*International Journal of Business and Management Invention (IJBMI)*
*ISSN (Online): 2319-8028, ISSN (Print):2319-801X*
*www.ijbmi.org || Volume 9 Issue 8 Ser. IV || August 2020 || PP 30-38*

# The Role of Financial Inclusivity in Reducing Poverty and Equalizing Community Income

Desak Ayu Sriary Bhegawati[1]
*Faculty of Economics and Business Udayana University, Bali, Indonesia*

Nyoman Djinar Setiawina[2]
*Faculty of Economics and Business, Udayana University, Bali, Indonesia*

***ABSTRACT***
*The role of financial inclusiveness in increasing community equity and poverty alleviation is to open the widest possible access to financial services for the community, especially the lower class as the unbanked group. Inclusive finance is running a financial business that must be empowerment, to improve people's lives. The idea of revitalizing financial inclusion is not without reason, because it can empower people who have never been touched by banking systems and technology. Financial inclusiveness in community equity and poverty alleviation is very important because it is directly aimed at the community to achieve a prosperous and peaceful life. The Emergence of public income and poverty in Indonesia is an important issue that has a huge impact on the sustainability of the state process and life in Indonesia.*

***KEYWORDS: Financial Inclusiveness, Poverty, Equitable Community Income***

---

Date of Submission: 15-08-2020 Date of Acceptance: 01-09-2020

---

## I. INTRODUCTION

A stable economy is created by the government with various policies that lead to economic progress in the country so that the course of poverty economic development becomes the main problem and challenge. Inclusive growth in Asia continues to be encouraged as income inequality continues to increase on an average from year to year. Inclusive growth or comprehensive growth is one of the important goals of various economic policies in the world, especially in Asia. The government, development partners and economists have paid attention to comprehensive growth in the economic and social fields, especially in access to education, health care, social security, clean water and sanitation, transportation and electricity as well as financial services for all segments of society (Morgan, 2014 ).

The number of poor people in Indonesia is not small, the condition of a prosperous population is not balanced with economic growth in urban areas in each province. Economic development is increasing, but many of the population is still not in a prosperous condition. The government has developed a national strategy in overcoming poverty problems as outlined in documents by the vision, mission, goals, and policies. Inclusive finance is one of the strategies to encourage economic growth, accelerate poverty reduction, reduce gaps between individuals, and between regions to realize the welfare of the Indonesian people.

The government in Indonesia implements an inclusive financial policy, where this policy is a form of deepening in financial services (*Financial Service Deepening*) aimed at the lower class to take advantage of formal financial products and services such as a means of saving money safely (*keeping*), transfers, saving and loans and insurance. This is done not only by appropriately providing products but in combination with various aspects (Bank Indonesia, 2014).

According to Bank Indonesia (2014) The term *financial inclusion*, which became a post-crisis trend in 2008, was based on the impact of the crisis on low-income and irregular groups of people, living in remote areas, people with disabilities, workers who do not have legal identity documents, and marginalized communities (*in the bottom of the pyramid*), which are generally *unbanked,* which is still very high outside of developed countries.

Countries in Asia such as Japan and South Korea are countries that have the highest inclusive index value compared to other countries in Asia. Japan has an inclusive index value of 0.9 and South Korea has an inclusive index value of 0.5. This means that only the two countries are relatively evenly distributed in terms of good financial access and services (Ummah, 2013).

An inclusive financial system (*Financial Inclusion*) is one of the efforts made to reduce poverty and reduce disparities in people's income. The problems of poverty and inequality of income*(income inequality)*into

social issues in various countries as well as multilateral regional cooperation organizations such as the G20, the OECD, the World Bank, IMF, ADB, and ASEAN. Effective mobilization of domestic savings for private investment plays a role in achieving economic growth and poverty reduction. An efficient and inclusive financial system will empower individuals, facilitate the exchange of goods and services, integrate society with the economy, and provide protection against economic shocks (Khasnobis and Mavrotas, 2008). Financial inclusion through access to financial services such as savings, credit, insurance, pension funds, and payment facilities will greatly help low-income groups of people to increase their income, accumulate wealth, manage risks, and make efforts to get out of poverty.

Poverty and economic disparities between community groups can occur due to the powerlessness of the community in gaining access to the existing financial system. Therefore, what happens is that the financial system only lives in its environment without having a real impact on the existence of other sectors outside the financial sector. The fact is that not all residents have the same access to economic resources, while at the same time every resident must meet their daily needs (Sanjaya, 2014).

Also, according to Sarma (2012) financial inclusion is a process that ensures easy access, availability, and benefits from the formal financial system for all economic actors. So it can be concludedthat financial inclusion is an effort to improve public access, especially people's *unbankable* informal financial services by reducing various kinds of resistance to access it.

