Summary

1. **Social Media for Business: Scoping Exercise for Sri Lanka**
   - All sampled MSMEs exclusively use Facebook and Instagram to market products
   - 52% use IG influencers!
   - But **cash/bank transfer payments** remain high
   - (Would love to know this fraction on a representative sample)

2. **FinTech Lending and Cashless Payments**
   - **Cashless** payments generate verifiable data that non-traditional banks use to screen borrowers
   - Feedback loop: potential borrowers adopt cashless payments

3. **Suitability for ML and Immunity to the Covid-19 Pandemic**
   - **Occupations** differ in exposure to machine learning
   - ML-suited occupations more **resilient** during pandemic
Towards a Discussion of Policy Implications

• First two papers suggest a natural role for policy
  – Facilitate non-cash/non-bank payments through credit cards, mobile money, etc.
  – Promote the use social media and online platforms
  – FinTech paper suggests more opportunities for MSMEs to borrow as a result of this data

• But, what happens at scale?
  – Removing distortions to payment choices and marketing channels will remove deadweight loss
  – But while overall pie increases, distribution may not

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  2. Imagine **all** payments data are shared
     • All lenders now use common data, so screening is based on investments in more data and algorithms (eg, street-view imagery)
       – current cream-skimming equilibrium gets reinforced
     • The value of the open data gets compressed
     • Who owns the data? Do MNCs get access? See debates on international data sharing.
Towards a Discussion of Policy Implications

- ML and resiliency of jobs
Towards a Discussion of Policy Implications

- ML and resiliency of jobs

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<th>NIC Code</th>
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<tr>
<td>01</td>
<td>Crop and animal production, hunting and related service activities</td>
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<td>Fishing and aquaculture</td>
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<td>Mining of coal and lignite</td>
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<td>Other mining and quarrying</td>
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Towards a Discussion of Policy Implications

• ML and resiliency of jobs during the pandemic
  – Finding seems to capture a correlation between SML and work-from-home (WFH)
  – Sectoral variation --> spatial variation?

• Follow up questions: what are the implications for a country like India?
  – WFH reshapes the structure of cities, **unbundling** where people live vs where people work
  – Implications for Delhi, Jaipur...?

  – Does India have a comparative advantage in WFH jobs? How has it evolved over time?
  – Understanding this key statistic would provide some sense of whether India can rely on service-led exports as a source of growth