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What is financial inclusion? A critical review

Thereza Balliester Reis*

Abstract

Financial inclusion (FI) has become a key policy for poverty reduction in developing countries. However, there is no consensus on what FI comprises, who should be included and who will deliver this inclusion. The different interpretations of the concept may lead to implementations that do not correspond to the original intent. Moreover, by making certain assumptions implicit, FI may be a policy that merely replicates microfinance initiatives. In order to illustrate the inconsistencies in the existing literature, this article displays a literature review of 67 studies about the definition of FI. Built on the systematic review approach, studies are selected based on inclusion and exclusion criteria, as well as an explicit search strategy, thus providing a reliable and replicable outcome. After identifying the studies, we present a critical discussion about the underlying theoretical and empirical implications of the definitions of FI. This assessment enables a better understanding of FI and its framing. To conclude, a plain definition is suggested to ensure transparency and comparability of FI research.

Keywords: Financial inclusion, financial development, systematic review, definition.

JEL classification: B50, G50, O12

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1. Introduction

Financial inclusion (FI) has become a central topic in development policy, in particular from international organisations such as the World Bank and the Consultative Group to Assist the Poor (CGAP) (Aitken, 2013; Bernards, 2018; Mader, 2018). While commonly defined as the access and usage of financial services, the similarities among exiting definitions do not lead to consistency in the literature. Those range from very concise definitions, such as in Allen et al. (2016: 1), where FI is described as 'use of formal accounts' to more extended ones such as in Chakravarty and Pal (2013), where FI is the act of removing barriers for the poor to access fair and low-cost financial services.[1] The imprecision and diverse definitions of FI may lead to different interpretations, which in turn can create complications for policy analysis and implementation. Thus, this article analyses existing definitions in order to provide a critical and more accurate assessment of FI.

The concept of FI dates back to the 1990s. The exclusion of individuals from the formal financial system was brought into discussion by researchers who detected that poor individuals in peripheral neighbourhoods in developed countries were being deprived of formal credit based on geographic or racial prejudices, despite disposing of collateral and regular income streams. These studies focused on long-term credit with market rates provided by community development banks or community-based credit unions to poor individuals, so the latter could invest in housing and business[2] in order to generate wealth to themselves and their neighbourhood (Dymski, 1995; Dymski & Veitch, 1996; Leyshon & Thrift, 1995; Pollard, 1996).

In contrast, the current mainstream literature on FI considers a broader range of financial services necessary to include poor individuals in the formal financial system. While these studies do not specify through which mechanisms FI as a whole would lift individuals or regions from poverty, most of them focus on (micro)credit. The theoretical background is grounded on the financial development literature, in which increasing finance leads to economic growth, thus reducing poverty and income inequality in developing countries (Beck, Demirgüç-Kunt, Laeven, & Levine, 2004; Beck, Demirgüç-Kunt, & Levine, 2007; Demirgüç-Kunt, Beck, & Honohan, 2008). More specifically, these studies utilise mathematical models, in which, through investment in human capital or business, the poor are lifted out of poverty (Aghion & Bolton, 1997; Banerjee & Newman, 1993; Galor & Zeira, 1993). Furthermore, credit (but also savings and insurance) would prevent individuals from falling into poverty when in financial distress, thus smoothing consumption over time (Allen et al., 2016; Chakravarty & Pal, 2013; Demirgüç-Kunt, Klapper, & Singer, 2017).

However, this mainstream approach to FI overlooks certain particularities of developing countries that could challenge these models. First, the support for the expansion of informal microenterprises in developing countries does not acknowledge

[1] Full definitions in the Appendix (Table A.1).
[2] Business in the financial exclusion literature is defined as a formal enterprise, not agricultural or craft goods that are sold in the informal market.

the saturation of markets for primary and craft goods, nor services such as hairdressers and clothes repair. This saturation pushes prices down, driving individuals to work longer hours while receiving lower earnings (Bateman, 2014; Bateman & Chang, 2012; Guérin, D'Espallier, & Venkatasubramanian, 2015). Second, the claim that the poor are 'repressed' entrepreneurs does not consider that these individuals may lack specialised skills or have insufficient capital to increase low levels of productivity (Taylor, 2012). Therefore, promoting increasing finance to low-income individuals in developing countries must acknowledge the structural differences between these and developed countries.

On the empirical side, there is limited evidence that FI can reduce poverty (Duvendack & Mader, 2019). In fact, research has found that FI can have adverse effects on income due to over-indebtedness (Dattasharma, Kamath, & Ramanathan, 2016; Kaffenberger & Totolo, 2018), similarly to evidence on microfinance (Mutsonziwa & Fanta, 2019; Schicks, 2014).

The theoretical and empirical resemblances between microfinance and FI has led to the claim that the latter is a mere rebranding of the former (Bateman, 2014; Mader, 2018). FI, however, is set to be broader than microfinance, which creates a hardship to develop a clear concept. Based on the systematic review method, this article investigates more than 150 studies in order to compare the existing definitions of FI and untangle the theoretical foundations behind them. It also scrutinises these definitions in order to answer three key questions: (a) Who is the subject of inclusion?; (b) Who will include them?; and (c) What are the necessary services to achieve this inclusion?

This article is divided into four sections. Section one presents the systematic review method and the selection process. Section two displays the results and critically discusses the findings. Section three provides a new definition of FI based on previous discussion. The last section concludes.

2. Method

The systematic review method is commonly used to assess the impact evaluation of international development studies. While its definition is not a consensus, the review should include a clear research question, a reproducible search strategy, inclusion criteria, screening methods, critical appraisal of quality of included studies and information about that analysis that allows for reproducibility (Krnic Martinic, Pieper, Glatt, & Puljak, 2019).

In this article, whereas we do not assess the quality of the selected studies, the systematic review provides us with a framework to extract and analyse information using a reliable and reproducible process. We reduce the research's output bias by providing specifications on (i) wording, (ii) type of study, (iii) period, (iv) selected languages and (v) search platforms. These five criteria are followed using the guidelines from Snilstveit et al. (2014) in order to assess the mainstream literature on FI and its criticisms.

2.1 The selection criteria

First, the criteria of inclusion and exclusion of selected studies were established based on the wording. We include studies that display the precise expression 'financial inclusion', but not its variations, such as 'financial exclusion', 'financial access' or 'banking'. This is essential as we aim to investigate the specific group of studies that conceptualise FI using the financial development literature as a theoretical foundation.

Second, criteria based on the type of study are added. We only review publicly available studies that are either a peer-review journal publication, a book, an institutional working paper, or an institutional report. Institutional reports and working papers are essential for this investigation, as development institutions, particularly the World Bank, are strong supporters of FI policies.

Third, we only select studies that have been published between 2000 and 2018. As we focus on the mainstream literature on FI and its criticisms, this time frame reduces the likelihood of reviewing a definition that does not fit into the research framework.

Fourth, four different languages were used (English, Portuguese, Spanish and French) to reduce language bias. Non-English definitions were translated in order to assure comparability.

Fifth, three search platforms were used to reduce the selection bias: Google Scholar, EconLit and Web of Science. Studies have also been added through the snowballing method, as it identifies key studies that may not be considered relevant by the search platforms. Through it, the reference list of the primary studies was reviewed, and the most common references were also included in the review.

