

 Download This Paper (Delivery.cfm/SSRN_ID3070177_code1225030.pdf?abstractid=2906523&mirid=1)

 Open PDF in Browser (Delivery.cfm/SSRN_ID3070177_code1225030.pdf?abstractid=2906523&mirid=1&type=2)

 Add Paper to My Library
Share:    

Banking the Unbanked: What Do 255 Million New Bank Accounts Reveal about Financial Access?

Columbia Business School Research Paper No. 17-12

Georgetown McDonough School of Business Research Paper No. 2906523

HKUST Finance Symposium 2017

Indian School of Business WP 2906523

76 Pages

Posted: 30 Jan 2017

Last revised: 13 Nov 2017

Sumit Agarwal (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=352406)

National University of Singapore

Shashwat Alok (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=1225030)

Indian School of Business (ISB), Hyderabad

Pulak Ghosh (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=1505182)

Indian Institute of Management (IIMB), Bangalore

Soumya Ghosh (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=2575715)

State Bank of India

Tomasz Piskorski (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=780120)

Columbia University - Columbia Business School, Finance

Amit Seru (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=337561)

Stanford University

Date Written: October 26, 2017

Abstract


Using administrative account level data, we study the largest financial inclusion program in India that led to 255 million new bank account openings. About 77% of these accounts maintain a positive balance. While the initial usage remains quite infrequent, it gradually converges to that of banked households with similar demographics. Exploiting regional variation in ex-ante financial access, we find that regions more exposed to the program saw an increase in lending and defaults on new loans. These results are consistent with banks catering to the new demand for formal credit by previously unbanked households. We also find some evidence of increased borrowing and spending for health related reasons in regions more exposed to the program.


Keywords: Banking, Financial Inclusion, Financial Literacy, Big Data, Financial Access, Savings, Spending, Debit Card, Consumer Finance, Household Finance

JEL Classification: C93, D14, G21, O16, O12

[Suggested Citation](#) >

[Show Contact Information](#) >

 Download This Paper (Delivery.cfm/SSRN_ID3070177_code1225030.pdf?abstractid=2906523&mirid=1)

 Open PDF in Browser (Delivery.cfm/SSRN_ID3070177_code1225030.pdf?abstractid=2906523&mirid=1&type=2)

Do you have a job opening that you would like to promote on SSRN?

[Place Job Opening \(https://www.ssrn.com/index.cfm/en/Announcements-Jobs/\)](https://www.ssrn.com/index.cfm/en/Announcements-Jobs/)

We use cookies that are necessary to make our site work. We may also use additional cookies to analyze, improve, and personalize our content and your digital experience. For more information, see our [Cookie](#)

[policy \(https://www.elsevier.com/legal/cookiepolicy\)](https://www.elsevier.com/legal/cookiepolicy)

DO [Cookie Settings](#)

[Accept all cookies](#)

RANK 23,909

23 Citations



PlumX Metrics



(https://plu.mx/ssrn/a/?ssrn_id=2906323)
Related Journals

Columbia Business School Research Paper Series (https://papers.ssrn.com/sol3/JELJOUR_Results.cfm?form_name=journalBrowse&journal_id=1856578)

Follow



Banking & Insurance eJournal (https://papers.ssrn.com/sol3/JELJOUR_Results.cfm?form_name=journalBrowse&journal_id=1492282)

Follow



View more >

Feedback

Submit a Paper > (<https://hq.ssrn.com/submissions/CreateNewAbstract.cfm>)

SSRN Quick Links



SSRN Rankings



About SSRN



f (<https://www.facebook.com/SSRNcommunity/>)

in ([https://www.linkedin.com/company/493409?](https://www.linkedin.com/company/493409?trk=tyah&trkInfo=clickedVertical%3Acompany%2CentityType%3AentityHistoryName%2CclickedEntityId%3Acompany_493409%2Cidx%3A1%2Cimpression%3A1)

[trk=tyah&trkInfo=clickedVertical%3Acompany%2CentityType%3AentityHistoryName%2CclickedEntityId%3Acompany_493409%2Cidx%3A1%2Cimpression%3A1](https://www.linkedin.com/company/493409?trk=tyah&trkInfo=clickedVertical%3Acompany%2CentityType%3AentityHistoryName%2CclickedEntityId%3Acompany_493409%2Cidx%3A1%2Cimpression%3A1)

t (<https://twitter.com/SSRN>)

(<http://www.elsevier.com/>)

Copyright (<https://www.ssrn.com/index.cfm/en/dmca-notice-policy/>)

Terms and Conditions (<https://www.ssrn.com/index.cfm/en/terms-of-use/>)

Privacy Policy (<https://www.elsevier.com/legal/privacy-policy>)

We use cookies to help provide and enhance our service and tailor content.



To learn more, visit [Cookie Settings](#).

(<http://www.relx.com/>)

(<https://papers.ssrn.com/sol3/updateInformationLog.cfm?process=true>)

We use cookies that are necessary to make our site work. We may also use additional cookies to analyze, improve, and personalize our content and your digital experience. For more information, see our [Cookie Policy](https://www.elsevier.com/legal/cookiepolicy) (<https://www.elsevier.com/legal/cookiepolicy>)

[Cookie Settings](#)

Accept all cookies