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Knowing Better

For all the battles we have about public policy, we can probably all agree on at least two things. First, we can do much better. From trust in government to confidence in its ability to perform, there's near-universal agreement that government just doesn't work as well as it should. Few Americans trust government to do the right thing. According to a 2015 Pew Research Center poll, just 19 percent of those surveyed trust government do what's right "just about always" or "most of the time." In 1958, that number was more than three times higher, at 73 percent.¹

Second, one way to *do* better is to *know* better what to do. That's the core of education, which American publisher William Feather defined as "being able to differentiate between what you do know and what you don't. It's knowing where to go to find out what you need to know; and it's knowing how to use the information once you get it."² We spend a lot of money, devote years of time, and invest much of ourselves in pursuit of that goal. It's true for our individual lives, and we carry that belief over to our social lives as well. To borrow from the poet Maya Angelou, if we knew better, we'd do better. That's the core of many candidates' campaigns: they know better, they'll do better, and they'll serve us better. That, after all, was the cornerstone of Donald Trump's 2016 "Make America Great Again" campaign.

Knowing, however, turns out to be a lot harder than it looks. David Dunning, an experimental social psychologist, suggests (only partially in jest) that "we are all confident idiots."³ As evidence, he points to a long-running gag on Jimmy Kimmel's late-night television show, where his camera crews ask people on the street their views on world events and well-known people. At Austin's South by Southwest, the crew asked one festival-goer about a band that didn't exist. Did "Contact Dermatitis" have what it takes to make it to the big time? The man said,

“Absolutely.” The crew got similar replies when people on Hollywood Boulevard were quizzed about whether the 2014 movie *Godzilla* was insensitive to those who survived a giant lizard attack on Tokyo or whether Bill Clinton got enough credit for bringing the Korean War to an end.

The research that Dunning conducted with one of his students, Justin Kruger, found that incompetent people can't see how incompetent they are. None of us knows everything, so the Dunning-Kruger effect applies to all of us. And how do we react? Not by becoming disoriented or worried, Dunning concluded. “Instead,” he wrote, “the incompetent are blessed with an inappropriate confidence, buoyed by *something* that feels to them like knowledge.” We tend to double-down on what we *think* we know, since that turns out to be easier than having to confront gaps in our knowledge and then work hard to fill them. It turns out to be “easy to judge the idiocy of others,” to fail to recognize the idiocy in ourselves, and to spot the misinformation that too often shapes our decisions.⁴ (It's worth noting, by the way, that “idiot” comes from the ancient Greek, referring to something that pertains to oneself. The self-centeredness of “idiot” bears directly on the search for knowing better, since the more one looks to oneself for knowledge, the more likely incompetence is likely to result.)

This complicates two foundations of our problem with a third. When it comes to public policy, we don't think government does well. We think it can—and should—do better. We think we can do better by knowing more. But we think we know more than we do, often don't recognize what we don't know, and think that those who disagree with us are idiots. Of course, there's nothing new here. Benjamin Franklin wrote, “A learned blockhead is a greater blockhead than an ignorant one.”⁵ And, as Franklin is quoted as saying, “The doorstep to the temple of wisdom is a knowledge of our own ignorance.”⁶ It's hard to do better when we don't know what we don't know, when the gap doesn't cause us personal concern, and when we can write off others whose views are different because we're convinced they just don't know what we know. It's hard to escape idiocy. And, of course, none of us believes we are idiots to begin with—that's always someone else's problem.

The gap between what we know—and what we can agree that we know—and what we *need* to know is enormous. Two former directors of the U.S. Office of Management and Budget, one Republican (Jim Nussle) and one Democrat (Peter Orszag), contend that “based on our estimate, less than one dollar out of every hundred dollars the federal government spends is backed by even the most basic evidence.”⁷ A former senior White House adviser for President George W. Bush, Ron Haskins, joined with Greg Margolis to plead, “Show me the evidence,” in their 2015 book.⁸ Investing more in knowing more, for many policy folks, is the key to making government work better.

