## Behavioral economics and randomized trials: trumpeted, attacked and parried

## **Description**

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This is the title of <u>a blog posting</u> by Chris Blattman, which points to and comments on a debate in the Boston Review, March/April 2011

The focus of the debate is an article by Rachel Glennerster and Michael Kremer, titled <u>Small Changes</u>, Big Results:Â Behavioral Economics at Work in Poor Countries

"Behavioral economics has changed the way we implement public policy in the developed world. It is time we harness its approaches to alleviate poverty in developing countries as well."

This article is part of <u>Small Changes</u>, <u>Big Results</u>, a forum on applying behavioral economics to global development. This includes the following 7 responses to Glennerster and Kremer, and their response.

Diane Coyle: There's nothing irrational about rising prices and falling demand. (March 14)

Eran Bendavid: Randomized trials are not infallibleâ€"just look at medicine. (March 15)

<u>Pranab Bardhan</u>: As the experimental program becomes its own kind of fad, other issues in development are being ignored. (March 16)

José Gómez-Márquez: We want to empower locals to invent, so they can be collaborators, not just clients. (March 17)

Chloe O'Gara: You can't teach a child to read with an immunization schedule. (March 17)

<u>Jishnu Das, Shantayanan Devarajan, and Jeffrey S. Hammer</u>:Even if experiments show us what to do, can we rely on government action? (March 18)

<u>Daniel N. Posner</u>: We cannot hope to understand individual behavior apart from the community itself. (March 21)

Rachel Glennerster and Michael Kremer reply: Context is important, and meticulous experimentation can improve our understanding of it. (March 22)

PS (26th March 2011: See also Ben Goldacre's Bad Science column in today's Guardian: <u>Unlikely</u> boost for clinical trials (/When ethics committees kill)

"At present there is a bizarre paradox in medicine. When there is no evidence on which treatmentis best, out of two available options, then you can choose one randomly at will, on a whim, in clinic, and be subject to no special safeguards. If, however, you decide to formally randomise in thesame situation, and so generate new knowledge to improve treatments now and in the future, then suddenly a world of administrative obstruction opens up before you.

This is not an abstract problem. Here is one example. For years in A&E, patients with serious head injury were often treated with steroids, in the reasonable belief that this would reduce swelling, and so reduce crushing damage to the brain, inside the fixed-volume box of your skull.

Researchers wanted to randomise unconscious patients to receive steroids, or no steroids, instantly in A&E, to find out which was best. This was called the <u>CRASH trial</u>, and it was a famously hard fought battle with ethics committees, even though both treatments – steroids, or no steroids – were in widespread, routine use. Finally, when approval was granted, it turned out that steroids were killing patients."

## Category

1. Uncategorized

## **Tags**

- 1. behavior
- 2. economics
- 3. evidence
- 4. experiments
- 5. RCT
- 6. trials

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