Inclusive finance can answer this reason by providing many benefits that can be enjoyed by the public, regulators, government and the private sector, including increasing economic efficiency, supporting financial system stability, reducing *Shadow Banking* or *Irresponsible Finance,* supporting financial market deepening, and providing the new market potential for banking. support the improvement of *the Human Development Index* (HDI) of Indonesia, contributed positively to the growth of local and national economies that sustain and sustainable, to reduce the gap*(inequality),* to improve the welfare of society, which in turn led to the decline in poverty levels.

The strategy to increase financial inclusiveness in Asian countries has established several flagship programs to minimize barriers and increase public access to financial services. For example, Indonesia has a special strategy to increase financial inclusion, among others, through the provision of People's Business Credit (KUR), my savings program, E-Money, Telkomsel Cash, the "To the Bank" program, and improving microfinance services. Another example is Thailand which has two special institutions to achieve increased financial inclusion, namely the *village fund* and the *Bank for Agriculture and Agricultural Cooperatives* (BACC) and India which implements various programs such as *Agent Banking*, *Mobile Phone Banking* and unique innovations such as *Biometrically Scanned* which is a system. identity for the Indian population to facilitate the provision of financial services as a whole (Mankiw, 2008).

The financial sector is one of the most effective ways to reduce poverty levels in Indonesia. The financial market is the heart of the economy which contributes to economic prosperity in providing savings, business credit, risk management, and business acceleration as well as transfer and payment facilities so that the financial sector can involve low-income or non-permanent people in using products and services. banking services, find it easy to obtain capital, have savings, and business capital loans at low costs, transfer funds without unofficial third parties. They will also be introduced to various forms of insurance to ensure the continuity of the period at an affordable and transparent price (Rakhmindyarto, 2013).

The Emergence of public income and poverty in Indonesia is an important issue that has a huge impact on the sustainability of the state process and life in Indonesia. Equitable distribution of society itself is an effort made by the government in equalizing both in the fields of economy, education, development, and others, which of course is intended by the community to create a prosperous society.

The National Strategy for Financial Inclusion (SNKI) as stipulated in Presidential Regulation Number 82 of 2016 states that financial inclusion is an important component in the process of social inclusion and economic inclusion which plays a role in promoting economic growth, creating financial system stability, supporting poverty reduction programs, and reducing inequalities. between individuals and between regions. An inclusive financial system is realized through people's access to financial services so that it can increase economic capacity and ultimately open the way out of poverty and reduce economic inequality. The growth of the financial sector in Indonesia has not been accompanied by adequate public access to financial services.

The level of financial inclusion also affects income inequality in Indonesia, where an increasingly inclusive banking sector can create equitable growth so that income distribution will also be more even. People who initially did not use banking services then accessed and used repair services had the opportunity to improve their living conditions for the better. Increasing social welfare has contributed to economic growth (Ummah, 2018).

Low-income people still do not need banking services and products due to several things, namely feeling that they have not enough money, there is no permanent job and are still unemployed, there is no benefit from the bank, do not need credit, do not have collateral to borrow, do not have the ability to in installments on loans, there is still a sense of distrust and discomfort with the banking sector as the second party to manage the

money they have, the perceived cost of transaction costs, there is insufficient knowledge of banking products/services (World Bank Survey, 2011). This condition causes the failure to achieve financial inclusion among the poor or low-income people.

People in the world, especially the poor and vulnerable groups, do not have access to financial *services*, namely, as many as 2.7 billion people in the world do not have access to credit, insurance, and savings (CGAP and World Bank, 2010). Access to the formal financial system in Indonesia only reaches about 52 percent of the population, and there are 31 percent of the population accessing informal finance and 17 percent of the population who cannot access the financial system or experience exclusive finance. According to the World Bank (2010), as many as 50 percent of savers save their money in the formal financial sector of the bank, while 18 percent of savers save in the informal sector such as The name is Arisan, savings clubs and revolving fund groups, while 32 percent have no savings. Loans for the community as much as 33 percent tend to choose to use the informal financial sector, such as friends, family, neighbors, employers, and moneylenders compared to the formal financial sector, which is 17 percent. Based on this, 40 percent of the population does not have access to formal or informal financial products and services.

Factors that hinder public access to the formal financial sector can be grouped into two categories, namely from the demand side and from the supply side. On the demand side, people's access is hampered due to a lack of knowledge and public concern for financial services, low income, lack of security, and social inclusion. On the supply side, several factors often prevent people from accessing the formal financial sector, including the distance between the bank branch and the place of residence and complicated procedures, incompatibility of financial products with needs, a language that is not understood, employee behavior, and rigid bank operating times.

