

Nudging GCC citizens towards sustainability: the key imperatives of cultural awareness and local knowledge



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Many GCC governments have established or are in the process of establishing behavioural economics (“nudge”) units as an additional instrument of policymaking, with the support of Western experts. With sustainability considerations becoming more central in the policy development process, nudging has a key role to play in effectively changing citizen behaviour. Yet local specificities mean that replicating models which have worked abroad is fraught with risk: social habits among GCC citizens can result in nudge campaigns having the opposite effects to the ones intended. In this context, it is essential to leverage local expertise to ensure campaigns are effectively delivered and government efficiency is maximized.

Nudging: a complementary instrument for policymaking

At some point in the new millennium, the word “nudge” entered the policymaking lexicon, and by the time the godfather of nudges, Professor Richard Thaler, won the 2017 Nobel Prize in economics for his nudge-related work, most Western governments had integrated teams of nudge researchers into their policymaking organs.

A nudge is an alteration to the way choices are presented to individuals that affects their behavior in a predictable manner, but without removing options or altering the material incentives associated with any option in a significant way. Thus, for example, in a school cafeteria, placing healthy food options such as fruits in a convenient location, and placing unhealthy food options such as candy bars in an inconvenient location, counts as a nudge, as it makes people more likely to select healthy options. Banning candy bars or making them more expensive via a tax is not a nudge; the option must remain available at approximately the same material price.

Nudges have become popular among policymakers for two reasons. First, they can be an extremely cost-effective way of altering people’s behavior. Second, their non-invasiveness makes for a welcome change from the heavy-handed alternatives that governments usually deploy, such as taxes on socially harmful activities, and outright bans in certain cases.

However nudges are no panacea. While they can be highly effective in certain contexts, in general, their impact is quite small, and so they should not be perceived as a substitute to traditional interventions that focus on the root causes of behavior. Including a picture of damaged lungs on a packet of cigarettes helps decrease consumption, but it must be complemented by educational programs, taxes, and other instruments.

Moreover, some find the tacitly manipulative nature of nudges to be quite distasteful, viewing it as a form of covert paternalism. Nevertheless, there is little doubt that they are a useful component of a diverse policy toolkit that governments use to influence behavior.

Nudging sustainable citizen-behaviour in the GCC

One of the key areas where governments are deploying nudges is sustainability, yielding rich insights that can benefit the Gulf Cooperation Council (GCC) countries. Today, the rising prominence of environmental problems has encouraged many researchers to experiment with sustainability nudges. An early example that has informed many subsequent nudge designs was conducted in the US state of Georgia during a drought. The researchers found that providing residents with technical information on how to save water, while also showing them on their bills how their water consumption compared to that of their neighbors, led to a 4.8% decrease in water usage¹. People felt particularly uncomfortable when they found out that they were “over-consuming”, and felt motivated to take action without any substantive change to their material incentives. Similar results have been found with the consumption of other resources such as electricity. Another example of a green nudge was a 2015 experiment conducted in Canada, whereby the municipal government mandated the use of clear garbage bags rather than the conventional black ones. The fear of having their wastefulness exposed led people to use increase their recycling by 15%, and the total volume of municipal solid waste decreased by 27%².

These kinds of findings should be particularly exciting to GCC policymakers, as encouraging sustainability is a cornerstone of their economic visions. GCC countries have acute environmental challenges stemming from their large carbon footprints: in 2016, the average person in the world consumed 20 mWh of energy, while the average Saudi resident consumed 94 mWh, the average Emirati resident consumed 138 mWh, and the average Qatari consumed a world-leading 208 mWh³.

While these high consumption levels can be partially attributed to the arid climate, which requires air conditioning, lack of environmental awareness is a chronic problem. For example, in a 2015 study, less than 50% of Saudis were aware of climate change, compared to well over 75% in Western countries⁴. Decades of fuel and power subsidies – in Qatar, citizens do not pay for electricity regardless of their consumption – have encouraged wasteful behavior, resulting in very low rankings for the Gulf countries in Yale University’s Environmental Performance Index⁵.

