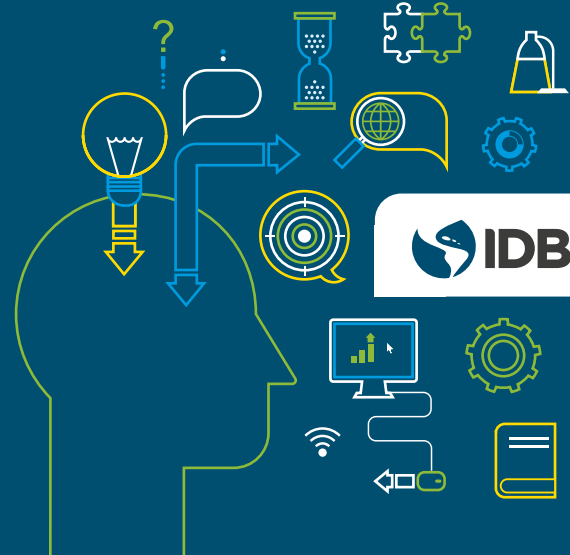


# How Can Behavioral Economics Training Improve Policymakers' Decisions?

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Authors: Ana María Rojas Méndez and Carlos Scartascini.



- ➔ Policymakers are not immune to behavioral biases that impair decision-making.
- ➔ A large-scale online behavioral economics course significantly improved problem-solving and policy-relevant reasoning among participants.
- ➔ Training policymakers in behavioral insights can be an effective and scalable tool to improve public decision-making.



## CONTEXT

Public officials often operate under stress, fatigue, and time constraints, conditions that **amplify cognitive biases**. These biases can distort judgment and lead to suboptimal decisions in critical areas, such as health, education, and tax policy. While behavioral economics offers tools to mitigate such effects, many interventions are not always feasible to implement. An alternative is training: by helping decision-makers recognize and correct their own biases, training could become a valuable policy tool. Yet there is limited evidence on the impact of such programs on public officials' reasoning and performance, especially at scale and over extended periods.



## PROJECT

To test the effect of behavioral training on policymaking, the IDB implemented a **randomized evaluation of its online behavioral economics course for public officials**. Between 2020 and 2023, approximately 25,000 individuals across Latin America and the Caribbean enrolled in 17 editions of the course. Participants were randomly assigned to either a treatment group (who completed a decision-making test after finishing the course) or a control group (who took the same test before the course). The test included cognitive challenges and policy-relevant questions assessing understanding of behavioral concepts. Outcomes were compared across groups and tested for robustness using multiple strategies.

## RESULTS

**The course had a clear and measurable effect on decision-making skills.** Treated participants scored 0.6 standard deviations higher on average than those in the control group, equivalent to answering one more question correctly. Gains were observed across a range of questions assessing reasoning, application of behavioral insights, and recognition of policy-relevant concepts like loss aversion and social norms.

The improvement was strongest on a “validation question” explicitly covered in course material, suggesting that the course effectively transmitted behavioral concepts. Notably, the course helped participants apply these concepts to real-world problems such as pandemic response, teacher incentives, and child health campaigns. For example, treated individuals were 34 percentage points more likely to identify the most effective message to reduce childhood anemia. [Figure 1](#) shows the number of people in the control and treatment groups who answered each of the questions correctly.

### Key Concept

#### BEHAVIORAL BIASES



Behavioral biases are systematic deviations from rationality that affect how individuals make decisions, often due to heuristics, framing, or limited attention.

Additional robustness checks showed that the effect was not due to time trends or selection bias. In fact, participants who took the test both before and after the course showed significant improvement, and performance varied as expected across sequential cohorts. **Importantly, the treatment effect was consistent across gender, educational background, and job experience, suggesting the course benefits a wide range of public officials.**



## POLICY IMPLICATIONS

**The findings demonstrate that training public officials in behavioral economics can improve their decision-making capacity in measurable ways.**

This matters: better decisions by policymakers translate into more effective interventions, greater impact, and more efficient use of public resources.

