

IGPS lecture: Nudge, budge or nuzzle (1)

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Designing public services so that they 'nudge' people towards particular behaviours is a powerful tool – but has to be used with caution, according to Professor Martin Lodge of the London School of Economics.

Lodge, giving a lecture to the Institute for Governance and Policy Studies alongside Professor Graham Room of the University of Bath, was discussing the idea of nudging, popularised by Richard Thaler and Cass Sunstein in their 2008 book *Nudge*.

Nudging relies on designing public services or communications with citizens in ways that push them towards particular choices but without actually closing off options. For instance, healthier food in school canteens can be placed within closer reach of students, with unhealthier food made less visible.

Lodge said nudging had become popular because behavioural economics was "everywhere". Nudging also reinforced existing trends towards individuals exercising choice, and was a low-cost way to achieve change for governments "depleted" of resources.

Nudging had proved its worth in various areas, for example in reminding people that they were late in paying fees, where the social pressure of being told they were a "black sheep" made people more likely to pay up.

Nudging was also attractive because it made policymakers design services around people's needs: "The individual experience is at the heart of this."

However, nudging was also likely to provoke counter reactions and create its own difficulties, Lodge said. It could be seen as futile, because it could only be used in simple areas whereas the more 'normal' field of public policy was characterised by far more complexity. It could also be described as manipulative, because it was encouraging people to behave in certain ways without being upfront about that, and could close off other modes of designing public services that were more deliberative or participative.

Finally, it could generate hostility, subversion and counter reaction from people objecting to being nudged, which could produce the opposite result from that sought.

"Nudge is a perfectly interesting and a very important tool, because it emphasises the importance of complexity in decision-making," Lodge said.

Nudging was valuable also because it emphasised "the user experience when facing public services, [and] thinking more about how do we deal with dispersed constituencies and very different capacities". However, while 'nudgers' were basing their ideas on individuals' biases and decision-making short-cuts, they themselves showed a remarkable self-awareness of being potentially affected by these biases themselves.

He added: "There's a lot of fad and fashion going on. I'm sure that behavioural economics will [eventually] be supplanted by another thing."

In government, nudging was being supported by a "coalition" of people wanting low-cost policy solutions, careful evaluation of how public services work, and the maximisation of individual choice. But some of those desires were contradictory, Lodge said: "Cheap government doesn't go with randomised controlled trials for everything."

Summing up, he said: "It [nudge] is absolutely helpful, there's nothing wrong with that. What I'm really against is the unreflective application of it."

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