

Application of Behavioural Economics to incorporate Social Changes: A case study about success of Swachh Bharat Abhiyan.

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“Sanitation is more important than Independence”

Mahatma Gandhi.

Abstract

Behavioural economics is a study which focuses on the effects of cognitive, psychological, cultural, emotional and social factors on individual decision making. Individual decisions are always not rational. They are to a large extent affected by various behavioural biases. In 2008, behavioural economist Richard Thaler in his book” *Nudge: Improving Decisions on Health, Wealth and Happiness*”, popularized a novel development in behavioural economics called ‘nudge’. Nudging alters people's behaviour in a predictable way without restraining them any options or significantly adjusting their economic incentives. With nudging there are more likely chances of an individual choosing a particular option or behaving in a specific way. It alters the environment so that cognitive processes are triggered in favour of the desired outcome automatically. “Nudge policies gently steer people towards desirable behaviour even while preserving their liberty to choose” (Richard Thaler,2010). Behavioural economics provides insights to ‘nudge’ people towards desirable behaviour and Swachh Bharat Mission (SBM) is one such initiative which successfully employed behavioural insights. SBM aims at upgrading the quality of life especially in rural areas by actively encouraging cleanliness, hygiene and avoiding open defecation. The main theme of this study is to analyse SBM program, its objectives and the degree to which the program was successful in India. The results from the analysis of secondary data show that sanitation coverage in rural India has crossed 90% as against the 38% before SBM, over 9 crore toilets were constructed and almost 90%of the villages have become open defecation free (ODF).

Keywords- Nudge, Behavioural economics, Swachh Bharat Mission

Introduction.

“I am visually perceiving that Gandhiji is looking through these specs that whether we have made India clean or not, what we have done and what we have done.” – Narendra Modi.

One of the hottest ideas which gained currency during the past decade was the application of Behavioural Economic principles towards the drafting and implementation of public policies. Going by the trend India too adopted behavioural insights into incorporating social changes. Swachh Bharat Abhiyaan (SBM) was one such prestigious programme initiated by PM. Narendra Modi on 15th August 2014, to accelerate the efforts to achieve the ambitious goal of universal sanitation and to put focus on sanitation. The mission was initiated as nation-wide campaign/jan-andolan which aimed towards eliminating open defecation in rural areas through mass scale behaviour change, construction of household and community owned toilets, establishing mechanisms for monitoring toilet construction and usage.

SBM

SBM was launched on 2nd October 2014, as a nation-wide cleanliness drive, on the birthday of India's most revered 'role model' Mahatma Gandhi. The day was chosen to leverage the virtues propagated by him and thereby create a mass popular movement on the lines of 'satyagraha' for a better cleaner India. The symbol for SBM invoked Gandhian Ideals. The aim of SBM was a clean and open defecation free (ODF) rural India by October 2,2019.

Objectives;

- a) Generating demand and construction of toilets and their sustained use by all household members.
- b) Promoting better hygiene behaviour amongst the population.
- c) Improving cleanliness by initiating solid and liquid waste management projects.

The SBM is different from its predecessors, Total Sanitation Campaign (TSC) and Nirmal Bharat Abhiyan (NBA) in the sense that the former puts large emphasis on ICE (Information, Education, Communication) campaigns to bring out behavioural change in the target population.

Research Methodology

The present study is descriptive in nature. The study relies exclusively on secondary data. The data used for the study has been collected from Department of Drinking water and Sanitation of Ministry of Jal Shakthi, RTI bulletins, Report on trends and progress of SBM in India and from various reputed journals.

Literature Review

In the book *Nudge* (2010) by Richard Thaler and Cass Sunstein, they suggest several ways in which government agencies and private organisations might nudge individuals towards choices or decisions that are best for them. They opine that a policy of 'Libertarian Paternalism' which helps people make the best choice without actually limiting their freedom, should be adopted.

