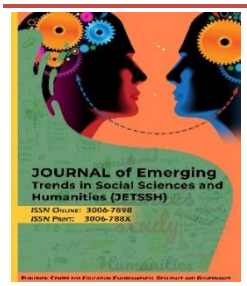
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Pathways to Progress: Navigating Financial Inclusion, Poverty and Economic Well-Being

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ABSTRACT

This thesis explores the connection between different economic indicators and societal perspectives on the alleviation of poverty and the well-being of society in general. The paper employs descriptive statistics and correlation analysis to understand the relationship between financial inclusion, trade, industrialization, remittances, and per capita GDP with respect to societal perceptions. It finds that the connections are complex, with some negative and others positive. Further, significant associations between economic indicators and viewpoints are identified by linear regression models, showing different impacts of economic indicators in connection to viewpoints, such as financial inclusion, trade, industrialization, remittances, and per capita GDP. The analysis also examines the slope heterogeneity between groups or conditions, which shows a large variation in the relationships represented by the slope coefficients. Despite its limitations, however, including data quality problems, using cross sectional data, and potential endogeneity concerns, the study should be interpreted with care. To overcome these drawbacks and to advance future studies, recommendations are to conduct longitudinal studies, incorporate qualitative techniques, increase the quantity of data collected, and apply more sophisticated econometric techniques. In conclusion, the overall aim of this thesis is to increase the understanding of the complex relationship between economic indicators and societal viewpoints, which are of value for policy makers and researchers developing effective poverty alleviation policies and promoting societal well-being.

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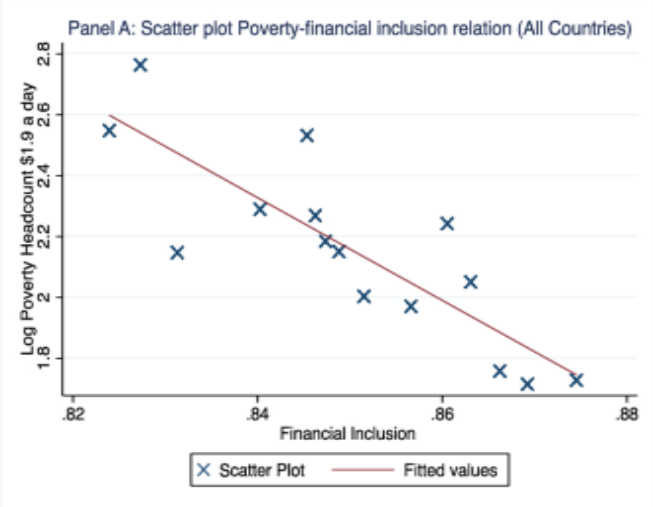
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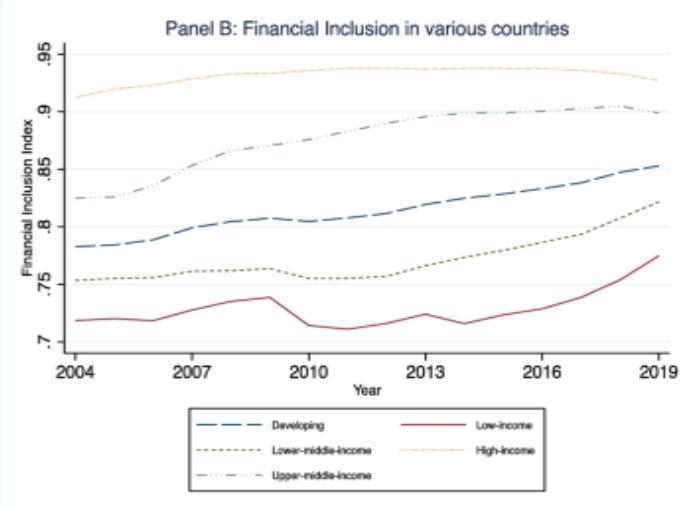
1. Introduction

