

interview with
Iván Budassi



**“Government is paying
attention to this issue”**

How Argentina’s behavioural science
unit influences policy

In July 2021 the government of Argentina launched its new Behavioural Science and Public Policy Unit. It initially worked under the Secretariat of Strategic Affairs, which reports directly to the presidency – a rarity in Latin America, where such experiments are not usually run at government level. At the unit's launch, President Alberto Fernández said: "We want to help people make better decisions for themselves and for the country. We want to design public policies that are tailored to the needs of human beings."

Iván Budassi was actively involved in Argentinian politics when he was recruited to head the unit. He also has a strong academic record: a university professor and lawyer in Administrative Law, he studied Behavioural Analysis of Law at Harvard Law School where he met Cass Sunstein, the US legal scholar whose co-authored book *Nudge* is considered the most influential in behavioural science (Thaler & Sunstein, 2008). Here Budassi talks with Irene Caselli about how behavioural science can improve public policies for families, and the challenges of running such a high-profile unit in a volatile political context.

Why did the Government of Argentina decide to set up an in-house nudge unit?

Former Secretary of Strategic Affairs of Argentina Gustavo Beliz had seen first hand during his tenure at the Inter-American Development Bank (IDB) how behavioural science could help design better public policies. He was the key actor who convinced President Alberto Fernández to establish the unit, showing the importance that "champions" can have in setting up innovative policies.

President Fernández, like me, has an academic background in law – in his case, criminal law. He understands how people's behaviour is not only shaped by education, economic incentives and the threat of punishment. He was able to appreciate how valuable it could be to find other ways to influence people's decisions that are effective and low-cost.

Was it important to locate the unit in a part of government directly under the presidency?

It is symbolically important to send a message that the government is paying attention to this issue. In

countries with weak institutional frameworks, as is common in Latin America, it is especially important to have the backing of a strong figure in the executive branch. Sending a message that the president is directly behind a policy can translate into greater effectiveness.

Other countries that have started applying behavioural science tools in public policy were also very careful to send that message, including the UK's Behavioural Insights Team, the world's first and still most prestigious governmental organisation working on applying behavioural science to public policies. Barack Obama and Cass Sunstein also set up a nudge unit in the White House.

But here in Latin America, until now there have been very few examples of inserting behavioural science at the government level.

What challenges have you faced in establishing the unit?

You have to be comfortable operating in three worlds – not only public administration and academia, but also politics. You need to know the political environment well enough to be at least given the opportunity to work. This is not only about support from central political actors, in our case President Fernández and then-Secretary Beliz. It is also about convincing politicians and bureaucrats at local, municipal and provincial levels.

We set up the unit with support from the IDB, and we have had to fight the prejudice that exists in Latin America against such international organisations. We have to show we are not trying to apply some magic recipe from Canada or the United States in villages with very different realities. Yes, there is a central core of how we make decisions that is common to all people, but it is all about testing how it works in the local context.

Fortunately, it is possible to apply behavioural tools surgically and produce evidence at very low cost that tells us whether an intervention works in a local context and should be scaled up. This makes behavioural science an easier sell. With the IDB's support, we started by identifying over 100 projects that could potentially be enhanced by behavioural

science. From them, we selected ten projects and we are currently working on finalising agreements. The unit is also directly managing another 15 separate projects.

One of the ten projects is about breastfeeding. What does that involve?

We know that breastfeeding has clear public health benefits over formula milk. Argentina follows international rules that seek to prevent formula milk companies from advertising aggressively, but they try to find covert ways to influence people to consume more. The municipality of Almirante Brown, with almost a million inhabitants, in the province of Buenos Aires, noticed that in some of their health centres – many in situations of social vulnerability – the doctors were prescribing more formula milk than expected.

We are currently going into health centres across the municipality to try to understand what is going on. A mother arrives at the centre with her baby, who has some kind of health problem, and she leaves with a prescription for formula milk from the doctor. How does that happen? What biases are involved in the decision making?

One hypothesis is action bias: when you go to the doctor, you want to come out of it with a prescription for a medicine or to do some tests. Say the baby has had diarrhoea for five days. If the doctor says continue breastfeeding, because this is the best thing to do, people don't want to hear that. They want to be told to do something different. And they think that giving formula will do no harm – but it can, if it leads the baby to abandon breastfeeding.

One can form hypotheses, but they have to be tested. And this is the magic and the attraction of behavioural science, where you can have many ideas at a theoretical level, but you have to investigate them and see how they work in the field. We are in that initial evaluation stage now, to see what biases

are involved in the decision making of mothers and health personnel. Then within a year we aim to design intervention tools and be able to test them, and measure and build solid data.

Local authorities are committed to this project because they clearly see a potential impact on the health and development of infants, but they also see a potential impact on their budgets, because formula milk is expensive.

With Secretary Beliz no longer in place and presidential elections due in 2023, what does the unit have to do to ensure continuity across administrations?

In Argentina, institutional continuity is clearly the exception rather than the rule. With this challenge in mind, we are trying to convince the whole political spectrum that behavioural science is useful – the main political actors in the ruling party, and the main opposition party.

We have set up the Argentine Network of Behavioural Science, to train people and disseminate information. It brings together academics who are dedicated to behavioural science and people who are only just discovering it, including mid-level civil servants. This network is headed by an academic, Joaquín Navajas, and it is not tinged with political partisanship. Finally, we have endured our first setback: despite Beliz's recent resignation in early August, the unit survived this cabinet crisis and it is still alive and kicking although, as of October 2022, it is no longer part of the presidency and it has been transferred under the Ministry of Economy.

In order to demonstrate the value of a behavioural approach, we know that with projects such as promoting breastfeeding in Almirante Brown, we can't just develop an experiment and publish a paper. We have to build a policy that we can scale up and that changes people's lives.

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Reference

Thaler, R. H., & Sunstein, C. R. (2008). *Nudge*. Yale University Press.