Ecological imbalances: Disparities in income, consumption, and pollution in Austria

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Recently, increasing attention has been directed towards the study of wealth and income inequality that resulted in a growing body of research including numerous well-received books. However, the interactions between income distribution, different patterns of consumption and the resulting consequences for the environment are still rather unaddressed. Filling this gap is an essential prerequisite to design effective and at the same time socially acceptable policies to meet the goals of the Paris agreement on climate change.

Accordingly, this paper is a first attempt to provide an integrated perspective on social, ecological, and economic dimensions of the Austrian distribution of income and consumption as well as their associated environmental effects. We combine the Austrian household budget survey (Konsumerhebung 2009/10) with a multi-regional environmentally extended input-output database (EXIOBASE3). This enables us to assess the greenhouse gas (GHG) intensities for different services and products, and portray the environmental impacts of Austrian households’ consumption patterns. More specifically, we scrutinize the patterns of household characteristics which contribute to high GHG emissions and particularly emphasize the role of income and other related socio-economic variables. Our main findings suggest that indirect GHG emissions increase less than proportionally with rising income, while direct GHG emissions increase disproportionately large, respectively.

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