2.2 The selection process

To assess the definitions, we follow the four steps of a systematic review, which include identifying the literature, screening of selected studies, eligibility of selected studies based on the above-mentioned declared criteria, and inclusion of studies in the final review (Waddington et al., 2012). Results are displayed in Figure 1.

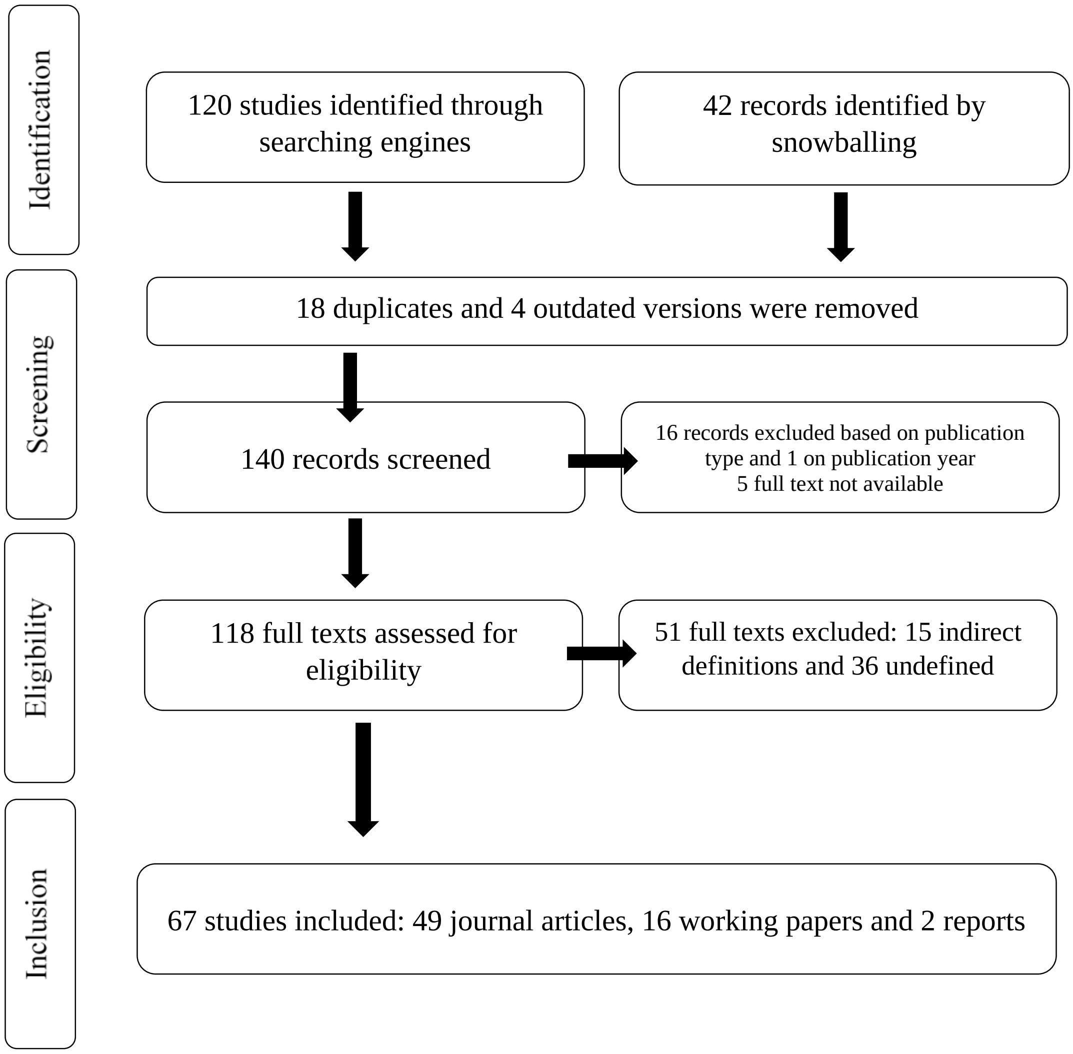
In the first step, 162 studies were identified. These studies were selected as follows: (i) the first 50 results in English in Google Scholar; (ii) the first ten results in Portuguese, Spanish and French in Google Scholar; (iii) the first 20 papers in English EconLit; (iv) the first 20 papers in English in the Web of Science[3]; and (v) the 42 most relevant studies mentioned in the primary selection that had not been displayed by search engines.[4]

[3] Neither EconLit nor Web of Science had results in languages other than English, reason why only studies in this language were selected.

[4] When using the search engines, the studies were displayed by relevance.

The second step, the screening of identified studies, reduced their number from 162 to 118. This was done in two stages. First, we removed 22 studies classified as duplicates and outdated versions.[5] Second, we followed the above-established criteria according to publication type, publication year and public availability. Sixteen studies were excluded for not being peer-reviewed publications, books, institutional working papers or institutional reports. These were in their majority conference papers or magazine articles. One further study was excluded as it was published in 1998, and it was out of the scope of targeted studies on FI. Lastly, five studies were withdrawn as the full texts were not available.

Figure 1. Flow diagram based on results of literature review on FI



Note: Based on Waddington et al. (2012)

[5] When papers had both working paper and journal publication versions, only the latter was selected.

Next, the eligibility step analysed how the selected studies defined FI. Here, 51 studies were disqualified for two reasons: (i) 15 of them had indirect definitions, such as in Camara and Tuesta (2014), where the FI is not explicitly defined[6]; (ii) 36 studies did not define FI whatsoever, despite analysing some aspect of what is understood to be FI, such as loans or mobile money, as in Allen et al. (2014) and World Bank (2012).

These three steps reduced the research to 67 studies in which FI was clearly defined. These included the most simple definitions, such as 'typically defined as the proportion of individuals and firms that use financial services' (World Bank, 2014, p. 1) and 'households' access to and use of financial services' (Anzoategui, Demirgüç-Kunt, & Martínez Pería, 2014, p. 338), to extended definitions, such as 'in a broader sense, financial inclusion is defined as a process which brings different sections of people under a single roof of the financial system, especially people in very low-income brackets, the poor and the marginalised sections including migrants and makes them access the basic financial services. These services include not only banking products but also other products such as insurance, pension and remittances at an affordable cost' (Sethi & Acharya, 2018, p. 369).

2.3 The data transformation

In the last step, the included definitions had to be transformed before the analysis. This transformation comprised five stages. First, nine non-English studies were translated (four in Spanish, three in French, and two in Portuguese). Second, only words with at least four characters were selected to prevent the inclusion of terms such as 'can' and 'etc'. Third, 'stopwords' were removed (such as 'about', 'before' or 'could'), as well as other words that do not contribute to understanding the definition of FI.[7] Fourth, stemmed words were clustered, that is, words that had the same root, such as banking, bank, banked, and banks are grouped. Lastly, only the top 100 words were selected.

3. Results and Discussion

After transforming the data, we analyse the word frequency of the 67 studies that define FI. Results are displayed in Figure 2. Service and its variations[8] have been mentioned 76 times, reaching the highest frequency in our dataset. Next, access and related words, such as accessibility and accessible, have been cited 63 times. In third place, we find 'formal' with 29 references.

