



Todd Myers | Environmental Director,
Washington Policy Center

The Washington Policy Center is an independent, non-partisan think tank promoting sound public policy based on free-market solutions. Todd Myers is one of the nation's leading experts on free-market environmental policy and is the author of the 2011 landmark book *Eco-Fads: How the Rise of Trendy Environmentalism is Harming the Environment*. His in-depth research on the failure of the state's 2005 "green" building mandate continues to receive national attention. Myers holds a Master's degree from the University of Washington.

Free Market Environmentalism That Works

When it comes to helping the environment, politicians like to tell us that without them, businesses would severely damage the environment – recklessly using resources in the search of profit. The simple truth, however, is that companies have been the most effective at finding ways to do more with less, reducing the number of resources we use and improving environmental sustainability.

The free market is more effective at providing environmental solutions than politically-motivated programs that often are designed to generate public image benefits rather than actually helping the environment.

Here's one recent example.

Many hotels now place a card in the bathroom exhorting guests to help the planet by reusing their towels, thus reducing the amount of water and energy used by the hotel. Such appeals are typically based on guilt – guests reuse the towels, and the hotel receives the

financial benefit.

The success of such efforts, however, is entirely contingent on the convenience and good will of the guests.

Westin Hotels, however, harnessed the free market to find a better way. Recently, when I checked into my hotel in Charlotte, N.C., I noticed a door hanger lying on the bed which read:

"Make a green choice. Enjoy a \$5 voucher at participating food and beverage outlets or 500 SPG Starwood points awarded at checkout for each night you decline housekeeping."

Instead of guilt, Westin recognizes that sharing the benefit of conserving resources is likely to make the program more successful. And they are seeing results.

Westin reports that the program has grown in each of the first three years. They estimate 16 percent of guests take advantage of the program. This is remarkable considering what it might take otherwise to cut water use for laundry by about one-fifth.

The Westin chain conceived its program in Seattle where the "green" ethic is ubiquitous, but it goes beyond simply cultivating a green image. Westin enjoys financial benefits in two ways. First,

it saves money by reducing the laundry and housekeeping costs. Second, it is an initiative Westin uses to attract corporate customers from organizations that require their employees to stay at "green" hotels.

Those most likely to be incentivized by the program and use it are business travelers, and Westin's Starwood points are a particularly attractive reward.

Interestingly, Para seemed sheepish when I asked if the hotel benefited financially from the program. By providing benefits to the hotel and customer, however, the program is more likely to stand the test of time. Too many green programs are based on people's willingness to endure inconvenience or cost, and such projects get jettisoned when times get tough. With the hotel benefiting, they are more likely to continue and even expand the program.

Instead of apologizing for the benefits they receive, Westin should be proud. Those financial rewards may encourage other hotels to follow suit, further reducing overall resource use.

By harnessing the incentives of the free market, Westin, its customers and the environment all benefit.