

Financial Inclusion as a Driver of Growth in Emerging Economies with a Theoretical Framework and Implications for Morocco

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Abstract:

This article develops an in-depth theoretical analysis of the relationship between financial inclusion and economic growth, with a particular focus on the specific characteristics of emerging economies. It is based on a critical and integrative review of the economic and institutional literature, aiming to synthesize and conceptualize existing theoretical contributions on the subject. Through this approach, the article explores the main mechanisms through which financial inclusion may act as a catalyst for development.

By facilitating access to formal financial services such as credit, savings, insurance, and payment systems for households and businesses, particularly the most vulnerable, financial inclusion can promote the mobilization of domestic savings, the financing of productive investment, the formalization of economic activity, and, ultimately, an increase in overall productivity. However, the analysis highlights that these positive effects are neither automatic nor uniform. They depend heavily on the quality of the institutional framework, technological infrastructure, financial regulation, and the level of financial education of target populations. Persistent geographical, social, and gender-based inequalities continue to limit the effectiveness of financial inclusion in many developing economies.

This study also emphasizes the potential risks associated with poorly designed or weakly regulated inclusion strategies, including over indebtedness, digital dependency, and the unintended exclusion of certain population groups. Finally, it is important to note that this research is purely theoretical in nature and does not rely on empirical or econometric analysis, which constitutes a methodological limitation.

Keywords: Financial inclusion, Economic growth, Financing, Emerging economies, Financial institutions.

Classification JEL : G21, O16, O47, I32, O55, E42, L86.

Paper type: Theoretical Research

1. Introduction

In the context of profound global economic transformations characterized by financial market volatility, persistent socioeconomic inequalities, and the rapid expansion of digital technologies the issue of access to financial services has become a central concern for development policies. Within this framework, financial inclusion has emerged as a key concept in both academic and policy-oriented debates. Financial inclusion can be defined as the ability of individuals and businesses to access and effectively use a range of affordable, appropriate, and secure formal financial services, including payment systems, savings, credit, and insurance, delivered in a responsible and sustainable manner (Demirgüç-Kunt et al., 2018). This definition goes beyond simple account ownership and emphasizes both usage and quality of financial services.

This issue is particularly salient in emerging economies, where a significant share of the population remains excluded from formal financial systems. According to the World Bank (2018), more than 1.7 billion adults worldwide still lack access to a bank account, with persistent disparities based on gender, geographic location, education level, and employment status. Such financial exclusion constitutes a major constraint on economic development, as it limits households' capacity to save, invest, manage risks, and engage in productive economic activities, while also restricting firms' access to financing.

From a macroeconomic perspective, financial inclusion is increasingly recognized as a potential driver of sustainable and inclusive economic growth. By broadening access to formal financial services, it can facilitate the mobilization of domestic savings, support productive investment, promote the formalization of economic activities, and strengthen the resilience of households and firms to economic shocks. These mechanisms are particularly important for micro, small, and medium sized enterprises (MSMEs), which play a crucial role in employment creation and value generation in developing and emerging economies. Moreover, the rapid digitalization of financial services through mobile banking, fintech solutions, and electronic payment platforms has renewed interest in financial inclusion by offering new opportunities to overcome traditional geographic, institutional, and cost-related barriers.

Theoretically, the relationship between financial development and economic growth has long been examined in the economic literature. Early contributions by Schumpeter (1911), later formalized by McKinnon (1973) and King and Levine (1993), emphasize the role of financial intermediation in channeling savings toward productive investment, improving resource allocation, and fostering innovation. Within this framework, financial inclusion can be seen as a necessary condition for enhancing the efficiency and depth of the financial system. More recent studies, including those by Beck et al. (2007), Demirgüç-Kunt and Klapper (2013), and Sarma and Pais (2011), further suggest that expanded access to financial services is associated with higher economic growth, poverty reduction, and improved equality of opportunity.

However, the literature also highlights that the relationship between financial inclusion and growth is neither automatic nor universal. Several critical studies point out that, in the absence of adequate regulation, financial education, and institutional safeguards, financial inclusion initiatives may generate adverse effects, such as over indebtedness, financial vulnerability, or exclusion through digital divides. The experience of microcredit programs, often presented as a tool for economic empowerment, illustrates these limitations when credit expansion is not accompanied by appropriate consumer protection and capacity building measures. Similarly, the rapid diffusion of digital financial services raises new challenges related to data privacy, cybersecurity, and unequal access to technology.

In emerging economies, these challenges are compounded by structural constraints, including weak financial infrastructure, low levels of financial literacy, mistrust of financial institutions, and limited social protection systems. Moreover, financial inclusion policies are sometimes driven by quantitative targets such as the number of accounts opened without sufficient

attention to the effective use, quality, and socioeconomic impact of the services provided. The key challenge, therefore, lies not only in expanding access, but in promoting meaningful and effective financial inclusion capable of improving living standards and supporting long term development.

