

The Economic Club of New York

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Women in Business
Return on Investment

CLOSING FIRESIDE CHAT

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Chaired by: Rachana Bhide

Speakers: The Honorable Maryam Monsef
Minister of Status of Women and Gender Equality & Minister of International
Development, Government of Canada
Marlene Schiappa, Minister of State for Gender Equality, France
Cristina Shapiro, Head of 10,000 Women, Goldman Sachs

Introduction

Rachana Bhide

I have the absolute privilege to pose some questions to our panelists. Ali mentioned I work for Bloomberg. I read for Bloomberg Radio in London. And I also run a project called the Corner of the Court Project. We've talked a lot today about involving men in the discussion. And so the website that I started two years ago is a website for women to talk about their amazing careers and also give a shout-out to a male ally, to encourage men to see that they are making actionable, measurable outcomes in the fight and the joint partnership for gender equality. So with that, I will pose the first question to our panelists. Canada, I'm going to start with you because Canada last year did a lot as the head of the G7 to bring gender equality to the G7 with foreign policy, with trade agreements, etc. Minister Monsef, what are you most proud of?

MINISTER MARYAM MONSEF: Bonjour, Marlene, Salaam-Alaikum. On behalf of the Prime Minister of the Government of Canada, I want to thank Phyllis Yaffe and her team for convening all of us here today. For me, the most important aspect of G7 was that we were able to mainstream an intersectional gendered lens – for the super-nerds in the room – into every item of the agenda, making not just the moral case for why gender equality is the right thing to do, but also the economic case. So that in itself was historic. We had a group of some of the most world-renowned...(Alarm going off) Time's up...(Laughter)...some of the most well-known, well respected feminists from around the world sitting around the table with the leaders of the most

developed countries in the world, providing them insights. That was historic. The fact that France is continuing that work and building on the roadmap as opposed to starting anew, that's a big deal. And on a really personal level, when I entered politics, one of the things that I had to let go of was a little non-profit that my best friend and I had started selling red scarves to raise money for women and girls in Afghanistan, my ancestral land. And the day I gave that up was the saddest day ever. What ended up happening at the G7 table was the countries came together and together pooled their money and it added up to \$3.8 billion to educate girls in conflict zones – the single largest investment of its kind ever. So, to be at that table and to watch everyone come together to do that, that was pretty special.

RACHANA BHIDE: That's great. That is a lot to be proud of. (Applause) Thank you, Minister. And you've handed the reins over now to France. And I also wanted to express, thank you so much, Minister, for sharing a personal story. We've heard a lot of data today. We've heard a lot of compelling reasons. We've heard business cases. And because it's the end of the day, and I'm a psychologist by trade, I would love to hear some stories. And I also know that stories are often best told in native language. So I can also open it up – thank you for speaking English, but I'll also open it to anyone who is a French speaker to tell your stories also in French. I won't understand them. But I trust that they'll be great. So, with that, Minister, as you've handed the reins over to France, talk a little bit about the G7 and what you're working on.

MINISTER MARLENE SCHIAPPA: Yes, thank you. First of all, if you don't mind, I want to

say congratulations to my colleague, Minister Monsef, because she's now just not only in charge of gender equality but also in development and international cooperation. So, I'm your impresario. I want to say congratulations because I think you are a role model, not only in Canada but all around the world. And I'm so happy to see many role models in the room here and our senior entrepreneur, Catherine Barba, our French Counsel Anne-Claire Legendre, and so many women, amazing, here. And I think this is how we can achieve gender equality, by saying these women can do this. So, little girl, you can do this too. So about the G7, I want to say we have that chance to lead the G7 after Canada who has great leadership about that subject. Canada created a Council for Gender Equality. And our President, Emmanuel Macron, said to Justin Trudeau he wants to put on that council. So we launched the Gender Equality Council in the Elysee last month. And the president asked that council to make a benchmark about the best laws all around the world for gender equality. So in the Ministry, in May, in Paris for the G7, every state will have the best laws for women all around the world. And every member of the G7 will make the commitment to implement at least one of these laws. It's pretty important because it's part of the foreign policy, about the feminist foreign policy of France, which is new. Since one year, France is leading that feminist diplomacy. The president created a prize, _____ to support African women to fight against gender-based violence all around the world. (Applause)

RACHANA BHIDE: That's great. And Cristina, I'm going to get to you in a second, but I want to keep it a little bit close to home here for a moment because Cristina is going to expand us out into parts of the world where women are doing some amazing things. Ministers, talk to us a little

bit about what you expect next. What's a call to action that we can all take to support you in your efforts?