Despite efforts to promote development around the world, the problems of poverty and inequality persistently pose formidable obstacles to the realization of national goals. It is against this backdrop that an array of factors associated with the problems of poverty and inequality have stimulated renewed interest in the study of their dynamic interplay. Through this work, the author aims to complement to the prevailing literature on financial inclusion, economic growth, industrialization, remittances, and international trade. In a world where economic interconnectedness is the norm, unraveling these multifaceted interactions is crucial for formulating targeted and effective strategies for poverty and inequality alleviation. The Targeted Poverty Alleviation Policy proposal made by the government has led to the promotion of povertcvy alleviation initiatives in China and yielded some impressive results (Yang & Liu, 2021). While many researchers have paid attention to the topic of land-based poverty alleviation initiatives, the recent research concerning the issue concentrates mainly either on poverty alleviation models, mechanisms, and outcomes or on particular policies, systems, or projects rather than the comparative analysis of the two poverty alleviation approaches based on the land and capital resource endowment (Guo & Liu, 2021).

In addition to the seventeen (SDGs) set out by the United Nations, which should be attained by 2030 by developing countries, the realization of these goals can help address income inequality, poverty reduction, and human development. Nonetheless, progress on these goals varies from country to country; while some have been able to meet most of these goals, others have not met any of them. This is also the case for many countries in Africa, who require substantial amounts of foreign investments to attain these goals (Arogundade et al., 2022). (Sikandar et al., 2021) used the Pool Mean Group Estimation method to estimate the short run and long run effects of foreign capital inflows on poverty alleviation and agricultural development on the 14 developing countries in Latin America, Asia and Eastern Europe. On the contrary, employing the ARDL method, (Ali et al., 2009) found a positive effect of FDI on poverty in the long-run and short-run for Pakistan. There are many reasons why the effects of FDI on poverty may be different among these two studies. One important factor causing differences is the failure to consider spatial dynamics in the models used in these studies. Although spatial analysis in FDI literature remains in its infancy, there exist some empirical works that consider the third-country effects in FDI studies. Some of these are (Gutiérrez-Portilla et al., 2019) in Spain, (Do et al., 2021) in Vietnam, (Madariaga & Poncet, 2007) in China, and (Uttama, 2015) in Southeast Asia.

It should be noted that the determination by global society to realize the SDGs makes the issues of poverty and inequality extremely topical. Goal 1 is focused on ending poverty while Goal 10 stresses the significance of working on reducing inequalities. It should be added that the current dissertation seeks to contribute to these global goals through examining the interaction of major factors in poverty and inequality eradication.





The problem is the existing solutions to the problem of poverty lack the capacity to value the multidimensional aspects of economic development. Traditional methods tend to focus on individual components, and do not consider the myriads of interdependencies found within contemporary economies. The intention of this paper is to address these challenges by highlighting the complex linkages and interactions between monetary addition, economic growth, industrialization, remittance and trade. The motivation for this study can be traced back to the recognition that poverty and inequality are multi-dimensional issues, which need to be understood in terms of the mechanisms underlying poverty. Such problems can be addressed in a holistic manner because of the interplay of different elements like financial, trading and socio-economic systems. The main goal of this study is to close the theoretical-practical gap, giving knowledge for effective policies. The research is for the purposes of assisting practitioners in achieving effective poverty reduction programs.

1. Those in charge of policy formulation, government institutions, and development experts interested in gaining a deeper insight into the linkages between financial inclusion, economic growth, industrialization, remittances, and trade need to pay close attention to the vital lessons learned from the study. The interrelationships and potential conflicts found using the results of this analysis can help policy makers design policies to address socio-economic issues.
2. The results of the research could have implications for the design of specific policies on industrialization, financial inclusion, and the benefits of remittance flows. The results can also be used to negotiate and agree to trade or collaboration on a global scale with the aim of making trade and treaties more about economic benefits. To investigate the linkages between financial inclusion, economic growth, industrialization, remittances and trade. As an analysis tool to observe the collective consequence of these things on poverty and inequality reduction.
3. What is the significance of financial inclusion for poverty alleviation and how can it help to reduce economic inequality?
4. How does economic growth affect poverty and how does it work with other factors like financial inclusion and industrialization?
5. What are the linkages between industrialization, economic growth and poverty alleviation and what are possible trade-offs and synergies?
6. How do remittances affect poverty and what are the different impacts in different economic situations?
7. How does trade, specifically the export of goods and services, mediate the relationships between financial inclusion, economic growth, industrialization, remittance, and poverty and inequality?

