

Esther Duflo: Empowering the World by Development Economic Theories

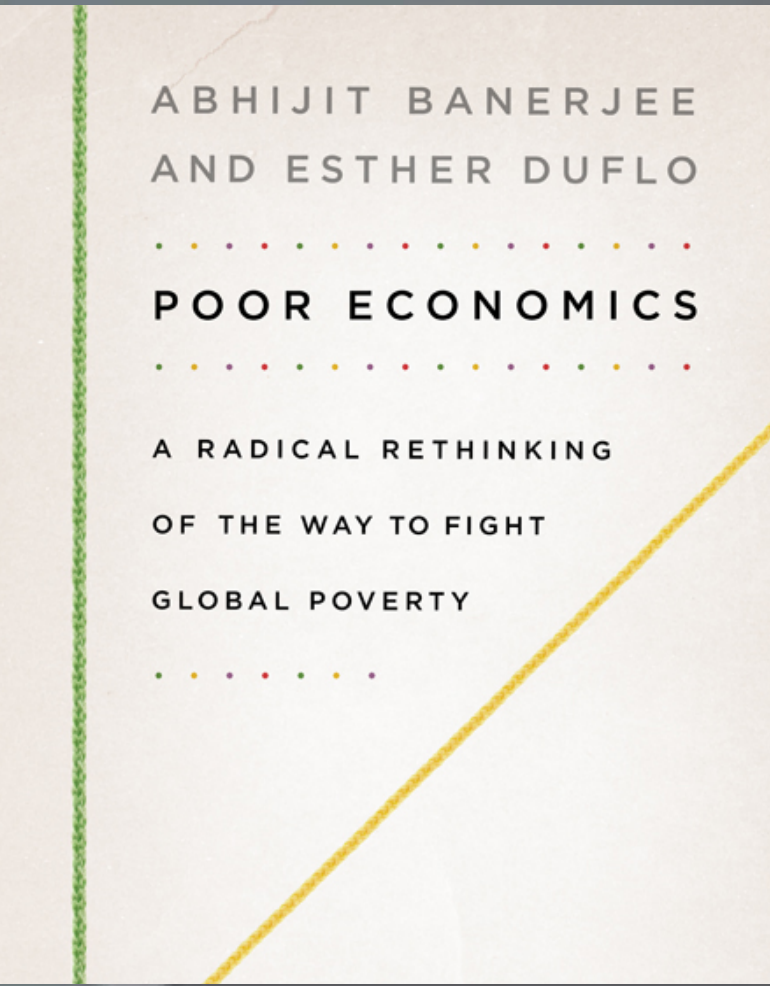
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LI DANHOU 1155077119
LI LINHUA 1155077080
LI QINGZHUO 1155077125



Esther Duflo, winner of the **2010 John Bates Clark Medal**, has focused on **development economics** and made distinguished contributions. She has inspired a research apparatus all over developing countries relying heavily on **large-scale field experiments**, to answer the question “What makes poor people tick, stuck and how economic policies can help them?”. Her answers are not only in fields like education, credit, food and health, but also more concepts like politics and women leadership. She was born in France, and received her Ph.D. in Economics at **MIT** in 1999 and stayed as the Abdul Latif Jameel Professor of Poverty Alleviation and Development Economics and a co-founder of the Abdul Latif Jameel Poverty Action Lab. This poster will introduce two specific research fields of her, **global poverty** and **policy evaluation**. At the bottom, several examples of her contributions and applications of her research to the real world are mentioned.

Global Poverty

The **poverty trap** is a prevailing model in development economics which illustrate the relationship between income today and income tomorrow. The poverty trap is seen as an **“S-shaped”** curve: the poor are stuck on the left side of the graph below the diagonal line, wherein future income is lower than present income, and it **continues to decrease over time**. This is one explanation for why social mobility is low.



Esther Duflo has conducted lots of research to study why the poor are trapped in poverty and tried to find corresponding solutions. The book **Poor economics : a radical rethinking of the way to fight global poverty**, which is written by Esther Duflo and her husband Abhijit V. Banerjee, collecting most of the crucial findings of their economic research. For example, the extremely poor’ spending on food change will increase **2/3 percent** if there is a 1 percent increase on their income.

In addition, they challenged the traditional viewpoint of hunger-based poverty trap, and argued that it is **the lack of nutrition** rather than **the lack of calories** that prevents the poor escaping from the poverty trap.



