

An insight into 'nudge'

Christian Jarrett fires some questions at **David Halpern**, a psychologist working in the corridors of power as Director of Research at the Institute for Government

How did you find your experience as a psychology undergrad, and how did you go from there to working at the heart of government?

I did experimental psychology at Cambridge. Like many others I went to do physics, etc. as part of the Natural Sciences tripos, but I'd always read psych textbooks just for interest – who could not be fascinated by those fantastic social psych experiments of the 50s, 60s and 70s? Fantastic to find I could study it seriously. After a year I went back and did a PhD in social psychology at the (then) Faculty of Social and Political Sciences as a benefactors' scholar at St John's.

The route to government was not direct. I was always interested in applying academic approaches to policy. I did a couple of years as a researcher at the Policy Studies Institute (London), then took up a Prize Research Fellowship at Nuffield Oxford, encouraged by the economic historian Avner Offer. While there I hooked up with a few other fellows and we wrote an edited volume called *Options for Britain* (1996), which looked across the full range of policy issues and drew on a range of academic disciplines. A few years later, I ended up working for Tony Blair and one of my co-authors – Stewart (now Lord) Wood – ended up working for Gordon Brown.

Today, would you describe yourself as a psychologist who works in government, or a civil servant with a background in psychology?

Both, I guess, but if I had to choose I'd go for the former – partly because that's how others see me.

A recurring ambition reflected in the various roles you've filled and books you've written is to improve people's well-being and quality of life. What drives this ambition? What is your moral philosophy, and who is your inspiration?

I'm quite an empirically minded person. Governments – indeed firms,

communities, parents – implicitly or explicitly make claims that what they are doing is to increase well-being, or utility. We might as well try and figure this out a bit more systematically, if it's what we're all claiming to do – especially since it turns out that quite often our intuitions about what makes us or others happy are wrong.

In your book, the *Hidden Wealth of Nations*, you argue that we should aim to be more like the Danes, who place higher value on love, freedom and solidarity, and less on work and money, making them happier in the process. But is this really the role of government, to shape the culture and values of its citizens?

For the most part, it's really for citizens – for all of us – to make these kinds of choices. But there are a couple of things that governments – and the academic community – can legitimately do to help people make these choices. First, we can give people more information about the consequences of their choices for themselves and others. In my view, this will be one of the most fascinating and important consequences of the measurement programme led by the National Statistician – the four well-being questions have gone into the field, with early cuts of the data available perhaps as early as the end of the year. It's not the headline numbers that will be really interesting, but the variations across areas and population segments, as well as the analysis of covariants that will be possible. The sample size will be around 200,000 a year, with representative sample sizes down to local area level.

You can get a glimpse of how people might use the data from the work of John Helliwell in Canada. He used their data to compare variations in life satisfaction across Canadian provinces. While income

was important, the highest income areas were not necessarily the ones with the highest satisfaction levels – other factors such as length of commuting and the strength of community made a big difference too. In short, as most people sense, lots of factors go into explaining variations in well-being, but many of them get insufficient attention both in policy and in the choices we sometimes make in our own lives.

Moving on to your current post as head of the Behavioural Insight Team (BIT), do you regret or resent how closely this unit has come to be associated with the book *Nudge*, given that your remit is clearly much broader than this?

Nudge has made many of these ideas much more accessible, and Cass Sunstein (now my opposite number in Washington) and Richard Thaler (who also advises our team) are both formidable thinkers. But yes, there are lots of other books and research out there even within the relatively narrow area of behavioural economics and 'insight', from other accessible works, such as Cialdini's to Dan Ariely's to more technical works such as that of Danny Kahneman and George Loewenstein. And in policy, you always have to consider the full range of policy levers and options.

The work of the BIT is also being closely identified with the present government's economic agenda. As the cuts bite, do you worry there is a danger that the BIT's approach could end up tarred with the same brush in the eyes of a disgruntled public?

It is a tough time, fiscally speaking. But it's worth remembering that the original MINDSPACE report was actually commissioned by the previous government. Like it or loathe it, policy is substantially about behaviour – from what we choose to eat or how much we smoke, to how much energy we use or how we treat others. Economic growth is also affected by our behaviour, from whether we trust others around us; how much we save; or whether we share our experiences about the products and services we buy.

