

A queue of mainland Chinese shoppers snakes along Mody Road outside the flagship Louis Vuitton store in Hong Kong. A blur of brand new Toyota Avanzas jam Jakarta's Jalan Jenderal Sudirman at rush hour. A record haul of pangolin scales is <u>seized at Kuala Lumpur Airport</u>. Signs of the world's largest and most dynamic consumer group—Asia's middle classes—flexing their wallets are not hard to find.

In China, consumption is projected to grow by an average of 6 per cent a year over the next decade, while in Vietnam the middle class—the fastest growing in Southeast Asia—is expected to double, to 33 million people, by 2020, and with it demand for everything from motorbikes to mobile phones will soar.

The lifestyles on display in the movie Crazy Rich Asians are out of reach for most living in a continent that is home to half of the world's extreme poor. But by 2030, two-thirds of the world's middle classes will live in Asia, accounting for 60 per cent of global consumer spending as the region gets richer, more populous and more mobile, according to <a href="https://data.ncbe/data.

Culture is shaping consumption. As Asia gets richer, eating meat is becoming more popular. Even in India, land of the sacred cow, beef consumption is growing as young urbanites try out hip new burger joints, while eating chicken is a sign of status. In China, where 30 years ago beef was considered "millionaire's meat," demand for beef has grown faster than anywhere, with a projected 2.5 million additional metric tons of beef consumed between 2010 and 2025.

The region's appetite for meat and fish is projected to grow by 78 per cent by 2050, which will produce an 88 per cent rise in greenhouse gas emissions—equivalent to 95 million cars' lifetime emissions—an 83 per cent increase in water use, and will require a land area the size of India for farming, according to a study by Asia Research & Engagement.

Asia's burgeoning middle classes are driving global demand for consumer products. In Vietnam, where the middle class is projected to double by 2020, to 33 million people, status-conscious consumers are scrimping on basic home furnishings and splashing out on showier items. Vietnam's consumer electronics market is growing by 9 per cent a year as consumers shop to flaunt their affluence.

This is less evident in more mature economies. In wealthy Singapore, conspicuous consumption is making way for <u>an affinity for product quality and reliability</u>, while in China, rising awareness of environmental issues such as air pollution and climate change is <u>spawning an appetite for green products and services</u>, particularly among the young.

Just as nowhere is buying electronics as hungrily as Asia, so the region is facing an environmental timebomb in the form of e-waste. The volume of e-waste in East and Southeast Asia has grown by 63 per cent since 2012 as product lifecycles shorten and throwaway culture becomes the norm. A small fraction of Asia's e-waste is recycled. Most is either dumped, deposited in landfill or is incinerated, producing powerful long-lasting pollutants such as dioxin.



## HEARTS AND MINDS: INNOVATIVE CUI TURE

Another consequence of Asia's growing middle classes is consumption of packaged goods. Fastest growth has come in developing Asia, but mature markets such as Singapore are still growing as an insatiable appetite for convenience has fueled sectors such as online shopping. A generation ago, Singaporeans brought home takeaway food from hawker stalls in metal tiffin carriers and groceries from wet markets in newspaper and palm leaves. Now items are carried and transported in plastic.

In numerous Southeast Asian countries, food items that were previously wrapped in paper or banana leaves are now packaged in plastic, while the habit of discarding food wrappers on the street has persisted. Limited rubbish collection and recycling systems have meant that five Asian countries—China, Indonesia, Philippines, Thailand and Vietnam—are dumping more plastic into the sea than the rest of the world combined. Meanwhile multinational companies continue to market and sell consumer products in single-use sachets that, when discarded, clog drains and pollute waterways.

Here are three ways that that culture can be leveraged to shape more sustainable consumption patterns.

### 1. BEHAVIOURAL ECONOMICS AND NUDGE THEORY

Just as a subliminal advertising can persuade consumers to buy anything from a toothbrush to an electric car by tapping into the subconscious, can Asian consumers be gently "nudged" to consume less or differently? The behavioural economics approach popularised by Chicago University professor Richard Thaler's 2008 book <a href="Nudge: Improving Decisions About Health, Wealth, and Happiness">Nudge: Improving Decisions About Health, Wealth, and Happiness</a>, first came into use by some Western governments and international institutions such as the World Bank and United Nations, which launched nudge units as complement to regulations, laws, taxes and incentives to change behaviour.

