Spring 2017 Last update: Monday May 2nd Agriculture and Sustainable Development Special Project options/topics Darryl McLeod, Office E527 Dealy 7:30-9:20pm TU E530 Dealy

Remote rehearsals: You can present your slides and get my live comments 48 hours before presenting. Just contact me by email to arrange a remote meeting where we share screens: you need a microphone and speakers but no video camera. If I am online "waiting" you can send me an email (or ask me to send you an email) or just log into this web page: <u>https://fordham.webex.com/join/mcleod</u>. The webex you need should install automatically. To host your own meeting get a student copy of Webex of here, with instructions and tutorials, courtesy of Fordham IT.

Progress reports: Please send your March progress report with your final presentation, I find these very helpful summaries, for <u>Utooni Development</u> for example or <u>Gawad Kalinga</u> or <u>Landesa?</u>

Presentations Schedule for May 2nd 7:15-9:20: Angeli Diamante, Erika Cox, Ryan Barthel and perhaps Jessica Way or Owen as backups. If you are presenting please your updated slides by 5pm Monday. Note there is a backup to the presentation, a final exam you that has a take home and in class section, we will discuss this when we find out if anyone will take the final exam (which can also be for extra credit).

Methods note from last week: If you want more than an informal "who sank the boat" discussion of causality and project evaluation (as you should) read this note. We used the Kenya's MPESA and Progresa as examples of what Gertler and SIEF call "randomized phase-in" of these programs (cell phones with the capacity to transfer funds and conditional cash transfers). If the phase-ins are not random, can cannot use subsequent treatments (villages) as control groups. Perhaps the J-PAL, IPA, 3IE or <u>SIEF at the World Bank</u> did an evaluation (of whatever) in your country? If so please note this in your presentation (after reference and further reading). See also slide 9 of what may be <u>Paul Gertler's presentation</u> (though it also says Uma Young in the version I found online). See also Box 1.1 or the excellent but longer *Impact Evaluation in Practice*, available online here <u>Gertler et al. 2016 2nd editio</u>. See nice <u>SIEF brochure</u> with pictures.¹

What if I do not have time to present my findings or rehearse and revise my slides? The by all means writhe a final exam instead (also can add EC). See Econ 6460 Backup Final (BFE) review questions below—the final exam itself will be available online this Friday. You guys did a wonderful job on the midterm... thank you!! The BFE will shorter and due May 15th or 16th (if you are not graduating this Summer)

Presentation format:

- 1. Include a summary slide making your key points at the beginning and the end.
- 2. Include references² at the back, using name, date format, this is important. If possible follow reference rules
- 3. If possible, follow the World Bank Dialogues VC Guidelines
- 4. Note, however, not everyone follows VC guidelines e.g., David Zilberman's FAO Biofuels Presentation
- 5. Make use of course materials if possible, if you need help with this, ask during our rehearsal meeting. For example <u>Akire, 2013</u>.
- 6. Be sure to mention countries, and where possible use DHS or other data on gender inequality & poverty.
- 7. Add some relevant data or a methodology note, as little as "did the mouse sink the boat" too <u>SEIF above</u>.

ECON 6460

¹ Gertler, et. al (2016) Gertler, Paul J., Sebastian Martinez, Patrick Premand, Laura B. Rawlings, and Christel MJ Vermeersch. Impact evaluation in <u>practice 2nd Edition</u>. World Bank Publications.

² Reference rules: 1. Under "References" don't include references you do not cite, 2. do not cite a reference not listed at the back under references. 3. Further reading, include articles you do not cite but that will help others better understand your topic or put in context, at a 2^{nd} list of references "Further Reading" or "More on this topic"

Agriculture and Sustainable Development Project Points (100 points more or less):

- 1. Topic relevance to this course, our readings, or to <u>MIT course</u> (10)
- 2. Cross cutting issues gender, poverty, health, population, climate change (10)
- 3. Reference to course readings or methods (10)
- 4. Rehearsal and preparation (10)
- 5. Adding original data, DHS, Poverty Povcalnet, WEF
- 6. Propose or cite evaluation approach before scaling up (15)
- 7. Formatting, references, 666 rule, etc (10) tips on formatting figures... Tables? See Table 1 p 102 here
- 8. Class presentation (15)
- 9. Final revisions if and submission of slides (15 points)

