

## **Financial Inclusion and Governance Quality on Human Development: Evidence from Asia**

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### **Abstract**

**Purpose:** The observation intricates the relationship between financial inclusion, the quality of governance, and their collective impact on human development in Asian countries. The purpose of this study is to analyze the interplay of these factors, considering their dynamic and multifaceted nature.

**Methodology:** In this comprehensive study, panel regression analysis serves as the principal methodology to explore and dissect the intricate interplay between four distinct dimensions of financial inclusion and six dimensions of governance indicators, all within the context of human development. The dataset encompasses 33 diverse Asian countries, meticulously collected over the period spanning 2017 to 2021, with a robust sample size of 165.

**Findings:** Leveraging the analytical power of fixed effect regressions on a panel dataset, results include the Number of commercial bank branches per 100,000 adults, Number of ATMs per 100,000 Adults, Regulatory Quality, Rule of Law, and Voice and Accountability are significant determinants. Therefore, financial inclusion and quality of governance significantly affect human development.

**Originality:** The study's emphasis on the impact of financial inclusion and governance quality on human development underscores the interdisciplinary nature of the study. It bridges the realms of finance, governance, and development studies, offering valuable insights for policymakers, researchers, and practitioners in these fields. The findings of this study could potentially inform strategies for improving both financial systems and governance structures to promote more robust and sustainable human development outcomes.

**Keywords:** financial inclusion, governance quality, Human Development, Asia