SWP 57/87 ETHICAL PURCHASE BEHAVIOUR

DR CRAIG SMITH
Lecturer in Marketing
Cranfield School of Management
Cranfield University
Cranfield
Bedford MK43 0AL
United Kingdom

Tel: +44 (0)234 751122
Fax: +44 (0)234 781806

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ETHICAL CONSIDERATIONS IN CONSUMER BEHAVIOUR

What decisions do consumers make in markets? In command economies decisions on the allocation of resources are centralised and made by the state. In market economies these decisions are decentralised and made by 'the people'. Consumers under capitalism are, according to the ideology, the decision-makers on the allocation of society's resources. This paper considers this notion by reporting a major study which looked at some of the ethical decisions consumers make - or could make - in markets. The study resulted in the conceptualisation of what has been termed ethical purchase behaviour.

Ethical purchase behaviour is the expression of the individual's moral judgement in his or her purchase behaviour. It can mean people not buying a certain product: there are one million vegetarians in Britain, all choosing not to buy meat for ethical reasons (1). During the recent Falklands crisis many people in Britain chose not to buy Argentinian products, such as corned beef and wine. Ethical purchase behaviour can also mean a deliberate restriction of choice in purchase behaviour. People often prefer to buy domestically-produced goods. Many private and fleet car buyers will still only buy domestically manufactured vehicles. However, ethical purchase behaviour is not always as straightforward and clear-cut as this. While in some cases ethical concerns will dictate that a specific product (meat) must not be bought, or that a specific product must be bought (domestically produced goods), in other cases ethical concerns are one influence among a number in the purchase decision. This is neatly illustrated in the following quotation:

"Times are surely hard for the consumer with a conscience. That Chilean wine may have a military bouquet, but can we afford the alternative?" (2)

The consumer behaviour literature acknowledges many influences on purchase behaviour. Ethical concerns do not, however, appear to have been specifically identified, at least not in the broad sense intended here. Specific types of ethical purchase behaviour, such as ecologically concerned consumption, have been examined. This very limited work is considered below.

The less straightforward type of ethical purchase behaviour, where purchases are influenced by ethical concerns but these concerns are not so strong as to override all other concerns, suggests the product is a bundle of considerations, concerns, or
attributes, in the eye of the consumer. Such a conception of the product is not new, but it is worth noting that to the consumer there may be negative product attributes as well the conventionally identified positive ones. In other words, the product is more accurately conceived as a package of costs as well as benefits for the consumer, with ethical considerations being possible costs or benefits.

Ethical purchase behaviour is all-pervasive. But it is not always readily-identifiable. The empirical work in the project therefore focused on ethical purchase behaviour that was clearly identifiable and readily accessible, the most manifest and deliberate form: pressure group organised consumer boycotts. These boycotts of business are where people choose not to buy certain products as part of an organised boycott action. However, this necessary delimiting of the study should not hide the extent to which ethical purchase behaviour may be found, as the origins of the term indicate.

The term ethical purchase behaviour came about in an effort to provide a unifying concept for very different influences on purchase behaviour. Indeed, one person may practise ethical purchase behaviour by not buying a product, another by buying that same product. (As Vogel suggests was the case with Saran Wrap in the United States, when the manufacturer, Dow Chemical, was being boycotted over its production of napalm for the Vietnam war (3); and as was often the case in consumer boycotts organised in support of labour disputes (4).) Inspiration came from the literature on ethical investments coupled with the need to find some term that could be applied to describe encouraging findings from survey research which indicated that many different types of social, moral, political, and religious issues might influence purchase decisions. Hence, an activity which often has similar motivations to ethical investment, but is found in product markets rather than investment markets, could be suitably described as ethical purchase behaviour. The two activities are quite closely analogous.

