ATATÜRK ÜNİVERSİTESİ YAYINLARI
ATATURK UNIVERSITY PUBLICATIONS

Research Article *Araştırma Makalesi* DOI: 10.53487/atasobed.1502636

Democratisation of Finance and the Transformation of Consumers into Financial Citizens

Finansın Demokratikleşmesi ve Tüketicilerin Finansal Vatandaşlara Dönüşümü

Esra ÜNAL
Leicester Üniversitesi, Hukuk Fakültesi, Leicester, Birleşik Krallık

University of Leicester, Law School, Leicester, United Kingdom
unalessra@gmail.com

Abstract
The article explores the concept of the 'democratisation of finance' and its implications on financial markets, individual lifestyles, consumers and household relations. Initially regarded as a mechanism to promote enhanced financial accessibility and equity, the democratisation of finance has encountered obstacles in realising its optimal goals. Although it has promoted increased market participation among the general populace, it has not consistently guaranteed financial equality, and has consequently resulted in heightened over-consumption, indebtedness, and precarious investment decisions. The article delves into the complexities of financial inclusion and highlights how certain social groups, particularly women and minorities, may face exploitation and disadvantages in the financialised economy. Additionally, the study critically examines the role of regulatory frameworks and technology-driven financial systems in either mitigating or exacerbating these vulnerabilities. It also explores the broader societal consequences of financialisation, questioning whether the current trajectory of democratised finance truly fosters economic empowerment or entrenches existing disparities.

Keywords: the democratisation of finance, consumers, financial decision-making, financial citizens.

Öz
Bu makale, 'finansın demokratikleşmesi' kavramını ve bunun finansal piyasalar, bireysel yaşam tarzları, tüketiciler ve hane halkı ilişkileri üzerindeki etkilerini incelemektedir. Başlangıçta daha fazla finansal erişilebilirlik ve eşitliği teşvik eden bir mekanizma olarak görülen finansın demokratikleşmesi, optimum hedeflerini gerçekleştirmede önemli engellerle karşılaşmıştır. Halk arasında piyasa katılımının artmasını teşvik etmiş olsa da, finansal eşitliği tutarlı bir şekilde garanti etmemiş ve sonuç olarak kontrolsüz, aşırı tüketim, artan borçluluk ve dengesiz istikrarsız yatırım kararlarının artmasına neden olmuştur. Makale, finansal içermenin karmaşıklıklarını incelemekte ve belirli sosyal grupların, özellikle de kadınların ve azınlıkların finansallaşmış ekonomide nasıl sömürüye açık ve dezavantajlı konumda olabileceğini vurgulamaktadır. Buna ek olarak makale, düzenleyici çerçevelerin ve teknoloji odaklı finansal sistemlerin bu kırılganlıkları azaltma ya da şiddetlendirmedeki rolünü eleştirel bir bakış açısıyla incelemektedir. Ayrıca, demokratikleşmiş finansın mevcut gidişatının ekonomik güçlenmeyi gerçekten teşvik edip etmediğini veya mevcut eşitsizlikleri pekiştirip pekiştirmediğini sorgulayarak finansallaşmanın daha geniş toplumsal ve ekonomik sonuçlarını araştırmakta, bireylerin finansal sistemden faydalanmasını zorlaştırabildiğini öne sürmektedir.

Anahtar kelimeler: finansın demokratikleşmesi, tüketiciler, finansal karar alma, finansal vatandaşlar.

This article was produced using an essay from the author's research in the LLM programme at the University of Kent.

Geliş Tarihi/Received 23.06.2024
Kabul Tarihi/Accepted 03.02.2025
Yayın Tarihi/Publication Date 25.03.2025

Cite this article: Ünal, E. (2025). Democratisation of Finance and the Transformation of Consumers Into Financial Citizens, *Current Perspectives in Social Sciences,* 29(1), 57-65.

Content of this journal is licensed under a Creative Commons Attribution-Noncommercial 4.0 International License.

Introduction

The term 'democratisation of finance', which is related to financialisation, refers to the expansion and deepening of financial market access for average, moderate-income individuals and families (Erturk et al., 2007, p. 554). Financialisation refers to the growing dominance of financial motives, markets, and institutions in the global economy, shifting profit-making from productive activities to financial channels and fostering an 'ownership society' where households are pressured to engage in market speculation. This trend reflects a neoliberal order that commodifies individuals' financial credibility and risk profiles, eroding mutualised protections and embedding market logic into everyday life (White, 2024, p. 248).