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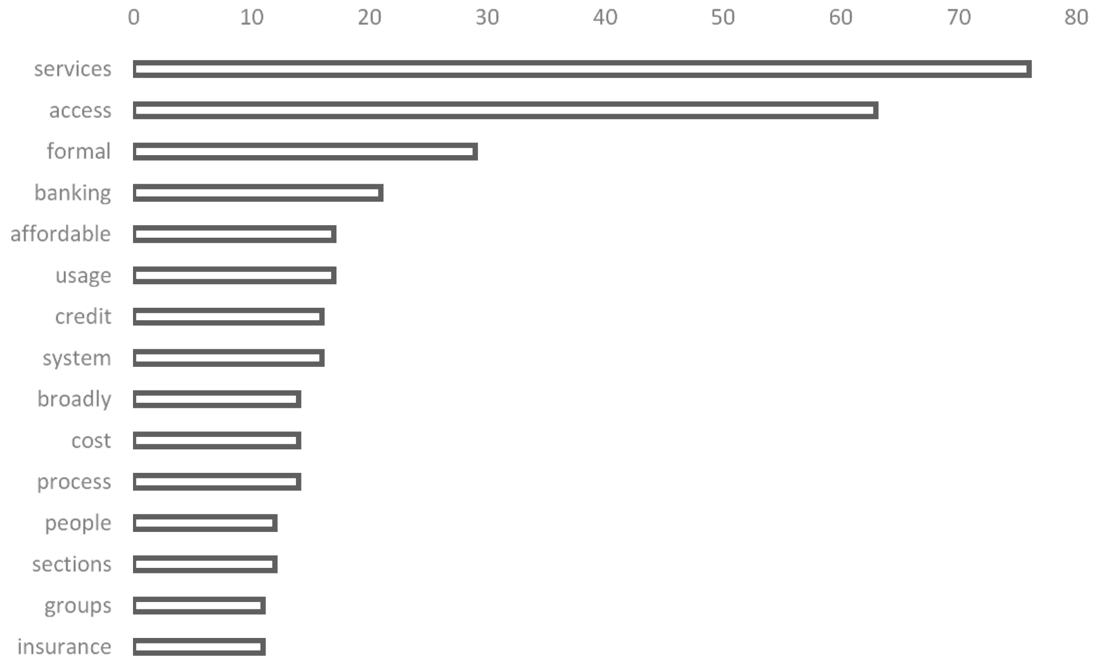
[6] The study claims that 'the concept of financial inclusion goes beyond single indicators, such as percentage of bank accounts and loans and number of automated teller machines (ATMs) and branches' (Camara and Tuesta 2014: 2) but does not provide an alternative definition.

[7] These are: 'financial', 'inclusion', 'defined', 'definition', 'defines', 'define', 'describes', 'refers', 'means', 'concept', 'provides', etc.

[8] service, services, services'

Figure 2: Frequency of word usage in the definition of 67 studies on financial inclusion[9]



While the word frequency is informative, further analysis must be conducted in order to understand the underlying meaning of each choice of word. Based on the most commonly used words, we see that a possible general definition of FI could be 'the access and usage of affordable formal banking services by people'. This definition, however, does not fully explain our main questions, that is, (a) who is the subject of inclusion?; (b) who will include them?; and (c) what are the necessary services to achieve this inclusion? To reach the answers to these questions, we scrutinise the preferred terminology to define FI by critically assessing the choice of phrasing. We also relate these to the mainstream theoretical foundation, such as the human capital and life-cycle hypothesis, in order to clarify the assumptions behind the definitions.

3.1 The subject of financial inclusion

To begin with, most studies are not clear about who is the subject of FI: is it the individual, the household, the poor, or small and medium enterprises (SMEs)? The most frequent reference to the financially included is 'people', which appears in the 12th position with 12 mentions. Subsequently, we find other terminologies in the following order: groups (14th), population (20th), individuals (22nd), poor (23rd), consumer (25th), firms (27th), households (28th), society (29th), members (34th), adults (43rd), clients (44th), disadvantaged (52nd), and customers (68th).

While the top terms are quite broad and prevent a precise understanding of the financially included agent, others enable us to discuss the different approaches to the

[9] The frequency of top 100 words can be seen in Appendix. Some studies use more than one definition, reason why there might be more occurrences of a certain term than the number selected studies.

subject of FI, as we have ‘individuals’ with nine references, followed by ‘firms’ and ‘households’ with eight mentions each.

However, despite narrowing the main agents down, the literature is still not consistent with respect to who should be included. Some studies define FI as the inclusion of only firms (Chauvet & Jacolin, 2017), only individuals (Fan & Zhang, 2017), only households (Anzoategui et al., 2014; Dev, 2006), individuals and firms (Amidžić, Massara, & Mialou, 2014; Moncayo & Reis, 2016; Rastogi & E., 2018; World Bank, 2014), or households and firms (Gopalan & Rajan, 2018; Morgan & Pontines, 2018). However, the decision on who is the targeted agent is more related to the empirical research of the study rather than to a thorough analysis of the policy. Thus, if we want to understand FI, we initially need to focus on who ‘needs’ to be financially included.

First, despite being mentioned six times, firms are overlooked in empirical analysis on FI (Fan & Zhang, 2017; Karpowicz, 2016; Morgan & Pontines, 2018). This is reasonable as the need for credit by firms for investment has been long discussed in the financial development literature (Khan & Senhadji, 2000; King & Levine, 1993; Levine, 1997; Schumpeter, 1934), unlike finance to households. However, firms and households present essential differences that must be highlighted to understand how each agent uses finance.

To start, firms can still be considered creditworthy as they have collateral (physical space, stock, machinery, etc.), which distinguish them from households, especially poor ones. In fact, one key innovation of microfinance institutions (MFIs) was to accept social collateral or non-standard assets (such as cattle) as collateral, which allowed poor households to receive credit (Besley & Coate, 1995; Postelnicu, Hermes, & Szafarz, 2014). Therefore, uncollateralised loans to households are riskier and imply worse contract conditions, which may have a negative effect on well-being.

Moreover, the use of credit is different for firms and households. Firms use credit for investment, which may generate profits and, even with high interest rates, may enable the loan to be repaid. Households, in turn, use credit for consumption purposes. Therefore, the household may be unable to repay the loan and be forced to make sacrifices, such as cutting on food, in order to afford the repayment (Afonso, Morvant-Roux, Guérin, & Forcella, 2017; Kaffenberger & Totolo, 2018; Schicks, 2014).

According to the mainstream literature on FI, households also act like firms when they ‘invest’ in themselves. Based on the human capital hypothesis, it is believed that individuals who ‘invest’ in education, for instance, will have higher returns in the future, as this investment has high marginal productivity (Demirgüç-Kunt et al., 2008; World Bank, 2014). This hypothesis disregards, however, several aspects of this type of credit. One is that children need several years of education before entering the labour market. Therefore, their parents will be indebted until children are old enough to earn the returns of the ‘investment’. Second, high returns from education require a well-established formal labour market from which education levels may positively affect wages. This is not the case in many developing countries. For example, informal employment reaches 85.8 per cent in Africa, 68.2 per cent in Asia and the Pacific, 68.6 per cent in the Arab States and 40 per cent in the Americas (ILO, 2018a). Therefore, the pilling debt for education purposes may lead households into a poverty trap.

