



Development Economics I

Poverty Essay

Fall 2022

- Please name your file like `lastname_firstname_PovertyEssay.pdf`.
 - Email your work to ali.sani94@sharif.edu, mahlasabersh@yahoo.com and faezeheskandari3@gmail.com before the deadline.
 - Provide associated references.
 - Write based on your group number.
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1. Insurance Essay: How would we expect the presence or absence of banks in poor villages to influence how much wages respond to productivity shocks? Based on this evidence, why might landowners lack incentives to expand financial institutions in their villages?
 2. Entrepreneurship Essay: Do you agree, partially agree, or disagree with the statement: "the fact that poor people can repay micro-loans with very high annual rates of interest provides strong evidence that they have access to highly profitable investment opportunities."
 3. Credit Essay: Do you agree, partially agree, or disagree with the statement: "State-owned development banks operating now are largely a failure, in that they are not financially solvent and do not benefit the poor." Provide empirical evidence from lectures, recitations, or your readings to justify your response.
 4. Consumption Essay: "Direct food aid transfers would be more effective than food subsidies to improve nutrition in developing countries." Argue whether you think this statement is true or false.
 5. World Essay: "Poverty traps only exist because the poor do not save." Argue whether you think this statement is true or false.