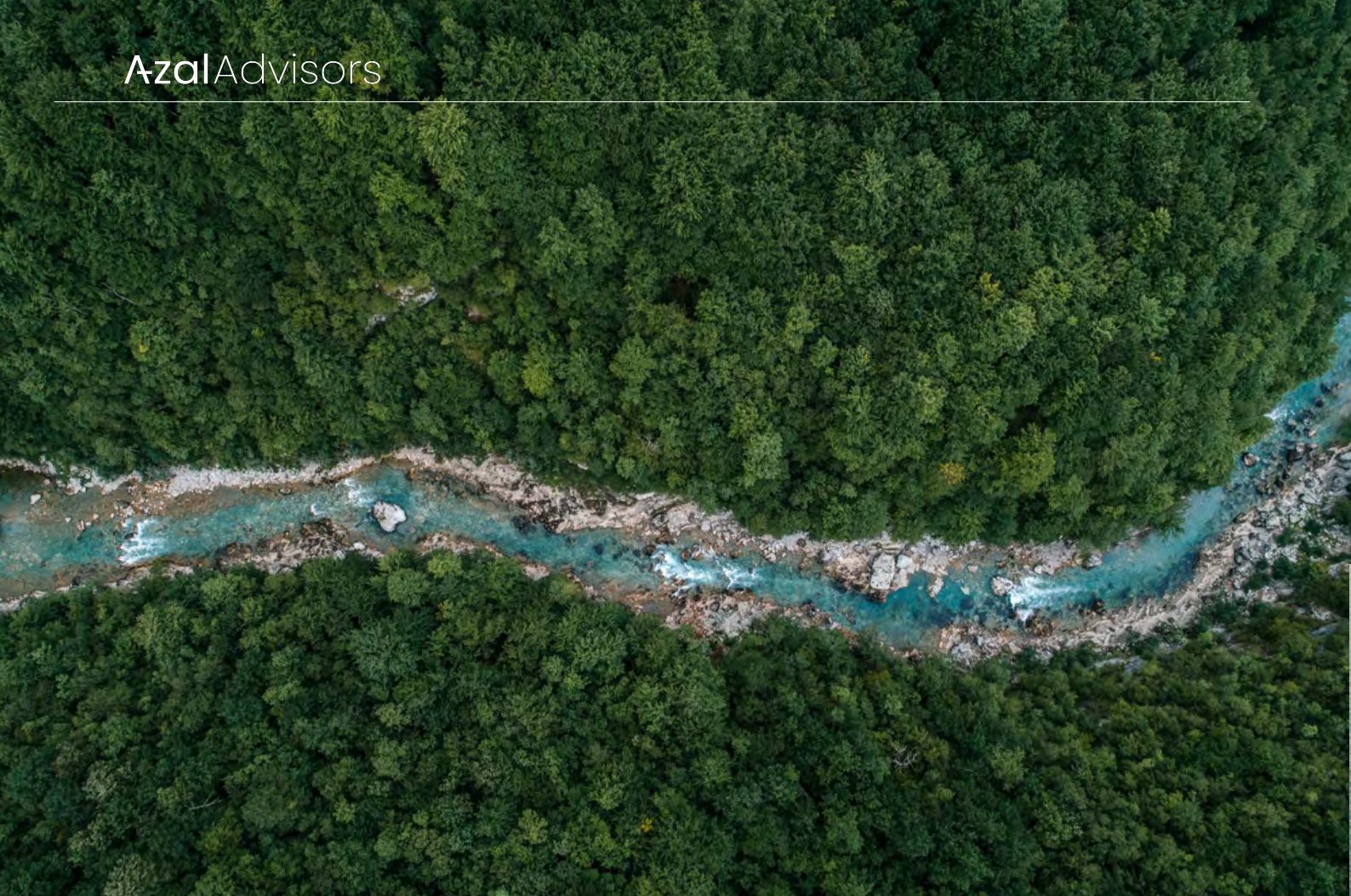
¹Ferraro, P.J. and Price, M.K., 2013. Using nonpecuniary strategies to influence behavior: evidence from a large-scale field experiment. *Review of Economics and Statistics*, 95(1), pp.64–73.

²Akbulut-Yuksel, M. and Boulatoﬀ, C., 2021. The effects of a green nudge on municipal solid waste: Evidence from a clear bag policy. *Journal of Environmental Economics and Management*, 106, p.102404.

³https://ourworldindata.org/grapher/per-capita-energy-use?tab=chart&country=OWID_WRL~BHR~KWT~OMN~QAT~SAU~ARE

⁴Lee, T.M., Markowitz, E.M., Howe, P.D., Ko, C.Y. and Leiserowitz, A.A., 2015. Predictors of public climate change awareness and risk perception around the world. *Nature climate change*, 5(11), pp.1014–1020.

⁵<https://epi.yale.edu/epi-results/2020/component/epi>



Waste management is also ripe for interventions, as waste segregation and recycling efforts in the GCC are very low, especially in light of their high per capita income levels. Thus, as the governments upgrade their waste-management infrastructure, they also need to use nudges, awareness campaigns, and educational interventions to ensure that their citizens know how to economize on waste, and how to segregate it correctly.

