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A Theoretical Review of The Relationship Between Financial Inclusion and Human Development

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Abstract

The main objective of this study is to evaluate the relationship between Financial Inclusion and Human Development with a special focus on Sub-Saharan Africa. The specific objectives of the study include the following: to understand the concept of Financial Inclusion and Human Development; to analyze the factors that influence Financial Inclusion in Sub-Sahara Africa; to determine the type of relationship between Financial Inclusion and Human Development in the case of Sub-Saharan Africa, and to examine the relationship between Financial Inclusion and human development. A critical review and analysis of selected theoretical reviews and empirical articles and policy documents on Financial Inclusion and Human Development have been used as the methodology for this study. Using empirical and theoretical evidence, the study concludes that, in Sub-Saharan Africa, there is a strong relationship between Financial Inclusion and Human Development. Further, *from the empirical and theoretical evidence provided in the study, it is recommended that SSA countries need to remove financial, bureaucratic, and physical barriers to financial inclusiveness. Therefore, Sub-Saharan Africa should formulate and implement policies that will enhance Financial Inclusion, consequently, the Human Development of the masses. Finally, it can be considered that enhanced GDP is an eminent gauge of financial inclusion. Unequal wealth distribution can consequent in financial inclusion and thus can harm overall Human Development. The study further concludes that there is a positive correlation between Human Development and Financial Inclusion. Furthermore, the study considers that economic development is undeniably a vital element in enhancing financial inclusion.*

Keyword: *Financial Inclusion; Human Development; Human Development Index; HDI; Inequality-Adjusted Human Development Index; IHDI, Sub-Saharan Africa; SSA; Sustainable Development Goals; SDGs*
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1. Introduction

1.1 Background

The African Nations have concentrated on accomplishing the socio-economic target of reducing unemployment, inequality, and poverty. Although Africa has recorded rapid economic growth since the 1990s however, unemployment, poverty, and inequality levels remain elevated (African Development Bank, 2018). The number of poor peopled has enlarged despite the fact that the rate of poverty has decreased since the 1990s at the same time the measurement of inequality by the *GINI* ***index*** has increased (African Development Bank, 2018). The high rate of unemployment may be allotted to declined human development originating from the scarcity of accessibility to quality health and education facilities which in consequence has contributed to a substantial section of the population being unemployable (Gosavi, 2018).

The UN (United Nations) embraced development goals created to make certain prosperity for the planet and individuals in 2015 (Klapper *et al.,* 2016). The sustainable development goals is also referred as Global Goals, where embraced by United Nations in the year 2015 as a universal call to undertake protection of globe, end of poverty and make certain that by 2030 people all around the world enjoy prosperity and peace. The 17 sustainable goals are (1) No poverty, (2) Zero hunger, (3) Good health and well-being, (4) Quality Education, (5) Gender Equality, (6) Clean water and sanitation, (7) Affordable and clean energy, (8) Decent work and economic growth, (9) Industry, Innovation and Infrastructure, (10) Reduced inequalities, (11) Sustainable cities and communities, (12) Responsible consumption and production, (13) Climate action, (14) Life Below water, (15) Life and land, (16) Peace, Justice and strong institutions and (17) Partnerships for goals (Klapper *et al.,* 2016). The SDGs (Sustainable Development Goals) integrated a vast range of elements including socio-economic, education, gender equality, and environment among others. Financial inclusion has been perceived as a resource for accomplishing 7 of the 17 SDGs, which are goal (1) No poverty, (2) Zero Hunger (3) Good Health and well-being, (4) Quality education, (8) Decent work and economic growth (9) Industry, Innovation and Infrastructure and (10) Reduced inequalities, hence the measurement of policy needs to be established to confirm its usefulness in African nations (Klapper *et al.,* 2016).