Against this backdrop, the central question addressed in this article is the following: **To what extent can financial inclusion serve as a driver of economic growth in emerging economies, and under which institutional, technological, and social conditions can this inclusion become effective, sustainable, and equitable?**

To answer this question, the article adopts a purely theoretical and conceptual approach, based on a critical analysis of the existing literature. Its contribution lies in offering an integrated analytical framework that brings together the main transmission mechanisms, constraints, and risks associated with financial inclusion, while highlighting the conditions required for its success. In addition, the study provides contextual insights relevant to the Moroccan case, which illustrates the challenges and opportunities faced by emerging economies seeking to align financial inclusion strategies with broader development objectives.

The remainder of the article is structured as follows. The first section develops a conceptual framework of financial inclusion, focusing on its dimensions, indicators, and determinants. The second section examines the theoretical mechanisms through which financial inclusion may influence economic growth, as well as the associated risks. The final section discusses the key levers for effective financial inclusion policies, emphasizing the role of institutions, regulation, innovation, and lessons drawn from emerging economies, including Morocco.

2. Conceptual Framework for Financial Inclusion

2.1. Definition and Dimensions of Financial Inclusion

Financial inclusion is now recognized as a fundamental driver of economic and social development, particularly in developing countries and emerging economies. It refers to the ability of individuals and businesses to access a range of useful, affordable, secure, and appropriate financial products and services whether for payment, savings, credit, insurance, or basic investment products (Demirgüç-Kunt et al., 2018). In its simplest definition, the World Bank considers a person to be financially included if they have a transaction account, which represents the gateway to all formal financial services. However, although pragmatic, this approach is insufficient to capture the complexity and richness of the concept of financial inclusion.

Indeed, financial inclusion cannot be reduced to a simple statistic on banking penetration. It is a multidimensional reality that encompasses not only access to financial services, but also their use, quality, and impact on the autonomy of individuals and the economy as a whole. This broader vision is now adopted by many international institutions such as the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD), and the Alliance for Financial Inclusion (AFI, 2021).

In emerging economies such as Morocco, this multidimensional approach is particularly relevant, as financial inclusion is often characterized by a gap between formal access and effective use of financial services. Despite progress in banking penetration, a significant proportion of individuals and micro-entrepreneurs remain partially excluded due to informality, territorial disparities, and limited financial literacy. This context highlights the need to interpret international definitions of financial inclusion through the specific structural, institutional, and socio-economic realities of emerging countries.

2.1.1. Physical and economic access to financial services

The first and most immediate dimension concerns accessibility. This refers to whether people

actually have the opportunity to interact with a financial institution, either physically (bank branches, mobile service points, ATMs) or virtually (mobile apps, online platforms). This accessibility depends on several factors: the density of the banking network, the level of infrastructure development, the cost of financial services, administrative requirements (documents, identity papers), etc.

In rural or isolated areas, where traditional banks are often absent, accessibility is a major obstacle. This is why alternative models have emerged, such as mobile banking agencies, banking correspondents, and savings and credit cooperatives. In addition, the development of mobile banking has made it possible to circumvent some of these constraints, particularly in sub-Saharan Africa, where millions of people have access to banking services via their cell phones, without ever having set foot in a bank branch (Suri & Jack, 2016).

2.1.2. Effective and regular use of financial services

A second important dimension is the effective use of available services. Indeed, simply opening a bank account is not enough to be fully included. Many accounts remain inactive or are used sporadically. Actual use measured by transaction frequency, transaction volume, and product diversification better reflects the quality of inclusion. This dimension highlights an essential distinction between formal inclusion (presence in statistics) and functional inclusion (relevant and regular use).

Account inactivity can be explained by several factors: mistrust of banks, lack of confidence in the stability of institutions, high bank fees, difficulty understanding the products offered, etc. Effective inclusion therefore requires that services not only be available, but also attractive, appropriate, and understood by their beneficiaries (Klapper, Lusardi & Panos, 2013).

2.1.3. The quality of financial services

The quality of services is a third dimension that is too often overlooked. It encompasses transparency of terms and conditions, ease of use, availability of customer support, transaction security, and the ability to adapt to the specific needs of target populations. Poor-quality services opaque, costly, or insecure can quickly discourage users and lead to a gradual withdrawal from the formal system.

In emerging economies, many consumers are faced with services that are difficult to understand, with hidden costs or unfair terms and conditions. The customer experience is therefore a determining factor in maintaining participation in the formal financial system. In this regard, financial consumer protection regulations play a crucial role in ensuring quality inclusion (OECD, 2020).

