

# 14.73: The Challenge of World Poverty Syllabus

Esther Duflo and Frank Schilbach

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## 1 Administration

- **Lectures:**  
Monday and Wednesday 1:00 pm to 2:30 pm, E51-151
- **Instructors:**  
Esther Duflo ([eduflo@mit.edu](mailto:eduflo@mit.edu), E52-544)  
Office hours by appointment – please sign up [here](#).  
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- **Teaching assistants:**  
Aicha Ben Dhia ([abendhia@mit.edu](mailto:abendhia@mit.edu))  
OH: Tue. 3:30-4:30 pm, E52-432 (or by appointment)  
Ryan Hill ([ryanhill@mit.edu](mailto:ryanhill@mit.edu)) OH: Wed. 3-4 pm, E52-532 (or by appointment)  
Thanks for emailing us in advance if you want to meet during our office hours.
- **Recitations:**  
Section 1: Friday 1:00 pm, E25-117 (Ryan)  
Section 2: Friday 1:00 pm, E52-432 (Aicha)  
Section 3: Friday 2:00 pm, E25-117 (Ryan)
- **Writing advisor:**  
Michael Schandorf ([mschando@mit.edu](mailto:mschando@mit.edu)) OH: by appointment (E39-386), Section 1 and 3. Louise Harrison ([mschando@mit.edu](mailto:mschando@mit.edu)) OH: by appointment, Section 2.
- **Course website:**  
<https://stellar.mit.edu/S/course/14/fa16/14.73/>
- **14.73x website:**  
[https://lms.mitx.mit.edu/courses/MITx/14.73r\\_1/2016\\_Fall/](https://lms.mitx.mit.edu/courses/MITx/14.73r_1/2016_Fall/)

## 2 Course Description

- Do you want to be prepared to tackle global poverty?
- Do you want a hands-on class with real-world case studies every week?
- Do you want to get to know J-PAL, one of MIT's leading research labs?
- Do you want to satisfy your CI-H requirement?
- Do you want to master the art of effective oral and written presentations?

If so, 14.73 Challenges of World Poverty is exactly the right class for you. This is a course for those who are interested in the challenge posed by massive and persistent world poverty, and are hopeful that economists might have something useful to say about this challenge.

In the comfort of your dorm room or home, you will listen to video lectures taught by Abhijit Banerjee and Esther Duflo, based on their award-winning book [Poor Economics](#). In class, you will apply your minds, in small teams, to solve real-world cases, present them to your peers, and discuss their solutions. Even better, you will write and revise several essays and satisfy your CI-H requirement!

## 3 (No) Prerequisites

There are no prerequisites! This class should be an excellent introduction to economics: you will see immediately how it can help us solve some of the world's most important problems. Freshmen, students from other fields, and economists are welcome. However, attending class and completing the online viewing of lectures is a requirement.

## 4 Organization of this Course

This course has a somewhat unorthodox structure, but one that we think offers an exciting and novel approach to learning the course material. It is organized around a series of core topics in Development Economics: Introduction, The Role of Evidence, Food, Health, Education, Inside the Family, Risk and Insurance, Credit and Microfinance, Savings, Entrepreneurship, and Political Economy. These topics are covered one week at a time through a combination of reading material, online video lectures, online assignments, in-class student presentations/discussions, and essay writing instead of traditional in-class lectures.

## 4.1 Reading materials

The course closely follows the book Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty by Abhijit Banerjee and Esther Duflo (chapters of the book are posted on 14.73x).

As we proceed through each topic, it will be assumed that you have read the corresponding chapter of *Poor Economics* beforehand. Everything else will be much easier for you if you have. In addition, some topics will include supplemental reading posted on the course website, also to be completed beforehand.

## 4.2 Online video lectures

At 8 am on Monday the week before we cover the relevant topic in class, we will release two video lectures relevant to the topic on the online site for the class. Each video lecture is sub-divided into short segments (8-10 minutes on average), and you will be invited to complete quick ‘finger exercises’ after each segment. These exercises are designed to probe basic comprehension of the video content and you are strongly encouraged to complete them. You’ll learn from it, you’ll be able to check your understanding and move on with confidence, and we will learn which concepts are harder than others, but the answers you give will not contribute to your grade in 14.73.

## 4.3 Online assignments and short quizzes

In addition to the finger exercises, there are also ‘homework exercises’ on 14.73x. There is one set of homework exercises per topic from ‘Food’ onwards making nine in total. These are mandatory for 14.73 and will contribute to your final grade, as described below. All the homework exercises are weighted equally for the course—do not pay any attention to the number of points indicated on the 14.73x site.

