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## Upcoming Seminars

**Monday, 12.7.2021**

### Departmental Seminar

13.30-14.30  
Virtual seminar room

Giorgia Barboni, Warwick Business School  
"Rural Banks Can Reduce Poverty: Evidence from 870  
Indian Villages"  
(Host: Anca Balietti)

## Abstracts

### Departmental Seminar

Giorgia Barboni

"Rural Banks Can Reduce Poverty: Evidence from 870 Indian Villages"

We evaluate how entry of a formal financial institution alters household well-being and economic activity in a village economy, using an at-scale experiment that randomized bank branch placement over 870 villages. Administrative data show that, within two years of branch opening, one in three households in banked villages had taken a formal loan and roughly a quarter had additionally taken up an insurance or savings product. Survey data show a corresponding 10% reduction in informal borrowing levels. Relative to control villages, poverty rates in treatment villages are 8%-9% lower and we observe significant reductions in biomarker-based psychological stress measures. Changes in the financial environment increase occupational diversification and economic activity: households in banked villages are 6% more likely to have a member working outside of agriculture, have 21% higher business income, and 6% higher wage income. Our evidence is consistent with a model of entrepreneurship in which access to cheaper formal credit relaxed financial constraints for better-off households and increased village-wide labor demand.

## Vitual Talks

At the **Annual Conference of the European Association of Environmental and Resource Economists**, June 23-25, the following ten papers (co-)authored by researchers from the Research Center for Environmental Economics were presented: "Changing Collective Action: Social Information Increases Cooperation of Teams in a Prisoner's Dilemma"(Tillmann Eymess & Florian Diekert); "The Effects of Social Information and Luck on Risk Behavior of Small-Scale Fishers"(Florian Diekert joint with Astrid Dannenberg and Philipp Händel, University of Kassel); "Does nature shape risk- and social preferences? Evidence from Chile, Norway and Tanzania" (Florian Diekert & Robbert Schaap); "Subsidizing appliance replacement in low-income households" (Bettina Chlond & Timo Goeschl joint with Martin Kesternich, ZEW and University of Kassel); "Disaggregating the Effect of Air Quality Alerts on Modal Choice by Space and Time: An Empirical Study of a Particulate Matter Alert" (Alexander Dangel & Timo Goeschl); "Competitive vs. Random Audit Mechanisms in Environmental Regulation: Emissions, Self-Reporting, and the Role of Peer Information" (Alice Soldà & Timo Goeschl joint with Marcel Oestreich, Brock University); "Too Far to Profit: Fishing Effort's Spatial Distribution in Lake Victoria's Nile Perch Fishery" (Santiago Gomez-Cardona); "Distributional and Efficiency Impacts of Higher EU Climate Targets Authors" (Sebastian Rausch with Florian Landis and Gustav Fredriksson, ETH Zurich); "A Single Carbon Price: Really?" (Sebastian Rausch with Oliver Kalsbach); "A model intercomparison of the welfare effects of regional cooperation for ambitious climate mitigation targets" (Sebastian Rausch with Ramiro Parrado et al.).

**Timo Goeschl** presented the paper "Competitive vs. Random Audit Mechanisms in Environmental Regulation: Emissions, Self-Reporting, and the Role of Peer Information" (joint with Alice Soldà & Marcel Oestreich, Brock University) at the Summer Conference of the Association of Environmental and Resource Economists, June 3-4 and at the ComplianceNet Conference 2021, June 28-30.

**Christian Conrad** presented the paper "Modelling Volatility Cycles: The  $(MF)^2$  GARCH Model" (joint with Robert Engle, Stern School of Business) at the North American Summer Meeting of the Econometric Society (June 10), the 13th Annual Conference of the Society for Financial Econometrics (June 15), the 11th European Central Bank Conference on Forecasting Techniques (June 16), and the Annual Conference of the International Association for Applied Econometrics (June 25).

## New and Leaving Staff

Bettina Chlond joined the Research Center for Environmental Economics as a researcher on July 1<sup>st</sup>. Bettina studied economics at the University of Mannheim and holds a Master's degree in development economics from the University of Lund in Sweden. She is also a member of the ZEW's Research Department "Environmental and Resource Economics, Environmental Management", which she joined as a researcher in November 2019. At the AWI, Bettina will be working on the Field of Focus 4 Project: "The Nature of the Evidence: Studying the evidence base of policy, stakeholders, and policy design in an *in vivo* setting [NEVIVO]", which started on July 1<sup>st</sup> under the supervision of Timo Goeschl.



Editorial deadline for issue 16/2021 of the newsletter:  
Wednesday, 14.7. 2021, 12 p.m.  
[newsletter@awi.uni-heidelberg.de](mailto:newsletter@awi.uni-heidelberg.de)