Capital retreated from its old features of supporting innovation, manufacturing, and supply under financialisation, focusing instead on increasing the private wealth of capital owners and managers (Deutschmann, 2020, p. 34). Therefore, households become increasingly reliant on various financial tools to carry out their physical and social life, contributing to the financialisation of the economy and society. Researchers hold diverse perspectives on financialisation, with some regard it as crucial for contemporary success, while others criticise its role in worsening inequality and negatively impacting vulnerable populations, demonstrating contrasting ideological and disciplinary approaches (Sandoval-Llanos, 2024, p. 130).

Given the reductions in public welfare programs and transfer payments and bad employment, and decreasing average incomes, many consumers sought credit to preserve their living standards, with the democratisation of finance occurring concurrently with the deregulation of the banking industry assisting them (Deutschmann, 2020, p. 34). The authorities and financial services companies are progressively encouraging households to purchase relevant securities directly or through various funds. As a result, their asset portfolios are balanced by suitable loans, such as mortgages, credit cards, and other forms of credit, in ways that encourage people to handle a balance sheet along with present income and expenditure. The spread of debt through securitisation and other means raises the supply of coupons, which might capture funds that would otherwise be held in bank accounts or under the pillow (Erturk et. al., 2007, p. 554).

As a consequence of independent shifts in popular consumer and investor ideologies, credit card and mortgage loans, stocks, and mutual fund holdings climbed. Even in the middle and lower classes, a mass investment culture evolved and gained some traction (Harmes, 2001). For most people, investing and consuming were no longer choices but rather happening in the same period. Although the questionable nature of such enactments was brought to light during the 2008 economic crisis, there is no doubt that the financialisation of daily life had a pervasive influence on human value orientations and lifestyles long before the crisis (Deutschmann, 2020, p. 35). Access to financial tools is now considered a citizenship right, and individuals have become financial citizens who should take responsibility for their financial decisions and cope with the consequences.

Overall, this article argues that the democratisation of finance has made people financial citizens, individuals and decision-makers. Within this context, this new phase has brought over-consumption, more debt, and risky investment decisions; therefore, it has changed the financial market, the individual lifestyle, expectations, and household relations not in the positive way that we expected to be with the democratisation of finance. In the first section, the democratisation of finance is tried to be explained. In the second section, it will be discussed that even though the main goal of the democratisation of finance is bringing equality for all, it does not always ensure equality. The third section will argue how the democratisation of finance and financialisation has changed people's daily lives and household relations based on different scholars' ideas.

1. Democratisation of Finance

John Moore, the UK Treasury's Financial Secretary, made an important announcement in 1984 on the Thatcher government's wide suite of privatisation-based economic changes and the principles on which they were founded. He stated that their goal was to build on democratic property ownership and construct a people's capital market, bringing capitalism to the workplace, the high street, and even the house. It was championed by Thatcher in the United Kingdom and Reagan in the United States, but it was also pursued by governments all around the world. The main platform and the types of economic policies it favours have been defined as the concept of the marketplace as a basis of social organisation and a model of government policies (Allon, 2014, p. 18). During the Blair administration in the United Kingdom, programs aimed at combating financial exclusion became increasingly popular (Zokaityte, 2017, p. 44).

The logic of financial calculation has expanded from banking and trading into broader societal spheres since the 1980s. Financial systems have transformed into price and trade items that were previously regarded to be outside the scope of economics. Finance evolved into a type of 'privatised Keynesianism,' a debt-financed concept of privatisation social policy that owners can rely on in the lack of state-provided social benefits and services. All approaches to market economics are based on the assumption that market participants are well-informed (Crouch, 2009).
While finance had long been a bastion of WASP privilege and a source of elite wealth, journalists and public relations experts agreed that it has now been totally changed and opened to everyone (Frank, 2008, p. 161). According to Shiller, the 'democratisation of finance' is represented by such daily connections with financial markets that a mission to provide the benefits of Wall Street to Walmart customers by expanding financial markets into hitherto untapped locations and relationships (Shiller, 2003).

