Gender Inequality and Financial Inclusion in South Africa: Lessons from India

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Abstract

This article examines the intersection of gender inequality and financial inclusion in South Africa, focusing on drawing lessons from India's experience. Despite progress in financial inclusion initiatives in South Africa, women face systemic barriers to accessing financial services, including discriminatory policies and cultural attitudes. Through a comparative analysis of India's efforts to promote financial inclusion and gender equality, this article identifies key strategies South Africa can adopt to address gender-based disparities in financial access. These strategies include promoting financial literacy among women, expanding access to formal financial institutions, and implementing policies that address the unique challenges women entrepreneurs face. By applying lessons from India, South Africa can take meaningful steps towards building a more inclusive financial system that empowers women and promotes gender equality.

Keywords: financial inclusion; gender equality; banks; technology; financial institutions

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Introduction

Financial inclusion involves providing affordable and accessible financial services to individuals and businesses that are traditionally excluded from the mainstream financial system (Matsebula and Yu 2020). A financial system encompasses various financial products and services, such as savings accounts, credit facilities, insurance, and payment systems, that can help individuals and businesses manage their financial affairs and improve their economic well-being (Demirgüç-Kunt and Klapper 2012). Financial exclusion refers to the lack of access to formal financial services such as banking, insurance, and credit, which is a widespread problem in many developing countries (Koku 2015). Financial inclusion is crucial for achieving economic growth and reducing poverty, as it empowers marginalised individuals and communities to participate in the formal economy and build a more secure future. Moreover, financial inclusion also has social and political implications, such as promoting gender equality, improving financial literacy, and reducing corruption (Ozili 2021).

In recent decades, the world has witnessed significant progress in expanding access to financial services, with the aim of promoting economic growth, reducing poverty, and improving livelihoods. However, this progress has not been uniform and persistent as gender inequalities have hindered women's participation in the financial system. Despite the number of women constituting half of the world's population, they remain disproportionately excluded from formal financial services, with significant consequences for their economic and social well-being (Niang 2013). South Africa is no exception to this trend, and gender disparities in financial inclusion persist. This raises important questions about the nature of gender inequality and the role of financial institutions in perpetuating or challenging it. How do social, cultural, and economic factors intersect to create gendered patterns of exclusion from financial services in South Africa? What are the ethical implications of these patterns for individual women, their families, and society as a whole? How can we conceptualise and measure financial inclusion in ways that reflect the diverse needs and experiences of women in South Africa?

Answering these questions requires drawing on a range of approaches, from feminist theories of social justice and human capabilities to critical perspectives on economic development and neoliberalism. In this regard, this article examines gender inequalities and financial inclusion in South Africa. The article aims to contribute to a broader debate on the relationship between economic opportunity, gender equality, and social justice. Women are often more financially excluded than men, and gender disparities in financial inclusion are particularly pronounced in South Africa. This article explores the reasons for these disparities and any initiatives aimed at promoting gender equity in the financial system to ensure the financial inclusion of women in South Africa.

Gender inequality and financial inclusion in South Africa reflect significant gender gaps in access to financial services and products in South Africa, despite numerous initiatives to promote financial inclusion and curb gender inequalities. These gaps have implications for women's economic empowerment and overall financial well-being as women are generally excluded from financial services, especially in households where men are sole breadwinners and women are responsible for caring for households and raising kids. This is still a reality in most parts of South Africa, especially in rural areas and informal settlements.

The lack of access to formal financial services and products can also perpetuate poverty and inequality among women, particularly those in rural areas or from marginalised communities. This article seeks to examine the factors that contribute to these gender gaps and identify potential solutions to enhance financial inclusion and address gender disparities in South Africa. This article uses this background to discuss the role of the government, regulatory bodies, and other relevant role-players in promoting financial inclusion for women in South Africa. In this regard, the South African Reserve Bank (SARB), the Financial Sector Conduct Authority (FSCA), the Prudential Authority (PA), Group of Twenty (G20), and the Financial Sector Charter (the Charter) are discussed to investigate if these regulatory bodies and government employ adequate measures to combat the financial exclusion of women in South Africa.

