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THE WALL STREET JOURNAL.

U.S. EDITION

U.S. News: Nobel Recognizes Work on Poverty --- Three economists pioneered a new approach to problems of the very poor

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661 words

15 October 2019

[The Wall Street Journal](#)

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English

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Three economists whose work on poverty alleviation has taken them out of universities and into remote villages, fields and schools around the world were awarded the Nobel Prize in economics Monday.

Abhijit Banerjee, Esther Duflo, and Michael Kremer were recognized for their experimental work testing ways to improve education or health in the developing world or to address some of the other problems affecting the very poor.

By using so-called "randomized control trials" that target a specific intervention -- free mosquito nets or textbooks, for example -- to a randomly selected group, the researchers compared how the recipients' lives change versus those who don't receive the intervention. Using this method, which is common in other scientific fields but harder to implement in economics, enabled the three economists to measure the longer-term effects of targeted policies.

Prof. Kremer teaches at [Harvard University](#). Profs. Banerjee and Duflo, who are married to each other, teach at the [Massachusetts Institute of Technology](#).

The Nobel committee said their work has led to improvements in the lives of many poor people, noting that as a direct result of one study, five million Indian children have benefited from remedial teaching in their schools, while a number of countries have increased their spending on preventive health care.

"It brings economists into direct engagement with the issues with which they're working on, with the farmers or the schools kids or with teachers," said Prof. Kremer, who spent time teaching in Kenya before attending graduate school.

"There's often an image of economists as just analyzing the data, not being very grounded in the realities of the phenomenon they're studying," he said in an interview.

In one experiment in Kenya, Prof. Kremer and his co-authors found that children treated for intestinal worms are more likely to attend school and work in higher-paying occupations than those who weren't treated because of funding limitations, making it cost-effective for governments to fund mass deworming campaigns.

Another experiment conducted by Profs. Duflo and Banerjee involved comparing changes in child immunization rates in several Indian villages. In some villages, the researchers offered families a bag of lentils and a set of metal plates to encourage them to immunize their children. Children in those villages were more than six times as likely to be immunized, they found.

Prof. Duflo said the experimental techniques she helped pioneer in developing countries could be applied to "people in rich countries who also have difficult lives."

"We have to do much deeper work to understand the lives of the less fortunate in our societies in the face of all the disruption they face," she said.

Dean Karlan, an economist at Northwestern University and a former student of Prof. Duflo's, said the trio had used their research to solve real-world problems.

"This was a unique prize to people who have not just really changed economics but changed the world," he said.

Prof. Duflo became only the second woman to have won the prize in economics since it was first awarded in 1969 and, at 46, is its youngest recipient.

Her award comes at a time when the economics profession has begun to acknowledge problems in its treatment of women, who account for a tiny proportion of its senior ranks.

Too few women are studying and teaching economics, Prof. Duflo said, in part because the adversarial environment among academic economics deters them. Women sometimes also aren't aware how diverse the field is, she said.

"There are not many Nobel Prizes that have gone to people who mainly work on social problems," she said. "I hope I can be a role model for others to say look, actually it's pretty interesting. This field is more varied than you think."

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