



Few Top Jobs in Economics Held by Women

by Philip Hanspach

Abstract

Women economists remain underrepresented across academia, the private, and public sectors. [The Women in Economics Initiative \(The WiE Initiative\)](#) recently published its [Women in Economics Index 2020 \(WiE Index 2020\)](#) on the status of women in the economics profession. As an independent non-profit organization, we are active on multiple fronts in our work to achieve gender equality in economics. Presenting cold, hard data is one such way of documenting successes and failures as well as stimulating debate and action. As such, this paper argues why the work of independent organizations like The WiE Initiative is important for achieving gender equality and what the WiE Index 2020 tells us about the state of gender equality today.

Economists influence decision-making across different sectors of the economy, in government, public policy, research, and think tanks. Economists also tend to be overwhelmingly male. Examining the career path of academic economists in the US, for example, the ratio of women to men decreases as we go up the ladder: slightly more women than men obtain bachelor's degrees, but among graduating PhD economists, assistant and associate professors, and finally full professors, the share of men increases drastically (Chicago Booth Review, 2019). A similar trend can be found in Europe. Friebel and Wilhelm (2019) found a lower share of women as professors (24 %) than of women who are assistant professors (41 %) and associate professors (36 %). This difference between men and women is not just large compared to other social sciences, but also greater than in other quantitative fields, i.e., Science, technology, engineering, and mathematics or the so-called "STEM" subjects (Harvey, 2019). The current unequal gender balance in economics leaves ample room for envisaging what a more equitable profession could look like. What is a "right" or a "fair" gender balance in a profession or an academic field? What would be the outcome in a world where people had equal opportunities, rather than being stereotyped, a well-documented phenomenon with consequences on many levels, as summarized by Ellemers, 2018? What would an equal opportunity workplace look like where women were not being stymied by institutions, such as career paths that punish childbearing? In academia, for example, the trade-off between research and having children is salient: given the time-cost of raising a child, only the most productive mothers dare to take up research (Joecks, Pull, & Backes-Gellner, 2014).

These questions are speculative, and ultimately it would be surprising if the distribution of men and women in each profession of such a hypothetical world equals the relative population share of men and women. However, would the share of women in leadership positions in this hypothetical world be 5 %? That is the share of women among the top 100 authors of economic literature. Would it be 8 %? That is the share of governors of

central banks worldwide. Or perhaps it would be 22 %? That is the share of chief economists among the largest companies. These are only some of the findings of the Women in Economics Index 2020, a statistical survey by The Women in Economics Initiative. The WiE Index 2020 monitors and tracks the share of women economists in senior positions across key academic institutions, the private, and public sectors globally. The results show a clear picture of a consistent underrepresentation of women in senior positions in the economic profession. We can argue about what a fair gender balance looks like, but the data and existing research paints a clear picture: we are disproportionately losing women economists along the way.

Moreover, the data shows substantial variation in gender balance across sectors and geographies. Perhaps surprisingly, academia trails the private sector and institutions when it comes to empowering women economists to reach leadership positions. In the private sector, we look at the chief economists of private companies. Comparing different sectors, we find that only 8.8% of chief economists in banks are female, whereas insurance companies and the 100 largest companies in the world have at least 20% and 21.6%, respectively (albeit in a small sample). Finally, in the public sector we find a paltry 8.3% of central bank governors are women, and 11.4% are finance ministers worldwide. The average share of women across economic advisory councils is at 25.4% (30.5% if weighted by council-size) and about a third (31.6%) of chief-economist positions are occupied by women at important international organizations.

The WiE Index 2020 data also highlights the comparatively poor performance of some of the richest countries and regions on certain measures of gender diversity, which might come as a surprise to some. For example, we found that among the top authors of economic literature worldwide, only 5% are female. In some regions, such as the Scandinavian countries, the German-speaking (DACH) countries or Oceania, this number is somewhat higher, at 9%. In Africa, however, among the top



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100 authors, 16% are women. Regarding faculty members of the top departments, the share of women in Africa is 35.3% and in Latin America at 28.2% is far above the average, with North America trailing at 18.1%. While these numbers are still very low, they offer a starting point to investigate differences between geographies. Researchers acknowledge that there are barriers in economics that disproportionately affect women in academia, such as a lack of role models (Porter & Serra, 2020). Whereas other barriers are not specific to academia or economics but affect all working women, e.g. the so-called glass ceiling, which describes the difficulty of qualified women to obtain leadership positions.

