

## Why is the implementation of behavioral economic strategies so important in child and family policy?

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It is important to bring a behavioral economics perspective into Child and Family Policy for two reasons. One, we often do not see child and family programs having the impacts that we think they should have, based on theory or implementation, because of sticking points that act as barriers to participation and engagement. For example, we could build this amazing program with a lot of structural support, but parents may not attend because they do not know anyone in the program or don't trust the program's intentions. Two, if we started with a framework that included both the ingredients for children's development and the science of parent decision making, we would design from the get-go very differently.

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There is a lot of promise for both uses of behavioral economics. I engage in this work to try to bring a proactive way to incorporate parent decision-making as a critical piece of the design of programs, services, and policies for children and families to increase their reach and impact.

## Why use a behavioral economic framework to understand scaling issues in child and family policy programs?

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Early childhood innovations usually come from the expertise of child development scholars. Their lens focuses on supporting children, whether that is preventing something bad from happening or making sure they are surrounded by all the ingredients for healthy development. So, what is missing from that lens?

The childhood development perspective does not always bring the broad-based tools and experience to think about the whole family and how people are engaging with programs and contexts. Without those tools and experience, it is hard to move programs from really promising ideas to large-scale projects.

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Economics brings a good decision-making framework for scaling, but also some strong assumptions about how our brains work and how we interact in the context of society. Psychology informs economics that humans are not computational machines, and that context does matter. Together, these two disciplines form behavioral economics.

I like to think of behavioral economics as bringing the best of psychology and economics together, to become the discipline that can help move any kind of public policy or intervention into scale. I cannot imagine how you scale without understanding the context in which people are supposed to engage with the programs as well as how to set up systems so that they can make decisions efficiently and follow through.

## Are the “light-touches” of behavioral economics—such as changing decisions from opt-in to opt-out—paternalistic? Why or why not?

When you are in the business of policymaking or program design, you think about structuring choices and how that intersects with agency, freedom, and free will. One error that I believe many U.S. policymakers and program leaders fall into is the idea that ‘opt-in decisions preserve free will and all intentions.’ We know that is a mistake. We know that we fall into inertia, and we do the easy things when there are hard things in front of us. So, to me it is well intended but wrong-headed policymaking to assume that voluntary enrollment always protects people and their intentions.

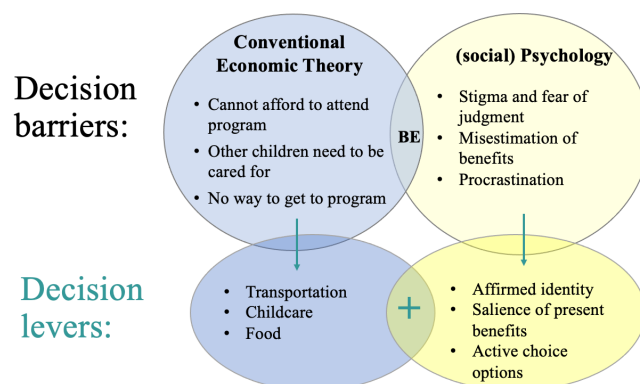
"I think we need to get into the mindset that the way we design choices intersects with the way we make choices. This helps free us from this idea that structuring choices always interferes with people's agency and free will."

The second, related point is that there is always a default. What happens if you do nothing? Someone is making that decision for you: the government, a teacher, superintendent of schools, the director of a program. If you do not sign up for 401k benefits, it means you will not receive those benefits. Someone made the decision to design it that way, and therefore, you default into not getting them. One thing that is needed in policy making is a mindset that the way choices is designed intersects with the way people make choices. This helps free us from this idea that structuring choices always interferes with people's agency and free will.

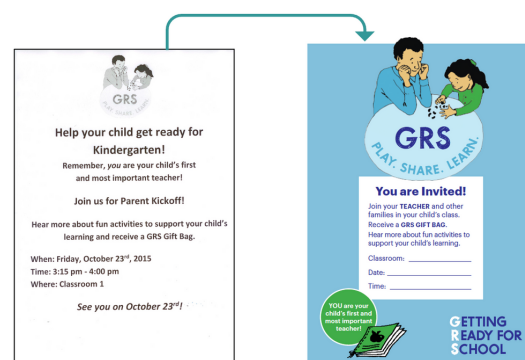
The paternalistic part of this is recognizing that someone is designing choices, but the reality is we are living it anyway. I want you to think about your everyday decisions and actions, the things that you do automatically. Someone already designed those choices for you.

There is a lot of responsibility around how we redesign choices. We have to be careful about what the default is and how that intersects with people's well-being. We have to be mindful about choice structures and its implications. For example, an employer in the UK initiated an opt-out savings retirement plan that implied that the employee accepted the way the funds were being invested. In this case, though, the investment of funds was quite profitable for the person in charge of creating the funds. This is an example of manipulating for profit-making purposes, not restructuring choices for the social good. That is the distinction I try to make.

## Interdisciplinary framework of BE



## Using behavioral insights to transform a flyer into an invitation...



## How does the behavioral economics framework address the impact of racism and classism that so many families experience—maybe even in other child policy initiatives?

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This is part of my own revamping, reeducating, and re-pivoting myself as a poverty scholar to to integrate the experience of race, racism, and histories of exclusion and oppression as front and center.

"One of the most powerful ways behavioral economics has changed how I come at policy design and evaluation, is it switches the perspective to not what I think you need, but let me see where you are at, and how your experiences are with systems, raising families, juggling work."

One of the most powerful ways behavioral economics has changed how I have come to think about policy design and evaluation is that it switches the perspective to not what I think someone needs or what the best scientists think someone needs, but rather to understanding their current circumstances and situations and acknowledging how their circumstances have been shaped by past experiences with systems, their own histories, and the challenges of juggling and balancing family life with everything else. This is a human and lived experience first approach.

The BE framework opened the door to understanding how everything from biases, to preferences, to values, to experiences that might reflect history or current circumstances, can be translated into better design through a behavioral economics lens. BE is not a panacea for poverty or racism or structural inequality. However, I believe that behavioral economics helps with our thinking of improved design and programs and services that can do better in incorporating experiences of racism, but it is not the discipline that alone can dismantle racism.



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