

#### Social Policy Taster Session

Can we be 'nudged' towards wellbeing?

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## Social policy

• '... the study of the social relations necessary for human wellbeing and the systems by which wellbeing may be promoted or, ... impaired' (Hartley Dean, 2012)



- Health service
- Social security system
- Housing
- Social services
- Criminal justice system





## Wellbeing

- But wellbeing difficult to achieve
  - a broad notion... subjective, individual
  - difficult for e.g. a health service to 'provide' a healthy lifestyle
  - Individual vs societal well being
    - > Environment, pollution
  - lifestyle choices important
    - > Freedom to choose?

## Social policy

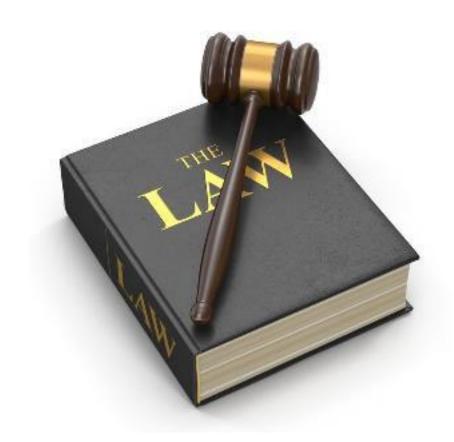
- A policy relevant discipline; understanding problems and offering solutions to them
  - And offering critique of those solutions
- Concerned with the extent to which the state has a role in regulating individual behaviour
  - Extent to which individuals know what is 'good' for them
  - How much should state should protect society from wasteful/careless individuals?
- How can the state:
  - Encourage healthy living?
  - Take care of the environment?
  - Avoid people going into poverty?
  - Stop people committing crime?

#### Two minutes...

- How can the state get people to:
  - -Live healthily?
  - Avoid going into poverty?
  - Take care of the environment?
  - -Not commit crime?

## Traditional policy instruments

- Regulations/laws
  - -Ban/prohibition
- Financial instruments
  - -Tax/subsidy
- Education and persuasion
  - -In education system
  - -Advertising etc.



# Design to encourage certain behaviour



# Layout (choice architecture)



#### The default option: what happens if you do nothing



#### Choose your delivery options

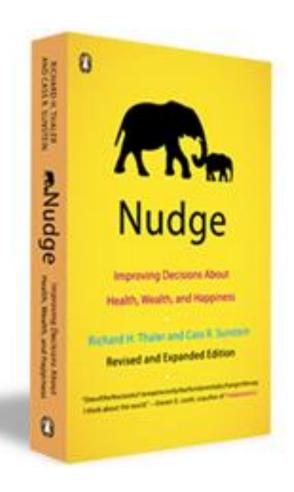
Delivery Details (Learn more)

#### Choose a delivery option:

- FREE Super Saver Delivery (3 5 business days)
- First Class (up to 2 business days)
- Expedited (1 business day(s))

#### Social norms: what everyone else is doing





By properly deploying both incentives and nudges, we can improve our ability to improve people's lives, and help solve many of society's major problems. And we can do so while insisting on everyone's freedom to choose (Thaler & Sunstein, 2009: 9)

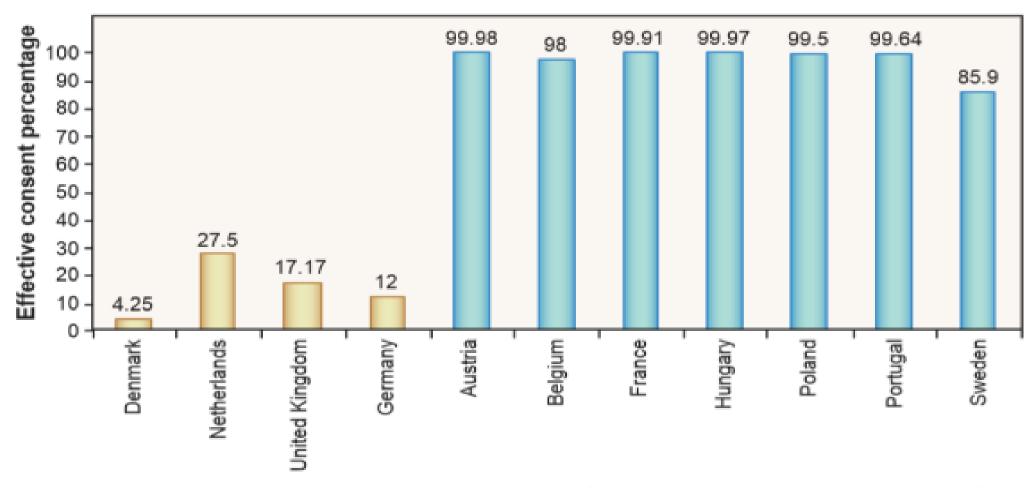
Can nudges be used in the social policy field? How can we use things like the default option, social norms, and small changes to influence decision making to improve people's well being?

