

# Accepted Manuscript

Mobile money and risk sharing against village shocks

Emma Riley

PII: S0304-3878(18)30441-3

DOI: [10.1016/j.jdeveco.2018.06.015](https://doi.org/10.1016/j.jdeveco.2018.06.015)

Reference: DEVEC 2257

To appear in: *Journal of Development Economics*

Received Date: 8 July 2016

Revised Date: 14 May 2018

Accepted Date: 22 June 2018



Please cite this article as: Riley, E., Mobile money and risk sharing against village shocks, *Journal of Development Economics* (2018), doi: 10.1016/j.jdeveco.2018.06.015.

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

# Mobile Money and Risk Sharing Against Village Shocks

Emma Riley \*

Department of Economics, Manor Road Building, Oxford OX1 3UQ, UK

(email: emma.riley@economics.ox.ac.uk)

June 23, 2018

## Abstract

Households in developing countries have gained increased access to remittances through the recent introduction of mobile money services. I examine the impact of these mobile money services on consumption after a rainfall shock, such as a flood or drought, for both users of mobile money and for household that don't use mobile money but who reside in villages with other users. This allows me to determine the extent that remittances received via mobile money are shared within villages, creating wider benefits to the community. Using a difference-in-difference fixed effects specification, I find that after a village-level rainfall shock it is only users of mobile money who are able to prevent a drop in their consumption. There are no spillover effects to other members of the village. This finding has implications for how new technologies might change traditional risk sharing arrangements, and who might benefit and lose out from their spread.

Keywords: risk sharing, mobile money, Tanzania

JEL Classification - O16, O17, O33

---

\*I would like to thank the editor and two anomalous referees from the Journal of Development Economics. I would like to thank Karlijn Morsink, Simon Quinn and Climent Quintana-Domeque for their generous help, inspiring discussions, insight into economic research and assistance in helping me work through different ideas and econometric techniques. I thank the discussants and participants at the CSAE, Junior RES, Novafrica, EconCon and NEUDC Conferences. I would like to thank Tavneet Suri for her discussions around mobile money services and advice on data sources. I would like to acknowledge the LSMS division of the World Bank and the Tanzania National Bureau of Statistics for the main data used in this paper and for helping me with additional data needs.

Download English Version:

<https://daneshyari.com/en/article/7357415>

Download Persian Version:

<https://daneshyari.com/article/7357415>

[Daneshyari.com](https://daneshyari.com)