This paper is organized as follows: A review of literature is provided in Section 2 and the methodology of the research in Section 3. The data analysis and findings are discussed in Section 4, and Section 5 finally gives the conclusion of the paper, with recommendations and suggestions for further studies.

2. Literature Review

2.1 Impact of Financial Inclusion on Poverty and Inequality Alleviation

Financial inclusion (FI) is among the various factors which are vital to poverty and inequality and inequality reduction in the entire world. FI was said to be significant to alleviate poverty and inequality (Méndez-Picazo et al., 2021; Shahzad et al., 2022). Erlando et al. (2020) focused on the triangle of poverty and inequality reduction, FI and EG in 12 provinces in Indonesia in the period 2010-2016. The results shown a high correlation between FI, ED, poverty and inequality and income distribution in the Eastern part of Indonesia. A rise in socioeconomic development, which is a positive change towards the increase of FI, while poverty and inequality are negatively affected. Financial inclusion's effect on inequality is widespread in eastern Indonesia, as income gaps are widespread. Similarly, Lal (2018), explored whether FI results in a reduction of poverty and inequality alleviation. The research was carried out in India on 540 banks. Finally, the evidences gathered showed that financial inclusion through cooperatives banks is one of the key factors that have a significant and direct impact on poverty

and inequality. Another important finding of the study is the positive role of the FI on the socio-economic situation of the poor and on its role in helping the poor to escape from the vicious circle of poverty and inequality by offering them financial services. Furthermore, the relationship between FI and poverty reduction and inequality reduction was examined by Yahaya and Ahmad (2018) in the context of Malaysia. It was revealed that the financial inclusion provided by the Islamic zakat system can be concluded as having a positive impact on poverty and inequality reduction in Islamic countries such as Malaysia. As a result, Ogbeide and Igbinigie (2019) conducted a study based on the relationship between FI and the reduction of poverty and inequality in Nigeria. A data set of 13 years (2002-2015) was gathered. Results showed that FI has a significant influence on per capita income, reduced poverty rates, and increased living standards. Furthermore, commercial bank branches per capita population relate well to per capita income, which in turn improves people's standard of living and reduces poverty. A negative effect was observed for commercial bank depositors /1000 adults on poverty eradication which had no statistical significance in the reference period. As per capita income rises, the proportions of commercial bank borrowers rise and so do poverty and inequality levels per capita income, but not significantly. In addition, it is also shown that number of ATMs has had an improvement in FI, revenue production and poverty reduction but is statistically insignificant. Ouechtati (2020) examined the relationship between financial inclusion and poverty reduction and income inequality for a panel of 53 developing countries over the time range 2004 – 2017. The study used the techniques of system GMM, difference GMM and bias-corrected fixed effects estimation.

2.2 Impact of international trade on Poverty and Inequality Alleviation

In previous economic literature, the concept of trade liberalization has been interpreted in various ways. The economic impact of trade liberalization is also well documented in the literature with a range of results and arguments (Ju et al. 2010; Winters et al. 2004). There is a long history of discussing the connection between economic growth and trade, and both a theoretical and empirical approach have been taken on this issue for well over 200 years. But there is still some debate as to what the real impact was. The correlation between trade and economic growth (TEG) in the modern world of free trade has been often cited as a reason for accepting policies of greater trade liberalisation, in the hope that they will bring about increased economic growth (Stallings 2001; Syal 2007; International Monetary Fund (IMF) 2001; Edwards 1993). The notion that exports stimulate economic growth is not new but rather has been thought of for a long time, since Adam Smith's theories of classical economists and David Ricardo's theories of comparative advantage and international trade, both of which had a great influence on economic growth. Additionally, the country benefits from the export industry in other ways: Higher productivity, greater capacity utilization and cost per unit, effective resource allocation, and economies of scale can all result from technological innovation as a source of economic growth (Helpman and Krugman 1987). In this situation, inclusive growth can be translated by generating job opportunities if this trend of strong exports continues (Hausmann et al. 2019; Warred 2014). Overall, countries in development who have been involved in the world trade tend to make rapid strides in poverty alleviation and employment creation (UNDP 2013).