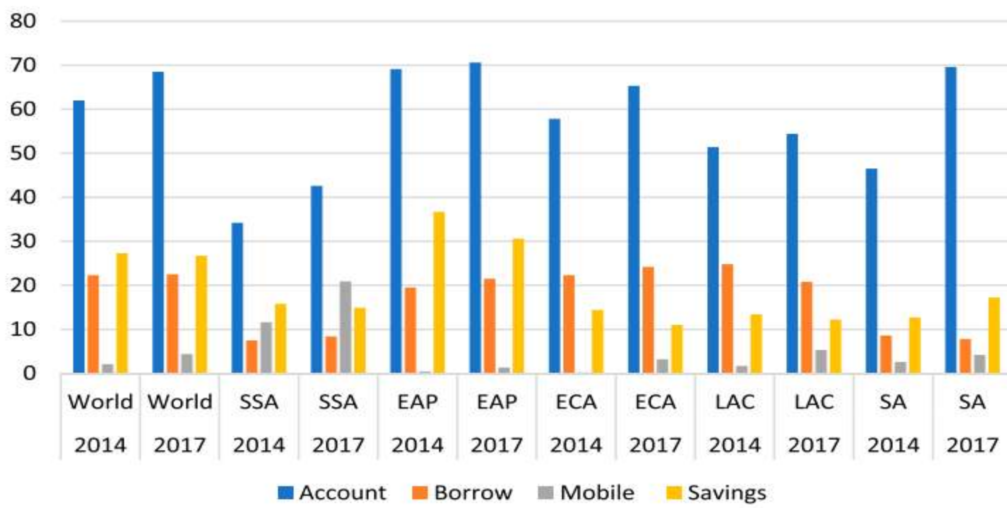

Figure 1: Regional comparison of financial inclusion

(Source: Matekenya *et al.,* 2021)

Figure 1 showed SSA (Sub-Saharan Africa**)** nations have enhanced financial inclusion largely; however, the region is still falling behind other nations in the majority of the indicators of financial inclusion.

Financial inclusion is explicated as the wide usage and availability of financial services may allow African nations to attain their socio-economic goals. Moreover, financial inclusion may aid effortless funds transfer, therefore, moderating the flow of remittances between nations. Staicu and Barbulescu (2017) stated that the usage and availability of financial services have enhanced over the last decade. Nevertheless, African Development Bank (2018) reported that a large section of the population all across the world is devoid of accessibility to conventional financial services. In a few developing economies such as Kenya, Thailand, India, and China, more than 80% of the entire population has acquired a financial account and this has majorly bestowed advancements in human development (Matekenya *et al.,* 2021). Therefore, implementing individual elements of financial inclusion indicates the impact of both accessibility and usage of financial services on the enhancement of human development, which is highly important for policy purposes.

1.2 Objectives of the Study

The main objective of this study is to evaluate the relationship between financial inclusion and Human development with special focus on Sub-Saharan Africa. The specific objective of the study are outline below:

1. To understand the concept of financial inclusion and human development
2. To analyse the factors that influence financial inclusion in Sub-Sahara Africa

3. To determine the type of relationship between financial inclusion and human development in the case of Sub-Saharan Africa
4. To examine the relationship between financial inclusion and human development

1.4 Rationale

Human development is regarded as a procedure expanding choices of human beings. The most crucial ones are to consequent in healthy and long life, to enjoy a satisfactory living standard and to be educated (undp, 1990). Supplementary choices involve guaranteed human rights, self-respect and political freedom. It is often perceived that income is an effective substitute for all other choices of humans hence availability of income allow exercise of every other alternative.

Human development is regarded as the enablement of options convenient to individuals along with the opportunities to enable them to live lives to the fullest. (Gosavi, 2018) stated that the African continent despite the accessibility of natural resources has a narrative of low levels of human development. Although SSA has witnessed enhancement of financial inclusion, however, the country has a long way to go in terms of financial inclusion of indicators. The African region has the lowest ranked countries concerning HDI (Human Development Index) including Chad, Central African Republic, Niger, Burundi, and Sound Sudan (Staicu and Barbulescu, 2017).

It is against the depicted background the current research investigates the relationship between financial inclusion and human development in nations of SSA. In addition, the research will evaluate the elements that affect financial inclusion in SSA. The notion of human development and financial inclusion has been also elicited in this research

2. Literature Review

2.1 Defining Financial Inclusion

There are several possible manners in which the definition of financial inclusion has been given each of which strokes little degree on one of various elements: availability to population to financial services, the level of utilisation of these services and their cost and quality. As per the World Bank's 2014, Global Financial Development Report financial inclusion is the quantity of firms and individuals that utilise financial services (International Monetary Fund, 2020).