Those responsible for investing the funds of unions, universities, professional associations and others, have over the past 20 years especially, been regularly urged "to consider the social consequences of corporate activities from which these institutions derive an endowment return" (5). Vogel and others have written extensively about ethical investment in the United States (6). Prominent of late, are the demands for institutions to disinvest from companies involved in South Africa, though many other issues prompt ethical investment.
Ethical investment has even acquired some prominence in the United Kingdom. So, for example, following the promptings of the British Medical Association (BMA), which was acting on the basis of a report by Social Audit, a number of charities and health organisations sold off share holdings in tobacco companies, causing a noticeable fall in tobacco share prices (7). The BMA had previously severed its links with unit trusts investing in tobacco companies (8). This example shows how ethical investment can operate through the selling-off of investments or by keeping them to press for changes in the companies concerned. Another form of ethical investment is positive rather than negative. This is where investors only invest in ethical concerns, as distinct from disinvesting or pressing for changes in unethical concerns. The counterpart in ethical purchase behaviour is the purchase of an ethically acceptable product, instead of the boycott of an ethically unacceptable product. In the United States, investors may invest in a number of ethical investment institutions, such as Shearson/American Express (9). In the UK, there is Mercury Provident, Friends' Provident, and the Ecological Building Society (10).

The Quakers refuse to invest in liquor, drugs, nuclear energy, weapons, pollution, firms with bad labour relations, and South Africa. They played an important part in recently establishing in the UK the Ethical Investment Research and Information Service (EIRIS), to "meet a long-standing need on the part of institutions and individuals who want to know more about the enterprises in which they invest than the rate of financial return" (11). Similar institutions have existed in the US for some time (12). EIRIS recognise that ethical investment decisions require information. However, they do not seek to identify 'clean' investments, it is for the investor to decide what constitutes 'clean'. They merely provide details on those activities of the companies concerned that might be of interest to a potential investor. In other words, they do not attempt to define what is ethical. The same principle applies to defining ethical purchase behaviour.

Ethics is about what is 'right' and 'wrong' in human behaviour. There are, however, no absolute standards. Defining one behaviour as ethical and another as unethical is the outcome of an individual's moral judgement, an act of moral reason, and, as such, likely to differ from person to person. Hence, ethical purchase behaviour is in itself also an outcome of an individual's moral judgement. It could then result in different responses to the same product by different individuals who are yet both consciously indulging in ethical purchase behaviour. A similar analysis can, of course, be applied to ethical
investment. Accordingly, EIRIS do not attempt to identify 'clean' investments and one cannot define ethical purchase behaviour more precisely than to say it is an expression of the individual's moral judgement in his or her purchase behaviour. As such judgements are individual, ethical purchase behaviour may involve a considerable variety of possibly conflicting issues and priorities, but some consensus can be expected. While there are no absolutes, within the same society there are many shared perspectives on ethical behaviour. Some of these are apparent in the examples which follow drawn from previous studies which have looked at ethical purchase behaviour (though not conceptualised it as such).

SOME FORMS OF ETHICAL PURCHASE BEHAVIOUR PREVIOUSLY EXAMINED

Although largely unrecognised in the literature, some forms of ethical purchase behaviour have been acknowledged. These various forms previously identified come together under the all-embracing term ethical purchase behaviour, together with other forms not already identified. So, this noted, the study reported can be said to follow in the tradition of the work of Anderson and Cunningham, Kassarjian, Kinnear et al., and others, on socially responsible or ecologically concerned consumption. They consider some forms of ethical purchase behaviour, but their concern is principally with identifying for market segmentation purposes who the consumers are that practise this. So Engel and Blackwell include this work under the heading 'Catalysts to Consumerism', suggesting it has identified socio-psychological variables associated with an interest in consumerism activities. For them, the contribution of this work is in having helped to describe "those persons who not only are concerned with their own personal satisfactions, but also buy with some consideration of the social and environmental well-being of others" (13). This is a useful starting point.

