

IDB BEHAVIORAL ECONOMICS GROUP

Project Highlights
of the Last Decade





MEET THE GROUP

The IDB Behavioral Economics Group is an interdepartmental working group on behavioral economics. For nearly a decade, armed with the tools and insights offered by psychology and economics, the IDB has been partnering with local and national governments in Latin America

and the Caribbean to promote knowledge related to individual and collective decision-making in the region. Through this work, we hope to serve our countries better and continue improving people's lives.



EDUCATION



- Feedback to parents about their children's performance improved grades, attendance, and the probability of moving on to the next grade, and decreased misbehavior among Chilean students.
- Appealing to people's sense of altruism or using monetary incentives increased applications for teaching jobs in schools in disadvantaged parts of Peru.



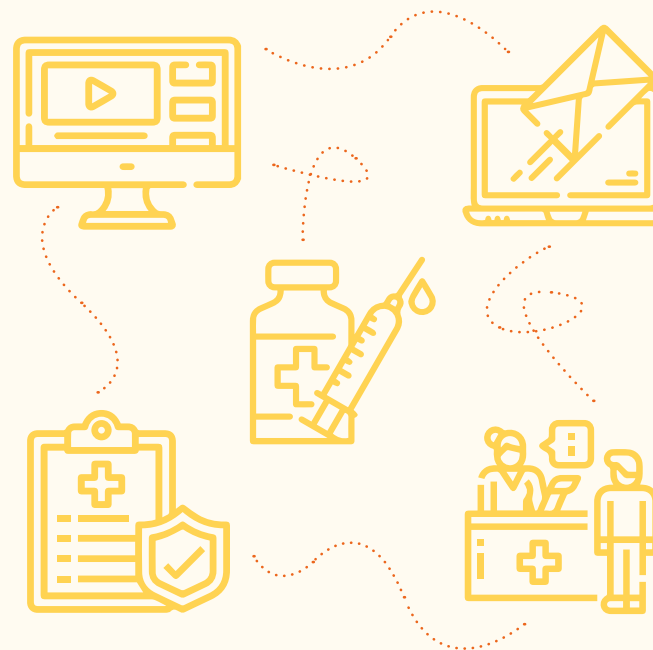
GENDER



- Messages aimed at reducing uncertainty and emphasizing sunk costs for survivors of domestic violence in Honduras [increased their likelihood of visiting a website offering support.](#)



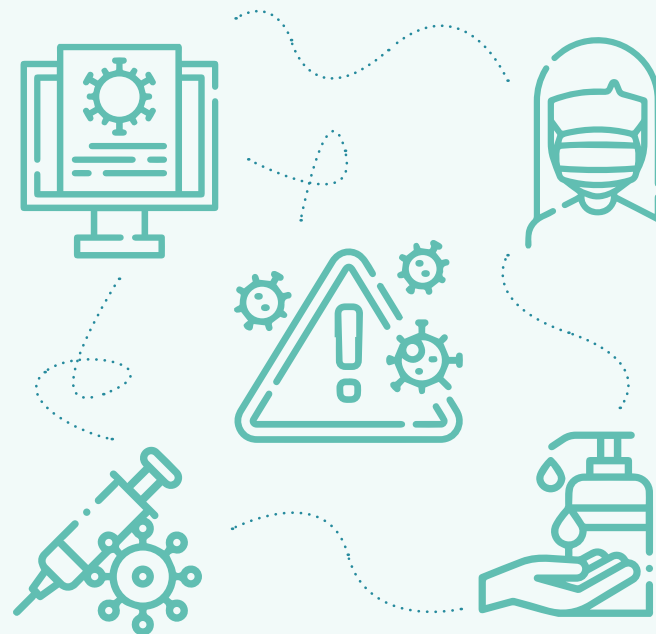
HEALTH



- Parent training videos with messages about child development shared during medical visits improved mothers' knowledge and the cognitive development of children in Jamaica, Antigua, and Saint Lucia.
- Sending emails with social norms helped keep medications from being prescribed unnecessarily to older adults in Argentina.
- Sending reminders helped increase childhood vaccination rates in rural areas of Guatemala, and attendance at prenatal care medical appointments in Guatemala and Peru.



COVID-19



- SMS messages to encourage self-efficacy, civic duty, and risk perception in São Paulo [helped raise awareness on recommended behaviors to prevent the transmission of COVID-19](#).
- Framing concerns about data privacy indirectly in communication strategies [increased citizens' willingness to download diagnostic applications for COVID-19](#).
- The use of social norms proved to be a powerful tool for [encouraging compliance with public health guidelines](#).



SOCIAL SECURITY AND PENSIONS



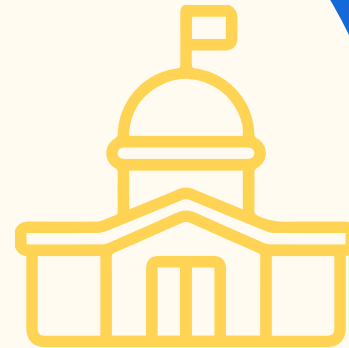
- Sending out brochures with reminders and simplified planning tools increased self-employed workers' contributions to social security as well as tax compliance rates in Brazil.
- The combination of a national campaign and increasing the number of locations where people could make deposits to savings accounts prompted more people to save more in Mexico.