I heard Oliver Letwin – Minister of State at the Cabinet Office – claim that he established the BIT. Steve Hilton, Cameron's strategy adviser, is also known to hold social psychology in high regard. Just how deeply does the

"quite often our intuitions about what makes us or others happy are wrong"

belief in behavioural science run in this government?

Well, it's true that this administration has embraced and engaged with the behavioural insight agenda far more seriously than its predecessors. One reason for this is clearly because the administration is less keen on regulatory and legislative solutions – such as bans (from both sides of the coalition) – and it doesn't have the cash to throw at problems, even if it wanted to. So it fits with the wider context to have a hard look at policy tools that work with the grain of people's own behaviour and habits, supporting citizens' own power and ability to make choices for themselves.

But it's a growing interest that is not limited to the UK. The French are very interested in the approach, as is Barroso in Brussels.

Have you had any successes so far using psychological principles to improve the efficiency and effectiveness of the government's own working practices?

Yes. They have been used around the government's attempt to reduce its energy use by 10 per cent – a coalition agreement pledge – with final results due shortly. Similarly, HMRC have been using these approaches to improve how they operate. We've also been running a series of seminars, each sponsored and chaired by a Permanent Secretary – the civil servant in charge of a department – for senior civil servants across Whitehall to increase familiarity with these approaches, both in relation to policy and in the transformation of Whitehall itself.

Your MINDSPACE report argues that senior policy makers need to have a greater awareness of psychology. Do you think the psychology community is doing enough to disseminate its science?

Our programmes with the Senior Civil Service (SCS), and the high-profile backing that our work receives in Whitehall – not least from the personal interest and support from the Cabinet Secretary and the rest of our steering board – has started to increase awareness. But it is striking how most of the studies that people quote are from the US, and often channelled via economists rather than psychologists.

We are planning to circulate a digest of interesting new studies and results – or older less well-known but relevant work – on a regular basis, and would welcome suggestions and material from the British

Psychological Society, with whom we have already met. We are also creating a more formal academic panel to meet with on a regular basis to challenge and inform what we and other parts of Whitehall are doing.

Robert Cialdini has argued that these days there are too few field experiments in social psychology. In a similar vein, you and your colleagues have written about the need for 'evidence-based innovation' – a rolling-out of experimental ideas. Can you explain this concept?



We need to strengthen the conveyor belt of evidence-based 'punts' about what will work, but – given the genuine uncertainty about what will work in the field – we have to try out policy innovations in ways that can be robustly evaluated, and of course then go to evaluate them.

The design of buildings and layout of our cities have a powerful influence on the way we behave, something you mention in MINDSPACE. And yet psychology, architecture and planning often seem not to talk to one another. Could you comment on this, especially in light of the renowned architect

Richard Rogers' recent claims that the disbandment of CABE – the Commission for Architecture and the Built Environment – is likely to see the quality of building design and town planning suffer?

As it happens, this is an area I've long had an interest in, and have published in [*Mental Health and the Built Environment*, 1995]. For whatever reason, architecture and planning does not have an empirical, evidence-based tradition in the sense that psychologists or the social (or physical) sciences would understand. There are very few studies that ever go back to look

at whether one type of dwelling or another, or one type of office or another, has a systematic impact on how people behave, or feel, or interact with one another. To be honest, though CABE were interested in this area, it itself did not generate this type of systematic evidence either – it remains a fair challenge to the academic and practitioner communities.

Related to this, your report recommends the creation of a new Institutional Centre for evaluating behaviour change, and it describes the idea of a 'Dragon's Den' for innovative behaviour ideas. What form do you imagine the Centre and the Den taking – are these roles that the BPS could help fulfil?

In the short term, we are working to bring in academic expertise through how we work and how we are seeking to actively involve and consult the academic community. In the medium- to long-term, there is a case for fostering

the capacity of institutions independent of government to strengthen the evidence base and ensure that public service commissioners have to hand a clear sense of what works, what doesn't and what looks promising but is yet unproven.

Your MINDSPACE report acknowledges the importance of unintended consequences in government policy. Could that happen with your own work? That is to say, as awareness of nudge principles increases – i.e. the recognition that we have not only a reflective, deliberate self, but also a more easily swayed automatic self – is there a risk that people will develop

new strategies/habits for resisting nudges?