Webster (14) refers to the 'socially responsible consumer' and suggests: "In general, he [sic] has been found to be a pre-middle-aged adult of relatively high occupational, economic and social status. He tends to be more cosmopolitan, less dogmatic, less conservative, less status conscious, less alienated, and less personally competent than the less socially concerned citizen." He points out that these discriminators are more problematic than demographic variables and "the task of developing workable definitions of segments will be a difficult one". Webster then goes on to discuss phases in market development and changes in the marketing concept as a system of economic exchange,
where the focus moves from the market, to the seller, to the buyer, and finally to the public. In the final phase: "the revised marketing concept is not fundamentally new or different from the old one. It merely represents a fine tuning to make sure that public needs are consistent with private wants, a piece of unfinished business under the old marketing concept." This is an early statement of Kotler's societal marketing concept (15), though less adequately expressed. It seems - but this is not made explicit - that Webster assumes socially responsible consumption is, or will be, the norm, in spite of having identified it as being particular to a market segment. So his justification for a revised concept of marketing rests on the notion of socially responsible consumption. It therefore comes across as little more than wishful thinking. He argues that it pays to have a broader social purpose because consumers demand it. This is a remarkably convenient argument given that it was written at a time when criticism of business was at its height. It is, however, unacceptable. A quantum leap is made between some very limited evidence of socially responsible consumption by some consumers, to an ideal solution to the problem of social responsibility in business. Yet while such an argument is obviously flawed, Webster does, to be fair, recognise some of the implications of socially responsible consumption, even if he does overstate them and fail to acknowledge any of the intervening considerations.

Both Webster, and Engel and Blackwell, cite the paper by Anderson and Cunningham on the socially conscious consumer (16). (Indeed, this is the only paper Webster cites in support of his claim for socially responsible consumption!) It's important to note that although Anderson and Cunningham claim to have identified an image of the socially conscious consumer, this is not based on any observation of socially conscious consumption, the dependent variable was the score on a social responsibility scale, for "it can be assumed that socially conscious individuals, whose orientations are reflected in a variety of socially responsible behaviours, would manifest social consciousness in consumption decisions". Consequently, despite their large sample and sophisticated multivariate data analysis, they have to concede "It would be useful to determine whether consumption patterns are different between high and low scorers on the Berkowitz-Daniels Social Responsibility Scale, particularly with respect to products and/or brands which claim environmental benefits." Their claims are further weakened by the likely collinearity of the dependent and independent variables and their dubious use of discriminant analysis (17).
Kassarjian's paper on incorporating ecology into marketing strategy, cited by Anderson and Cunningham, comes a little closer to socially responsible consumption by looking at behavioural intention. He was mainly concerned with measuring attitudes towards air pollution and whether people say they would pay more for a pollutant-free gasoline, that is, their behavioural intention. He shied away from attempting to find out whether those with a concern for air pollution actually did pay more and buy the pollutant-free gasoline, offering only extremely limited circumstantial evidence to suggest that they did. He suggests "With a good product based on ecological concerns, the potential for a marketer seems to be impressive" (18, his emphasis).

This, however, conflicts with a study reported by Engel, Kollat and Blackwell where, "In spite of aggressive marketing by the refiners, the no-lead/low-lead gasolines received less than half of the 10 per cent volume expected of them" (19). They suggest the discrepancy may be due to the acute pollution experienced by the respondents in Kassarjian's study, but also comment: "Possibly consumers are concerned about pollution generally but do not perceive their own consumption of gasoline to be serious enough to result in a problem that would generate extended problem solving." Moreover, "an individual consumer risks paying for societal benefits while other consumers can get away without paying". In other words, a problem of the logic of collective action - where it is often found that voluntary collective action is unlikely even if the would-be participants could anticipate collective good (20). Consequently, Engel, Kollat and Blackwell further on write that voluntarism has its limits, that, "There is, in the literature of consumerism, a persistent belief expressed that consumers ought to voluntarily act in a way that is beneficial to the society they live in. At the same time, there is persistent evidence that they will act in a way that is beneficial to themselves as individuals" (21). The belief they refer to is to be found in the previously mentioned papers and others, but the evidence either way is scant.

