CAPITAL
Currents

WOMAN IN FINANCE SOCIETY

THE UNIVERSITY OF SYDNEY

Insights into Emerging Issues Shaping Financial Markets

Capital Currents

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Foreword

Welcome to the Second Edition of *Capital Currents* 2026

As we move into 2026, the financial world continues to evolve at an unprecedented pace. Rapid technological innovation, shifting global markets and changing social and economic priorities are reshaping the way we understand and engage with finance. In response to these developments, the Women in Finance Society is excited to present the second edition of Capital Currents.

This edition builds on the momentum of our inaugural release, bringing together a collection of articles that explore timely and thought-provoking topics across the financial landscape. From emerging market trends and technological disruption to changing workplace dynamics and global economic developments, our writers examine the forces that continue to shape the future of finance.

Capital Currents aims to provide a platform for students to share ideas, explore new perspectives and engage with current issues in the industry. With contributors from diverse academic backgrounds, this edition reflects the curiosity, insight and enthusiasm of the next generation of finance professionals.

We hope this second edition broadens perspectives and offers valuable insights into the ever-changing world of finance.

Happy reading!

EXTERNAL PUBLICATIONS TEAM
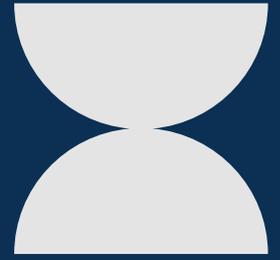
Credit Where It's *Due*

CLOSING THE GENDER GAP IN CREDIT ALLOCATION

Credit markets claim to price risk but too often, they end up pricing gender.

Many female entrepreneurs are unable to gain access to the capital required to drive innovation and scale. The disparity emerges from incomplete information and structural barriers, rather than overt exclusion. Female-led firms remain overlooked despite exhibiting lower default rates and strong repayment histories. This potential misallocation of capital undermines economic efficiency as much as equity.

Borrowers' perception and responses to risk governs credit demand. Women are more debt averse and show lower appetite for credit financing, often preferring to self-finance. This choice limits leverage and growth to reinforce the perception that female-led ventures are smaller and less scalable. Women also tend to grow their ventures horizontally by investing in various income-generating activities to diversify risk, rather than expanding a single business which limits vertical growth. Some entrepreneurs are also prone to self-exclusion. Female-led firms are 10% less likely to request a loan in their first year than male-led firms, largely due to anticipated rejection (Andrés et al., 2021). This morale stems from deeply entrenched social and cultural constraints which have previously restricted credit access.

COLLATERAL GAPS

Africa boasts the highest percentage of female entrepreneurs globally, yet unequal access to credit continues to impede upon economic activity and social progress. Land remains the preferred form of collateral, yet in places such as Uganda only 7% of women hold a claim (G20 Global Partnership for Financial Inclusion, 2011). In Zambia, spousal consent is still required for loan applications even when women possess title to real property (Tully, 2006). Title to property remains the prerogative of men, making it difficult for women to satisfy collateral requirements. In 2023, Africa's gender finance gap is estimated at $42 billion (Tully, 2006). Strong patriarchal traditions restrict credit access beyond Africa. In El Salvador, women are seen as unreliable financial managers. Brazil frequently denies women credit since they are considered the dependents of men (Tully, 2006).

Outcomes improve in developed countries where the likelihood of receiving a loan improves, whilst the collateral required declines. Borrower aversion remains culturally complex and threatens to hinder the capacity for women to carve out a greater share of the economy.

STRUCTURAL BARRIERS

Supply-side biases form the other side of the equation. Female-led startups are 10% less likely to secure funding in their first year. This difference ceases after two years, once banks gather sufficient information on firm performance to make calculated judgements (Andrés et al., 2021). In the absence of firm-specific information, lenders frequently rely on the entrepreneur's personal characteristics as proxies for risk – including gender. Women have lower earnings and fewer assets to use as collateral compared to men on average, thus they qualify for smaller loans. Female-led firms also pay higher rates for credit on average, despite their default rates being 14% than their male counterparts (Andrés et al., 2021). Women are only favoured during periods of economic uncertainty, where lenders see their projects as advantageous in seeking conservative borrowers. Financial institutions compromise returns on their credit portfolio when underestimating early-stage female borrowers, who prove their worth in successive years due to such proxies – a loss borne by the market as as a whole.

PROGRESS

Recent progress towards extending credit access to female entrepreneurs has been encouraging. The Bill and Melinda Gates Foundation partnered with the European Investment Bank in Kenya to lower lending costs for female micro-borrowers through digital channels (European Investment Bank, 2024). In many countries, over half of micro-businesses are owned by women. A disproportionate share

"Greater efforts are needed to reduce unconscious gender bias in entrepreneurial ecosystems, which not only restricts access to capital but also leads to a self-restriction by women in their entrepreneurial ambitions."

OECD (2025)

of these ventures fails to grow due to financing constraints. Financial institutions have committed to developing customised products, combating supply side exclusions and incentivising women to connect with lenders in hope of stimulating diverse entrepreneurship. Improving credit access for women is not only a social goal, but an economic imperative.