The mainstream literature also considers self-employed workers as firms (‘entrepreneurs’) (Allen et al., 2016; Fungáčová & Weill, 2015; World Bank, 2014). This approach stems from the financial development literature, where the entrepreneur is a necessary tool for economic growth (King & Levine, 1993), and even rural self-employed workers are considered entrepreneurs (McKinnon, 1973). This association is particularly important in developing countries, where the labour market is characterised by the strong presence of rural and self-employed labour (ILO, 2018b) but can also be harmful to development. By assuming that individuals are potential entrepreneurs that only lack necessary funding, these studies overlook that many do not have specialised skills and face highly competitive markets, which would prevent most businesses from thriving (Kalpana, 2005; Taylor, 2012). Thus, as credit for consumption, investment loans to self-employed workers may also lead to over-indebtedness, as shown in the microcredit literature (Bateman, 2012; Schicks, 2014).

Stepping aside from discussing the differences between firms and households, we now focus on the differences between households and individuals. According to our review, 'people', 'groups' and 'population' are the most common agents of FI, but these are not precise enough for economic analysis. Hence, we focus on 'individuals' and 'households'.[10] Choosing between these two needs to be done purposefully as they present distinct characteristics.

The majority of studies that selected households as the unit of analysis did so due to data availability, such as when the national database only displays information on a household level (e.g. Dev, 2006; Anzoategui, Demirgüç-Kunt and Martínez Pería, 2014; Ehrmann and Ampudia, 2017). Meanwhile, other studies explicitly define individuals as the subject of FI (Amidžić et al., 2014; Fan & Zhang, 2017), even when acknowledging the particularities of the household level (Demirgüç-Kunt, Klapper, Singer, & Van Oudheusden, 2015; dos Santos & Harvold Kvangraven, 2017; Tambunlertchai, 2018).

Choosing individuals over households seems reasonable, as the proclaimed goal of FI is to include each individual into the financial system. Despite the household dynamics that could affect the inclusion of specific individuals, FI policy does not target merely a representative of the household. Despite certain critics of how neoclassical economics considers the centrality of individuals, analyses on the individual level remain fundamental to economics as a science. As our social world values individuals, it is useful to use them as the object of normative and scientific concern (John B. Davis, 2010; John Bryan. Davis, 2003). Considering gender disparities within the household as an example, we are able to understand the importance of the individual-level analysis. If a woman within the household does not have access to banking either because her partner already owns an account or does not allow her to access the formal system, she would still be considered financially excluded.

Similarly, services that are used by the household, such as loans for children's education, are still provided to a single individual. Evidence shows that there are more systemic barriers to women than men, despite women's marital status (Agier & Szafarz, 2013; Demirgüç-Kunt, Klapper, & Singer, 2013; Safavian & Haq, 2013). Therefore, women within the household could still be considered financially excluded, even if her husband would be able to acquire formal financial services.

In summary, we notice there are striking differences among firms, households and individuals. In light of the discussion, this article considers that firms should not be considered an agent of FI along with individuals or households by their distinct nature. It also evaluates that self-employed workers and firms have different characteristics,

[10] 'Individuals' had nine mentions (22nd) and 'households' had eight mentions (28th).

particularly creditworthiness and productivity. Therefore, the entrepreneurship argument must be reconsidered. Lastly, this article considers that the individual, not the household, should be the agent for investigating FI, as the main objective of the policy is on individual-level inclusion.

3.2 The intermediaries of financial inclusion

The second question is related to who will include individuals in the financial system. This is an issue as for-profit and non-profit financial institutions may have different effects on FI. Of the 67 investigated studies, few define clearly the nature of financial institutions. Okello Candiya Bongomin et al. (2018b: 831), for instance, refers to 'responsible and sustainable financial institutions', but do not discuss it further. The most specific account is given by Morvant-Roux et al. (2010), who includes banks, financial cooperatives and MFIs to the definition of FI.

Throughout the studies, it is possible to identify that most studies consider only the private banking system (and sometimes the so-called fintech[11] firms) to be the optimal intermediaries of FI. In turn, the state should only have a regulatory role and support FI by providing government transfers (such as benefits and pensions) through digital payments (Demirgüç-Kunt & Klapper, 2013; Wang & Guan, 2017; Zulkhibri, 2016). Furthermore, the World Bank (2014: 3) affirms that 'the focus of public policy should be on addressing market failures' as 'direct government interventions – such as […] lending through state-owned banks – tend to be politicised and less successful, particularly in weak institutional environments'.

There are, however, arising issues from market-driven FI, which has not been discussed in the mainstream literature. The critical literature has confirmed that microcredit has been very profitable for private financial institutions, while at the same time creating highly indebted individuals and leading them to asset decumulation (Bateman & Chang, 2012; Ghosh, 2013; Guérin, D'Espallier, & Venkatasubramanian, 2013; Güngen, 2018). Moreover, as dos Santos and Harvold Kvangraven (2017) discussed, developmental goals do not drive for-profit lenders. Thus, it would be unlikely to change business from profitable credit for consumption purposes to individuals to transformative investment projects.

Likewise, fintech firms are also for-profit corporations. Initially focusing on payments, these firms have also developed microloans systems through mobile phones, for instance. Case studies showed their potential harm, including aggravating poverty. In Kenya, for example, money withdrawal fees (around 0.21GBP) can be burdensome to the poor as it costs the same as half of a kilo of corn (Johnson, 2016a). Fintech loans have also increased indebtedness both in Kenya and Tanzania, with 20 per cent and 9 per cent of borrowers, respectively, reporting to reduce food consumption in order to repay the loan (Kaffenberger & Totolo, 2018). This indicates that, while profitable, these firms may not support poverty reduction.

A further consideration is that several of the studies define FI as having access to affordable financial services (e.g. Gupte, Venkataramani and Gupta, 2012; Mohieldin et al., 2012; Atkinson and Messy, 2013; Kim, 2016). At the same time, there is little

[11] *Fintech* refers to financial products that use technology to distinguish itself from traditional financial services. For instance, mobile money is seen as a fintech innovation as it uses mobiles to store and transfer money without using the traditional banking system.

discussion on how for-profit financial intermediaries in developing countries should achieve free or low-price services. To maximise profits, private financial institutions will set high prices for clients and may have no incentives to provide free services. In particular, in developing countries, where the credit market might not be competitive and infrastructure is limited, low prices for bank accounts seems unlikely.

The mainstream literature also claims that financial institutions must maintain a ‘sustainable’ business (Demirgüç-Kunt et al., 2017; J.-H. Kim, 2016; Okello Candiya Bongomin, Munene, Mpeera Ntayi, & Akol Malinga, 2018). This means that the institution must charge fees and rates compatible with clients’ riskiness. Individuals with a lack of collateral and irregular income stream, such as self-employed workers, represent a high risk as they may default on loans or make more insurance claims. Furthermore, sustainability implies the absence of subsidies. As discussed in Guérin and Kumar (2017: 742), ‘subsidies have been presented as too limited and uncertain, and as sources of interference, dependency and market “distortion” […], which in great part explains the market shift that has occurred over the last decade’. Thus, a sustainable for-profit financial intermediary is unlikely to provide affordable financial services to the poor.

Bearing these aspects in mind, we consider that FI is a policy towards increasing the importance of private financial institutions. As such, this characteristic must be clear on the definition of FI, as it determines the goals and prices of financial services.

3.3 The elements of financial inclusion

As well as FI's subject and intermediaries, elements in the existing mainstream literature on FI are also not very clearly defined. In the examined definitions, few studies explain which elements are essential or how extensive each component must be for an agent to be considered financially included. Most studies use broad terms, such as ‘banking services’ or ‘financial access’. If the research is empirical, the definition may contain one or more explicit elements.

