

Concluding remarks by Luis de Guindos, Vice-President of the ECB, at the
Second Joint Bank of England, Federal Reserve Board and European Central
Bank Conference on “Gender and career progression”, Frankfurt am Main, 21

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Ladies and gentlemen,

It is a great honour for me to wrap up what has certainly been a productive day of work, and to bring this exceptional conference to a close.

Let me start with a rhetorical question: “Why should economists and central bankers care about gender imbalances in career progression? And more generally, why should they care about diversity – or the lack of it?”

The answer to this question is obvious. Diversity is an asset for our society and our economy, as diverse teams are known to deliver better outcomes. We can only come up with the best and most creative answers to the challenging questions facing the economy when we include a diverse group of voices in the discussion. In addition, holding back any group or minority from progressing in their career is a waste of resources, a mismanagement of human capital and morally objectionable.

Our conference today has focused on imbalances with regard to gender. Gender is one facet of diversity, but a lack of diversity in other areas is equally damaging to central banks and the economics profession.

The panel discussion this afternoon gave us a sense of the magnitude of the gender imbalance in the economics profession and the difficulties encountered by female economists in progressing their careers. To cite but a few of the facts and figures discussed: women experience a higher attrition rate than men in their academic careers, and higher-ranked academic institutions hire fewer women than lower-ranked ones. But the underrepresentation of women actually starts in school: while one in six boys in the United Kingdom studies economics at school, only one in 17 girls does so.

Another figure that caught my attention when quickly glancing at the posters in the entrance hall is that the number of black women completing undergraduate economics degrees in the United States increased by just 1% from 1996 to 2015, compared with a 38% increase in the overall number of economics graduates.

Today, we have discussed in detail a number of these structural problems that explain the underrepresentation of women, not only in economics.

Among other interesting insights, we have learned that:

- having children can slow down women's career progression;
- women who eventually reach executive positions appear to be better qualified than their male peers;
- women at the ECB are less likely to apply for a promotion than their male counterparts, which is in part explained by gender differences in attitudes towards competition;
- earlier experiences of discrimination in the workplace lower women's career aspirations;
- research papers by female authors are less likely to be selected at economic conferences than those written by men;
- female economists find it harder than their male colleagues to get published in academic journals;
- women are treated more aggressively than men at seminars; and
- women who are part of an ethnic minority not only earn less than men, but also than other women.

All of this looks very demoralising. But the good news is that, as we also learnt today, employers and corporate culture can make a difference.

Let's start by looking at the ECB. In 2010 we issued a public statement supporting diversity and took several measures to support gender balance throughout the institution. The paper presented this morning shows that women at the ECB were less likely to be promoted prior to this change, but that this promotion gap is no longer significant.

Moving to Australia, it was shown that the presence of women at the higher managerial levels of publicly listed firms is associated with more inclusive human capital development opportunities for all staff.

Iris Bohnet's keynote speech also showed us that employers and corporate action have a role to play. This morning, she introduced the concept of unconscious bias and discussed its implications. Professor Bohnet convincingly argues that de-biasing organisations is more effective in bringing about gender equality than de-biasing individuals.

The role of employers and corporate culture is instrumental in overcoming gender imbalances. This is why the ECB, the Bank of England and the Federal Reserve Board, three large employers of economists, decided to join forces to launch this conference series.

The interaction between academics and policymakers – the dialogue between research and personnel policies – is what makes these conferences special. Researchers' efforts to

uncover and quantify gender imbalances and to understand their origins and consequences are essential for us to evolve into a sector in which women are well represented and their capabilities and human capital better utilised.

The first edition of this conference, which took place last year at the Bank of England, was very successful. It triggered research on gender and diversity in central banks and provided ideas and inspiration for our human resource departments. We hope that today's conference will similarly have a substantial impact on personnel policies at our three institutions and elsewhere, as will next year's at the Federal Reserve Board in Washington, D.C.

We are proud of this initiative and very grateful to all of you who made it possible. At the same time, I hope that this extraordinary conference series soon becomes obsolete as gender equality and diversity in central banking, in economics and in society in general becomes a reality.