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# Women in Financial Technology: A Lack of Participation in Blockchain

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## Abstract

The emergence of cryptocurrency and block chain technologies has dominated financial news outlets over the past two years. Given the quick rise of cryptocurrency and the predominance of men in the cryptocurrency sector, this paper examines the role of women in cryptocurrency and the possible outcomes of cryptocurrency on gender equality around the world.

**Keywords:** financial technology; cryptocurrency; bitcoin; gender; women in finance

## Introduction

Today, we are witnessing the emergence of blockchain technology. Briefly, blockchain technology is a “distributed ledger technology that permits a range of complex digital interactions between entities without the verification and authentication practices traditionally provided by trusted third parties,” such as banks (Thylin & Duarte, 2019). A common way of valuing a blockchain is through a cryptocurrency. This article emphasizes that with the increasing popularity of this form of trading, now is the time to ensure that women have equal access to cryptocurrency and that they have equal opportunities to excel in this field. This is especially important because men continue to dominate in the cryptocurrency sphere (Bosun, 2022; Schonberger, 2022). Using a literature review, a survey, and an interview done with a female cryptocurrency trader in Lebanon, this paper attempts

to theorize the absence of women in this field. It argues that challenging some of the barriers preventing women from entering this sector can create critical opportunities to improve, develop, and build intersectionality and inclusivity in the growing financial technology (FinTech) sector (Roberti, 2021).

## **Methods**

This study combines a literature review with the results of a survey administered to youth in Lebanon. To have a better understanding of the factors constraining the inclusion of women in cryptocurrency, a survey tool was created using Google Forms and was distributed by email and WhatsApp, as well as by various social media platforms, including LinkedIn, Instagram, and Twitter. Approximately 100 people responded to the survey, with users self-identifying as women (54%) and men (46%). The largest group of respondents identified themselves as undergraduate students (89%). The questionnaire included 13 multiple choice questions split into two categories. The first category consisted of three general questions on gender, age, and educational level. The second category included questions about cryptocurrency, including blockchain literacy, ownership of technological devices, level of risk aversion, and sources of and attitudes toward generating income. The survey also included two linear-scale questions to assess the extent of willingness of respondents to engage in cryptocurrency.

Following this discussion, this paper also presents the findings of an interview done with Mia Bou Khalil, a 21-year-old Lebanese cryptocurrency trader. In the interview, Mia shared not only the hardships and criticism she faced as a rising female trader in Lebanon, but the important milestones she has achieved as a female trader.

## Gender and Cryptocurrency

Unfortunately, the quick rise in popularity of cryptocurrency was accompanied by a very limited amount of research on the subject (Bannier et al., 2019). However, the small amount of literature that does exist contains important information about the gender inequalities that are starting to pop up in the industry.

Cryptography, datamining, and computer science are three of the aspects of the field of blockchain that are considered by the World Economic Forum (WEF) to fit under the umbrella of hard and “nerdy” mathematics. Angela Walch, a research fellow at University College London’s Centre for Blockchain, links the lack of women in STEM or the “nerdy” world, specifically in technology and finance, more broadly to their absence in blockchain currency trading. Stute (2019) uses the term “unintentional inequities” to describe the type of discrimination facing girls in grade school and high school, for example, not being called on to solve tough math and science problems, which acts as a de-motivator for girls to enter STEM or FinTech. She adds that counsellors and parents’ support is also a critical factor in encouraging girls to enter the STEM field and FinTech. Stereotypes that identify women as “not smart enough” to work in STEM or FinTech, or “better suited” for non-science and non-mathematics related jobs are also to blame for the lack of women in these fields. For women that have managed to enter the field, workplace gender discrimination is rampant. In particular, the motherhood myth, which refers to the assumptions that women innately possess parental abilities and that they are, by nature, supposed to be the primary parental figure, is often used to prevent women from accessing promotions and other upward mobility in their work (Verniers & Vala, 2018). Stute’s (2019) findings also point to the undeniable social and cultural factors influencing women’s careers by considering the ways

that women were treated historically in terms of intellect, property ownership, and employment.

Beyond this, Gailey (2022) says that a possible aspect of the cryptocurrency trading community that might discourage women from taking part is the “mansplaining” between the “crypto bros” and women in the field. This kind of masculine linguistic behavior has disincentivized women from joining male-dominated crypto communities. There is also a lack of digital communities that cater specifically to women and people of color on social media platforms where traders meet to discuss issues related to cryptocurrency. In her article, de la Rey (2022) highlights several causes behind the low numbers of women in cryptocurrency. De la Rey discusses the fact that the women she interviewed wanted to spend more time learning about cryptocurrency before investing in it, as opposed to men’s choices to “wing it,” or to invest without truly understanding the mechanics of cryptocurrency. This, coupled with the fast-paced movements of the crypto markets often demotivates women from participating. De la Rey also points out that women have historically been more averse to financial risk-taking than men, another factor demotivating women from entering cryptocurrency markets. Finally, de la Rey highlights the lack of accessible information about cryptocurrency and blockchain as another barrier preventing women from investing in cryptocurrency, as well as their limited exposure to cryptocurrency platforms and social media outlets where they could readily find such information.

