

Title: Is Environment Pollution Necessary for Getting Rich?  
Presenter: Ying-yi Hong, Chinese University of Hong Kong

Air pollution has been a severe problem in many regions in Mainland China, causing dire health and economic consequences. This problem to some extent can be attributed to the focus of economic gains over environment protection in early years of the Economic Reform. However, given China's astonishing economic accomplishment in recent years, would Chinese people rethink their priority? How would the individuals' social-economic-status (SES) and the pollution level of their location affect their attitudes? To address these questions, we have conducted a large-scale study in China (with over 4000 participants residing in 31 provinces) examining people's concerns about air pollution. Participants' concerns were measured in terms of their willingness to forgo actual earnings in an economic game (using the "sin stock" paradigm) in order to penalize a company that polluted the air. We dispatched our survey via mobile phone apps; this not only allowed us to effectively reach participants in various locations all over China, but the GPS information from the phones also allowed us to find out the actual pollution level (PM2.5) of each person's location via dynamic satellite data. Findings shown a robust interaction effect of subjective SES and real-time PM2.5 level, such that the low SES at the highly polluted area were least aversive toward investing in the "sin stock." Interestingly, this group of participants also showed the least trusting, trustworthy and risk taking than other participants (all measured by behavioral games). Implications of these findings will be discussed.