

BETTER POLICIES FOR BETTER LIVES

OECD 50th Anniversary Forum / Paris, 24-25 May 2011

SESSION SUMMARY

GENDER: EDUCATION, EMPLOYMENT & ENTREPRENEURSHIP

- Panel 1: Babies and Bosses
- Panel 2: Women's economic empowerment

Tuesday 24 May 2011

♦ Panel 1: Babies and Bosses + Quotas + Public debate

Moderator: Stéphanie Antoine, Anchor, France 24

Panelists: Cherie Blair, Founder, Cherie Blair Foundation for Women

Carlos Mulas-Granados, Executive Director, IDEAS Foundation, Spain **Yoshinori Suematsu**, Senior Vice-Minister, Cabinet Office, Japan

Stéphanie Antoine started the discussion by listing some facts that highlight the gender inequalities in income and education. This includes the fact that men typically make more money than women, even in developed countries, and receive higher levels of education in developing countries. Ms. Antoine then asked whether quotas would be a good solution to help fill the gender gap.

Cherie Blair responded first by acknowledging that most OECD countries have equal pay for equal work as a core value. Despite that fact, in the UK, they are still fighting for income parity between men and women – women still earn 17% less than men. "Laws alone are important but they don't achieve the objective", she said. While there has been an enormous increase in opportunities for girls, including the chance to pursue post-secondary levels of education and beyond, and they are often academically outperforming their male counterparts, within five years of leaving university the same women earn around 15% less than their male counterparts. Ms. Blair attributed this outcome to a culture and mentality that are pervasive once women enter the workforce.

She argued that role models and mentoring would help fight this. Many women, when starting out in their careers, ask themselves if the possibility of achieving the heights of their profession can be balanced with parenting responsibilities. Faced with that daunting task, they often settle for socially acceptable occupations where women have typically done well. Thus, when the operational experience is needed, the position often ends up going to a man.

"Bringing up the next generation isn't an exclusive club for women; Tony was a hands-on father." Ms. Blair said, referring to her husband, a former British prime minister. Men need to assert their right to be caring parents. She also said it was time to dismiss the idea that taking the time to raise children is synonymous with putting your career on hold forever. "Today, careers can span 40-50 years." Women do not need to permanently sacrifice one for the other.

Carlos Mulas-Granados pointed to the overall lack of female role models, and the difficulty of changing the culture of the labour market. He said that many organisations admit that the main reason for paying women less is the assumption that they might leave the company to have children and raise a family. Though there are new initiatives that support employees who work from home, these traditional attitudes were still prevalent and many people still believe that 'real' men do not take paternity leave. Mr. Mulas-Granados argued that if there was compulsory paternity leave for men that there would be far less discrimination.

Many people may think of Spain as a male-dominated culture, he said, but many male-dominated occupations are on the decline. The employment growth rate of women in the tertiary sector is 6%, compared to 3% for men in Spain, reflecting increased levels of education for women. While female role-modeling was important, men should be encouraged to find qualified women to fill positions too. Quotas may be the only way to do this, he believed. "It is not that difficult to change certain mentalities, it can be done within a decade if there are certain things happening at the same time on the political and the educational side," he said.

Policy can help, and Ms. Blair highlighted Scandinavia which discourages fathers from transferring all of their paternity leave to mothers, so obliging each caregiver to spend time parenting. Moreover, it is not just about having the right but also about being able to exercise that right without penalty, she said. What good is parental leave if the man is not allowed to leave work at 5pm to pick-up his child from day care? A distant or absentee father is not good for children or society generally.

As for female quotas, Ms. Blair encouraged a shift of focus to middle management rather than at executive board level, since women often get stuck in the middle ranks. Targets were useful at every level of business, she said, but there were downsides. Only 1% of board members of companies on the FTSE 100 interviewed for their position. Executive boards are not the panacea. Of the FTSE 100 companies, just five are led by women. One report about women on boards, the Davies report, recommended that one third of board members should be women—you need about 30% of female representation before you can really make a difference.

Mr. Mulas-Granados cited two reasons why quotas worked well in politics: First, they set an example for other generations to follow, and second, they forced men to seek out suitable women for positions, he said.

Yoshinori Suematsu noted there was a trend of increasing female recruitment in typically male sectors and industries. Furthermore, the fertility rate has dropped dramatically. Part of this has been the choice between career and family. In Japan, only 1.7% of men take parental leave and they spend less than an hour per day minding children. Japan is in the process of setting performance targets and undergoing welfare reforms. "Without the participation of women in the industrial sector we can't bear the burden of the social welfare system, Mr. Suematsu said. "There are too many older people and so few young people", he said. The cost of social security in Japan has ballooned from US\$ 170 billion in the 1980s to over US\$1 trillion today, he said. And it is expected to reach US\$1.5 trillion by 2025. "Who can bear that?" he asked.

