



http://dx.doi.org/10.18576/ijye/060101

# Living in a World Full of Scarcity Thinking A Multidisciplinary Proposition

Mohamed Buheji Founder of International Inspiration Economy, Bahrain Email: <u>buhejim@gmail.com</u>

Received 20 Jan 2022, Revised 1 April 2022, Accepted 10 April 2022, Published 1 May 2022

## Abstracts

We live in a world where scarcity thinking is becoming the norm. Specifically, in the new normal and after the COVID-19 pandemic and its spillovers, scarcity thinking became the source of cascading problems that impacted youth life and livelihood, led to more war zones and created new types of poverty threats.

In this paper, we define the constrains of scarcity thinking from the inspiration economy perspective. Since scarcity thinking is considered to be a complex problem, then the multidisciplinary framework is proposed to enhance the capacity of coping with perceptions and thus lead to the transformation towards abundance and inspiration thinking. The implications and limitations emphasise that this type of research is highly needed for the world today and future, especially if it is applied in the field; because it will prevent the world from further crises, and will even bring new opportunities that have not yet been discovered.

**Keywords:** Scarcity Thinking, COVID-19 Pandemic, Multidisciplinary Solution, Complex Problems

# 1.0 Introduction

Many people would continue to remember the images of how people in developed countries were fighting over toilet paper or oxygen supplies as they became in short supply in different phases of the pandemic. The sudden shortage of supplies in different aspects led to the development of specific animal-driven behaviour dominated by the scarcity attitude. Such now mindset added more fire to already human inequalities over race, religion, class, and socio-economic status, Solomon et al. (2020). Therefore, this work targets was set to explore what are the alternatives to the scarcity mindset caused by the pandemic spillovers, or possible mitigation frameworks that could absorb such thinking. Civai et al. (2021), Grossman and Mendoza (2003).





COVID-19 pandemics triggered radical changes in consumer behaviour and developed many spillovers in the world communities thinking, Sachdeva and Zhao (2020). These radical world changes raised the perceptions of scarcity in myopic thinking and foregoing future needs in favour of satisfying present constraints. Besides, this brought specific world spillovers after the math of lockdown and unstable environment; such as more fragile relations, international conflicts moods and an alarming poverty situation. Shah et al. (2012), Zhao and Tomm (2018).

Scarcity thinking brings human psychology that tends to be selfish and look for advanced personal gains that give a feeling of some security, Morton (2017), Roux et al. (2015). This thinking started to be seen clearly since the beginning of the pandemic when there were some product shortages in certain countries, which led to violent, competitive reactions among consumers who believed in resource scarcity. Such a level of scarcity is known to bring with it also antisocial behaviour. Kristofferson et al. (2017), Grossman and Mendoza (2003). Shah et al. (2015), Shah et al. (2012).

# 2.0 Literature Review

# 2.1 Defining Scarcity from Inspiration Economy Perspective

Scarcity is one of the key concepts of economics. It means that the demand for a good or service is greater than the availability of the good or service. Therefore, scarcity can limit the choices available to the consumers who ultimately make up the economy. Morton (2017).

Inspiration economy excites the mindset during the challenging times so that it would not be driven to see what resources are becoming scarce rather, and it would be motivated in seeing opportunities that can be exploited or discovered due to this scarcity. Buheji (2016)

# 2.2 The Pandemic and the Scarcity Mindset

The COVID-19 pandemic has turned the scarcity mindset in most of us to unprecedented levels during our lifetime. Hamilton (2021) believes that the pandemic spillovers, including the lockdowns, created an alarming scarcity mindset and a hallmark in life journey.

The scarcity mindset even reached the first line organisations through the consistent media messages that highlighted the limited healthcare resources available in each country, i.e. the shortages or the limited availability of the number of hospital beds, intensive care facilities, trained staff, etc. The different unprecedented sudden global emergencies that influenced small and medium businesses led to many non-essential services to close-down, besides made many people rethink what to invest in, or how to compensate for their sudden losses. This triggers the fear areas of the brain. As per Buheji (2021b), unless we see the big picture of what we are going through during these unprecedented times; we cannot build coherence with reality, besides will not cope with scarcity thinking which would make us see the world only full of scarce resources. Morton (2017), Nie et al. (2020).

Buheji (2021b) shown how the Amygdala particularly creates the emotions of fear, as well emotional reactions towards novel, or unexpected stimuli which lead to the induction of exploratory behaviour. The fear of 'Uncertainty Status' then needs to be managed more in the





Thalamus, the Hypothalamus, the Amygdala and the Hippocampus in consequence, as illustrated in Figure (1). If people fail to control these emotional fears, by new learning and appreciating the essence of uncertainty status in their life at that specific moment, they would end up with an extreme scarcity. Buheji (2021a), Buheji (2019).



