

Press Release

Berlin, July 6, 2017

ESMT Berlin: G20 governments should rely on evidence to tackle global issues

The G20 should engage in evidence-based decision process, according to a policy brief released by [Jörg Rocholl](#), President, and [Rajshri Jayaraman](#), Associate Professor of Economics, both of ESMT Berlin. In preparation of the G20 meeting in Hamburg on July 7-8, the two ESMT professors provided a basic understanding how research-based evidence can be integrated into policy design. In their "[Research-based policy advice to the G20](#)," the researchers argue that incorporating monitoring and evaluation into the decision making process is key to designing high-potential solutions for complex global issues such as climate change, migration, and financial regulation.

"Collecting data and analyzing the *causal* outcome of government policies is one of the most important contributions that universities and think tanks can provide in the policy-making process," said Jörg Rocholl. "An enriched dialogue between researchers, policy designers, and implementers would ensure that implemented policies are actually valuable and enable governments to improve policy outcome."

In their policy brief, Jörg Rocholl and Rajshri Jayaraman underline that evidence-based policy design involves five important steps:

- 1) Identify urgent policy problems.
- 2) Determine the potential source, or sources, of the problem.
- 3) Design feasible policy interventions, which have a good chance of solving the problem, ideally by addressing one or more of its underlying causes.
- 4) Implement, monitor, and evaluate the intervention.
- 5) Modify and recalibrate the solutions, based on learnings from the monitoring and evaluation.

The "Research-based policy advice to the G20" further outlines advantages such as objectivity since research-based evidence is grounded in reality, subject to rigorous assessment, and verifiable rather than based on beliefs or ideologies. Moreover, evidence is brought to bear on every stage of the policy process: from problem identification, to design and implementation, and to evaluation. Finally, evidence-based policy design is a collaborative effort, between a wide range of actors including politicians, implementing organizations (NGOs or private sector companies), and researchers, both within and between G20 countries.

An example of evidence-based policy design in action can be found in Finland's on-going experiment on universal basic income, tackling the issue of unemployment. At the beginning of 2017, the Finnish government decided to implement a universal basic income policy, under which unemployed Finns were given 460 EUR every month, whether or not they looked for work. Monitoring program participants and evaluating their unemployment compared to non-recipients, among others, will allow the Finnish government in 2019 to assess the impact of policy design. The experiment could set an example for other G20 countries to follow.

For further information about the ESMT policy brief "Research-based policy advice to the G20," please visit http://www.g20-insights.org/policy_briefs/research-based-policy-advice-g20/

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