Title: What Works - Flipcharts, (Micro)finance, Fertilizers, or Female Leaders? Changing Lives Through Better Public Policy

Date: 25 January 2010, Monday

Time: 9.30 am - 11.30 am

Speaker: Professor Abhijit Banerjee  
*Ford International Professor of Economics, Massachusetts Institute of Technology*

Venue: Auditorium, Level 1  
Civil Service College  
31 North Buona Vista Road, S(275983)

Synopsis:

Development policy often gets made on the basis of theoretical assertions – such as “education is an important enabler for growth”, or “schools in poor countries do not have enough resources” – combined with some plausible correlations (e.g. better equipped schools have better test scores). This then gets translated into a policy (say more resources for government schools) by a set of bureaucrats and experts. The unquestioned assumption here is that they know how to go from the general...

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arguments to an effective policy design.

Lessons from the Abdul Latiff Jameel Poverty Action Lab (J-PAL) at the Massachusetts Institute of Technology should make us doubt the validity of both steps in this process. Theory is certainly a very useful guide – especially in terms of helping us understanding the various possible causal channels of influence – but it tells us very little about which of the many potential effects of the intervention are empirically of significance and which are minor. Theory is also silent on the countless ways a theoretically sound policy might fail. The implementation of any policy requires making a large number of practical choices, and there is often no substitute for actual empirical knowledge of these. Given this, hard evidence on what actually works and how well, is a necessary condition for effective policy design.

In particular, policymakers will need to know the “counterfactual” – what the situation would have been without the introduction of the new policy. And in establishing the counterfactual, they will need to know how to “hold constant” the various factors that might skew the evaluation of the new policy. They will have to be mindful of selection biases – for example, individuals who participate in the policy experiment might be more motivated or might be more likely to benefit from it – and know how to correct for these selection biases through randomisation trials.

In this lecture, Professor Abhijit Banerjee – founder of J-PAL and one of the pioneers of the randomised trial methodology – will share his insights on how the application of experimental and quasi-experimental methods to development issues has been revolutionising the way we think about policy design and policy evaluation. Prof Banerjee will share his experiences in using evidence from randomised evaluations to assess the effectiveness of microfinance and education policies in India. He will also highlight general lessons and principles from these cases and discuss implications for the Singapore context.

About the speaker

Abhijit Vinayak Banerjee was educated at the University of Calcutta, Jawaharlal Nehru University and Harvard University, where he received his Ph.D in 1988. He is currently the Ford Foundation International Professor of Economics at the Massachusetts Institute of Technology. In 2003 he founded the Abdul Latif Jameel Poverty Action Lab, along with Esther Duflo and Sendhil Mullainathan and remains one of the directors of the lab. He is a past president of the Bureau for the Research in the Economic Analysis of Development, a Research Associate of the NBER, a CEPR research fellow, International Research Fellow of the Kiel Institute, a Fellow of the American Academy of Arts and Sciences and the Econometric Society and has been a Guggenheim Fellow and an Alfred P. Sloan Fellow. His areas of research are development economics and economic theory. He has authored two books as well as a large number of articles and is the editor of a third book. He finished his first documentary film, "The name of the disease" in 2006.

Seating is on a first-come-first-served basis and admission is free. Registration closes on 15 Jan, 2010 at 3 pm.
For enquiries and registration, please contact:

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Ms Olivia Tan
Tel: (65) 6516 3968
Fax: (65) 6775 2646
Email: ecstmc@nus.edu.sg

Singapore Centre for Applied and Policy Economics (SCAPE)
Department of Economics
Faculty of Arts and Social Sciences
National University of Singapore
1 Arts Link, Singapore 117570

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