

**Mobiles
for
Learning,
Financial Inclusion
and
Development**

The Objective

To familiarize you with

- The Concept of Development
 - Financial Inclusion and Development
- Role of Mobile Phones in Financial Literacy and Financial Inclusion

What is Development? Can we call this as Development ?

No Phone



Concept of Development

School of Thought	Development is
For Classical Economics	Gross Domestic Product, Production, Market, Demand and Supply
Marxist Perspective	Transition from the capitalist mode of production to the collective mode of production,
Development Economics	In addition to Income, consumption- Self-esteem, Freedom, Entitlement, Capability, Empowerment etc.

Development

“The process of economic development has to be concerned with what people can or cannot do, e.g. whether they can live long, escape avoidable morbidity, be well nourished, be able to read and write and communicate, take part in literary and scientific pursuits ...”. It has to do in Marx’s words with, replacing the domination of circumstances and chances over individuals by the domination of individuals over chances and circumstances” (p. 754)

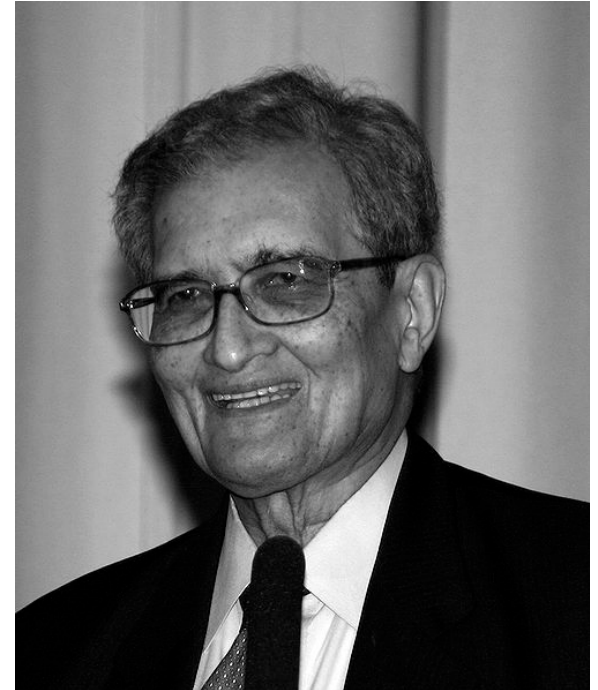


Photo Source: Wikimedia Commons,
http://commons.wikimedia.org/wiki/File:Amartya_Sen_20071128_cologne.jpg

Sen, Amartya, 1983. Development: Which Way Now?
The Economic Journal
Vol. 93, No. 372 (Dec., 1983), pp. 745-762



WE CAN
END POVERTY
2015 MILLENNIUM DEVELOPMENT GOALS



1



ERADICATE EXTREME POVERTY AND HUNGER

2



ACHIEVE UNIVERSAL PRIMARY EDUCATION

3



PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

4



REDUCE CHILD MORTALITY

5



IMPROVE MATERNAL HEALTH

6



COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES

7



ENSURE ENVIRONMENTAL SUSTAINABILITY

8



GLOBAL PARTNERSHIP FOR DEVELOPMENT

Financial Literacy & Financial Inclusion

- 2.5 billion adults lack access to formal financial services
- 60% of the adults in a developing country do not understand the term 'Interest'

Agricultural Credit

- High Transaction Cost
- High Non-Performing Asset (NPA) Rate

MAYA Declaration, 2011

by 80 Countries

- Create an enabling environment to harness new technology that increases access to and lowers the costs of financial services;
- Implement a proportional framework that advances synergies in financial inclusion, integrity, and stability;
- Integrate consumer protection and empowerment as a key pillar of financial inclusion;
- Utilize data for informed policymaking and tracking results.

Mobile Phones and Financial Inclusion

- Can it help to reduce the transaction costs of credit?
- Can it play a role in improving credit management?
- Can it reduce the opportunity costs of the rural poor in obtaining credit and lead to better investment strategies in agriculture?
- Can it increase the financial literacy and enable the farming community and the marginalized sections such as women to make informed choices?

In Tanzania- M-Paisa



Ms. Federes Gaso



M Paisa facility in the SACCO

In India- Mobile Phone based Learning



- Mobile phone by itself cannot be a silver bullet for development. Innovation is more about harnessing such technologies in an appropriate socio-economic and political context for reaching various development goals.