The most referred term is ‘banking’ with 21 occurrences.[12] However, what do exactly the studies mean by banking? Soederberg (2013) differentiates banking from microcredit and mortgage, while Sethi and Acharya (2018) distinct banking services from other financial services, such as insurance, pensions and remittances. Nevertheless, these additional services are usually intermediated by banks as well, which creates confusion on why they would be considered non-banking services. On the other hand, other studies are more explicit when referring to banking services, such as in Garg and Agarwal (2014), who specifically mention bank deposits and Güngen (2018), who defines FI as bank account ownership. Thus, we conclude that the term ‘banking’ should refer to bank accounts.

Owning a bank account allows individuals to use other financial services, but the mainstream literature does not always account for these. ‘Deposits’ have seven references (36th), followed by ‘payments’ (39th) and ‘remittances’ (85th). This shows that existing definitions might have actively chosen to select all-encompassing terms in order to be able to include as many elements possible in the discussion. This

[12] Due to the use of stemmed words, ‘banking’ encompasses also ‘bank’, ‘banks’ and ‘banked’ as demonstrated in the Appendix (Table A.2).

broadness, however, is problematic as it can lead to many different interpretations of FI.

Furthermore, while bank account ownership counts as the first step into FI, evidence shows that owners do not use them frequently. In developing countries, 18 per cent of individuals did not withdraw funds in the previous month, and 58 per cent withdraw one or twice – mainly when receiving their salaries (Allen et al., 2016). In South Africa, for instance, six million basic bank accounts were opened in four years, but only 3.5 million remained active (World Bank, 2014). Thus, we notice that acknowledging the usage aspect of FI is necessary for an accurate definition as the mere access may not reflect a proper inclusion.

Bank account ownership must also be further analysed before being considered an essential mechanism for poverty reduction. The Findex dataset provides information on barriers to FI.[13] According to the dataset, 52.70 per cent, 43.82 per cent and 40.02 per cent of participants did not have an account in 2011, 2014 and 2017 respectively. We can see the reported reasons for the lack of account ownership in Table 1:

Table 1. Reasons for not having an account at a financial institution

Reason	2011	2014	2017
Lack of money	68.15	65.96	64.63
Price	26.10	28.50	29.99
No need	N/A	29.34	28.17
Documentation	20.13	19.40	21.63
Distance	19.80	22.07	20.86
Lack of trust	17.25	16.27	18.65
Family member has one	13.93	14.85	18.16
Impossibility	N/A	22.56	N/A
Religion	5.70	7.44	6.87

Source: World Bank Findex dataset

As we notice, lack of money is the most common reason for not having a bank account. This is understandable as there are usually costs to account ownership. Thus, poor individuals may prefer to allocate their income to more essential services and goods, such as food and education. We also notice that costs are perceived as an important factor as high prices are the second common reason for not owning an account. Lastly, we have a lack of need as the third most important cause. This sheds light on the

[13] The World Bank Findex dataset surveyed around 500,000 individuals in more than 140 countries for three years. More on https://globalfindex.worldbank.org/.

causal relationship between poverty and FI, as the evidence shows that income may influence bank account ownership.

After ‘banking’, the first precise element discussed in the literature is ‘credit’, with 16 occurrences (e.g. Chakravarty and Pal, 2013; Wang and Guan, 2017; Kim, Yu and Hassan, 2018). The fact that (micro)credit appears as the leading service of the existing definitions of FI illustrates its importance for this policy instrument.

Credit, particularly to low-income individuals in developing countries, had been considered a policy tool for a mass exit from poverty (Beck et al., 2007; Khandker, 1998). As previously presented, based on mathematical models, mainstream studies consider that credit can be used for ‘investment’ in human capital. This investment allows the poor to increase their income, thus reducing poverty. It also allows the allocation of funds from the rich savers to poor borrowers, which reduces income inequality (Aghion & Bolton, 1997; Banerjee & Newman, 1993; Galor & Zeira, 1993).

Today, nonetheless, most studies acknowledge the harmful effects of microcredit, in particular over-indebtedness (Afonso et al., 2017; Guérin et al., 2015; Kaffenberger & Totolo, 2018; Mutsonziwa & Fanta, 2019), or at least consider there is mixed evidence of its effects on development goals (van Rooyen, Stewart, & de Wet, 2012; World Bank, 2014). Nevertheless, credit still presents itself as a core element of FI.

This evidence supports allegations that FI is a ‘rebranding’ of microcredit. After studies showed FI’s insignificant or negative effects on poverty reduction, critics claim that international institutions, such as the World Bank, have replaced the terminology from microfinance to FI (Bateman, 2014; Mader, 2018). In fact, a systematic review of the effects of microfinance stated that ‘this current enthusiasm [for RCTs as the gold standard for assessing interventions] is built on similar foundations of sand to those on which we suggest the microfinance phenomenon has been based’ (Duvendack et al., 2011, p. 75). Therefore, instead of replacing microfinance with a more suitable and evidence-based poverty reduction policy, such as social protection floors, international institutions have replaced it with FI.

The third most mentioned financial service is ‘insurance’ with 11 references (Garg & Agarwal, 2014; J.-H. Kim, 2016; Okello Candiya Bongomin, Munene, Ntayi, et al., 2018). Grounded on the life-cycle hypothesis, insurance is said to prevent individuals from falling into poverty in times of emergency (Brau, Merrill, & Staking, 2011; Demirgüç-Kunt & Klapper, 2012b). While micro-insurance cannot boost individuals’ income, it could still serve as a palliative solution for cases of financial distress, such as crop loss, medical emergency or unemployment. This shows a shift of developmental efforts from poverty alleviation to poverty stabilisation (Taylor, 2012). Therefore, insurance is a mechanism for preventing individuals to become poor(er) but is unable to lift individuals out of poverty.

While preventing individuals from allocating a large part of their income in an emergency, insurance requires periodical payments that can burden the poor. For those who earn less than US$2 a day, regular payment on premiums can dislocate income from basic needs, such as food and shelter, to financial products. Therefore, it is possible that low-income individuals will prefer affording everyday needs over uncertain future distress. In addition, in order to be sustainable, insurance firms need to charge more for the riskier and more costly clients, such as individuals with chronic diseases or the unemployed. This would increase premiums to the poor, which would prevent them from accessing this service.

The promotion of private insurance disregards two further points: social relations and public service. First, it assumes that individuals have no other borrowing alternative in the event of financial distress. Particularly in developing countries, social ties in small and rural communities are strong (Guérin, 2014; Johnson, 2016b), and borrowing from friends, community or family usually implies little or no interest rates (in contrast to for-profit financial institutions). As we see in Table 2, when in an emergency, individuals worldwide prefer to either use their own savings or borrow from family and friends, confirming social networks' relevance.

Table 2. Main source of emergency funds[14]

Variable	2014	2017
Savings	35.43	33.90
Family or friends	38.18	29.61
Money from working	15.69	24.88
Borrowing from a bank	3.44	5.63
Informal private lender	1.31	N/A
Selling assets	N/A	3.10
Other	3.73	1.94

Source: World Bank Findex dataset

Second, the role of the state is extensively ignored by the mainstream literature of FI. In the case of insurances, public policies such as universal health care and unemployment benefits could also allow for risk sharing, besides preventing individuals from falling into poverty in the case of financial distress. Lavinas (2018) considers this process as part of financialisation in capitalist economies, in which the privatisation of public goods and services aims to shift the debt burden from the state to individuals.