MINISTER MARYAM MONSEF: Well, first of all, keep coming together like this. And there are forces upon all of us – regardless of which corner of the world we inhabit and work in – that are working to undo the progress that we've made to pull us back. And the backlash has existed for as long as we've progressed. Every time there has been advancement in achieving rights for women in gender equality, there has been backlash. There was backlash when we got the right to vote. There was backlash when we entered the workforce. There is backlash as more and more of us take our positions in places of power and influence. Just look up any of our social media feeds to see for yourselves. The antidote to that is forces that see the economic and moral case in equality coming together, organizing, speaking up, and ensuring that our voices are louder. For Canada, we believe that the most effective way to advance gender equality is by investing in organizations and entities that support women and girls. These are non-profit organizations. These are entrepreneurs. These are social enterprises. And if there's anyone in this room who wants to partner with Canada on this work, we are with you.

RACHANA BHIDE: And hopefully some folks are with you as well. (Applause) I think that does deserve applause. And also I think it's critical that one of the themes that we've heard is that investing in women is not a charity. There's real return. So underscoring that, I think, is very important. Cristina, I'm going to ask you now. What is the private sector doing? What is

Goldman doing?

CRISTINA SHAPIRO: Thank you so much. It's an honor to be here with the Minister of Canada and France, so thank you so much for having me. From a private sector perspective, I think there's a lot of companies that are looking at this issue and doing innovative things. From a Goldman perspective, I can say that gender equality is deemed an economic imperative. And supporting women's economic empowerment is something that we've taken very seriously for over a decade because it has an impact in terms of the returns that we can bring to our clients, our shareholders and the impact we can make in our communities. And it's our way to improve economic growth beyond what we do in the markets. So we launched 10,000 Women ten years ago. The anniversary was last year. The results for that program have been sustained and strong in terms of 70% of the graduates of that program going on to increase revenue by 500%. Sixty percent of those graduates increasing their employee base two-fold. And what's more incredible is 90% of those women going on to mentor an average nine other women. So the results have been sustained and strong. But what we realized then is that that wasn't enough and all of the women entrepreneurs that we were speaking to – even though they represent a third of the businesses that are registered businesses around the world – they were getting a disproportionately limited amount of capital. So it led to our partnership with the World Bank through which we've since deployed \$1.2 billion to women-owned businesses. And then recently we took our program and put it online for free so that many women, all women all over the world who wanted to take that rigorous business education program could do so on their own. But

that's not enough. What we did was, through our philanthropy and as we looked at what our firm could do to further promote gender equality, we realized we need to put our commercial muscle behind that. And last year Goldman Sachs launched Launch With GS, which is putting \$500 million of the firm's capital – and the expectation is that that's just the beginning – into two ways. Investing the firm's capital directly in women-owned, managed, or led companies, but also raising a fund to invite clients to invest in women investment managers. You heard from many people before me the dire situation around the under-investment in women-owned firms and women investment managers. So that's just an example of what we're doing. And the last thing I would say is that we're putting our research to work too. Our research is what helped us launch 10,000 Women. And then recently our Global Markets Institute published a paper around women in the workforce showing the disparity that still exists in the United States in gender pay and giving a few ideas on what more players in the private sector can do on that regard.

RACHANA BHIDE: Cristina, talk a little bit about the importance of having a big brand behind the efforts. Is that helping? Are there ways that smaller players can also make an impact?

CRISTINA SHAPIRO: I think it does help. I think when Goldman does something, there's a lot of attention. Sometimes it's not positive. Increasingly it is. I think people were doubtful when we first started and now people realize that it isn't something that we just did, you know, as a side project. It's something that the firm has invested in. All of our senior leaders and CEOs and COOs and senior leadership team has gone to the graduations in places like Nigeria and India

and have been part of mentoring women from all over the world. I think the role of other players is critical. Everything we do is through partnership. We've partnered with the U.S. government. We look to partner with other governments when possible. Everything we do is with local academic institutions in market or non-profit organizations that are reaching the women in the markets where we're delivering the business education and can help them understand the value of the program or engaging them once they graduate from the program and welcome them into an ecosystem. So I think that is critical. We're putting money behind it, but we're one firm. And whatever we can invest either through 10,000 Women or Launch with GS is simply not enough to address the gap in under-investment in women.