Closing the gender gap in credit allocation is not merely about inclusion but generating stronger economic outcomes. All players need to be aware of the psychological, cultural and structural barriers inhibiting credit access. Credit markets will become more efficient and resilient when all capable entrepreneurs can access the credit required for growth.

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HECS/HELP At A Crossroads

How Weak Oversight Turns AI Into a Threat in Finance

Australia's Higher Education Contribution Scheme (HECS), now administered under the Higher Education Loan Program (HELP), remains a cornerstone of the country's student finance system. However, inflationary pressures and a growing fiscal burden threaten its sustainability. To address these challenges, the Australian government has introduced key reforms aimed at improving equity, protecting borrowers and ensuring the long-term viability of the system.

RECENT REFORMS

In 2024, the Australian government passed the Universities Accord (Student Support and Other Measures) Bill 2024, which introduced several significant reforms to the HELP program. These reforms aim to provide relief for borrowers, reduce fiscal pressure and improve the sustainability of the program.

1. CAPPING HELP INDEXATION

One of the most significant changes is the capping of the HELP indexation rate. The new rule caps annual indexation at the lower of the Consumer Price Index (CPI) or the Wage Price Index (WPI). This cap will provide significant relief for borrowers who had previously faced higher-than-expected debt growth due to inflation. The cap will apply retroactively to 2023, reducing the original 7.1% indexation rate to a more manageable 3.2%. According to the Australian Taxation Office (ATO, 2025), "The new indexation rule will prevent future escalation of debts beyond what borrowers can reasonably afford, ensuring that student loans remain manageable over time".

2. ONE-OFF 20% DEBT REDUCTION

In addition to the indexation cap, the government implemented a one-off 20% reduction in HELP debt. This measure benefits over 3 million Australians and is expected to reduce the collective HELP debt by more than $16 billion. The reduction, although costly for the government in the short term, is seen as a significant reset for borrowers struggling with escalating debts. For example, a graduate with an average HELP debt of $27,600 would see a reduction of approximately $5,520. According to The Guardian (2025), "The 20% reduction will cost the government over $16 billion in lost revenue, but it is expected to ease the financial burden on graduates, particularly those struggling with growing debt in the face of higher living costs"

3. CHANGES TO REPAYMENT THRESHOLDS AND RATES

The government has also revamped the repayment system by introducing a marginal repayment structure. As of FY2025–26, the minimum repayment threshold will rise from $54,435 to $67,000. This means that borrowers will only begin repaying their HELP loans once their

income exceeds this threshold. The shift aims to better align repayments with the borrower's ability to pay, particularly benefiting lower-income earners. The ATO (2025) highlights, "This redesign of the repayment system will ensure that repayments align more closely with a borrower's ability to pay, reducing financial stress for those in the lower-income brackets".

FINANCIAL LENS: ASSESSING THE ECONOMIC AND FISCAL IMPACT

From a financial perspective, these reforms are designed to reduce the fiscal burden on both borrowers and the government. The most immediate effect is the reduction in the rate of debt escalation due to the cap on HELP indexation.

IMPACT ON BORROWER CASH FLOW

The one-off 20% reduction in student debt provides an immediate boost to borrowers' financial well-being. According to The Guardian (2025), "The 20% reduction will cost the government over $16 billion in lost revenue, but it is expected to ease the financial burden on graduates, particularly those struggling with growing debt in the face of higher living costs". The immediate financial relief will improve borrowers' cash flow and provide greater disposable income, which could have positive spillover effects on economic activity.

PROGRESSIVITY OF THE NEW REPAYMENT SYSTEM

The introduction of a marginal repayment system further enhances the progressivity of the HELP program. While higher-income earners will continue to repay their loans faster, those earning below the new $67,000 threshold will see their repayments deferred. This ensures that repayment schedules are more closely aligned with borrowers' financial capacity. According to the Department of Education (2024), "The changes to repayment thresholds are expected to help more than 3 million Australians by reducing the amount they must repay in the short term, particularly benefiting those starting their careers in industries with lower pay".

FISCAL CONSIDERATIONS AND LONG-TERM SUSTAINABILITY

While these reforms will increase government spending in the short term due to the $16 billion debt reduction and the cost of capping indexation the long-term sustainability of the HELP program will depend on the performance of the broader economy and the growth of graduate earnings. The ATO (2025) notes that "The changes will reduce expected future revenue from HELP repayments, but will improve the overall quality of the loan book by reducing defaults and making repayment schedules more manageable" If wages and economic growth remain strong, the HELP program will continue to be financially viable. However, if inflation outpaces wages in the future, the government may face challenges in maintaining the balance between borrower protection and fiscal sustainability. The Department of Education (2024) suggests that "further refinements to the system may be required if economic conditions change or if the growth in HELP debt outpaces the ability of borrowers to repay".

