

Fortnightly links: Deaton's Nobel, Canada votes, global poverty guesstimates, and more...

by Camilla Burkot and Terence Wood

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Here in academia the big development news is that development economist and empiricist extraordinaire, Angus Deaton, has won the Nobel Prize in Economics (and, yes, we know it's not a 'real' Nobel — see [Paul Krugman on this](#)). There's a good non-technical summary of Deaton's scholarship on the [Nobel website](#) and Chris Blattman has a [good piece on Deaton and his work](#), as does [John Cassidy](#). Although Deaton is a careful empiricist in most areas, in his (generally excellent) book *The Great Escape* he devotes a chapter to anti-aid polemic. For some good debate on this see [Duncan Green](#), with [a rejoinder from Deaton](#). Central to Deaton's argument against aid is his claim that aid undermines political institutions in recipient countries. Disappointingly, given Deaton's fame as an empiricist, he offers no convincing empirical evidence in favour of his claims about aid and political development. And, ironically, just a few days prior to his win, a careful empirical paper by Sam Jones and Finn Tarp was published in the *Journal of Development Economics* (gated paper [here](#); ungated working paper [here](#)) showing that... wait for it... aid's impact on recipient country governance was, if anything, positive. Anyone who's followed the aid/growth literature will know that cross country regressions, even when well done, are fragile, and so this finding cannot be taken as definitive. However, it's the best evidence we currently have. Polemicists take note. [Update: I (Terence) forgot about to add [this](#), very interesting, survey data based paper, which also produces findings contrary to Deaton's arguments about aid and governance.]

Staying with Nobel Prizes, the *New Scientist* [gated] and *The Guardian* cover how a humble Chinese researcher won the Nobel Prize in medicine for her work on anti-malarial drugs based on ancient Chinese traditional medicine; work that has saved many millions of lives.

If everyone gets access to electricity, can the planet survive? In *The Atlantic*, Charles Kenny [questions](#) the International Energy Agency's claims that it is possible to achieve universal 'modern energy access' without vastly increasing global energy demand.

The practice of female genital cutting (FGC) is usually associated with African and Middle Eastern cultures. But few people know that millions of Indonesian girls also undergo FGC, which is rarely discussed publicly in the country. Kate Walton

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discusses the drivers of the practice, and makes the case that FGC is incompatible with President Widodo's vision of a modern Indonesia.

On the other side of the Pacific, Justin Trudeau and the Liberals stormed to victory in Canada's federal election on Monday. In the lead-up to the election, Aniket Bhushan **analysed** where Canada was likely to be heading on international development issues based on pre-election foreign policy debates. It's worth noting that while the Liberals decried Canada's declining global reputation, they nevertheless had little to say on aid spending levels or the 0.7% of GNI target. Nevertheless, the substantial majority they achieved in the election **could provide an opportunity** to pursue an ambitious aid agenda.

Finally, the World Bank has updated its purchasing power parity data, a crucial component of the setting of global poverty lines and the calculation of global poverty numbers. For a clear discussion of what this involves and what it means for poverty lines and poverty estimates, see this **World Bank blog**.

If you're interested in global poverty numbers you will also want to read Justin Sandefur **taking the World Bank to task** for its published 2015 poverty estimates. Unlike the carefully compiled poverty counts covered in the previously mentioned blog post (figures which were calculated for years up to 2011/2012) these are little more than guesstimates and, as Sandefur shows, they are guesstimates based on very dubious assumptions.

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Link:

<https://devpolicy.org/fortnightly-links-deatons-nobel-canada-votes-global-poverty-guesstimates-and-more-20151023/>