2.1.4. Empowerment and capacity for use

A fourth dimension, more subjective but no less essential, concerns financial empowerment. It assumes that individuals are able to understand the products available to them, compare offers, derive real economic benefit from them, and make informed decisions. This ability to use financial products and services is based on financial literacy, basic economic education, and practical experience.

Successful financial inclusion is therefore also educational and cognitive inclusion. As such, financial education programs, awareness campaigns, and personalized support (through NGOs, cooperatives, or public services) can help transform formal inclusion into sustainable inclusion. The goal is not only to increase the number of accounts, but to create a shared financial culture that serves individual and collective development (Allen et al., 2016).

2.1.5. Digital inclusion as a vehicle for expansion

In recent years, increasing attention has been paid to digital inclusion, which is a natural

extension of financial inclusion. The development of financial technologies (fintechs), electronic wallets, peer-to-peer platforms, and microcredit applications makes it possible to reach segments of the population that were previously inaccessible. These tools offer an alternative to the traditional banking model, which is often rigid and costly.

Digital inclusion facilitates access to flexible, inexpensive services available 24 hours a day, particularly for rural populations, young people, and micro-entrepreneurs. It also helps overcome certain cultural and administrative barriers. However, it requires effective access to the Internet, knowledge of digital tools, and confidence in cybersecurity, without which it risks creating a new form of exclusion.

However, in emerging economies, digital financial inclusion faces several structural barriers. Limited access to reliable internet networks, especially in rural and remote areas, high costs of digital equipment, and unequal digital skills contribute to a persistent digital divide. These constraints affect populations differently: rural households, elderly individuals, women, and informal workers are often more exposed to digital exclusion. As a result, while digital financial services can enhance inclusion for some groups, they may simultaneously reinforce inequalities if not supported by adequate infrastructure investment, digital education, and consumer protection mechanisms.

2.1.6. An inclusive and responsible approach

Finally, true financial inclusion is based on a logic of social inclusiveness. It aims to integrate historically excluded populations into the financial system: women, young people with no banking history, informal workers, farmers, refugees, people with disabilities, etc. This inclusion requires tailored products, simplified procedures, and strong political will. It is inseparable from responsible finance, which seeks to reconcile profitability, social utility, and sustainability.

These different dimensions of financial inclusion do not operate independently but interact dynamically. Physical access without effective use limits economic impact, while access combined with poor service quality may discourage long-term participation in the formal financial system. Similarly, digital inclusion without adequate financial and digital literacy can increase financial vulnerability rather than empowerment. Understanding financial inclusion therefore requires an integrated analytical perspective that captures the complementarities and potential tensions between access, usage, quality, digitalization, and financial capability, particularly in emerging economies.

2.2. Indicators and measurement of financial inclusion

Measuring financial inclusion is a key methodological issue in evaluating public policies and private initiatives aimed at improving people's access to financial services. It is based on a set of quantitative and qualitative indicators, designed and refined by international institutions such as the World Bank, the International Monetary Fund (IMF), the Alliance for Financial Inclusion (AFI), and specialized research centers. The purpose of these indicators is to assess, in a standardized and comparative manner, the scope, depth, and quality of access to formal financial services within a given population.

These indicators are generally grouped into three broad categories: access indicators, usage indicators, and quality or impact indicators. This three-part classification not only makes it possible to quantify the coverage of financial services, but also to assess their effective uptake by users and their contribution to economic well-being. It is now recognized as the basis for a rigorous multidimensional approach to financial inclusion.

Access indicators relate to the physical and institutional availability of financial services. They include, among other things, the number of bank accounts per adult, the density of bank branches and ATMs, and the penetration rate of mobile banking. For example, the World Bank's Global Findex (Demirgüç-Kunt et al., 2018) estimates that in 2021, nearly 76% of adults

worldwide had a bank or mobile account, compared to only 51% in 2011, highlighting rapid but uneven progress across regions. The proportion of adults with access to formal means of payment (cards, electronic transfers, digital wallets) is also a key indicator, particularly in rural areas or areas with traditionally low levels of banking penetration.

Usage indicators, on the other hand, seek to measure the frequency and intensity of financial service use. It is not enough for an individual to have a bank account: they must also use it regularly. These indicators include the frequency of deposits and withdrawals, the average number of monthly transactions per account, the volume of credit granted to retail customers, and the actual use of savings, insurance, or microcredit products. According to Zins and Weill (2016), there is a significant gap in sub-Saharan African countries between account ownership and actual use, mainly due to mistrust of banks, the cost of services, or a weak financial culture. Analysis of these indicators highlights the dynamics of passive versus active inclusion.