LONG-TERM SUSTAINABILITY OF HECS/HELP

The long-term viability of the HELP system hinges on a range of factors, including economic growth, wage increases and the management of the HELP loan portfolio. If wages increase in line with productivity, the reforms will likely prove sustainable. However, if wage growth fails to keep pace with inflation, the system may face funding gaps, requiring further adjustments. As noted by the ATO (2025), "The key to the long-term sustainability of the HELP system lies in the growth of graduate earnings and the effective management of the HELP portfolio by the government. As long as graduate wages increase, the HELP program will remain viable".

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A New *Wave* in Australian Fintech

Entering a New Era of Startups

Australia's fintech scene has entered an interesting inflection point, with a swarm of hungry entrepreneurs and innovative technologies. Over the last few years, the country's broader startup ecosystem has shown signs of recovery after the funding shock of 2022–23 (which led to a 50% drop in funding in 2023). The fintech subsector itself has moved through a phase of consolidation and maturation rather than simple runaway growth. At the same time, rapid advances in artificial intelligence (AI) and related technologies are reshaping where value is created and are a major reason many founders, investors and incumbents are paying renewed attention to fintech opportunities in Australia today.

WHAT ACTUALLY HAPPENED: GROWTH, CONSOLIDATION AND MATURITY

A careful look at recent industry reports shows a nuanced picture. Across Australia's whole startup ecosystem, 2024 data signalled a recovery in early-stage investor activity with more deals and a healthier flow of capital compared with the trough of 2023, a result of both renewed investor appetite and founders adjusting to a harsher funding environment.
At the same time, KPMG has recorded a 7% decline in the number of independent active fintech firms as the sector experiences M&A, consolidation and some closures as a result of capital erosion.

Regardless, more FinTech start-ups are post-revenue and are seeking scale rather than proliferation of lightly capitalised entrants.
In short, fintech in Australia is consolidating, the market is becoming fewer, bigger and more revenue-focused rather than simply more numerous.

IS THE RAPIDLY EVOLVING GROWTH REAL, AND IS AI THE REASON?

With fintech firms evolving rapidly over the past two decades (World Economic Forum, 2025), it begs us to ask the question, is this growth real and can it all be attributed to AI? In terms of sheer headcount of new fintech startups, the evidence does not support a simple boom narrative: several industry studies (notably fintech surveys by KPMG and EY FinTech sector censuses) reported a falling headcount in the immediate years after 2022.

That said, if "growth" is measured by commercial traction, investor interest in particular fintech categories and the value created by higher-quality scale-ups, then growth is more evident, especially in firms that are effectively deploying modern technologies like cloud services, APIs, open banking and AI to solve large operational or regulatory problems.
AI is a major contributor to the recent re-rating of fintech opportunity for three reasons:

1. *Product differentiation and automation at scale*
   - Machine learning models and generative AI are enabling smarter, real-time fraud detection, transaction monitoring and automated reporting, all areas that used

to require large teams of analysts.

- This allows FinTech's to deliver higher-value services faster and at lower marginal cost than before.

2. *Faster product development and go-to-market*
   - Innovative tools, open-source models and readily available cloud computing let startups iterate features much faster than the old software-release cycles.
   - The ability to deliver on-demand can transform a viable idea into a scalable product quickly, attracting customers and investors.