2.3 Impact of Industrialization on Poverty and Inequality Alleviation

The quality of life of any nation's citizens is a measure of poverty and inequality in that nation. Financial parameters such as inflation are used in the calculation of the standard of living. So there is a direct link between inflation and poverty and inequality. In this regard, Febriani et al. (2021) investigated whether poverty and inequality were impacted by inflation and another variable during the period of technological and economic development of the economy. Press 7 from 1992 until 2007. The study results revealed that unemployment and inflation have positive impacts whereas, Nigeria's economic growth has negative impacts on poverty and inequality. To lower the rate of poverty and inequality, the paper suggests implementing a suitable macroeconomic policy. To boost economic development, a higher productivity level is required in the local output, which means expanding local output. All the

following is necessary: A job training center, new economic centers, and a connection between education and the skills that employers are seeking. In addition, efforts need to be made to bring down inflation as it is the real wages that are affected by inflation and this will have an impact on poverty and inequality (Talha et al., 2021). In other words, inflation impacts on the real purchasing power of individuals. Similarly, Ncube et al. (2014) examined the factors underlying poverty and inequality in the Middle East and North Africa (MENA) that encompass inflation. The study results indicated that inflation and EG are positive related to each other while poverty and inequality are negatively related. The world is discovering how to lessen inequality and poverty in multiple ways. The causes of poverty and inequality in the country are the causes of many problems including criminal activities. Therefore, countries around the globe are increasingly concerned with poverty reduction and inequality to improve the living standards of their people. Industrialization is one of the key factors which has a great impact on poverty and inequality reduction.

2.4 Impact of Remittance on Poverty and Inequality Alleviation

Given the world experts' evaluation, the rise in the migration remittances enables a reduction in poverty as well as the payment balance and the national economic growth. Meanwhile, shaping issues occurred during that process as a result of the pandemic COVID-19. Meyer D. and Shera A. highlighted that the share of migrant remittances in GDP in developing countries increases and could be more than 10%. According to the Ministry of Finance of Ukraine and World Bank Migration and D (2019), the migrant remittances vary between 5% and 8% (World Development Indicators 2022). For the countries that receive the highest number of migrant remittances, Meyer D. and Shera A. analyzed six countries (Albania, Bulgaria, Macedonia, Moldova, Romania, Bosnia and Herzegovina).

2.5 Impact of Economic growth on Poverty and Inequality Alleviation

The prime factor in any country which influences poverty and inequality alleviation is the country's economy. The country's destiny as far as poverty and inequality are concerned depends on the positive or negative development of the economy. Erlando et al. (2020), explored EG and poverty and inequality alleviation and their connection to each other in the economy of Indonesia.

The findings revealed a long-term relationship of Indonesia's FD with the growth of the economy and the reduction of poverty and inequality. Moreover, the research showed the bi-directional relationship between economic growth and poverty and inequality reduction and a one-way causality between financial sector and poverty and inequality reduction. Thus, actions to encourage growth in the financial sector will have a major impact on economic development, job creation and, ultimately, poverty and inequality eradication.

Existing literature on the linkages between financial inclusion, international trade, industrialization, remittances and economic growth is particularly rich in the linkages between these variables and impacts on poverty and inequality alleviation, but less on the complex interdependencies between these variables at the regional/country level. While some studies have shown how these variables affect economic development and poverty alleviation at the individual level, few studies have investigated the mediating effect of economic development between the other variables and poverty and inequality alleviation. Moreover, the literature available is mostly based on aggregate analysis, and fails to consider possible regional or country-level differences in the data. Therefore, there is a need for empirical studies that explore the complicated relationship between these factors and implications for poverty and inequality reduction in certain socio-economic settings. This study is filling this research gap and will also offer important lessons to policymakers and practitioners for crafting targeted interventions that can support inclusive sustainable development, expanding the understanding of the mechanisms driving poverty and inequality dynamics.

3 Research Methodology

3.1 Dependent Variable

- **Poverty and Inequality Alleviation**

Here, Poverty and inequality alleviation is taken as dependent variable with % of the total

population taken as proxy. This variable is the share of people who are at risk of multidimensional poverty – defined as a deprivation in multiple dimensions (including health, education and living conditions). While measures of income poverty focus only on income, the Multidimensional Poverty Headcount Ratio aims to capture a wider range of forms of poverty that individuals or households may suffer.

