

The Power of Nudges

1. Read the article found [here](#) and answer questions 1 & 2.
2. Read Real World Focus 2.3 and answer question 3.
3. Answer question 4

REAL WORLD FOCUS 2.3

Choice architecture, nudging and organ donation

In the area of organ donation, it is a challenge to increase the number of organ donors in many countries around the world. Many countries have a *default choice* for people to be either (a) donors, in which case they automatically become a donor if they do nothing, and would have to make a deliberate effort to register as a non-donor; or (b) non-donors, in which case they automatically become a non-donor and would have to register to become a donor. In countries where the default option is to be a donor, for example Austria, Belgium, France, Hungary, Poland, Portugal, and the United Kingdom, the participation rate in organ donation is very high, sometimes as much as 90% of the population or more. By contrast, in countries where the default option is to be a non-donor, for example Denmark, Germany, and the United States, the participation rate is much lower.

Organ donation can also be used to illustrate *mandated choice*. In the state of Illinois in the United States, in order to get a driver's licence renewed it is mandatory (compulsory) to answer a question on whether one wishes to be an organ donor. The result has given rise to a 60% rate of signing up to be a donor, compared to only 38% for the US national average where mandated choice does not exist.

The default choice that makes people donors by default therefore appears to be effective. However, nudges may in some cases backfire, giving rise to opposite results than the desired ones. In the Netherlands, a 2016 law made being a donor the default choice, in the hope that the number of donors would increase. Yet in a drive that took place shortly after the bill was passed, the surprising result was that there were *six times as many non-donors as donors*. A likely explanation for such an unexpected result may be that the Dutch population rebelled against the nudger's intentions. There had been a lot of press coverage of the government's decision to change the default choice, and it appears the Dutch people did not want the government to make choices for them.

Sources: Dee Gill, *How to spot a nudge gone rogue*, UCLA Anderson Review, School of Management, 12 September 2018

QUESTIONS TO CONSIDER AND THINGS TO THINK ABOUT

1. What are the three principles that should guide the creation of nudges

2. Why did the paywall system for the Times of London violate the three principles of creating a nudge

3. Summarize the real world focus and explain how nudge theory works in improving organ donation rates.

4. Imagine Markham wanted to

encourage healthy eating in the cafeteria - come up with some ideas of how they can use nudges to improve healthy eating.	
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