The paper focuses on the relationship between economic growth and financial inclusion in developing countries. In order to do this, we first realize a simple endogenous growth model in which the role of the financial sector is to provide sources of investment to included population. The model indicates that the consumption could be the main channel through financial inclusion contributes to growth. Nevertheless, the contribution of financial inclusion to growth requires a certain level of financial development in developing countries. Then, the empirical estimation realized using Generalized Method of Moments (GMM) with 57 countries over the period 2007-2017, evaluates impacts of traditional and mobile inclusion growth. The results confirm the positive impact of financial inclusion on growth. For formal inclusion, estimators reveal that the financial system deposits contributes to growth in developing countries. Concerning mobile inclusion, we note that active mobile money account has a higher positive impact on growth than that of traditional inclusion.
Tarna Silue (https://sites.google.com/view/tarnasilue/)