We seek to escape extremely stupid behavior founded on doing things that don't work. We need to do better to make our democracy work better. Almost everyone agrees we need that escape. We know it's a very hard road because, if it were easy, we would have done so a long time ago, especially given the decades of

time and billions of dollars we've spent trying to do better policy analysis. Only rarely do people do stupid things on purpose, especially when it comes to making big, expensive decisions affecting many other people. So how can we better solve the core Maya Angelou problem: *knowing better to do better?*

In fact, the problem of figuring out what we know and then determining what to do about it is getting bigger, and the problem is growing faster than we can keep up with. We are awash in an accelerating supply of information, which we call the *big data* movement. Everything we do is generating data—our web browsers are capturing vast supplies of what we are searching for and what we might want to buy, hidden cameras on our campuses and office buildings are collecting information on who is driving and walking where, and our music and video streaming services know what we are listening to and watching. Government and private organizations are also collecting lots of information on everything from where we live and drive to how much pollution we produce and how many jobs we create. If there were data sniffers, they would show that every step we take during the day leaves behind unimaginable—and often unimagined—trails of data. All of this information generates huge piles of big data—collections of raw numbers and information that can be digested into insights that can improve our decisions. In some cases, we can use traditional statistics like means, medians, variances, and regressions to wrestle these data into meaning. But in far more cases, we need new and better tools, which can sometimes provide even better insights. Sometimes little bites of this mega-supply can provide far better evidence for improving the public policies that shape our lives. Making good sense of all the data we have around us is the goal of this little book.

Doing without Knowing (Everything)

Nussle and Orszag are both right and wrong in trying to wrestle with the problem of evidence. They are right because fundamental, scientifically based data inform relatively little of our public policy. But they are wrong in arguing that only 1 percent of what government does is backed by “even the most basic evidence.” In fact, there's *some* evidence backing up almost *everything* government does, even the wrong things. It's just that the evidence isn't always right, decision makers don't always follow what we know, and their decisions certainly don't always lead us in the right direction.

Consider, for example, the war in Iraq. American and British leaders argued in 2003 that they needed to go to war against Iraqi leader Saddam Hussein because he was stockpiling weapons of mass destruction and was on the verge of using them. In fact, there were no weapons of mass destruction. An exhaustive inquiry by Sir John Chilcot in the United Kingdom produced a devastating report. He concluded that analysts who made the case for war had overstated the evidence “with a certainty that was not justified.” The nations failed to understand the

consequences of the invasion, especially for how to deal with Iraq after Saddam's departure. And, most pointedly, "the Government failed to achieve its stated objectives." Moreover, "policy on Iraq was made on the basis of flawed intelligence and assessments. They were not challenged, and they should have been." As a result, the alliance found itself in a position that, Sir John said, was "humiliating."⁹

What accounts for such problems, here and in countless other cases? There are three cascading challenges:

1. *We don't know everything—and we never can.* The human limits on looking, understanding, processing, and deciding mean that we can never know everything that matters, even about important things in which we focus our efforts. Some of that flows from fundamental human bounds in processing information. Some of it comes from the fact that not everyone involved in a big policy decision shares all that they know. Saddam was notorious for puffing about his capabilities and for enshrouding his decisions in fog. It was hard for British and American intelligence analysts to know what was true and what wasn't. Toward the end, Saddam told everyone he did not have stockpiles of weapons of mass destruction, but British and American intelligence analysts simply didn't believe him. They were wrong—not because they wanted to be but because they failed to look hard enough, to apply enough checks to their own judgments, and to recognize that this might actually be a rare case when Saddam was telling the truth.
2. *Some of what we know is wrong.* Some of the intelligence leading analysts to conclude that Iraq held weapons of mass destruction came from a source that described a device containing spherical glass devices. The devices, in fact, bore a striking similarity to chemical weapons that actors Nicholas Cage and Sean Connery set out to destroy in the 1996 movie *The Rock* before a general played by Ed Harris could launch the weapons against San Francisco.¹⁰ The Chilcot report, however, noted that nerve gas isn't typically carried in glass spheres—they can easily break and hurt everyone, including the soldiers planning to use them. What the intelligence source reported seemed to track with the movie, and the movie seemed to add credibility to the source's reports, even though experts knew it couldn't be real.¹¹
3. *We don't need evidence to make decisions.* Analysts who produce serious policy analysis contend that the world would be better if policymakers listened to them more often (it would) and that policymakers should do so (but very often they do not). Charles E. Lindblom and David K. Cohen explain why. Policy analysts, they argue, "greatly overestimate the amount and distinctiveness of the information and analysis they offer for social problem solving." Even more important, they point out, society can—and often does—rely on "ordinary knowledge" to make decisions—information that flows from experience and common sense. For most problems, "people will

always depend heavily on ordinary knowledge.” It is always available, it always provides at least some answer to every question, and it is not always clear to policymakers what value sophisticated policy analysis adds.¹²