Finally, qualitative or impact indicators seek to go beyond purely quantitative measures. They aim to assess the effectiveness, transparency, understanding, and satisfaction of users with regard to financial services. This includes dimensions such as customer satisfaction rates, the degree of understanding of financial products (financial literacy), the availability of dispute resolution mechanisms, and default or over-indebtedness rates. These indicators are often less readily available at the international level but can be collected through local surveys. The OECD (2020) emphasizes the importance of financial literacy as a key factor in the optimal use of financial products, stressing that simply having an account does not guarantee active inclusion or improved economic well-being.

Despite their analytical relevance, measuring the quality and impact dimensions of financial inclusion remains methodologically challenging, particularly in emerging economies. Data on user satisfaction, effective financial empowerment, and long-term welfare effects are often scarce, fragmented, or unavailable. Surveys capturing these aspects are costly and irregular, which limits cross-country comparability and the evaluation of public policies. Consequently, many studies rely predominantly on access indicators, which may overestimate the actual level of financial inclusion and obscure structural weaknesses in service quality and usage.

The most widely recognized tool for monitoring these indicators remains the World Bank's Global Findex. Published every three years since 2011, it is based on surveys conducted in more than 140 countries, enabling accurate comparative analysis over time and space. It provides data broken down by gender, education level, geographic location, and income level, which helps to better understand inequalities in inclusion. It thus constitutes a valuable resource for policymakers, financial institutions, researchers, and development organizations.

At the same time, researchers have proposed composite indices to reflect the multidimensional nature of financial inclusion. The index developed by Sarma and Pais (2011), for example, combines several dimensions access, use, and depth into a composite score. This approach makes it possible to overcome the limitations of isolated indicators and obtain an aggregate and dynamic assessment of progress made. Other approaches, such as that of the African Development Bank, also incorporate social and gender criteria for a more detailed analysis of disparities.

In summary, measuring financial inclusion today relies on a range of indicators which, if interpreted correctly, enable a rigorous and nuanced diagnosis to be made. However, their interpretation requires careful contextualization: a high rate of access to banking services does not necessarily mean effective financial inclusion, and conversely, alternative forms of finance (informal or community-based) can meet needs where the formal system falls short. Future developments in indicators should therefore give greater consideration to issues related to digitalization, the financial resilience of populations, and the social sustainability of the services offered.

2.3. Determinants of financial inclusion in emerging economies

Financial inclusion is a multidimensional phenomenon whose achievement depends on many factors that are often interrelated. These determinants vary according to economic, social, geographical, institutional, and technological contexts. In emerging economies, where development disparities are marked, understanding the factors that determine effective access to financial services is crucial for developing effective and sustainable policies. This section examines in detail the main determinants of financial inclusion, highlighting their respective influence and interaction.

From an economic and social perspective, several variables play a decisive role in individuals' ability to access and use financial services. Income level remains a fundamental criterion: low-income individuals, particularly in rural or informal areas, are often perceived as risky by traditional financial institutions. This exclusion is amplified by job instability, precarious income, and the absence of formal guarantees. In addition, general education level and, more specifically, financial literacy are essential conditions for the autonomous and informed use of banking products (Klapper, Lusardi & Panos, 2013). Illiterate or poorly educated individuals have more difficulty understanding contracts, comparing services, or managing digital tools. Gender is also a critical determinant: in many regions, women continue to be underrepresented in the banking customer base. They face cultural, legal, and economic barriers that limit their access to credit, savings, and insurance instruments (Demirgüç-Kunt et al., 2018). Similarly, the type of activity carried out plays a decisive role: workers in the informal sector or micro-entrepreneurs often have irregular and undeclared incomes, which complicates their integration into traditional financial circuits.

Added to this are geographical and infrastructural factors, which are particularly significant in emerging countries. The physical distance between residential areas and financial institutions is a major obstacle, particularly in remote rural areas with poor transport or communication infrastructure. The density of bank branches, ATMs, and mobile service points has a significant impact on effective access. In addition, the quality of telecommunications networks, the availability of electricity, and the penetration rate of the Internet or smartphones have become key determinants of financial inclusion, particularly with the rise of mobile banking (Jack & Suri, 2014). In countries where these infrastructures are deficient or unstable, even the most innovative digital initiatives are likely to remain marginal. Regional infrastructure inequalities thus accentuate disparities in inclusion between urban and rural areas.

The institutional and regulatory framework is another fundamental pillar of financial inclusion. Consumer protection, transparency of offers, the existence of recourse in the event of disputes, and the simplification of administrative procedures are all levers for strengthening user confidence in the financial system. Flexible and innovative regulation, particularly in the areas of financial technology (fintech), mobile payments, and alternative finance, can facilitate the emergence of new players capable of reaching previously excluded segments of the population. In this context, central banks and financial supervisory authorities play a strategic role. They can put in place regulatory incentives, support the creation of credit registries, or promote national financial inclusion strategies, as recommended by the Alliance for Financial Inclusion (AFI, 2021). The experience of several countries, notably Kenya and India, shows that proactive regulatory frameworks can create an environment conducive to innovation and inclusion.

