

Book

Is behavioural economics ready to save the world?

Modern medicine has long doled out helpful advice to ailing patients about not only drug treatments, but also diet, exercise, alcohol abuse, and many other lifestyle decisions. And for just as long, patients have been failing to follow doctors' orders. Many of today's most pressing public health problems would disappear if people would just make better choices.

Enter behavioural economics. A fairly recent offshoot of the dismal science, behavioural economics aims to take the coldly rational decision makers who normally populate economic theories, and instil in them a host of human foibles. Neoclassical (ie, conventional) economics, after all is the study of optimising behaviour in the presence of material constraints—why not add constraints on cognitive capacity, or self-control, or susceptibility to the formation of bad habits? The hope is that by incorporating insights from other behavioural sciences (most notably cognitive psychology and neuroscience) while retaining the methodological rigour of neoclassical economics, behavioural economics will yield a more richly descriptive theory of human behaviour, and generate new and important insights to better inform public policy.

Policy makers have taken notice. In an era in which free-market rhetoric dominates the political landscape, the idea that small changes to public health policies might serve to nudge consumers towards healthier behaviours holds great appeal. Even though some (irrational) consumers might be better off, the argument goes, if certain unhealthy food products were banned (or worse, taxed), this approach would infringe on the rights of the many consumers who want to indulge occasionally, and fully understand the consequences. If governments could instead use evidence from consumer science to

make food labels more effective, or to improve the way that healthy foods are presented in school cafeterias, more politically unpalatable interventions in the marketplace might not be needed. This idea, dubbed “libertarian paternalism” by Richard Thaler and Cass Sunstein, has been pursued with gusto in both the UK (David Cameron's Government formed the Behavioural Insights Team—unofficially described as the Nudge Unit) and the USA (where Sunstein spent time in the Obama administration's Office of Information and Regulatory Affairs).

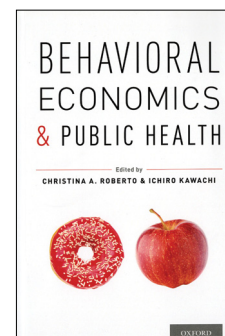
Whatever public health practitioners might think about these developments—or indeed, of economics as a discipline—this turn of events has rather suddenly given scholars at the cutting edge of consumer science an influential voice in the regulatory process, and some of the best and brightest have stepped up to contribute. *Behavioral Economics & Public Health* (edited by Christina Roberto and Ichiro Kawachi) is the product of a 2014 Harvard University exploratory workshop on applying social science insights to public health. As might be expected in a volume that aims to bring together two such inherently multidisciplinary fields, the book's 11 chapters offer an eclectic mix of perspectives. The editors begin with an excellent overview of the field of behavioural economics and its applications to public health, and an economic perspective can also be found in four of the other chapters: Justin White and William Dow write about intertemporal choice, Kristina Lewis and Jason Block review the use of incentives to promote health, Michael Sanders and Michael Hallsworth describe their experience working within the UK's Behavioural Insights Team, and Frederick Zimmerman concludes with a thoughtful critique of the field of behavioural economics. The

other contributions are largely from the perspectives of psychology and marketing: Dennis Runger and Wendy Wood discuss habit formation, Rebecca Ferrer and colleagues emphasise the importance of emotion in decision making, Brent McFerran discusses social norms in the context of obesity, Jason Riis and Rebecca Ratner explain why some public health communication strategies are more effective than others, and Zoe Chance and colleagues and Brian Wansink offer frameworks for designing environments (eg, in schools and workplaces) that are conducive to healthy choices.

This collection of essays holds many hidden gems, but the one that surprised me the most was the attention given (by Runger and Wood briefly, and Zimmerman extensively) to a dirty little secret that behavioural economists rarely mention: once it is acknowledged that sometimes-irrational consumers can be manipulated into making healthy choices, it does not require much of a leap to conclude that business interests can—and do—use the same methods to push back in the other direction. This conclusion leads Zimmerman to a discussion of power in the marketplace and in our collective political economy, and to a call to action on these larger structural issues in society that neoclassical theory has long neglected.

Behavioral Economics & Public Health offers a view into a chaotic field that is rapidly generating new insights into human behaviour while actively contributing to population-level public health interventions. It is essential reading for practitioners engaged in designing public health policies or programmes, and would be an excellent resource for all students of behavioural economics, public health, or public policy.

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For more on **libertarian paternalism** see *Am Econ Rev* 2003; **93**: 175–79