Good Governance of Gender Balance

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Without a doubt, Hillary Rodham Clinton and Angela Merkel are among the most reputable and responsible political leaders in the western world today. Yet, among those working at the highest levels both in government and business, these two extraordinary individuals remain major exceptions, on the basis of their gender. The reality that women occupy a tiny fraction of the world's top leadership positions perhaps suggests the need to attract more women to positions of great responsibility, but "how" this can be accomplished is still a controversial issue.

Merkel today is effectively the President of Europe. She takes her responsibilities with the utmost seriousness at national, European and global level, as do few other European politicians. After the elections in 2005, she managed conveniently to jump over the egocentric Stoiber and become Germany’s Chancellor herself. Her star has since only continued to rise, and it looks like she will confidently move into a third term. However, she has the difficult task of placating the Eurosceptics (or Germany’s ‘Tea Party’ contingent) in her own party and persuading her supporters to continue to bear Germany’s historical responsibility in the European context.

Despite standing as his opponent in the 2008 primaries to become the Democratic Party’s presidential nomination, Clinton was asked by President Obama after his election to join his administration in one of the most influential posts. As US Secretary of State, she has succeeded to form a winning team with the Obama White House. She has also managed to move out from under the shadow of the other Clinton, and to move far beyond her former status as first lady. Restoring the reputation of US foreign policy has been her greatest achievement.

The fact that these two individuals stand out so starkly in ‘family photos’ of world leaders indicates that there is much more to be done to allow women to move into positions of responsibility. As suggested by research and the few real-life examples we can draw from, more women at the highest levels of government would contribute significantly to the improvement of governance. Many countries already pursue a gender-balanced composition in their electoral lists, yet women are often appointed to the more junior positions in governments. The same applies for communal elections, as was exemplified recently in Belgium.

Boards of directors and other top management functions remain the almost exclusive domain of men. Women account for only 3% of the chairmen of the boards of directors of European listed companies and only 10% of the members. Discussions to introduce binding quotas may seem artificial, but given that the proportion of women continues to rise in the lower echelons,
and is in some sectors even becoming the majority, there is no reason for the low female participation rates at the higher levels.

It therefore seems appropriate that minimum quotas for women in boards of directors, for example the 25% that the Commission has proposed, should be adopted in legislation. In the same vein, the European Parliament is right to demand that at least one member of the ECB’s Management Board is a woman, and is therefore justified in blocking the appointment of a recently nominated male. If we do not intervene now via legislative means, it is likely that we will still be speaking about this issue in the same way ten years from now. And if the West wishes to be able to show any moral superiority to other cultures, it must also act accordingly.

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