Finally, technology is an essential but ambivalent lever. On the one hand, the development of digital infrastructure, the rapid spread of smartphones, the rise of digital financial services platforms, and biometric identification systems are helping to overcome certain traditional barriers. Mobile applications, such as M-Pesa in Kenya, have demonstrated that it is possible to provide banking services to millions of people outside traditional channels (Suri & Jack, 2016). On the other hand, the digital divide, lack of confidence in the security of online transactions, and absence of specific regulation can create new forms of exclusion or increase

the vulnerabilities of uninformed users. Technology is therefore not a solution in itself, but a tool to be integrated into a comprehensive and inclusive strategy.

Ultimately, the combination of these factors can either facilitate or hinder the development of financial inclusion. An effective policy cannot be limited to acting on a single lever. It must adopt a holistic approach, simultaneously integrating supply (appropriate products, technologies), demand (capacity for use, specific needs), and the regulatory and institutional environment. Analysis of successful experiences shows that financial inclusion progresses when it is considered a cross-cutting component of economic, social, and digital development. It is by acting jointly on these multiple determinants that it becomes possible to build sustainable, equitable, and growth-promoting inclusion.

3. Mechanisms for transferring financial inclusion to economic growth

Financial inclusion is often presented as a major lever for sustainable economic development. However, in order for this assertion to be validated empirically and theoretically, it is essential to analyze the mechanisms by which expanding access to financial services influences the various drivers of growth. This section details these transmission channels, taking into account the dynamics observed in emerging countries.

However, the effectiveness of these transmission mechanisms varies significantly within emerging economies themselves. Internal disparities between urban and rural areas, as well as socio-economic inequalities related to income, education, and employment status, lead to differentiated access to and use of financial services. Urban populations generally benefit from denser banking networks, better digital connectivity, and more diversified financial products, while rural and disadvantaged groups often face structural barriers that limit the growth impact of financial inclusion.

3.1. Access to credit and stimulation of productive investment

One of the main channels through which financial inclusion stimulates economic growth is by expanding access to credit for economic agents previously excluded from the formal banking system. By making financial resources available to households and micro, small, and medium-sized enterprises (MSMEs), financial institutions promote productive investment, the modernization of production tools, and the upgrading of activities.

According to Levine (2005), well-developed financial markets allow for a better allocation of capital to the most productive uses, thereby reducing structural inefficiencies. This process is particularly critical in emerging countries, where financing constraints are a major obstacle to the expansion of MSMEs (Beck et al., 2005). Thus, when agents can obtain credit at reasonable rates and for appropriate terms, they are more inclined to invest in equipment, human capital, or technological innovations.

The study by Demirgüç-Kunt and Klapper (2012) reveals that a 10% increase in banking penetration is correlated with a significant increase in gross fixed capital formation in low- and middle-income economies. This highlights the importance of an inclusive financial ecosystem in supporting private investment efforts.

These effects are not uniform across territories. In rural areas, credit access for MSMEs and small farmers remains constrained by collateral requirements, distance from financial institutions, and higher perceived risk, whereas urban enterprises benefit more rapidly from inclusive credit policies. This territorial asymmetry partly explains why the growth effects of financial inclusion are often stronger in urban centers than in peripheral regions.

3.2. Formal savings and mobilization of internal resources

A second essential mechanism lies in the mobilization of domestic savings through formal

channels. By integrating more individuals into the banking system, particularly through accessible savings accounts, financial institutions collect a stable and inexpensive resource that can be recycled in the form of credit to the economy.

Numerous studies, notably that of McKinnon (1973), emphasize the role of monetization and banking as necessary conditions for the accumulation of savings and therefore for investment. A population with access to banking services is more likely to save regularly, securely, and in a traceable manner, which feeds into the long-term resources of the financial system.

Furthermore, the use of informal savings (tontines, cash at home, gold, etc.) generates inefficiencies and low social returns. By facilitating the opening of savings accounts, even with small amounts, financial inclusion programs can have a structural impact on the self-financing capacity of households and businesses (Dupas & Robinson, 2013).

Moreover, the determinants of financial inclusion and its growth effects are not static. Over time, structural transformations such as urbanization, improvements in educational attainment, demographic transitions, and infrastructure modernization can significantly alter saving behaviours and financial participation. As emerging economies develop, the gradual shift from informal to formal employment and the expansion of middle-income groups tend to strengthen the long-term impact of financial inclusion on capital accumulation.

3.3. Financial inclusion, consumption, and domestic demand dynamics

A third transmission channel involves expanding household consumption capacity through financial inclusion. By accessing payment products, microcredit, or consumer credit, households can smooth their spending, invest in durable goods, or finance essential needs (health, education, housing).