Types of nudging: There is a wide spectrum of nudges, but the most commonly noted ones are (1) setting the sustainable option to the default (such as requiring people to ask for single use plastic bags), (2) using social norms by informing people when social norms are more sustainable then they are (such as informing people about their above average electricity use), and (3) changing the physical environment (such as using smaller plates in buffets).

Examples: In Copenhagen as in many Asian cities, littering is a problem. Fining people for littering is labour intensive and expensive, and must be done frequently to change behaviour. So researchers from Roskilde University painted <a href="mailto:bright green footprints">bright green footprints from the pavement leading to rubbish bins</a>. The incidence of littering on the streets of the Danish capital halved as a result.

One of the most effective ways is to change behaviour at scale through nudging is to make the sustainable choice the default option. Changing even the hardest set of behaviours, such as eating meat, is possible if vegetarian food is the default choice on the menu. An experiment iNudgeYou ran in at an office canteen in Denmark found that 98 per cent of people would eat meat if meat was the default option. But when vegetarian was made the default option, 87 per cent of diners ate the vegetarian option, and only 13 per cent went for meat.

At the start of 2018, Japan's environment ministry attempted to nudge Japanese citizens to use less energy by politely informing 300,000 households via posted fliers that they consume 8 per cent more power than residents with similarly sized families living in similar homes. Their power bills could increase by 20,000 yen (\$179) within six months if they continued to waste energy at such a rate, the flier warned. The same exercise carried out in Europe and the United States led to a 2-per cent decline in average power consumption. If every Japanese household cut power use by a similar amount, the country's carbon emissions would fall by 3 million tonnes, according to an estimate from the environment ministry.



In Singapore, the government wants to bring about a car-lite society, and encourage citizens to travel on public transport rather than drive to work. The Ministry of Environment and Water Resources (MEWR) and Land Transport Authority (LTA) hatched an experiment to see how to reduce car trips to work among their staff. Both agencies replaced a long-running parking scheme that charges employees a monthly fixed price for unlimited access to the car park with the option of a scheme that charges a flat daily fee for parking. Those who opted for the latter drove to work far less often than those who stayed with the original scheme. The scheme was even more effective at the LTA, which has an automated charging system at the gantry. At MEWR, drivers paid for parking via monthly payslips.

### 2. RELIGION

At least 5 billion people around the world population follow a religion, but religion is a key factor for everyone through our societal norms. Religion shapes laws, education systems, holidays, and as a result – fundamentally shapes cultures. Most of the world's religions preach not only for people, but for the planet. Through worship services, religious education systems and implementation of spiritual practices, religious institutions have many opportunities to incorporate specific sustainable lifestyles messages that can translate traditional teaching into modern day environmental concerns such as climate change, plastic waste and unsustainable consumption and production.

Christianity: Pope Francis has publicly stated that destroying the environment is a sin, and that caring for the environment should be regarded by Christians as on a par with works of mercy such as feeding the hungry, giving to the poor and caring for the sick. The 2015 encyclical Laudato Si delved into sustainable lifestyles as a form of environmental protection, and called on all Christians to lead more reasonable lifestyles in balance with nature. This set the stage for continued advocacy for sustainable lifestyles and environmental protection such as calling for urgent action to fight climate change and reining in materialistic modern lifestyles by reducing waste, separating rubbish for recycling and using shared services that promote leading a low-carbon lifestyle. In 2018, the Pope spoke out against plastic pollution. He addressed an audience of business leaders at the Vatican and called on individuals and businesses to take responsibility for the planet and its future. "We cannot allow our seas and oceans to be littered by endless fields of floating plastic. We need to pray as if everything depended on God's providence, and work as if everything depended on us," he said.