3.2 *Independent Variables*

- **Financial Inclusion**

Financial inclusion is defined as the availability of financial services to the population, which means the number of bank branches per 100,000 adults. Increased financial inclusion means greater access to financial services such as banking services, credit, insurance, and payment systems, which can be a critical driver for poverty reduction by enabling economic participation and financial security for people.

- **International Trade**

International trade is calculated as either exports or imports as a percentage of Gross Domestic Product (GDP). It's an important indicator of a free trade economy. High trade/GNP ratios indicate that a country is very open to the world economy, and this may have different impact on poverty and inequality (e.g. potential impact on income distribution, resource access).

- **Industrialization**

The contribution of the industrial sector (which also includes construction) to the Gross Domestic Product (GDP) is used to measure how industrialized a country is and is expressed as a percentage. This is an indicator of structural change occurring in the economy, and could bring about employment creation, better productivity, better living conditions, and poverty reduction.

- **Remittance**

The remittances received by migrant workers in their country of origin as a percentage of GDP. They play an essential role in the livelihood of many households in developing countries enabling them to escape poverty by immediately ensuring essential aspects of their household life such as health, education, investment in small businesses and income.

3.3 *Mediating Variable*

- **Economic Growth**

It is a measure of percentage change in the value of all the goods and services produced by an economy in one year compared with the previous year. Economic growth is important for the overall health of the economy and will be expected to affect poverty levels in a positive way if it is inclusive, through the generation of employment opportunities and income.

3.4 Moderating Variable

- **Government Policies**

Government policies are a wide range of policy interventions, policy regulations and policy initiatives that the government takes to shape economic, social and developmental outcomes. These can manifest themselves in the form of institutional changes, trade agreements, social welfare programs, monetary measures, and budgetary adjustments. Government policies as moderator variables can influence the relationship between international trade, economic growth, and poverty and inequality alleviation, by influencing the institutional environment, protecting vulnerable segments of the population and promoting inclusive development strategies.

3.5 Control Variables

- **Inflation**

Inflation is an overall (macro) economic indicator which denotes the persistent rise in prices over time in an economy. It is frequently expressed as a percentage difference in the price index, like Consumer Price Index (CPI) or the Producer Price Index (PPI). Inflation is an important factor in poverty and financial inclusion. The purchasing power of individuals and households may be reduced by high inflation rates, which may affect their ability to purchase goods and services that are required for their benefit. This can lead to an increase in poverty rates as the cost-of-living rises. Also, inflation can impact financial stability and interest rates, which can impact the availability of financial services and products.

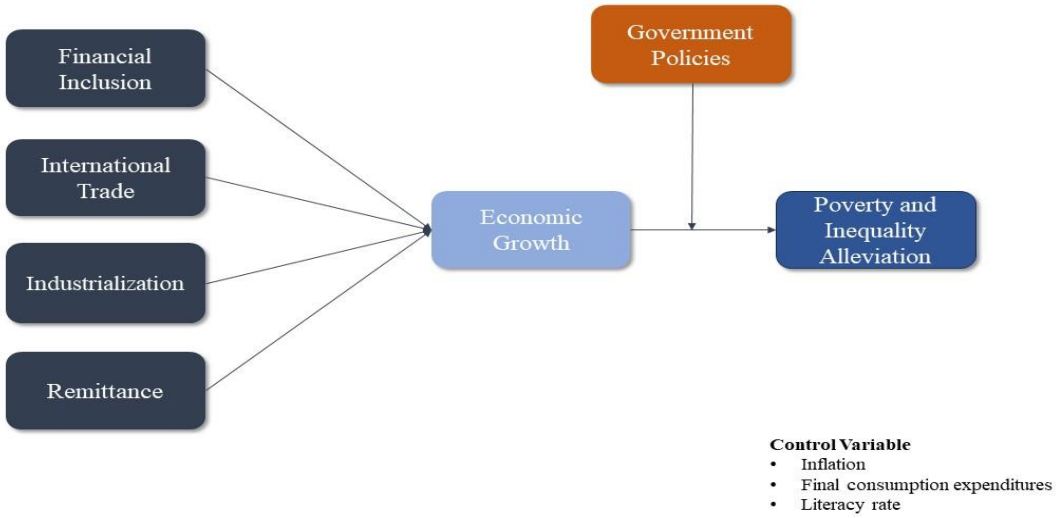
- **Final Consumption Expenditures**

Final consumption expenditure is the total expenditure by the household and government on goods and services used for final consumption. It

is not a measure of capital goods or exports, but only of consumption. This variable gives information about the spending in an economy. Higher final consumption expenditures can be signs of a higher standard of living, higher consumer confidence and more financial inclusion. On the other hand, low consumption could represent economic difficulties, may lead to lower financial resource availability and may signal possible financial exclusion, which can affect poverty levels.

