

Women's Financial Inclusion and Sustainable Development



Rashmi Dwivedi
Research Scholar,
Deptt. of Economics,
University of Allahabad,
Allahabad

Abstract

This paper has taken into consideration of women's financial inclusion and sustainability. Gender equality is important for sustainable development. Building strong and inclusive economies require fully integrating women into all spheres of human endeavor, not only as beneficiaries of equal opportunities, but as powerful shapers of social and economic development. According to world economic forum's global gender gap report 2017, India has closed 67 percent of its gender gap, it shows an increased disparity between men and women in India, but it is less than many of its neighbors such as Bangladesh, which rank 47 percent and china which was placed on 100.

In order to raise female economic empowerment, the region needs to tackle several challenges, but not limited to fostering women's financial inclusion. According to the World Bank's *Global Findex Report*:the gender gap in account ownership is not narrowing. In 2011, 47 percent of women had accounts, in comparison to men who had 54 percent. Today 58 percent of women and 65 percent of men have accounts in that region, which shows a significant increase. But, this reflects a persistent gender gap of 7 percentage points globally. In developing economies this gender gap percentage points remains constant and shows no remarkable changes over the years.

In India according to NFHS-4 (2015-16) women having a bank or saving account that they themselves use 53.0 percent. This shows very poor condition of women's financial inclusion. In this situation women face many more barriers than men with respect to access to financial services. Their exclusion implies minimal support for risk mitigation, entrepreneurship, and awareness of consumption, asset accumulation, and wealth creation. The lack of access to financial services reduces women's capacity to escape the poverty trap and manage their own resources independently, thereby reducing their opportunity to participate in productive projects.

This whole research study proposing to reduce this economic gender gap is not simply a matter of social justice. It can also be a strong driver of progress of the developing nation like India. This could increase GDP of developing countries, if the economic gender gap gets reduced. Concrete steps are needed to enhance women's financial inclusion and empowerment in order to narrow the economic gender gap and promote the sustainable development. Financial inclusion as a policy tool it is used by the government, for achieving the sustainable economic growth and reduction of poverty levels.

Keywords: Women Empowerment, Gender Equality, Financial Inclusion, Sustainable Development.

Introduction

The past decades have witnessed a steadily increasing awareness of the need to empower women and gender equality through measures to increase social, economic and political equality and broader access to fundamental human rights and improvement in nutrition, health and education.

Efforts towards gender equality and women's empowerment need to be at the heart of sustainability efforts. It is widely accepted that women's empowerment give way strong economic returns and may be the most critical enabler to achieving a wide range of development

There is no single accepted definition as indicator for level of Financial Inclusion. But we can agree that women's Financial Inclusion occurs when women have access to a large number of financial institutions and services that cater to their multiple business and household needs and they are responsive to socio-economic and cultural factors that cause financial exclusion between women and men to have different

characteristics. Financial Inclusion includes Savings, Insurance, Payment and Remittance, affordable credit, financial advice and Bank account. Financial Inclusion if, managed properly, can increase the empowerment of women in the following ways.

1. Firstly, having assets to resources on their own account and the tools that help them to earn a living can increase women's bargaining power within household and their influence over money and other resources.
2. Secondly, Financial Inclusion can help increase women's opportunities to earn an income and manage assets outside the household.
3. Thirdly, it can reduce women's vulnerability, for example allowing them to insure against risk and they can also help to empower women move broadly.

Financial Inclusion help to achieve both objectives gender equality and poverty reduction. As such in order to promote poverty reduction and gender equality, there is clear rationale for using development resources enhance financial inclusion for women. With the help of Financial Inclusion women's get financially empowered and through this their decision making power also increases. financial freedom is the core freedom among all freedom in passing time.

Environmental sustainability efforts should be gender sensitive so that they help enhance gender equality and equal opportunities rather than reinforce discrimination and disadvantage. In spite of progress in gender equality in some areas, women still face too many barriers to participating fully in the economy, including in terms of access to jobs, markets, credit and property. Helping to address these barriers can unleash women's potential and contribute to social stability, economic growth and sustainable development.

Review of Literature

Generally, women's financial inclusion refers gender equality it means to equality between women and men. More specifically, equality in terms of gender refers to differences between individuals in a society, particularly to differences in the positions of power that women and men hold in society. Sustainability means multidimensional inter connected aspect when we talk about gender equality it means equal participation of men and women in country development. According to Johnsson-Latham (2007), gender equality in the present context refers to a state of affairs in which women and men enjoy the same opportunities in all walks of life. It also means the presence of a gender perspective in decision making of all kinds and that woman's interests are given the same consideration as men's in terms of rights and the allocation of resources. Gender inequality impedes the development of women in Bangladesh coastal community. Some of the persistent gender inequalities are: lack of access to resources such as land, credit and training; limited participation in decision making processes; more dependence on natural resources; and greater caring responsibilities. According to *Fletschner et al, 2010 Croson and Gneezy, 2008 and Browne 2006* Studies in

psychology, Economics and Behavior patterns suggest that women tend to be more risk averse than men, other things being equal, women are more likely to forego those activities which bear more risk but also provide higher returns. According to *Prof. N.S.Rao, Mrs. HarshitaBHatnagar, "vol 5, issue 3, sept 2012, financial inclusion issues and prospects"* they found out that financial inclusion show positive and beneficial change because of intensity change and technology changes. *Sarkar and Baishya (2012)* results suggest that women's access to credit has a role in improving the household decision making capacity, workforce participation rate and control over resources and even political and legal awareness there by opening /opportunity for greater empowerment of women. According to the *V.Ganeshkumar, 2013* suggested that the branch density in a state measures the opportunity for financial inclusion in India literacy is a prerequisite for creating investment awareness, and hence intuitively it seems to be a key tool for financial inclusion. But the above observations imply that literacy alone cannot guarantee high level financial inclusion in a state. Branch density has significant impact on financial inclusion only by creating investment awareness, without significantly improving the investment opportunities in an India.