Policymakers, of course, are invariably convinced that they know best what will best help their constituents. After all, they won their jobs by putting their case to the people and winning elections. It’s little surprise that this convinces them that they have a good sense of the pulse of the voters—better, certainly, than analysts who have never had to run for office. Nothing better reinforces their sense of the power of ordinary knowledge than standing in front of thousands of cheering fans and then winning more votes than anyone running against them. That makes it easy for them to become convinced that they have all the insight they need to govern well.

The Law of Supply and Demand

These challenges lead to a central fact: no matter how much evidence analysts slide before government’s policymakers and managers, policymakers won’t use it unless it is useful to them. It is one thing to make the case for a larger, more powerful supply of evidence, as Nussle and Orszag have done. But it’s quite another to create a larger *demand* by policymakers for evidence. Unless government’s policy people want it and use it, producing more of it will not affect policy one bit. Policy people will only seek evidence that helps them solve problems they need or want to solve.

There’s an understandable dilemma at the core of much analysis about government. Analysts look at government’s performance and know it can be better—and they’re right. They believe that knowing better can make it better—and they’re right. They believe that they can study problems better, learn more, provide evidence, and move policy in a stronger direction—but too often they’re frustrated. Analysts’ answers aren’t always the ones that top policy officials find easy to accept. In fact, the answers aren’t always to questions that these officials want answered. Sometimes there’s a mismatch between the analysts’ work and policymakers’ questions because analysts, driven by the techniques they’ve worked so hard to hone, go where the data are. Sometimes they focus on the issues that they think are most important and would benefit most from their work. Sometimes they don’t have enough contact with policymakers to know what problems most need analysis. Sometimes they don’t provide answers in a form that policymakers find digestible. For a variety of reasons, analysts who focus on supplying analysis often end up discouraged by the gap between the things they say and the actions that policy officials take. That’s the supply-side problem.

Then there’s the demand-side problem. Policy officials sometimes have little patience for the rigor and arcane methods of policy analysis. Sophisticated statistical techniques, like multiple regression and analysis of variance, often speak in a language that policymakers can’t translate. Policy officials complain that the

focus on uncertainty and significance tests clouds the meaning of the data—and confounds their need to make black-or-white, up-or-down decisions. They point to the fact that much of the data and analysis is backward-looking, based on what analysts could study about programs in the past and based on data already at hand, while they need to make decisions about the future. While they might not say it, they often trust their own instincts more than the studies that analysts present. In a nutshell, they sometimes think that analyses don't answer the problems they face in ways that help them solve them.

That produces a gap between the supply side and demand side of analysis. Suppliers of evidence often don't give policy officials what they need, when they need it, in a form they can use, on the problems where they need the most help. Users, on the demand side, often don't find the evidence useful. We unfortunately often end up, as a result, spending a lot of time producing evidence that policy officials don't use; policy officials spend a lot of their time making mistakes that better evidence could help them avoid. We can do better if we know better. We can know better about what works. But, too often, there's a gap between the knowing and the doing. And that isn't good for anyone.

Making Evidence Speak

Making policy better—escaping the kind of idiocy that Dunning described—requires closing the supply-demand gap in public policy evidence. We need to find a balance between the evidence that analysts supply (or want to) and the evidence that policymakers demand (or can be convinced to). That leads to the five principles:

Principle 1: *Evidence is of no use to anyone unless its consumers want it and use it.* That requires producing the supply of the evidence that decision makers want and need. It also requires creating demand from decision makers for evidence that will prove useful. This is the challenge of balancing supply and demand.