A participant from Costa Rica which, he pointed out, has a female president, asked the panel to suggest some public policies that might improve people's private lives. Mr. Mulas-Granados suggested more working from home to help alleviate long working days and save fuel and energy. Employers should also hold meetings earlier in the morning to enable parents to finish their workday earlier. And, he said, parents should be allowed a certain number of days, in the year, where they can take care of their children, if they are sick. Ms. Blair mentioned the example of Xerox's flexible sick leave policy, where parents could look after their sick children and then make up the hours later.

In response to a question from the floor, Ms. Blair said that what works well is when men and women work together instead of apart. She emphasised the need to use technology to inform global mentoring to bring out talent from around the world. Her foundation, for instance, provided an online facility so that a business advisor in the UK was able to mentor a woman in Palestine who was setting up her own food business. Had they been in Palestine, they might not have been able to sit in the same room together, Ms. Blair said.

→ Panel 2: Women's economic empowerment

Moderator: Alison Smale, Executive Editor, International Herald Tribune

Speakers: Nizar Baraka, Minister delegate to the Prime Minister, Economic and General Affairs,

Morocco

Sanjit Bunker Roy, Director and Founder, Barefoot College, India

Melanne S. Verveer, Ambassador-at-Large for Global Women's issues, Department of State,

United States

Discussants: Ján Kubiš, Executive Secretary, United Nations Economic Commission for Europe (UNECE)

Monika Queisser, Head of Social Policy Division, Directorate of Employment, Labour and

Social Affairs, OECD

Moderator **Alison Smale** began by asking Melanne S. Verveer why she felt promoting entrepreneurship among women was important.

Melanne S. Verveer emphasised that countries that are comparably closer to gender parity tend to be more prosperous. Indeed, according to Ms. Verveer, "there is no better way to drive countries out of poverty or to drive economic growth than women's economic empowerment". She said that women running small businesses on their own have a considerable positive impact on economic activity overall.

So why then was more progress not being made? First, Ms. Verveer blamed insufficient access to training for the few women who are active in business. Second, she said that major barriers, including lack of access to credit, networks and mentors, prevented women who do dispose of the necessary training from starting their own enterprises. Thirdly, there may be discriminatory laws or a general culture that gives women more risk-averse behaviour, all preventing them from becoming entrepreneurs.

Giving an account of the economic and social progress made in Morocco with regard to women in business, **Nizar Baraka** spoke of a "willingness to make progress in this area, particularly by learning from other countries that have gone through a similar situation". He argued that dignity was an essential ingredient for the economic empowerment of women—dignity that comes as a result of overcoming discrimination and gaining equal access to professions. The Moroccan minister described a model of incubators to help nurture women entrepreneurs — whereby more experienced women entrepreneurs would transmit their experience to younger colleagues.

Minister Baraka argued that "it is crucial that we do not limit women to small businesses and microcreditfunded activities". He said that women must aspire to run enterprises of all sizes. Asked about his opinion on the threat that Tunisian women who have gained some respect and responsibility during the uprisings will see their progress vanish soon, Mr. Baraka was confident that Morocco would be able to contribute some of its experience on the issue, as the kingdom has already undergone some changes. Sanjit Bunker Roy asked where is it written that you cannot become an engineer simply because you cannot read and write? In an inspiring and encouraging description of his own experience, he shared the story of a priest in a Rajasthani village, who could neither read nor write, yet became the first engineer to install solar power in the village. Mr. Bunker Roy felt that such a success could be replicated on a larger scale. But he decried the fact that too many young village people, once educated, became restless, ambitious and too mobile. "As soon as they have their certificate, they leave", he said, usually for cities on the lookout for a better paying job.

For Mr. Bunker Roy, conventional education was often elitist and destructive, and much know-how and potential existed already among ordinary people that was simply unutilized or being used inefficiently. As an example which the audience greeted with some humour at first, Mr. Bunker Roy told of how grandmothers from remote villages in the world's poorest countries, were being sponsored by the Indian government to travel to India and learn how to install and maintain solar panels. These grandmothers in developing countries are often far younger than many Forum participants might think, he said. They would bring their new skills home to their village, where they were likely to remain. "The sky is the limit with a grandmother" Mr. Bunker Roy said.

Discussant **Monika Queisser** wondered how the OECD could be most useful in the policy area, asking for examples that could be geared to the needs of developing countries.

Mr. Bunker Roy argued that a major problem of most policies, and one of the biggest flaws of the Millennium Development Goals, was that they are "top-down", rather than "bottom-up". The less policies are rooted in the reality of the people concerned, the more they run the risk of not being successful, he said.

For Minister Baraka, helping to provide education in new and sustainable technologies would be a major contribution to women's empowerment.

In a question from the floor, a representative from the American Chamber of Commerce in France asked what role the private sector could play in helping to promote the economic empowerment of women. Ambassador Verveer proposed investments in the technological know-how of women and reminded investors of the potential that can be freed up in emerging economies.

RT, NH, RK, Pk