



MANAGEMENT 283/783: STRATEGIES FOR ECONOMIC INCLUSION
SPRING 2013/WEDNESDAYS 3:00-6:00pm – JMHH 365

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COURSE DESCRIPTION

The majority of humans, estimated to exceed 4 billion people, exist on incomes less than \$3,000 per year. Over 1 billion of these poor exist on less than a \$1 per day. Many poor are denied the opportunity to engage in the global business environment. Constraints they face include those of capital, knowledge, and services.

This course is designed to attract those who are interested in the market for the poor. It will provide a managerial guide to those who may want to pursue careers in this space. The format will present a multi-functional view of decisions managers will face.

FORMAT

The course will meet for one semester once a week for 3 hours. Each class will consist of a one hour lecture followed by a presentation of an outside speaker. Outside of class, students will be expected to work on a field study project with an organization in the microfinance field

Deliverables will include weekly class participation and a final presentation on the work completed in the field study project.

COURSE MATERIALS

1. *The Economics of Microfinance*, Armendariz and Morduch (AM)
2. *Understanding the Opportunities and Challenges of the Market at the Bottom of the Pyramid*, Rhyne (RH)
3. Bulk Pack
4. Class Handouts

EVALUATION

Field Project	65%
Class Participation	15%
Peer Evaluation	20%

SPEAKERS

We will inform students of the next week's speaker as far ahead in advance as possible. Each speaker's bio and area of expertise will be posted in webCafé for you to review before the class, so please come prepared with questions.

COURSE OUTLINE

Session (Date)	Reading Assignments/Preparation
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INTRODUCTION

- **Class 1 (Jan. 16) – Market for Financial Inclusion**

Readings: Chapters 1 and 2 (AM) “Rethinking Banking”
2012 Banana Skins Report

- **Class 2 (Jan. 23) The Role of Savings**

Readings: Chapters 4 and 5 (AM)

Speaker: *Tony Singleton, Previous Vice President and Regional Director for Africa, FINCA*

- **Class 3 (Jan. 30) – Mobile Banking**

Readings: “Social Cash Transfers...”, CGAP
“The Jipange KuSave Experiment”, CGAP
“Supervising E-Bank Money Lenders...”, CGAP
Other two readings

PROJECT SELECTION (DIP WEEK)

- **Class 4 (Feb. 6) – Remittances**

Readings: “An Analysis of Trends in Average Total Cost...”, World Bank
“Remittances to developing countries...”
<http://remittanceprices.worldbank.org/About-Us>

Speaker: *Ben Shell, Limyè Pa w*

- **Class 5 (Feb. 13) – Consumer Protection – High Interest Rates**

Readings: Chapter 16 (RH)
“Incorporating Consumer Research ...”, CGAP

Session (Date)	Reading Assignments/Preparation
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“Are the poor being exploited ...”, CGAP

Speaker: *Tony Singleton, Previous Vice President and Regional Director for Africa, FINCA*

- **Class 6 (Feb. 20) – Consumer Protection – Over-Indebtness**

Readings: Chapter 8 (AM)
“The Tipping Point ...”, MIX

Speaker: TBD

- **Class 7 (Feb. 27) – Measuring Impact**

Readings: Chapter 9 (AM)
“Measuring the impact of microfinance”, Grameen Foundation

MID-PROJECT REVIEWS/PRESENTATIONS

- **Spring Break - (March 6)**

- **Class 8 (March 13) – Measuring Impact**

Readings: Chapter 11, 17 (RH) “Credit bureaus and credit scoring”; Measuring the social bottom line”
“Financial Inclusion and Stability...”, CGAP
“Latest Findings from Randomized Evaluations of Microfinance”, CGAP

Speaker: *Richard Shumann, Senior Technical Specialist, CHF International*

- **Class 9 (March 20) – Investments in Microfinance**

Readings: “2011 MIV Survey Report, CGAP
“Investing in Microfinance”
“Volume Growth and Valuation Contraction”, CGAP
“How have Market Challenges ...”, CGAP

Speaker: *Sophie Romana, Oxfam, Deputy Director, Community Finance*

Session (Date)	Reading Assignments/Preparation
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- **Class 10 (March 27) – Social Impact Bonds**

Readings: “A Technical Guide to Developing Social Impact Bonds”, Social Finance
“Bringing SIB to the U.S.”, McKinsey & Company

Speaker: *Tyler Wry, Assistant Professor of Management, Wharton*

- **Class 11 (April 3) – Selling additional Financial Services**

Readings: “Effective partnerships in micro-enterprise in Nepal” UNDP Paper
“Building industrial supply chains and developing communities”,
IFC Paper

Speaker: *Richard Butler, Chairman of MicroVest's Investment Committee*

- **Class 12 (April 10) – Incorporating the Poor into Supply Chains**

- **Class 13 (April 17) – FAP Final Presentations by Groups**