As Engel et al suggest, the point about all these studies - and there are more (22) - is that they assume ethical purchase behaviour, even if it is referred to only in part, as ecologically concerned consumption or socially responsible consumption. They offer only limited evidence of ethical purchase behaviour and mostly in an indirect way. No explanation is offered as to why or how such purchase behaviour may come about. This omission is redressed here, in the provision of more direct evidence and an argument for ethical purchase behaviour. Moreover, ethical purchase behaviour is more than socially responsible or ecologically concerned consumption.
Others have come nearer to a broader understanding of ethical purchase behaviour and this work, although conceptual rather than empirical, is worth considering. Thomas, for example, has written about purchase votes on social impacts, allowing consumers to express their social preferences in the marketplace with firms broadcasting their social impacts (23). More realistically, perhaps, he has also written about those impacts being broadcasted by 'informed partisan groups' (24). In Can the Market Sustain an Ethic? Yale Brozen suggests markets reflect the ethics of participants, in which case one might presume he would argue there already is ethical purchase behaviour. He refers, in example, to American firms that refuse to sell goods to Russia although they would, at least in the short run, profit from doing so. Their justification, he suggests, lies in the belief that in the long run they could be conferring benefits on a government which may become an enemy in some future situation. Alternatively, there are those that choose to trade with Russia, not so much for profit, but in the hope that economic interdependence will reduce enmity and the chances of a future war. So, he sees a place for ethical conduct in the market:

"In terms of whether or not some kinds of transactions occur, a free market simply reflects the notions of right and wrong already possessed by participants. The market does not mechanistically determine any kind of conduct. Moral or ethical choices are made by individuals. In a free market, responsibility for such choices is left in the hands of each person. To that extent, a free market places responsibility on each for his or her own conduct" (25).

In The Public Use of Private Interest, Schultze argues that greater use could be made of the market, in preference to increased government intervention, on social issues. In acknowledging the problem of self-interest overriding social concern, he suggests "the prerequisite for social gains is the identification ... of the defects in the incentive system that drive ordinary decent citizens into doing things contrary to the common good". Yet he still wishes to employ self-interest in addition to any "preaching" that might lead to more appropriate behaviour (ethical purchase behaviour). So he writes: "If I want drivers to economise on gasoline usage, advertising appeals to patriotism, warnings about the energy crisis, and "don't be fuelish" slogans are no match for higher prices at the gas pumps" (26). Schultze is a great believer in the market: "Harnessing the 'base' motive of material self-interest to promote the common good is perhaps the most important social invention mankind has yet achieved" (27, his emphasis).
Robin Wight is another with great faith in the market. He suggests "power grows out of the shopping basket" and that consumerism is in recognition of this. He makes frequent reference, in illustration, to consumer boycotts: "a militant method of responding to an unsatisfactory product as perfect competition says one should" (28). While Vogel (29) recognises that consumer sovereignty need not be limited to responses to unsatisfactory products. Referring to both ethical investments and consumer boycotts, he writes that although in theory consuming and investing "are 'economic' decisions ... legitimately guided by only self-interest", there is "an increasing consideration of social factors in both investment and consumption decisions ... citizens are beginning to consider the possibilities of employing 'public' standards of judgement in the economic arena". He suggests the distinction between the 'public' act of voting in the political marketplace, which is public and political because it involves an attempt by the individual to advance a perception of the general good, is becoming blurred when ostensibly 'private' acts of voting in the economic marketplace, guided entirely by self-interest, are beginning to incorporate social factors. He refers to consumer boycotts on the production of war materials (by ITT and Dow), investment in Angola (Gulf), and participation in the identity card system in South Africa (Polaroid), by way of example. Such boycotts "have become a major vehicle of popular protest against business", and it seems that he is in favour.

It was earlier noted that socially responsible consumption is but one form of ethical purchase behaviour. It is concerned with the environmental impact of consumer purchases. It is limited to non-returnable bottles, high-phosphate detergents, leaded petrol and so on. In other words, socially responsible or ecologically concerned consumption seeks to limit the pollution created by the consumer in consumption. Ethical purchase behaviour is concerned with these and much wider social impacts. The arguments for such behaviour, by Thomas, Brozen, Schultze, Wight and others, recognise that consumer sovereignty need not be so restricted. Of course consumer sovereignty can be employed to express concern about and possibly remedy product defects and products that pollute, but why not, as these conceptual contributions seem to imply, all the social impacts of the firm? Vogel goes on to differentiate between consumer boycotts and ecologically concerned consumption: "Ecologically 'responsible' consumption differs from purchasing which is politically or ideologically motivated chiefly in that for the former, the relationship between what is consumed (or not consumed) and the social
problem being addressed is direct." Yet there is no need to so differentiate. It is all ethical purchase behaviour, as here identified and defined.