This article also explores how India deals with gender equality and financial inclusion. In this regard, India serves as an ideal comparative study for research on gender inequality and financial inclusion in South Africa due to its similar socio-economic and cultural factors with South Africa (Arun and Kamath 2015). Both countries have significant gender disparities and limited access to financial services, with India having implemented various policies and initiatives to address the financial exclusion of women. Studying India's successes and failures in promoting gender equality and financial inclusion can provide valuable insights and recommendations for South Africa's policymakers and financial institutions.

Gender Differences in Financial Inclusion

Gender is a critical factor in financial inclusion. Women are often excluded from the financial system due to a range of factors. For instance, many women in South Africa often have limited access to financial education (Nanziri and Leibbrandt 2018). This makes it difficult for them to understand financial products and services, manage their finances, and make informed decisions about their money. Moreover, some cultural norms and beliefs prevalent in South Africa also hinder the financial inclusion of women (Ojo 2020). For example, in some cultures, women are not allowed to own property or work outside their homes. This limits their ability to save and invest in financial products, which in turn contributes to limited access to banking services for women. Women often have limited access to banking services, particularly in rural areas, making it difficult for them to use financial services and products. In South Africa, women often earn less than men and are more likely to be employed in informal sectors. This limits their ability to save and invest in financial products. In this regard, gender differences in financial inclusion are a crucial discussion because women face unique challenges and barriers that can prevent them from accessing financial services and achieving financial security. This article aims to address these differences, in order to recommend a more equitable and inclusive financial system that benefits everyone regardless of their gender.

The Overview of Gender Equality and Financial Inclusion: A South African Perspective

The Background of Gender Equality and Financial Inclusion in South Africa

South Africa has made significant strides in financial inclusion over the past few years (Chitimira and Ncube 2020). Despite South Africa being one of the most developed economies on the African continent, a large portion of its population still lacks access to formal financial services (Shahbaz, Tiwari, and Nasir 2013). The government and the private sector have worked together to address this issue and make financial services more accessible to low-income households and small businesses. This article traces this financial exclusion from the apartheid era to date. During the apartheid era, the majority of poor people had limited access to land for farming and other economic activities (Lemanski 2011). As a result, during the apartheid era in South Africa, women were subjected to financial exclusion in various ways. The apartheid system financially excluded women, mainly, through Bantu Education, which was designed to limit the education of Black people, including women (Chisholm 2017). The education system focused on teaching Black women only basic skills such as cooking, cleaning, and childcare, while depriving them of technical and business education (Fleisch 1995). This limitation in education made it difficult for them to access high-paying jobs and earn a decent income, making them financially dependent on their male counterparts. Moreover, apartheid laws in South Africa limited Black women’s property rights by restricting their access to land ownership, which made it impossible for them to access capital and acquire any assets. Consequently, Black women found it difficult to access credit facilities, which hindered their entrepreneurial pursuits and participation in the formal economy (Shepherd 1955). Consequently, the challenge faced by Black women was the lack of access to financial institutions, such as banks, which further limited their access to credit. Lack of access to credit meant that they were unable to secure loans or savings for investment in small businesses or to purchase homes. Apartheid policies led to the financial exclusion of Black women in South Africa by limiting their access to education, property, and credit facilities, thereby hindering their ability to participate in the formal economy and build a secure financial future.

In 2010, South Africa was invited to join the BRICS block, which is a group of five major emerging economies, namely Brazil, Russia, India, China, and South Africa (Besada, Winters, and Tok 2013). BRICS’s primary goal is to discuss economic and political issues that are relevant to member countries and the global community (Council 2015). Since joining the association, South Africa has been actively engaged in discussions related to financial inclusion and empowerment of women (Boulle and

Chella 2014; Council 2015). In particular, the financial exclusion of women in South Africa has been a key topic of discussion in BRICS meetings. Women are often disproportionately affected by financial exclusion caused by social, cultural, and economic barriers and BRICS has recognised the importance of addressing this issue. South Africa has been actively contributing to the discussion (Boulle and Chella 2014). The country has implemented various initiatives aimed at promoting financial inclusion and empowering women. The initiatives include the establishment of the Women's Financial Inclusion Program and the Financial Sector Charter (the Charter).