Lastly, we find 'savings' as the final key element of FI in the 56th position. Formal savings are also related to the life-cycle hypothesis as it provides individuals with a cushion for periods of financial distress. This element is less contradictory as these are less risky services to financial institutions and, at the same time, possibly beneficial

[14] Answers do not sum up to 100% as some of the interviewees did not answer the question.

to individuals if earned interest rates outweigh incurring costs. However, as with insurance, it is unlikely that poor individuals will have spare income to save.

In this sub-section, we saw that four elements are highlighted in the literature but are not always explicitly acknowledged in the definition of FI. These are banking (usually referring to account ownership), credit, insurance and savings.

4. A plain definition of financial inclusion

This article concludes that there is a need for a definition of FI that explicitly includes the subject, the intermediaries and the elements is key in order to fully understand the type of policy and the goals of FI.

First, we clarify the subject of FI. FI must focus on the individual as, while it is necessary to account for the household aspect, there might be financially excluded individuals within the household. Moreover, we disregard firms as the subject of FI as they present different characteristics from households and individuals. Lastly, we consider that self-employed workers must be analysed as individuals, not firms, as they often lack collateral and represent low-productivity activities.

Second, we must highlight that FI is led by for-profit financial intermediaries. This is inherently contradictory to poverty reduction, as sustainable financial institutions will be unable to maximise profits and serve low prices or free financial services to the poor.

Third, the necessary elements of FI must be explicit in order to avoid ambiguity. In the review, we noticed that 'banking' was the most referred financial service. As it is broad, we must clarify what banking means, i.e., deposits and payments. Subsequently, credit was the second key, indicating strong ties between FI and microcredit. Finally, insurance and savings were also mentioned, but in low frequencies. Each of these active choices has implications on how we assess FI. Therefore, selecting them purposefully allows us to understand the policy better.

After analysing 67 studies based on a systematic review method, we propose a more precise and comprehensive definition of FI:

'Financial Inclusion is the access to and usage of deposits, payments, credit, insurance and savings by individuals provided by for-profit financial institutions'.

Following this definition allows comparability of future research, as measurement and analysis can be consistently used.

5. Conclusion

This article presented existing definitions of FI and concluded they are not always clear, despite implicit theoretical foundations. With respect to the subject of inclusion, the literature considers a range of a unit of analysis that goes from people to firms. Concerning the intermediaries of FI, we also analysed that, while usually implicit, most studies refer to for-profit financial institutions. Next, we noticed that key elements of FI are differently described in the literature. Among these elements, credit is related to the human capital hypothesis, whereas insurance and savings stem from the life-cycle hypothesis. Lastly, we presented a plain definition of FI based on the mainstream literature and concluded it is necessary to understand FI's implications fully.

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APPENDIX

Table A.1: Systematic review of definition of financial inclusion

No.	Main paper	Source	Type of study	Definition quote
1	Aduda and Kalunda (2012)	Google Scholar	Journal article	"Financial inclusion or banking sector outreach can be defined broadly as the process of availing an array of required financial services, at a fair price, at the right place, form and time and without any form of discrimination to all members of the society"
2	Akileng, Lawino and Nzibonera (2018)	EconLit	Journal article	"Earlier the definition of financial inclusion considered only banking products and services. But now, this definition has been expanded to consider other financial services (insurance, pension and remittances) and institutions (NBFCs)"
3	Allen *et al.* (2016)	Google Scholar	Journal article	"use of formal accounts"
4	Alonso *et al.* (2013)	Google Scholar	Institutional working paper	"De acuerdo al Centro para la Inclusión Financiera (Center for Financial Inclusion, CFI), la inclusión financiera es “un estado en el que las personas que puedan utilizar servicios financieros de calidad, tengan acceso a ellos, a precios asequibles, proveídos de manera conveniente y con dignidad para los clientes”. Por otra parte, Morales y Yánez (2006) definen a la bancarización como el establecimiento de relaciones estables y amplias ente los bancos y sus usuarios respecto de un conjunto de servicios financieros disponibles. La medición de la bancarización no es única y debe considerarse desde diferentes puntos de vista al ser un fenómeno multidimensional. Las dimensiones utilizadas con mayor frecuencia para su medición son: i) profundidad, como proporción que guarda el crédito al PIB (penetración del crédito en la economía de un país) o bien depósitos en relación al PIB; ii) inclusión, que puede registrarse en términos de segmentos de la población que son atendidos por la banca y por su alcance geográfico, que también puede ser interpretado como cobertura de servicios y, iii) intensidad de uso de los diferentes instrumentos o productos bancarios."

5	Ambarkhane, Shekhar Singh and Venkataramani (2016)	Cross-reference	Journal article	Earlier the definition of financial inclusion considered only banking products and services. But now, this definition has been expanded to consider other financial services (insurance, pension and remittances) and institutions (NBFCs) (Planning commission, Govt. of India, 2009).
6	Amidžić, Massara and Mialou (2014)	Google Scholar	Institutional working paper	"Financial inclusion can be broadly defined as an economic state where individuals and firms are not denied access to basic financial services based on motivations other than efficiency criteria"
7	Anzoategui, Demirgüç-Kunt and Martínez Pería (2014)	Google Scholar	Journal article	"households' access to and use of financial services"
8	Arun and Kamath (2015)	Web of Science	Journal article	"state in which everyone who can use them has access to a full suite of quality financial services, provided at affordable prices, in a convenient manner, with respect and dignity"
9	Atkinson and Messy (2013)	Google Scholar	Institutional working paper	"Financial inclusion refers to the process of promoting affordable, timely and adequate access to a wide range of regulated financial products and services and broadening their use by all segments of society through the implementation of tailored existing and innovative approaches including financial awareness and education with a view to promote financial well-being as well as economic and social inclusion"
10	Bader and Savoia (2013)	Google Scholar	Journal article	"possibilidade de levar serviços financeiros a pessoas até então excluídas do sistema bancário"
11	Bara (2013)	Google Scholar	Journal article	"Financial inclusion means that the majority of the population has broad access to a portfolio of quality financial products and services"
12	Chakravarty and Pal (2013)	Google Scholar	Journal article	"Financial inclusion can be defined as a process that serves to remove the barriers and overcome the inabilities of some societal groups and individuals, including the poor and disadvantaged, to access and use low-cost, fair and safe formal financial services, such as credit, deposits, insurance and payments, whenever needed"