Obesity is also an acute problem in the GCC stemming from insufficient awareness of how to maintain a healthy lifestyle. It depletes a considerable proportion of the GCC countries' health resources in dealing with the cardiovascular, endocrinal and orthopedic problems that are associated with being overweight. Behavioral scientists have a large playbook ready for helping populations deal with unhealthy lifestyles, though again, it is essential to use nudges as part of a comprehensive strategy.

In this sense, the GCC countries need to deploy all the tools at their disposal, including nudges. This latter option has the added virtue of being extremely inexpensive at a time when falling oil prices have led to significant budgetary pressures on the GCC governments.

Context-awareness and local experience essential to success

GCC policymakers must note that the successful use of nudges depends critically on embedding the nudges in a deep, local partnership between the government and the research community. Unlike apples and pencils, nudges cannot be purchased "off the shelf" and instantly deployed. Their effectiveness is highly context-dependent and ensuring that they have the desired impact requires the cooperation of a team of homegrown researchers who are well-versed in the local culture.

As an illustration, consider the aforementioned water consumption nudge, which relied on people feeling a sense of shame upon discovering that they were high water consumers compared to their neighbors. Were the same design to be implemented in Kuwait, for example, it is likely that no effect would be detected, and one might even detect a perverse effect, i.e., the nudge encouraging more water consumption.

The reason is that social norms and mindsets in the Gulf differ considerably from those in Western countries. The Bedouin ancestry of people in the Gulf means that projecting strength to others is a social norm. A positive way in which this manifests itself is in the generosity Gulf people exhibit toward their guests; but this can also take the form of environmentally unfriendly behavior, such as possessing a large, gas-guzzling car, or having a large house where the lights are always on. Upon learning that they consume more water than their neighbors, a Kuwaiti might plausibly feel a sense of pride rather than shame, as the information confirms their status as the wealthiest household in the neighborhood. What works in the GCC – and almost certainly doesn't work in Western countries – is nudging people with religious prompts. For example, the author and his colleagues ran an experiment in a Gulf country whereby they proved that charitable contributions could be increased by prompting people to read a Quranic passage before making a decision on how much money to donate to charity.

Homegrown researchers can play an important role in vetting existing nudge proposals via their knowledge of the local social norms and broader economic conditions. Moreover, they are usually better-placed than foreign nudge experts in leveraging their local knowledge in the genesis of new nudges. This is because many problems in the Gulf are unique to the region, such as food waste during Ramadan, or setting air conditions at unreasonably low temperatures such as 18°C.

Local researchers can also play an important role in the follow-up work associated with a nudge. There are certain scientific protocols that need to be followed to ensure that a nudge's impact can be evaluated accurately, and the requisite skills are typically beyond those possessed by a non-specialist civil servant. By involving local researchers in the design and evaluation stages, and sharing the data with them, Gulf governments can ensure that their policies are evidence-based, rather than representing hunches or crude transplants from another country.

This argument is not specific to nudges. The effectiveness of interventions designed to encourage sustainable behavior – be they taxes, regulation, education, or nudges – are amplified when they are conducted in a scientific manner, and when the resultant data is analyzed by specialist researchers with expert knowledge of local conditions.

The Way Forward

Recently, several GCC countries have established behavioral insights units, reflecting awareness of the positive contribution that nudges can make in the sustainability domain and beyond. Their focus should be on the following selection of short- and long-term goals.

First, there is a pressing need to identify and integrate local experts. Many of these units have been set-up with the involvement of Western nudge heavyweights but have in general had low or non-existent linkages to the homegrown research community, which could limit these units' effectiveness. A common riposte is that local researchers do not possess the requisite credentials, forcing the units to rely on foreign expertise. In that case, then in addition the above short-term goal, there needs to be a long-term goal of investing in building the necessary capacity, even if it takes several years. Bright young students should be given scholarships to study in elite universities, and they should follow this up with training in one of the numerous behavioral insights units operating in western countries.

Secondly, and in parallel to these efforts, GCC policymakers also need to use the existing behavioral insights infrastructure to identify and prioritize nudge campaigns on sustainability. Some of the most pressing areas to focus on are related to the Sustainable Development Goals, in particular energy and water consumption, since much of the high consumption in the GCC countries can be attributed to a mixture of bad habits and lack of information, both of which are ideally suited to nudge interventions.

Whether they focus on energy consumption, waste management, or obesity, GCC governments looking to get the best out of nudges must overcome their long-standing aversion to investing in and working with local research talent. Leo Tolstoy once quipped that: "Everyone thinks of changing the world, but no one thinks of changing himself," and this is a remark that the GCC governments should reflect upon.

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