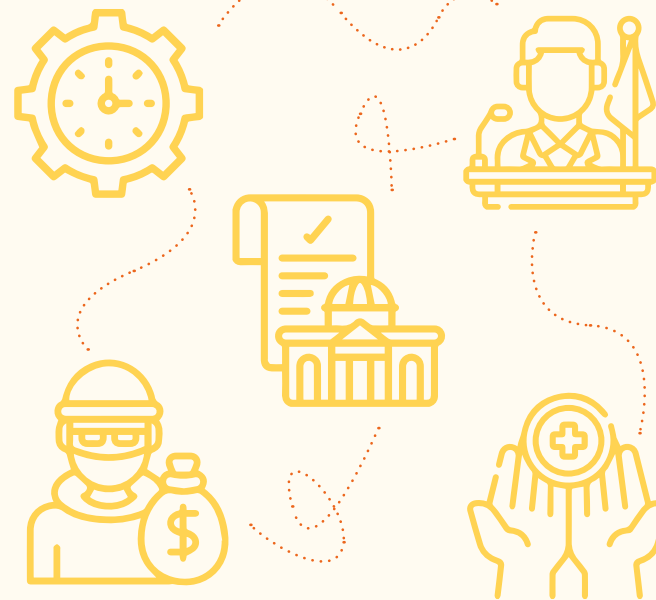
TAXES



- Phone calls and email notifications with behavioral messages increased the tax payment rate and the average size of tax payments in Colombia, and increased the registration of taxpayers in Brazil.
- The use of moral suasion messages and visits from tax inspectors increased the payment of taxes owed in Colombia.
- By reducing the cognitive costs in tax amnesty notices and tax invoices in Argentina, the participation rate in the program increased, along with payment by taxpayers.



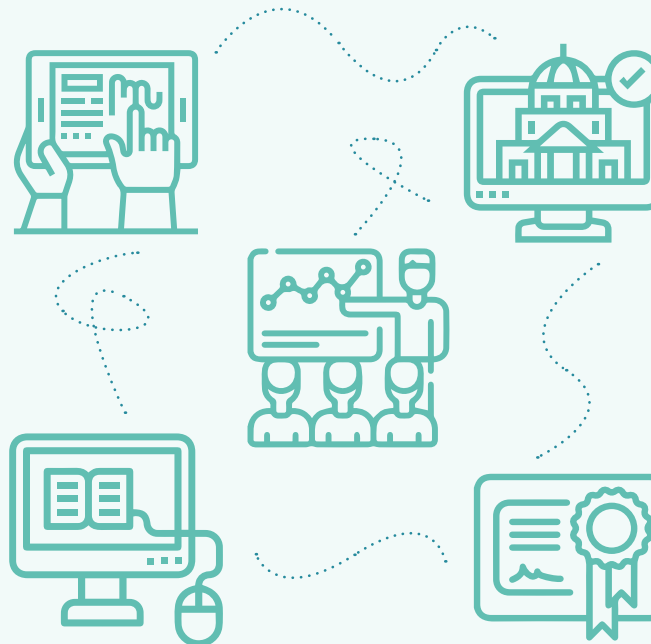
PUBLIC ADMINISTRATION



- In Argentina, presenting data in a context of efficiency and empathy and keeping citizens informed about government performance increased the perception of government transparency.
- Using in-kind incentives helped improve the performance of health workers in El Salvador in the areas of community outreach, quality of care, punctuality of care, and use of health services.
- Providing information that generates empathy increased the preference for social policies over punitive policies in the fight against crime in Chile.



PRODUCTIVITY



- The digitization of government services facilitated and even improved the provision of government services during the pandemic in Argentina, Chile, Jamaica, and Panama by reducing cognitive overload and making them easier to access.
- Heuristics-based training for microentrepreneurs in Ecuador [increased sales and profits](#).
- The IDB's free online behavioral economics course [has trained more than 5,000 policymakers in the region](#). The course is the most popular of the IDB courses.



iadb.org/behavioral

Copyright © 2021 Inter-American Development Bank. This work is licensed under a Creative Commons IGO 3.0 Attribution-NonCommercial-NoDerivatives (CC-IGO BY-NC-ND 3.0 IGO) license (<https://creativecommons.org/licenses/by-nc-nd/3.0/igo/legalcode>) and may be reproduced with attribution to the IDB and for any non-commercial purpose. No derivative work is allowed.

Any dispute related to the use of the works of the IDB that cannot be settled amicably shall be submitted to arbitration pursuant to the UNCITRAL rules. The use of the IDB's name for any purpose other than for attribution, and the use of IDB's logo shall be subject to a separate written license agreement between the IDB and the user and is not authorized as part of this CC-IGO license.

Note that link provided above includes additional terms and conditions of the license.

The opinions expressed in this publication are those of the authors and do not necessarily reflect the views of the Inter-American Development Bank, its Board of Directors, or the countries they represent.

