

The China Dream



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Joint US-China Collaboration on Clean Energy ([JUCCCE](#))

An NGO accelerating the greening of China for a healthier world

The China Dream initiative will re-imagine prosperity and reshape consumerism in China. The goal is to catalyze a new aspirational lifestyle that is innately sustainable for the emergent middle class in China.

The consuming class in China is exploding from 300 million today to 800 million in 2025. For this emerging middle class, the "China Dream" provides an alternative to the unsustainable conspicuous consumption lifestyle of the West.

JUCCCE, an NGO accelerating the greening of China, is the central convener of a growing cross-sector and global coalition of contributors around a three-year plan to reshape social norms through branding of a new lifestyle story and to guide consumer behaviour through policies.

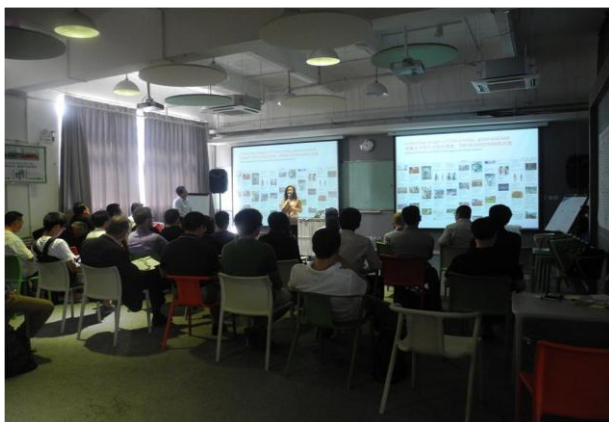
The Need for Sustainable Consumerism

In today's growing global marketplace, with its ever-diminishing resource stocks, one danger is obvious: demand is outstripping supply.

A worrisome statistic states that if all seven billion people on earth lived like the average American, we would need five planets to support us.

Here's our conundrum: increases in living standards are tightly coupled with growth in resource consumption. China's push out of poverty is creating double-digit growth in personal consumption and putting the world on a path to resource devastation (let's call it what it is).

According to CLSA's China macro economist Andy Rothman, "Chinese consumers are spending freely. Unprecedented income growth is the most important factor supporting consumption.



(14% last year) to SUVs (100%).”

Over the past decade, real urban income rose 151%, while real rural income rose 111%. During the period from 2005 to 2010, retail sales increased at an average annual rate of 17.6%.

Computer sales rose by a 15% Cagr during 2007-11. Fast-food sales rose 19% last year while sales of white goods rose 9% and cosmetics increased by 10%. China is the world's fastest growing market for everything from carbonated soft drinks

As Group M's video "Un-holdable China" points out, every three days, two new Starbucks Open in China. In Beijing, the sales at one shopping mall reached RMB 6B (~USD1B) in 2011.

China is shifting from 'made in China' to 'consumed in China' and it is changing the world.

Strategy to achieve Sustainable Consumption:

Randall Krantz, Head of Sustainability initiative at the World Economic Forum, says "there are two parts to sustainable consumption, the production and supply of sustainable products and services, and the consumption and demand for these services. So far most of the business focus tends to be on the supply side.

This is much more within their comfort zone, and within their control. The demand side of the equation is a far more subtle play, yet promises the highest room for improvement for those that can influence and shape it.”

The biggest levers towards reducing resource consumption are to drive radical increases in customer demand for sustainable products and to change the way products are used more efficiently. We need sustainable consumerism.

A social movement that changes society's attitudes toward consumption requires, however, the largest levels of collaboration of all the measures. The more types of stakeholders are required to collaborate, the harder it is to implement a change.

To be successful in changing social norms, we need a collaborative initiative such as the China Dream and a convening platform such as JUCCCE.

Corporate thought leaders realize that the increasingly constrained resources from which their products are derived reduce their profit margins.

2011 marked a step-increase in corporate interest to move beyond the supply chain to influencing consumer behaviour. **The China Dream** initiative is an actionable path towards this goal.

Advertising and marketing agencies want to demonstrate thought leadership about the ‘customer of the future’ to their clients. Getting involved in visualizing The China Dream gives them this advantage.

The Chinese Government has set numerical ambitious targets for reducing energy use and environmental protection.

China Dream Policy recommendations offer a set of easily implementable nudges and guides that help meet these targets.

Chinese Citizens are looking for a different path to harmonious happiness. China Dream allows everyone to be a hero on the path to this aspirational harmonious lifestyle.