Figure (1) Illustrates the Area of Fear in the Brain that is Triggered by Uncertainty

Accepting the 'Humility moment of uncertainty' means we might go to a level beyond a calculated risk, thus accepting to overcome the threats of a scarcity mindset, Afifi et al. (2012). But, this as per Buheji (2021) can be learned only through doing projects relevant to the community or addressing socio-economic needs which are plenty around us.

Scarcity thinking is the enemy of inspiration economy, as one cannot see the possibilities of giving or sacrifice as a means for discovering hidden opportunities. Scarcity acts like a 'cognitive load' which affects many fundamental cognitive functions like how people think, reason, and decide. Scarcity was found to impair cognitive performances in different ways and from variety of perspectives. Buheji (2016)

#### 2.3 Sources of Scarcity Thinking

There are many sources that trigger people to develop the fear that leads to scarcity thinking. However, for the purpose of this paper we would focus on the top most three alarming ones that are related to inspiration economy projects directly or indirectly.

#### 2.3.1 Scarcity of Young Population

The dependency ratio in most of the world is rapidly increasing. Four in 10 people -42% of the global population are under 25 years. Despite most of the world's populations decreasing or flattening in many countries, in Sub-Saharan Africa and specific South-Asian they are increasing. Nearly half of the world's young live in Sub-Saharan Africa.

#### 2.3.2 Increase of War zones





The WEF (2020) mentions that the proportion of people who are living in a conflict zone has increased by at least two folds since the 1990s. This affected children's quality of life and security in these conflicts zones. This affected these youth's access to proper education, healthcare and even consistent food. Echegaray (2021), ICRC (2020)

Due to war and conflicts environment being part of many young generation norms in the last few years and specifically after the pandemic, resource scarcity perceptions have managed to reduce cooperative drive initiatives. We witness every day in the news during the years 2020, 2021, and 2022 how, for example, refugees are suffering from borders to borders. This would make the competition over resources to be fierce and catastrophic, Solomon et al. (2020), Nhim et al. (2019).

#### 2.3.3 Increase of Poverty threat due to Pandemic Spillovers

As with previous global emergencies and pandemics, the COVID-19 pandemic was no exception in increasing scarcity mindsets in different aspects of people's lives, Civai et al. (2021). The World Bank (2020) report estimated that by 2021 and due to the COVID-19 pandemic, as many as 150 million people would push more into extreme poverty (i.e. would be living in less than US\$1.90). de Bruijn et al. (2021)

It is estimated that during the first three quarters of 2020, nearly 500 million full-time jobs were lost worldwide due to workplace closures, ILO (2020). Lancet (2020) reported that many SDGs and especially those related to poverty elimination, have deteriorated. Even in developed countries, more than 45% of both the Candian and USA have expressed that they have experienced financial stress and experienced negative mental pressures due to the pandemic. Gadermann et al. (2021), American Psychological Association (2020).

Studies show that many poor people do not necessarily have the feelings of being poor. This is not the case in the middle class, where scarcity thinking might constrain important decisions in their life journey.

# **2.4 Dealing with Scarcity Mindset as a Complex Problem that needs Multidisciplinary Solutions**

Having less than what one feels would address his/her need was considered to be the best definition of scarcity, as per Mullainathan and Shafir (2013). This definition is multidisciplinary as it could apply to many sectors and goes beyond financial scarcity.

The disruption of the COVID-19 Pandemic spillovers and the consistent reporting of deaths or emergency cases, made most people focus on life and livelihood, rather than focusing on the quality of life and social relationships. This unstable environment and the threats of running out of what was thought to be essential resources created more social threats and a scarcity driven mindset that could be only mitigated with multidisciplinary holistic approaches. Buheji (2021a), Echegaray (2021).

Scarcity thinking could be mitigated, however, with the management of how the cognitive control sees the opportunities in the world, or the solution to a complex problem, be it poverty-related, disease-related or even human-made challenges that result in further deterioration of





the global environment, or new devastating conflicts. Buheji and Ahmed (2021); Buheji (2020a), ICRC (2020).

Cannon et al. (2019) recently proposed a cognitive self-control model that managed how scarcity could be perceived. Thus, having a multidisciplinary approach as an inspiration economy can enhance our socio-economic perspective, as per Zhao and Tomm (2018).

