

14.73: The Challenge of World Poverty

Syllabus Fall 2017

Frank Schilbach and Nathaniel Lane

Mon/Wed 1:00 pm to 2:30 pm, E52-164

1 Administration

- **Instructors**

Frank Schilbach (fschilb@mit.edu, E52-560)

Office hours by appointment – please sign up [here](#).

Nathaniel Lane (nathaniel.lane@iies.su.se, E52-456)

Office hours by appointment – please email Nathan directly.

- **Teaching assistants**

Allan Hsiao (ajhsiao@mit.edu); OH: Fr 3:00 pm to 4:00 pm (E52-548)

Mateo Montenegro (mateo_m@mit.edu); OH: Wed 11:00 am to 12:00 pm (E52-516)

Nathan Zorzi (nzorzi@mit.edu); OH: Fr 2:30 pm to 3:30 pm (E52-532)

- **Recitations**

Section 1: Friday 1:00 pm, E51-085 (Nathan)

Section 2: Friday 1:00 pm, E51-372 (Mateo)

Section 3: Friday 2:00 pm, E51-376 (Allan)

- **Writing advisors**

Sections 1 and 3: Michael Schandorf (mschando@mit.edu)

OH by appointment (E18-228K)

Section 2: Rebecca Thorndike-Breeze (rtb@mit.edu)

OH: by appointment (E18-233K).

- **Course website** (written assignments, readings, etc.)

<https://learning-modules.mit.edu/class/index.html?uuid=/course/14/fa17/14.73#materials>

- **14.73x website** (for online lectures)

https://lms.mitx.mit.edu/courses/course-v1:MITx+14.73r_2+2017_Fall/info

- **Piazza website** (for Q&A and discussions)

<https://piazza.com/class/j6ws0f5w9y52vr>

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 course is designed for those who are interested in the challenges 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* before class. 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 and the last two classes are ‘traditional’ lecture classes. There will also be a movie class and have one guest lecture by JPAL 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, though we will reassign teams after half of the semester. Importantly, we will also change the meeting times of the groups, i.e. switch the meetings times of the Monday and Wednesday groups. Moreover, 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 11 (‘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 short quiz.

Both groups A and B will meet as an entire class on September 6, October 11, October 23, October 25, November 6, December 11, and December 13 (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 5.1 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. One goal of this class is for you to 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 8, 8 pm):** must be based on either case 1 or 2.
- **Essay 2 (due Oct 29, 8 pm):** must be based on either case 3, 4, or 5.
- **Essay 3 (due Dec 4, 8 pm):** You can freely choose the remaining case among the ones that you haven't written an essay about yet.

You will meet with your writing advisor to receive feedback on your essay drafts. Your assigned writing advisor will be in touch with you to schedule a meeting. Please submit a draft of your essay (via the MIT Learning Modules website) before the deadline that corresponds to the case that you choose to write about.

A first draft of your first essay is due on Sept 26 at 8 pm. This draft essay will not be graded. However, you are required to meet individually with your writing advisor to receive feedback. Based on this feedback, you will revise your draft and submit it by Oct 8 at 8 pm.

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.

A first draft of your policy brief is due on Nov 22 at 8 pm. This draft will be graded. You will then revise and resubmit it on December 6 at 8 pm for a final grade 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

4.7 Getting help outside of class.

If you have questions regarding the class material or problem sets, there are four ways to get help:

- (i) Use the online forum ([Piazza](#)). We will have threaded discussions (monitored by the TA and professor) for all class-related topics, which should allow you to get a timely, high-quality answer to most of your questions.
- (ii) Drop in during TA office hours.
- (iii) Go to the professors' office hours (see info above).
- (iv) Ask questions during recitation and in class.

Please avoid sending us your class-related questions by email (except for personal class-related matters). The discussion forum and office hours are more efficient ways for us to communicate with you, and your forum questions and responses will benefit many of your classmates.

4.8 Schedule of classes and readings

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 6 (all students): **Introduction – What is this Class About?**
 - Small class teams and groups A and B assigned.
- Week of September 11: **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 11.
 - Group B meets on September 13.
- Week of September 18: **Case 2: The Role of Evidence**
 - Watch Esther Dufló's TED Talk "[Social Experiments to Fight Poverty](#)" before class.
- Week of September 25: **Case 3: Food**
 - Read Poor Economics: Chapter 2 before your case-study class.
- Weeks of October 2: **Case 4: Health**
 - Read Poor Economics: Chapter 3 before your case-study class.