13	Chauvet and Jacolin (2017)	Cross-reference	Journal article	"financial inclusion, i.e., the distribution of financial services across firms"
14	Cnaan, Moodithaya and Handy (2012)	Web of Science	Journal article	"Broadly speaking, financial inclusion means access to finance and financial services for all in a fair, transparent and equitable manner at an affordable cost (Sarma, 2008; Solo, 2008). Fuller and Mellor (2008) noted that financial inclusion is the desire to develop 'alternative', welfare-oriented (rather than profit-driven), reliable, affordable and accessible financial services for all sections of the population. Others, however, view inclusion as a market-driven solution for poverty alleviation (Alpana, 2007)."
15	de Koker and Jentzsch (2013)	Google Scholar	Journal article	"“Financial inclusion” can be defined in general as ensuring access to formal financial services at an affordable cost in a fair and transparent manner (FATF, 2011a, p. 12)"
16	Demirgüç-Kunt and Klapper (2012a)	Google Scholar	Institutional working paper	"Inclusive financial systems—allowing broad access to financial services, without price or nonprice barriers to their use"
17	Demirgüç-Kunt and Klapper (2012b)	Cross-reference	Institutional working paper	"Inclusive financial systems—allowing broad access to financial services, without price or nonprice barriers to their use"
18	Demirgüç-Kunt and Klapper (2013)	Google Scholar	Journal article	"More-inclusive financial systems—those that allow broad access to appropriate financial services"
19	Demirgüç-Kunt, Beck and Honohan (2008)	Cross-reference	Institutional working paper	"Financial inclusion, or broad access to financial services, implies an absence of price and nonprice barriers in the use of financial services; it is difficult to define and measure because access has many dimensions"
20	Demirguc-Kunt, Klapper and Singer (2017)	Cross-reference	Institutional working paper	"Financial inclusion means that adults have access to and can effectively use a range of appropriate financial services. Such services must be provided responsibly and safely to the consumer and sustainably to the provider in a well regulated environment."
21	Dev (2006)	Google Scholar	Journal article	"Financial inclusion can be defined as delivery of banking services at an affordable cost to the vast sections of disadvantaged and low-income groups. In the case of credit, the proper definition of the financially excluded would include households who are denied credit in spite of their demand"

22	dos Santos and Harvold Kvangraven (2017)	Cross-reference	Journal article	"‘financial inclusion’, that is, to extend the reach of credit, savings and insurance services to those households, communities and regions"
23	Fan and Zhang (2017)	Web of Science	Journal article	"financial inclusiveness, which is typically defined as the extent to which individuals can directly access formal financial systems"
24	Fungáčová and Weill (2015)	Google Scholar	Journal article	"Financial inclusion, defined as the use of formal financial services"
25	Garg and Agarwal (2014)	Google Scholar	Journal article	"Financial exclusion describes as a situation in which people do not have access to mainstream financial product and services such as banks accounts, credit cards and insurance policies, particularly home insurance, education loan."
26	Gopalan and Rajan (2018)	EconLit	Journal article	"Financial inclusion can be said to encompass the process of broadening the accessibility of financial services for households and firms. In other words, it relates to the issue of providing and enabling the firms and households in an economy with access to the formal credit market."
27	Guerineau and Jacolin (2013)	Google Scholar	Journal article	"l’inclusion financière, c’està-dire un meilleur accès et une utilisation plus intensive des services financiers"
28	Güngen (2018)	EconLit	Journal article	"Financial inclusion assumes that removing barriers to accessing formal finance benefits the poor and triggers their entrepreneurial spirit, thereby contributing to development by enabling households and small- and medium-sized enterprises (SMEs) to access the financial system. Under its most basic definition, financial inclusion simply means having a bank account. To achieve the developmental objectives associated with financial inclusion, however, entails converting people into financial consumers or investors, which means they should use their accounts actively to benefit from financial campaigns and services. The promotion of financial savings and investment, and the provision of financial education and digitised payments can all be considered as aspects of financial inclusion."
29	Gupte, Venkataramani and Gupta (2012)	Google Scholar	Journal article	"Financial inclusion initiatives highlight the concerted efforts undertaken by the financial system or any constituent thereof to bring into its fold sections of the economy that have been excluded from access to affordable credit and other financial services."

30	Han and Melecky (2013)	Google Scholar	Institutional working paper	"Greater diversification of deposits could be achieved by enabling a broader access to and use of bank deposits, i.e. involving a greater share of adult population in the use of bank deposits (financial inclusion)."
31	Hoyo, Pena and Tuesta (2013)	Google Scholar	Institutional working paper	"para el presente estudio se adopta la definición de la Comisión Nacional Bancaria y de Valores (CNBV), según la cual la inclusión financiera "…comprende el acceso y uso de servicios financieros bajo una regulación apropiada que garantice esquemas de protección al consumidor y promueva la educación financiera para mejorar las capacidades financieras de todos los segmentos de la población". Bajo este concepto, la inclusión financiera tiene cuatro componentes: 1) acceso, 2) uso, 3) protección al consumidor y 4) educación financiera."
32	Kim (2016)	Cross-reference	Journal article	"Financial inclusion has many different definitions. However, according to the previous studies and theories, financial inclusion generally refers to a state in which all working-age adults have effective access to credit, savings, payments, and insurance from formal service providers. Effective access involves convenient and responsible service delivery, at a cost affordable to the customer and sustainable for the provider, with the result that financially excluded customers—such as those low-income groups and others who are financially disadvantaged—use formal financial services rather than existing informal options."
33	Kim, Yu and Hassan (2018)	EconLit	Journal article	"Financial inclusion, as dealt with in this study, means the ease of accessibility and availability of the formal financial services, such as bank deposit, credits, insurance, etc., for all participants in an economy."
34	Kumar (2013)	Google Scholar	Journal article	"Broadly speaking, Financial Inclusion is delivery of banking services at affordable cost to vast sections of disadvantaged and low-income groups"
35	Li (2018)	Cross-reference	Journal article	"Defined as access to formal financial services (Demirgüç-Kunt and Klapper, 2013)."
36	Lopez and Winkler (2018)	EconLit	Journal article	"Financial inclusion, i.e. access to and use of formal financial sector services"
37	Mehrotra and Yetman (2015)	Google Scholar	Institutional working paper	"Financial inclusion – access to financial services"
38	Mohieldin *et al.* (2012)	Google Scholar	Journal article	"The concept initially referred to the delivery of financial services to low-income segments of society at affordable cost. During the past decade, the concept of

				financial inclusion has evolved into four dimensions: easy access to finance for all households and enterprises, sound institutions guided by prudential regulation and supervision, financial and institutional sustainability of financial institutions, and competition between service providers to bring alternatives to customers."
39	Morgan and Pontines (2018)	EconLit	Journal article	"financial inclusion, i.e., greater access to financial services for low-income households and firms."
40	Morvant-Roux *et al.* (2010)	Google Scholar	Journal article	"l'inclusion financière des populations, c'est-à-dire l'accès et l'usage par ces populations exclues de services financiers fournis par des intermédiaires financiers formels : banques, coopératives financières, institutions de microfinance, etc."
41	Naceur, Barajas and Massara (2015)	Google Scholar	Institutional working paper	"Defined as the share of the population who use financial services"
42	Nawaz (2018)	Web of Science	Journal article	"Following Sarma (2012, p. 3) financial inclusion in this paper refers to "a process that ensures the ease of access, availability and usage of the formal financial system for all members of an economy""
43	Neri (2014)	Google Scholar	Institutional report	"O Relatório de Inclusão Financeira do Banco Central do Brasil, define inclusão financeira como "o processo de efetivo acesso e uso pela população de serviços financeiros adequados às suas necessidades, contribuindo para sua qualidade de vida""
44	Okello Candiya Bongomin, Munene, Mpeera Ntayi, *et al.* (2018)	EconLit	Journal article	"While IMF (2008) defined financial inclusion as "access to formal financial services including savings, credit, insurance and payments through a formal financial intermediary at an affordable cost"."
45	Okello Candiya Bongomin, Munene, Ntayi, *et al.* (2018)	EconLit	Journal article	"The World Bank (2013) refers to financial inclusion as the universal access to a wide range of financial services by individuals and SMEs at a reasonable cost provided by responsible and sustainable financial institutions. Similarly, ACCION (2011) defines it as a state in which all people who can use financial services, including the poor, have access to a full suite of quality financial services, provided at affordable prices, in a

