

# Does Revealing a Nudge Affect Trust? An Experimental Investigation of Policy Default Disclosure

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## Abstract

The covert nature of nudges such as defaults has generated calls for transparency, yet the disclosure of a controversial activity such as the use of a default could affect trust. Using a description of a health policy involving a default we investigated whether informing participants about the default and its intended effect affected trust in the designer of the health policy, in institutions, and people generally. We also varied the ideological content of the policy. Transparency did not influence any measure of trust. Participants exhibited greater trust toward the nudge's designer when the nudge's ideological content matched the participant's ideology.

## Introduction

Nudges have become an important tool for governments, but little research on the effect of implementing nudge policies on attitudes and trust in the politicians proposing the policy and government institutions

1) Nature of nudges raises ethical problems and calls for transparency, but unclear whether transparent information about the use of nudges influences trust.

2) Attitudes about nudges and politicians that propose nudge policies may largely depend on whether the content/objective of the nudge policy matches with one's own attitudes and beliefs.

## Study Overview

### Experimental Interventions

- Transparency (three levels: no default, Ex-Ante, Ex-Post)
- Ideological content of nudge (two levels: left wing/right wing)

### Study 1: Read about policy default

- DVs: Self reported trust in designer of policy
- Self reported trust in institutions
- Support for policy

### Study 2: Experienced default (McKenzie et al., 2006)

- DV: Trust in designer of default (trust game; Berg et al., 1995)

## Method

Participants recruited via Qualtrics

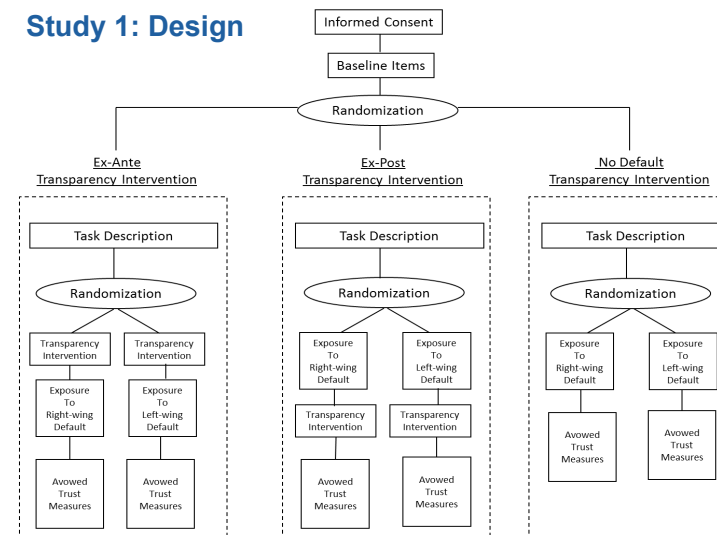
- Study 1: N = 1236; 53% female; Mean Age = 46 years
  - 34% liberal, 30% conservative, 26% moderate, no opinion 10%
- Study 2: N = 1124, 50% female, mean Age = 46.7 years
  - 33% liberal, 29% conservative, 28% moderate, 9% no opinion

## Materials

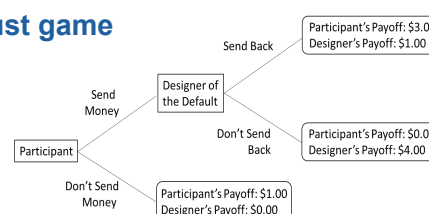
Health policy with a default for people that do not make an active choice

- Left wing version: supported by Senator Ron Wyden (Democrat), default is public health plan
- Right wing version: supported by Representative Paul Ryan (Republican), default is private health plan

## Study 1: Design



## Study 2: Trust game



## Results

### Study 1

- No effect of transparency on trust in the politician designing the policy or trust in institutions
- Match of policy content with political orientation influences support for policy and trust in designer but not trust in institutions (Figure 1)

### Study 2

- No effect of transparency, content of policy, or political orientation on trust in trust game
- Less acceptance of default in "Ex-Ante" transparency condition (Figure 2)

Figure 1: ideology & trust

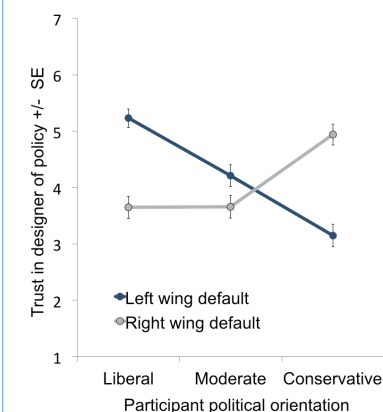
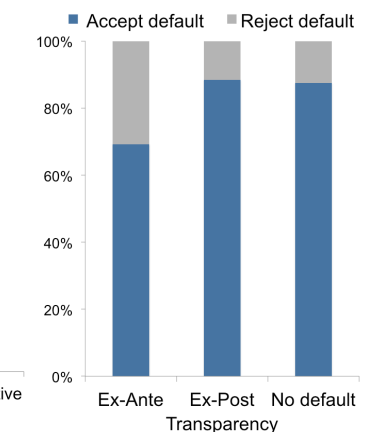


Figure 2: transparency & default acceptance



## Discussion

- Match of policy content and political orientation increases acceptance of policy and trust in designer of policy
- No effect of transparency on trust
- Possibly too low relevance of default to influence trust in trust game

## References

- Berg, J., Dickhaut, J., & McCabe, K.A. 1995. Trust, reciprocity, and social history. *Games and Economic Behavior*, 10, 122-142.
- McKenzie, C.R.M., Liersch, M.J., & Finkelstein, S.R. (2006). Recommendations implicit in policy defaults. *Psychological Science*, 17, 414-420.