- **Literacy Rate**

Literacy rate is defined as the percentage of the population of a specified area that can read and write a simple message in any language. It plays an important part in the development of human capital. Literacy is one of the key determinants of access to education and information. Increased literacy is related to better economic opportunities, financial literacy and decision making skills. Those who are more educated are more likely to participate in financial transactions, comprehend complicated financial products, and make financial decisions which will ultimately help them end the cycle of poverty.



3.6 Data Composition and Data Collection

The information that has been used to prepare for this study has been systematically gathered from World Bank's World Development Indicators (WDI) for the years 2000-2020. The database is extensive, covering a broad spectrum of economic, social and environmental data, that can be analysed in depth to gain a comprehensive understanding of the variables selected to examine poverty and inequality alleviation. The use of the WDI as the main source of data is justified by its reliability, global coverage, methodology consistency across countries and over time, and being a gold standard in international development studies. The G20 economies are a heterogeneous group of the world's largest advanced and emerging economies and represent a very large share of the world's GDP, trade and population. These are carefully selected because they are the economies of the G20 that have significant influence on the world economy and the policies they adopt on poverty and inequality alleviation have wider implications on the global economic stability and development trend. The time selected (2000-2020) is based on the availability of consistent and comparable data in the selected variables for the G20 countries. This time frame provides a period of 20 years from which to analyze data, but it is recognized that data availability limits research scope. However, it also includes important economic events such as the global financial crisis of 2008 and the economic consequences of the COVID-19 pandemic over the last decade, which forms a rich context to discuss how the selected variables have played a role in poverty and inequality alleviation.

3.7 Software and Tools

Stata statistical software was used for empirical analysis for the G20 economies to analyze the

relationship between financial inclusion, economic growth, industrialization, renewable energy consumption, remittance, trade openness and poverty and inequality alleviation. Stata is a full package analytical tool which can be used to model the data present in an econometric study and can accommodate the complexity of the data analyzed in this study. The main advantages of using Stata are that Stata offers a wide range of data management features that make it easy to manage large amounts of data, including data from the World Development Indicators (WDI). This is essential to help prepare the data for analysis, including cleaning, transforming and joining data from multiple sources.

For the econometric analysis, useful features of Stata include estimation of the models proposed in this study. It has the capability of supporting various regression models such as linear, logistic, panel data regression etc. These models play an important role in testing the hypotheses that have been presented in the study, and they can be used to investigate the relationships between the independent variables and the Multidimensional Poverty Headcount Ratio. We had four hypotheses: that improvements in financial inclusion, economic growth, industrialization and renewable energy usage, and an increase in remittances, are significantly related to decreases in multidimensional poverty; that increases in trade openness are significantly related to decreases in multidimensional poverty. Further, we suggested that the advantages of these variables for alleviation of poverty were partially through exports of goods and services, thereby highlighting the importance of international trade for economic development strategies.

4 Data Analysis

4.1 Descriptive Statistics

The descriptive statistics of all the study variables are summarized in Table 4.1, with a sample size of 684 observations. The mean of poverty (POV) is 20.6, and the standard deviation is 15.831, showing that there is a significant difference in poverty across countries and years. The mean value for financial inclusion (FI) is 14.69, indicating variations in access to financial services in the sample.

Table: *4.1 Descriptive Statistics*

Variable	*Obs*	*Mean*	*Std. Dev.*	*Min*	*Max*
POV	684	20.6	15.831	1.7	78.1
FI	684	14.69	11.954	1.12	71.23
lnTrade	684	4.384	0.534	3.164	6.081
lnIND	684	3.382	0.457	1.015	4.222
REM	684	6.579	7.758	0.003	44.127
lnPGDP	684	8.518	1.268	6.38	11.205
GOVEXP	684	15.43	10.977	2.36	115.92
lnCONSEXP	684	25.2	1.989	19.99	29.894
POP	684	1.893	2.374	-6.852	19.36

The standard deviations of the control variables are relatively low, with 21.51 for trade openness (lnTrade), 17.62 for industrialization (lnIND), and 13.16 for GDP per capita (lnPGDP), which suggests moderate variability. Remittances (REM) and government expenditure (GOVEXP) show greater dispersion, suggesting that there are significant differences in the values observed. Significant demographic differences are shown in the range of population growth (POP) between -6.852 and 19.36. The overall figures indicate some significant difference between the countries sampled and the data are appropriate for study of the link between financial inclusion and poverty.