The Charter aims to promote access to financial services for all South Africans. It has set targets for increasing access to financial services, promoting financial literacy, and supporting small businesses. The Charter was introduced in 2003 to promote financial inclusion and the transformation of the financial sector in South Africa. The Charter is a voluntary commitment by financial institutions to promote access to financial services for previously marginalised groups (Tomlinson 2005). One of the primary ways that the Charter has contributed to financial inclusion for women is through its focus on education and training (Chibba 2009). Financial institutions are required to develop and implement programmes to educate women about financial products and services. This has helped women to become more knowledgeable and confident in their financial decision-making, which has led to greater access to financial services. The Charter has also set targets for financial institutions to provide affordable and accessible financial services to women (Hamann, Khagram, and Rohan 2008). These services include credit, savings, insurance, and other financial products. By providing these services, financial institutions have helped to improve women's and their families' financial status.

The Charter seeks to promote financial inclusion for women, but some of its weaknesses have contributed to limited progress in this area. For instance, it lacks specific targets for promoting financial inclusion for women. The absence of clear goals and measurable indicators makes it difficult to track progress in promoting the financial inclusion of women. This has contributed to a lack of focus on this critical issue and led to limited resources being allocated to it. Moreover, the lack of financial education and literacy among women in South Africa also contributes to their limited participation in the financial sector and ultimately, participation in the initiatives of the Charter. Many women are not aware of the available financial products and services, how to access them, or how to manage their finances effectively despite the efforts of the Charter.

South Africa has been a member of the Group of Twenty (G20) since 1999. The G20 is an international forum that brings together the world's leading economies to promote global economic growth, international trade, and financial stability (Cooper and Thakur 2013). The G20 comprises 19 countries and the European Union, which together represent about 80 per cent of the global Gross Domestic Product (GDP) and about two-thirds of the world's population. South Africa's participation in the G20 is significant because it is the only African country represented in the forum. As a member, South Africa has the opportunity to participate in the decision-making process and contribute to the global agenda (Bradlow 2013). The G20 also provides a platform for South Africa to engage with other countries on issues that are important for its economic development and global trade (Bradlow 2013).

Furthermore, the G20 has contributed to the financial inclusion of women in South Africa. One of G20's key objectives is to promote financial inclusion, particularly for women, who are often excluded from the formal financial system. The G20 has established a working group on financial inclusion. The group aims to promote policies and initiatives that enable more people, particularly women, to access financial services (Shipalana 2019). South Africa has been an active participant in the forum's efforts to promote financial inclusion for women. In 2015, the country hosted a G20 conference on financial inclusion, which focused on the role of digital financial services in promoting financial inclusion. The conference highlighted the importance of promoting financial literacy, providing access to financial services, and creating an enabling regulatory environment for financial inclusion. The researcher submits that South Africa's membership in the G20 has been important for promoting global economic growth, international trade, and financial stability. The G20 has also contributed to financial inclusion for women in South Africa, which is critical for the country's economic development.

As a member of the G20, South Africa can participate in the global decision-making process and contribute to the global agenda. Despite the efforts of the G20, financial exclusion remains a significant challenge in South Africa, particularly for rural communities and women. The government and private sector continue to work towards improving access to financial services for all South Africans.

Overview of the Regulation and Role-players of Financial Inclusion in South Africa

The Regulation of Financial Inclusion Under the Financial Sector Regulation Act

The Financial Sector Regulation Act 9 of 2017 (FSRA) regulates financial inclusion in South Africa. The FSRA is an important piece of legislation that seeks to promote financial inclusion and stability in the country's financial sector. The FSRA was signed into law in 2017 and came into effect on 1 April 2018. One of the key goals of the FSRA is to promote financial inclusion, particularly for those who have traditionally been excluded from the formal financial system.[1] This includes low-income households, small businesses, and rural communities. To achieve this goal, the FSRA requires financial institutions to develop and implement financial inclusion strategies. These strategies must be submitted to the Prudential Authority for approval and must include measures to promote access to financial services for underserved and excluded communities. The FSRA also requires financial institutions to report on their progress

1 FSRA, s 7(1)(a)(b).

in achieving financial inclusion targets, and the Prudential Authority is empowered to take enforcement action against institutions that fail to comply.