The Plan:

JUCCCE is simultaneously launching two efforts: (1) Shape social norms by creating and seeding a visual lexicon for the new “China Dream”, & (2) Guide consumer behaviour by introducing local policies.

Jonah Sachs, author of “Winning the Story Wars” explains why reimagining prosperity is needed:

“Two of the biggest stories driving cultural development right now revolve around “nationalism” and “consumption”—these combine into the myth of the “citizen as consumer,” which was developed at a specific time for a specific purpose.

In the post-war years, America was faced with an economic crisis. We were all geared up to make lots of stuff, too much, in fact. Yet thrifty, war-weary people weren’t buying enough of the stuff we were making. Marketers were called in to solve the problem, and they did, in a very clever way.

Consumption became the highest expression of individual liberty and national pride. But, in the long-run, this new cultural myth of the “citizen consumer” creates deep anxiety and conflict. People end up building their identity and sense of self-worth around consumption.

The practical drawbacks are many—from out-of-control consumer debt, to declining levels of national happiness, to lack of environmental sustainability. But there are also big cultural conflicts as well.

To solve big issues, like sustainability and climate change, we have to give up part of our identity as the “citizen consumer” and find a new story.

But that level of change is extremely difficult for people on such a large scale, especially when the myth has been part of our national identity for so long... as long as we’re basing

our sense of social progress and self-worth on a bad story, we're going to keep facing problems in the future."

In creating the China Dream, standard "sustainability" vocabulary such as "green", "low carbon", "eco-friendly", "environmentally friendly" is not used. Rather, the word "sustainability" is replaced by "harmony". Harmony is further defined by "balance", "flow", and "respect". These word choices are important because they resonate with Chinese culture and tap into deep traditional Chinese values.

China is in a position where it can learn from this mistake before the emerging middle class falls prey to the "citizen consumer" myth by creating an entirely different myth for China's middle class to follow—the "Harmonious Happy Dream".

The power of the China Dream initiative is that it is asking people to make a change as a matter of national identity, rather than as a matter of environmental consequences.

The "China Dream" is more than a sustainable lifestyle- it is creating a national identity that overlays a 5000 year-old culture on top of modern realities. It is giving voice to the "China Dreamers"-the newly minted 800 million middle class.

China's 12th Five-Year Plan: Sustainability initiatives

Energy:

Cut energy intensity by 16 percent per unit of GDP, increase non-fossil fuel energy sources from 8.3 percent to 11.4 percent of primary energy consumption.

Pollution:

Cut carbon intensity 17 percent per unit of GDP, reduce sulphur dioxide and chemical oxygen demand by 8 percent, reduce ammonia nitrogen and nitrogen oxides by 10 percent.

Water:

Cut water intensity per unit of value-added industrial output by 30 percent by 2015.

Forestry:

Increase forests by 600 million cubic meters and forest cover to 21.66 percent.

Profile: Peggy Liu



Peggy Liu, Chairperson and Co-founder of JUCCCE, is an internationally recognized expert on China's energy landscape. JUCCCE is a non-profit organization dedicated to changing the way China creates and uses energy, because a green China is the key to a healthy world. JUCCCE is well-known for its effectiveness in carrying out system changing programs and for fostering international collaboration with China.

She is also an executive advisor to Marks & Spencer on sustainable

retailing, a member of the World Economic Forum's Global Agenda Council on Sustainable Consumption 2012, an advisor to the Katerva Challenge for innovative climate change solutions.

She served as a member of the World Economic Forum's Global Agenda Council on New Energy Architecture 2011, and an energy adviser to the Clinton Global Initiative in 2008.

Peggy was honoured as the Hillary Step for Climate Change Solutions in 2012, a Time Magazine Hero of the Environment in 2008, a World Economic Forum Young Global Leader in 2009, the Hillary Laureate of 2010 for climate change leadership, a Forbes "Women to Watch in Asia" in 2010, a Huffington Post "Greatest Person of the Day" in 2011, a top 25 innovative business leaders of China Business News Weekly 2012.

In Chinese press, she has been recognized as a green leader on covers and in features such as Global Times ("Green Goddess"), Beijing Tatler ("Green Miracle"), Vogue China ("4 Women Who Will Change the World"), Psychologies ("10 Green Handkerchiefs award"), L'Officiel, Elle, Good Housekeeping, Rui Li, Southern People Weekly, Shanghai Daily, The Bund, 21st Century Herald, China Daily, QQ, Sohu.com.