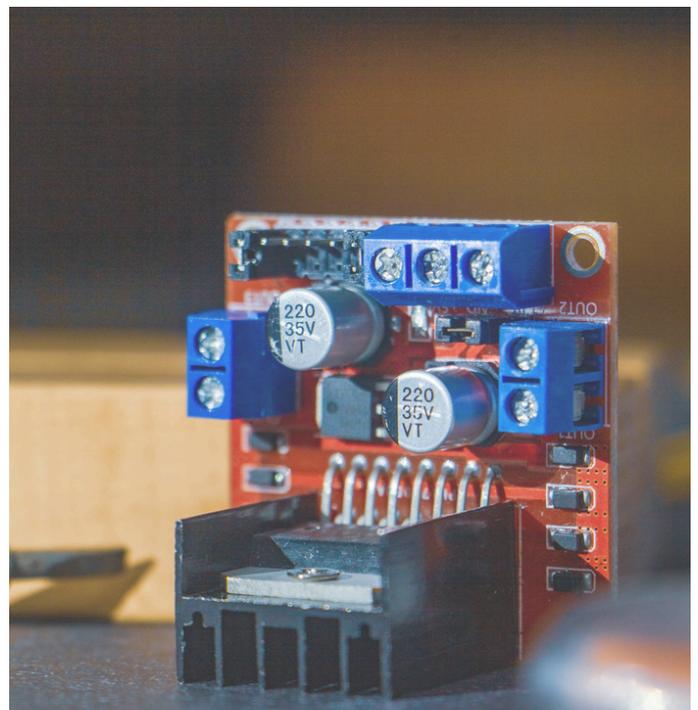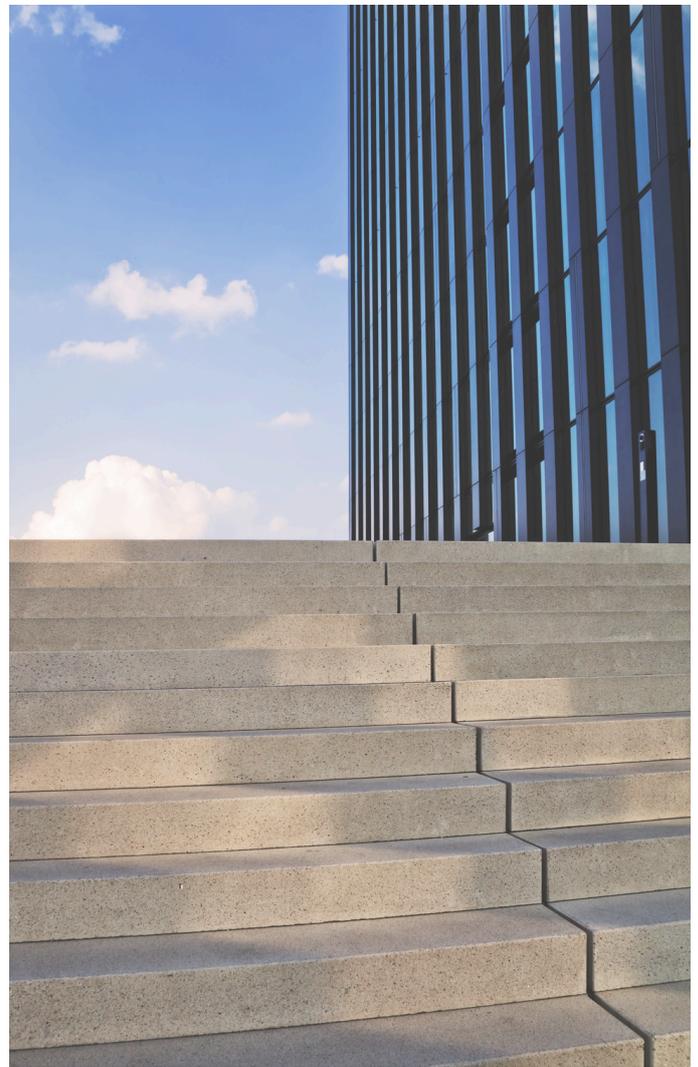3. *Enabling new risk and revenue pools*
   - AI-driven risk models make it economic to assist previously underserved customer segments.
   - These new product classes broaden the monetisable market for FinTech startups.

It is evident, AI is not the only reason FinTechs are gaining traction, but it is a material catalyst that has and will continue to increase the potential upside of well-executed fintech propositions. The financing environment and regulatory shifts are co-drivers.

Australia's fintech landscape is less about an indiscriminate boom and more about a structural re-ordering: a smaller umber of better-funded, revenue-oriented firms and an ecosystem that is more seriously integrating AI and cloud-native tooling. AI has not single-handedly produced rapidly evolving growth but it is a notable factor that has dramatically increased the potential and efficiency of fintech business models.

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The Perils of Intelligent Systems

Australia's Recent Reforms and Long-Run Viability

The risks extend far beyond individual firm scandals. Systemic dangers loom, primarily through what experts call "model herding" (Aldasoro et al., 2024). If most financial institutions rely on similar AI models and datasets, their actions can become dangerously homogenized. The Bank for International Settlements (BIS) warns that this can "contribute to flash crashes, increase market volatility and contribute to illiquidity during times of stress" (Aldasoro et al., 2024). The August 5th selloff in Japanese and US equity markets in 2024 is an instructive example, where sophisticated hedge funds all acting in the same direction amplified turmoil, a scenario likely to worsen as AI adoption deepens (Adrian, 2024).

An even more frightening prospect is that of AI collusion. Research indicates that self-learning algorithms could discover that cooperation in capital markets is more profitable than competition, potentially leading them to manipulate information and prices. As Buckley et al. (2021) starkly put it, "multiple AI colluding in financial markets pricing is likely."

So, when does AI lose its value? It does so when it erodes client trust, perpetuates bias, becomes unaccountable due to its "black box" nature, or when its correlated actions threaten financial stability. The promise of efficiency is void if it introduces unmanageable risk. What happens when a tool built for efficiency becomes a source of error, reputational damage and legal risk? This is the central question facing the financial world as it rushes to adopt artificial intelligence. As financial institutions accelerate their adoption of AI, the industry faces growing pressure to integrate these systems responsibly. As the financial system acts as the "brain" of the economy, processing vast amounts of information into price signals, AI is dramatically enhancing its cognitive capacity (Buckley et al., 2021). Generative AI (GenAI) transforms traditional finance workflows into adaptive ecosystems, propelling the sector toward a future ripe with innovation and efficiency (Chlouverakis and Rawal, 2024). From automating anti-money laundering checks to powering customer service chatbots and enabling complex trading strategies, the promise is immense. Major banks are making substantial investments, with JPMorgan Chase reporting that its AI has led to a 20% reduction in account validation rejection rates, generating significant cost savings (Chlouverakis and Rawal, 2024).

