TOTAL	73.4	70.8
2 emissions, TOTAL	65.283	75,981



Private Consumption, curr	ent price	s				
		-	Differe	nce in %		
	2000	2001	2002	2003	2004	2005
Durable goods						
Purchase of vehicles	0.9	1.0	1.0	0.8	0.8	0.8
Appliances	0.9	1.0	1.0	0.8	0.8	0.8
Video/Audio/Computer	0.9	1.0	1.0	0.8	0.8	0.8
Other durables	0.9	1.0	1.0	0.8	0.8	0.8
Durables, TOTAL	0.9	1.0	1.0	0.8	0.8	0.8
Rents, housing	0.0	0.0	0.0	0.0	0.0	0.0
Vehicle operation	0.9	1.0	1.0	0.8	0.8	0.8
Non-durable goods						
Food/beverage/tobacco	8.3	8.4	8.4	8.3	8.2	8.2
Clothing/shoes	- 0.4	- 0.3	- 0.3	- 0.5	- 0.5	- 0.5
Gasoline/diesel	- 43.1	- 43.0	- 43.0	- 43.1	- 43.1	- 43.1
Transport services	33.9	33.9	33.9	33.8	33.7	33.7
Electricity	- 8.9	- 8.9	- 8.9	- 9.0	- 9.0	- 9.0
Heating	- 22.0	- 21.9	- 22.0	- 22.0	- 22.1	- 22.1
Other goods & services	2.7	2.8	2.6	2.4	2.4	2.8
Non-durables, TOTAL	0.9	1.0	1.0	0.8	0.8	0.8

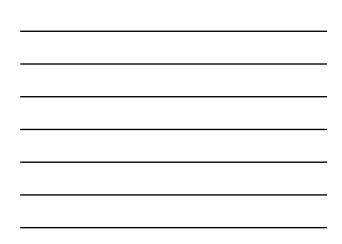


2000 2001 Heating –22.0 –21.9 Electricity – 8.9 – 8.9	2002 - 22.0	nce in % 2003	2004	2005
		- 22.0	- 22.1	- 22.1
	- 8.9		- 9.0	- 9.0
Gasoline - 43.1 - 43.0	- 43.0		- 43.1	- 43.1
Diesel -43.1 -43.0	- 43.0	- 43.1	- 43.1	- 43.1
CO <sub>2</sub> emissions				
Difference in 1,000 tons -5,897 -6,370	-6,369	-6,514	-6,571	-6,384
Difference in % - 31.9 - 31.7	- 32.1	- 31.7	- 32.4	- 32.5



Gross output in basic prices (current price	es)					
	2000	2001	Differei 2002	nce in % 2003	2004	2005
Products of agriculture, hunting and related services	6.4	6.5	6.4	6.3	6.2	6.1
Products of forestry, logging and related services	- 3.3	- 3.3	- 3.5	- 4.3	- 4.1	- 4.9
Fish and other fishing products; services incidental of fishing	11.2	10.4	10.2	8.9	7.9	8.0
Coal and lignite; peat	- 5.5	- 3.7	- 4.5	3.2	39.6	-19.8
Crude petroleum and natural gas; services incidental to oil and gas extraction excluding surveying	- 5.9	- 4.1	- 5.0	- 1.8	- 1.5	- 1.3
Coke, refined petroleum products and nuclear fuels	- 1.5	- 1.7	- 1.1	- 2.1	- 1.5	- 1.7
Electrical energy, gas, steam and hot water	- 7.1	- 7.1	- 6.4	- 6.4	- 6.9	- 7.0
Land transport; transport via pipeline services	3.4	3.3	3.3	3.4	4.0	4.2
Air transport services	10.2	10.0	11.0	12.2	9.0	9.6
Recreational, cultural and sporting services	2.0	2.1	2.0	1.7	1.8	2.0
Other services	2.4	2.4	2.2	2.1	1.9	2.3

CO <sub>2</sub> emissions in 1,000 tons				Dif	for	ence	in 1	000	ton			
	2	000	2	2001		2002		2003		004	2	2005
Crude petroleum and natural gas; services incidental to oil and gas extraction excluding surveying	_	13	_	12	_	11	_	6	_	6	_	5
Food products and beverages		78		82		93		71		60		67
Coke, refined petroleum products, nuclear fuels	-	54	-	64	-	46	-	75	-	55	-	65
Electrical energy, gas, steam and hot water	-	739	-	935	-	780	-	957	-1	,017	-	973
Land transport; transport via pipeline services		114		118		118		120		165		216
Air transport services		274		261		266		254		268		290



CO <sub>2</sub> emissions in 1,000 tons					
		Differenc	e in 1,00		
		2000		2005	
CO2 emissions, households	-	5,897	-	6,384	
CO <sub>2</sub> emissions, production	-	163	-	294	
CO <sub>2</sub> emissions, imports		332		241	
TOTAL	-	5,727	-	6,437	
In % of CO <sub>2</sub> emissions, TOTAL	-	8.8	-	8.5	
CO <sub>2</sub> emissions, TOTAL		65,283		75,981	



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$\rightarrow$	Total private consumption and consumers' welfare (utility) is the base for alternative traditional measures of well-being (i.e. for alternatives to GDP)
	Economic welfare measures can be complemented by physical measures with binding resource constraints (land use, footprint), analysis: impact of private consumption on these physical measures
	Total environmental impact of households has a relevant share in total environmental impact based on domestic inventories & statistics
	ex post simulation (2000-2005) shows that a <b>shift in existing</b> lifestyles has a significant influence on total environmental impact of households