Financial inclusion can change the composition of the financial system in terms of transactions, services, and access routes available to the public. These changes will create new potential risks or shocks that are likely to cause financial instability such as collective failure of smaller institutions which can significantly affect stability in the system. On the other hand, financial inclusion can fight instability by making the financial system more diversified (Hanning and Jansen, 2010).

## II. LITERATURE

Financial inclusion activities are one of the important agendas in the international world, where financial inclusion is embodied in a strategy, namely the framework, implementation, and future steps for implementing financial inclusion. The level of financial inclusion describes public participation or access to financial products and services provided by financial institutions in a country. Access is considered important because it represents the opportunity for a more prosperous life for the community. Increasing financial inclusion has not been able to make a positive contribution to many indicators of Indonesia's development. Various improvements are needed so that increased financial inclusion can be transmitted effectively to improve the welfare of the Indonesian population.

According to Bank Indonesia, 2014 Financial inclusion is “Everyone's right to have full access and services from financial institutions in a timely, comfortable, informative, and affordable manner, with full respect for their dignity. Financial services are available to all segments of society, with special attention to the poor, the productive poor, migrant workers, and residents in remote areas.

Financial inclusiveness is defined as an effort to reduce all forms of price and non-price barriers to the public access to using financial services (Alimsyah, 2016). Financial inclusiveness is a form of the financial inclusion national strategy, namely the right of everyone to have full access and services from financial institutions in a timely, comfortable, informative, and affordable manner, with full respect for dignity. *The Global Financial Development Report* (2014) defines financial inclusion as "*The proportion of individuals and firms that use financial service has become a subject of considerable interest among policymakers, researchers and other stakeholders*".

Financial inclusion is a condition in which the majority of individuals can take advantage of the available financial services and minimize the presence of groups of individuals who are not aware of the benefits of financial access through available access without high costs (Salim, et al. 2014). According to the Financial Services Authority, Financial Inclusion is all efforts aimed at removing all forms of price and non-price barriers to the public access to use financial services so that they can provide significant benefits to improving the standard of living of the community, especially for regions with regions and regions. geographic conditions that are difficult to reach or border areas (Fitriastuti, et al 2015).

Financial inclusion promotes savings and develops a culture of saving, improves access to credit, both entrepreneurship and consumption and also enables efficient payment mechanisms, thereby strengthening the resource base of financial institutions that can provide economic benefits as resources and the availability of efficient and allocative payment mechanisms, Chakrabarty (2012). Therefore, financial inclusion is a must and banking is the main driver for the implementation of financial inclusion (Nengsih, 2015).

The vision of a national financial inclusion is to create a financial system that can be accessed by all levels of society to encourage economic growth, poverty reduction, income distribution, and the creation of financial system stability in Indonesia. The objectives of financial inclusion are spelled out in the following objectives:

1) Making the financial inclusion strategy part of the grand strategy of economic development, poverty reduction, income distribution, and financial system stability.
2) Providing financial services and products according to community needs.
3) Increase public knowledge about financial services.
4) Increase public access to financial services. One of them is by optimizing the role of information and communication technology (ICT) to expand the scope of financial services.
5) Strengthening the synergy between banks, micro-financial institutions, and non-bank financial institutions.

The national strategy for financial inclusion is a guide for all parties, including the central government, local governments, the private sector, academia, and the public in expanding access to the formal financial sector, especially low-income people. The development of a national strategy, inclusive finance must be focused on the human aspect and be able to answer various problems that arise and eliminate various factors that hamper these efforts. The government and Bank Indonesia have a very important role in expanding the involvement of the financial sector. The private sector can also see that there is a very large market gap for the Indonesian population that banks have not yet touched if they can be reached through various innovative strategies.

The World Bank (2010) reveals that there are at least four types of financial services that are considered vital to people's lives, namely fund deposit services, credit services, payment system services, and insurance including pension funds. These four aspects are the basic requirements that every society must have to have a better life. Increasing public access to financial institutions is certainly a problem of complexity that requires cross-sectoral coordination involving banking authorities, non-bank financial services, and ministries or other institutions that pay attention to poverty alleviation efforts, so a comprehensive and comprehensive policy is needed in a National Strategy for Financial Inclusion.

Inclusive finance is a national development strategy to promote economic growth through equal distribution of income, poverty alleviation, and financial system stability. The importance of financial inclusion and its urgent nature is due to a large number of Indonesians who do not yet have access to the formal financial sector. Also, the formal financial sector is a public good and therefore every citizen has the right to access a variety of formal financial products and services that are quality, timely, comfortable, clear, and at affordable costs. Therefore, access to formal financial products and services must be provided for all segments of society, with special attention to low-income poor groups, productive poor groups, groups of migrant workers, and groups of people living in remote areas.