Financialisation studies indicate how the financial sector controls national political economies, how company strategies and management are becoming increasingly dependent on financial logic, and how households and individuals are more entangled in complicated relationships with the international financial system (Lai, 2018, p. 611). Massive changes have been 'sold' politically over the last 30 years using credible rhetoric and appealing visions that both shift the policies and gloss over the challenges of implementation. By the late 1990s, more than half of all US households had a stock market investment, rising from 25% in 1987 and only 3% in pre-crash 1929 (Harmes, 2001).

While the USA has long relied on credit to compensate for underdeveloped public sector institutions, when development slowed, salaries stagnated, and inequality grew, this compensatory function became even more important. As policymakers attempted to avoid directly distributing limited resources between competing for social goals by tapping into liberalised financial markets, financial deregulation was a vital contributor to the creation and consolidation of a debt-state. Scholars engaging in this literature typically state that access to financial services has come to be characterised as a right of citizenship (Krippner, 2017, pp. 6-7). As a symbol of a reliable, autonomous, and self-directed life, every citizen must participate with and lean on markets. The change in daily life indicates the extent to which a former social order based on government-funded welfare and insurance has been partially replaced by calculative investment and risk technologies (Allon, 2014, p. 22).

Within this context, the democratisation of finance is about moving policy away from community provision and toward individual accountability from the start. It's all about shifting the agenda so that individual provision becomes more appealing as a viable alternative to state or large corporation-based services (Erturk et. al., 2007, p. 572). An implicit assumption about behaviour underpins this global trend encouraging participant choice that the citizens to whom the burden of choice has been delegated are well-informed economic people acting rationally to maximise their self-interest. It is anticipated that they can read and assess information supplied about employer and government possibilities, properly analyse and evaluate these options, and then make informed choices focused on a comparison of the possibilities (Mitchell & Utkus, 2004, p. 3).

Individuals and the units into which they place themselves—families or households—are all that matter in finance (Shiller, 2007). If the instruments are built properly, risk management strategies could be broadened to meet some important problems of households. Recent global changes appear to be putting the family at increased risk. The gap between rich and poor looks to be widening, and the level of uncertainty about one's lifetime earnings has risen in recent decades because market forces are becoming more important. As a result, the topic of household risk management is even more pressing, related to behavioural finance (Shiller, 2007). People have a hard time picturing their lives, health, and finances further in the future, and they may not be dedicated to addressing these difficulties if they do not believe hazards will befall them. For example, previously, public (Social Security) and private (Defined Benefit Pension) sources covered these risks. Both sources will diminish in the future, leaving people more vulnerable to hazards. As a result, individuals are becoming increasingly responsible for their own security (Drinkwater and Sondergeld, 2004, pp. 282-283).

2. Democratisation Does Not Mean Equality

It can be argued that the 2008 financial crisis highlighted not so much the democratisation of finance as its socialisation, which included the socialisation of the risks, volatilities, and costs that invariably accompany financial market downturns (Allon, 2014, p. 17). Since the mortgage crisis and economic depression, there has been a significant increase in class and race-based inequalities in case of home equity loss, high rates of unsecured credit card debt, and general wealth gaps and

disparities in the United States (Taylor et al., 2011).

If we want to become a more market-oriented society, we must build markets and financial institutions to meet the challenge which means democratising finance by ensuring that the fundamental principles of finance are applicable to all people (Shiller, 2007). Only people in the high-income distribution in the USA or the UK have considerable stock market savings. Even at the bull market in the United States, only 12% of families with the lowest 20% income possessed stocks directly or indirectly. Therefore, the persistence of the political argument that promises to extend the benefits of finance enjoyed by the middle classes to the lower classes of society contributed to the freedom of an independent citizenry (Erturk et al., 2007, p. 558).

Some claim that financial democratisation can give an equal chance to everyone to gain money from financial markets and can remedy the problem of unjustified economic inequality. It increases consumer credit availability, homeownership, and, more broadly, financial capital shareholding. On the other hand, others pointed out that a lot of households have been robbed of the benefits of financialised capitalism because of major financialisation failures (Zokaityte, 2017, p. 43). It is argued that limited access to finance has resulted in lesser economic progress in low and moderate-income groups and minority borrowers, contributing to current financial inequalities. The investigation of common lending methods routinised and defended by financial companies handling subprime borrowers in the United States, for example, revealed an exploitative aspect of financial inclusion (Zokaityte, 2017, p. 50). The promised democratisation of finance through fintech, exemplified by events like the WallStreetBets phenomenon, often reduces financial inclusion to a marketing strategy while ignoring or exacerbating the deeper problems of financialisation. Instead of addressing the exclusion of many from meaningful financial participation, fintech initiatives focus on superficial technological fixes, potentially worsening undemocratic market dynamics and leaving consumers vulnerable to systemic inequalities (White, 2024, p. 246).