FSRA is an important step forward for South Africa's financial sector. For instance, the FSRA promotes financial inclusion and stability in South Africa. The FSRA has the potential to create a more inclusive and prosperous economy for all South Africans. However, the FSRA has some flaws that have contributed to the exclusion of women from the financial sector in South Africa. Notably, the FSRA lacks Gender Focus provisions. It fails to provide a gender lens in its implementation, which makes it difficult to address women's unique needs. Women face economic and social barriers to financial inclusion that are different from those faced by men. The FSRA does not consider this or provide specific measures to promote gender equality in the financial sector in South Africa. Moreover, women in South Africa have limited access to formal financial services such as credit, savings, and insurance. The FSRA does not provide measures to increase access to financial services for women. This exclusion prevents women from participating in economic activities and limits their ability to create wealth and financial independence. In this regard, the financial sector in South Africa is dominated by men, and there is a lack of diversity in leadership positions, which contributes to a culture that does not recognise the unique challenges that women face in the financial sector. The FSRA does not provide measures to promote gender diversity in the financial sector, which limits opportunities for women.

The Role-players of Financial Inclusion in South Africa

In South Africa, there are significant gender disparities in terms of financial inclusion, with women being disproportionately financially excluded. According to the FinScope South Africa 2018 survey, 47 per cent of women were financially excluded compared to 39 per cent of men. This exclusion is worse for women living in rural areas, who often have limited access to financial services and face cultural and social barriers to financial inclusion. The gender gap in financial inclusion is also reflected in other indicators such as access to credit and ownership of financial products. For instance, women are less likely to have bank accounts, insurance policies, or access to formal credit, which hinders their ability to invest, save, and participate in economic activities. Additionally, women-owned businesses have lower access to credit, which limits their growth potential and constrains job creation. Based on these outlined problems, the relevant role-players and their contributions in curbing financial exclusion for women are discussed below.

The South African Reserve Bank

Financial inclusion policies aim to provide access to financial services to underserved and excluded populations. In South Africa, the government has implemented various policies and programmes to promote financial inclusion, such as the National Financial

Inclusion Strategy (NFIS) (Sanderson, Mutandwa, and Le Roux 2018). The South African Reserve Bank launched NFIS to address financial exclusion and promote access to financial services. The strategy aims to promote financial literacy, increase the availability of affordable financial services, and improve the regulatory framework for financial services. One of the key components of the NFIS is the provision of affordable and accessible financial services to underserved and marginalised communities, including women. This has been achieved through the introduction of various financial products and services, such as mobile banking and microfinance, which have made it easier for women to access financial services. Moreover, the NFIS has also focused on enhancing financial literacy and education among women. This has involved the development of various programmes and initiatives aimed at increasing financial literacy and capability among women. Through these efforts, women have been empowered to make informed financial decisions and to take advantage of the available financial services. Another critical role played by the NFIS is the promotion of women's entrepreneurship and financial inclusion. The strategy recognises the importance of women's economic empowerment and has developed initiatives that provide funding and support for women-owned businesses. This has helped to increase the number of women entrepreneurs, which has in turn contributed to the overall economic development of the country.

The Financial Sector Conduct Authority (FSCA)

Another critical regulatory body that oversees financial inclusion in South Africa is the Financial Services Conduct Authority (FSCA).[2] The FSCA is responsible for regulating and supervising financial services providers to ensure that they provide affordable and transparent financial services to all consumers. The FSCA ensures that financial service providers comply with the FSRA, National Credit Act, and other regulations that provide a regulatory framework for the financial industry in South Africa. As the primary regulatory body responsible for overseeing the financial services sector, the FSCA has implemented a range of policies and initiatives designed to improve access to financial products and services for women in South Africa (Chitimira and Ncube 2020). One of the key ways in which the FSCA has contributed to the financial inclusion of women is through regulating financial institutions. It enforces rules and regulations on transparency, affordability, and consumer protection. The FSCA also helps to ensure that women have access to financial products that are fair, affordable, and tailored to their needs.

Moreover, the FSCA has played an important role in promoting financial literacy and education, particularly for women who may have limited experience with financial products and services (Atkinson and Messy 2013). Through initiatives such as the National Consumer Financial Education Strategy, the FSCA works to improve financial literacy and ensure that women have the knowledge and skills they need to make informed decisions about their finances. In addition, the FSCA has worked to promote

2 ibid s 57.

the development of innovative financial products and services that are specifically designed to meet women's needs. This includes initiatives such as microfinance, which provide small loans to women entrepreneurs who may have difficulty accessing traditional financing options.