Bank Indonesia (2014) views that to determine the development of the financial inclusion process, a performance measure is needed. *Alliance for Financial Inclusion* (2010) generally defines the complexity of financial inclusion into four components, namely access, availability, use, and welfare.

a) Access*(Access)*is a component of this particular emphasis on the ability to use financial services and products provided by formal financial institutions.
b) Quality*(Quality)*is a measure of the suitability of services or financial products to customer needs, quality components include consumer experience indicated in opinions and attitudes about financial services products available to them.
c) Usage*(Usage)*which emphasizes the use of banking services, and focuses on permanent aspects including the frequency, duration, and regularity of use of the services of a financial services product.
d) Welfare (*Welfare*), which measures the impact of a product or financial service on consumers, such as changes in consumption patterns, business activities, and investment.

**RESEARCH METHOD The**

The method used in this research is a qualitative descriptive method using data collection techniques used by tracing the documentation study on the related articles.

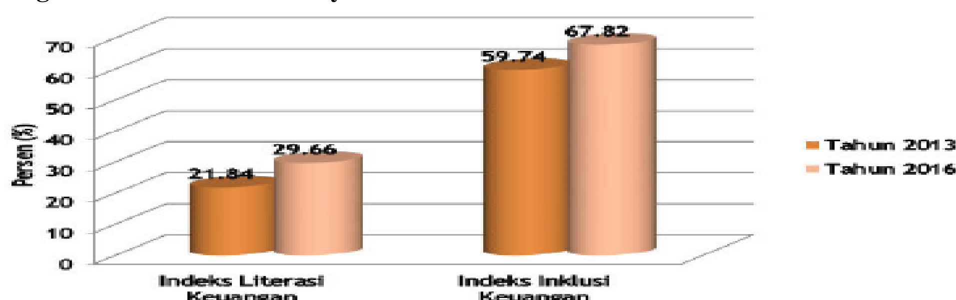
## III. RESULTS AND DISCUSSION

*Financial Inclusion* in the global Findex data at the World Bank, informs that in 2014 the level of financial inclusion of the Indonesian population was 36.1 percent, where this number is the percentage of Indonesians over 15 years of age who have accounts at financial institutions of 177 million inhabitants. The level of financial inclusion in Indonesia is still lower compared to countries in the East Asia and Pacific region, namely 69.0 percent and is still classified as lower than countries classified as low and middle income at 42.7 percent.

Based on the 2014 Findex data, the percentage of adult female account holders, among the young population aged 15-24, among the poor and rural people, is also low and far behind from low to middle-income countries. Account ownership in financial institutions of 35.9 percent means that there is a rapid increase from 19.6 percent in 2011 as the main instrument used in withdrawing money, as well as electronic transactions, which increased rapidly compared to 2011's 51.1 percent. The proportion of Indonesia's adult population saving at financial institutions by 26.6 percent also increased, because in 2011 only 15.3 percent of the adult population in Indonesia had savings in financial institutions.

The Financial Services Authority as the regulator in Indonesia conducted a national survey on financial literacy and inclusion, namely in 2013 and 2016. Figure 2.3 shows the results of the survey, the level of financial literacy has increased from 21.84 percent in 2013 to 29.66 percent in 2016. In this case, financial literacy is a public opening in their knowledge of financial institutions so that they can be accessed by financial institutions, namely financial inclusion so that the level of financial inclusion also increases by 59.74 percent to 67.82 percent.

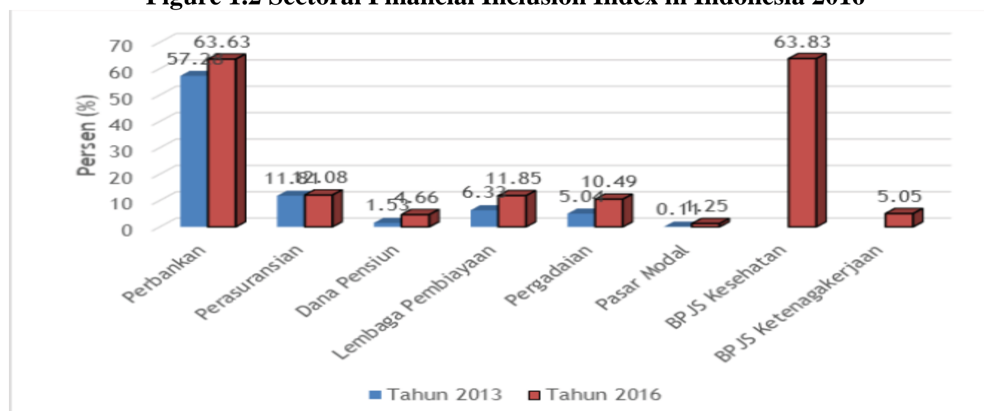
**Figure 1.1 Financial Literacy and Inclusion Index in Indonesia in 2013 and 2016**