Operable financial systems distribute a major purpose, offering credit, payment, risk management products, and savings to the population with extensive needs. The inclusion of financial systems makes financial services broadly available to people without non-price and price barriers to their need- are more likely to provide advantages to deprived groups of the population Gyasi *et al.* (2019). It has been observed that without having effective inclusion of financial systems can disadvantaged the populations because population depend on their possessed little savings to become entrepreneurs and to invest in their education, run small organisations. This can majorly give rise to continuing inequality and moderate economic development. In recent times, African nations have witnessed constructive progress in the availability of financial services. In SSA countries with the escalation of the financial industry, more financial services, particularly credit is now given to enterprises and individuals. Correspondingly, the latest technologies such as mobile money have contributed to the widening availability of financial services including payment and savings products.

2.2 Defining Human Development

Human Development denotes a sustainable procedure that strengthens and expands the capabilities of people such as refraining from premature death, enjoying a decent living standard, facing the public without shame and abilities to write and read. As per Amartya Sen's '***Capability Approach***' is demonstrated by its choice of emphasis upon moral importance of capability of individuals of acquiring the kind of lives they reason to value (Kuhumba, 2018). According to Staicu and Barbulescu (2017), Human Development is a procedure created to improve the lives of human beings directly, which differs from the development of the economy which necessitates the enlargement of material things purposeful to fulfil the needs of humans. Human Development accredited population to engage in the enhancement advancement of their wellbeing. The most appropriate human development indicator is Human Development Index (HDI) (Asongu and Nwachukwu, 2017). HDI has three major components based on which it is analysed: Education, Per Capita Income and Life Expectancy. It is worth noting that the Human Development Index (HDI) is a statistic developed and compiled by the United Nations since 1990 to measure the level of social and economic development of various countries. It consists of four main areas of interest: mean grade, expected grade, life expectancy at birth, and Gross National Income (GNI) per capita. This index is a tool for tracking changes in development levels over time and for comparing development levels in different countries. The HDI was created to emphasize that people and their skills, not just economic growth, should be the ultimate criteria for judging a country's development. The HDI uses factors such as average annual income and educational expectations to rank and compare countries. The HDI has been criticized by social advocates for not being a broad enough measure of welfare. Some economists and thought leaders argue that the HDI provides little additional useful information beyond simple measures of economic living standards. has been criticized.

The HDI and its major components can be highly effective to assist governments to better comprehend the inequalities across citizens and their contribution to the overall inequality loss (UN, 2011). In SSA Human Development is majorly dependent on persistent governance and health policies and favourable trade. Since the 1990s the economies of Africa have been successful in recovering owing to restructuring distributive and governance systems and mechanisms to safeguard people from downside risks including political instabilities, adverse trading terms, droughts, and disease pandemics.

2.3 Important Factors for Financial Inclusion

Taking into consideration the traits of finance, two kinds of factors initiate financial inclusion in the SSA. One category is structural characteristics (time-invariant) and the latter category is policy factors Asongu and Nwachukwu (2017). The structural characteristics include density and size, the level of economic informality, and income per capita which all in conjunction determine the size of the financial market. From the aspect of human development financial inclusion is important because it contribute to increase the breadth of the financial system and financial services. On the other hand, the policy factors are the extent of macroeconomic stability and the conventional frameworks, which decide the risks, and cost of financial services provision. Hence, financial inclusion can be regarded as a province of both policy and structural factors.