SCORE AT A GLANCE

Rehearsal schedule for May 2nd Presentations (please sign up in

class or via email):

 3-3:30pm April 27th E527 Dealy _____Angeli _____

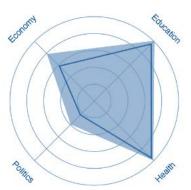
 3:30-4pm April 27th E527 Dealy _____Erika Procampo_____

 5:15-5:45pm April 27th E527 Dealy _____Disabilities _____

 5:45-6:15pm April 27th E527 Dealy _____Disabilities ______

Or online Friday, Saturday or Sunday April 28th to 30th 1-5pm at <u>https://fordham.webex.com/join/mcleod</u> (be prepared to show your presentation via share screen and webex... you need sound but no video).

Data sources: Overall gender rankings: WEF 2016, <u>The Global Gender Gap</u> <u>Report 2016</u>, world economic forum <u>Country Reports</u> See also Posada, Josefina (2017) Measuring Gender equality using Adept Software, World



Philippines score

<u>Bank</u>https://openknowledge.worldbank.org/bitstream/handle/10986/26308/9781464807756.pdf?sequence=2&isAllowed=y Women in Agriculture: WB (2012) <u>Gender Issues in Monitoring and Evaluation in Agriculture</u>

Poverty, education and fertility: Latin America (SEDLAC-CEDLAS Gender Stats) (Overall rates more recent) Asia and Africa: see relevant DHS survey Measuring gender equality

ECON 6460 Backup Final Exam Review material, if we need one... please mention Rwanda, the Philippines and or Ethiopia if possible (or some country).

- 1. *World Vision uses cash transfers as opposed to direct distribution of food aid whenever it can. Why? Why does U.S. AID not like this approach? What are the pros and cons direct distribution of food via FFW or simply selling food aid in the market (and then giving this cash to those who lack income or jobs, this is what the Marshal Plan countries did)? Why might relying on lower food prices be problematic in BFA or South Sudan or during a famine along the lines of those described in Sen, 1981 <u>Poverty and Famines.</u>*
- 2. How and when does the gender of the rural urban migrant matter (hint Tavneet Suri...)? How many Chinese were lifted out of poverty by remittances (potentially) using Leslie Chang's *Factory Girls* description of <u>Min's family in Hubei</u> suggest Chapter 10 (EC who read Chang's book at the
- 3. Why did CGAP-IIE-JPAL and IPA never formally test the graduation approach or the efficacy of MFIs in Bangladesh? EC: why Ananya Roy claim CGAP and the Gates Foundation ignore or overlook the the private and public transcripts of microfinance³

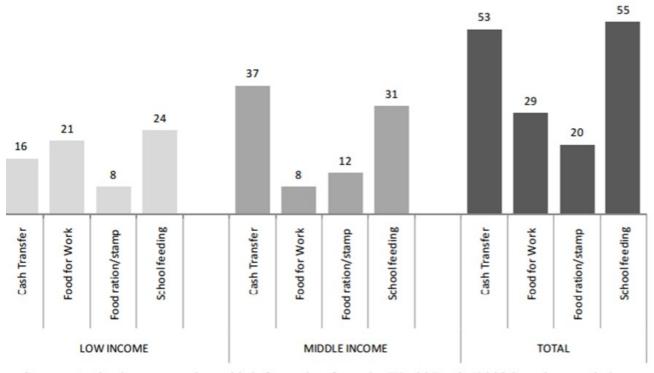
³ In *Poverty Capital: Microfinance and the Making of Development* UC Professor Ananya Roy argues CGAP is a Gates foundation funded conspiracy to undermine and coopt the authentic social innovation. What is the <u>Bangladesh Consensus</u>? (private vs.

