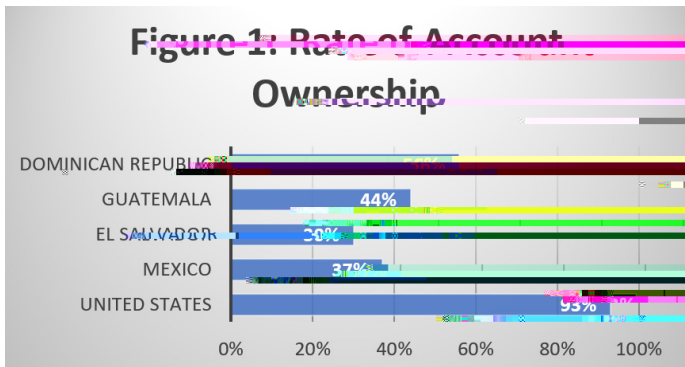


LEWIS CENTER TOPIC BRIEFS

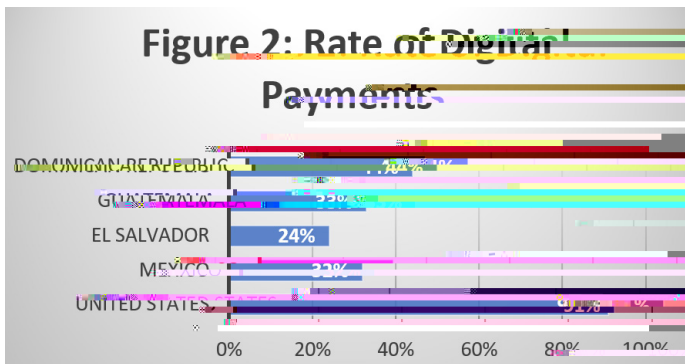


reduce extreme poverty and is considered a cornerstone to a country's development. It has been identified as an enabler of several of the United Nation's sustainable development goals, which were created to address global challenges. Due to its importance, the World Bank developed the Global Financial Inclusion (Global Findex) Survey, which every three years collects nationally representative data to measure access to financial services and digital payments across the world.

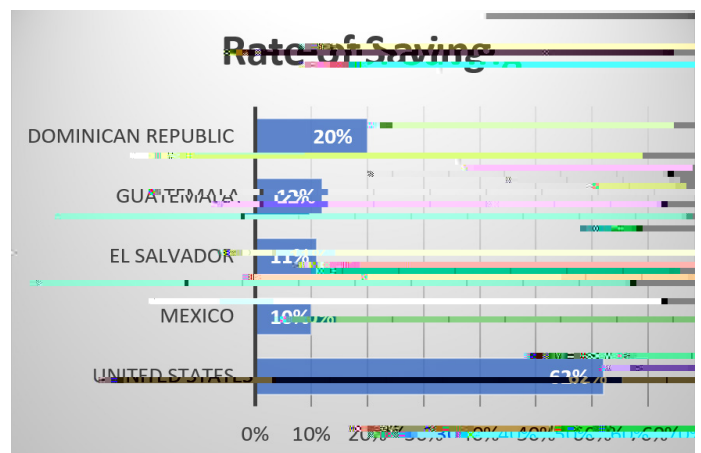
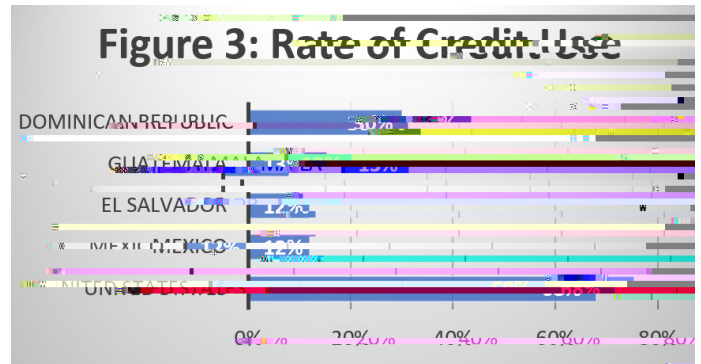
As seen in Figure 1, Data from the 2017 Global Fin-



Another measure of financial inclusion is the degree to which technology is used to make or receive payments. Figure 2 shows the percentage of respondents who used the internet or a mobile phone to make or receive payments. The rate of technology use was 91% in the United States. In the other countries in the Americas, El Salvador had the lowest rate at 24% and the Dominican Republic had the highest rate at 44%. These statistics also highlight the challenge that immigrants face as they move from a cash society to a digital payments society.



Having access to formal credit is another important component of financial inclusion and essential in the United States to build one's credit score and buy a car and a home at affordable interest rates. As shown in Figure 3, in the United States, 68% of adults reported having borrowed money from a financial institution in the past 12 months. The use of formal credit is less common in other countries within the Americas. The rate of borrowing was 12% in Mexico and El Salvador, 13% in Guatemala, and 30% in the Dominican Republic. These statistics do not necessarily mean lack of access to credit in these countries, but rather a different support system to access credit



More Information

About the Author



Dr. Alicia Rubio, is Professor of Finance, Benson Endowed Chair, and Undergraduate Director for the HEB School of Business and Administration at the University of the Incarnate Word. She holds a Ph.D. in Family and Consumer Economics from Purdue University. Due to her interest in cultural perspectives, Dr. Rubio's research has focused on the influence of culture and values in the financial behavior of people around the globe with a special interest in Latin America. She has also studied culture's effects on savings behavior and financial planning among several cultural groups in the United States.