The introduction of the Clean Air Act in the Philippines in 1999 was not only fought for by environmental activists worried about waste and land burning that was fouling the air. It was fought for by the Catholic church. "Many of the church leaders at the time were student leaders before they became priests, and were very interested in laws that would benefit the public," says Raphael Lopez of the Manila-based NGO Health Care Without Harm Asia. In the UK, Christian charity Christian Aid has called on the religion's followers to pressure Britain's powerful banks to divest from fossil fuels and invest in clean energy. The campaign prompted more than 3,500 churches to switch to renewable energy to help "bring about a world in which all God's people can flourish."

Islam: Environmental stewardship is a fundamental theme of the Muslim faith. The Islamic Declaration on Global Climate Change ahead of the Paris Climate Accord negotiations in 2015, noted that the Qu'an is "inherently conservationist" and many of its teachings are about how people relate to the natural world and the benefits of protecting it. There are about 650 references to ecology and conservation in the Qu'an.

The declaration focused on how Muslim communities can take action on climate change, such as pushing for renewable energy and preparing for climate events such as drought, floods and



storms. It was used as a base for training people to spread the word of the "Islamic environmental ethic" and teach Muslims—which make up 20 per cent of the world's population—about their responsibility towards the environment.

The <u>Muslim Green Guide to Reducing Climate Change</u>, which was developed by the Islamic Foundation for Ecology and Environmental Sciences, reasons that while most Muslim countries are poor and use less resources than rich countries, many Muslims also live in the rich countries and wasteful consumptive lifestyles, and need to play their part in reducing fossil fuels consumption.

The report notes that many Muslim countries produce oil and so "have a vested interest in maintaining the fossil fuel industry." Even so, it's in their interest to keep the price of oil high, and to make the oil last as long as possible before it is used up. Higher oil prices create incentives for people to switch to cleaner and more sustainable energy, the report reads.

Buddhism. Like Islam, Buddhism has naturally conservationist traits. It is a religion, or rather a way of life, that encourages people to avoid the deliberate killing of any living thing, and to let go of desire, greed and craving to avoid suffering. One of Buddhism's spiritual figureheads, Dalai Lama, is often cited as a contemporary environmental leader.

An early modern example of environmental Buddhism came in the 1990s in Thailand. An oak tree was ordained as a Buddhist monk and wrapped in the iconic orange robes, and as a result protected from being felled. It was part of a wave of Buddhist environmental activism that arose in response to rapid development in Thailand. Deforestation, a surge in dam projects, and pollution prompted monks to incorporate sustainability into their rituals and practices and become champions for the environment. Typically removed from society, monks started to push for policy change, partner with green groups and educate the young about conservation.

The principle of avoiding overconsumption and people living within their means is a development approach attributed to Thailand's late King Bhumibol Adulyadej, who coined the "sufficiency economy" philosophy. That philosophy is taught by "eco monks" such as Phrakhu Sangkom Thanapanyo Khunsuri, who set up a traditional farming school in Chiang Mai called the Maab-Euang Meditation Center for Sufficiency Economy. The school promotes subsistence farming, and teaches students how to detach themselves from materialism and consumerism.

Hindusim. The fundamental Hindu teaching, Pancha Mahabhutas, teaches that the everything in the environment – including us – is comprised of five elements (space, air, fire, water and earth) that are all derived from prakriti, or primal energy. This implies that humans are inseparable from nature. The Sanyasa teaching encourages restraint in consumption and simplicity in living are an important pathway to liberation. Another belief recognises the earth as a goddess worthy of devotion, gratitude and protection. This teaching was fundamental to Gaura Devi's Chipko movement in Uttar Pradesh's Mandal village which was a non-violent agitation in 1973 that was aimed at protection and conservation of trees.

The <u>Hindu Declaration on Climate Change</u> states that "dire problems besetting our world—war, disease, poverty and hunger—will all be magnified many fold by the predicted impacts of climate change."

#### 3. MEDIA AND PUBLIC RELATIONS

Advertising is famous for driving consumption. But it can also do the opposite, by persuading consumers to consume less or differently. At this year's Cannes Lions, the Oscars of ad-land, <u>a special award was given</u> to campaigns that support the United Nations'



Sustainable Development Goals (SDGs), targets set in 2015 to address global issues such as climate change, poverty, gender equality and resource consumption.