The FSCA was a good initiative to address financial inclusion in South Africa. However, there are some flaws in the FSCA's role that have contributed to the exclusion of women from financial services. Firstly, the FSCA has not done enough to address the gender pay gap, which limits women's access to financial resources. Despite South Africa having strong gender equality laws, the pay gap remains a significant issue, with women earning on average 28 per cent less than men. This puts women at a disadvantage when it comes to accessing financial products and services, as they often have less disposable income to invest or save. Secondly, the FSCA has not done enough to address the biases in financial products and services that limit women's access to credit and insurance. For example, many financial institutions still require collateral for loans, which is difficult for many women who often do not have property or assets in their names. Similarly, women are often charged higher premiums for insurance, even when they have a lower risk profile than men. Thirdly, the FSCA has not done enough to promote financial education for women. Many women lack the financial literacy skills necessary to navigate the complex financial system and make informed decisions. This can lead to women being taken advantage of by unscrupulous lenders or being denied access to financial services because they do not meet certain criteria. To promote financial inclusion for women, the FSCA needs to address the gender pay gap, address biases in financial products and services, and promote financial education for women. Only then can women in South Africa have equal access to the financial resources they need to thrive.

The promotion of financial inclusion in South Africa has been facilitated by the introduction of innovative financial services such as the Mzansi account and the M-Pesa wallet (Kostov, Arun, and Annim 2015). A Mzansi account is a low-cost bank account introduced by the SARB in 2004. It aims to provide basic banking services to low-income earners with minimal fees and simplified account opening procedures (Kostov, Arun, and Annim 2014). The Mzansi account and the M-Pesa wallet have both played significant roles in promoting financial inclusion for women in South Africa. The account is aimed at increasing financial inclusion by providing basic banking services to low-income individuals who are typically excluded from the formal banking sector (Van Hove and Dubus 2019). Women, who make up a significant percentage of the unbanked population in South Africa, have been major beneficiaries of this account. Similarly, the M-Pesa wallet, a mobile money transfer service, has played a significant role in promoting financial inclusion for women in South Africa (Van Hove and Dubus 2019). This service allows users to send and receive money, pay bills, and purchase goods and services using their mobile phones. Women in rural areas, who often lack access to traditional banking services, have been able to take advantage of this service to access financial services which were previously out of their reach (Burns 2018).

The Mzansi account and the M-Pesa wallet were introduced in South Africa to increase financial inclusion, particularly for women. While these two have been successful in certain ways, they also have some flaws. Individuals are allowed to open Mzansi accounts with minimal documentation and to conduct basic transactions such as deposits and withdrawals. However, the account has several limitations that affect its role in the financial inclusion for women. Firstly, it requires individuals to visit a bank branch, which can be challenging for women who are restricted by cultural norms or lack the mobility and resources required to access the bank. Secondly, the account has limited features and does not offer savings or loan products. These are crucial for women who need to access credit and save for their future.

The M-Pesa wallet enables users to send and receive money, pay bills, and purchase goods using their mobile phones. While M-Pesa has been successful in some ways, its flaws have had an impact on its role in the financial inclusion of women. Firstly, women may be hesitant to use mobile money services due to a lack of digital literacy and familiarity with the technology. Secondly, M-Pesa transaction fees are high, and therefore, can be expensive for low-income earners, which can deter women from using the service.

The introduction of digital financial services has also played a significant role in improving financial inclusion in the country (Chitimira and Magau 2021). Mobile money services have gained popularity, particularly among those who previously had limited access to financial services. The number of people with mobile money accounts has increased from seven per cent in 2014 to 20 per cent in 2019. Despite these efforts, financial exclusion remains a significant challenge in South Africa, particularly for rural communities and women. The government and private sector continue to work towards improving access to financial services for all South Africans. Overall, the South African government has taken significant steps to promote financial inclusion through various policies and programmes. However, there is still a need to address the persistent inequalities and exclusions in the financial sector.