Pradnya P. Meshram and Abhijeet Randad (2015) carried out a survey on 100 respondents and analyzed the percentage of population for awareness of financial inclusion from customers perspective. The findings suggest that over three-fourths of the households had at least one family member who could read and write and in terms of livelihood, a majority of the households were involved in agricultural activities but still the awareness level of financial inclusion was very low. The study further suggests that it is not sufficient by merely opening a bank account as it will not meet the objective of financial inclusion. The common man should get the confidence to use the financial services which should be made available at their doorstep.

Sethy Susanta Kumar (2016) in his study has proposed a Financial Inclusion Index to measure the extent of financial inclusion across economies. Both supply side dimensions like access to savings, insurance, bank risk and demand side dimensions like banking penetration, availability of banking services and usage of banking system were used for development of index. It was observed that India is categorized on high Financial Inclusion on demand and low financial inclusion of supply side. It was recommended that GOI and RBI adopt adequate policy measures to improve supply side dimension of financial inclusion.

Objective of the Study

To study the women's Financial Inclusion and sustainable development .

Methodology

The present study is based on secondary data and the data were collected from journals, books, news papers, RBI annual reports and other websites.

Gender Equality and Sustainability

India was ranked low at 108th position out of 144 countries in Global Gender Gap Index 2017 released as part of World Economic Forum, with gap of 67 percent. The index measures gender gap as progress towards parity between men and women in four indicators (i) Educational attainment, (ii) Health and survival (iii) Economic opportunity and (iv) Political empowerment. Countries are ranked based scores on scale ranging from 0 to 1

Reason for India's lower rank: It was mainly due to low scores in Economic Participation and Opportunities for Women: India ranked 139, down from 136 last year. India's poor performance on economic front: It was due to fact that on an average, a woman in India is estimated to earn less than quarter of annual income earned by a man. She gets

paid only 60% of what her male counterpart gets for similar work. Moreover, women account for over third of labour force participation, but their share of daily unpaid work like household chores, childcare etc. is 65% while it is only 11% for men. Across sectors only, 13% of senior officials, managers and legislators are women. The service sectors are still women's major areas of employment and women continue to be under-represented in the fields of science and technology. Most of women in India do not have personal financial resources, based on access to paid work. This lack of financial autonomy limits their decision-making power and increases their vulnerability. Other factors: Fall in India's ranking can be attributed to widening of its gender gaps in political empowerment as well as in healthy life expectancy and basic literacy.

Global Index		Economic Participation and Opportunities for Women		Educational Attainment		Health and Survival...		Political Empowerment	
2017									
Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score
108	0.669	139	0.376	112	0.952	141	0.942	15	0.407
2016									
Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score
87	0.683	136	0.408	113	0.950	142	0.942	9	0.433

Source: Global Gender Gap Index,(World Economic Forum)2016-2017.

Importance of Women's Financial Inclusion

Financial Inclusion of women is essential prerequisite for poverty alleviation, upholding human right and for sustainable development.

When women control their own and households welfare leading to financial sustainability and empowerment financial inclusion enable women for economic diction making, enhancing purchasing capacity control over lons and control over income and savings borrow for investment and insure against risk.

Function of Finace And Role of Women to Achieving Empowerment

Women play multiple roles in social not only as a home maker but also as a contributor to socio-economic development and financial sector facilitates ways to play these roles effectively example may be cited of –

1. Financial independence and women as costumer is one of the important aspects different types of customer goods bought and investment decision are made depending on who control the cash within is less household.
2. Women as holder of assets is less likely observed in most of the parts of our country .But when they become formal owner of land, property or other assets by mean of financial inclusion their self-confidence and social responsibility will automatically enhance
3. Throw gender differences in labor market is observed with women generally earning less or specializing in certain types of employment in many of cases women as income earners plays significant role in socio economic setup.

Economic and Social Development of Women And Financial Inclusion

Financial Inclusion in social and economic development as it develops a sense of awareness about various programs, activities of health, education, water and sanitation and legal right along with encouraging to adopt health practices, like regular medical checkups, supplementary nutrition to children's and family planning accounts, utilizing the loan amounts from consumption to production needs, accumulation of assets and purchase of agricultural inputs

Conclusion

The paper made an attempt to understand the women's Financial Inclusion and sustainability .No doubt Financial Inclusion has been effectively achieve women empowerment significantly to their family development in term of getting credit for education, health and nutrition's, and investment, and also consumption purpose.

The study found that saving habit among female was of maximum number but still there are so many obstacles in the way of Financial Inclusion of women such as the lack of awareness regarding financial services.

Moreover the Government and RBI should make provision of more product and services under the Financial Inclusion umbrella as per the requirements of women.

Some changes are required on part of financial products also to break the gender discrimination. According to the World Bank's 2014 Global Findex Database, 700 million new bank accounts were opened between 2011 and 2014, yet

the gender gap for that same period remains unchanged at 9 percentage points in developing countries.

In last we can say about to sustainability that it is a concept of to sustain the society at every aspect in scientific ways that depends on at that time requirements.

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