#### Nudges in health

- Organ donation
  - -Generally a shortage of organ donors

- From 2020, you are assumed to give consent to donating your organs, unless you 'opt out'
  - -Changes the 'default option'





Effective consent rates, by country. Explicit consent (opt-in, gold) and presumed consent (opt-out, blue).

http://consultantsmind.quora.com/Nudge-Beware-of-Default-Choices

## Nudges in healthy behaviour: social norms



# Nudges in saving/poverty

- Automatic pension enrolment
  - You are assumed to want to pay into a pension
  - And avoid poverty in old age
  - -But you can opt-out



#### Nudges in healthy behaviour: social norms



https://www.youtube.com/watch?v=lHQ PojVB0M

#### Nudge and the environment: social norm to reduce pollution

 Green number plates for electric cars

 Car owners can demonstrate their 'green' behaviour

 Others can see electric cars becoming more common



## 'Nudge pricing?'

- <u>5 pence plastic bag charge in supermarkets?</u>
  - Most unaffected by small charge
  - Works on alerting consumer to usage
  - Also changes producer behaviour; need to ask if customer wants bag

• 20 pence on/off drinks in University of Bristol cafes?





# Nudge and crime prevention

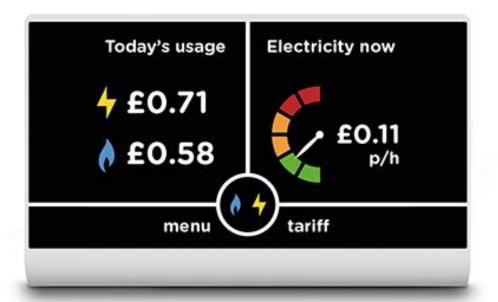


http://www.bbc.co.uk/news/magazine-19398580

#### Nudge and the environment: visible costs

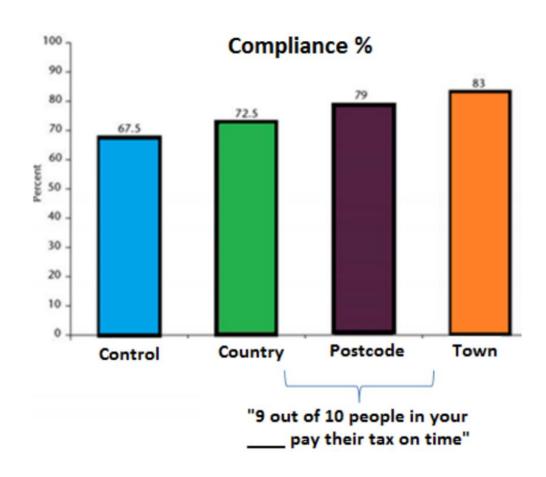
Smart meters





## Nudge and social norms and tax payments

Can improve tax payment by 15%



#### But...

- What if people make the 'wrong' choice?
  - Are we, as a society, willing to let people 'opt out' of wellbeing?
- Does this allow the state to step aside from its responsibilities?
  - Too much responsibility on individuals and companies?
- When do we nudge, and when do we shove?
  - Should we legalise drugs and nudge people away from drug use?
  - Should we stop environmental nudges and simply e.g. ban petrol cars?
- Social policy degree exposes you to this sort of debate
  - What we do, what we should do, to address societal issues