Source: Financial Services Authority, 2017

The banking financial inclusion index and BPJS Health are the most superior in the financial inclusion index, compared to other financial sectors in 2016. In Figure 1.1 insurance had a financial inclusion index of 12.08 percent in 2016, an increase from 11.81 percent in 2013. Then the financial inclusion index for financial institutions was 11.85 percent in 2016, an increase from 6.33 percent in 2013. Market Capital is the sector that has the lowest financial inclusion index, which is only 1.25 percent in 2016, a slight increase compared to 2013 which was 0.11 percent. The pension funds, pawnshops, and BPJS Ketenagakerjaan sectors have a financial inclusion index that is not as bad as the capital market but is still much lower when compared to banking and BPJS Health.

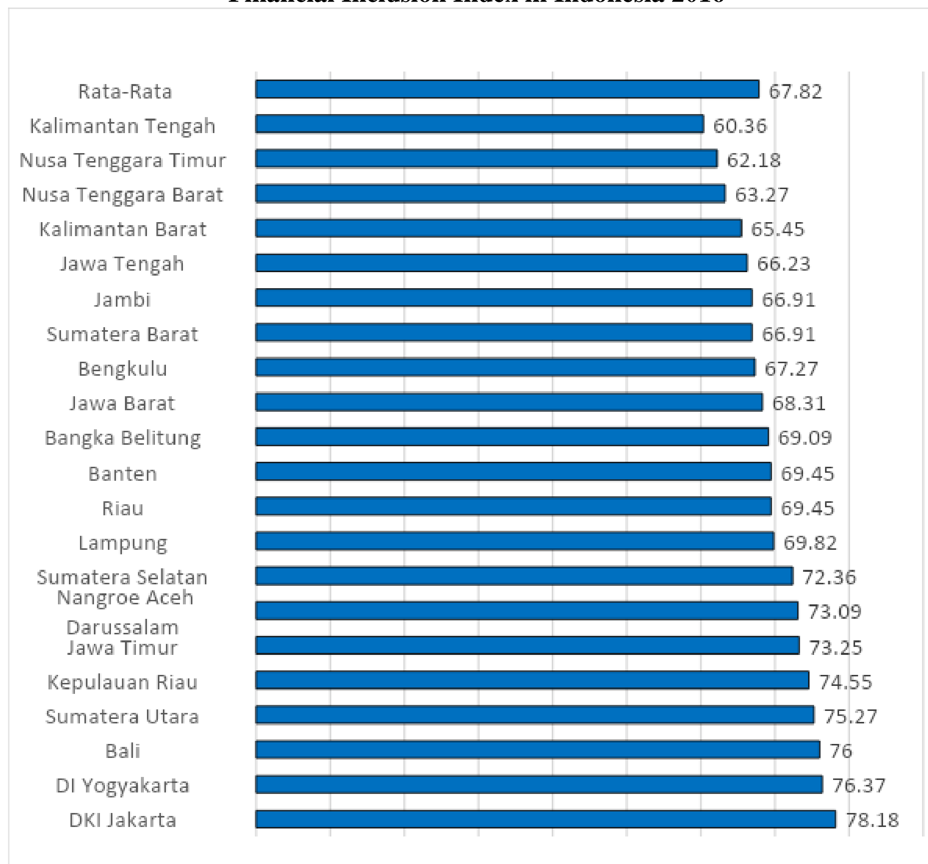
**Figure 1.2 Sectoral Financial Inclusion Index in Indonesia 2016**




Source: Financial Services Authority, 2017

The level of financial inclusion of the population in provinces in the western region of Indonesia is higher than in the eastern region, except for the Province of East Kalimantan. The results of a national survey by the Financial Services Authority in 2016 showed that the highest financial inclusion index was in DKI Jakarta, followed by the Special Regions of Yogyakarta, Bali, and North Sumatra which can be seen in Figure 1.3. Provinces that require special attention in efforts to improve the level of financial inclusion are West Papua and South Kalimantan. Also, attention needs to be given to several other provinces, such as Central Kalimantan, Papua, North Kalimantan, East Nusa Tenggara, and Gorontalo.

**Figure 1.3**
**Financial Inclusion Index in Indonesia 2016**




Source: Financial Services Authority, 2017

Financial inclusion in terms of access to financial institutions is believed to have an impact on income distribution so that the level of financial inclusion has increased, must be accompanied by a decrease in the Gini coefficient. Indonesia's income disparity has increased significantly in 2000 compared to previous years, while in the 1990 year Indonesia's Gini ratio was at an average of 0.3 and increased on average by 0.38 in the 2000 year.