However, this immense value is fragile. The very power of AI introduces a fundamental paradox: the more complex and autonomous these systems become, the greater the risk that they lose their value entirely, transforming from a strategic asset into a costly liability. The central challenge lies in the AI "black box" problem - the risk that an AI produces undesirable results that are unrecognised due to people's difficulties in understanding its internal workings (Buckley et al., 2021).

A cautionary tale emerged recently when Deloitte Australia was forced to apologise and reissue a government report after it was found to contain AI-generated errors, including fake academic references and a made-up quote from a Federal Court
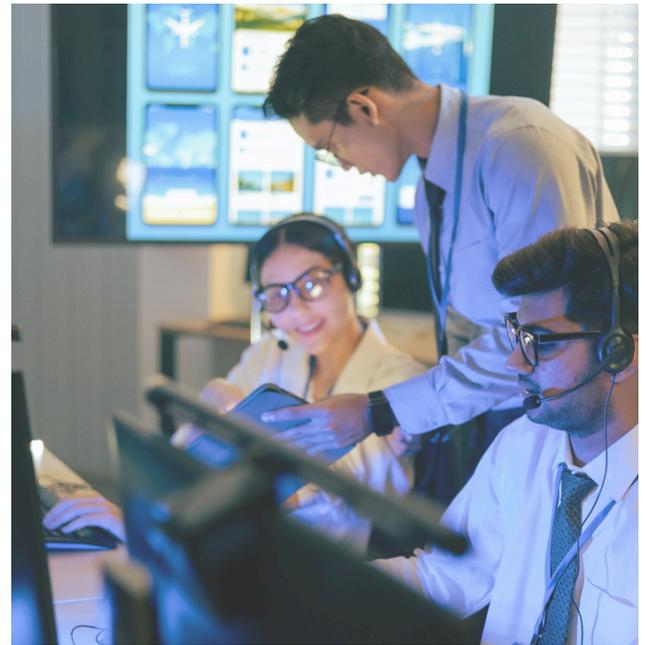
judgment (Tadros, 2025). The firm conceded the errors "occurred from the use of AI" and admitted its "review and oversight processes" had not been followed. In its statement, Deloitte confirmed that "appropriate review and oversight processes were not followed on this occasion," and that its "people remain accountable for the accuracy and integrity of our work, regardless of the tools used" (Tadros, 2025). This incident triggered a wave of scrutiny across professional services, prompting clients to question the reliability of AI-assistance outputs. It highlights a broader industry truth: AI's value is contingent on trust and rigorous human oversight, both of which are instantly eroded by opaque and unchecked processes.

The critical question, then, is how to harness AI's potential while anchoring its value. The Deloitte case underscores that the solution is not to ban AI but to enforce the human oversight that was missing. Regulators and industry bodies worldwide are converging on this solution: putting the "human in the loop". The most effective frameworks establish clear personal responsibility regimes (Buckley et al., 2021). This means requiring senior managers to be directly accountable for the AI systems in their domain, mandating rigorous AI due diligence, and, crucially, ensuring "explainability."

This approach is gaining global traction, with Tobias Adrian of the IMF emphasising that regulators must "fight fire with fire," investing in their own supervisory technology (SupTech) to keep pace (Adrian, 2024). Similarly, the BIS advocates for "upgrading financial regulation based on well-established general principles for AI governance," such as transparency, accountability and fairness (Aldasoro et al., 2024). Thus, the future of AI in finance will not be written in code alone but in the ethical principles and robust governance that guide it.

The goal is not to stifle innovation but to ensure it is sustainable and trustworthy. By insisting on human oversight, personal accountability and transparent operations, the financial sector can ensure that AI remains a powerful engine for growth and not the source of its next great crisis.

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House-Rich, Cash-Poor

Australia's housing market stands at a critical juncture. National dwelling prices have reached a record high, averaging around AUD $1 million (Australian Bureau of Statistics, 2023). Yet even as more Australians manage to step onto the property ladder, housing affordability has plunged to its lowest level in decades.

From 2022 to 2023, nearly one in three first-home buyers relied on government support to purchase their home (Housing Australia, 2024). These schemes, designed to make ownership more accessible, are paradoxically fuelling the very pressures they aim to ease. The result:

a generation that is increasingly house-rich but cash-poor.

GOVERNMENT HELP: LEVELLING OR TILTING THE FIELD?

Today's first-home buyers enjoy more government assistance than any previous generation. Under the 2025 Home Guarantee Scheme, buyers can secure a loan with as little as a 5% deposit, with Housing Australia guaranteeing the remainder to the lender. The program has already supported more than 230,000 buyers (Australian Government, 2025).