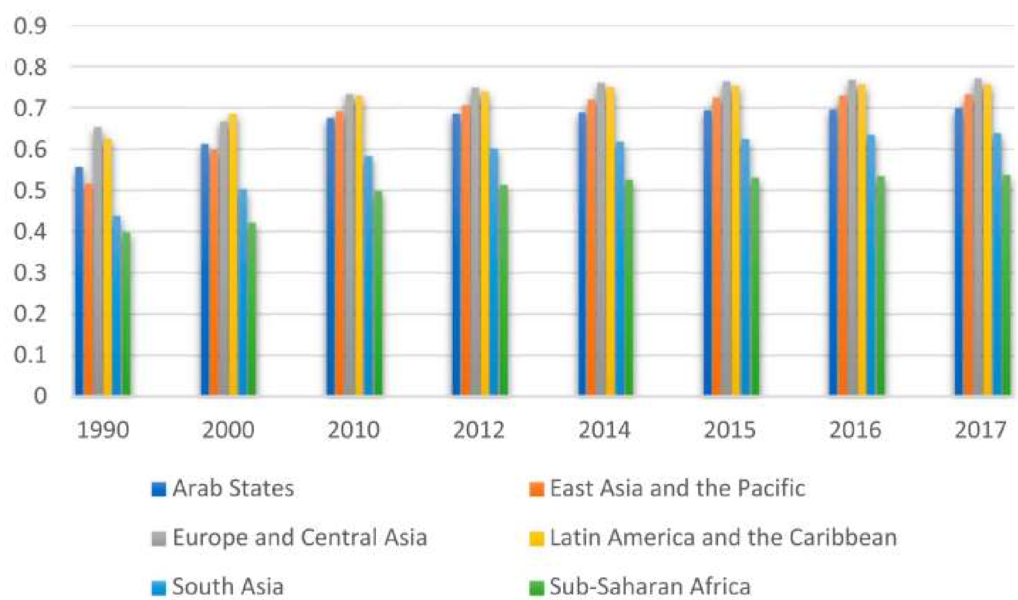

Figure 2: Regional HDI comparisons

(Source: Matekenya *et al.,* 2021)

According to Evans (2016), Gross Domestic Product (GDP) per capita is statistically positive and significant for the financial inclusion of the country as nations with high per capita income are able to create high financial inclusion. Hence, it can be considered that income is a crucial factor for financial inclusion in a nation. Money to supply % GDP (M2GDP) is also positive and significant for financial inclusion (Evans, 2016). Besides, Credit is positive however insignificant. In the opinion of Evans (2016), the insignificant influence is anticipated in regards to Africa having majorly low credit because of variables such as inadequate credit and collateral information. On the other hand, Matekenya *et al.* (2021) stated that credit and deposit penetration significantly impact on financial inclusion of other developing nations such as India. It has been considered that ***the rate of deposit interest*** has a positive however insignificant effect on financial inclusion. In SSA, low deposit interest rates are unconvincing to majorly influence both potential and existing depositors.

The population is regarded as another major factor for financial inclusion in SSA. ***Inflation*** negatively influences the level of financial inclusion. As the official rate of interest is frequently the scale of another interest rate in the economy, wider availability of financial services across the country is more likely to make the rates of interest determined by African central banks a more commanding device for economic regulation. Particularly, taking into consideration the savings rewards are impacted by higher financial availability, the rate of interest put forth a larger share of economic activity under the rates of control of interest, flourishing them a more influential device for policymakers, however, can also heighten the risk of detrimental financial crises.

Literacy, particularly ***financial literacy*** has moderately become more crucial as complexity has increased in financial markets and illiterate perceive it hard to make informed and effective financial decisions. Evans (2016) observed that literacy among adults is a vital element in evaluating the financial inclusion level in a country. Therefore, it can be considered that better access to education largely contributes to effective financial inclusion. Asongu and Nwachukwu (2017) stated that secure internet servers (***SERVERS***) and Internet users per 100 individuals (***USERS***) majorly influence financial inclusion in the country. It has been considered that internet availability is a crucial element in a fast-evolving and digital economy. Therefore, the lack of all-encompassing utilisation of the internet in SSA consequent infinitesimal financial inclusion.

2.4 Relationship Between Financial Inclusion and Human Development

The relationship between Human Development and financial inclusion has been a proceeding argumentation in developing nations. A suitable and well-structured financial system is vital for economic acceleration and it can attract the investment required to drive the development of the population of the country. Therefore, there can be evident a significant and positive relationship between financial inclusion and Human Development. It has been observed that there is an intimate link between the FII (financial inclusion index) and Human Development Index. Ozili (2020). Ozili (2020) map human development aspect by comparison between social elements such as literacy, urbanisation, and income and concluded that the development of the banking and financial industry is directly associated with financial inclusion. Matekenya *et al.* (2021) stated that in SSA countries financial inclusion greatly decreased poverty among low-income households by providing significant social benefits and net wealth. Evans (2016) observed that financial inclusions concerning financial usage and access can assist in driving economic diversification in SSA nations. Similarly, Staicu and Barbulescu (2017) stated that financial inclusion could help SSA countries to demolish extreme poverty and establish shared prosperity. It has been discovered that financial inclusion positively influences economic growth in OIC (Organisation of Islamic Cooperation) nations.