- 4. How does the income (entitlement) volatility (lean seasons) affect child health and nutrition (see the famous *Atkin quote in Poor Economics pasted below*). Starting with Maharashtra and Bihar province what has India done (famously) to address this problem? See Duflo's
- 5. Argue for U.S. Food Aid based use the <u>2007 Ethanol Mandate for Biofuels</u> legislation as your rational (see David Write 2011 JEP article and presentation parts one and two).
- 6. What policies help low income counties <u>cope with food price shocks?</u> Did these policies prevent a rise in malnutrition during 2008-2010 (how do we know this?).
- 7. Has in-kind food aid harmed developing countries? Conventional wisdom as in David Hare's Map of the <u>World at the Public Theater</u>... implies that it has, but is their really hard evidence in this regard? Discuss the notion of additionality and "graduation" in this context. Selling food aid may be helpful and cash raised can be used for cash transfers (why might both be necessary). In this context, cash transfers would likely be unconditional. Why?
- 8. Discuss how the <u>new economics of migration</u> could explain the success of Kerala and MPESA in enhancing women's status and reducing poverty in female headed households as well high "resilience" among FHH Andersen et al. 2012 find in Mexico.
- 9. Are CCTs or <u>universal UCTs</u> the future of income transfers in developing countries. Mention case studies of Bihar India and Malawi.
- 10. Contrast the views of JPAL, Deaton and <u>Ravallion re RCTs?</u> Explain how the deworming and Millennium Villages controversy support or undermine the case for RTS or

References

public transcript, hint: BRAC note the <u>Kadinsky cover</u> below...). There also some chapters of her book on the google drive. Even if you never read her book the first <u>8-15 minutes of this video</u> tells her "Whole Planet" Felicita in Guatemala story very nicely... she clearly does not appreciate Western appropriation of development ides, as in Bono's "we are all Africans" Vanity Fair cover, provocative with serious theme calling microfinance the "panacea of choice" (as of 5 years ago). Note the public vs. the private transcript of microfinance (see also <u>Morduch's essay in the Milliken Review</u>).

Figure 12. The Food Crisis: Safety Nets in Low and Middle-Income Countries



Source: Author's construction with information from the World Bank (2008d) and expanded with ADB (2008) and World Bank (2008e). Income classification data from the World Bank. The World Bank classifies 49 countries as low-income and 95 as middle-income; in the graph are those countries that implemented one or more programs (30 low income and 46 middle income countries).

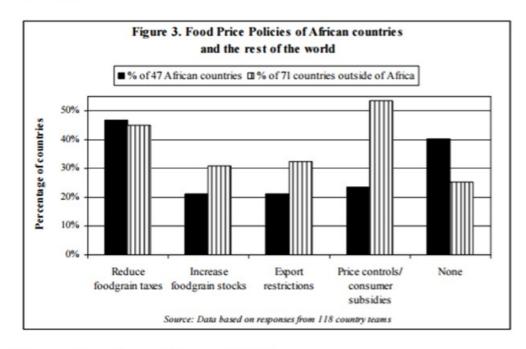
Source: 1 Nora Lustig, 2009 Coping with Rising Food Prices: Policy Dilemmas in the Developing



Figure 10. Export Restrictions and the Price of Rice, June 2007-July 2008

Source: IMF Primary Commodity Prices Database. Export policies from Slayton and Timmer (2008) and Timmer (2008). Based on a graph by Slayton and Timmer (2008).

Figure 9b. Policy Measures to Contain Price Increases: Sub-Saharan Africa and Rest of the World



Source: Wodon and Zaman (2008)

Bihar, India: Digitizing Cash-transfers Improves Women's Health

December 8, 2015

This page in: English Español Français الحربية



References Lustig, 2008 Thought for Food

Asian Development Bank (2008) "Food Prices and Inflation in Developing Asia: Is Poverty Reduction Coming to an End?" Special Report, Asian Development Bank.

Comision Economica para America Latina y el Caribe, CEPAL (2008) "Latin America and the Caribbean in the New International Economic Environment." Report of the Comision Economica para America Latina y el Caribe (Economic Commission for Latin America and the Caribbean.)

De Janvry, Alain and Elisabeth Sadoulet (2008) "How to manage a quick response to the food crisis in poor countries with weak policy instruments?" Unpublished document.

International Monetary Fund (2008) "Food and Fuel Prices—Recent Developments, Macroeconomic Impact, and Policy Responses." Prepared by the Fiscal Affairs, Policy Development and Review, and Research Departments. International Monetary Fund Report.

Ivanic, Maros and Martin, Will (2008) "Implications of higher global food prices for poverty in low-income countries." *Policy Research Working Paper Series* 4594, The World Bank.

Lustig, Nora (2008) "Thought for Food: the Challenges of Coping with Soaring Food Prices," Working Paper, Center for Global Development, Washington DC, forthcoming.