As individuals suffer from tremendous inertia when they have to make a choice, they tend to stick to the default option (Thaler and Sunstein 2008; Samson 2014). Hence, understanding these principles of behavioural economics, therefore, can bridge the gap between people's preferences and the choices they make, and thereby enable informed policymaking. Many governments, including the U.S., the U.K. and Australia, have set up dedicated units to use behavioural insights for effective policymaking (Policy for Homo Sapiens, Not Homo Economicus: Leveraging the Behavioural Economics of "Nudge"; Economic Survey 2018-19 Volume 1) India too, has used various behavioural insights and nudged people's behaviour in favourable way. Swachh Bharat Abhiyan is one such program launched in 2014 in India, which aimed at improving sanitation and eliminating open defecation for a cleaner India.

Essentiality of incorporating Behavioural Changes in Public policies.

Over the past few years, it has been noted that some well-intentioned policy initiatives fail to be adopted by the people who would benefit from them the most. Despite what might be expected, individuals over and over settle on choices that serve neither their own advantages nor of others. In India, for instance, despite having access to toilets open defecation remains a huge challenge. Finding answers to this paradox is where behavioural economics become significant.

Use of Behavioural Insights in the SBM: Nudging to incorporate social changes.

Behavioural economics emphasises on nudging a means of influencing choices and decisions, which has been effectively adopted by the SBM campaign. Swachh Bharat Mission (SBM) has used the concept 'Prospect Theory' in Behavioural Economics extensively for steering behavioural change. Prospect Theory predicts that, the way choices are structured has a material impact on people's preferences. It shows that folks are loss averse, i.e. people will go greater lengths to avoid a perceived loss than obtaining a perceived benefit, albeit the loss and benefit are of equal value. By

highlighting the detrimental effects of poor sanitation and number of deaths it causes through a well-coordinated communication strategy, Swachh Bharat Mission was able to impact behaviours of millions, especially in rural areas. Similarly, the insights on ‘Present—Biases’ were also effectively utilized in SBM. People generally are averse of abandoning what they have, for a perceived future gain. However, by organising ‘Swachhata Divas’ and ‘Swachhata Pakhwadas’, SBM leveraged the ‘Fresh Start Effect’ to influence people to beat present biases in favour of selections which are good for them in long run. Researches in behavioural economics affirms that the ‘Fresh Start Effect’ aids in protecting people against present biases. Another concept that has gained traction is ‘Social Proofing’. Studies conducted across the US and India show that creating the actions of individuals more observable adds social pressure on people towards a preferred behaviour. By making open defecation more ‘observable’ as unaccepted social behaviour, SBM could motivate more and more people to create toilets by applying social pressure. By conducting an annual survey, ‘Swachh Sarvekshan’, SBM could successfully leverage ‘Social Proofing’ concepts to usher in a competitive spirit behavioural science it's called foot-in-the-door technique that aims at getting an individual to comply with an outsized request by having them comply with a moderate request first.

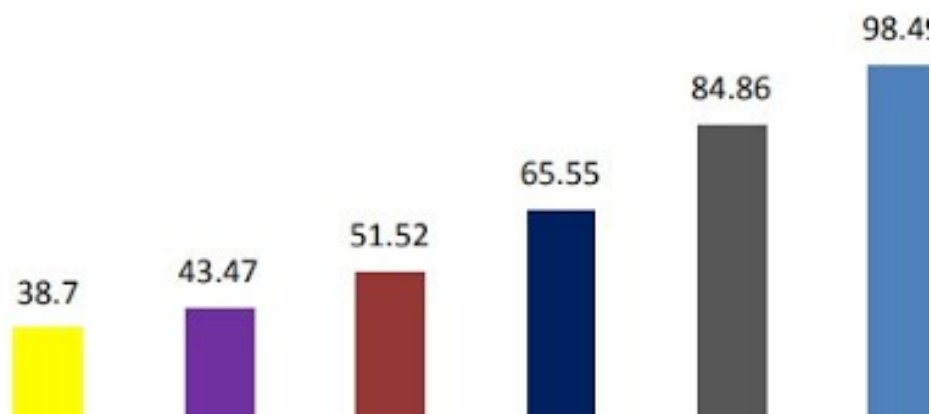
Success of SBM

SBM was launched on 2nd October 2014 to achieve universal sanitation coverage. Though it is not the first programme to address sanitation concerns, SBM is the first one to emphasize behaviour change as much as, if not more than, construction of toilets. Within five years of the launch of SBM, household access to toilets has increased to nearly 100 per cent in all states.