Almost every aspect of today's financial system is structured so that money's sole purpose is to produce more of itself for those who already possess it (Davis, 2021, p. 78). The burden of managing the hardships of daily life and securing provisions for the future has increasingly shifted onto individuals, often leaving them unprepared or lacking confidence. Financial decision-making remains concentrated in a limited number of institutions, and when these fail—such as during the 2008 financial crisis—public funds are used for recovery. While systems like DeFi (decentralized finance) are often hailed for their inclusivity, they risk replicating these inequalities in new forms, perpetuating volatility and exclusion. Without robust regulatory frameworks, these decentralized systems may deepen divides, echoing past financial crises like the global meltdown caused by mortgage-backed securities, benefiting a few while leaving many vulnerable (Zumbansen, 2023, p. 420).

Consumers are pulled into various types of financial interactions because of their unequal access to information and resources (Lai, 2018, p. 615). The financial system is recast as a confederation of smaller constitutive ecologies, resulting in diverse clusters of financial knowledge and practises emerging in various locations with varying degrees of connectedness and material effects. Rather than the democratisation of finance, in which financial products and services are made more accessible to the general public and individuals have more freedom to protect themselves against life's complexities through financial management, such financial ecologies expose a partial and uneven system of financialisation through main intermediaries such as financial advisors (Lai, 2018, p. 615). Until now, people face incidents that financial items were mis-sold or large loans to clients who were unable to repay them. And, even when mis-selling is avoided, consumers do not always get the best value from these products (Erturk et al., 2007, p. 568).

Historically, privacy and household lives were separated from finance and other people's other parts of their lives (Allon, 2014, p. 25). With the democratisation of finance, preservation, safety, individuation, and privacy principles are becoming increasingly difficult to separate from the notions of capitalist accumulation; in fact, these are the fundamental sites through which new regulatory and control mechanisms operate. When an ideal citizen is a person whose mission in the community is to be empowered privately, privacy ceases to be only a haven or a separate domain from capitalism. The promising idea of democratisation of finance to include especially women and minority groups, who were excluded before, from the system and brings equality for all. However, a deep examination is required of how inclusion is characterised and granted, as well as how specific groups are exploited within the seemingly abstract and disembodied landscape of financial market citizenship, and the new sorts of insecurity and inequity that speculative investments based on the inclusive claim of financial independence entail. Women and minority groups have become more exploited and disadvantaged because of being more

financially disciplined through indebtedness and duties (Allon, 2014).

It can be discussed that consumers who had previously been marginalised and denied credit (primarily women and ethnic minority groups in the United States) have been later financially included in the system and, as a result, were forced to pay higher fees, higher prices for credit, or have been given credit on less flexible terms and conditions (Zokaityte, 2017, p. 50). It is because the periphery of financial services is determined by your living conditions (Kempson, 1999: 40). Even though the purpose of micro-credits seems to enhance equality and empower women, the main reason may be to increase the profits of lenders by deepening and widening the credit among people and groups and making women more financially self-disciplined through self-organisation (Rankin K., 2001). Despite the fact that women are the ones who obtain credit, males are generally the ones who decide how it is used and how much money it generates. Similarly, financial availability often increases women's job pressure and dependency on lending institutions rather than providing long-term opportunities for autonomy and independence (Rankin, 2001, p. 32). Within this context, it should be considered that it is not always easy to say that there is a democratisation of finance. Therefore, whether the democratisation of finance exists should be one question, and it is serving its main ideal purposes should be another question.

3. Are We Having the American Dream Through the Democratisation of Finance?

Credit has played a critical part in efforts to address long-standing structural inequities in the US society regarding race, class, and gender. A more direct goal of American social policy has been to use credit to encourage social mobility. Credit can be used to supplement other sources of income, allowing access to both daily essentials and consumer luxury. By allowing young families to borrow against future income, credit availability allows for consumption to ease throughout the duration of a life cycle, and credit can be a useful tool for promoting social mobility, such as giving access to homes or higher education (Logemann, 2012, p. 203). Credit selling can democratise mass access to commodities, share human happiness more evenly, and soothe disturbing class struggles. People can have things with credits and instalments that they cannot have with cash. As a result, it raises the standard of everyday living and provides economic security to households (Gordon, 2012, pp. 68-69). So, it can be argued that the democratisation of finance can positively affect social policy.