According to Burgess and Pande (2005), the expansion of bank branches in rural India has led to a significant reduction in poverty and more inclusive growth by strengthening basic consumption. This is due in particular to the decline in the use of informal lenders, whose interest rates are often prohibitive and trap households in cycles of impoverishing debt.

Income stability made possible by services such as insurance, digital transfers, and the banking of social assistance, also helps to stimulate domestic demand in a more stable and predictable manner. This dynamic domestic consumption acts as an autonomous growth engine that is less dependent on exports.

3.4. Financial digitization and productivity gains

The development of financial inclusion is now closely linked to the digitization of financial services, which has a positive impact on the overall productivity of the economy. By dematerializing payments, automating basic services, and facilitating cash management, digital finance enables even the smallest businesses to become more efficient.

Tools such as cloud ERP, mobile management platforms, and contactless payment improve operational fluidity and reduce transaction costs. Jack and Suri (2014) demonstrated that the use of mobile money in Kenya has led to an increase in rural household incomes and greater resilience to economic shocks.

In addition, the data generated by digital financial services (payment history, billing, geolocation, etc.) enable financial institutions to develop alternative scoring models, opening up access to credit for populations previously deemed uncreditworthy (World Bank, 2022). These innovations improve inclusion without compromising risk management.

The impact of financial digitization is also dynamic in nature. As digital infrastructure expands and populations become more familiar with financial technologies, the productivity gains associated with digital finance are likely to increase over time. Conversely, in the short term, unequal access to digital tools may limit these benefits to specific segments of the population, reinforcing the importance of sequencing reforms and investments in education and infrastructure.

3.5. Financial inclusion and formalization of the economy

Another important mechanism concerns the formalization of economic activities. By facilitating the opening of bank accounts, the issuance of electronic invoices, or access to credit conditional on keeping accounts, financial inclusion mechanisms encourage microenterprises to gradually integrate into the formal economy.

This has a twofold effect: on the one hand, formal businesses are more likely to attract financing, access structured markets, or benefit from public programs; on the other hand, formalization broadens the tax base and strengthens the state's ability to mobilize resources to finance infrastructure and public services (La Porta & Shleifer, 2014).

The effectiveness of these formalization mechanisms depends critically on institutional quality. Weak administrative capacities, regulatory complexity, and corruption can undermine the incentives for firms and individuals to enter the formal financial system. Conversely, a clear legal framework, transparent regulation, efficient public administration, and credible monetary authorities enhance trust in financial institutions and increase the growth impact of inclusion policies. Central banks and supervisory authorities therefore play a decisive role in ensuring that financial inclusion translates into sustainable economic outcomes.

The spread of electronic payment methods (bank transfers, mobile terminals, QR codes) also reduces the importance of cash, making transactions easier to track and helping to combat the informal economy, fraud, and corruption.

3.6. Financial inclusion, equal opportunities, and inclusive growth

Finally, financial inclusion acts as a lever for reducing economic and social inequalities, promoting more inclusive growth. By enabling vulnerable groups (women, young people, rural populations) to access financial services, their economic autonomy, bargaining power, and integration into the productive fabric are strengthened.

Studies such as those by Duflo (2012) and Klapper et al. (2013) show that access to financial services improves living conditions, children's schooling, household health, and the development of microenterprises, creating a virtuous circle between social inclusion and economic development.

In short, well-structured financial inclusion not only supports GDP growth, but also ensures a better redistribution of the fruits of that growth by addressing the structural causes of inequality. However, inclusive growth outcomes are contingent upon the institutional environment and the capacity of public policies to address persistent inequalities. Without effective governance, targeted social policies, and inclusive regulatory frameworks, financial inclusion may disproportionately benefit already advantaged groups, limiting its redistributive potential.

4. Challenges, obstacles, and drivers for effective and equitable financial inclusion

4.1. Key challenges in emerging economies

Financial inclusion, although improving significantly in several emerging countries, continues to face a series of structural, socioeconomic, and institutional challenges. These obstacles hinder widespread access to formal financial services and undermine their positive effects on economic growth and inequality reduction.

These challenges do not all carry the same weight. Empirical evidence suggests that physical inaccessibility and financial illiteracy represent the most widespread and structurally persistent barriers, particularly in rural and low-income areas, while institutional and sociocultural constraints tend to vary according to national legal frameworks. Moreover, the relative importance of these obstacles evolves over time, as infrastructure improves, educational levels

rise, and digital financial services expand, gradually shifting constraints from access related barriers toward issues of quality, trust, and effective use.

First, physical inaccessibility to financial institutions is a major obstacle. In many rural or remote areas, the density of bank branches is very low or even non-existent. This forces residents to rely on informal channels, which are often more expensive and less secure (Demirgüç-Kunt et al., 2018). In addition, travel costs and the time required to access formal financial services become additional barriers.