**Figure 1.4**
**Gini Ratio Coefficient in Indonesia 2013-2017**

Source: Central Statistics Agency, 2018

In Figure 1.4 starting from 2014 in the second semester to 2017 the Gini Ratio coefficient continues to decline, this means that community equity is increasing. The World Bank report shows that this increasing disparity in income distribution between the 1990s and 2000s was one of the highest among Asian countries, after China. A high disparity nationally, namely disparities between regions that occur on a large scale, this is reflected in the largest investment in Java, which contributes to the largest economy in Indonesia, up to 60 percent, causing a gap between Java and other islands.

Research on the impact of financial inclusion on poverty was conducted by Dixit and Ghosh (2013) in India that the provision of access to financial services has the potential to remove the poor from the vicious cycle of poverty through a culture of saving, saving, and enabling the creation of efficient and low-cost payment mechanisms. According to Sanjaya (2014), increasing financial knowledge and education in society will improve the quality of life of the poor and reduce inequality. Providing access to affordable financial sector services and services for the poor directly makes the poor participate and become agents of economic growth to create inclusive growth which in the long run can reduce poverty levels in Indonesia. In this regard, financial inclusion through the micro-credit program can improve the social and economic status of the poor.

Financial inclusion in its implementation cannot be seen narrowly only by expanding public access to the formal financial sector and increasing public interest in having a savings account at a bank, but it must also be more encouraged to provide micro-credit / credit facilities for both individuals and micro-businesses. Small, and Medium, so that financial inclusion must be seen or positioned as one of the strategies in national economic development and efforts to reduce poverty and social inequality. Poverty alleviation efforts must be able to combine social inclusion, financial inclusion, and an inclusive economy. Social inclusion provides the widest possible access to the community regarding basic needs, especially for the community to health services, education, and social mobilization, as mandated in the preamble to the 1945 Constitution which is the role of the government in providing for the needs of its people. Inclusive finance expands people's access to the formal financial sector by increasing community eligibility. Meanwhile, an inclusive economy aims to provide opportunities or access to the community to increase income, such as empowering Micro, Small, and Medium Enterprises (Rakhmindyarto, 2013). Bank Indonesia is focused on promoting the role of the banking sector which has the largest market share in the formal financial sector, so it is necessary to make adjustments to the national strategy with a larger portion of the empowerment of non-bank financial institutions in providing financing for Micro, Small and Medium Enterprises.

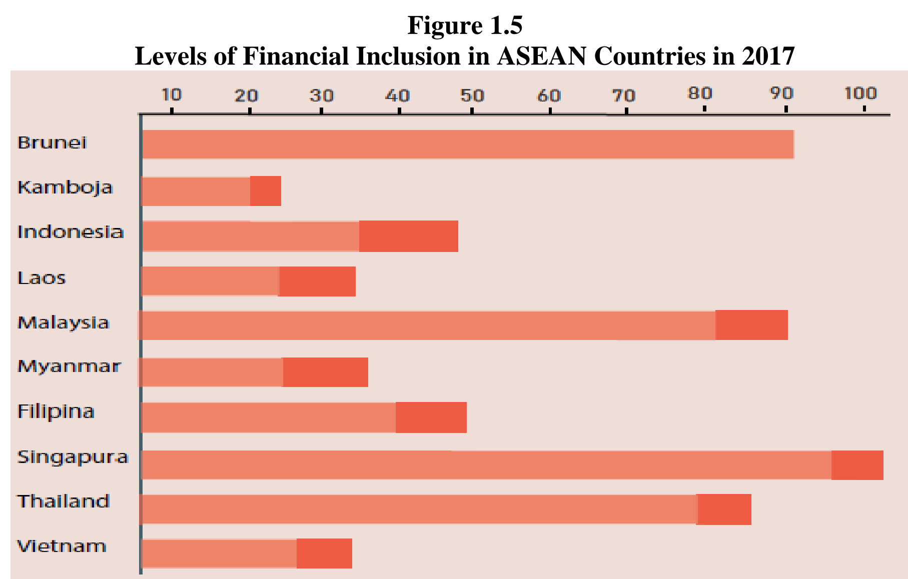
Research conducted by Ummah, 2015 states that financial inclusion has a direct relationship with income distribution in Indonesia. The distribution of income in an area affects the level of financial inclusion in that area so that the high access and use of banking in Indonesia are caused by the high access and use of banking services by people with middle to upper income. Banking services can be said to be difficult to access for people with low incomes because the barrier to banking access is one of the low access and use of banking services. Apart from the supply side of banking, barriers to access also occur from the demand side, for example, the very low income of the public and a lack of public understanding of the benefits of banking services. At a macro level, the existence of imbalances in access to banking services can be caused by uneven economic growth between provinces in Indonesia.