Robles, Marcos; Jose Cuesta; Suzanne Duryea; Ted Enamorado; Alberto Gonzales, and Victoria Rodríguez (2008) "Rising Food Prices and Poverty in Latin America: Effects of the 2006-2008 Price Surge." *Inter-American Development Bank*.

Von Braun, Joachim et al. (2008b) "<u>High Food Prices: The What, Who, and How of Proposed Policy Actions.</u>" *Policy Brief*, International Food Policy Research Institute.

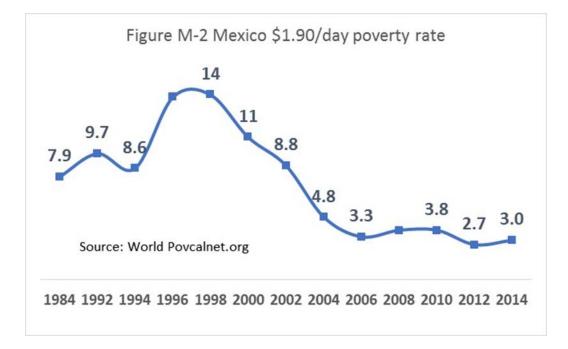
Von Braun, Joachim et al. (2008c) "<u>Rising Food Prices: What Should Be Done?</u>" *Policy Brief*, International Food Policy Research Institute.

Wodon, Quentin et al. (2008) "The Food Price Crisis in Africa: Impact On Poverty And Policy Responses." World Bank (mimeo).

World Bank (2008d) "<u>Double Jeopardy: Responding to High Food and Fuel Prices.</u>" G8 Hokkaido-Toyako Summit. Washington, DC: *World Bank*

Agriculture Development Organizations, new and old (this is slide 32 of the Introductory lecture)

- 1. Food and Agriculture Organization, Rome
- 2. USDA <u>US AID</u>, "Localize Aid"
- 3. IFPRI Research Areas: International Food Policy Research Institute
- 4. IPA: Innovations for Policy Action, Agriculture
- 5. J-PAL Policy Agriculture NERICA new rice for Africa CGIAR Funders
- 6. IFAD: International Fund for Agriculture Development
- 7. Gates Foundation, <u>Agricultural Development Program</u>
- 8. Earth Institute Agric and Food Security Center
- 9. <u>One the SSA agriculture challenge</u>
- 10. CGAP (Consultative Group to assist the Poor) Member organizations
- 11. <u>Skoll Foundation</u> <u>Oxfam UK</u> Food First
- 12. Progress out of Poverty Index (Grameen Foundation & IPA) Fair Trade





Project Title: Vida Gas Mozambique

Issue/goals: Create a sustainable private/public enterprise to deliver propane to interior villages in Mozambique both for cooking and to run propane power refrigerators, especially in hospitals where they are needed to preserve vaccines. This project began with an NGO VillageReach but proceeded with the help of UNDP and several aid agencies (DFID) and other foundation (the Skoll Foundation). Was it successful? Does the firm still operate? How could it be evaluated? Have similar or alternative approaches accomplished more. These questions are the focus of this case study.

Author(s)/presenter(s): you + partners or me...

References: Vida gas in Mozambique (video) VillageReach-UNDP-Skoll Foundation VidaGas.

Sprague, Courtenay & Stu Woolman (2008) Case 12: <u>VidaGás: Powering health clinics and households</u> in Mozambique with liquefied petroleum gas in Hamann, R., Woolman, S., & Sprague, C. (Eds.). (2008). <u>The business of sustainable development in Africa:</u> Human rights, partnerships, alternative business



2photo source: Vidagas and UNDP page 28 Appendix H

models (pp. 190-116). Unisa Press. Sprague, Courtenay (2007) <u>VidaGás: Powering health clinics</u> and households in Mozambique with liquefied petroleum gas, UNDP Growing Inclusive Market, Business works for business/Development works for Business, Sector Health and Energy Enterprise Class: Local SME, UNDP South Africa

References (copied from Sprague, 2007)

Bruce, N, G Hutton G, Mehta S, Nugent R, Rehfuess Eva, and Smith K. 2006. "Indoor Air Pollution." Disease Control Priorities in Developing Countries. D Jamison, JG Breman, AR Measham, G Alleyne, M Claeson, DB Evans, editors. 2nd edition. New York: Oxford University Press.