### Key Concept

#### DEBIASING



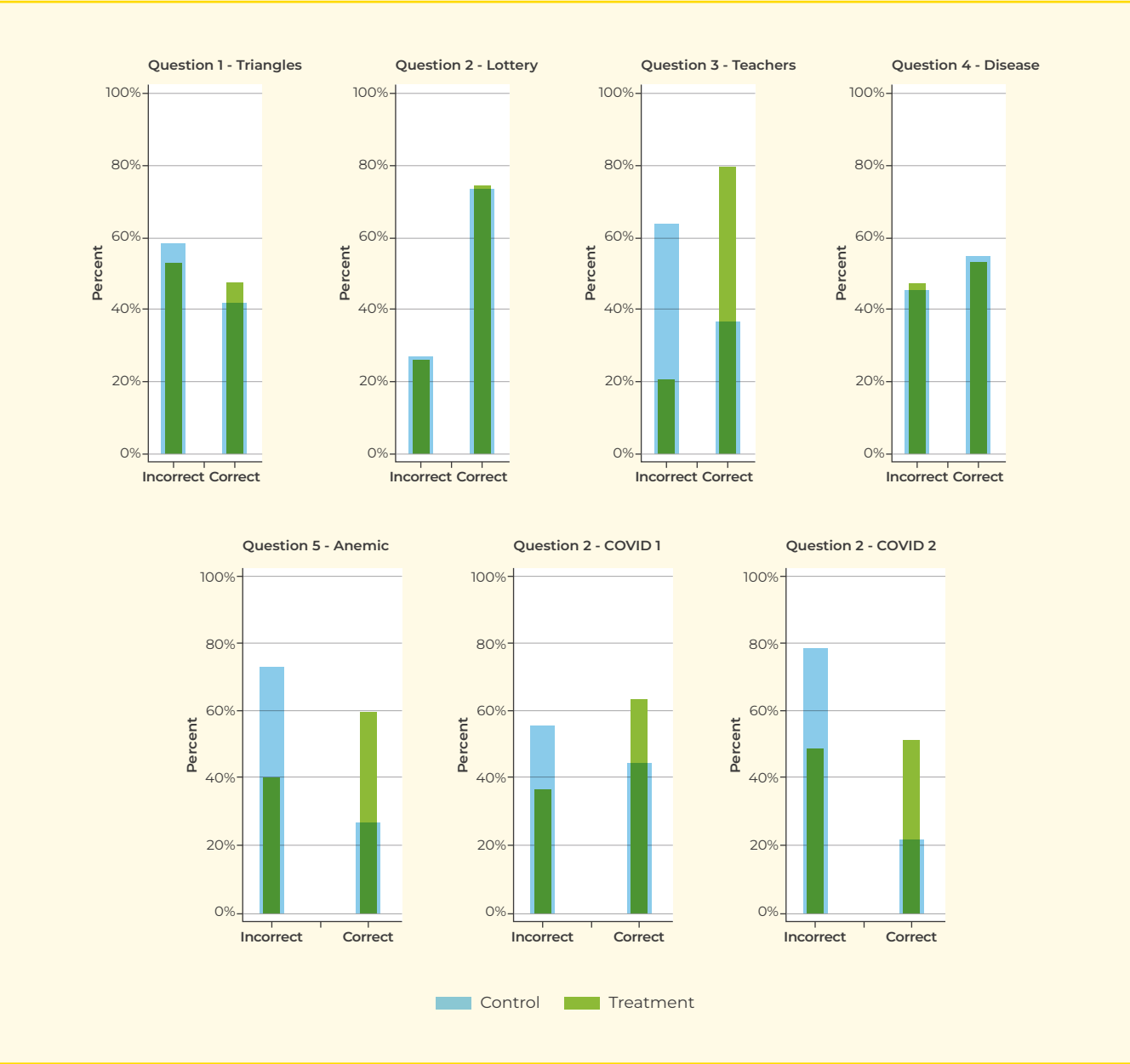
Debiasing refers to interventions designed to reduce or eliminate such biases, either through policy design (e.g., nudges) or training.

Behavioral economics courses are particularly relevant for public administration because they help officials recognize and overcome systematic biases in judgment. Given that such biases can impact policy design, service delivery, and even frontline behavior in sectors such as education and health, training provides a cost-effective complement to structural reforms and top-down controls.