These gender disparities in financial inclusion have significant implications for women's economic empowerment and poverty reduction. Consequently, when women have greater access to financial services, they can contribute to household income, save for their children's education, and invest in their businesses, which can ultimately lead to greater financial stability and independence. Efforts to address gender disparities in financial inclusion in South Africa have been underway, with initiatives focused on improving financial literacy, expanding access to financial services, and promoting gender-sensitive policies and regulations. However, much more needs to be done to ensure that women are included in the financial system and have equal opportunities to benefit from it.

The Overview of Gender Equality and Financial Inclusion: India Perspective

India has a population of approximately 1.2 billion people, which is distributed across 29 states and seven union territories (Garg and Agarwal 2014). The country has around 600,000 villages and 640 districts, with the majority of the population living in rural areas (Dar and Ahmed 2021). Unfortunately, these people often face challenges in accessing financial services. Despite 40 per cent of households having bank accounts, only 38 per cent of the 117,200 branches of scheduled commercial banks are located in rural areas (Kapoor 2014). This lack of access to financial services at affordable and appropriate prices is not unique to India; it is a global issue that requires an inclusive financial system.

Several groups—including minorities, economic and political migrants, refugee workers, and women—are often excluded from accessing financial services due to the lack of legal documents that prove their identities, such as birth certificates and identity cards (Iqbal and Sami 2017). This means they are unable to open bank accounts or obtain loans. Women, in particular, face difficulties in accessing credit facilities if they do not possess property or assets. They often need a male guarantor to access credit from financial institutions, which can be a significant barrier.

Financial inclusion refers to the process of providing access to financial services and products to underserved and unserved sections of the society. India has made significant progress in promoting financial inclusion, with the government launching various schemes and initiatives to promote financial literacy and access to financial services.

The Role-players of Financial Inclusion in India

Reserve Bank of India (RBI)

In India, the Reserve Bank of India (RBI) is the primary regulator of financial institutions, including banks, non-banking financial companies (NBFCs), and microfinance institutions (MFIs) (Iqbal and Sami 2017). The RBI has implemented several regulations to promote financial inclusion and ensure that all sections of the society have access to financial services (Leeladhar 2006). One of the most significant initiatives in this regard is the Pradhan Mantri Jan Dhan Yojana (PMJDY) scheme, launched in 2014, which aims to provide a bank account to every household in the country (Chowhan and Pande 2014). The PMJDY scheme has been highly successful, with over 430 million accounts opened so far, and has contributed to increasing the penetration of financial services in rural areas (Tripathi, Yadav, and Shastri 2016). The PMJDY provides basic banking services to the unbanked and underbanked population in India (Chowhan and Pande 2014). The PMJDY aims to promote gender equality and financial inclusion in India, and has been successful in achieving these objectives to a considerable extent (Shahid and Singh 2015). The PMJDY has specifically targeted women and marginalised sections of society and has provided them with access to financial services, including bank accounts, insurance, and credit (Goyal and Khera 2016).

The PMJDY has played a critical role in promoting gender equality by ensuring that women have equal access to financial services as men. It has helped in bridging the gender gap in financial inclusion, which was a significant barrier for women to access financial services. By providing women with a bank account and access to credit, the programme has enabled them to start their businesses, become self-sufficient, and contribute to the economic growth of the country. Moreover, the programme has played a crucial role in improving the financial literacy of women, which was another critical issue affecting their financial status. The programme has provided financial education to women and helped them in making informed decisions related to financial planning, saving, and investment.

Atal Pension Yojana and Jan Dhan Yojana

The Indian government has also launched several other initiatives, including the Atal Pension Yojana, the Stand-Up India scheme, and the Mudra Yojana, to promote financial inclusion and provide access to credit and insurance services to small businesses and individuals (Sandeep and Sharma 2015).

Atal Pension Yojana (APY) is a government-sponsored pension scheme aimed at providing financial security to the unorganised sector in India. The scheme was launched in 2015 with the objective of encouraging the working population to save for their retirement years (Yadav and Mohania 2016). The APY scheme has played a significant role in promoting financial inclusion in India. The APY provides a simple and affordable pension scheme. The government has made it possible for millions of people who were previously excluded from the formal financial system to save for their future. One of the key features of the APY scheme is that it is open to all citizens of India between the ages of 18 and 40 years. The scheme provides a fixed pension amount to the subscriber after they reach the age of 60 years; the amount ranges from Rs. 1,000 to Rs. 5,000 per month, depending on the amount of contribution made by the subscriber. Another important aspect of the APY scheme is that it is designed to be a low-cost, easy-to-access scheme (Bishnoi and Sekhon 2022). The subscriber can open an APY account with any bank or post office and make contributions through auto-debit from their savings account. The minimum contribution amount is as low as Rs. 42 per month, making it affordable for even the lowest-income earners.