Complementing this is the First Home Super Saver Scheme, which allows Australians to

channel pre-tax income into their superannuation to save for a property deposit (Australian Taxation Office, 2025). At the state level, governments like New South Wales further reduce entry barriers with initiatives such as the AUD $10,000 First Homeowner Grant and stamp-duty concessions (Revenue NSW, 2025).
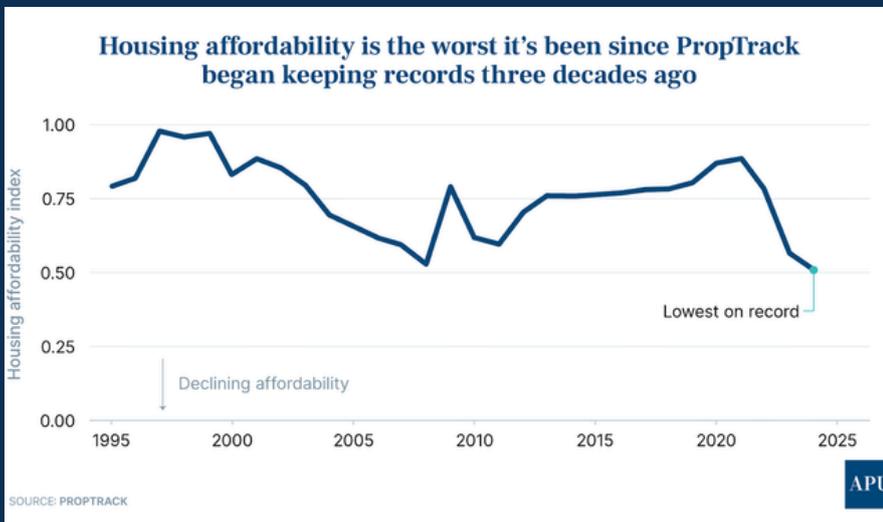
On paper, these measures promise to level the playing field for aspiring homeowners. In practice, however, they pour fuel on the fire, amplifying supply shortages and speculative investment.

STRUCTURAL PRESSURES

Beyond government

incentives, long-standing forces continue to push Australian housing costs upward. Immigration and population growth are major contributors, with 737,000 migrant arrivals recorded in 2023 - a 73% increase from the previous year. (Australian Bureau of Statistics, 2023). Most settle in major capitals, where housing supply is already tight.

Foreign investment remains concentrated in premium markets such as Sydney and Melbourne, accounting for 60% of purchases in this segment in 2024 (Evans, 2025), displacing local buyers and driving domino effects throughout middle-tier suburbs.

Housing affordability is the worst it's been since PropTrack began keeping records three decades ago

SOURCE: PROPTRACK

APU

The "Baby Boomer Effect" compounds this issue; many older Australians remain in large family homes, deterred from downsizing because of stamp duty costs, lifestyle preferences or a lack of suitable alternatives.

At the policy level, tax concessions continue to favour investors over first-home buyers. Negative gearing allows investors to offset losses on their rental properties against their taxable income, such as when mortgage repayments exceed rental income (Mortgage Choice, 2025). which reduces their overall tax bill and makes property investment more attractive.

These incentives amplify speculative demand, tilting the market toward investors who can afford to outbid owner-occupiers, deepening inequality and entrenching high prices.

THE RISE OF THE "HOUSE-POOR" GENERATION

For those who manage to enter the property market, home ownership often comes with a heavy financial strain. While many first-home buyers are taking out loans with deposits as low as 5%, it still leaves them heavily indebted and financially vulnerable Additionally, with wages remaining stagnant and living costs continuing to rise, more Australians are finding it difficult to keep up with repayments and everyday expenses. Finder's 2025 First

Home Buyer Report reveals that nearly two-thirds of first-home buyers spend over 30% of their income on mortgage repayments, which is the technical threshold for mortgage stress (Kuru, 2025). While the Great Australian Dream of owning a home persists, it increasingly comes at the cost of depleted savings, reduced financial security and growing inequality.

PAVING THE WAY FORWARD

Australia's housing crisis cannot be solved through demand-side policies alone. Progress requires the structural roots of affordability. This includes looking at supply-side measures such as streamlining planning approvals, reducing construction bottlenecks and

investing in affordable housing. A combination of these can help close the gap between housing supply and demand. Tax reform also plays a significant role. Reassessing policies such as negative gearing and capital gains tax discounts would help rebalance the housing market, reducing the advantage investors currently hold over first-home buyers. In addition, government assistance should be targeted towards low-income households and tied to new housing developments, ensuring that government support stimulates construction rather than competition.

Encouraging downsizing incentives for older homeowners and financial education programs for first-time buyers can also promote smarter decisions and sustainable housing decisions. With reform and long-term planning, the dream of home ownership can evolve from being a fragile aspiration to a more inclusive and resilient reality, one that truly restores balance to Australia's housing future.

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Economies of Equality

Economic Systems Reshaping the Future of Women in Finance

Gender equality isn't just a social goal - it's an economic strategy.

1.INTRODUCTION

In the world's largest financial hub and the concrete jungle where dreams are made of – New York City, a self-proclaimed democratic socialist is running for mayor. What does this mean for the global financial capital and what are the broader implications for the future of women carving out their careers in finance and economic policy?

