



Minerva - Laboratory on Gender Diversity and Gender Inequality
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Gender Finance Gaps in the wake of Covid 19

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Financial Inclusion and Financial literacy (FL)

Financial inclusion: *“the process of promoting affordable, timely and adequate access to a wide range of regulated financial products and services and broadening their use by all segments of society through the implementation of tailored existing and innovative approaches including financial awareness and education with a view to promote financial well-being as well as economic and social inclusion”*

Atkinson, A. and F. Messy (2013), “Promoting Financial Inclusion through Financial Education: OECD/INFE Evidence, Policies and Practice”, OECD Working Paper

To promote financial inclusion, countries needs to promote financial literacy

Why FL is important now?

Changing financial landscape

- Greater complexity in financial markets
- More opportunities to borrow and in large amounts
- Privatization of pension systems
 - more individual and private pension funds
 - longer life expectancy
- Changes in technology
 - Rise of fintech, internet banking
 - **Cryptocurrencies**, Bitcoins, blockchains

Why FL is important for women?

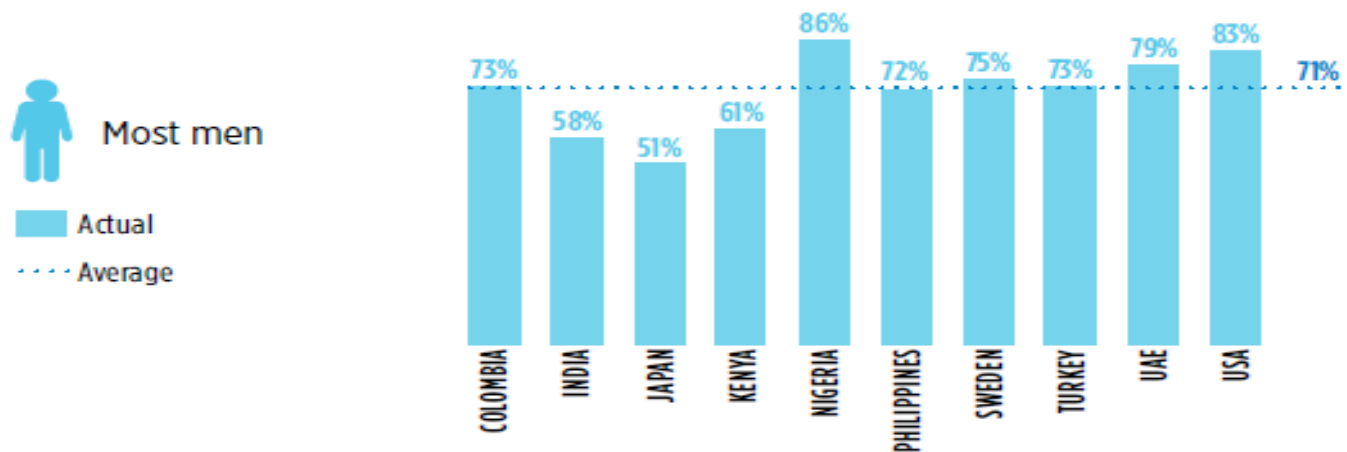
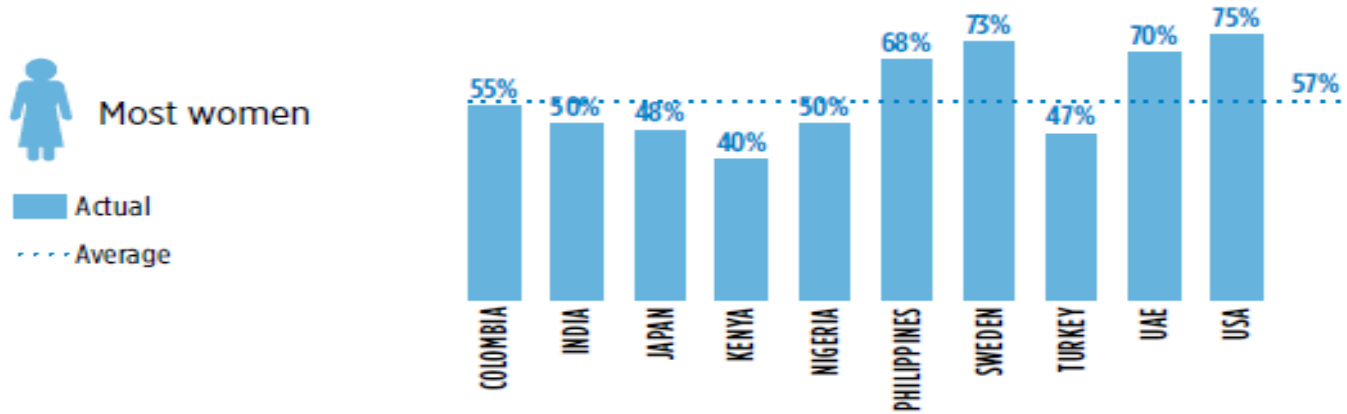
- Women face a persistent **gender pay gap**
- Women still occupy a **very small proportion of high-income** positions or senior positions
- Women are much more likely than men to **work part-time**
- Women typically **work fewer years** than men, often taking time out of the workforce to raise children or care for elderly relatives, but have **longer life expectancies**
- Women have more **limited access to education, employment, entrepreneurship** for women than for men
- **Lower financial inclusion and access to formal financial markets** for women than for men.