FURTHER EVIDENCE OF ETHICAL PURCHASE BEHAVIOUR: IN CONSUMER BOYCOTTS

So previous work in the area here described as ethical purchase behaviour is limited to a few, generally unsatisfactory, empirical studies of 'socially responsible consumption', and more conceptual work that only vaguely suggests or implies ethical purchase behaviour. Yet this is at least some support for the concept of ethical purchase behaviour. Further evidence is available from other secondary sources. Studies of country of origin effects on product evaluations generally confirm a preference for domestically produced goods. A Danish study of 12,000 respondents in six European countries revealed a clear tendency to rate as higher the quality of domestic products in relation to foreign products (30). Similarly, one of the earliest studies in the area by Reierson, found that US products were consistently ranked of higher quality than products originating from most European countries and Japan, by 155 US college students (31). The nationalistic element to this preference for domestically produced goods is confirmed by Morello (32). He cites the interesting example of how Volvo attempted to overcome the Buy British line by focusing in its advertising on the slogan 'Support the British Motor Industry, buy a Volvo', with supporting copy noting that "nearly 25% of every Swedish Volvo is made in Britain". Some UK companies have gone beyond the simple appeal to nationalistic feelings and made direct links between buying British and unemployment. British Leyland (now Rover), for example, have carried in their advertising the slogan 'British cars means British jobs'. While carrier bags and various other promotional materials by Marks and Spencer carry the claim 'Over 90% British made', and a promotional newsletter for Marks and Spencer's customers explains 'Buying British goods means supporting British jobs' (33).

These latter examples highlight ways in which firms may benefit from ethical purchase behaviour, in contrast with those examples where firms are boycotted. Many people are concerned about the treatment of animals and this issue has also prompted the positive use of ethical purchase behaviour as well as consumer boycotts. Hirsch, for example, who market leather watchstraps throughout Europe, produce their own point-of-sale displays which emphasise that their products come from non-endangered species.
Similarly, Welleda, and other cosmetics and toiletries companies, note in large print on their packaging that their products are not tested on animals. Of course, reference to one's own purchase behaviour and that of friends and colleagues is likely to highlight the influence of a variety of ethical issues on purchase, in addition to country of origin and animal welfare issues. One might also be influenced, for example, by whether a firm has fair employment practices, is involved in armaments manufacture, has a poor record for environmental concern, or trades with the Eastern bloc.

Yet it is consumer boycotts that offer some of the clearest evidence of ethical purchase behaviour. They are examples of outright refusals to purchase from companies guilty of some major wrong in the eyes of consumers. Illustrations of this can be found in Remer's study of Chinese boycotts (34), studies of the role of the consumer boycott in achieving unionisation in the US (35), in Gandhi's work in India (36), and in civil rights protests in the United States in the 1950s and 1960s (37). The Arab boycott of Israel might also be seen in a similar light and certainly those consumer boycotts of US companies which complied with the Arab boycott (38). It must be noted, however, that there is not a great deal of published material on consumer boycotts with the exception of the reports and analysis of some specific boycotts. (The Nestlé boycott has, in particular, been widely documented.)