- Week of October 9: **More on Health**
 - No class on October 9 (Columbus Day).
 - **Both Groups A and B** meet on October 11 for a movie class.
- Week of October 16: **Case 5: Education**
 - Read Poor Economics: Chapter 4 before your case-study class.
- Week of October 23: **Lectures**
 - **Both Groups A and B** meet on October 23 and 25 for lectures on current research topics.
- Week of October 30: **Case 6: Risk and Insurance**
 - Read Poor Economics: Chapter 6 before your case-study class.
 - Team assignments will be changed before this week.
- Weeks of November 6, 13, and 20: **Cases 7 and 8: Credit, Savings, and Policy Brief**
 - **Both Groups A and B** meet on November 6 for a guest lecture on “How to write a policy brief?”
 - Group A meets on November 8. Group B meets on November 13.
 - Read Poor Economics: Chapter 7 before your case-study class.
 - Group A meets on November 15. Group B meets on November 20.
 - Read Poor Economics: Chapter 8 before your case-study class.
 - No class on November 22 (Thanksgiving)
- Week of November 27: **Case 9: Entrepreneurship**
 - Read Poor Economics: Chapter 9 before your case-study class.
- Week of December 4: **Case 10: Political Economy**
 - Read Poor Economics: Chapter 10 before your case-study class.
- Week of December 11: **Summary**
 - **Both Groups A and B** meet on December 11 and 13
 - No assignments due this week.
- Finals Week: **Final exam**
 - The date of the final exam will be determined by the MIT Registrar’s Office later in the semester.

4.9 Schedule of assignment

All assignments are due at 8:00 pm sharp. Remember that late submissions will NOT be accepted (for any of the assignments).

Due Date	Assignment
September 17	Online assignment on Chapter 'Poverty Traps'
September 24	Online assignment on Chapter 'Food'
September 26	Draft of first essay (based on either case 1 or 2)
October 1	Online assignment on Chapter 'Health'
October 8	Revised first essay (based on either case 1 or 2)
October 15	Online assignment on Chapter 'Education'
October 29	Online assignment on Chapter 'Risk and Insurance'
October 29	Second essay (based on either case 3, 4, or 5)
November 5	Online assignment on Chapter 'Credit'
November 6	Policy brief assigned
November 12	Online assignment on Chapter 'Savings'
November 22	First draft of Policy Brief
November 26	Online assignment on Chapter 'Entrepreneurship'
December 3	Online assignment on Chapter 'Institutions'
December 3	Third essay (based on any case not chosen before)
December 6	Final version of Policy Brief

5 Grading

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

5.1 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.

5.2 Written assignments (36 points)

Throughout the term you will write three essays (1,000 words each) and one policy brief (2,000 words). While you can discuss the content of these assignments with your classmates, you will need to work on them individually. 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.

5.3 Online assignments (16 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 25th, so the ‘Food’ homework exercise is due on Sunday, September 24th, 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 10 homework exercises, and only your best 8 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.

5.4 Short quizzes and attendance (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.

5.5 End-term exam (23 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. The final exam will take place during the final-exam period by the MIT registrar later in the semester.

5.6 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.

6 Check

Great, you are still reading! To confirm that you indeed read the syllabus, please email a picture of a sheep to Prof. Schilbach (fschilb@mit.edu) with the subject line “14.73 sheep confirmation”.

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 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. The WCC is staffed completely by MIT lecturers. All have advanced degrees. All are experienced college classroom teachers of communication. All are all published scholars and writers. Not counting the WCC director's years (he started the WCC in 1982), the WCC lecturers have a combined 133 years' worth of teaching here at MIT (ranging from 4 to 24 years).

The WCC works with undergraduate, graduate students, post-docs, faculty, staff, alums, and spouses. 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, the WCC helps you think your way more deeply into your topic, helps 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 E18-233, 50 Ames Street).

To access the WCC's many pages of advice about writing and oral presentations, go to <http://cmsw.mit.edu/writing-and-communication-center/>. Check the online scheduler for up-to-date hours and available appointments. To guarantee yourself a time, make an appointment. To register with our online scheduler and to make appointments, go to <https://mit.mywconline.com/>.