Besides, they found that the priority of **a minority of elites** in education should be responsible for the general bad academic achievements of the poor students. Therefore, they raised that improving the **efficiency of teaching** is a fundamental way that could help to solve poverty in developing countries.

Policy Evaluation

Esther Duflo has paid much attention to policy evaluation especially the women power policies. She has conducted lots of research to examine **the role of women** in political decision making.



For example, Esther Duflo studied the impact of women’s policy decisions on public good provision in **India** from the mid-1990s to the early-2000s, based on data collected on **265 Village Councils** in West Bengal and Rajasthan of India. She found that **the gender** of the Pradhan(council position) **affects the provision of public goods**. In Rajasthan, the councils reserving positions for women put significantly more investments in **drinking water**, which are the things women complain more often about; no more investments in **roads**, which are complaint by men.



In 2000, Duflo studied whether the impact of a cash transfer on child nutritional status is affected by the gender of its recipient. The results suggest that **pensions received by women had a large impact on the anthropometric status of girls**, improving their weight given height by **1.19** standard deviations, and their height given age by **1.16** standard deviations, while it had no discernible effect on boys.

Website



Audio Guide

English

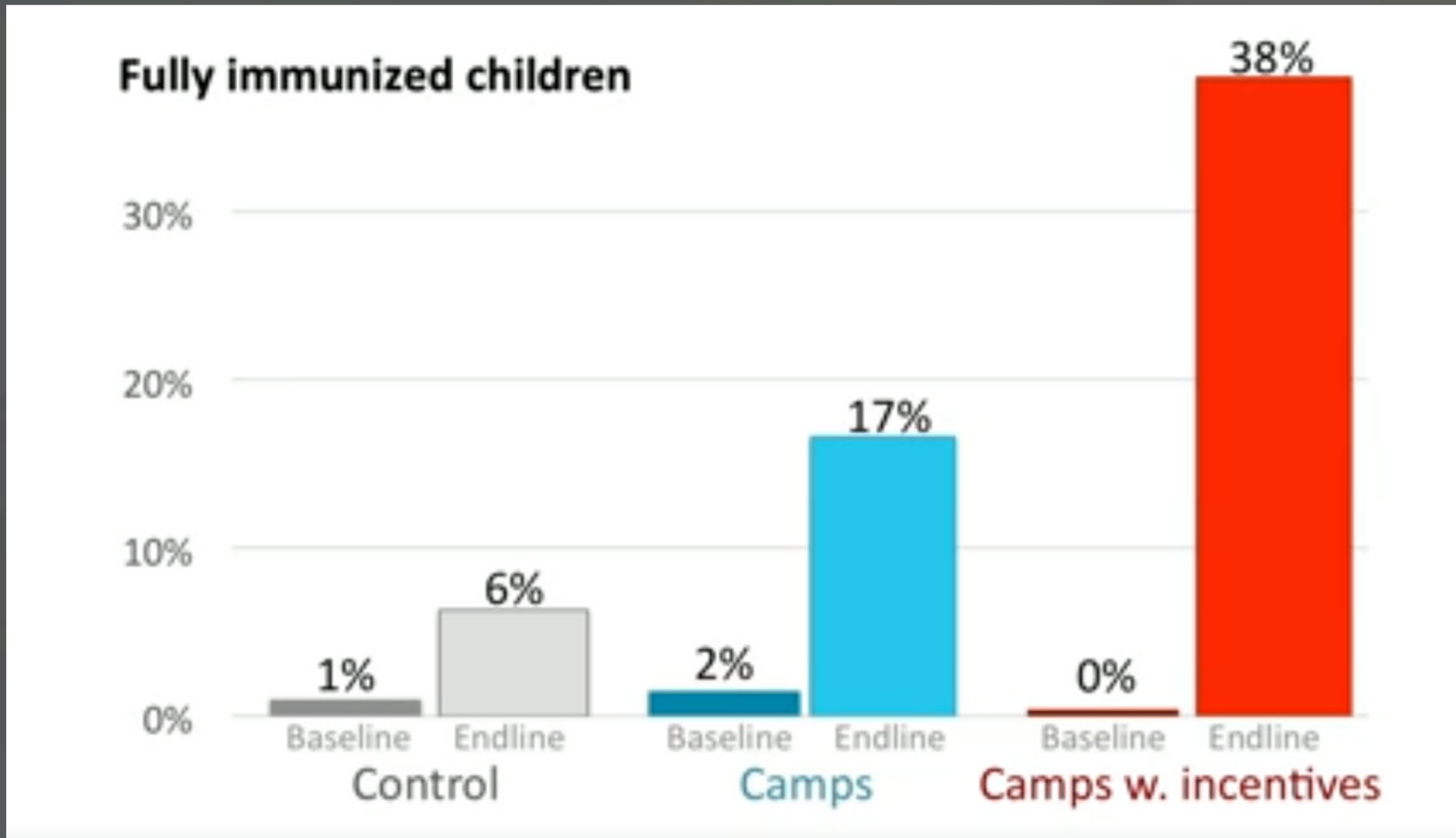


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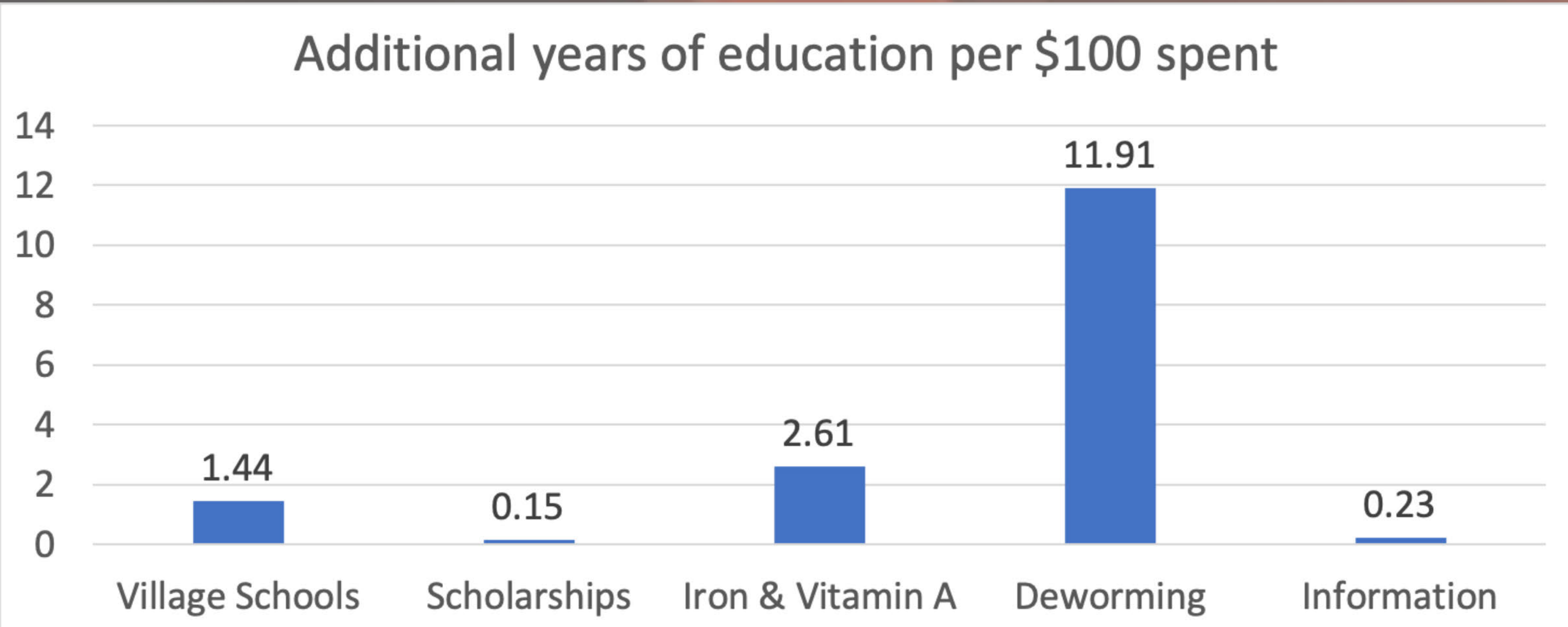


Contributions

Esther Duflo has made great contributions to considering and solving global poverty, providing us with insights and inspiration to rethink what is the origin of global poverty and how we could fight against it. The following is **two examples** showing how Esther Duflo's research contributes to **public policy making** and helps the poor to get out of poverty and to live in better life.



Esther Duflo found that giving parents a few **incentives (e.g. a kilo of lentils)** would substantially increase **the immunization rate** of their children **from 6% to 38%** in India, which gave us a direct solution on how to efficiently promote immunization and save children’s life in developing countries.



Esther Duflo found that **spending 100 dollars on deworming** will make a student be able to receive **additional 11.91 years of education**, which is much more efficient than hiring additional teachers or purchasing facilities by comparison.