The purpose of these homework exercises is to check that you have achieved sufficient understanding of the material in *Poor Economics* and the online video lectures; both will be necessary for success on the homework exercises. Online assignments are due on Sundays at 8 pm before the week of the presentations on the same topic. Late assignments will not be accepted or graded.

Additionally, at the beginning of a randomly selected subset of (case-study) classes, you will be asked to complete a short quiz with questions similar to the ones in your homework exercises. These quizzes are meant to encourage you to keep up with the materials of the course throughout the semester, and they will count toward your overall grade in the course. If you have carefully read the relevant book chapters and watched the lectures before class, the quizzes will be easy for you.

## 4.4 In-class student presentations

Only the first class (Introduction) and the last class (Summary) are ‘traditional’ lecture classes. We will also show a couple of movies, and have one guest lecture on writing policy briefs. The remaining class meetings will be presentation classes.

Presentation classes will be organized around a presentation by student teams of three to four students each. Teams of students will be formed at the beginning of the semester and will remain the same throughout the semester—though some adjustment based on drop-outs may have to be made as we go.

To make the class much more participatory, starting the week of September 12 (‘What is a Poverty Trap?’), the class will be randomly divided in two groups, meeting either Monday or Wednesday. Group A will attend class on Monday and Group B on Wednesday. Students are required to attend the class date corresponding to their group.

If you cannot attend class and recitation regularly and arrive on time every time, you should not take this class. Participation requires attendance and timeliness, as short quizzes will be administered in the first few minutes of class, and group work will start promptly at 1:05 or after the quiz.

Both groups A and B will meet as an entire class on October 12, November 14 and December 12 and 14 (as indicated in the schedule below).

In-class student presentations will work as follows.

- (1) Each presentation will center on a particular ‘case study’ that relates to the topic of study for the week. Prior to this presentation class, we will distribute (on the course website on Thursday morning, and in recitation on Fridays) a set of background readings related to the case study. It is essential that you read these materials before class. In the recitation prior to the class, the TA will generally help you with some background and tools that will help you to navigate the case.
- (2) At the start of each class, the professor will introduce the topic and then hand out a series of questions related to the case study.
- (3) Each presentation team will then have about 45 minutes to prepare a 5 to 7 minute presentation (with slides) on the case study questions.
- (4) Since you won’t know the case study questions beforehand, you will need to arrive to class promptly and be willing to work interactively and intensively with your team members to complete your presentation during the class time.
- (5) Both the professor and the teaching assistants will be available to answer questions during this time. In Section 6.1 below we describe the characteristics of a successful presentation.

- (6) At the end of the 45 minutes, all teams will email their presentations to the TA. Then one of the teams will be chosen randomly to present. While only one team will be actually delivering their presentation, all teams' presentation slides will be graded after the class.
- (7) After the presentation, there will be a group discussion, moderated by the professor. You should also learn the art of constructive criticism from these exchanges.
- (8) Finally, the class will conclude with a short summary and overview from the professor.

## 4.5 Written assignments

Throughout the term, you will be asked to write three essays (1,000 words each) and a policy brief (2,000 words). You will be supported by the professors, the TA, and an MIT specialist writing advisor!

### 4.5.1 Essays

Essays will be write-ups related to the cases discussed in class. For example, if in the case we are asking you to advise a government on a topic, the essay will be to write a memo on this topic. There will be some variety on the style of essays.

You will have flexibility in choosing the cases that you wish to summarize:

- **Essay 1 (due Oct 2, 8 pm):** must be based on either case 1, 2, or 3.
- **Essay 2 (due Oct 30, 8 pm):** must be based on either case 4, 5, or 6.
- **Essay 3 (due Dec 4, 8 pm):** You can freely choose which case to base the remaining essay on, i.e. either on one of the cases 7 through 10 **or** on one of the cases 1 through 6 (among the ones that you haven't written an essay about yet).

You will have the opportunity to receive feedback on your essay drafts from the writing instructor. In order to take advantage of his help, please submit on Stellar a draft of your essay before the deadline that corresponds with the case that you choose to write about (please refer to the schedule at the end of the syllabus).

Because of the timing of the final due date of the essays, you will only be able to receive feedback if you write about case 1 or 2 for the first essay and case 4 or 5 for the second essay. Since the best writing is only achieved with many rounds of revision, you may boost your essay grade if you submit a draft and subsequently revise it, and it will improve your writing as well!

### 4.5.2 Policy Brief

In addition to the essays, you will be asked to write a **policy brief** along the lines of actual policy briefs published by JPAL (which you can find [HERE](#)). To adequately prepare you for this task, Iqbal Dhaliwal, Deputy Director of J-PAL and Global Head of Policy, will give a guest lecture on how to write policy briefs (on November 14).

