

Health, Development & Human Rights

Assessing the Impact of Foreign Aid

As you read the material for our next class, keep the questions below in mind. To answer these questions you will have to reflect critically on what you have read and possibly re-read important passages. Keep in mind that there are two basic kinds of information that you need to look for in the readings:

1. What are the main points or conclusions that an author accepts with respect to a particular issue?
2. What are the reasons, important considerations, and evidence that lead the author to accept that conclusion?

For our purposes, *it is information of the second sort that will be our primary concern* since our most basic task is to *evaluate the reasons and evidence* that are offered to support accepting one possible conclusion about an issue, rather than another.

Although I strongly suggest that you write out brief answers to these questions, you do not have to turn in written responses. You do, however, need to be prepared to speak intelligently about these issues at our next class meeting.

Reading

- Esther Duflo and Michael Kremer, “Use of Randomization in the Evaluation of Development Effectiveness”.

Questions

1. What is the “evaluation problem” and why do Esther Duflo and Michael Kremer believe that randomization offers the best solution to it? Why are they not satisfied with alternatives to randomized evaluations such as propensity score matching, the difference-in-difference technique, and regression discontinuity design?
2. What lessons do Duflo and Kremer draw from their use of randomized evaluations is assessing the impact of different educational programs in developing countries?
3. One ethical concern with the use of randomized evaluations is that a person might be denied access to a program that could help him or her. Do you think this is a serious problem for randomized evaluations, or is it one that can be addressed without discarding randomization?