Examples: The winner of the first SDG Lion grand prix was the 'Palau Pledge', a project dedicated to ensuring environmental stewardship for the small western Pacific island nation of Palau. The idea was for all visitors to Palau to sign a pledge in their passports to protect Palau's environment. "I vow to tread lightly, act kindly and explore mindfully," reads the tourist visa entry stamp. It was endorsed online by well known figures such as actor Leonardo DiCaprio and business tycoon Richard Branson, and raised global awareness for responsible tourism in the region. More than two million tourists are expected to sign the pledge over the next 10 years.

The scourge of plastic pollution has come to public prominence with the sight of beached whales with stomachs filled with plastic. The most recent was a pilot whale that washed up on a beach in Thailand in June 2018 with 80 pieces of plastic trash in its stomach. To dramatise the plastic pollution problem in the Philippines ahead of an Asean working group on ocean conservation being held in Manila, an advertising agency working with Greenpeace created a 15-meter-long, 3-meter-wide model of a whale made from plastic and positioned it on a beach in Naic, Cavite. Visitors to the beach photographed the model whale, which went viral in social media, spreading the message about the impact of plastic on the world's oceans.

To combat the rhino horn trade from Africa to Vietnam, the world's biggest market for rhino horn, one idea was to poison the horn to devalue it. The poison was non-toxic to rhinos, but potentially fatal to humans. News of the poisoned horn was sent out to the Vietnamese media via live satellite, while the rhinos were being treated in South Africa. Posters warning of the poisoned horn were displayed all over major Vietnamese cities. The idea was entered into advertising awards shows, but later withdrawn when the ad agency admitted to making over-claims about the effectiveness of the campaign.

The shark fin trade has shown signs of decline since 2013, when China premier Xi Jingping brought in austerity measures and clamped down on elaborate official banquets where the dish was traditionally served. Advertising has helped. An ad from 2016 titled 'congratulations' showed a newly married Chinese couple in their wedding finery butchering a shark on a fishing boat.

Star power has worked too. Chinese actor and singer Jay Chou advised viewers "don't buy" the myths peddled by restaurants and traders that eating shark fin does not harm shark populations or that shark does not contain mercury.

A more subtle way of highlighting the impact of the trade saw shark fin shapes protruding from the sides of a wooden coffin in an art installation in Shanghai. The installation prompted more than 50,000 people to sign a petition pledging to stop eating the dish, which is estimated to claim the lives of 73 million sharks a year.

To highlight the fact that buying ivory is still perfectly legal in Singapore, green group World Wide Fund for Nature (WWF) created a fake store that claimed to sell elephant tusk products. The store, called Ivory Lane, created a huge backlash online from people who believed that the sale of ivory was already banned in Singapore. A survey from WWF found that 73 per cent of Singaporeans supported a domestic ban on the ivory trade, tougher enforcement and stricter penalties, while 80 per cent feel that wildlife crime should be punished with imprisonment.

CONCLUSION



# HEARTS AND MINDS: INNOVATIVE CULTURE

As the Asian dream takes shape, the world's largest middle class will continue to shape consumerism.

Culture will shape consumption. Conspicuous consumption, as seen now in countries such as Vietnam and China, where new-wealth is visible, will give way to a different brand of affluence, as seen in more mature economies such as Australia, Hong Kong and Singapore. Buying with a conscience, as is popular in Europe with the rise of ethical shopping and brands such as PeopleTree, Impossible Burger and Lush cosmetics, is starting to take hold in Asia, particularly among the young.

The larger the middle class, the bigger the opportunity for environmental consciousness to take root. "Until recently, Asian cultures have mainly been about subsistence and survival. The attitude has been, 'What do I care about nature if thousands of poor people are homeless?'" says Veera Sekaran, founder of urban greening firm Greenology. "But that is changing. The more well off you are, the more time you have to be environmentally conscious," he says.