Once the first version of your policy brief is graded, you will revise and resubmit it for a regrade using detailed feedback on the first version of your essay. Both grades will count towards your final grade (as described below).

## 4.6 Recitation

Recitations are an essential part of this class – this is a CI-H class so you will have recitation in small groups. To be able to take this class, you must be available during one of the recitation time slots and attend recitation regularly. Recitation will cover:

- Tips from writing advisor and graduate students on presentation and writing
- Re-cap of the conceptual materials covered in the previous week during online lectures and the case study, and
- Background on the case to be covered in the following week

## 5 Schedule

We will proceed as described in the detailed schedule below. You should complete the mandatory 14.73x lectures and *Poor Economics* chapters prior to the case-study class.

- September 7 (all students): **What is this Class About?**
  - Small class teams and groups A and B assigned.
  - No assignments due this week.
- Week of September 12: **Case 1: What is a Poverty Trap?**
  - Read Poor Economics: Chapter 1 and pages 19–22 of Chapter 2 before your case-study class.
  - Group A meets on September 12. Group B meets on September 14. Remember that late submissions will NOT be accepted (for any of the assignments).
- Week of September 19: **Case 2: The Role of Evidence**
  - Watch Esther Duflo’s TED Talk “[Social Experiments to Fight Poverty](#)” before class.

- First online assignment (on Chapter ‘Food’) due on September 25 at 8 pm.
- Submit draft of first essay for review with writing instructor. Case 1, Sept. 21 and Case 2, Sept. 28 by 8 pm.
- Week of September 26: **Case 3: Food**
  - Read Poor Economics: Chapter 2 before your case-study class.
  - Second online assignment (on Chapter ‘Health’) due on October 2 at 8 pm.
  - First essay (based on either case 1, 2, or 3) due on October 2 at 8 pm.
- Week of October 3: **Case 4: Health**
  - Read Poor Economics: Chapter 3 before your case-study class.
  - No assignments due this week.
- Week of October 10: **More on Health**
  - No class on October 10 (Columbus Day).
  - **Both Groups A and B** meet on October 12 for a movie class.
  - Third online assignment (on Chapter ‘Education’) due on October 16 at 8 pm.
- Week of October 17: **Case 5: Education**
  - Read Poor Economics: Chapter 4 before your case-study class.
  - Fourth online assignment (on Chapter ‘Family’) due on October 23 at 8 pm.
  - Submit draft of second essay for review with writing instructor. Case 4, Oct. 19 and Case 5, Oct. 26 by 8 pm.
- Week of October 24: **Case 6: Inside the Family**
  - Read Poor Economics: Chapter 5 before your case-study class.
  - Fifth online assignment (on Chapter ‘Risk and Insurance’) due on October 30 at 8 pm.
  - Second essay (based on either case 4, 5, or 6) due on October 30 at 8 pm.
- Week of October 31: **Case 7: Risk and Insurance**
  - Read Poor Economics: Chapter 6 before your case-study class.
  - Sixth online assignment (on Chapter ‘Credit’) due on November 6 at 8 pm.
- Week of November 7: **Case 8: Credit and Microfinance**

- Read Poor Economics: Chapter 7 before your case-study class.
- Policy brief assigned on November 7.
- Seventh online assignment (on Chapter ‘Savings’) due on November 13 at 8 pm.
- Weeks of November 14 and 21: **Case 9: Savings and Policy Brief**
  - **Both Groups A and B** meet on November 14 for a guest lecture on “How to write a policy brief?”
  - Group A meets on November 16. Group B meets on November 21.
  - Read Poor Economics: Chapter 8 before your case-study class.
  - No class on November 23 (Thanksgiving)
  - First draft of Policy Brief due on November 23 at 8 pm.
  - Eighth online assignment (on Chapter ‘Entrepreneurship’) due on November 27 at 8 pm.
- Week of November 28: **Case 10: Entrepreneurship**
  - Read Poor Economics: Chapter 9 before your case-study class.
  - Third essay (on any of the cases that you have not chosen before) due on December 4 at 8 pm.
  - Ninth online assignment (on Chapter ‘Institutions’) due on December 4 at 8 pm.
- Week of December 5: **Case 11: Political Economy**
  - Read Poor Economics: Chapter 10 before your case-study class.
  - Final version of Policy Brief due on December 7 at 8 pm.
- Week of December 12: **Summary**
  - **Both Groups A and B** meet for movie class on December 12
  - **Both Groups A and B** meet for wrap-up lecture on December 14
  - No assignments due this week.
- Finals Week: **Final exam**
  - Exam will be held on Thursday, December 22 from 9:00 am to 12:00 noon in E51-151 (our regular classroom)



## 6 Grading

The final grade will be scored out of 130 points based on the following six components:

### 6.1 In-class student presentations (27 points)

All presentation slide decks (not just those randomly selected to be delivered orally) will be graded. Therefore, slides should include all relevant information from the presentation. All members of a group will receive the same grade except those who were absent from class on the given day, who will receive a zero score on that presentation.