While improving equal opportunities in economics is important for numerous reasons, this paper looks at two in particular. First, it is simply about implementing better policy. What is the goal, for example, of the hiring mechanism in an organization? If it is about getting the right person for the right job, it is vital that the people leading that process should be aware of the unintended mistakes that get in the way of achieving their goal while reinforcing gender bias. The example of a STEM job ad that was unintentionally shown to fewer women because they were more expensive to advertise to, is a very familiar and much-cited example. This and other failures in planning and policy, such as those laid out in Caroline Criado Perez' persuasive book "Invisible Women" (2019) led to the development of the concept of a "gender data gap", which is the idea that women are often unintentionally disadvantaged because much of the data is not collected at a gender-disaggregated level. Moreover, some information – from specifications for protective gear to medical knowledge – is based on a male baseline or control group which sometimes has had lethal consequences for women.

The second reason is that reducing barriers to access can have unintended positive consequences for everyone. For example, a building that is designed for barrier-free access makes life easier for people in a wheelchair. At the same time, barrier-free design in a building also helps the courier pushing a heavy cart loaded with packages and the traveler with a suitcase, even though they were not the intended beneficiaries. Similar effects are plausible in academia and professional life. For example, obtaining a permanent position as an academic economist is often tied to an evaluation of their publication record a few years into a junior job, typically just at the time when many women decide whether they want to have children. This race against time, the dreaded "tenure-clock", often runs concurrently with women's biological clocks due to the increasing time to complete a PhD in economics (Stock, Siegfried, & Finegan, 2011). Reforms that bring the duration of economics PhDs in line with other disciplines, would save everybody's time, but the impact is particularly important for women.

Many organizations have started thinking about and seeking further knowledge on gender equality, including professional organizations, international institutions, governments, and private companies. Indeed, if knowledge is power, then the WiE 2020 Index is a pivotal tool to help these various organizations strive towards achieving gender equality. The Women in Economics Index 2020 is the second publication in this series with the first Index being published in 2019. The overall goal of the WiE Indexes is to create a time-series that captures long-term trends in gender equality. Moreover, the WiE Index 2020 is judicious in its choice of indicators which provide a broad overview and cover a wide range of different positions. These positions are further investigated and additional data on the gender distribution within these positions is also collected, including geographically disaggregated data to identify interesting variations.

To conclude, the lack of movement in the WiE Index 2020's statistical indicators since last year speaks as loud as thunder. It is a reminder to decision makers who pay homage to and talk about gender diversity, of how little has been achieved and how little is changing. There is no need for dramatic words or exclamations when the cold, hard data, speaks for itself - when, for example, of 168 governors of central banks throughout the world only 14 are women. By becoming informed of the inequities which exist in relation to gender equality, we hope that the WiE Index 2020 serves as a first step towards allowing others to become agents of change.

More information on the WIE and The WiE Index 2020 available via this [link](#).

Disclaimer: The views and opinions expressed in this paper are those of the author and do not necessarily reflect the official policy or position of the Young Professionals in Foreign Policy Brussels and the Young Professionals in Foreign Policy Organization as a whole.

About the author

Philip Hanspach is a co-founder and Head of Research at The WiE Initiative. He pursues a PhD in economics at the European University Institute in Florence. His work with the research team at The WiE Initiative includes the Women in Economics Index and other research projects. Previously, he worked at NERA Economic Consulting's European Competition Team in Berlin, investigating mergers and actions for damages. He holds a master's degree in economics from Toulouse School of Economics and a B.Sc. in Economics from the University of Bonn. His professional interests include industrial organization and the economics of artificial intelligence.



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