RACHANA BHIDE: Yes, and you know, you talk about collaboration. I'm going to ask you, Minister Schiappa, as you hand over next year to, presumably the U.S., what do you expect? What is needed to sustain some of the work that you're doing?

MINISTER MARLENE SCHIAPPA: About the G7?

RACHANA BHIDE: Yes.

MINISTER MARLENE SCHIAPPA: Yes. We have three priorities. First of all, fighting against gender-based violence because I think when a woman has to fear about her own security, she's not able to become a leader, to negotiate her career, to live her life. So that's why in France we

adopted a law last year against street harassment because when you are walking on the street, you have to be free whether you are a boy or a girl. And you don't have to live in fear and to watch behind your shoulders and to watch where you can sit in the subway because maybe some man is going to come and harass you. So I think it's really important. We want to struggle against all kinds of gender-based violence, cyber bullying, street harassment, rapes, every kind of gender-based violence. And then the second priority, we want to help women in Africa and, most particularly, in the Sahel, because our president thinks it's an important topic. And all the G7 are going to work together to create kind of a bank who can support the economic and the entrepreneurship for women in Africa and most in Sahel. And the third priority, we want to act about education because you know you have some who says girls just want to have fun, but I think girls just want to have education. (Applause) Because when you are educated, you can have fun. You want me to continue?

RACHANA BHIDE: Yes, we had to applaud for this one, but yes, I think...you have three.

MINISTER MARLENE SCHIAPPA: And this is our three priorities for the G7. And after us, it will be the United States so we want the United States to keep committed. And we think we can have some topic when we can work together. I know Canada is really committed about fight against gender-based violences. And after the G7, our president wants the Council for Gender Equality to continue and to evaluate the laws because it's not only about having laws, it's about how the laws are changing our lives. And we are happy because this morning I announced in the

United Nations that France is going to organize, it's going to host a huge event in 2020. We are going to host the Beijing+25. You know in Beijing you have a huge convention on the United Nations about gender equality. And France will host that event in 2020 on behalf of the United Nations. So it's great and I'm inviting all of you to come to France in 2020.

RACHANA BHIDE: That's brilliant. That is brilliant. We should close there, but we have a lot more to get through. So I saw you taking some notes, Minister Monsef. Do you have anything, anything to add?

MINISTER MARYAM MONSEF: I take copious notes. It's how I retain information and also follow up. So the notes that I'm taking are a follow-up to what Minister Schiappa says. If she has to worry about, like who are these women entrepreneurs that we all want to invest in? Right? She's the woman who is experiencing domestic violence at home. She's the young student who has a few things going but also wants to be her own boss. She's the indigenous woman living in the northern part of Canada where six months of the year, it's dark, and six months of the year it's light. And she has crafts and traditional knowledge that she can turn into goods and services. So who are these women that we're trying to support is really important? And in Canada, the Prime Minister has put gender equality at the heart of everything we do because it's the right thing to do, because it's smart, it benefits everyone. It grows the economy. But in Canada, every two and a half days, a woman is killed. In Canada, every six days a woman dies at the hands of her intimate partner. In Canada, less than 5% of our CEOs are women. And those women earn