Costello, Anthony, Kishwar Azad, and Sarah Burnett. 2006. "An Alternative Strategy to Reduce Maternal Mortality." *The Lancet.* 28 September 2006.

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Department of International Development (DFID). 2005. "DFID's Maternal Health Strategy Reducing Maternal Deaths: Evidence and Action First Progress Report." DFID: London. December 2005.

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"LPG is Best Green Option." Available at www.conocophillips.co.uk/

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Mozambique News Agency. 2006. AIM Reports, No. 320. 16 May 2006.

Prahalad, C K. 2005. The Fortune at the Bottom of the Pyramid: Eradicating Poverty through

Profits. Upper Saddle River (NJ): Wharton School Publishing.

Rehfuess, Eva, Carlos Corvalan, and Maria Neira. 2007. "Indoor Air Pollution: 4000 Deaths a Day Must No Longer Be Ignored." Geneva: World Health Organization.

Rosenfield, Allan, Caroline Min and Lynn Freedman. 2007. "Making Motherhood Safe in Developing Countries." New England Journal of Medicine 356 (14): 1395-1397.

Procampo: NAFTA U.S. Agriculture exports

Used Povcalnet to check poverty numbers:

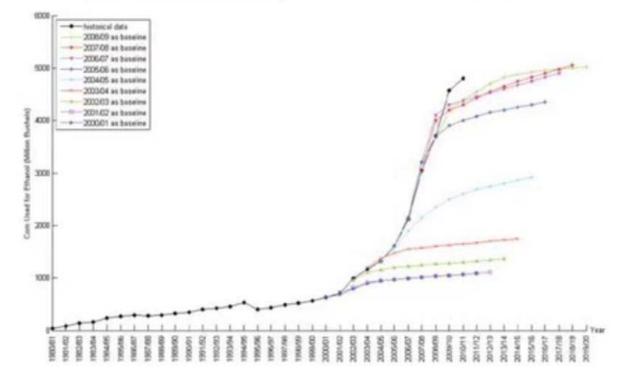
DarrylMcLeodGuestLectureMicrofinance.pdf

Pilling, David (2017) Africa: A shrinking space for autocrats Jammeh's exit from Gambia is being hailed as proof of democracy's resilience in region: The Big Read (mentions Rwanda and Ethiopia as less democratic "development states" https://www.ft.com/content/716ee35e-dd6d-11e6-9d7c-be108f1c1dce via @FT

Ethiopia and Rwanda: Where development goals trump democratic ideals (Financial Times excerpt)

- Banerjee & Duflo, 2011 early "Lean Season" argument they claim a predictable flow of wages associated with a factory job is what makes families middle class... see slide 19 of LimaMicroFinancePresentation2E.pdf
- "Once such a job does materialize, it can make a tremendous difference in the lives of the people who get it. The middle class spends much more on health and education than the poor. Of course, in principle, it may be that patient, industrious people, inclined to invest in the future of their children, are better able to hang on to good jobs. But we suspect that this is not the entire explanation, and that this spending pattern has something to do with the fact that parents in better-off households have steady jobs: A stable job can, by itself, change people's outlook on life in decisive ways. A study of the height of Mexican children whose mothers worked in maquiladoras (export factories) in Mexico dramatically illustrates the power of a good job. Maquiladoras generally have the reputation of being exploitative and paying poor wages. However, for many women without a high school education, the establishment of the maquiladoras offers the prospect of a better job than the jobs in retail, food services, or transportation that would otherwise be their lot—the hourly wages are not much higher, but they work longer hours and with more regularity. David Atkin, from Yale University, compared the heights of children born to mothers who lived in a town where a maquiladora opened when the woman was sixteen years old to that of children of mothers who did not have this opportunity. The children whose mother's town had a maquiladora were much taller than those born to similar women in different towns. This effect is so large that it can bridge the entire gap in height between a poor Mexican child and the "norm" for a wellfed American child. Furthermore, Atkin shows that the effect of a job in a maquilladora on the level of family income is nowhere near large enough to explain the entire increase in height. Perhaps the sense of control over the future that people get from knowing there will be an income coming in every month and not just the income itself-is what allows these women to focus on building their own careers and those of their children. Perhaps this idea that there is a future is what makes the difference between the poor and the middle class. The title of Atkin's study, "Working for the Future," sums it up nicely." Banerjee, Abhijit; Duflo, Esther (2012-03-27). Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty (p. 229). Perseus Books Group. Kindle Edition.