The APY incentivises women to save for their retirement by offering a higher co-contribution by the government for the first five years of the scheme. This means that women who enrol in the scheme will receive a higher pension than their male counterparts. Furthermore, the APY covers a wide range of unorganised sector workers, including street vendors, domestic helpers, agricultural workers, and other low-income earners who do not have access to any social security scheme (Das 2016). This provides them with a much-needed safety net and promotes financial inclusion. In this regard, the APY aims to reduce the burden of financial dependency on family members, especially women. The scheme provides a guaranteed pension to the enrolled subscribers, which ensures that they have a steady income in their old age and do not rely on their children or family members.

The Jan Dhan Yojana was introduced in India to increase financial inclusion. The Jan Dhan Yojana is a government initiative that aims to provide banking facilities to every household in India. It is a scheme that allows people to open a bank account with zero balance and provides access to a range of financial services (Khuntia 2014). Furthermore, in India there is the BHIM app, a mobile payment application developed by the National Payments Corporation of India (NPCI) that allows users to send and receive money using their mobile phones. This was a good way to ensure financial inclusion India (Dipa and Rohit 2018).

Notably, India implemented the Aadhaar-enabled Payment System. The AePS is a payment system that allows customers to transact using their Aadhaar number and biometric authentication. The AEPS is an innovative digital payment system that uses Aadhaar authentication to facilitate financial transactions for users who may not have access to traditional banking services (Ahmad and Bano 2018). AEPS allows users to deposit, withdraw and transfer funds, and to pay for goods and services. This system is widely used in India and has become increasingly popular because of its ease to use, security features, and low transaction fees. The AEPS is highly beneficial for people living in rural and remote areas who have limited access to banking services. With AEPS, they can access banking services at any AEPS-enabled bank or business correspondent outlet. Overall, the AEPS is an important tool for promoting financial inclusion and empowering people to participate in the digital economy (Sujith and Julie 2017).

Micro-ATMs have been introduced in India to promote financial inclusion. These devices are essentially mini-ATMs that operate on a handheld device and offer basic banking services such as deposits, withdrawals, and money transfers. Micro-ATMs are designed to cater to the needs of the rural and semi-urban population of India which does not have easy access to banks or ATMs (Dangi and Kumar 2013). They have been deployed in remote areas where traditional banking infrastructure is scarce, thereby providing banking services to the unbanked and underbanked population. By using these Micro-ATMs, people can easily access banking services and financial products, which will help them to save money and improve their financial well-being. Micro-ATMs are a significant step towards financial inclusion and have helped to bridge the gap between urban and rural areas in terms of financial access.

The regulatory framework in India has been instrumental in promoting financial inclusion, and the government has taken several initiatives to ensure that all sections of the society have access to financial services. However, there is still a long way to go, and more efforts are needed to ensure that every citizen has access to basic financial services.

Possible Solutions for South Africa

With a population of over 1.3 billion, India is one of the most populated countries in the world. The country has been making significant strides in improving financial inclusion in recent years. However, women still lag behind men in terms of financial access and literacy. South Africa is no exception. However, despite the imperfections and flaws in its policies, India has made significant progress in promoting financial inclusion and addressing gender disparities in financial access. South Africa can learn from India's experiences and best practices in this area. India can share its experiences on designing financial products that meet women's needs, leveraging technology for financial inclusion, and creating an enabling environment for women to access financial services. For instance, India shares with South Africa women-specific savings accounts that offer additional benefits such as discounts on medical expenses or life insurance policies have become popular. Moreover, leveraging technology for financial inclusion has been a game-changer in India (Singh 2017). Digital payments and mobile banking have helped women in rural areas who previously lacked access to financial services. India has also made efforts to create an enabling environment for women to access financial services. For instance, the government has implemented a number of policies that encourage financial institutions to allow women to open bank accounts and provide them with loans to start their businesses. These experiences could be shared with South Africa, which has a similar demographic structure, to improve financial inclusion among women.

