Financial inclusion interventions have very small and inconsistent impacts

A wide range of financial inclusion programmes seek to increase poor people’s access to financial services to enhance the welfare of poor and low-income households in low- and middle-income countries. The impacts of financial inclusion interventions are small and variable. Although some services have some positive effects for some people, overall financial inclusion may be no better than comparable alternatives, such as graduation or livelihoods interventions.

What is this review about?
Financial inclusion programmes seek to increase access to financial services such as credit, savings, insurance and money transfers and so allow poor and low-income households in low- and middle-income countries to enhance their welfare, grasp opportunities, mitigate shocks, and ultimately escape poverty. This systematic review of reviews assesses the evidence on economic, social, behavioural and gender-related outcomes from financial inclusion.

What studies are included?
This review includes studies that synthesise the findings of other studies (meta-studies) regarding the impacts of a range of financial inclusion interventions on economic, social, gender and behavioural outcomes. A total of 32 such meta-studies were identified, of which 11 were of sufficient methodological quality to be included in the final analysis. The review examined meta-studies from 2010 onwards that spanned the globe in terms of geographical coverage.

What are the main findings of this review?
Impacts are more likely to be positive than negative, but the effects vary, are often mixed, and appear not to be transformative in scope or scale, as they largely occur in the early stages of the causal chain of effects. Overall, the effects of financial services on core economic poverty indicators such as incomes, assets or spending,
How up-to-date is this review?
The review authors searched for studies in November 2017, updating elements of the searches in January 2018. This Campbell systematic review was published in January 2019.

What is the Campbell Collaboration?
The Campbell Collaboration is an international, voluntary, non-profit research network that publishes systematic reviews. We summarise and evaluate the quality of evidence about programmes in the social and behavioural sciences. Our aim is to help people make better choices and better policy decisions.

About this summary
This summary was prepared by Howard White (Campbell Collaboration) based on the Campbell Systematic Review 2019:2 Impact of financial inclusion in low- and middle-income countries: a systematic review of reviews by Maren Duvendack and Philip Mader (DOI 10.4073/csr.2019.2). Tanya Kristiansen (Campbell Collaboration) redesigned and edited the summary. Financial support from the American Institutes for Research for the production of this summary is gratefully acknowledged.

and on health status and other social outcomes, are small and inconsistent. Moreover, there is no evidence for meaningful behaviour-change outcomes leading to further positive effects.

The effects of financial services on women’s empowerment appear to be generally positive, but they depend upon programme features which are often only peripheral or unrelated to the financial service itself (such as education about rights), cultural and geographical context, and what aspects of empowerment are considered.

Accessing savings opportunities appears to have small but much more consistently positive effects for poor people, and bears fewer downside risks for clients than credit. A large number of the meta-studies included in the final analysis voiced concerns about the low quality of the primary evidence base that formed the basis of their syntheses. This raises concerns about the reliability of the overall findings of meta-studies.

What do the findings of this review mean?
This systematic review of reviews draws on the largest-ever evidence base on financial inclusion impacts. The weak effects found warn against unrealistic hype for financial inclusion, as previously happened for microcredit. There are substantial evidence gaps, notably studies of sufficient duration to measure higher-level impacts which take time to materialize, and for specific outcomes such as debt levels or indebtedness patterns and the link to macroeconomic development.

This study is the first review of reviews published by the Campbell Collaboration. Some important limitations were encountered working at this level of systematisation. It is recommended that authors of primary studies and meta-studies engage more critically with study quality and ensure better, more detailed reporting of their concepts, data and methods. More methods guidance and clearer reporting standards for the social science and international development context would be helpful.