\$0.68 on the dollar of what their male counterparts earn. In Canada, only 27% of the seats in Parliament are occupied by women. Only one in five seats around corporate boards are made up of women, which is probably why there's only 5% of our CEOs are ending up to be women. In Canada, the gender wage gap is \$0.88 on the dollar. And we started measuring it 108 years ago. It was \$0.52 108 years ago. It's \$0.88 now. There's been a lot of progress – in the last 108 years, we've sent people to the moon, we've invented cars, we've invented airplanes, we've invented computers, the internet, artificial intelligence. We've done some really amazing things and yet we can't close the gender wage gap. Part of it is we need to support those organizations on the ground that are helping to piece women back together after they've experienced violence. Part of it is we need to ensure that we continue to stand up for women's sexual health and reproductive rights. Part of it is role models, as Minister Schiappa says. If she can't see her, she can't be her. Only 16% of our businesses are majority-owned or owned completely by women. So part of what we're working to do is reduce taxes for all businesses, ensure that we address the red tape. We keep hearing there's a cumulative regulatory burden. We're reforming that. We're investing in a women entrepreneurship strategy which you probably heard a little bit about. We're partnering with BDC. We want to double the number of women entrepreneurs by 2025. And we're actively looking for partners who will hopefully come to Women Deliver for the first week of June. And I see that the head of Women Deliver is here with us today. Because we actually don't have that much time left. SDG-2030 is 11 years away. And I don't know about you, but I really don't want to come up with another acronym to replace SDG for if, God forbid, we don't make the time line like we weren't able to for the millennium goal. So the time is now. And if

I'm taking notes, it's because we have a lot of work to do and we don't have a lot of time.

(Applause)

RACHANA BHIDE: Thank you so much. Yes. Thank you. And I know for a fact you knew all of those facts by head. You were not...

MINISTER MARYAM MONSEF: They haunt me.

RACHANA BHIDE: I can imagine. Do you see exponential change happening? I mean was it somewhat linear and now will we be able to accelerate seeing progress?

MINISTER MARYAM MONSEF: Something is different. Something is in the air. Things are changing. Maybe not seismic shifts, but we are having these conversations. I want to thank everybody who is not a usual suspect in this room. We are having the conversation about the economic case for gender equality, not just the moral case. We have leaders, like the head of the U.N., the president of France, the Prime Minister of Canada openly saying, proudly saying they are feminists. We have men as part of this. And to the men in this room and to all the men who want to be part of the solution, I salute you. We need you. We can't do this work without you. And something else that's different, the voices of women of color, women with disabilities and exceptionalities, indigenous women, LGBTI we're starting to hear them too. And most importantly, I think, for the next generation we're starting to collect the data. Because if it's not

measured, it does not count. And what gets measured gets done. So that's an accountability mechanism that's in place. And look, the U.N. is bringing together civil society organizations from all over the world together this week and next. And the good news is we're part of a movement, right? It's existed long before any of us got here. It's a movement that will exist long after we're gone. And if we work together, I actually think that we're going to leave the movement and the work in really, really good shape and make it really hard for others to undo our progress together. So not significant changes, but enough change to give me hope and optimism.

RACHANA BHIDE: So that we don't see the backlash – to use your words...

MINISTER MARYAM MONSEF: Oh, we will see the backlash, but we'll have to work together to be louder than the backlash because there's a lot at stake.

RACHANA BHIDE: Yes. And I really appreciated that you also took us to some places in Canada where women are doing these things and some of their stories – the indigenous women, certainly other conditions that women create their companies and their livelihoods from. Cristina, can you give us some examples of what you've seen, some really compelling things that women are doing?

CRISTINA SHAPIRO: Absolutely. I mean I just want to say one statistic, just even for the U.S.,

but then I'm going to go to Egypt.

RACHANA BHIDE: Yes, of course.

CRISTINA SHAPIRO: I was reading the news yesterday and it talked about how in the U.S., about 2,000 businesses, women start about 2,000 businesses every day. And 64% of those are started by women of color. So just to highlight, again the diverse nature of the business owners and how creative it is. Now those businesses are not surviving necessarily at the rate that non-diverse businesses, but a lot of it is because they don't have the networks. They don't have the access to the financial resources. They don't have access to the tools that they might need. So I do want to urge everybody in this room to think about how did you get to where you are and how do we create more of those vertical networks for more women who are behind us, alongside us, in front of us? Because I was speaking to this incredible woman entrepreneur this morning from Mexico and she said it's hard because most women, when they look up, they don't see people like them. And so if men are only bringing up in their network more people like them, then it's going to be really hard to create that diverse playing field. So I just want to leave us with that because I think it's very important. But for a really compelling story that takes us away from Canada and France is this incredible entrepreneur that I had the privilege of meeting called Reem Fawzy. And this is a woman who started a business in the year 2000, a tourism company in Cairo, primarily catered to a foreign tourist coming to Egypt. So a woman in tourism in Cairo, not obvious, right? But she was doing it, had 20 employees. Had grown her business to 100