In Morocco, for instance, despite steady progress in overall banking penetration, access to financial services remains uneven across regions. Rural provinces continue to experience low branch density and limited access to digital financial services compared to major urban centers such as Casablanca, Rabat, or Tangier. Similar territorial disparities are observed in other emerging economies, where national financial inclusion strategies often face implementation challenges at the local level.

Second, financial illiteracy profoundly affects individuals' ability to use available services in an informed manner. Many people do not understand the basic principles of saving, credit, insurance, or budget management. This skills gap exposes them to risks of excessive debt, fraud, or inefficient use of financial resources (OECD, 2020). This phenomenon particularly affects women, rural populations, and young people with little education.

Third, sociocultural and legal factors reinforce exclusion. In several countries, women, young people, and certain minorities face institutional or legal barriers that limit their access to banking services. These include a lack of identity documents, financial dependence within the household, and a lack of property rights (Demirgüç-Kunt & Klapper, 2013).

Finally, mistrust of financial institutions remains a significant barrier. This mistrust is often rooted in deeper institutional weaknesses, such as corruption, lack of transparency, weak consumer protection mechanisms, and insufficient enforcement of financial regulations. In contexts where legal frameworks fail to adequately protect users against abusive practices or where dispute resolution mechanisms are ineffective, individuals are less likely to engage with formal financial institutions. Restoring trust therefore requires strengthening governance, improving regulatory oversight, enhancing legal protections for consumers, and promoting transparency in financial contracts. Public communication, financial ombudsman mechanisms, and credible supervision by monetary authorities play a key role in rebuilding confidence and encouraging sustained financial participation.

This mistrust may result from past banking crises, experiences of excessive debt, or abusive practices by certain intermediaries. According to Beck and Brown (2011), trust in banks is a crucial predictor of regular use of financial services. When this trust is eroded, exclusion becomes voluntary, even when adequate services are available.

4.2. Technological, institutional, and educational levers

In response to these challenges, several levers can be mobilized to build more sustainable, equitable, and effective financial inclusion.

On the technological front, digital innovations have radically changed the game. The development of mobile banking, electronic platforms, and fintechs now makes it possible to reach areas that were previously inaccessible.

However, the expansion of digital financial services also raises critical challenges related to cybersecurity, data protection, and users' digital capabilities. Weak cybersecurity frameworks, insufficient regulation of data privacy, and low levels of digital literacy expose individuals to risks such as fraud, identity theft, and misuse of personal information. In emerging economies, these risks disproportionately affect vulnerable populations, for whom navigating complex digital interfaces may constitute an additional barrier rather than a facilitator of inclusion.

Dematerialized financial services such as electronic wallets, micro-savings apps, and digital credit reduce entry costs and improve financial coverage (Sahay et al., 2015). Experiences such as M-Pesa in Kenya and Orange Money in West Africa have demonstrated the transformative impact of these tools on the banking penetration of poor populations.

From an institutional perspective, national financial inclusion strategies are essential. They provide a coherent, multisectoral, and planned framework for promoting access to financial services. The Alliance for Financial Inclusion (AFI, 2021) recommends that these strategies be based on rigorous diagnosis, measurable objectives, and a monitoring and evaluation system. They must involve monetary authorities, banks, telecommunications operators, fintechs, NGOs, and local authorities.

In terms of education, strengthening financial literacy is an essential lever. Financial education is not just about imparting technical knowledge, but also about developing the skills needed to make responsible choices, compare available products, understand risks, and avoid overconsumption or excessive debt. The OECD (2020) emphasizes the importance of integrating these topics into school curricula, but also of developing community campaigns tailored to the most vulnerable populations.

Finally, the use of digital identification mechanisms is an additional lever. In several countries, the creation of biometric or electronic identifiers facilitates the opening of accounts and avoids exclusion due to a lack of official documents. The example of the Aadhaar system in India is a remarkable illustration of this.

However, the effectiveness of these technological, institutional, and educational levers is highly contingent upon several enabling conditions. Successful implementation requires adequate institutional capacity, inter-agency coordination, regulatory clarity, and long-term political commitment. In the absence of these conditions, inclusion initiatives may face significant risks of failure, such as fragmented implementation, regulatory arbitrage, exclusion of informal actors, or capture by dominant financial institutions. Moreover, insufficient human capital, resistance to change within administrations, and lack of coordination between financial and digital policies can significantly limit the impact of these levers. Recognizing these internal institutional constraints is therefore essential to ensure that financial inclusion strategies translate into tangible and sustainable outcomes.

4.3. The role of public policy and partnerships

The success of broad, high-quality financial inclusion depends largely on the commitment of public authorities. Public policy must act as a catalyst through incentives, balanced regulation, and targeted programs.