Only the best 9 out of 11 presentation grades will count towards your final score—among other motives, we hope that this will allow students to make allowances for unavoidable illnesses or other absences.

The key to success on these presentation grades is to (i) address the questions posed in the case study, (ii) defend your position with clear and relevant logic, and (iii) relate your ideas strongly to the required reading and online lecture videos.

### 6.2 Written assignments (36 points)

Throughout the term you will write three essays (1,000 words each) and one policy brief (2,000 words). You will receive feedback on the policy brief and you will submit a revised version. Each of the three essays will be worth 6 points, and the policy brief will be worth 18 points (6 for the first submission, 12 for the revised version).

Successful essays will have the same attributes of successful presentations: (i) answers relevant to the question asked, (ii) clear exposition and logic, and (iii) connection with material covered in the course.

### 6.3 Online assignments (18 points)

The online homework exercises will be due at 8 pm on the Sunday before a topic is covered, as indicated in the schedule above. For example, the ‘Food’ topic is covered in class presentations starting starting on Monday, September 26th, so the ‘Food’ homework exercise is due on Sunday, September 25th, at 8 pm.

The deadlines indicated on the schedule above are hard deadlines. That is, late submissions will neither be accepted nor graded and each topic’s exercise will be taken down from 14.73x at the time of the deadline.

There are 9 homework exercises, and only your best 7 of these will count toward your final grade. Unfinished questions will receive a grade of zero without exceptions. All

homework exercises carry the same weight; do not pay any attention to the number of points on the 14.73x site.

#### **6.4 Short quizzes (10 points)**

In addition to online assignments, short quizzes will help you keep up to date with the materials throughout the semester. Their number remains a surprise, but you will be allowed to miss (or not do well on) on one of them, i.e. your worst quiz performance will not count toward your final grade.

#### **6.5 End-term exam (21 points)**

The final exam—up to 3 hours in length, though we expect it to take less than that—will consist of one section on the material covered in the readings and online lectures and one section with a case study related to various topics covered throughout the term. While the exam will be in written form, the same attributes that contribute to high presentation and essay grades will be rewarded on this exam.

#### **6.6 In-class participation (18 points)**

The last component of your final grade in this course will comprise in-class participation, including attendance to your class group and recitation. We intend to reward students who deliver presentations well (so take turns equally within your group), those who deliver constructive and relevant comments as the first responder, and students who contribute helpfully and usefully to the overall discussion.

Irrelevant or unhelpful comments will not be rewarded and may even harm your participation grade. Incomplete attendance will hurt your participation score.

## **7 Other MIT Resources**

The Department of Economics values an inclusive environment. If you need a disability accommodation to access this course, please communicate with us early in the semester. If you have your accommodation letter, please meet with the faculty so that we can understand your needs and implement your approved accommodations. If you have not yet been approved for accommodations, please contact Student Disability Services at [uaap-sds@mit.edu](mailto:uaap-sds@mit.edu) to learn about their procedures. We encourage you to do so early in the term to allow sufficient time for implementation of services/accommodations that you may need.

The Writing and Communication Center (WCC) at MIT offers free one-on-one professional advice from communication experts (MIT lecturers who have advanced degrees and who are all published scholars and writers). The WCC works with undergraduate

and graduate students, with post-docs and faculty. The WCC helps you strategize about all types of academic and professional writing as well as about all aspects of oral presentations (including practicing classroom presentations & conference talks as well as designing slides). No matter what department or discipline you are in, we help you think your way more deeply into your topic, help you see new implications in your data, research, and ideas.

The WCC also helps with all English as Second Language issues, from writing and grammar to pronunciation and conversation practice. The WCC is located in Kendall Square on the corner of Main and Hayward Streets (E39-115, 55 Hayward Street, in the same building that houses Cosi and across the street from Au Bon Pain). To register with our online scheduler and to make appointments, go to <https://mit.mywconline.com/>. To access the WCC's many pages of advice about writing and oral presentations, go to <http://cmsw.mit.edu/writing-and-communication-center/>. The Center's core hours are Monday-Friday, 9:00 am to 6:00 pm; evening hours vary by semester. Check the online scheduler for up-to-date hours.