US Corn Ethanol Expectations Soared 2005-09



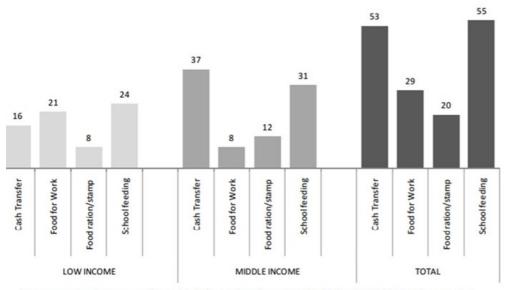
Source: USDA Agricultural Baseline Projections (2002-2010)

By Friday April 28th: Please submit a Case Study Template Vida Gas Mozambique (see below) or our <u>Lima</u> <u>Microfinance Presentation</u> crises <u>Microfinance Community</u> Dialogue <u>Turning Diversity to Advantage</u> Chapter (see other chapters too, we have many copies of this volume), dated but interesting for following up... Equator Prize winner La Selve and several other initiatives are discussed. OECD <u>Impact evaluation</u> <u>Slides</u> PPT] <u>Impact Evaluation - OECD</u> <u>Khandker et. al Handbook on Impact Evaluation</u>

Sample Case Studies (Feb 7th 2017) VidaGas Coleman, 1999 <u>Group Lending in Northeast Thailand</u> Brian Wright Price Volatility in Agricultural Commodities (video part 1; video part 2)

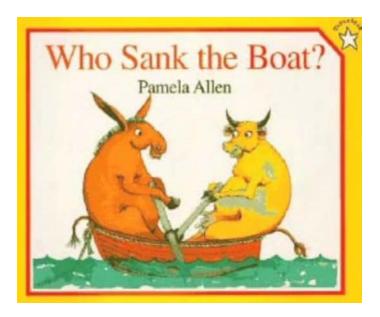
Sydney Kornegay and Gilbert Strizich: <u>Spark Microgrants</u> <u>Post-conflict recovery?</u> Angeli Diamente <u>Gawad Kalinga</u> Kiera Maloney Food aid for Haiti, <u>Collier's plan for Haiti</u> or <u>Napa Migrant workers</u> <u>DACA Benefit</u>

Figure 12. The Food Crisis: Safety Nets in Low and Middle-Income Countries

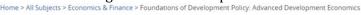


Source: Author's construction with information from the World Bank (2008d) and expanded with ADB (2008) and World Bank (2008e). Income classification data from the World Bank. The World Bank classifies 49 countries as low-income and 95 as middle-income; in the graph are those countries that implemented one or more programs (30 low income and 46 middle income countries).

Source: 3 1 Nora Lustig, 2009 Coping with Rising Food Prices: Policy Dilemmas in the Developing



1. **Controversies:** One or two people may want to address a key debate, over the best form food aid, targeted subsidies, <u>microfinance</u> or GM technologies (among others). Another option is this wonderful <u>EDx course</u> that starts Feb. 6th 2017. Doing the course alone, one can earn a certificate, but they warn 12 weeks of effort with 12 hours and start by teaching you to use R... Perhaps for this class a group of you would do the course and give us updates every other week, or at the end. We already know that much of this course is knowing (an unknowing) many arguments of *Poor Economics*, which happens to be the main text for this course. Take a look at <u>Syllabus and instructors here</u>... The film overview (and warning) for this course is on our <u>web page near</u> the bottom as well as on <u>Edx page (</u>click the graphic below). There may be other courses like this, if so let me know. This is good one and complements this course nicely, if not directly.





Foundations of Development Policy: Advanced Development Economics

Using economic theory and data analysis, explore the economic lives of the poor, and the ways to design and implement effective development policy.



