

HEALTH, DEVELOPMENT & HUMAN RIGHTS

Foreign Aid for Overcoming Poverty Traps

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 reading:

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

- Jeffrey D. Sachs, "Making the Investments Needed to End Poverty".

Questions

1. What is a poverty trap? According to Sachs, how is foreign aid supposed to overcome poverty traps?
2. What does Sachs believe investments in capital should be primarily publicly (as opposed to privately) funded?
3. How does Sachs believe that poor, developing nations should go about investing in technology and science? Why is it important that they make such investments?
4. What is "scaling up" and how do Sachs' examples show how foreign aid in investment allows scaling up to overcome poverty traps?