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lecture

Overview of the World Development Report 2015: Mind, Society, and Behavior

Tuesday 28th April 2015

at 6.00pm

Simone WEIL amphitheater
5, allée Jacques Berque, Nantes

by

Karla HOFF

Senior Research Economist in the
Development Economics Research
Group
Codirector of the World Development
Report 2015

Karla HOFF is a Senior Research Economist in the Development Economics Research Group and Codirector of the World Development Report 2015.

Much of her work focuses on using the tools of economics to study social interactions that depend on identity, neighborhoods, and political constituencies. She has published papers in the *American Economic Review* that explain how good people can form bad neighborhoods, how productivity is sensitive to social setting, and how historical legacies can impede the establishment of a rule of law. She won a Citation of Excellence for one of the top 50 papers from *Emerald Management Review* for her 2009 *Economic Journal* paper with Joseph Stiglitz, “Exiting a Lawless State.”

She was a member of the MacArthur Research Network on Inequality and Economic Performance, 1996-2006. She coedited two books—*The Economics of Rural Organization and Poverty Traps*. Ongoing work evaluates a women’s empowerment project and a political theater program in India. Her work spans conceptual analysis and grassroots fieldwork. She has a BA in French from Wellesley College and a PhD in economics from Princeton. She taught English and literacy in the Peace Corps in the Ivory Coast.

Theme

Development economics and policy are due for a redesign. In the past few decades, research from across the natural and social sciences has provided stunning insight into the way people think and make decisions. Whereas the first generation of development policy was based on the assumption that humans make decisions deliberately and independently, and on the basis of consistent and self-interested preferences, recent research shows that decision making rarely proceeds this way. People think automatically: when deciding, they usually draw on what comes to mind effortlessly. People also think socially: social norms guide much of behavior, and many people prefer to cooperate as long as others are doing their share. And people think with mental models: what they perceive and how they interpret it depend on concepts and worldviews drawn from their societies and from shared histories.

The World Development Report 2015 offers a concrete look at how these insights apply to development policy. It shows how a richer view of human behavior can help achieve development goals in many areas, including early childhood development, household finance, productivity, and health. It also shows how a more subtle view of human behavior provides new tools for interventions. Making even minor adjustments to a decision-making context, designing interventions based on an understanding of social preferences, and exposing individuals to new experiences and ways of thinking may enable people to improve their lives.