Research conducted by Habibullah (2019) suggests that the financial inclusiveness achieved in the distribution of non-cash social assistance is only for access to financial services, not yet on the use of financial services. It is hoped that the distribution of non-cash social assistance will familiarize the community with savings. It turns out that it is only limited to disbursing social assistance, the saving mechanism is not automatically implemented by the beneficiaries. Financial inclusion in non-social assistance for the poor is false financial inclusiveness and has no impact on poverty reduction. Poverty alleviation with indicators of reducing the poverty rate and meeting basic needs is a quasi-poverty reduction, because it is filled with non-cash social assistance, not because of an increase in people's real income.

According to a study conducted by the Asia Development Bank (ADB) in the Asia Pacific region which has a large population in this region, it still depends on informal financial services due to lack of access to formal institutions. Populations vary between countries, but it is estimated that about 70 percent to 80 percent of adults in the region do not have access to a formal financial system (Ayyagari and Beck, 2015). National strategies and policies are further enhanced by focusing on the areas of policy, regulation, and supervision, financial education, and consumer protection. Indonesia is one of the countries with the largest population in the Asian region, based on a survey from the 2017 Global Index, in general, the achievement of financial inclusion in Indonesia is 48.9 percent This means that adults in Indonesia have a savings account at formal financial institutions (Commercial Banks, People's Credit Banks, Cooperatives, Micro Financial Institutions, and registered electronic money), where there was an increase of 12.8 percent compared to the results of the 2014 survey, namely 36.1 percent. This means that the growth in savings accounts per year reaches approximately 4.2 percent. The Financial Services Authority survey also shows that financial products and services in Indonesia are still predominantly provided or used through conventional approaches. Insurance companies and financing institutions also still serve their offices throughout Indonesia.

The level of financial inclusion is still far from developing countries or neighboring ASEAN countries as seen in Figure 1.5.

**Figure 1.5**
**Levels of Financial Inclusion in ASEAN Countries in 2017**




Source: National Financial Survey of Indonesia, 2018

The results of research conducted by Laksmana, 2019 show that banking in Indonesia increases the financial inclusiveness program by expanding the penetration dimensions such as the availability of bank service offices, bank accessibility, and bank use using channels that are easily accepted by all people and easy-to-understand products to increase usage. Strategies in overcoming macroeconomic fundamentals in Gross Domestic Product to increase public equity, which affects the level of financial inclusion, especially credit risk. Formal financial institutions must provide low-income groups of people with access to financial services, with the government providing financial literacy among residents to enable them to utilize financial services for the welfare of society.

## IV. CONCLUSION

Financial inclusion is all efforts to increase public access to financial services by removing all forms of barriers, both price, and non-price. Providing access to affordable financial sector services and services for the poor directly makes the poor participate and become agents of economic growth to reduce poverty levels. To realize a sustainable financial inclusion program, coordination between Bank Indonesia and related ministries and institutions is required in the context of development, prioritization, and program implementation, as well as program monitoring and evaluation. Good coordination is expected to achieve the goal of increasing public access to financial services.

Banking as a financial institution is the main driver for the implementation of *financial inclusion*. The participation of financial institutions in developing *Financial Inclusion* properties by developing programs that do not only rely on efforts to raise savings or financing funds but must actively participate in alleviating poverty through family development with wider access to finance for families or the poor. Both the government and banking sector actors are working together to increase access and use of banking services by increasing every dimension of financial inclusion. Banking penetration can be increased by encouraging people to save. The government should provide understanding to the poor or underprivileged people provided by the government the meaning and benefits of financial inclusion, both the benefits of savings and credit, especially the People's Business Credit (KUR) so that the poor or underprivileged can run government programs and indirectly can alleviating poverty and equal distribution of society.

## REFERENCES

[1]. Akyuwen, Roberto, and Caroline Mangawal, 2017. Comparison of Improved Financial Inclusion and Indonesian Development Indicators. Vol 30 Mode No.1. Pp. 96-109.

[2]. Alliance for Financial Inclusion. 2010. Measuring Financial Inclusion Core Set of Financial Inclusion Indicators. Financial Inclusion Data Working Group.

[3]. Alamsyah, Halim. 2016. The Importance of Inclusive Finance in Increasing Public and MSME Access to Sharia Financial Service Facilities.

[4]. Ayyagari, Meghana, and Thorsten Beck. 2015. Financial Inclusion in Asia: An Overview. ADB Economics Working Paper Series No. 449, Manila, Philippines.

