

Fearless Woman Paper: Highlights

The **Fearless Woman: Financial literacy and stock market participation** paper finds that while women trail men in financial literacy, they have more financial knowledge than they realize. However, a lack of confidence scares women away from the stock market, hampering their ability to build wealth.

These findings mean that that, to improve women's financial well-being, it is important to boost both financial literacy and confidence.

Fearless Woman provides essential new insight for educators, policy makers, the financial industry and the designers of financial education programs.

Key findings in the paper:

- Only two-thirds of women's lower financial literacy can be traced to weaker financial knowledge. One-third hinges on their self-doubt around financial knowledge and decision-making.
- In building personal wealth, both financial literacy and confidence matter by affecting women's participation in the stock market.
- When it comes to gender, disparities in confidence can translate into large differences in financial behavior and the accumulation of wealth.
- Financial education programs must be designed to close women's knowledge gap while *simultaneously* boosting their confidence. Women need to be fearless!
- **The paper** provides, for the first time, research that answers a question that continues to challenge financial literacy and financial education researchers and educators: What is behind the gender gap in financial literacy?

About the research

Fearless Woman: Financial Literacy and Stock Market Participation examines the "Big Three" financial literacy questions, which measure knowledge about interest compounding, inflation, and risk diversification, in data from the De Nederlandsche Bank Household Survey. Lusardi and co-authors Tabea Bucher-Koenen, University of Mannheim and ZEW; Rob Alessie, University of Groningen; and Maarten van Rooij, De Nederlandsche Bank released the study on International Women's Day, March 8, 2021. View the paper [here](#).

About GFLEC

Founded in 2011 at the George Washington University School of Business, the Global Financial Literacy Excellence Center (GFLEC) has positioned itself to be the world's leader in financial literacy research and policy. Through rigorous scholarship and research, wide-reaching education, and global policy and services, the Center aims to improve financial literacy and financial well-being around the globe. Visit <https://gflec.org/> for more information.