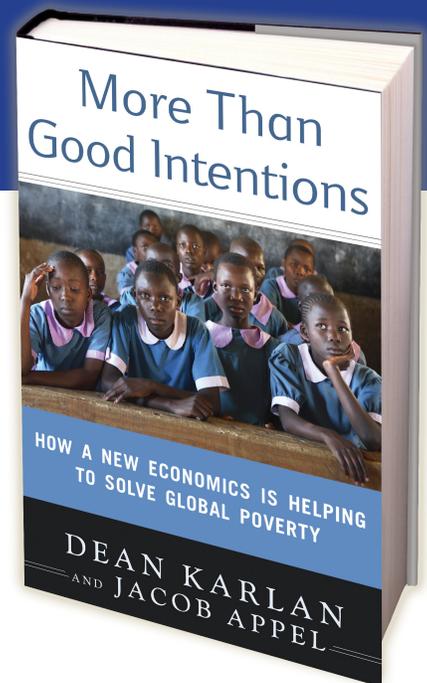


# MORE THAN GOOD INTENTIONS

HOW A NEW ECONOMICS IS HELPING TO SOLVE GLOBAL POVERTY

by Dean Karlan and Jacob Appel



**APRIL 14, 2011**

**Economics**

**978-0-525-95189-6**

**\$26.95 (\$33.50 CAN)**

**352 pages**

[www.MoreThanGoodIntentions.com](http://www.MoreThanGoodIntentions.com)

## THE MONEY

- Three billion people, about half the world's population, live on \$2.50 a day or less.
- \$2.3 trillion has been spent by the world's wealthiest nations on poverty reduction.
- Individual donors in America contribute more than \$200 billion to charity every year, three times as much as the sum of all corporations, foundations, and bequests.
- We have more ways to give now than ever before—not just by putting checks in the mail, but also on the checkout line at places such as Whole Foods Market, by text from our mobile phones, and online through web sites like Kiva.org.
- The “Text to Haiti” campaign in January 2010 raised **\$10 million in the first three days alone**, probably because one can enjoy the satisfaction of giving up-front and pay the \$10 donation as an add-on to a phone bill later in the month.

**We give a lot of money. Now Karlan and Appel show how we can start putting it to better use.**

## HOW TO SPEND IT BETTER:

### **1. Business Mentoring for Small and Medium-Sized Enterprises**

Expert mentors working one on one with entrepreneurs in poorer communities have helped make their businesses much more profitable.

### **2. Microsavings**

Providing people with a means of saving (savings accounts) serves them much better than providing them with products with credit.

### **3. Reminders to Save**

Ultimately, most of us save less than we say we'd like to. Little reminders, such as text and direct-mail messages that banks send to their clients in Peru, Bolivia, and the Philippines, have proven to be cheap and effective ways to mobilize savings among the poor.

### **4. Prepaid Fertilizer Sales**

Kenyan farmers who had a chance to pay (full-price) for next season's fertilizer at harvest time, when their pockets were full from selling the season's crop, bought 50 percent more. That's a huge boost in productivity and agricultural output, practically for free.

### **5. Deworming**

Deworming at Kenyan primary schools generated an additional year of attendance for about \$3.50; the next best solution, providing free uniforms, cost about 25 times that much. Fully subsidized deworming at schools is a dirt cheap and tremendously powerful invention.

### **6. Remedial Education in Small Groups**

Where existing schools are understaffed or overcrowded, outside programs in small groups are the most effective path to education.

### **7. Chlorine Dispensers For Clean Water**

Two million people die of diarrhea each year. Treating drinking water with chlorine is a cheap and highly effective preventative measure.



Dutton

More Than Good Intentions provides a new way to understand what really works to reduce poverty; in so doing, it reveals how to better invest that money and begin transforming the well-being of the world. “Karlan is one of the most creative and prolific young economists in the world. His research lies at the intersection of two of the hottest areas in the field: behavioral economics and development-microfinance . . . . A good follow-up to Freakonomics, Predictably Irrational, and Nudge with a development and poverty spin.” Richard H. Thaler, coauthor of Nudge. “Dean Karlan is one of the most energetic and enterprising members of a new breed of economists who are trying to fight poverty and change the world, one randomized trial at a time. More Than Good Intentions. Flag as Inappropriate. This article will be permanently flagged as inappropriate and made unaccessible to everyone. Are you certain this article is inappropriate? Excessive Violence Sexual Content Political / Social. More Than Good Intentions. More Than Good Intentions: How a New Economics is Helping to Solve Global Poverty. Original Cover. More Than Good Intentions: How a New Economics is Helping to Solve Global Poverty is a non-fiction book by Yale economist Dean Karlan and field researcher Jacob Appel published in 2011. It combines insights from behavioral economics with field research from developing countries to discuss and evaluate international development and poverty-alleviation programs. The authors describe the book as “...a new way to understand what really works to reduce poverty...”