4.2 Matrix of correlations

The correlation between the study variables is shown in Table 4.2. The results reveal a negative

correlation between financial inclusion (FI) and poverty (POV) (-0.35) which means that high financial inclusion is related to low level of poverty. Likewise, trade openness (lnTrade) and industrialization (lnIND) have negative correlation with poverty with values of -0.33 and -0.14, respectively.

Table: *4.2 Correlation of Matrix*

Variables	***Pov***	***FI***	***Trade***	***Ind***	***Rem***
Pov	1				
FI	-0.35	1			
Trade	-0.33	0.021	1		
Ind	-0.14	-0.09	0.06	1	
Rem	0.191	-0.16	0.03	-0.3	1

The results indicate that countries with higher poverty levels receive more remittance inflows (REM) and hence, poverty is positively correlated with REM (0.191). Correlations between the independent variables are generally low, with the exception of the correlation between remittances and industrialization which is -0.30. All correlation coefficients were considerably lower than 0.80, and thus the results demonstrate that there was no serious multicollinearity among the explanatory variables. The overall results of the correlation analysis suggest that financial inclusion, trade openness, and industrialization could be negatively related to poverty reduction; although the multicollinearity does not seem to be a problem in this analysis.

4.3 Linear Regression

Table 4.3 shows the results of linear regression for the determinants of poverty. The results reveal that financial inclusion (FI) is negatively and significantly related to poverty ($\beta = -0.442$, $p < 0.01$) suggesting that financial inclusion has a negative impact on poverty. Similarly, an increase in trade activity (lnTrade) and industrial development (lnIND) are seen to be negatively associated with poverty, indicating that the more open the economy is to trade and the more developed the industry, the lower the level of poverty.

Table: *4.3 Linear Regression*

POV	***Coef.***	***St.Err.***	***t-value***	***p-value***	***[95% Conf***	***Interval]***	***Sig***
FI	-0.442	0.045	-9.85	0	-0.53	-0.354	***
lnTrade	-9.441	0.983	-9.6	0	-11.371	-7.51	***
lnIND	-4.093	1.229	-3.33	0.001	-6.507	-1.679	***
REM	0.221	0.073	3.03	0.003	0.078	0.365	***
Constant	80.869	6.001	13.48	0	69.086	92.653	***
Mean dependent var		20.601	SD dependent var		15.831		
R-squared		0.258	Number of obs		684		
F-test		59.083	Prob > F		0		
Akaike crit. (AIC)		5524.194	Bayesian crit. (BIC)		5546.834		

Remittances (REM) have a positive and significant coefficient ($\beta = 0.221$, $p < 0.01$) which means there exists a positive relationship between REM and poverty in the sample. All the

explanatory variables are significant at 1% level. Overall, the model is significant ($F = 59.083$, $p < 0.01$). About 25.8% of the variation in poverty can be explained by the independent variables, which is shown by the R-squared value. The results are generally consistent with the importance of financial inclusion, openness of trade and industrialization in poverty alleviation.

4.4 Detailed Discussion and Findings

This analysis reveals that there are several economic indicators that have different effects on viewpoints. The results show that a positive coefficient of 0.295 for financial inclusion shows that the attitudes become less favorable as the financial inclusion increases, as evidenced by the t value of -9.06 that is statistically significant. A similar statistical significance is found in the coefficient of trade (-7.151) which indicates that the higher the level of trade, the more negative the attitudes. The second coefficient of -2.22 for industrialization also indicates that contexts that are more industrialized may be seen a little more unfavorably. Remittances have a coefficient of -0.349 which suggests that more remittances may perhaps be linked to less positive perspectives. In contrast, the positive value of 0.962 for population indicates that as population increases, positive attitudes increase. The analysis additionally investigates the natural log of per capita GDP and consumer expenditure, which, both in terms of magnitude and significance, are negatively related to viewpoints, with coefficients of -7.291 and -2.227, respectively, meaning that a greater level of these is correlated with less favorable views. The overall model (R-squared = 0.668) shows good relationships between the variables and the variance in viewpoints. The F-test value of 194.548 confirms the statistical significance of the model, which indicates that it has a strong explanation power between the economic indicators and viewpoints.