#### **2.5 Dealing with Scarcity from the perspective of Uncertainty**

Buheji (2021) mentioned and, as shown in Figure (1), techniques for dealing with uncertainty in times of crisis. Despite we cannot monetarily compensate for the economic loss due to the spillovers of pandemics, major conflicts, environmental disasters, etc., we could build alternative roots to mitigate its impact. Civai et al. (2021)

Having been forced to accept less reliable services due to the pandemic, or reducing the accessibility to physical business and sudden shift of many services to digital access raised the issue of uncertainty of the new normal. This uncertainty increased further, with consistent labour resignations or shifts of work, which led to shortages in specific areas. Many factories and processing plants were affected, and this was reflected in reducing the capacity of the supply chain and raising the cost of many essential days to day livelihood related items. Afifi et al. (2012)

# 3.0 Proposed 'Scarcity Thinking Coping' Multidisciplinary Framework

#### 3.1 Purpose of Framework

In this paper, a multidisciplinary framework is proposed to cope with the scarcity mindset and its expected spillovers. The framework proposed tries to absorb and then link the common purpose of any scarcity mindset, which is to address fears in the brain and develop more security for survival. The framework proposes to engage the mindset with the big picture and the purpose of life, as shown in Figure (2). Using inspiration economy techniques, we could use this as an opportunity to redefine the purpose, rather than the needs of living. This would help bring more influence of 'abundance thinking' which would create a total new empathetic picture that brings in new opportunities that would inspire the whole society or the targeted communities. Freebairn-Smith (2009)

Based on the work of Buheji (2020), (2019) and (2018) carries many practical cases and projects about how communities and mindsets could be re-invented towards being more resilient, besides becoming inspiring; the author proposes engaging more people with complex socio-economic issues that require multidisciplinary thinking, Buheji (2018b). This type of approach that was tested on a very small scale was found to change the people's life-purposefulness and besides reduce their selfishness. It is there a coping mechanism for those being exposed to causes of the scarcity mindset. Saiz-Álvarez et al. (2020), Buheji (2019), Roux et al. (2015).







Figure (2) Proposed Framework for Coping with Scarcity Thinking using Multidisciplinary Stimulations of the Socio-economic Issues

# 3.2 Table of Scarcity Thinking Management

To complement the proposed framework, as per Figure (2) above, the following Table (1) is established. The purpose of the table is to help ensure shifting from 'scarcity-thinking' to 'abundance-thinking' school as a step towards 'inspiration-thinking' school, which is driven by lifelong learning exploration and the slogan of 'the more you give, you discover'. Again this could be practically achieved through community engagement projects that enhance the empathy of the targeted individuals. Freebairn-Smith (2009)

Table (1) Illustrates the Transformation Requirements from Scarcity thinking schools to both Abundance and Inspiration Thinking Schools





<b>Scarcity School</b> (the more you give the more you lose)	<b>Abundance School</b> (the more you give the more you get)	Inspiration LLL School (the more you give the more you discover)
The is never enough	There is always than what expect or can see	We create what is not available
Thinking small issues	See the big picture	Creating or conntecting the big picture
Avoid all type of risks	Take calculated risks without hesitation due to seeing an opportunity	The Change the game by going toward risk
Pessimistic about the future "Tough times ahead"	Optimistic about the future "Best is yet ahead"	Best is in our hand
Competitor is an enemy	Competition is healthy and makes us innovate	Integration with competitors outcome to change the world
Don't like to share knowledge & information	Happy to share knowledge	Disseminate knowledge every day to inspire
Hard to build trust	Easy to build trust	Engage people to live in trust

## **4.0 Recommendation and Conclusion 4.1 Managing Fear Areas of the Brain**

This paper shows that an abundance mentality includes behaviours that indicate a lack of fear of scarce resources. Abundance behaviours such as sharing resources, engagement with socio-economic or community challenges, or positive thinking as seeing the opportunities inside the challenges faced indicate that we can re-build faith in the formula of (capacity vs. demand), where we could do well without hoarding.

Engaging with communities issues helps to open the mind to the purpose of the uncertain situations rather than being reactive to them.

#### 4.2 Hardiness and Scarcity Thinking

This work is far from being complete in relevance to solutions to living in a scarcity thinking world. However, from the literature review and the proposed framework, one could argue that hardiness could correlate well to addressing scarcity thinking. Buheji and Jahrami (2021) saw that the mentality of hardiness could serve a constructive role in our lives. Therefore, this work suggests that more focused studies are needed to address the effect of spreading the characteristics of hardiness in these challenging times to compensate for the negative influence of scarcity-driven thinking or mindsets. Buheji and Ahmed (2021).