However, according to researchers on comparative indebtedness and consumer bankruptcy law in the 1990s and early 2000s, debt and personal bankruptcies have been increasing on both sides of the Atlantic throughout the later decades of the twentieth century (Logemann, 2012, p. 201). Credit may make purchasing too simple, putting a consumer in a position where he or she is unable to pay, and there can be deception in the sale of securities and abuse in the sale of low-quality goods at exorbitant prices (Gordon, 2012, p. 69). When comparing the experiences of other countries, it becomes clear that the underlying issues of twentieth-century credit development are still present in all current consumer societies. The difficulty of providing ‘democratic’ access to credit under secure and inexpensive circumstances while preventing reckless lending and over-indebtedness, for example, has so far eluded straightforward answers, as evidenced by the American case. From the late 1800s onwards, consumer credit institutions and practices grew in the context of rising consumer societies, which witnessed the increasing cultural acceptability of debt for material goods. People save too little for retirement and, in fact, consume too much now, not just essential things but also luxury things they may never need, thanks to credit availability.

People create new modalities of self-governance and reflexivity to keep track of their investments and consumption patterns. Financialisation's operation and effects at the individual level indicate how rising financial product consumption and adoption of financial logic in the face of declining government benefits normalises risks and risk-taking behaviour (Martin, 2002, p. 195). The increase in credit cards and other loans, as well as the channelling of savings into insurance and investment items rather than traditional bank deposits, reflect changing loan and saving habits. Changing government policies, new credit scoring and securitisation systems, and the rising of middle-class consumers in developing economies are all influencing the nature and consequences of financial consumption and financialised behaviour. While some see this as democratising finance and investing for a wider audience, such as a growth market, others see it as the creation and spread of new risks with spatially uneven repercussions (Lai, 2018, p. 611).

The financialisation of accumulation, risk management, and discipline have all been proven to have accelerated developments in retail finance in general and the expansion of subprime specifically, hence facilitating financial inclusion and

homeownership. Financial inclusion, on the other hand, has been demonstrated to be unclear, with higher levels of debts and borrowing rates than those found in mainstream markets. Financialisation dynamics were also demonstrated to have held contradictions and tensions that were fundamental to the subprime mortgage crisis (Chima, 2010).

Unprecedented market happenings are being caused by 'financial democratisation'. Millions of people producing memes and picking stocks on the internet fall into a grey zone. Fundamental-based models such as assets, liabilities, revenues, and profits may be less relevant now that investment has been made accessible to millions of ordinary people because it has been democratised. A stock may be valued at whatever millions of individuals on the internet and social believe it is worth at any given time. If this tendency keeps going, it will have far-reaching consequences for a market built on trust. The new pattern that emerges is in no way stable. Therefore, it can be argued that people make risky investment choices based on false investment tips.

The notion that individuals in financialised economies will be able to assume the obligations of a neoliberal financial citizen is problematic. Large firms and governments are progressively avoiding societal responsibilities, and the setting for rational calculation is extremely difficult because expectations, wealth impacts, and final values are all unexpected (Erturk et al., 2007, p. 561). According to the socio-cultural approach, to survive, to live, people shall calculate, which is often silent but always effective (Callon, 1998, p. 4). According to cognitive psychology, individual financial actors are presumed to be mentally capable. Agencies must be equipped to become calculative. However, this equipment is not entirely contained within human brains, nor is it wholly contained within their socio-cultural contexts or institutions. So, how does one entirely become calculative if neither the human mind nor institutions are capable of doing so (Callon, 1998, p. 5)?

Furthermore, the growth of more complex financial products to meet individual needs will fall short of delivering the benefits of democratised finance unless households have enough calculative capabilities to choose between financial services goods with defined risk and reward features (Erturk et al., 2007, p. 561). The notion of democratised finance can only be realised if enough individuals in key socio-economic categories have the calculative ability to evaluate various financial services and products, regardless of how simple or complex they are. Consumers' may not have the adequate ability to select the best financial goods and services for them all the time; therefore, in uncertain times, they are more likely to concentrate on reward rather than risk (Erturk et al., 2007, p. 563). Governments that bring individualised responsibility for saving and borrowing decisions are significantly ahead of people's capabilities to manage complicated choices and unknown dangers (Erturk et al., 2007, p. 570).