Within the project reported here, data was amassed on a substantial number of consumer boycotts, with five examined in depth. The Barclays and South Africa case describes the boycott of firms involved with South Africa, probably the major cause of consumer boycotts in Britain. The boycott of Barclays Bank, which ended with the company's withdrawal from South Africa in 1986, is the best known and is therefore the focus for the case. A second case involves the Campaign for Nuclear Disarmament (CND), which at the time the case was prepared, was Britain's most prominent and powerful promotional pressure group. CND organised consumer boycotts involving Tarmac, a major construction company, and MAN-VW, a truck manufacturer, over their links with cruise missiles. The Douwe Egberts and Angola coffee case is based outside Britain, involving the boycott of a Dutch coffee processing company over the use of Angola coffee prior to that country's independence. The international boycott of Nestlé over its marketing of baby milk to the Third World, concluded in 1984, is the fourth case; the final case being the boycott of California grapes over the unionisation of farm workers. These cases are described in detail elsewhere (39). The purpose here is to highlight some of the data from these cases which provides evidence of ethical purchase behaviour.
For the cases to qualify as evidence of ethical purchase behaviour the consumers boycotting the firms must, by definition, have understood their actions as being moral acts. A number of choice incidents and quotations illustrate this moral dimension to the boycotts. Indeed, central to the support given to all of them is a sense of moral outrage on the part of those consumers choosing not to buy from the firms concerned.

So, to take the Barclays case, it need hardly be said that apartheid in South Africa is a highly charged issue. Indeed, as the South African government has commented, in a series of advertisements in the national press in the UK in 1983: "South Africa arouses more controversy than almost any other country in the world." Accordingly, many consumers, especially students (40), judged Barclays' involvement in South Africa - it was the largest bank there - as wrong. They expressed their distaste for 'the apartheid bank' by taking their business elsewhere and more vociferous activities under the guidance of the principal pressure group involved, End Loans to Southern Africa (ELTSA). As the Reverend David Haslam explained (in interview), ELTSA's strategy was to put "moral, public opinion type pressure on the bank". The vehicle for this was the consumer boycott. Barclays, for its part, while maintaining involvement in South Africa, also stated clearly that apartheid was evil. Under mounting pressure, notably enhanced by a continued and extremely violent state of unrest in South Africa, Barclays withdrew. The Financial Times leader commented on this decision:

"ordinary people, revolted by what they have learned about the [apartheid] system from the news media ... want to make their opposition felt, and have proved again that they can bring effective pressure to bear on commercial organisations, even if they cannot move foreign governments. Moral pressure of this kind - whether against apartheid, whaling, the fur trade, vivisection or even the defence industry - is an increasingly important fact of business life" (41).

Similarly, in the CND case, this moral outrage is again evident. As Bob Overy, the principal organiser of the CND boycotts wrote in an article in a peace movement magazine:

"The personal gesture is a vital part of the method in a boycott campaign. I decide to withdraw my support from an institution whose activities I deplore. This is designed to have some public influence because I want other people to
notice and respond. It also involves some change in my personal habits, and perhaps even some self-denial on my part. Response from other people may not be the most important factor. All of us face this kind of dilemma: Shall I buy Pains-Schermuly fireworks, when I know the company makes CS gas?" (42).

The other cases also, in various ways, reveal this moral dimension to consumer boycotts. Therein, they support the claim that consumer boycotts constitute ethical purchase behaviour.

IMPLICATIONS AND CONCLUSIONS

So, in sum, recognition has been given here to ethical purchase behaviour. This embracing term has been shown to cover a wide variety of influences of an ethical kind on purchase behaviour. It can include socially responsible or ecologically concerned consumption, consumer boycotts and a preference for domestically produced goods. It even includes religious influences on purchase behaviour (such as eating Halal meat), as this is based on a code of ethics. It involves consumers making decisions in markets that go beyond the more traditionally acknowledged concerns of price, colour or style. Country of origin, dubious (or laudable) activities of a firm in some remote sphere of its operations, and many other ethical considerations, can feature in purchase behaviour.

Yet ethical purchase behaviour is important not simply as a form of consumer behaviour, but, in its implications, in three other quite major ways. Firstly, a role for pressure groups is indicated in the provision of information for the awareness and understanding which is necessary for ethical purchase behaviour (though it is acknowledged that this information may come from other sources). This is evident in the cases referred to above and has been discussed in more detail elsewhere (43). It highlights the requirement for producers to get closer to pressure groups and understand those groups likely to take an interest in their business activities (44).

