

Christine Lagarde: Interview with Challenges



INTERVIEW

Interview with Christine Lagarde, President of the ECB, conducted by Jean-Pierre de La Rocque

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When you spoke at the Council on Foreign Relations in December 2018, you stated that gender parity in the workplace is a “revolutionary process” that must be achieved through the use of incentives, such as corporate or government quotas. Do you think that this “revolutionary” process is now a reality in most of the major institutions, businesses and governments?

There is a certain level of awareness now, but we’re only just getting started. Gender inequality still exists in terms of access to the job market and the pay gap. In OECD countries, the gender wage gap is still 13%. Women are working more and more but are still under-represented in management positions in both the private and public sectors. The coronavirus crisis has made the situation worse for women. Women make up almost 70% of the healthcare workforce; they are at greater risk from a health perspective. During lockdown, they have been active on all fronts, forced to work while caring for their children, not to mention coping with the threat of domestic violence. As in every economic crisis, they are at greater risk of losing their jobs or of having their wages cut.

The road towards gender parity in the workplace is anything but straight. It is a long-term process that requires vigilance at all times from every

segment of society.

Is the process starting to produce results? As our report shows, women are finally gaining access to management positions. Are we witnessing the shattering of the glass ceiling, even though some institutions are still lagging significantly behind in terms of gender parity (and I am not just referring to the ECB Governing Council!)?

We have made some progress, but unfortunately there is a civil society consensus at international level that, given the still slow pace of advancement, any significant gains on the equality front will take decades rather than years to emerge – unless something changes. Even if one particular female director, or a company or organisation helps to bring about change, we cannot focus on this one achievement at the expense of the bigger picture. There are still too few women in management worldwide, particularly in the economic and financial spheres, including central banks. The 19 euro area central banks are run exclusively by men. Of the 25 members that make up the ECB Governing Council, Isabel Schnabel - a member of the Executive Board - and I are the only two women in the family photo. That's not how it should be!

More generally, do you think that women have become more influential, even outside the institutions, firms or countries with female leaders?

I think that progress is being made within institutions, firms and countries and that people are acknowledging women's ability to see things differently from men. We take a different approach to risk-taking, for example. You've often heard me say that if Lehman Brothers had been Lehman Sisters, the financial crisis of 2008 would no doubt have turned out differently. And the quality of a number of women leaders in the political or economic arena has certainly enabled better management of the unprecedented health crisis which we are now experiencing. But there are still too few women in positions of responsibility. More needs to be done in many areas. Just to give one example: we should encourage men to take paternity leave, and grant it to them for longer periods than their current entitlement of a few days or weeks.

And beyond the professional world, too, there is still quite a way to go, as is sadly evident from the prevalence of domestic violence and number of femicides.

Having long worked with (predominantly) male teams, do you see a change in men's attitudes to women accessing top jobs?

Yes, men are definitely more accepting than before of women attaining the most senior positions, and corporate behaviour is beginning to change. Not only with regard to career paths, but also in day-to-day interaction between men and women. This is a valuable and necessary transformation; moreover, the younger generations are more aware of these issues. But the real change in mentality will come when nobody, male or female, questions the legitimacy of a woman holding a position of power.

Do you find it easier and more pleasant to have women around you?

What matters in a team is the diversity of backgrounds and profiles and the complementarity of its members. Gender is a part of this necessary diversity, but it's not the sole criterion.

In your view, are there still cultural, ideological or religious barriers in some countries which are impeding this "revolution" to bring about gender parity at work. Isn't it true that women have fewer rights than men in some societies?

Yes, there are all kinds of barriers. Take legal barriers for a start. I suggest you read the most recent World Bank report on the subject. On average, women around the world enjoy only three-quarters of the rights afforded to men. Legal inequities are still enshrined in laws, even in certain constitutions, in matrimonial law, inheritance law, the signing of contracts and access to credit. Much progress has been made over the past 50 years – and France is well-placed in this respect – but in general, at global level, there is still a long way to go! Female emancipation boosts productivity and economic development. That is an established and documented fact. So, what are we waiting for?