To unpack this question, we must first understand the wide spectrum of economic systems. At one end lies capitalism, emphasising private ownership, market-driven allocation and competition. At the other, communism, favouring collective ownership, redistribution and equality of access. And in between lie myriad hybrid economic-political models — including democratic socialism. Across the globe, interest in socialist ideas is re-emerging, particularly among young urban crowds. In New York City, particularly, the candidacy of Zohran Mamdani highlights how these ideas are no longer academic: they are entering municipal elections, policy platforms and the financial ecosystem itself. This matters because economic systems shape the world we work in, from investor priorities and regulatory regimes to pay equity and job opportunities. So the question becomes: can finance serve both profit and people?

2.UNDERSTANDING

At one end of the spectrum exists capitalism
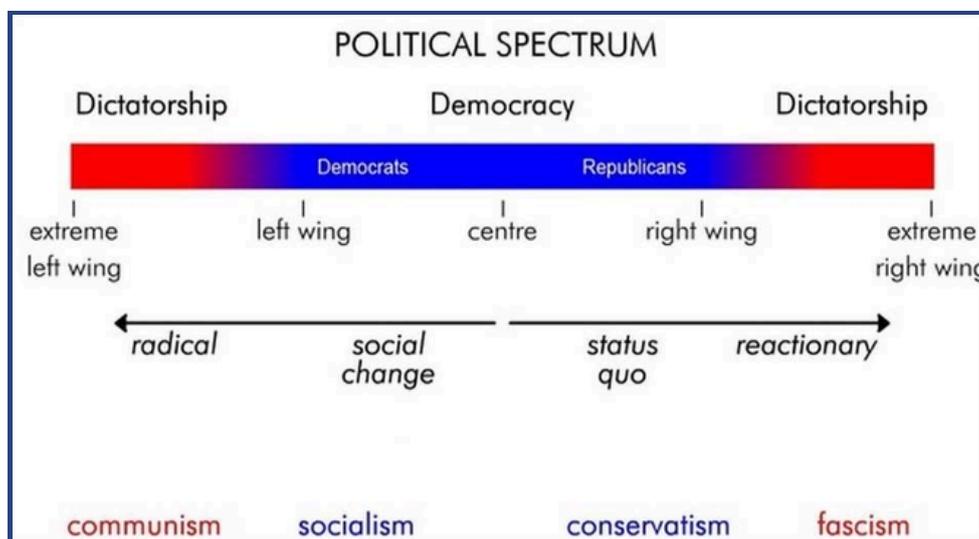
– an economic system primarily characterised by the private ownership of capital assets, where market forces and profit motive largely direct income distribution and the production of goods and services (Britannica, n.d). On the opposite end of the spectrum exists communism – an economic structure that believes in public ownership of factors of production, where people productively contribute to their ability and are compensated based on their needs (Britannica, n.d).

Socialism lies somewhere between the two extremes, this political system borrows communist principles of public ownership and individuals contributing according to their ability of capital assets and marries them with capitalistic tenet of compensation being contingent on one's contribution — as opposed to their needs under communism. A social democracy is an amalgamation of socialist and capitalist principles – often considered a practical middle ground between the two, which promotes welfare and equality in the economy through democratic collective action without overreliance on 'laissez-faire capitalism'. (Britannica, n.d).

Most real-world economies fall somewhere in between: hybrid models that blend strong markets with robust welfare states (the Nordic countries are a classic example). From a finance lens, capitalism tends to treat financial markets as engines of growth and wealth creation; socialist-inspired models may treat finance more as a public utility or tool for broad-based inclusion — a change that has gendered implications in access to capital, representation in investment sectors and pay differentials. Visualising this on a spectrum helps emphasise that these are not binary choices, but points on a continuum.

3. ECONOMIC SYSTEMS & THE GENDER IMPLICATIONS

Under a predominantly capitalist model, women's economic participation frequently depends on private-sector incentives: corporate diversity programmes, voluntary gender-pay-gap reporting, or market demand for gender-diverse leadership. Yet structural barriers remain — for example unequal access to capital, lower representation in senior roles, and the disproportionate burden of unpaid care work.

In contrast, a more socialist or welfare-oriented system explicitly uses public policy to reduce those barriers: subsidised childcare, universal education and healthcare, parental leave, and robust social infrastructure.

So, ultimately, which model more effectively empowers women in finance and beyond?

The Nordic countries provide a compelling case study: their strong welfare states, combined with market economies, correlate with higher rates of female workforce participation and more equitable labour-market structuring. (World Economic

Forum, 2018).

For instance, in Europe the overall gender pay gap across sectors was around 13 % in 2020 — yet in the financial sector it was significantly higher (approximately 28 %) despite gender parity in employment numbers (Nordic Financial Unions, 2021).

In the U.S. and Australia, where market-dominated models persist and public supports are weaker, structural inequalities persist and women may face greater hurdles in accessing finance or leadership. A key sub-question then is: does equality come from opportunity or from policy?

