Seminar: Poor Economics
Georg-August University Göttingen
Department of Economics
Sommersemester 2016

TEACHING TEAM
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DETAILS
In this seminar we will deal with the book „Poor Economics – A Radical Rethinking of the Way to Fight Global Poverty“ by Abhijit V. Banerjee and Esther Duflo, which has been a highly influential and important book for people interested in development economics.

"Why would a man in Morocco who doesn’t have enough to eat buy a television?
Why is it so hard for children in poor areas to learn even when they attend school?
Why do the poorest people in the Indian state of Maharashtra spend 7 percent of their food budget on sugar?
Does having lots of children actually make you poorer?

Billions of government dollars, and thousands of charitable organizations and NGOs, are dedicated to helping the world’s poor. But much of the work they do is based on assumptions that are untested generalizations at best, flat out harmful misperceptions at worst. For more than fifteen years Abhijit V. Banerjee and Esther Duflo have worked with the poor in dozens of countries spanning five continents, trying to understand the specific problems that come with poverty and to find proven solutions. Through a careful analysis of a very rich body of evidence, including the hundreds of randomized control trials that Banerjee and Duflo have pioneered, they show why the poor, despite having the same desires and abilities as anyone else, end up with entirely different lives. ‘Poor Economics’ argues that so much of anti-poverty policy has failed over the years because of an inadequate understanding of poverty.” (www.pooreconomics.com)

SEMINAR TOPICS
Following, you find the list of seminar topics that will be distributed among participating students during the first meeting on 20.04.2016. Each topic falls into the content of one of the book’s chapters whereas we expect all students to read the entire book before the presentation session.
All papers focus on randomized controlled trials (RCTs), which is a specific study design to investigate the causal effect of different treatments on various outcomes of interest. RCTs are often seen as the ‘gold-standard’ in empirical investigations and nowadays are an important tool in development economics research. We will explain the ideas and functioning of RCTs in more detail in an introductory meeting.

Chapter 1: Think Again, Again

Chapter 2: Nutrition - A Billion Hungry People?

Background Literature:

1. Nutrition and Food Subsidies


2. School Feeding Programs


Chapter 3: Health - Low-Hanging Fruit for Better (Global) Health?

Background Literature:

3. Cost sharing


4. Incentives


5. Sustainability


Chapter 4: Education - Top of the Class

Background Literature:


6. Teacher Incentives


7. Additional School Inputs


8. Conditional Cash Programs


Chapter 5: Fertility and Family Planning - Pak Sudarno’s Big Family

**Background Literature:**


9. Fertility Decision


10. HIV and Teenage Pregnancy


Chapter 6: Risk and Insurance - Barefoot Hedge-Fund Managers

**Background Literature:**


11. Insurance and (Risky) Investment


12. Insurance Take-up


Chapter 7, 8 & 9: Microfinance, Entrepreneurship and Savings
Background Literature:


13. Miracle of Microfinance?


14. Microfinance: Training


15. Microfinance: Repayment


Chapter 10: Political Issues - Policies, Politics

Background Literature:


17. Corruption

18. Women and Policy


**GRADING**
1. Seminar Paper (2/3)
2. Presentation & Class Participation (1/3)

**SEMINAR PAPER**
The main part of the seminar paper should be dedicated to the description and discussion of the assigned papers. It is highly important to place the papers’ content into the broader framework of development economics. Here, the book “Poor Economics” as well as the background literature might help.

- In total the seminar paper should comprise 10 pages.
- It should be written in English.
- If you include tables or illustrations, please include those in the appendix.
- Use font style “Times New Roman”, font size 12, 1.5 spacing, margins each 2.5cm.
- Neither provide an abstract, nor a list of illustrations/tables/abbreviations and minimize the use of footnotes. It is also not necessary to provide a table of content.
- Provide a bibliography at the end of your paper. It is highly important to cite all ideas or information you obtained from others and do so in the course of the text and not in footnotes.
- Sent your paper to Jana and Marion by 22.06.2016. Please name the document as follows: “Second name_Title of paper”.
- We strongly encourage you to make an appointment to discuss your paper with your supervisor (Jana or Marion) at the beginning of May 2016.

**PRESENTATION**
- You have 20 minutes to present your seminar paper.
- Present by using slides in ppt or pdf format. Presentation and discussion will be in English.
- The discussion will be 15 minutes. If appropriate finish up your presentation with a question or a provocative statement to start the discussion.
- Sent your presentation to Jana and Marion by 04.07.2016. Please name the document as follows:
“Second name_Title of paper”.

CLASS PARTICIPATION
- We expect you to be present during all meetings of the seminar and to participate in class discussions. If you are unable to attend please do not register for this seminar.
- We expect you to read the book “Poor Economics” before the presentation session takes place.
- There are no stupid or improper questions, and you should not be afraid of a negative evaluation. Though, it is important for a fruitful discussion that you have read the book and have your own thoughts about it.

DATES
- Preliminary Meeting and Topic Assignment: 20.04.2016, 14:00 - 15:00 in VG 2.103.
- Please note that only those students who got a topic assigned in the preliminary meeting shall sign up for the seminar in FlexNow.
- Hand-in Seminar Paper: 22.06.2016 as pdf via email and 1x printed
- Hand-in Presentation Slides: 04.07.2016 via email pdf or ppt format
- Seminar: 05.07.2016, 9:00-18:00 & 06.07.2016, 9:00-18:00 in room tba