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### **More Than Good Intentions**

~ Improving the Ways the World's Poor Borrow, Save, Farm, Learn, and Stay Healthy~

*More Than Good Intentions* by Dean Karlan and Jacob Appel was an insightful and entertaining read. Karlan and Appel take what could very easily be a dry subject and inject it with personal life experiences and anecdotes to keep their readers interested. Many of these stories are used in the beginnings of each chapter to not only provide validation for the points they will be making, but also set up the framework for what to expect from the topic of that chapter. The book gets its name from the people with “good intentions” that Karlan worked with. He describes how they teamed up to deliver goods and services to poor individuals and families in developing countries, to gather data in an effort to address a problem they both want to solve. Karlan divides global development into two schools of thought; one where more funding is the solution to less poverty and better aid, and the other that says current efforts are fundamentally flawed and must be changed or funding is inevitably wasted. The book presents the idea of Behavioral Economics, which takes into account human flaws and the sometimes-inexplicable need we feel to provide aid to one cause over another. Karlan and Appel discuss aid organization funding tactics, and how playing on donors’ emotions can often times have a colossal effect on the success, or failure, of certain organizations.

The authors explain that, more often than not, one of the biggest shortcomings of development aid is forgetting to treat it like a business. Many people focus so much on creating a good program that they forget it still needs a solid sales pitch in order to be successful. “Selling” the program and the idea to the people who need it most will provide a starting point for determining just how badly those people *want* the “product”, and whether or not it could be better implemented elsewhere.

The book continues on into the realm of microcredit and its usefulness in the development aid arena. Karlan and Appel stress that it isn’t just about providing credit potential, but also the proper tools to teach others how to save, and later invest, to secure a more stable lifestyle. “The simple fact that financial solutions work for so many... people in the developed world is a compelling argument that they can be tailored to help the poor” (Karlan, 19). The authors go on to say that, because microcredit has generated so much enthusiasm in recent years, it must be given a closer look to ensure that it is not used as a blanket cure to all development issues.

One area many forget to search for poverty solutions is in the personal and more intimate aspects of people’s lives. Karlan and Appel delve deeper into the more social aspects of agriculture, education, health, and even sex. It is a concept often not considered by the average economist, but the potential for positive results can go beyond just numbers and finance.

In closing, I quite enjoyed this read for its content as well as its compelling and anecdotal presentation. Karlan and Appel use much of their own work to provide the foundation for their arguments and suggested development ideas. They also provide the reader with a vast amount of research done by others in a number of fields. The authors propose that, through Behavioral Economics and taking into account the irrationalities of people, small changes to health care, insurance, and banking aid models could have a much larger impact. Some of these changes are noted in the seven core ideas presented at the end of the book. These seven include microsavings, reminders to save, prepaid fertilizer sales, deworming, remedial education, chlorine dispensers, and the use of commitment devices.