Therefore, it can be considered that enhanced GDP is an eminent gauge of financial inclusion. Unequal wealth distribution can consequent in financial inclusion and thus can harm overall Human Development. Matekenya *et al.* (2021) observed a positive correlation between Human Development and financial inclusion and considered that economic development is undeniably a vital element in enhancing financial inclusion.

3. Theoretical Framework

According to Ozili the financial inclusion can be classified into three main categories: theories of financial inclusion beneficiary; theories of financial inclusion delivery; and theories of financial inclusion funding. These three classifications of theories of financial inclusion have their respective sub-categories that have been explained briefly under each main category below.

Theories of Financial Inclusion Beneficiary

Public Good Theory of Financial Inclusion: According to the theory public theory of financial inclusion formal financial services need to be treated as public good and everyone need to be benefitted from this public good. This theory allows all financial inclusion to open a formal bank account and use debit cards and ATM machine for completion of their transaction. This theory has basically three merit that is it allows everyone to get benefit from financial inclusion regardless of income level and status and it gives opportunity to take responsibility for promoting financial inclusion (Ozili, 2020). On other side this theory has some demerit which include treating the provision of formal financial service without addressing the real cause and providing free of cost services to the user.

Dissatisfaction Theory of Financial Inclusion: This theory target all individual who previously in the formal financial sector but left the formal financial sector because they were dissatisfied with rules of engagement of financial sector (Ozili, 2020). In order to implement theory it is necessary to first target of financial inclusion followed by extending the financial inclusion. Some of the merit of this theory include deliberate attempt to deal with voluntary financial exclusion problem and easy to identify the financially excluded members of populations. On other side some of demerit of this theory include it does not prioritise financial inclusion and it assume that financial exclusion is caused by customer dissatisfaction.

Vulnerable Group Theory of Financial Inclusion: This theory states that vulnerable peoples most affected by financial crisis and economic recession. Thus, it is important to bring these vulnerable people into formal financial sector. Some of this theory include it attempt to include financial exclusion problem and it is easy to determine financially excluded members of population. In same way theory has its own demerit which include theory do not prioritize financial inclusion to everyone and idea of considering only men to be part of vulnerable create social conflict among the population.

System Theory of Financial Inclusion: This theory states that financial inclusion outcome is achieved with help of existing sub system. Some of the important merit of this theory is it identify the role of economy and social system and it give macro perspective on financial inclusion (Ozili, 2020). On other side demerit of this theory include increase the risk of loss and it do not reflect the environment properly.

2. Theories of Financial Inclusion Delivery

Community echelon theory of financial inclusion: According to this theory formal financial services need to be delivered only with their communal leaders. It is easier to bring back people who left the formal financial sector because it completely resolved the problem. The major merit of this theory include it provides subsidization from through communal leader and encourage member to join community. On other side demerit of this theory include agency problem and fraud and corruption (Ozili, 2020).

Public Service Theory: perceives that financial inclusion is the major responsibility of the public that the government considers its citizens and citizens of the nation anticipate the government to encourage financial inclusion for citizens. The primary argument of the theory is that financial inclusion needs to be distributed to all citizens involving the financially excluded public by the government of the country via public foundations. The theory posits that the government of the country is influential in accomplishing financial inclusion that leads all members of the citizen into the conventional financial industry hence, every member of the country's population can avail of conventional financial services and products (Ozili, 2020). Secondly, with the help of enhanced financial literacy, the population of the SSA nations can seek the benefits of other advantages of the conventional financial industry such as mortgage and investment products. Thirdly, literacy of this kind aids the population of the country to become independent and can largely contribute to providing stability in finance on the personal ground by assisting them to differentiate between wants and needs, helping them to manage and create a budget, and teaching them to make savings to plan future and to pay due bills (Ozili, 2020). Finally, as SSA nations are developing therefore the governments have restricted tax revenue and restricted public funds to sponsor activities for effective financial inclusion may give preference to utilise financial theory as a suitable national strategy for financial inclusion as it demands considerably fewer public funds to provide education to citizens on the utilisation of financial services.

Special Agent Theory of Financial Inclusion: Under this special agent is expected to be highly skilled and understand the peculiarities of excluded population and identify area for improvement (Ozili, 2020). Merit of this theory include employ service of specialised agent to deliver and bring higher degree of confidence. On other side demerit include principal government require own agency and special agent need more fund.