The impact of social norms

UN women 2020 pilot study on stereotypical attitudes

GRAPH 28

Percentage of respondents who say most women/men have a lot of control over their personal finances



Why FL is important for women?in the wake of Covid-19

RESEARCH REPORT

Eurofound e-survey (April and July 2020), during lockdown and later when many countries were starting to relax the restrictions



COVID-19
Living, working and COVID-19

Figure 2: Respondents who became unemployed since the onset of the pandemic, by age, gender, employment status and education, EU27 (%)



Why FL is important for women?in the wake of Covid-19

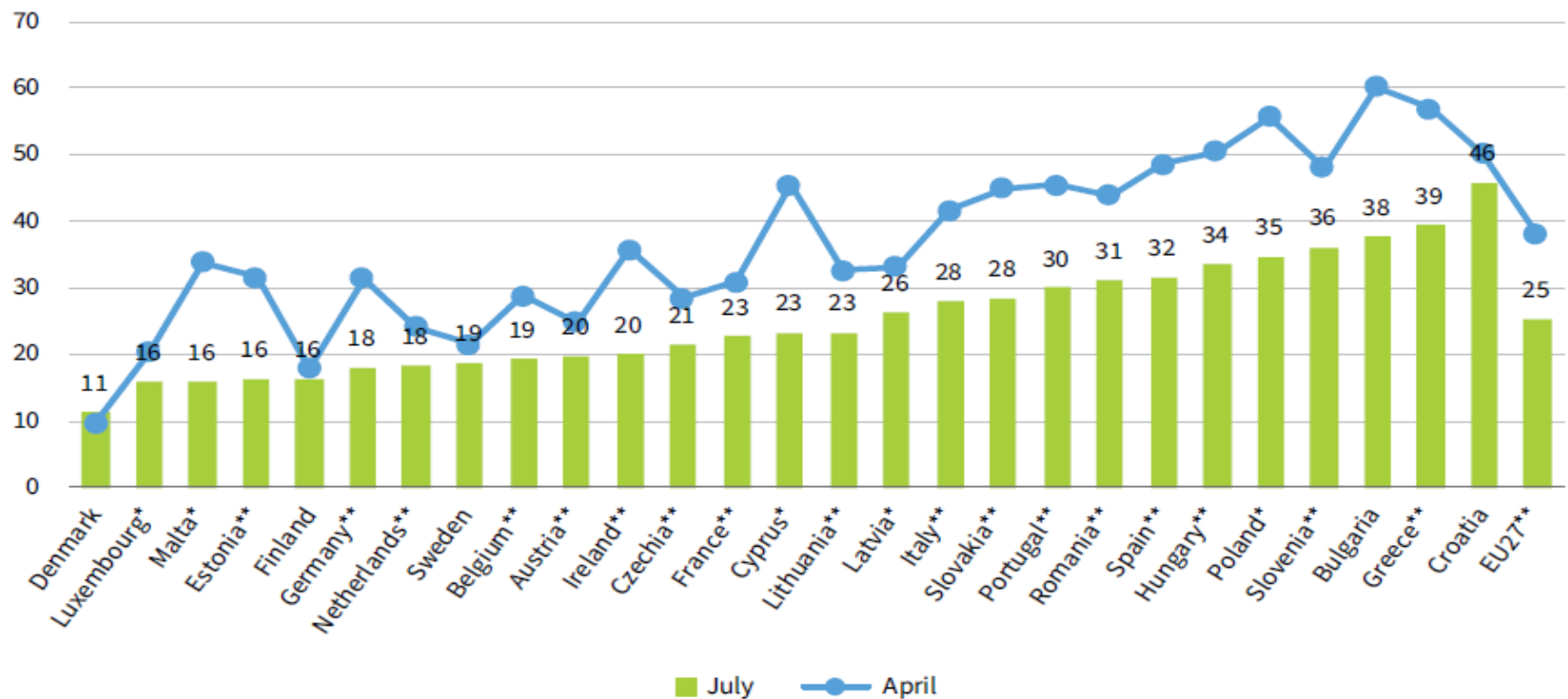
Greater financial fragility

In April 2020, 47% of respondents reported that their household had difficulties making ends meet. In July 44%. There are more women than men reporting that their household has difficulties making ends meet (47% compared to 40%) and this difference increased between April and July (from 3 to 7 pp).

Why FL is important for women? ...in the wake of Covid-19

Greater financial fragility...and even more in the next 3 months

Figure 9: Respondents reporting that their financial situation will get worse in three months' time, by country, EU27 (%)



Notes: The survey question was: 'Thinking of the financial situation of your household in 3 months' time do you think it will become better, stay the same or get worse?' * Low reliability in round 2 for Cyprus, Latvia, Luxembourg, Malta and Poland. ** Statistically significant increase ($p=0.05$).

Why FL is important for women? ...in the wake of Covid-19

Women exhibit low resilience more often than men and this gap increased during lockdowns.

Figure 18: Proportion of respondents exhibiting low resilience, EU27 (%)