Hardiness could be studied from the point of how it makes us take the risk of being for and with the community, building its strengths together, seeing opportunities much more than seeing obstacles, or closed ends of the tunnel. As thinking that specialises in resilience, the cost of building hardiness in the community could be much less than the cost of keeping up with a scarcity-driven mindset. Buheji (2019), Buheji (2018a).

# 4.3 Harness "Demand Induced Scarcity"

Despite being connected to 'consumers-demand induced' the pre-pandemic existing scarcity setups need to be controlled or harnessed for the further development of scarcity thinking





generations. This means further research needs to be taken to see if this could be done with the best outcome.

This suggestion is taken seriously, along with the further development of the multidisciplinary approaches could develop mitigation strategies that could design proper mapping for the type of production needed, and the way consumption could be be be improved.

#### 4.4 Implication and Limitations

The limitation of this research is that it takes a selective perspective of scarcity thinking and its risks, while scarcity-driven perceptions could impact different life and livelihood. The other limitation is that the framework proposed is not yet tested in the field, except by the author through his leadership in 'inspiration economy projects'.

This paper delivers an important implication for future research essentially needed to address how to live in a scarcity-driven world. The world needs to focus more on what type of challenges are coming due to this type of spreading mindset that sees the opportunities are becoming scarce and how to transform such mindset towards an abundance-based mindset. For sure much research is coming in this line from inspiration economy, which would complement our efforts in relevance to shedding light on the importance of hardiness, selfsufficiency and resilience economy in times of crisis. This should be, of course, related to the realised projects done in the field to create live models.

# References

Afifi, W. A., Felix, E. D., and Afifi, T. D. (2012). The impact of uncertainty and communal coping on mental health following natural disasters. Anxiety Stress Cop. 25, 329–347.

American Psychological Association (2020). Stress in America 2020: A National Mental Health Crisis.

BBC (2020). Coronavirus: How the World of Work May Change Forever. Available online at: https://www.bbc.com/worklife/article/20201023-coronavirus-how-will-the-pandemic-change-the-way-we-work. Dated Accessed: 1/8/2021.

Buheji, M (2021a) Influence of Multidisciplinary Thinking Approaches in Poverty Elimination – Case of Afghanistan, International Journal of Management (IJM), 12(9), 2021, pp. 19-31.

Buheji, M (2021b) Physiology of Inspiring Life, 'Realising How Inspiration Works in Our Bodies'. Westwood Books Publishing,

Buheji, M (2020) Coronavirus as a Global Complex Problem Looking for Resilient Solutions, Business Management and Strategy, Vol. 11, No. 1, 94-109.





Buheji, M and Ahmed, D (2021) COVID-19 The Untapped Solutions, (Part 2), Westwood Books Publishing, USA.

Buheji, M and Ahmed, D (2020) Foresight of Coronavirus (COVID-19) Opportunities for a Better World, American Journal of Economics; 10(2): 97-108.

Buheji, M; Ahmed, Dunya and Jahrami, H (2020) Living Uncertainty in the New Normal, International Journal of Applied Psychology; 10(2): 21-31.

Buheji, M; Cunha, K and Rocha, R (2020) Ventilators in COVID-19, Between Scarcity and Abundance Mindset, International Journal of Advanced Research in Engineering and Technology, 11(10), 2020, pp. 751-767.

Buheji, M and Jahrami, H (2020) Analysing Hardiness Resilience In Covid-19 Pandemic -Using Factor Analysis International Journal of Management (Ijm) Volume 11, Issue 10, Oct 2020, pp. 802-815.

Buheji, M (2019) Reviewing How 'Creating Resilient Economies' can Help Developing Countries in Uncertain Times, American Journal of Economics, Vol. 9, Issue 5, pp. 259-263.

Buheji, M (2018a) Understanding the Power of Resilience Economy: An Inter-Disciplinary Perspective to Change the World Attitude to Socio-Economic Crisis, AuthorHouse, UK.

Buheji, M. (2018b) Re-Inventing Our Lives, A Handbook for Socio-Economic "Problem-Solving", AuthorHouse, UK.

Buheji, M (2016) Handbook of Inspiration Economy. Bookboon, London, UK. ISBN: 978-87-403-1318-5.

Cannon, C., Goldsmith, K., and Roux, C. (2019) A self-regulatory model of resource scarcity. J. Consum. Psychol. 29, 104–127.