Secondly, ethical purchase behaviour constitutes an attempt at the social control of business via the market. Ultimately, all ethical purchase behaviour seeks social responsibility in business as defined by the consumer. This may be an end to factory farming, involvement in South Africa, manufacture of the Pill or whatever. It is behaviour by customers that expresses a disassociation from something of which they do
not approve. They wish this disapproval to be known and try, through ethical purchase behaviour, to make a statement about this and do something about it. In so doing they are seeking the social control of business (45). This has public policy implications in pointing to an alternative to legislation for curbing business excesses. And one should not have any doubts about the legitimacy of such an alternative. As the Financial Times commented in the aftermath of the Barclays boycott:

"While some economic purists may deplore the introduction of non-economic values into buying decisions, there seems nothing inherently objectionable in this trend. The whole merit of the market system is that it is the best system yet devised for recording and satisfying consumer preferences, and if these preferences rank the rights of minorities, or humane farming, alongside the elegance of a design or the palatability of a strawberry flavour, it does the customers nothing but credit" (46).

In other words, in practicing ethical purchase behaviour, consumers are simply employing their consumer sovereignty. Importantly, in such cases, they are using it to ensure social responsibility in business as they see it. This points to the third and final major implication of ethical purchase behaviour. It should be recognised that consumer sovereignty has two dimensions: degree and domain. Traditionally, studies of consumer sovereignty have addressed how much authority buyers have versus sellers. Ethical purchase behaviour suggests the domain of that authority - the decisions in markets over which consumers hold sway - is also important (47). Ethical purchase behaviour is best explained as the exercising of consumer sovereignty. The limits to it are determined by the degree and domain of consumer sovereignty. These are, at the most fundamental level, and to come back to the question and preliminary discussion at the outset of the paper, key measures of the success of capitalism.

NOTES AND REFERENCES

1) According to a Gallup poll reported in Esard, John, 'Getting meat's image off the hook', The Guardian, 30 November 1984.


9) See Ward, Sue, 'How ethics can be taken into account', *The Guardian*, 18 July 1984. She reports on the activities of Robert Schwarts, a vice-president of Shearson/American Express, and responsible for placing over $1 bn in ethical investments. Research he has undertaken found that over a period of ten years a theoretical ethical portfolio performed considerably better than average. He suggests by way of an explanation: 'if you are a poor manager who does not care about your workforce or your environment, the chances are that it will spill over into your business practices as well'.


11) EIRIS Newsletter, No 2 (November 1983).

12) See, for example, those listed in Marlin, John Tepper, 'Pollution Control: Let's Stop Waiting for Government', in Sethi, S Prakash (ed), *The Unstable Ground: Corporate Social Policy in a Dynamic Society* (Los Angeles, Melville Publishing, 1974).


17) On collinearity: is it surprising that the scale and the independent socio-psychological variables correlate when, for example, item 6 on the scale assesses agreement with 'People would be a lot better off if they could live far away from other people and never have to do anything for them', and there is an 'independent' variable of alienation: 'a feeling of isolation from one's community, society, and/or culture'? This in itself is sufficient to invalidate the use of discriminant analysis. Further technical criticisms could also be made, such as whether the data for the independent variables is interval, which it needs to be for discriminant analysis, or whether (and this seems more likely) it is nominal/categorical. The major criticism must be, however, that the finding that socio-psychological variables are better discriminators than demographic variables is probably largely to do with the problem that the dependent variable of the social responsibility scale and the so-called independent socio-psychological variables are measuring the same thing.


27) Ibid.
35) Wolman, op cit (note 4); Laidler, Harry W, Boycotts and the Labor Struggle: Economic and Legal Aspects, (New York, Russell and Russell, 1968 (re-issued, first published 1913)).
37) Vogel, op cit (note 3).
40) Students are a vital sector of the market for banks because of the high level of customer loyalty within the industry; people generally tend to stay with the bank they first join. Students are also likely to be valuable customers in the future. Towards the latter end of the boycott campaign Barclays' share of the student market had dropped from 25% to 17%, despite efforts to halt the decline.
47) This idea is elaborated on in Smith, op cit (note 43).