



Ethical Spending

Influences on spending

Spending money isn't as straightforward as it seems. Many different factors influence what we spend our money on. These influences could be:

- **emotional** – sometimes even the way we feel can influence how we spend our money. For example, people sometimes go on a 'spending spree' to cheer themselves up if they are upset or stressed.
- **social** – family and friends can also influence our spending. Many people think about what their friends are wearing or using when they make new purchases. Young people can also be influenced by the spending habits of their parents or friends.
- **cultural** – businesses are always trying to persuade us to buy their goods and services. Advertising (whether through TV, radio, print or via the Internet) can have a powerful influence over the way the public spends its money. Remember that just because a product may have an engaging advertising campaign doesn't mean it's the best value for money.
- **religious** – many religions encourage people to give to charity or to make donations to help support the religion.
- **ethical** – many people want to make sure that products or services we buy are made without causing harm to people, animals, or the environment.

Ethical shopping

Ethically produced goods may not be the cheapest or best value. They are sometimes more expensive but many people feel that it's worth paying extra to ensure that no harm was done in the making of the product. Some ways that you can be an ethical consumer include:

Buying from charity shops – Buying from charity shops not only saves you a lot of money but also supports the charity. (See Fact Sheet FD3 - Giving to Charity for more ways to give to charity.) Buying second-hand items also helps us live sustainable lives.

Supporting local businesses – Businesses in the local community can suffer when people spend their money in the high street chains. Buying directly from local farmers and small, independent businesses can help the local economy. And you can walk to the shops to cut down carbon emissions from transport.

Buying animal-friendly products – These are products that have been made without harming animals, (e.g. free range eggs, dolphin safe tuna, grass fed beef and makeup that has not been tested on animals). Read the labels before you buy.

Buying from ethical businesses – Many products, even those made by big name brands are made abroad in 'sweatshops', where working conditions are extremely poor, often dangerous and workers are paid very little money. Try to research the companies with whom you're thinking of spending money by looking on ethical trade websites. Fairtrade products, for example, have been investigated to ensure that certain ethical standards have been met in their manufacture.



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Ethical Spending cont'd

Buying recycled and recyclable goods – Buying recycled products (such as recycled paper and toilet paper) helps the environment to be sustainable. Buying goods that can be recycled helps to ease the pressure of waste disposal.

Buying organic products – Organic products are made without pesticides and artificial fertilisers, so they are better for the environment.

Buying green products – Environmentally friendly products, like energy-saver lights and appliances, reduce energy costs and help the environment. Choose products with little or no packaging, or those with recyclable packaging.

Reusing shopping bags – Cut down on the number of plastic shopping bags needed by taking your own bags with you when you shop. Some shops now charge for plastic bags and others reward you with money off or loyalty points for reusing bags.

Ethical investment – This refers to investment in businesses that promote human rights, assist the community, promote animal welfare, help the environment or at least that produce their goods and services ethically. Investors are not just focusing on financial gain but also want to make sure that their money is helping to perform social good. They avoid companies that produce weaponry or cause any harm to people, animals or the environment. Investment could be through buying shares in the company but could also be through taking out a pension, mortgage or account through the company.