Collaborative intervention theory of financial inclusion: This theory state that joint effort from multiple stakeholders is needed to bring excluded population formal financial sector. The merit of this theory includes encourage multi-stakeholder and collaborating stakeholders. On other side demerit include collaborator become inactive and high number of collaborations increase risk.

Financial Literacy Theory: is regarded as one of the pivotal theories of financial inclusion. The theory denotes that financial inclusion needs to be accomplished through education that enhances citizens' financial literacy. The theory also argues that with the help of financial literacy people become more willing to take participation in a conventional financial industry. The theory comprised a few merits. One, financial literacy largely assists in making people well aware of subsisting financial services and products that are accessible (Ozili, 2020; Mwange, 2022; Mwange and Meyiwa, 2022). If the population of SSA countries has become familiar with subsisting services and products, they can enhance their prosperity; they will be inclined to take participation in the traditional financial industry by keeping bank accounts.

3. Theories of Financial Inclusion Funding

Private money theory of financial inclusion: The theory state financial inclusion program need to be funded with the help of private money which need to include private fund and greater accountability from user fund. The merit of this theory include shorter time of approval time and private funder can take ownership (Ozili, 2020; Mwange, et. al.,2022). On other side demerit of this theory include cost of raising fund is too high and loss of government control over financial inclusion.

Public money theory of financial inclusion: Theory argue that financial inclusion program needs to be funded from government budget and it has been observed that public funding is growing faster than private funding. Some merit of this theory is cost of raising public fund is low and prevent self-interested individual from hijacking the financial inclusion. In addition to this demerit of this theory include lack of proper planning and delay to due to political event.

Intervention fund theory of financial inclusion: According to this theory activities and program need to be funded from special intervention by diverse people rather than only taxpayer. The major merit of this theory includes mobilisation of human resources and creation of new institution. In the similar manner main demerit of this theory include people need to determine member of population who need to financial support is difficult and foreign fund can reduce the reputation of country (Ozili, 2020).

4. Result and Discussion

According to Abor *et al.* (2018) over the previous one-and-a-half decades SSA has evident major economic acceleration with six nations in the region positioned among the ten rapidly growing nations all across the world. It has been stated that the positive and effective economic growth trend has helped the SSA in overcoming the negative identity of the '*hopeless continent*.' The continent has achieved the latest term: '*Africa on the rise*' (Cicchiello *et al.,* 2021). Nevertheless, the well-being of citizens has not enhanced that much as financial development is considered to have largely contributed only wealthy section. This has consequent in a decrease in rural poverty at the same time urban poverty in the region is increasing persistently along with a lack of effective financial inclusion.

Ibekwe *et al.* (2021) noted that irrespective of the speedy growth of GDP rate, income inequality, and poverty is rising in SSA. The potential for growth of the informal financial industry has remained suppressed in the nation given the lack of availability of required economic resources. Fundamentally, the latest growth model of the region, which put major emphasis on the conventional industry and is driven primarily by gas, oil, and mining, is not adequately board-based as it provides employment to a scanty population. In their article, Sarpong and Nketiah-Amponsah (2022) have stated that this kind of confined emphasis on major implications for poverty decrease and that acceleration in the services and agriculture industries in SSA has given rise to further reduction of poverty in comparison to growth in the sector. Therefore, the incorporation of the informal financial sector with a specific focus on enhancing rural agricultural productivity to uplift rural earnings will play significant reducing poverty and Human Development. Tita and Aziakpono (2017) stated that SSA needs structural transformation which demands rural roads, electrification, education, and healthcare. It has been also considered that the financial industry can largely contribute to driving this procedure of inclusive growth by providing financial availability to all citizens who can perceive a requirement for it and can utilise it, specifically the poorest 40% and Small and Medium Enterprises (Odugbesan *et al.,* 2022; Mashiri, et. al., 2022; Mutambo, et. al., 2022; Chiseyengi, et. al.,2022).

According to Ofosu-Mensah Ababio *et al.* (2021), the expeditious aftermath of enhanced availability of finance for human development is not legible. Whereas, Okello Candiya Bongomin *et al.* (2018) observed that direct financial availability to the disadvantaged population might not be the most productive instrument through which finance decreases income inequality and poverty. It has been also observed that the substantial quantitative outcome of financial availability on unequal income is more likely to penetrate through the indirect labour market method. The direct outcome takes place in case the disadvantaged population can directly exploit financial services in good shapes such as payment; credit a micro-insurance system and a traditional bank account. As per Girón *et al.* (2022), conventional account ownership is perceived as an entry point into traditional financial systems and enables people to handle risks properly, construct a credit history through savings, easily utilisation during adverse shocks, and establish working capital.