Financial literacy is disturbingly low, even among those in the middle classes, who are most likely to resemble the idealised financial citizen, let alone among other groups. Given the intense focus on market efficiency and financial duties, nations today expect their financial citizens to assume clear and more inevitable tasks. Without obligations, no rights exist as financial citizens (French et al., 2011, p. 31). As credit becomes more widely available, financial education becomes increasingly crucial. It's simple to see why financial literacy programs aimed at the general public gained traction in the late 1990s and early 2000s and why they're now being supported by sophisticated national and supranational groups. Individuals who are motivated to change are referred to as consumers just once in the UK Financial Services Authority report because the description of the financially literate as citizens invokes the democratisation of finance, with the inference that the financial illiterate are exempted from financial democracy. Financial literacy education has been made a required component of school systems all over the world (Björklund, 2024, p. 1). These kinds of literacy initiatives, however, involve students who are ages away from making major financial decisions like retirement or mortgages (Erturk et al., 2007, p. 559). Of course, these programs can easily be widened to all people.

According to Lusardi, wealth may be boosted dramatically, close to 20% in the overall sample, and substantially more for households at the bottom of the distribution and those with little education by providing financial education (Lusardi, 2004, p. 157). Strategies frequently link financial literacy to societal and citizen financial well-being, claiming that financial experience and knowledge can result in better financial conduct (OECD, 2022, p. 7). However, even though financial literacy programs are crucial and make a difference among people, it is not the sole solution. They may deter reckless behaviour, but they will not prevent it (Erturk et al., 2007, p. 571). People can endeavour to maximise their self-interest, but it is also acknowledged that such decisions are frequently made with less-than-ideal results. People's actions in the actual world are subject to bounded rationality, and some decisions and situations are too difficult for individuals to solve on their own

(Mitchell and Utkus, 2004, pp. 3-4).

Complex investment portfolios may deter people from joining a retirement plan. Many individuals lack the abilities required to make difficult investment decisions among several options like the laundry list perspective, which consists of 50 or 100 choices of funds. According to research, people make decisions based on informal heuristics such as historical performance instead of using mean-variance optimal portfolios based on different investment classes, strategies, and managers, used by companies (Mitchell and Utkus, 2004, pp. 33-34). Therefore, any literacy initiatives must be supported with a rethinking of complicated financial product design to reflect the kind of attitude towards risk and intrinsic inertia that many consumers have (Mitchell and Utkus, 2004, p. 34).

The methods of credit control-by risk nowadays make a variety of borrowing and credit choices available, each tied to a range of standardised credit scores that accommodate differing levels of risk (Allon, 2014, p. 24). It also provides for a variety of price alternatives, such as highly exploitative and punishing rearrangement fees and subprime loan payback terms, for individuals who want, or simply need, to achieve homeownership and hence mortgage financing at any cost. Conservation, security, sense of self, and privacy are becoming growingly difficult to separate from the temporalities of capitalism; they are, in fact, the fundamental locations through which new regulatory and control mechanisms operate. It is predictable that the novel calculative instructure of credit scores, hazard optimisation, and marketplace agents that comprised finance instead of eradicating existing gendered and racialised disparities perpetuated and even exacerbated them (Allon, 2014, pp. 24-25).

Increased financial roles and responsibilities in households have mostly been given to women; even at that time, women did not earn money, but men did. Women sometimes found themselves in the unusual situation of being money managers. They had to use their personal share of money to be able to save the day. And now, with financialisation, they may be given more financial duties in their households (Zelizer, 1989). Regardless of their occupations or situations, they may be expected to take credits or use other financial means to pay their husband's debts and pay the rent. So, it may be exploitative for women, and it may bring more family duties and pressure.

Financial inclusion policies and methods have also been demonstrated to increase people's debt exposure, and it aided in the worsening and spread of domestic violence against women (Roberts, 2015, p. 119). Instead of eliminating existing gendered and racist disadvantages, the new calculative infrastructure of credit ratings, risk optimisation, and market agents that formed finance sustained and even worsened them. Debt collectors in the US have utilised violence and aggressive intimidation tactics towards women, who are thought to be more inclined than men to acquiesce to harsh measures, not least because their care responsibilities limit their mobility. Suicides linked to debt have been reported all throughout the world in nations with varying levels of economic development (Roberts, 2015, p. 119).