This includes, for example, subsidies for opening bank accounts, the digitization of social assistance, and tax exemptions for inclusive financial services. These measures reduce costs for users while making the sector more attractive to providers (Zins & Weill, 2016). Similarly, integrating financial inclusion into poverty reduction or entrepreneurship support programs allows for a more cross-cutting and coordinated approach.

Public-private partnerships are also essential. They make it possible to pool financial, human, and technological resources, strengthen innovation, and broaden the scope of programs. India's experience with the Jan Dhan Yojana program which has enabled the opening of more than 400 million accounts in just a few years illustrates the impact of a strong political strategy, combined with effective partnerships between the state, banks, and technology operators.

In Morocco, the implementation of the National Financial Inclusion Strategy, coordinated by Bank Al-Maghrib, reflects this dynamic. By bringing together banks, professional associations, regulators, social actors, and microfinance organizations, this strategy aims to promote effective, measurable, and sustainable inclusion (Bank Al-Maghrib, 2019).

Finally, it is crucial to establish mechanisms for continuous evaluation. Measuring the actual use of services, beneficiary satisfaction, and the effects on economic well-being makes it possible to adjust policies and ensure their long-term effectiveness.

Finally, both the constraints and drivers of financial inclusion must be understood as evolving over time. Rapid technological change, demographic transitions, urbanization, and shifting social norms continuously reshape inclusion dynamics in emerging economies. Policies that are effective today may become insufficient tomorrow if they fail to adapt to these transformations. This calls for flexible, forward-looking strategies capable of anticipating new risks while leveraging emerging opportunities for inclusive and sustainable growth.

5. Conclusion

Financial inclusion has gradually emerged as an essential condition for sustainable development, particularly in emerging economies where exclusion from formal financial services is a major obstacle to inclusive growth. This article has sought to explore, from a theoretical perspective, the links between financial inclusion and economic performance, focusing on transmission mechanisms, persistent obstacles, and levers that can be mobilized to optimize its impact. Through a critical analysis of the literature, it has become clear that expanded access to financial services including savings, credit, insurance, and electronic payment methods can stimulate productive investment, mobilize domestic savings, formalize the economy, and boost household consumption, all of which are dynamics conducive to sustained economic growth.

However, the positive impact of financial inclusion is neither automatic nor universal. It depends heavily on the institutional context, the level of technological development, the quality of financial regulation, and the social anchoring of the measures implemented. Inequalities in access persist, particularly in rural areas, among women, young people not in education, and workers in the informal sector. Furthermore, the rapid spread of digital financial services, while effective in reducing costs and expanding coverage, raises new risks: digital exclusion, information asymmetries, over-indebtedness facilitated by instant credit, vulnerability to cyberattacks, etc. In this sense, financial inclusion must be thought of as a structured, multisectoral, and socially conscious process, rather than a simple technological or banking strategy.

Furthermore, public policies play a fundamental role in the structuring and effectiveness of financial inclusion. The experience of several countries shows that national strategies, when well designed, led by strong institutions, and supported by multisectoral cooperation, can generate profound and lasting change. The case of Morocco, with the implementation of the National Financial Inclusion Strategy, is a case in point. This coordinated approach between Bank Al-Maghrib, commercial banks, telecommunications operators, microfinance institutions, and local public authorities has laid the foundations for a more accessible financial ecosystem, while promoting solutions tailored to the specific needs of marginalized populations.

That said, financial inclusion cannot be considered an end in itself. It only has a beneficial effect on growth if it is part of a coherent vision of economic and social development. It is not enough to open bank accounts or distribute mobile apps to generate wealth: these tools must also be used actively, knowledgeably, and productively. In this regard, financial education becomes an essential pillar. It enables individuals to understand the products available, compare offers, plan their budgets, and develop a culture of saving and investing. Data from the OECD (2020) show a strong correlation between the level of financial literacy and the ability to take advantage of modern financial services.

This study, although rooted in a theoretical and comparative approach, has certain limitations that should be overcome in future work. The absence of empirical investigation, field data or specific case studies reduces the contextual scope of the findings. Further research could

mobilize mixed methodologies quantitative and qualitative to assess the real impact of financial inclusion on growth, taking into account socio-economic, regional and cultural dimensions. Similarly, the exploration of secondary effects, sometimes overlooked, such as the weakening of certain households through easy credit or dependence on digital platforms, would merit particular attention.

Ultimately, financial inclusion is a strategic lever for promoting sustained, equitable economic growth, but it cannot replace structural development policies. It must be seen as a complement to efforts in the fields of public investment, education, social protection and economic formalization. It is in this link between finance, equity and sustainability that the true transformative potential of financial inclusion lies. Collective mobilization of governments, regulators, financial players, civil society organizations and citizens themselves is the sine qua non for this potential to become a tangible reality in emerging economies.

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