Therefore, it can be perceived that there is a positive relationship between Human Development and financial inclusion in the short run. Nevertheless, relying on the labour productivity, wealth, capital, distribution of entrepreneurial capability and income inequality will plunge in a long run. As the longed-for impact on inequality of income can be only evident over the long run, it is likely that financial inclusion may expand income inequality temporarily, specifically at a time the financial industry is highly undivided.

5. Conclusion and Recommendations

5.1 Linking Research Objectives and Empirical and Theoretical Findings

Objective 1: To Understand The Concepts: Financial Inclusion and Human Development

It has been comprehended that financial inclusion is essential to make certain that economic development performance is sustained and inclusive. According to Ibekwe *et al.* (2021), financial inclusion provide platform to create balance between maintain good lifestyle in present and in future. Financial inclusion is closely related with human development as these initiatives that make traditional financial services Affordable, accessible, and available to the entire population (Mwange, 2022; Staicu and Barbulescu, 2017; Mwange and Meyiwa, 2022;). Research findings confirm that, Human Development is much more than the accretion of wealth and it incorporates the procedure of expanding the choices of people to live their lives in a manner that is participatory, sustainable, productive, and equitable (Ofosu-Mensah Ababio *et al.,* 2021). HD, therefore, comprises several further features such as human rights, cultural, political, social, and economic freedom, self-respect, and opportunities for productivity and creativity.

Objective 2: To Analyse The Factors That Influence Financial Inclusion in Sub-Sahara Africa

It has been observed from the study that there are several determinants of financial inclusion in the SSA region. As mention in the finding of literature review that policy factors risks, and cost of financial services provision can be considered as important factor which influence financial service in sub-Sahara Africa (Asongu and Nwachukwu, 2017; Mwange, et. al., 2022). Furthermore, literature also mention that population and inflation also has potential to influence financial services in Sub-Saharan Africa (Evan, 2016; Mwange, 2022). The research finds that GDPC, ***M2GDP***, rate of deposit interest, population, inflation, financial literacy, and internet access are the pivotal factors contributing to financial inclusion in the SSA region (Okello Candiya Bongomin *et al.,* 2018; Mwange, et. al., 2022).

Objective 3: To Determine The Type of Relationship Between Financial Inclusion and Human Development In Sub-Saharan Africa

It research established financial inclusion positively influences HD. All indicators of financial inclusion have a positive influence on HD other than, outstanding deposits that insignificantly coefficient for HD (Cicchiello *et al.,* 2021). Evaluating the human index of some SSA countries such as Botswana and Cameron it can be evident that average HDI from last three years that 2021, 2020 and 2019 was 0.55 while before 2019 it was around 0.53 and 0.52 (Sasu, 2022). Now comparing this HDI value of world bank's index it can be revealed that in 2016 percentage of adult with account was only 64% in Cameron and 72% in Botswana however the statistics reveal the increased to 78% and 81% which clearly indicate financial inclusion lead to human development (World Bank Group, 2022).

5.2 Recommendations

The barriers associated with financial inclusion and Human Development will decrease if per capita GDP increases. In the SSA region, both enterprise and households will be lower in nations with more market-oriented, open, well-regulated, and competitive financial systems with more structured informational and contractual infrastructures (Asongu and Nwachukwu, 2017).

From the empirical and theoretical evidence provided in the study, it is recommended that SSA countries need to remove financial, bureaucratic, and physical barriers to financial inclusiveness. Therefore, Sub-Saharan Africa should formulate and implement policies that will enhance financial inclusion, consequently, the human development of the masses. This recommendation is supported by Abor *et al.* (2018) who postulate that the latest technology such as mobile money has promoted financial inclusion in countries where the literacy rate is not so high, and this has resulted in a remarkable percentage increase in the financial inclusion of low-income households. Apart from this, the SSA region can bring forth innovations that can bestow substantial transformation in how the population participates in financial transactions by reducing costs, expanding access, and removing financial inclusion barriers.

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