Principle 2: *It's important to get the story, and get it right.* Evidence comes in a wide variety of forms, from the “gold standard” of policy analysis, randomized controlled trials, to impressions picked up off the streets. Good evidence is valid, reliable, and timely. This is the challenge of data analytics.

Principle 3: *It's important to tell the story in ways that capture what the evidence says (and thus fits what analysts who supply it know) and in language that will be clear (and thus fits what policymakers who demand it need to know).* This is the challenge of data visualization.

Principle 4: *It's important to sell the story in ways that make the evidence convincing.* Analysts sometimes assume that, after they've worked through the vast complexities of the problems they're studying, their results will speak for

themselves. They never do, both because there's always uncertainty around the findings and because many other voices are competing for the decision makers' ears. This is the challenge of policy persuasion.

Principle 5: *It's important that the evidence speak above the noise.* We are increasingly living in a world in which there is boundless information, always swirling in a news cycle that never ends. Knowing better requires putting careful analysis, some of which takes years to develop, into a turbulent environment where, in minutes, social media can transform everything, including what analysts sometimes have struggled for years to study and learn. To do better, we need to know better, and knowing better requires solving this last challenge: immediate transparency.

These are the challenges in the world of public policy that we face in *knowing*. We'll explore strategies for solving these challenges in the coming chapters, beginning with challenge two: working through the many streams of policy-relevant data.

Notes

1. Pew Research Center, "Beyond How Americans View Their Government" (November 23, 2015), <http://www.people-press.org/2015/11/23/1-trust-in-government-1958-2015>. Small portions of the argument in this chapter originally appeared in two pieces I've written: "Making Data Speak: Lessons for Using Numbers for Solving Public Policy Puzzles," *Governance* 29 (2016), 573–579; and *Escaping Jurassic Government: How to Recover America's Lost Commitment to Competence* (Washington, D.C.: Brookings Institution, 2016).
2. "William Feather," Wikiquote, https://en.wikiquote.org/wiki/William_Feather.
3. David Dunning, "We Are All Confident Idiots," *Pacific Standard* (October 27, 2014), <https://psmag.com/we-are-all-confident-idiots-56a60eb7febc#.4hnljdnh>; see also David Dunning and Justin Kruger, "Unskilled and Unaware of It: How Difficulties in Recognizing One's Own Incompetence Lead to Inflated Self-Assessments," *Journal of Personality and Social Psychology* 77 (1999), 1121–1134.
4. Ibid.
5. "A Learned Blockhead Is a Greater Blockhead than an Ignorant One," Founders' Quotes, <http://foundersquotes.com/founding-fathers-quote/a-learned-blockhead-is-a-greater-blockhead-than-an-ignorant-one>.

6. "Benjamin Franklin Quotes," Brainy Quote, <http://www.brainyquote.com/quotes/quotes/b/benjaminfr163094.html>.
7. Jim Nussle and Peter Orszag, "Let's Play Moneyball," in *Moneyball for Government*, ed. Jim Nussle and Peter Orszag (Washington, D.C.: Disruption Books, 2014), 4.
8. Ron Haskins and Greg Margolis, *Show Me the Evidence: Obama's Fight for Rigor and Results in Social Policy* (Washington, D.C.: Brookings Institution, 2015).
9. "Statement by Sir John Chilcot: 6 July 2016," in *The Iraq Inquiry*, pp. 2, 6, 11, <http://www.iraqinquiry.org.uk/media/247010/2016-09-06-sir-john-chilcots-public-statement.pdf>.
10. Kim Sengupta, "Chilcot Report: MI6 May Have Got Crucial Intelligence on Iraq WMDs from a Nicolas Cage Film," *Independent* (July 7, 2016), <http://www.independent.co.uk/news/uk/politics/chilcot-report-iraq-war-inquiry-wmds-mi6-evidence-tony-blair-richard-dearlove-a7124426.html>.
11. *The Iraq Inquiry*, Section 4.3, p. 313, http://www.iraqinquiry.org.uk/media/246496/the-report-of-the-iraq-inquiry_section-43.pdf#search=movie.
12. Charles E. Lindblom and David K. Cohen, *Usable Knowledge: Social Science and Social Problem Solving* (New Haven: Yale University Press, 1979), 12.