A large section of South Africa's population is unemployed or underemployed. As a result, this section of the population is unable to save and invest in financial products. This leads to low levels of financial inclusion in the country. India has made significant progress in promoting financial inclusion, especially for women. The country has implemented several initiatives to enable access to financial services, such as opening bank accounts and providing affordable loans. One example is the Pradhan Mantri Jan Dhan Yojana (PMJDY), which has led to the opening of millions of bank accounts for those who did not have one previously (Cnaan et al. 2021). Another initiative is the MUDRA Yojana, which provides loans for micro and small businesses. India and other countries that have been successful in promoting financial inclusion for women could share experiences with South Africa on these initiatives. By implementing similar policies, South Africa could improve the financial status of its population, especially for those who are currently unemployed or underemployed.

South Africa can draw important lessons from India when it comes to financial inclusion of women. India has implemented a number of initiatives to promote financial inclusion for women, such as the Pradhan Mantri Jan Dhan Yojana scheme that aimed to provide access to financial services to all households in the country, particularly those from disadvantaged communities. In addition, the Indian government has introduced a number of policies to promote gender equality, including the Gender Budgeting Initiative, which ensures that all government policies and programmes are analysed from a gender perspective. By studying these initiatives, South Africa can identify best practices for promoting financial inclusion for women, including the need for targeted policies and programmes, ensuring equal access to financial services, and promoting gender equality through government policies and programmes. Ultimately, by learning from India's experience, South Africa can develop more effective strategies for promoting financial inclusion for women and supporting their economic empowerment.

The Atal Pension Yojana (APY) in India is a great example of how the government can incentivise women to save for their retirement. South Africa could learn from this scheme and introduce similar policies to encourage women to save for their future. One possible approach could be to offer a higher co-contribution from the government for women who enrol in a retirement savings plan. This could be in the form of a matching contribution or an additional bonus for the first few years of the scheme. Another option could be to provide tax incentives for women who save for retirement. For example, the government could offer a tax deduction or a tax credit for contributions made to a retirement savings plan by women. Finally, the government could also consider introducing financial education programmes for women to help them understand the importance of saving for retirement and to provide them with the tools and resources they need to make informed decisions about their financial future. The researcher submits that by introducing policies and programmes that incentivise and support women to save for retirement, South Africa could help to ensure that all its citizens have a secure and comfortable retirement.

As much as India has its approaches, the country can also draw lessons from South Africa. India can draw important lessons from South Africa on financial inclusion for women, especially in terms of empowering them through entrepreneurship. South Africa's focus on promoting women's entrepreneurship through access to credit and business training programmes could serve as a model for India, which has a vast potential for women-led businesses. By adopting such strategies and promoting gender-responsive financial policies, India can accelerate progress towards achieving inclusive and sustainable economic growth.

Conclusion

The issue of gender inequality and financial inclusion in South Africa and the lessons that can be learned from India, raise profound questions about cultural norms, social justice, and economic development. The intersection of gender and finance is not only a matter of individual rights and economic empowerment, but also a reflection of deeper cultural biases and power dynamics that shape our societies. As the case of India shows, progress towards gender equality and financial inclusion requires not only policy reforms and institutional changes, but also cultural shifts that challenge patriarchal attitudes and stereotypes. Such cultural changes are often slow and difficult, but they are essential for building more inclusive and just societies. Moreover, the lessons from India suggest that financial inclusion is not a panacea for gender inequality, but rather a necessary condition for addressing broader structural issues such as access to education, health care, and political participation. In this sense, the fight for gender equality and financial inclusion is not only a matter of economic growth, but also a matter of human dignity and social justice.

Therefore, to address the challenges of gender inequality and financial exclusion in South Africa, we need to adopt a holistic approach that addresses not only the symptoms of the problem, but also its underlying causes. This requires a deep understanding of the cultural norms and power dynamics that shape our societies, as well as a commitment to social justice and human rights. Only then can we build more inclusive and equitable societies that empower all individuals, regardless of their gender or economic status.

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