The IDB's online course model also shows that high-quality training can be delivered at scale and across countries. With more than 25,000 participants already enrolled, this approach can efficiently reach large numbers of policymakers, particularly in remote or decentralized settings. Its success also supports broader efforts to mainstream behavioral science into government capacity-building programs.

**Policymakers and donors should invest in expanding and evaluating similar training programs.** While the gains observed in this study are promising, further research is needed to assess long-term retention, effects on actual policy implementation, and complementary strategies (e.g., mentorship or nudging administrators themselves). Still, this study offers a rare piece of rigorous evidence that learning behavioral science does not just teach new theories but can also actually improve how policies are made.

**FIGURE 1. Correct and Incorrect Answers per Question and Group**



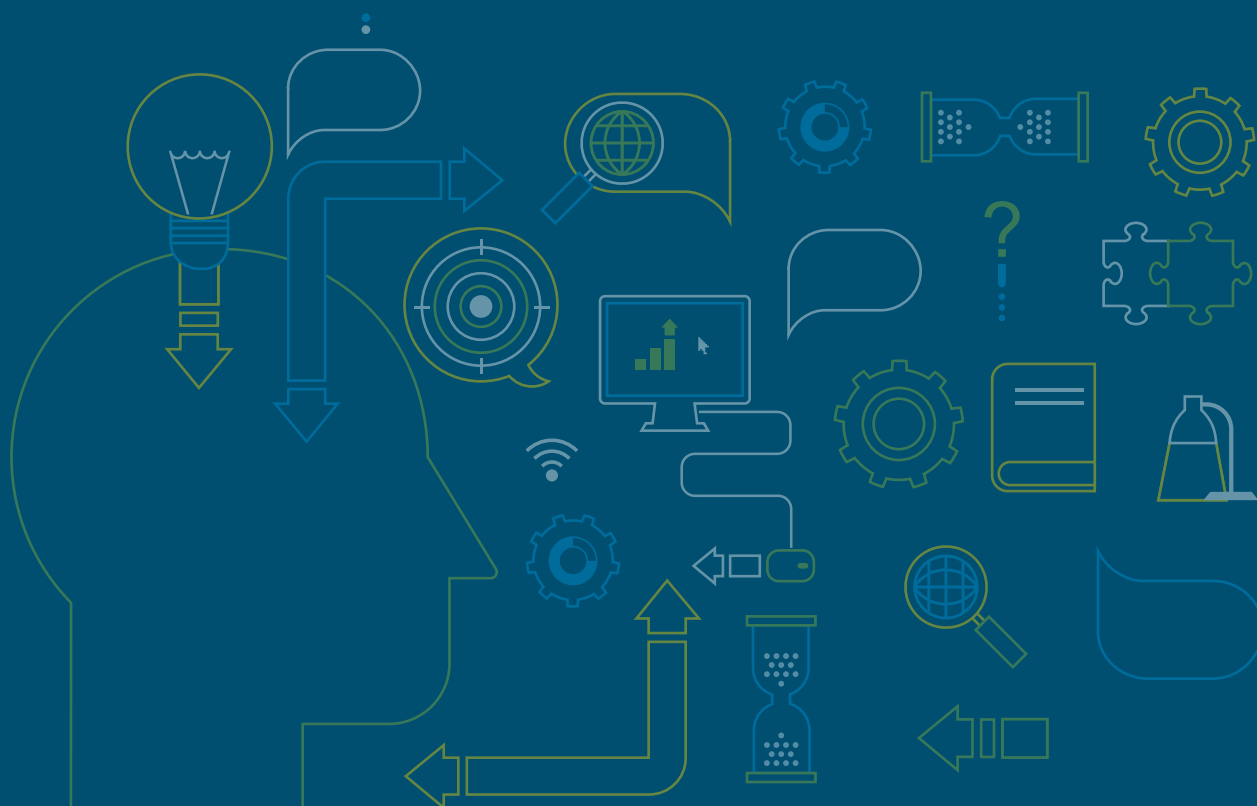
**FULL STUDY**

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