

CHAPTER 7

What role should consumerism play in our economy?

consumerism: an economic theory that links prosperity to consumer demand for goods and services, and that makes consumer behaviour central to economic decision making

Consumerism influences the economies of both Canada and the U.S. It reflects some common values that shape the economies of both countries. This chapter presents information about those values, and about different views and perspectives concerning the impact of consumerism on citizenship and quality of life.

Consumerism is an economic theory that says the more people buy, the better it is for the economy. In economies based on **consumerism**, consumer behaviour plays a key role in economic decision making.

When we buy goods and services, we become consumers. **Have you ever thought of what influences you as a consumer?** Maybe you consider the quality or price of a good or service before you buy it. Or you might consider where it was made. Maybe laws about health and safety affect the products and services you can choose from.

The decisions we make as consumers have consequences for the quality of life, citizenship and identity of ourselves and others — so it's important to think about what does and what should influence consumer behaviour.

This chapter explores factors that affect consumer behaviour, and how these factors connect to economic systems in Canada and the U.S.

FOCUS QUESTIONS

- How does consumer behaviour affect quality of life for individuals and groups in Canada and the U.S.?
- What affects the impact of consumerism on the economies of Canada and the U.S.?



Your consumer choices can create by-products such as wastes. For example, if you buy a bottle of water, the bottle ends up in the recycling or the garbage. If you buy a bottle for water, the bottle gets used again and again. **Think critically: What impact can consumer behavior have on the environment? How do impacts on the environment connect to quality of life?**

Based on these photographs, what challenges and opportunities can consumerism create for society?



North America's auto industry used to depend on consumers purchasing new cars every two or three years. Because of consumer pressure and foreign competition, today's cars are better built, safer and have longer warranties. So, consumers use their cars longer and don't buy new cars as frequently. When they do buy cars, they may choose one made in Asia or Europe. **Think critically:** To what extent does consumer behaviour affect the jobs and products available to people? How do jobs and products connect to quality of life?



Consumer behaviour has many impacts, including impacts on producers, jobs and the environment. **Think critically:** How might marketing affect consumer behaviour? Why might understanding the role of marketing be important to you as a consumer?

This bumper sticker dates from 2003. It aimed to encourage Alberta consumers to band together and buy Alberta beef to support Alberta beef producers. In 2003, "mad cow disease" had stopped international sales of Alberta beef, which meant Alberta beef producers faced hard times. **Think critically:** How can consumers act together to bring about change?