Advanced Development Economics

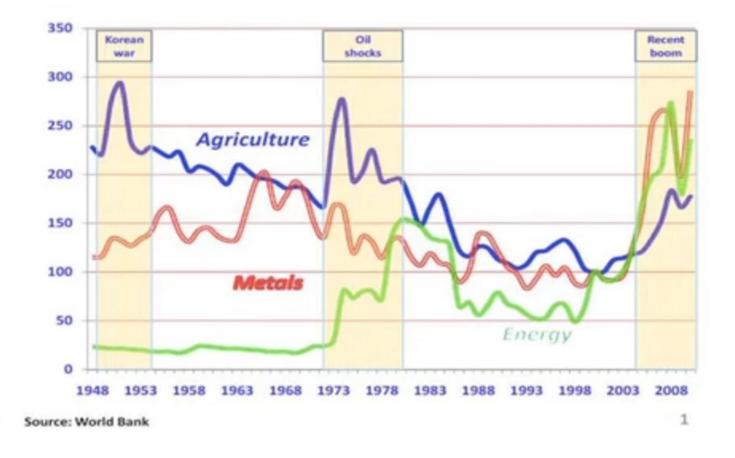
2. Countries: As discussed in class many very poor countries depend on agriculture for livelihoods and or exports. Others are landlocked and/or vulnerable to climate change. These include Bangladesh, Malawi, Haiti, Ghana, Rwanda, Mozambique, Madagascar, Burkina Faso, Senegal, Mali, Niger, Ethiopia, Bolivia, Nicaragua, Guatemala and Honduras (perhaps avoid extractive states such as Nigeria, Zambia. As discussed in class and in the Rosling video Don't Panic, Bangladesh and Mozambique have made surprising amounts of progress in reducing hunger and improving health and more recently in reducing poverty. Malawi is famous/infamous for <u>fertilizer subsidies</u>, same with Mozambique for cashew marketing boards. How could I forget Kenya and Kerala: wonderful case studies of rural development fueled in part if not largely by remittances...

3. Research topics: These might be technological or social innovations that are not controversial but nevertheless interesting and challenging. Agriculture and Climate change, starting with the <u>UN DESA WESS</u> one of our course texts. I was involved in the two-day review of this report last Fall at the UN, so I know the back story of what went on (Chapter 2, the Climate change inequality Nexus). Fordham Alumni Marcelo La Fluer coauthored Chapter 4 (we should invite him to come speak at Fordham). See also especially the WESS <u>Background papers</u> by John Antle and Roberto <u>Valdivia, 2016</u> and by <u>Luis Carlos Jemio and Lykke E. Andersen</u> (especially recommended) More can also be said about the fair trade, financial literacy, or the graduation approach may or may not be cost effective or easy to scale up. <u>Deworming is a famous example</u> of "low hanging fruit" that was over estimated early on but remains a cost-effective intervention to improve nutrition, health and educational achievement (see the lecture notes and RDQ set #1 for Kremer's web page on tests and replications). Another great research topic/controversy is the role of gender and the need to target women especially in poor rural Asia and Africa (Latin America as well). In class I mentioned Naila Kabeer's research in this area, and more recently the creative research of Smitha Radhakrishnan (<u>Wellesly College</u>) in which she "infiltrates" a large Indian MFI (SKS?) and reports her findings in World Development (not coincidentally she also has a wonderful <u>EdX global development</u> course where she interviews Naila Kabeer. See also <u>Jenny Akers papers</u> on the use of mobile phones in agriculture (especially Africa)

4. Research methods in search of reliable data: Like any research discipline Economics is only as good as its methods and data. J-PAL and IPA have been enormously successful at implementing randomized trials to evaluate development interventions and target food aid (for example). Yet leading economists (Heckman, Deaton and <u>Pritchett a</u>mong others) question the value of "randomista" studies, and wonder out loud whether a countries which lacked these evaluations (Vietnam, Korea and China for example) could have done better with 800+ results from randomized trials. More recently IPA and the Grameen Foundation have started the <u>Progress out of Poverty</u> or PPI initiative to make sure MFIs and other community development organizations target and measure the progress of the poorest. **

Energy as "Boom leader?"

Commodity Price Indices (Real, MUV-deflated, 2000=100)



April 25th Class extra credit (5-10 points) please attend Bradley Dawson of World Vision International for this week's IPED Thursday April 25th lecture (4/27) on World Vision writ large, food assistance work, and career opportunities that is Thursday, April 27, 4-5 PM in Dealy E-530, the Economics Conference Room.