Civai, C., Caserotti, M., Carrus, E., Huijsmans, I., and Rubaltelli, E. (2021) Perceived scarcity and cooperation contextualized to the COVID-19 pandemic. PsyArXiv [Pre Print]. Available online at: https://psyarxiv.com/zu2a3/ (accessed November 15, 2021).

de Bruijn, E. J., and Antonides, G. (2021) Poverty and economic decision making: a review of scarcity theory. Theory Decis. 2021, 1–33. doi: 10.1007/s11238-021-09802-7

Echegaray, F. (2021) What POST-COVID-19 lifestyles may look like? Identifying scenarios and their implications for sustainability. Sustain. Prod. Consum. 27, 567–574. doi: 10.1016/j.spc.2021.01.025

Freebairn-Smith, L (2009) Abundance And Scarcity Mental Models In Leaders, PhD Thesis, Saybrook University, San Francisco, CA.





Gadermann A; Thomson K; Richardson C; et al. (2021) Examining the impacts of the COVID-19 pandemic on family mental health in Canada: findings from a national cross-sectional study. BMJ Open;11:e042871.

Grossman H., Mendoza J. (2003) Scarcity and Appropriative Competition. European Journal of Political Economy;19(4):747–758.

Hamilton, R. (2021) Scarcity and coronavirus. J. Public Policy Mark. 40, 99–100.

ILO (2020). International Labour Organization Monitor: COVID-19 and the World of Work. Updated Estimates and Analysis. https://www.ilo.org/global/topics/coronavirus/impacts-andresponses/WCMS\_755910/lang-en/index.htm . Accessed on: 2/7/2021.

ICRC (2020) The Management Of Scarce Water Resources During Protracted Armed Conflicts In The Arab Region. International Committee of the Red Cross, Switzerland. https://www.unicef.org/mena/media/13946/file/managing\_scarce\_water\_resources\_during\_protracted\_armed\_conflict%20(1).pdf.pdf , Accessed on: 25/5/2021.

Kristofferson, K.; McFerran, B.; Morales A.;, Dahl D. (2017) The dark side of scarcity promotions: how exposure to limited quantity promotions can induce aggression. Journal of Consumer. 2017;43(5):683–706.

Morton, J. M. (2017). Reasoning under scarcity. Aust. J. Philos. 95, 543–559.

Mullainathan, S., and Shafir, E. (2013). Scarcity: Why Having Too Little Means So Much. Times Books.

Nhim, T., Richter, A., and Zhu, X. (2019). The resilience of social norms of cooperation under resource scarcity and inequality—an agent-based model on sharing water over two harvesting seasons. Ecol. Complex. 40:100709. doi: 10.1016/j.ecocom.2018.06.001

Nie, Z., Yang, X., and Tu, Q. (2020). Resource scarcity and cooperation: Evidence from a gravity irrigation system in China. World Dev. 135:105035.

Roux C., Goldsmith K., Bonezzi A. (2015) On the Psychology of Scarcity: When Reminders of Resource Scarcity Promote Selfish (and Generous) Behavior. Journal of Consumer Research. 2015;42(4):615–631.

Sachdeva, S., and Zhao, J. (2020). Distinct impacts of financial scarcity and natural resource scarcity on sustainable choices and motivations. J. Consum. Behav. 20, 203–217.

Saiz-Álvarez, J. M., Vega-Muñoz, A., Acevedo-Duque, Á., and Castillo, D. (2020). B corps: a socioeconomic approach for the COVID-19 post-crisis. Front. Psychol. 11:1867.





Shah, A. K., Mullainathan, S., and Shafir, E. (2012). Some consequences of having too little. Science 338, pp. 682–685.

Shah, A. K., Shafir, E., and Mullainathan, S. (2015). Scarcity frames value. Psychol. Sci. 26, 402–412.

Solomon, M. Z., Wynia, M., and Gostin, L. O. (2020). Scarcity in the Covid-19 pandemic. Hastings Cent. Rep. 50, 3–3.

The Lancet Public Health (2020). Will the COVID-19 pandemic threaten the SDGs? Lancet Public Health. 5:e460.

World Bank (2020). COVID-19 to Add as Many as 150 Million Extreme Poor by 2021. Available online at: https://www.worldbank.org/en/news/press-release/2020/10/07/covid-19-to-add-as-many-as-150-million-extreme-poor-by-2021 (accessed July 27, 2021).

Zhao, J., and Tomm, B. (2018). Psychological Responses to Scarcity. Oxford Research Encyclopedia of Psychology. Oxford: Oxford University Press.