Wouldn't it be a good thing if people were more aware of how they are influenced, of the short-cuts in our heads that sometimes get them into trouble? After all, most of the nudges in the world aren't from government, but from businesses, from other people, or sometimes just in the environment around us.

But on your main point, the avoidance of unintended consequences is one of the many reasons why an important part of policy making is trialling and evaluation.

Do you worry that the tobacco industry and other commercial interests will concurrently exploit the exact same principles that you are advising the government to target, but perhaps with less moral restraint?

Often the role of government may be not to introduce new nudges, but to help reduce some that are already out there. The decision to cover-up cigarette displays is a recent example.

Critics of the BIT, such as Claire Fox (Institute of Ideas) and sociologist Frank Furedi, claim that your agenda suggests policy makers have given up on debate and argument and opted instead for covert manipulation – 'playing mind games with the public,' to quote Fox. How would you defend your team's work against such charges?

Using behavioural insights doesn't mean not using any other policy tools. As Oliver Letwin has pointed out, no one is proposing removing the law against murder and replacing it with a nudge. And big arguments continue about what government should spend more or less on, who should pay for it, and so on. But there is a subtler argument that I think is important, which is that if national or

local governments are to use these approaches, they need to ensure that they have public permission to do so – i.e. that the nudge is transparent, and that there has been appropriate debate about it.

For example, the previous government got into trouble over pushing

central reservation, the rumble bar won't stop you. It's difficult to see why we should not, as a matter of principle, have the rumble bar.

Other critics of the nudge approach such as Gerd Gigerenzer have suggested it would be better to raise the public's level of understanding of risk perception and probabilities, so that they are able to make better decisions for themselves. Are you sympathetic to this idea?

There's a strong case for raising public understanding of risk perception and probabilities, such as around financial education or just ensuring that people are more aware of the kind of shortcuts and errors they are prone to, especially when in a hurry or a hot state. Another approach is to use intermediaries, such as consumer organisations or sites that collate the experiences of others as decision aids. But it's not a case of using just one or the other.

On a more personal note, are there any aspects of your own behaviour that you'd like to change, but haven't succeeded in doing so?

Being late.

Finally, do you have a message for the psychological community? Is there anything more that the BIT needs or wants from us?

We're always delighted to be sent policy-relevant insights or interesting new results. There's also an important role for the wider academic community to test and evaluate the many policy interventions that are being tried across local areas and different policy domains. There's particular interest right now especially around growth and consumer empowerment, health, green behaviours and crime. It's very difficult for anyone to be sure exactly how a lab-based insight will translate into the real world, particularly when there are normally many different effects in play in any given situation.

There are other factors that inevitably go into any given policy decision apart from behavioural science, including practicality, public acceptability and the political instincts of the parties in power. But I hope that the psychological community will welcome that the government is seeking to use its expertise. We have had quite a bit of support from this community so far, and look forward to drawing on that expertise still further in the year ahead.



How does government ensure it has public permission to increase organ donation?

for a shift to presumed consent for organ donation – key pressure groups and to some extent the public felt uncomfortable about the approach. In contrast, there appears to be much more acceptability for what is called 'prompted choice' – having a question that people have to answer about whether they wish to be an organ donor or not on a driving licence. In fact, prompted choice for organ donation was proposed earlier this year, and is due to start in experimental form on the DVLA website from the summer.

Do you think you'll ever be able to convince your critics?

One can never convince everyone – now that would be scary! But it's worth noting that our environment is full of nudges that, for the most part, make our lives safer, easier and more comfortable. Most people don't feel that it's a deep infringement on their rights that we have rumble bars on motorways – but we're pretty glad someone put them there if we lose our focus or fall asleep at 70 miles an hour. Of course, if you're really determined to crash your car into the

reading

Gigerenzer, G. (2003). *Reckoning with risk: Learning to live with uncertainty*. London: Penguin.

Halpern, D. (2010). *The hidden wealth of nations*. Cambridge: Polity Press.

Thaler, R.H. & Sunstein, C.R. (2009). *Nudge: Improving decisions about health, wealth and happiness*. London: Penguin.

Nudge blog: <http://nudges.org>
 MINDSPACE report: tinyurl.com/ylkuh8s
 Giving Green Paper: tinyurl.com/3xdpr38