The Prize in Economic Sciences 2019

The Royal Swedish Academy of Sciences has decided to award the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel 2019 to

Abhijit Banerjee

Massachusetts Institute of Technology, Cambridge, USA

Esther Duflo

Massachusetts Institute of Technology, Cambridge, USA

Michael Kremer

Harvard University, Cambridge, USA

"for their experimental approach to alleviating global poverty"

Their research is helping us fight poverty

The research conducted by this year's Laureates has considerably improved our ability to fight global poverty. In just two decades, their new experiment-based approach has transformed development economics, which is now a flourishing field of research.

Despite recent dramatic improvements, one of humanity's most urgent issues is the reduction of global poverty, in all its forms. More than 700 million people still subsist on extremely low incomes. Every year, around five million children under the age of five still die of diseases that could often have been prevented or cured with inexpensive treatments. Half of the world's children still leave school without basic literacy and numeracy skills.

This year's Laureates have introduced a new approach to obtaining reliable answers about the best ways to fight global poverty. In brief, it involves dividing this issue into smaller, more manageable, questions – for example, the most effective interventions for improving educational outcomes or child health. They have shown that these smaller, more precise, questions are often best answered via carefully designed experiments among the people who are most affected.

In the mid-1990s, Michael Kremer and his colleagues demonstrated how powerful this approach can be, using field experiments to test a range of interventions that could improve school results in western Kenya.

Abhijit Banerjee and Esther Duflo, often with Michael Kremer, soon performed similar studies of other issues and in other countries. Their experimental research methods now entirely dominate development economics.

The Laureates' research findings – and those of the researchers following in their footsteps – have dramatically improved our ability to fight poverty in practice. As a direct result of one of their studies, more than five million Indian children have benefitted from effective programmes of remedial tutoring in schools. Another example is the heavy subsidies for preventive healthcare that have been introduced in many countries.

These are just two examples of how this new research has already helped to alleviate global poverty. It also has great potential to further improve the lives of the worst-off people around the world.

Abhijit Banerjee, born 1961 in Mumbai, India. Ph.D. 1988 from Harvard University, Cambridge, USA. Ford Foundation International Professor of Economics at Massachusetts Institute of Technology, Cambridge, USA.

Esther Duflo, born 1972 in Paris, France. Ph.D. 1999 from Massachusetts Institute of Technology, Cambridge, USA. Abdul Latif Jameel Professor of Poverty Alleviation and Development Economics at Massachusetts Institute of Technology, Cambridge, USA.

Michael Kremer, born 1964. Ph.D. 1992 from Harvard University, Cambridge, USA. Gates Professor of Developing Societies at Harvard University, Cambridge, USA.

The Royal Swedish Academy of Sciences, founded in 1739, is an independent organisation whose overall objective is to promote the sciences and strengthen their influence in society. The Academy takes special responsibility for the natural sciences and mathematics, but endeavours to promote the exchange of ideas between various disciplines.

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