



STEG-PEDL Virtual Course on 'Private Enterprises, Productivity and Economic Growth'

Session 11: Friday 24 April 2026

[Julia Fonseca](#)

[Presentation slide](#)

[Video](#)

Continue the conversation on [Piazza](#) (correct link)

Useful papers:

Fonseca and Matray, ungated version of paper is here: https://gceps.princeton.edu/wp-content/uploads/2022/04/wp293_Matray_Fonseca.pdf

Breza and Kinnan, ungated version: <https://drive.google.com/file/d/1IC8BsZalhDDzr0xd-mn0tSjLx910gWeV/view?usp=sharing>

Ungated version of Jack and Suri paper is here:

https://dspace.mit.edu/bitstream/handle/1721.1/88137/Suri_Risk%20sharing.pdf?sequence=1&isAllowed=y

Q: I tried to download some of the course material this morning, but I get an error message. Is there a problem with the course's website or is it just me?

A: Unfortunately parts of the GRP website are currently down. You can find the reading list at this link instead: https://cepr.org/system/files/2026-04/reading_list_financial_networks.pdf.

Q: In terms of method (DiD), do we know to what extent this huge GE effect comes from stronger identification assumption in macro-finance than in micro-one?

A: It is largely just that it is rare to be able to run randomized control trials at a level where GE effects are present, whereas in natural or policy experiments tend to be larger scale, and these are the setting for DiD. There are "saturation" methods of RCTs though that look for

local GE effects by increasing the level of treatment in a local area, and comparing across areas.

For RCTs with a saturation design, you need to have segmented markets across your saturation units (e.g., villages or towns are not too integrated) to make sure that the GE effects are local, and don't spread over your saturation units. And one can NEVER measure any full aggregate GE effect purely using cross-sectional variation, whether experimental (RCT) or quasi-experimental (often DiD).

Staggered diff-in-diff, which Julie referenced, is a rapidly evolving literature and to be honest it changes faster than I can keep up with. The early big contribution were Callaway and Sant'Anna and Borusyak.

Q: Is it not mechanical the relation showed in the slide? Deposits are mostly created from loans.

A: Well, there is no mechanical reason they have to be related. The bank can move deposits from one branch to another - that is, take deposits in one branch and lend those deposits out in another (or lend them, for example, to the government by buying bonds).

The point of the paper is not to measure the impact of banks on credit and deposits, but rather to measure the impact of these financial services on the real economy like employment and wages. In that sense, even if the relationship you mention were mechanical, it wouldn't matter for their purposes.

Q: I need to know about the measurement of Productivity through World Bank Enterprises Survey dataset. When would this type of discussion take place??

A: You might want to go back to Chad Syverson's lecture in Week 2 of this course, which looked at firms and firm growth.

Chad's lecture has a lot about measurement issues. You might also find it useful to circle back to the earlier STEG courses, including some of the lectures from the STEG data course: <https://grp.cepr.org/steg/courses/virtual-course-on-data-in-macro-development> .

Also, if you're looking for the underlying methods, check out this document from the World Bank: <https://openknowledge.worldbank.org/entities/publication/f376837e-9119-5ea3-9948-b961997a59e1>

Q: Do we have countries in Africa where informal enterprises can borrow money using mobile money, without collateral?

A: Some interesting things happening in this space:

<https://newsroom.safaricom.co.ke/innovation/inside-the-m-pesa-business-loans/>

Q: Let's collect some questions for Julia!

Q1: Are there any firm-level data that can be used for these analyses? The match firm/financial institutions would be ideal but how to analyse the questions presented in the talk when this link is missing in the data?

Q2: Capital especially for informal sector has been an issue. So micro finance has got high interest rate which is discouraging to informal sector, but my interest was on mobile operators or banks can give loans through checking the number of transactions one has and use that as collateral

Q3: How firm level productivity can be measured and how mobile money can affect productivity?

Q4: However, do you notice any damage, or data that shows any negative impact of widening access to credit?

Q5: Anyone please share a relevant article for firm level productivity?