

## **Good Intention, Bad Intention, and Algorithm: Rethinking the Value of Nudge in the Era of Artificial Intelligence**

### **Abstract**

“Nudge” is introduced by Nobel Prize winner Professor Richard H. Thaler and Professor Cass R. Sunstein in 2008. This methodological concept of Behavioral Economics receives a huge success and enormous impacts on academics, especially in the fields of Public Policy. The basic rationale behind the concept is Paternalism. Under their assumption, the authority can help people make a better choice by design the structure of choices in advance; and more importantly, people will believe the final decision is made by their own will without noticing they have been influenced by the choice architecture. Thus, this methodological concept is not without controversy: whether use this kind of pre-designed choice architecture to make people move toward a certain direction is ethical, even with good intention?

Over a decade later, this kind of pre-design character unexpectedly manifests in the era of Artificial Intelligence, i.e. everything we see and we know through the Internet is pre-selected by the algorithm. Due to this AI pre-determined world is too subtle for the human to perceive, thus the power of it is even more profound, and Professor Karen Yang describes this AI’s functional effects on human decision-making as hypernudge. But surprisingly, this AI’s hypernudge world somehow provides us a fresh but solid ground in response to the controversy that the nudge’s theory remains.

In this paper, I would like to reconsider the value of nudge from the perspectives of AI era. In order to do so, I will divide my paper into five parts. Firstly, I will introduce the methodological concept of nudge, and its related concepts of sludge and hypernudge as well. Then, I’ll take a deep dive into the controversial issue that the theory of nudge brings up. Thirdly, I will move on to discuss the applications and consequences of actual hypernudge cases in the era of AI. Fourthly, I’ll go back to the controversial issue and reevaluate the value of nudge by the findings of the previous section. Finally, I’ll summarize my arguments and conclude this paper.