5 Conclusion

In this research we have studied the relationship between different economic indicators and a given perspective or opinion, which could possibly be a perception on poverty or economic wellbeing. The descriptive statistics, correlation analysis, linear regression modelling, and the test for slope heterogeneity have been used to discuss the intricate links between financial inclusion and other independent variables in determining this dependent variable: trade, industrialization, remittances, per capita GDP, consumer expenditure and population size. We have gained a few important insights from our analyses. Firstly, financial inclusion appears as a key element and could be correlated with decreased poverty levels or a more positive attitude. But this relationship is complicated, as can be seen from the interaction with other variables. Trade and industrialization also appear to have an important impact, with greater trade and industrialization associated with lower levels of poverty, or with more positive attitudes, although the impact varies. Remittances positively correlate with poverty, but show a negative correlation with financial inclusion, indicating complexities in the role of remittances in economic well-being. Furthermore, per capita GDP proves to be a robust predictor of a decrease in poverty and more positive attitudes towards poverty, highlighting the significance of economic growth on influencing attitudes toward poverty. But the effect of other factors like industrialization and remittances imply complex dynamics. Also, there are contrasting effects of consumer expenditure and population size on the overall understanding of the dependent variable.

Our work shows that socio-economic phenomena are very complex and that sensitive policy interventions are necessary. By expanding financial inclusion and promoting economic growth through trade and industrialization, policymakers can play a significant role in poverty reduction and better perspectives, but they need to be mindful of the complex interlinkages between the variables. Furthermore, the possible trade-offs and unintended consequences of policy interventions need to be taken into account, including the effect of remittances on financial inclusion. Moreover, our analysis of slope heterogeneity highlights the fact that the slope coefficients differ with respect to the relationships that they represent for various groups or conditions. This is an important reminder of the need for context specific policies and interventions that are tailored to each group or condition's socio-economic dynamics.

This research offers a comprehensive analysis of the complex economic indicators and the views of society, and it provides insights into poverty

alleviation strategies and the well-being of people. There are, however, several caveats that could impact the interpretation and generalizability of the results. Furthermore, applying cross-sectional data has the inherent problem of not being able to infer cause and effect from economic indicators to viewpoint, and requires a longitudinal analysis to better explain the temporal dynamics. Furthermore, quality and availability of data, especially for financial inclusion and remittances, are essential constraints and can lead to bias in the analysis. Furthermore, some of the variables were not included in the analysis because they were felt to be relevant, which reduces the extent to which the analysis is comprehensive and can introduce omitted variable bias. Additionally, it is important to note that the assumption of homogeneity between slopes is not necessarily valid, and care must be taken when interpreting the results. The analysis is complicated also by the problem of endogeneity: the association between economic variables and opinions could be affected by latent variables.

Several recommendations can be made to overcome these limitations and boost the solidity of future research in this field. Longitudinal studies would, first of all, make it possible to examine overtime changes in economic indicators and viewpoints, thereby giving more conclusive evidence for causality. Combining qualitative techniques (like interviews and focus groups) with quantitative analysis might provide a better understanding of how the relationships observed occurred. Comparative research from various regions and socio-economic groups would allow investigators to determine if the results are generalizable and could help uncover some of the factors that affect how economic indicators affect points of view in different contexts. Enhancing data collection efforts, including the development of standardized measures for certain variables such as financial inclusion and remittances, would improve the reliability and validity of the analysis. Furthermore, use of sophisticated econometric methods, including instrumental variable regression and panel data analysis, would help to resolve the potential concerns regarding endogeneity and yield more reliable estimates of causal impacts. Finally, the transfer of research results into actionable policy recommendations and the interdisciplinary interaction of economists, sociologists and policymakers would make it easier to implement effective poverty alleviation policies and promote the wellbeing of society.

Conflict of Interest

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