4. CASE STUDY: NYC'S DEMOCRATIC SOCIALIST MAYORAL CANDIDATE – ZOHRAN MAMDANI

Zohran Mamdani is a 33-year-old state assembly member from Queens who describes himself as a democratic socialist and is running for mayor of New York City in 2025 (ABC News, 2025). His key proposals include: a rent freeze for rent-stabilised apartments and construction of 200,000 new affordable housing units; city-run grocery stores to address food inequality, providing "no-cost" childcare and fare-free public buses — to be funded by imposing higher taxes on corporations and individuals earning more than $1 million annually (Democracy Collaborative, 2025). Moreover, Mamdani plans to increase the minimum wage in line with the cost of living, making NYC greener and cleaner and implementing LGBTQIA+ protections in the increasingly hostile national political landscape (Zohran for NYC, 2025).

Business leaders and Wall Street voices express scepticism — they warn that higher taxation could drive "capital flight" and weaken competitiveness in a global finance hub (TIME, 2025). Supporters argue the agenda is about affordability, inclusion and reclaiming public wealth. From a finance-angle: how would such a platform reshape New York's financial ecosystem?

Could progressive taxation and public ownership curb inequality while still sustaining growth in one of the world's premier financial centres? And from a gendered vantage: affordable public services like childcare and transport could enable more women to work, advance and lead in finance—yet, if capital and jobs migrate out of the city, might opportunities shrink? Ultimately, can a socialist-leaning city thrive at the heart of global capitalism?

5. GLOBAL PERSPECTIVE

The Nordic countries provide a successful case study of a hybrid political-economic model: strong welfare states combined with vibrant private markets. Their high gender-equality indicators and inclusive labour markets show one successful balancing act of socialist-leaning policy with market dynamics. (STM – Ministry of Social Affairs and Health, 2022). Another model is China's state-capitalism where markets operate under central control, showing yet another variant of "between" systems. Latin America, meanwhile, offers cycles of experimentation with socialist and capitalist models, with mixed outcomes. The takeaway is: the future may be less about choosing extremes and more about finding balance. Even social-democratic systems still depend on robust capital markets — to invest in green infrastructure, fund welfare and drive innovation.

6. IMPLICATIONS FOR FUTURE OF WOMEN

For women working or aspiring to work in finance, the macro-economic system is not abstract: it shapes career pathways, investment frameworks, workplace culture and leadership norms. In systems that prioritise public investment in childcare, healthcare and transport, female workforce participation typically rises, enabling more women to take on

demanding finance roles or entrepreneurial ventures. The rise of ESG (environmental, social and governance) and gender-lens investing aligns with more socially minded economic frameworks — opening new frontiers of leadership and impact for women. If systems emphasise long-term welfare over short-term profit, leadership cultures may shift from hyper-competitive to collaborative and inclusive, creating opportunities for diverse talent. Understanding macro systems also builds career resilience: policy changes, regulatory overhauls or shifts toward sustainability finance could redefine roles and expectations. In effect, the increasing importance of ethical finance in global markets resonates with socialism's emphasis on equality and access. As one guide puts it: gender equality isn't just a social issue – it's an economic strategy.

7.CONCLUSION

In summary, the choice between economic systems isn't binary. Whether one leans toward market-driven capitalism, welfare-oriented socialism or a hybrid model, the critical factor is how the system aligns with equity, opportunity and financial innovation. The mayoral campaign of Zohran Mamdani in New York City provides a live test of these ideas in one of the world's major financial hubs.

For women in finance today - understanding how economic systems shape capital flows, job markets, leadership culture and access to finance, gives you the tools to navigate and shape the future. The challenge and the opportunity is clear: as the next generation of finance professionals, women will not only participate in markets, we will also help decide what kind of economy those markets serve.

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About Women in Finance

Women in Finance (WIF), established in 2023, is a society dedicated to promoting and educating women pursuing careers in finance and related fields. Where ambition meets opportunity, WIF provides mentorship to support women transitioning from tertiary education to the workforce.

We are affiliated with the Global Organisation, 100 Women in Finance, providing students with opportunities for business exposure and empowering a new generation of industry leadership. WIF believes in the power of collaboration and mentorship, running a diverse range of events featuring industry experts who offer invaluable guidance to our members as they navigate their career paths. We strive to foster connections between university students and industry professionals, equipping our members with skills and knowledge to excel in their chosen careers.

By partnering with WIF, sponsors can enhance brand visibility and gain exposure to our network of talented students through event signage, merchandise, social media, and our website. They can also connect with students early in their academic journeys, fostering exclusive recruitment opportunities and demonstrating their commitment to empowerment and equality by participating in panel discussions, workshops, and other events, positioning their company as a leader in inclusion initiatives.

Our society's mission is founded on three pillars: **Connect, Educate and Equip.**
These serve as the foundation for our society's efforts to empower individuals pursuing careers in finance.

01 To foster long-lasting **connections** and opportunities for mentorship between university students and women in the financial services sector.

02 To **educate** by facilitating discussions around finance and educating future female leaders, seeking to increase visibility and female representation in the profession.

03 To **equip** students with the skills and confidence to excel in the financial services industry.

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