

# ECA RESEARCH NOTES

Office of the Chief Economist

EUROPE AND CENTRAL ASIA

BEST NEW RESEARCH ACROSS THE BANK GROUP

JULY 2022



Hi Everyone,

It is well into summer, and we saved the best for last. This month we held the ECA Academy event for the winners of the 2021 competition. This is one of my favorite events since it is meant to identify and reward some of the most interesting and operationally relevant research for our region. We all spend time doing analytical work, but it takes time and effort to put this research into a format that can be published. It is very important to make this extra effort because publications can have a lasting impact on development thinking, and this is how we learn from each other and keep our skills from eroding.

So, the Academy is set up not only to identify research that is useful to our region, but to also incentivize more of it, since we really appreciate it. As usual, we received too many good submissions to reward all of them, but the review panel and I ended up selecting four winning papers on topics that range from migration to climate regulation, to health and education. Please join me in congratulating the authors. You can read each of the winning papers below and watch their presentations. Keep up the good work!



*Photo: 2021 ECA Academy Award Ceremony*

At the end of last month, we also launched the latest round of Global Findex data, covering the pandemic period. In 2021, 71% of adults in developing countries had a bank account, up from 42% a decade ago. For the first time since we started collecting this data in 2011, gender gap in account ownership has narrowed from 9 percent to 6 percent in developing countries. The latest figures show that 78 percent of adults in Europe and Central Asia have a bank account, while only 58 percent had one in 2014. Much more work remains to be done, but it is wonderful to take a moment and appreciate all the progress that has happened over the last decade. You can read the report and download the data below.

Finally, I hope you are all planning to take a long summer break and recharge. I am planning to do the same. This summer will also be a time of transition for me. After 33 wonderful years at the Bank, I will be leaving at the end of the summer. I am grateful for the engaging colleagues I have gotten to know and the work we have done together, and the wider development community that we are all part of. So, a big thank you to each of you who have contributed to our discussions and enriched our work over the years. This will be my last newsletter to you, but I am sure our paths will continue to cross in the future, and we will keep in touch.

Happy Reading!

Asli

Event recording

## WINNING RESEARCH



### [Do Immigrants Shield the Locals? Exposure to COVID-Related Risks in the European Union](#)

*Laurent Bossavie, Social Protection & Jobs Global Practice, ECA, World Bank*  
*Daniel Garrote Sanchez, Social Protection & Jobs Global Practice, ECA, World Bank*

*Mattia Makovec, Social Protection & Jobs Global Practice, ECA, World Bank*  
*Caglar Ozdan, Development Research Group - Trade & International Integration, World Bank*

Using various measures of occupational risks based on European Union labor force survey data, the paper finds that immigrant workers, especially those from lower-income member countries in Eastern Europe or from outside the EU, face greater exposure than their native-born peers to both income and health-shocks related to COVID-19. The authors show that the presence of immigrant workers has a causal effect in reducing the exposure of native workers to various risks by enabling the native-born workers to move into jobs that could be undertaken from the safety of their homes or with lower face-to-face interactions.



### [The Effectiveness of Environmental Provisions in Regional Trade Agreements](#)

*Michele Ruta, Macroeconomics, Trade & Investment Global Practice*  
*Ryan Abman, San Diego State University*  
*Clark Lundberg, San Diego State University*

This study provides new causal evidence that environmental provisions are effective in limiting deforestation following the entry into force of RTAs. The authors find that the inclusion of specific provisions aimed at protecting forests and/or biodiversity entirely offsets the net increases in forest loss observed in similar RTAs without such provisions. The inclusion of these provisions limits agricultural land expansion, but does not completely offset increases in total agricultural production. The effects are concentrated in tropical, developing countries with greater biodiversity.



### [Can Grit Be Taught? Lessons from a Nationwide Field Experiment with Middle-School Students](#)

*Indhira Santos, Social Protection & Jobs Global Practice, ECA, World Bank*  
*Violeta Petroska-Beska, Ss. Cyril and Methodius University, Skopje*  
*Pedro Carneiro, University College London*  
*Lauren Eskreis-Winkler, Kellogg School of Management at Northwestern University*  
*Ana Maria Munoz Boudet, Poverty & Equity Global Practice, World Bank*  
*Ines Berniell, CEDLAS-Universidad Nacional de la Plata*  
*Christian Krekel, London School of Economics, CEP*  
*Omar Arias, Education Global Practice, World Bank*  
*Angela Duckworth, University of Pennsylvania*

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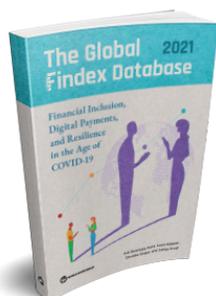


### [Mass Messaging and Health Risk Reduction: Evidence from COVID-19 Text Messages in Tajikistan](#)

*William Seitz, Poverty & Equity Global Practice, ECA, World Bank*

Can mass public health messages change behavior during a crisis? This paper assesses the impact of a COVID-19 focused text-messaging campaign launched in May 2020 with the Ministry of Health and Social Protection of Tajikistan to encourage compliance with risk reduction measures. The results suggest that text messaging-based public health messaging was a cost-effective means of increasing awareness in a large and geographically dispersed audience during the COVID-19 pandemic and that the program led to an increase in self-reported risk reducing behaviors.

## RECENT RELEASE

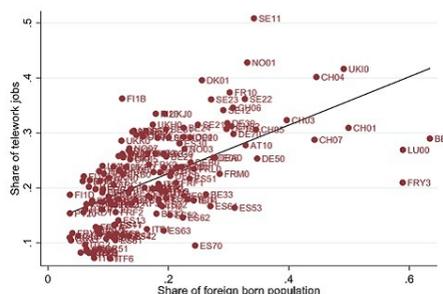


### [The Global Findex Database 2021: Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19](#)

Since 2011, the Global Findex Database has been the definitive source of data on global access to financial services from payments to savings and borrowing. The 2021 edition, based on nationally representative surveys of over 125,000 adults in 123 economies during the COVID-19 pandemic, contains updated indicators on access to and use of formal and informal financial services and digital payments, and offers insights into the behaviors that enable financial resilience.

[REPORT](#) || [DATA](#)

## BLOGS



### [Immigration and natives' exposure to COVID-related risks in the EU](#)

*Laurent Bossavie, Daniel Garrote Sanchez, Mattia Makovec, & Çağlar Özden, September 1, 2021*

This column explores how the prevalence of immigration in the labour market affected different types of workers' exposure to virus-related risks in 15 destination countries in Western Europe. It finds that not only were immigrant workers more vulnerable to the economic and health shocks of the pandemic; they also served as a protective shield for native workers.



### [The Global Findex Database 2021 Identifies Opportunities for Increasing Financial Inclusion](#)

*Asli Demirguc-Kunt, Leora Klapper, Dorothe Singer, & Saniya Ansar, July 5, 2022*

The latest edition of the Global Findex shows that account ownership has grown across the globe and three out of four adults worldwide today have a financial account. Yet 1.4 billion adults remain unbanked. How can policies and products help bring more unbanked adults into the financial system?

The ECA Research Notes newsletter is produced by the Europe and Central Asia (ECA) Chief Economist's Office. Please send comments, suggestions, and feedback to [ECACEoffice@worldbank.org](mailto:ECACEoffice@worldbank.org).

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