In a nutshell, the democratisation of finance gives people everyday life choices, and people are expected to understand all the risks and benefits of the variety of these choices and select the best possible, rational one. This understanding can be seen in other law areas. For instance, regarding privacy and data protection, people are expected to manage their cookie preferences and choices for websites and other sources according to law. People have been seen as rational decision-makers, and their choices are seen as rational decisions. However, as Solove indicated there are many biases, heuristics, and distortions such as complicated designs, and systems affecting people's decisions all the time, even if they are educated on these issues (Solove, 2020). So, people cannot be rational in every situation, and distortions cannot be underestimated. Similarly, people cannot always end up making better financial decisions for themselves; there will always be distortions such as complex banking and financial mechanisms affecting them. Even with adequate financial literacy, it will not be the sole solution.

Conclusion

The democratisation of finance has made financial goods and services easily accessible for people. The main promise of the democratisation of finance was to bring equality for all people to prevent previous inequalities and disadvantages in access to financial instruments. Although it seems to bring promising results at first sight, in fact, it is difficult to say that the democratisation of finance brings equality to all. This is mainly because of different conditions for credits and other financial

services, such as high-interest rates and the high influence of intermediaries such as financial advisors due to unequal knowledge.

Also, with the democratisation of finance and financialisation, people have become financial citizens, thanks to which access to financial instruments has started to be seen as a part of citizenry rights. On the one hand, it may have a positive impact on people's lives by making education costs more affordable thanks to easy credits and by improving social welfare. On the other hand, rights always come with responsibilities. Governments started to give up their social responsibilities toward people, and citizens are expected to become rational decision-makers to survive. It also changed people's daily lives by causing overindebtedness, over-consumption, risky investment decisions, and affected household relations by loading women with more responsibility than ever.

Financial literacy can make a difference in the financial decision-making process and help to understand financial options better. However, it will never be the sole solution because it will always be difficult for people to have calculative competence. There will always be distortions affecting people's choices, such as complicated financial designs, systems, biases, and heuristics. So, in addition to looking at the big picture of financial democratisation, we should also concentrate on the details by asking if the democratisation of finance really ensures equality and good for all.

Hakem Değerlendirmesi: *Dış bağımsız.*
Çıkar Çatışması: *Yazar, çıkar çatışması olmadığını beyan etmiştir.*
Finansal Destek: *Yazar, bu çalışma için finansal destek almadığını beyan etmiştir.*

Peer-review: *Externally peer-reviewed.*
Conflict of Interest: *The author declare no conflict of interest.*
Financial Support: *The author declared that they received no financial support for this study.*

References

Allon, F. (2014). The feminisation of finance: Gender, labour and the limits of ınclusion. *Australian feminist studies*, *29*(79), 12-30.

Björklund, M. (2024). Financial citizenship education and the elusive power of critical ınquiry. *Theory & Research in Social Education*, 1–24.

Callon, M. (Ed.). (1998). *The laws of the markets*. Blackwell publishers/Sociological review.

Chima, O. R. (2010). *The democratisation of finance?: Financial ınclusion and subprime in the uk and us.* Northumbria University.

Crouch, C. (2009). Privatised keynesianism: An unacknowledged policy regime. *The british journal of politics and ınternational relations*, *11*(3), pp. 382-399. https://doi.org/10.1111/j.1467-856X.2009.00377.x

Davis, M. (2021). *Crowdfunding and the democratization of finance*. Bristol university press.

Deutschmann, C. (2020). Entrepreneurship, finance and social stratification: The socio-economic background of financialization. P. Mader, D. Mertens, & N. van der Zwan (Ed.), *The Routledge international handbook of financialization* (pp. 31-43). Routledge.

Drinkwater, M. & Sondergeld, E. T. (2004). Perceptions of mortality risk: Implications for annuities. O. S. Mitchell & S. P. Utkus (Ed.), *Pension design and structure: New lessons from behavioral finance* (pp. 275-294). Oxford University Press.