				convenient manner, and with dignity for the clients. Besides, Chakrabarty (2011) describes it as “the process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular at an affordable cost in a fair and transparent manner by mainstream institutional players.” While ACCION (2011) defines financial inclusion as “a state in which all people who can use them have access to a full suite of quality financial services provided at affordable prices, in a convenient manner, and with dignity for the clients”. The Ministry of Finance, Planning & Economic Development in Uganda (2002–2009) refers to a poor person as “an individual who faces the situation of poor health, low level of income and consumption, unemployment, illiteracy, low level of production, physical insecurity, disempowerment, and isolation socially and geographically.” Coleman (1988) defined social capital as “a variety of different entities (which) all consist of some aspect of social structure, which facilitate certain actions of actors whether personal or corporate actors within the structure.”
46	Okello Candiya Bongomin, Ntayi, *et al.* (2018)	EconLit	Journal article	
47	Park and Mercado (2018)	EconLit	Journal article	"Financial inclusion is a broad concept. As defined by Sarma (2008), financial inclusion is the process that ensures the ease of access, availability, and usage of formal financial system for all members of an economy."
48	Peña, Hoyo and Tuesta (2014)	Google Scholar	Institutional working paper	"La Comisión Nacional Bancaria y de Valores (CNBV) define a la Inclusión Financiera como “… el acceso y uso de servicios financieros bajo una regulación apropiada que garantice esquemas de protección al consumidor y promueva la educación financiera para mejorar las capacidades financieras de todos los segmentos de la población”"
49	Piñeyro (2013)	Cross-reference	Journal article	"Financial inclusion is defined as the access and usage of financial services under appropriate regulations to ensure consumer protection schemes and promote financial education such that it improves the financial capabilities of all segments of the population." (Secretaria de Hacienda)
50	Ramji (2009)	Google Scholar	Institutional working paper	"Financial inclusion herein refers to the timely delivery of financial services to disadvantaged sections of society."
51	Rastogi and E. (2018)	EconLit	Journal article	"In generalised manner, FI can be explained as the access and availability of the formal financial system to all the sections of the society. This definition includes

				people of lower income groups and less privileged sections of the society (Haldar et al, 2016). Financial inclusion has been divided into two parts. The first part is for individuals and the second is for firms. Using this twin-pronged concept, FI has also been defined as proportions of the individuals and firms who are banked (or unbanked for financial exclusion measurement)."
52	Roa (2013)	Google Scholar	Institutional working paper	"Aunque al principio no existía consenso general sobre la definición de inclusión financiera, hoy en día algunos de los organismos internacionales involucrados en el tema han dado definiciones e indicadores mundialmente aceptados. Por ejemplo, la Asociación Global para la Inclusión Financiera (gpfi, por sus siglas en inglés) y el Grupo Consultivo de Ayuda a los Pobres (cgap, por sus siglas en inglés) consideran la siguiente definición de inclusión financiera (cgap, 2011): “se refiere a una situación en la que todos los adultos en edad de trabajar, incluidos aquellos actualmente excluidos del sistema financiero, tienen acceso efectivo a los siguientes servicios financieros provistos por las instituciones formales: crédito, ahorro (incluyendo cuentas corrientes), pagos y seguros”. Y se puntualiza, el acceso efectivo: “implica prestación del servicio conveniente y responsable, a un costo que el cliente puede asumir y sostenible para el que lo provee, que tenga como resultado que los clientes excluidos utilicen los servicios financieros formales en lugar de las opciones informales existentes”. Por excluidos del sector financiero: “se refiere a aquellos que no tienen acceso o no están lo suficientemente cubiertos por los servicios financieros formales”. Por servicio responsable: “implica tanto conducta de mercado responsable por parte de los proveedores y protección efectiva al consumidor financiero”, y finalmente por instituciones formales: “se refieren a proveedores de servicios financieros que tiene un estatus legal reconocido e incluye entidades (en algunos casos incluso personas) con amplios y variados atributos regulatorios, sujetos a diferentes tipos y niveles de supervisión externa”.
53	Rojas-Suarez (2016)	Cross-reference	Institutional working paper	"Based on the concept of usage of financial services to define financial inclusion"
54	Sarma and Pais (2011)	Google Scholar	Journal article	"Financial inclusion refers to a process that ensures the ease of access, availability and usage of the formal financial system for all members of an economy"

55	Sarma (2016)	Cross-reference	Journal article	"we define financial inclusion as a process that ensures the ease of access, availability and usage of the formal financial system for all members of an economy."
56	Schwittay (2011)	Google Scholar	Journal article	"financial inclusion as a global assemblage that constitutes materially poor people as fiscal subjects, financial consumers, and monetary innovators."
57	Servet (2009)	Google Scholar	Journal article	"Celle-ci doit être entendue comme offre de services financiers répondant effectivement et efficacement aux besoins des différentes catégories de la population, à un coût devant rester compatible avec leurs capacités de le couvrir."
58	Sethi and Acharya (2018)	Web of Science	Journal article	"In a broader sense, financial inclusion is defined as a process which brings different sections of people under a single roof of financial system, especially people in very low-income brackets, the poor and the marginalised sections including migrants and makes them access the basic financial services. These services include not only banking products but also other products such as insurance, pension and remittances at an affordable cost."
59	Sethy and Goyari (2018)	EconLit	Journal article	"Financial inclusion is defined as the process of ensuring access of financial services timely and adequately, and credits where needed by vulnerable groups such as weaker section and low-income groups at an affordable cost (Rangarajan Committee, 2008)."
60	Soederberg (2013)	Cross-reference	Journal article	"It refers to increasing broad-based access for some 2.7 billion poor adults to formal or semi-formal financial services ranging from banking to micro-credit to housing loans"
61	Tissot and Gadanecz (2016)	Cross-reference	Institutional working paper	"Financial inclusion, broadly defined as access to financial services"
62	Turegano and Garcia-Herrero (2018)	EconLit	Journal article	"Regarding the second concept of interest for this paper, financial inclusion, it is relatively recent and thus quite difficult to define, let alone to measure. Sarma (2008) defines financial inclusion as “a process that ensures the ease of access, availability and usage of the formal financial system for all members of an economy”. In the same vein, Cámara and Tuesta (2014) define an inclusive financial system as “one that maximises usage and access, while minimising involuntary financial exclusion”."
63	Ulwodi and Muriu (2017)	Cross-reference	Journal article	"This paper adopts access and usage as the working definition for financial inclusion."

64	Wang and Guan (2017)	Web of Science	Journal article	"Financial inclusion means that everyone not only has access to financial services but also can enjoy various types of financial services, such as payment, deposits, credit etc."
65	World Bank (2014)	Cross-reference	Institutional report	"Financial inclusion—typically defined as the proportion of individuals and firms that use financial services—"
66	Zins and Weill (2016)	Cross-reference	Journal article	"In its most basic definition, financial inclusion refers to the fact that a person owns an account at a formal financial institution."
67	Zulkhibri (2016)	Cross-reference	Journal article	"Financial inclusion is defined as a process that 'ensures the ease of access, availability and usage of formal financial services' (Sarma and Pais 2008). It describes the state in which all members of society have access to a full set of financial services at affordable prices and in a convenient manner."