

The Hong Kong University of Science and Technology

Dept of Information Systems, Business Statistics
and Operations Management

Seminar Announcement



Digital Multisided Platforms and Women's Health: An Empirical Analysis of Peer-to-Peer Lending and Abortion Rates

by

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Date : 10 June 2019 (Monday)
Time : 10:30 am - 12:00 noon
Venue : Room 1003, LSK Business Building



Abstract: Digital multisided platforms and peer-to-peer marketplaces are increasingly attracting attention from scholars, with a significant amount of work examining their societal implications. Yet, despite such focus, limited work has investigated the social implications of the democratization of capital by peer-to-peer (P2P) lending platforms. To the extent that P2P lending platforms can address gaps in the healthcare market not covered by traditional insurance, the social implications of their entry into local markets remains understudied. We investigate how the entry of LendingClub, a leading P2P lending platform, influences access to a medical procedure that has significant social and financial barriers - abortion services. LendingClub was allowed to enter different states in the US at different times by state regulators, thereby allowing us to use a differences-in-differences approach to examine its effect on abortion rates. We use data from the platform, Center for Disease Control and the Guttmacher Institute to construct a dataset for this purpose. We find that the entry of LendingClub is associated with an increase in the rate at which women chose not to carry to term, thereby reducing the financial barriers faced by women. Furthermore, we also study variations in the treatment effect from other factors that represent, and influence, social barriers to procuring abortion services. These social barriers tend to manifest through financial barriers for the individual seeking the procedure. We therefore study the effects of education, religious activity, and political affiliation, and find significant variations in the treatment effects. The theoretical and practical implications of our results are discussed within.

Bio: Anandasivam Gopal is the Dean's Professor of Information Systems at the Robert H. Smith School of Business, University of Maryland, College Park. He received a Bachelors from BITS Pilani, India, a Masters from UNC – Chapel Hill and a Ph.D. in Information Systems from the Tepper School of Business, Carnegie Mellon University. His research interests are in the economics of IS, focusing on digital platforms, technology-related entrepreneurship and innovation. He serves as Senior Editor at Information Systems Research.