

# Public Roundtable on Financial Inclusion in Developing Countries

*People are financially included if they have access to and can use the financial services they need to improve their lives: access to decent savings tools to smooth consumption; loans to start up and grow businesses; and insurance to mitigate risk. While this is quite obvious in developed countries, it is far from universal in developing countries.*



On the 10<sup>th</sup> of January 2018, the Graduate Institute's Centre for Finance and Development and the University of Geneva jointly hosted a distinguished panel who discussed the different topics that financial inclusion embraces: microcredit, microsavings, micro-insurance and entrepreneurship.

- Jonathan Morduch (Professor of Public Policy and Economics at New York University) pointed out that practitioners need to be creative in how to best organize microfinance in the future.
- Emily Breza (Assistant Professor at the department of economics at Harvard University) showed that while bank account penetration has been increasing, its usage remains low.

To solve the gap, behavioral frictions need to be overcome, and social networks should be employed.

- Xavier Giné (Lead economist in the Finance and Private Sector Development Team of the Development Research Group of the World Bank) emphasized the inconsistency between the existing products and what people really want.
- Giacomo de Giorgi (Professor of economics at the University of Geneva) emphasized the misallocation of factors that may hamper productivity growth in some developing countries.

The event was moderated by Lore Vandewalle, Assistant Professor of economics and Pictet Chair in Finance and Development at the Graduate Institute, Geneva. It was part of the Centre for Finance and Development's Financial Inclusion Series.