[5]. Bank of Indonesia. 2014. Booklet of Financial Inclusion. Jakarta: Bank Indonesia.
[6]. Beck, Demirguc-Kunt, and Levine.2007.Finance, Inequality, and the Poor: Cross-Country Evidence, Journal of Economic Growth 12 (1): 27-49.
[7]. Chakrabarty, Kamalesh Shailesh C. 2012. Financial Inclusion - Issues in Measurement and Analysis. Irving Fisher Committee Workshop on Financial Inclusion Indicators. Malaysia.
[8]. Dixit, R., and Ghosh, M..2013. Financial Inclusion for Inclusive Growth of India a Study of Indian States. International Journal of Business Management & Research, 31, 147–156.
[9]. Demirguc-Kunt A, Beck T, Honohan P. 2008. Finance for All? Policies and Pitfalls in Expanding Access. Washington, DC (US): World Bank.
[10]. Department of Financial Access Development and Bank Indonesia MSMEs. 2014. Booklet of Financial Inclusion. Jakarta: Bank Indonesia.
[11]. Fitriastuti, Triana et al. 2015. Implementation of Inclusive Finance for Border Communities (Case Study in East Kutai, Kutai Kartanegara Regency and Samarinda City, East Kalimantan, Indonesia).
[12]. Habibullah. 2019.Financial Inclusion And Poverty Reduction: Study On Distribution of Non-Cash Social Assistance.Socio Informa Vol. 5, No. 01, January - April 2019.Pages 38-50.
[13]. Hannig, A., & Jansen, S. 2010. Financial inclusion and financial stability: Current policy issues. Retrievedfrom https://www.adb.org/sites/default/files/publication/156114/adbi-wp259.pdf
[14]. Khasnobis, B Guha. and G. Mavrotas. 2008. Financial Development, Institutions, Growth and Poverty Reduction, Palgrave Macmillan, New York, 2008.
[15]. Laksmana, Komang Agus Rudi Indra & Ngurah Arya Suryadhana (2019). The Impact of Financial Inclusion Growth on Financial System Stability in Indonesia. Proceedings of Warmadewa National Conference of Economic.
[16]. Levine Ross. 1997. "Financial Development and Economic Growth: Views and Agenda". Journal of Economic Literature. 35 (2): 688-726.
[17]. Mankiw, NG2008. Introduction to Macroeconomics (volume 2). Jakarta.
[18]. Nasution, Hairatunnisa, Yasir Nasution, Muhammad Yafiz. 2017 Financial Inclusion Analysis of the Empowerment of the Poor in Medan (Case Study of Ss Ii Micro Financing at Bank of North Sumatra Syariah) Journal of Islamic Economics and Business. Vol.2.No.1. 1-20.
[19]. Nengsih, Novia. 2015. The Role of Sharia Banking in Implementing Inclusive Finance in Indonesia, Journal of Ethics, Vol. 14, No. October 2, 2015. Page 6.
[20]. Morgan, P., and Pontines, V. 2014. Financial Stability and Financial Inclusion Asian Development Bank Institute Working Paper, no. 448.2017
[21]. Financial Services Authority National Survey of Financial Literacy and Inclusion 2016. Jakarta.
[22]. Rakhmindyarto and Syaifullah. 2013. Green Economist and Financial Inclusion Thought, publisher Bale Siasat.
[23]. The Republic of Indonesia. 2016 Presidential Regulation Number 82 of 2016 concerning the National Strategy for Financial Inclusion.
[24]. The Republic of Indonesia. 2017. Presidential Regulation Number 63 of 2017 concerning Non-Cash Distribution of Social Assistance.
[25]. Salim Melisa, et al. 2014 Analysis of the Implementation of Financial Inclusion Programs in West Jakarta and South Jakarta (Studies on Micro-Group Traders, Banking Institutions, Financial Services Authority, and Bank Indonesia). Journal of Economics, University of Bina Nusantara. Vol.2.No.1.
[26]. Sanjaya, IM 2014. Financial Inclusion and Inclusive Growth as a Poverty Alleviation Strategy in Indonesia. Bogor: Bogor Agricultural University. Retrieved from: https: //repository.ipb. ac.id/handle/123456789/71330.
[27]. Sarma, M. 2012. Index of Financial Inclusion A measure of financial sector inclusiveness. (Berlin Working Papers on Money, Finance, Trade, and development No. 07).
[28]. UNCTAD. 2015. Access to Financial Services as a Driver for the Post-2015 Development Agenda. Policy Brief, No. 35, September. UNCTAD.
[29]. Ummah, BB, Nuryartono, N., & Anggraeni, L. 2018. Analysis of Financial Inclusion and Income Equity in Indonesia. Journal of Economics and Development Policy, 4 (1), 10-16.
[30]. World Bank. 2010. The World Bank Annual Report 2010.
[31]. World Bank. 2014. Financial Inclusion. Global Financial Development Report.


Desak Ayu Sriary Bhegawati, et. al. "The Role of Financial Inclusivity in Reducing Poverty and Equalizing Community Income." *International Journal of Business and Management Invention (IJBMI)*, vol. 09(08), 2020, pp. 30-38. Journal DOI- 10.35629/8028