Sanitation Coverage Since the launch of SBM (G), significant improvement has happened in the rural sanitation coverage. The rural sanitation coverage on 2nd October 2014 was 38.70%. As on 31.03.2019, the coverage stands at 99.04%. Since the launch, there has been a 60.34% increase in the coverage.

SBM has achieved success in not only providing toilets but also in ensuring that these toilets are being used. Independent verification of SBM through the National Annual Rural Sanitation Survey (NARSS) 2018-2019 has found that 93.1 per cent of the rural households had access to toilets, 96.5 per cent of the households in the rural areas who have access to a toilet use it. This actually reconfirmed the Open Defecation Free (ODF) status of 90.7 per cent of villages that were earlier declared ODF by various districts/states.

Sanitation Coverage



Source :<https://sbm.gov.in/sbmReport/home.aspx> Updated on 21st January, 2020

Also, to make sure that the open defecation free behaviours are prolonged, no one is left behind, and that solid and liquid waste management facilities are accessible, the Mission is approaching the Phase II of SBMG i.e. ODF-Plus. ODF Plus activities under Phase II of Swachh Bharat Mission (Grameen) will try to reinforce ODF behaviours and concentrate on providing interventions to ensure safe management of solid and liquid waste in villages.

Behavioural Economics for Future:

The insights learned from SBM could act as a base while formulating other important government schemes. For instance, the concept of ‘Framing Tools’ based on Prospect Theory can be used to promote cashless transactions. Prospect Theory proposed by Kahneman and Tversky, suggests that people are more likely to make payment with a credit card, if price differentials are framed as cash discounts instead of surcharges on the credit card. Understanding ‘Present Biases’ helps nudge people towards ‘giving up’ subsidies. When there's a trade-off between a ‘want’ and ‘should’ option, people prefer the want option within the present. Hence, instead of nudging people to give up subsidies immediately, what would yield a better result is, extracting a commitment to give up at a future date. Moreover, simple steps like letting households’ skills they performed compared to neighbours in waste segregation,

water consumption or electricity usage, supported ‘Social Proofing’ will nudge them towards more segregation and conservation respectively.

In India, most public policy interventions are directly aimed at uplifting the quality of life of people. Applying the various behavioural approaches to public policies, can, therefore enhance the public buy-in and achieve the intended outcomes. However, there is a need to use behavioural insights and science of behavioural alterations in a much more systemic way. Setting up of a ‘Behaviour Insight Team’ in government of India, to assist different ministries incorporate psychological and cognitive dimensions publicly policy, could also be useful.

Conclusion.

The key principle of behavioural economics is that while people’s behaviour is significantly influenced by social norms, understanding the drivers of these social norms can bring changes in India. In our country, social and religious norms play such a dominant role in influencing behaviour. Behavioural economics can, therefore, provide valuable instruments for change. Beneficial social norms can be further developed by accentuating attention to positive influencers especially friends/neighbours, that represent role models which people can easily identify.

Generally, “people are given to tremendous inertia when making a choice, they prefer sticking to the default option” (Economic Survey 2018-2019 Volume I). By the nearly costless act of altering the default to control the inertia, desired outcome or behaviour can be encouraged without affecting people’s choices. People most often find difficult to sustain good habits, repeated reinforcements and reminders of successful past actions can help sustain changed behaviour. The tremendous success of Swachh Bharat Abhiyaan should set the benchmark against future endeavours

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