Erturk, I., Froud, J., Johal, S., Leaver, A., & Williams, K. (2007). The democratization of finance? Promises, outcomes and conditions. *Review of International political economy*, *14*(4), pp. 553-575. https://doi.org/10.1080/09692290701475312

Frank, T. (2008). *One market under god extreme capitalism, market populism, and the end of economic democracy*. Anchor.

French, S., Leyshon, A., & Wainwright, T. (2011). Financializing space, spacing financialization. *Progress in Human Geography*,
35(6), (pp. 798-819). https://doi.org/10.1177/0309132510396749

González, F. (2020). Micro-Credit and the financialization of low-ıncome households. P. Mader, D. Mertens, & N. van der Zwan (Ed.), *The Routledge international handbook of financialization* (pp. 301-312). Routledge.

Gordon, A. (2012). Credit in a nation of savers: The growth of consumer borrowing in Japan. J. Logemann, *The development of consumer credit in global perspective business, regulation, and culture*. Palgrave Macmillan.

Harmes, A. (2001). Mass ınvestment culture. *New left review*, *9*, (pp. 103-124).

Kempson, E. (1999). *Kept out or opted out? Understanding and combating financial exclusion*. Policy Press.

Krippner, G. R. (2017). Democracy of credit: Ownership and the politics of credit access in late Twentieth-Century america. *American Journal of Sociology*, *123*(1), (pp. 1-47). https://doi.org/10.1086/692274

Lai, K. P. Y. (2018). Financialization of everyday Life. G. L. Clark, M. P. Feldman, M. S. Gertler, D. Wójcik, & A. Kaiser (Ed.), *The new oxford handbook of economic geography* (First edition). Oxford University Press.

Logemann, J. (2012a). From cradle to bankruptcy? Credit access and the american aelfare State. *The development of consumer credit in global perspective business, regulation, and culture*. Palgrave Macmillan.

Logemann, J. (2012b). *The development of consumer credit in global perspective business, regulation, and culture*. Palgrave Macmillan.

Lusardi, A. (2004). Saving and the effectiveness of financial education. O. S. Mitchell & S. P. Utkus (Ed.), *Pension design and structure: New lessons from behavioral finance* (pp. 157-185). Oxford University Press.

Martin, R. (2002). *Financialization of daily life*. Temple University Press.

Mitchell, O. S., & Utkus, S. P. (2004). Lessons from behavioral finance for retirement plan design. İçinde O. S. Mitchell & S. P. Utkus (Ed.), *Pension design and structure: New lessons from behavioral finance* (ss. 3-43). Oxford University Press.

Organisation for Economic Co-operation and Developement. (2022). *Evaluation of National Strategies for Financial Literacy*.

Rankin, K. N. (2001). Governing development: Neoliberalism, microcredit, and rational economic woman. *Economy and Society*, *30*(1), (pp. 18-37). https://doi.org/10.1080/03085140020019070

Roberts, A. (2015). Gender, financial deepening and the production of embodied finance: Towards a critical feminist analysis. *Global Society*, *29*(1), 107-127. https://doi.org/10.1080/13600826.2014.975189

Sandoval-Llanos, J. (2024). Financial literacy and financialization. An alternative approach to financial education. *Revista Científica de la Universidad de Belgrano*, V.7, N.1, 2024, 128-145.

Shiller, J. (2007). *Risk management for households—the democratization of finance*.

Shiller, R. J. (2003). *The new financial order: Risk in the 21st century*. Princeton University Press.

Solove, D. (2020). The myth of the privacy paradox. *GW law faculty Publications & Other Works*.

Taylor, P., Kochhar, R., Fry, R., Velasco, G., & Motel, S. (2011). Wealth gaps rise to record highs between whites, blacks, hispanics. *Pew Research Center's Social & Demographic Trends Project*.

White, E. (2023). What does finance democracy look like?: Thinking beyond fintech and regtech. *Transnational Legal Theory*, *14*(3), 245–269.

Zelizer, V. A. (1989). The social meaning of money: "special monies". *American journal of sociology*, *95*(2), (pp. 342-377). https://doi.org/10.1086/229272.

Zokaityte, A. (2017). *Financial literacy education*. Springer ınternational publishing. https://doi.org/10.1007/978-3-319-55017-6.

Zumbansen, P. (2023). Runaway train? Decentralised finance and the myth of the private platform economy. *Transnational Legal Theory*, *14*(4), 413–452.