Discussion of:

Mind the Gap: Gender Discrimination in Loan Pricing Around the World

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Summary of the Paper

- **Main Question:** Do firms with female CFOs face discrimination in syndicated loan pricing across countries?
- **Approach:** 14,000+ syndicated loans across 57 countries; cultural attitudes proxied via Integrated Value Survey.
- **Key Findings:**
  - No gender difference in spreads overall.
  - BUT: In countries with low gender equality, female CFOs face **higher loan spreads and smaller loan amounts**.
  - Cultural bias explains heterogeneity; effect is CFO-driven.

Strengths of the Paper

- Timely contribution to the literature on **gender, culture, and lending**.
- Cross-country design highlights variation often masked in single-country studies.
- Sophisticated interaction of cultural variables with executive gender.
- Robust across multiple stereotypes and alternative cultural proxies.

Comment 1: Where is the Bank?

- Focus is on borrower-side variables; but 70% of loans are in US-dollar, so likely syndicated by large domestic/foreign banks.
- No **bank fixed effects**; Do banks (or loan officers culture) play a role? If so, does it matter if the bank is domestic or foreign?
- Same for large vs small banks (assuming bias is stronger in more regional contexts)
- **Spread differences** could interplay with *bank-side culture*, not just borrower-side perception. (or are you assuming they are the same?)
- **Suggestion:** Include bank fixed effects, or better bank-year fixed effects to absorb also banks' balance sheets constraints (there is the GFC in the period).

Comment 2: Time Heterogenity

- Sample spans 2003–2024: multiple market changes occurred.
  - Rise of leveraged loans and CLOs
  - Post-crisis tightening (Basel III)
  - ESG and diversity pressures
- These may have shifted how gender signals are priced over time.
- **Suggestion:** Exploit time variation. Is the gender spread effect amplified or reduced around key events?
- Useful for policy: Can regulation (or ESG pressure) mitigate gender discrimination?

Comment 3: Switch = Better Experiment?

- Does any firm **switch from female to male CFO** (or vice versa) over the sample?
- This offers a **within-firm cleaner test** controlling for unobserved firm characteristics.
- **Suggestion:** Track changes in spreads post-switch.
- Could confirm whether perceived discrimination is firm-based or truly gender-based.

Conclusion

- Valuable contribution to gender and credit market literature.
- Cultural beliefs matter but exploring bank-side and temporal heterogeneity would enrich the story.
- Period is long enough to hopefully show improvements over time