From another angle, international development has focused on the benefits of cryptocurrency in getting financial resources directly into the hands of women program beneficiaries (Skogvang, 2018). This is specifically important among refugee and displaced communities, who might not have access to identity papers and other important information

needed to access formal financial institutions such as banks. Further, as Thylin and Duarte (2019) pointed out, in humanitarian settings, men are 70% more likely to have an individual financial account than women, with the largest gender gap on individual accounts recorded in Afghanistan and Lebanon. Access to blockchain technologies, including cryptocurrency, might help to address this huge gender disparity in conflict settings. Skogvang (2018) reviews the successes of this strategy through an analysis of the UN Women Blockchain Project to Empower Women and Girls in Humanitarian Settings, which has innovatively used the blockchain to try to increase women and girls' access to financial resources during times of conflict. While the project is still in its early phases, Skogvang points out that more work needs to be done to address the ways that various cultural contexts can affect the use of cryptocurrency for women and girls in conflict settings.

### **Cryptocurrency and Gender in Lebanon**

During her interview, Mia Bou Khalil expressed that she was underestimated in the beginning of her journey as a cryptocurrency trader because of her gender. Mia noted that in most cryptocurrency community chat groups, there was usually only one or two women in each group. Worse, when she would try to contribute, male users in the group would make her feel as if she is not qualified to speak or not good enough in terms of behavior. Translated from Arabic, these men would respond by saying "what's that girl saying?" or, "what's that girl talking about?" It was only after repeating herself several times and arguing that she was correct that the members of these chat groups started to take her seriously.

In Bou Khalil's opinion, the bullying she faced is linked to the traditional cultural perspectives of Lebanese society. The effects of such patriarchal attitudes can be seen in the survey's results, with an astonishing 29% of female respondents claiming that they would

expect only men to participate in cryptocurrency trading. This reflects patriarchal attitudes that believe certain genders are only suitable for certain types of work or behaviors in relation to financial trading. Survey results also documented that only 12 women were willing to partake in financially risky behaviors, in line with the findings of the literature which claims that women are more risk-averse than men. These tendencies are also part of the gender determinants that prevent women from entering cryptocurrency markets. However, most female respondents (75%) identified that they would like to engage in income generating activities. Mia Bou Khalil's experiences, however, show that access to knowledge about certain risky financial activities, such as investing in cryptocurrency, can help to mitigate this risk-aversion. Over the course of the pandemic, Bou Khalil started to conduct her own research on the topic out of personal curiosity stimulated by a friend of hers. She proceeded to take free—and later paid—online courses about cryptocurrency, and she expressed to me that as a STEM student, specifically a physics student, she was always interested in the “how” of things and really wanted to know more about how cryptocurrencies operate inside this blockchain universe. This pushed her to conduct her own research in the field. According to Bou Khalil, the lack of knowledge about cryptocurrency, as well as other types of financial technologies, is in part the fault of the education system in Lebanon, which does not teach students about money, how it works, and how to make it. This lack of knowledge is evidenced by the survey's findings: Approximately 36% of respondents had never heard of blockchain or cryptocurrency trading. However, and on a positive note, approximately six female respondents did report their involvement in cryptocurrency.

### **Policy Recommendations**

Based on this analysis, several policy recommendations can be made. As noted by Bou Khalil, accessible education about financial technology, cryptocurrency, and blockchain is key to increasing the number of women participating in cryptocurrency. Importantly, these should include courses that are catered directly to women and girls. It is also essential to work on the integration of education on blockchain into Information and Communication Technology (ICT) classes that are offered at most schools around Lebanon, so that students can be introduced to the concepts sooner rather than later. This will facilitate their entry into the field of FinTech and will equip them with knowledge about various financial processes that they will encounter once they enter the labor force. Similarly, working with local organizations like Girls Got It (2016), a joint initiative that brings together five Lebanese nongovernmental organizations (NGO) that work on changing societal attitudes about women in STEM, can help promote the inclusion of women and girls in STEM. These organizations can serve as key focal points for disseminating information about FinTech, as well as integral partners for empowering women and girls in FinTech and STEM.

Empowering women and girls more broadly, especially encouraging them to participate in opportunities that would help them to achieve financial independence, can also help to get more women and girls into cryptocurrency. I include this recommendation based on personal experiences: I have just begun low-scale and short-term cryptocurrency trading recently after becoming financially independent. It is also important to promote classes that are clear and that help students to navigate some of the more complex aspects of cryptocurrency trading and blockchain. Finally, putting women in decision-making positions and empowering them at the political, social, and economic levels can give them the

confidence to enter male-dominated industries and markets like cryptocurrency. This is important for creating holistic change that can support women and girls to reach their full potential.

### **Conclusion**

In conclusion, there is a lot of optimism surrounding the growing cryptocurrency field and what it can potentially offer for women and girls in the future. However, to ensure that the field develops in a gender equitable way, it is important to acknowledge how the field currently restricts the participation of women and girls. To counter this, creating programs that inform women and girls about cryptocurrency and other FinTech, increasing support for women and girls in STEM, and ending gender inequality in the workplace and in the economic sector, and all other areas of life, are all key to ensuring that women and girls have equitable access to this sector. These suggested recommendations can help women and girls feel empowered enough to enter this sector and to handle the sexism that they might face, similar to the experiences of Bou Khalil. If we work to ensure that gender equality is mainstreamed in blockchain technology and cryptocurrency trading, and across various FinTech sectors, we can help to promote women and girls' participation in FinTech.

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