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RESEARCH SEMINAR

organized by the

Centre for European Research in Microfinance

Poverty through the lenses of Financial inclusion: Evidence from Armenia



By **Knar KHACHATRYAN**

(American University of Armenia)

The paper is co-authored with Aleksandr Grigoryan (American University of Armenia) and Knarik Ayvazyan (Central Bank of Armenia).

Abstract:

In this paper we study the impact of financial inclusion on poverty in Armenia, using household level (country-representative) dataset for the year 2016. We identify three key dimensions for financial inclusion, namely, access to finance, savings behavior and financial literacy, and assess their impact on multidimensional poverty. The latter is constructed from (household) deprivation score, based on 5 dimensions and 12 indicators. Our findings suggest that better access to finance (such as having a credit card or a few credit lines), savings from monthly income and financial literacy (such as knowledge about deposit insurance in the case of bank default) have the potential to alleviate poverty. Our key findings from contributions to adjusted headcount ratio are the following. Among the identified dimensions, health (inability to cover health expenditures) is the main contributor of multidimensional poverty. Income dimension seems to have a rather moderate impact on poverty. We discuss policy relevance of our findings and provide recommendations.

Wednesday, November 27, 2019

At 3.30 PM

Location: Seminar Room 206P Visio of the
Université de Mons (UMONS), Warocqué
School of Business and Economics

Place Warocqué, 17 - 7000 Mons

Please confirm your attendance to cermi@umons.ac.be at the earliest.