employees and then the revolution came. And she had a choice to make. She was getting an offer to be employed by a company, but she would have to shut down and let go of all of her employees or she could stick it through and see how she could identify a way to grow her business, which is what she did. And that's when we were lucky enough to have her enrolled in the 10,000 Women Program in Egypt at the time. And fast-forward, Reem is a story of incredible resilience. Not only did she revamp Rimo Tours and grow it to be in multiple – not only in the Cairo airport, but to have different outposts throughout the country – she started to focus on domestic tourism realizing that there was a lot of people in Egypt that were traveling within the country that she could cater to, reducing her impact for the volatility in foreign tourists. But then she launched a second company called Pink Taxi. And Pink Taxi is a taxi company for women by women. And similar to what you talked about, Minister, that no woman should not go to work or not be an entrepreneur because she doesn't feel safe, she realized that a lot of women were not getting to work or not taking public transportation because they didn't feel safe and they were getting harassed. So she launched this company, Pink Taxi. It's now all over Cairo. She's employing 450 people across both of her companies. Not only that – as if that weren't enough – she now started an academy to train underemployed women in Cairo to be professional drivers. So these are women that might have their license, but customer service, understanding what parts of the city they can and cannot go to. And I just think, what if this woman, this amazing woman had chosen to be employed by somebody else instead of being resilient and sticking with it and creating a growth strategy for business, we wouldn't have 450 people in Egypt employed by her today or more than 1,000 people that she's trained through her academy. So these are stories

every single day. It's a story of resilience. But again, they need a male counterpart to be their advocate as much as they need a female counterpart. They need legislation. We need gender disaggregated data so we know if Reem is disadvantaged when she applies for a loan. Banks should know if Reem is a woman or a man when she's applying for a loan so they can be more intentional in giving her the right product. So all of these things matter. And we're seeing progress, but it's certainly not where we need to be.

RACHANA BHIDE: And she's paying it forward as well. So on top of her two companies, she is also training and mentoring women, which I think is an incredible message. We have time for just one more closing thought. So I'm going to open it up to the panel – French or English – closing thought. What gives you hope?

MINISTER MARLENE SCHIAPPA: What gives us hope? I think it's about sisterhood. You know we were talking about it earlier. And I think we spoke, we talked, we tweeted a lot about relationship between men and women. But I think we have to think about relationships between women and other women and how we can help each other. You know Madeleine Albright says there is a special place in hell for women who don't help other women. (Laughter) But every day we have a hundred of examples of sisterhood and you just gave one that I don't know. But you know I'm not always comfortable in English and so you said you can speak in French as if you are talking to the panel, but you are talking to me. And I know, and this is a great example of sisterhood and I truly believe we can make this if we are helping each other. If any time, one

woman, no matter where she is, her political views, we are taking her defense, we are having her back. And if we are making the principle – you shine, I shine – every time we can quote another women, valorize another woman, puts the lights on another woman, we are helping our gender and so we are helping humanity. So sisterhood is giving me hope. (Applause)

RACHANA BHIDE: Minister Schiappa, Minister Monsef and Cristina Shapiro, thank you so very much. Did you have one more closing comment? You do?

MINISTER MARYAM MONSEF: (Speaking in French....) And there is hope. The YWCA is the largest and oldest woman's organization in Canada. It's an organization that gave my family a place to stay when we first arrived as refugees to a lovely place called Peterborough, Ontario. The YWCA came to the government of Canada and said, look, there are a lot of women struggling with violence and we want to help support, get them into the labor force. We need \$1.25 million. This is a really trusted organization. So we worked with them and we got them the money. They then went to a bank, the Royal Bank of Canada, RBC, and they got a quarter of a million dollars. So then they were able to provide wrap-around services to women escaping violence and abuse and help get them ready for the labor market because like many of you we have an aging population and jobs need people. Shortly thereafter, Winners came on board with a million dollars. And so the investment that the government of Canada made in these women was immediately matched by the private sector. These individuals lives are going to be transformed but we're also breaking the cycle of poverty for generations. That gives me hope.

RACHANA BHIDE: That's brilliant. That's brilliant. It's a wonderful note to close on. Thank you again, Minister Schiappa, Minister Monsef, Cristina Shapiro. (Applause)