

Jorgovanka Tabaković: The importance of women and gender equality

Speech by Dr Jorgovanka Tabaković, Governor of the National Bank of Serbia, at the Conference organized by the Official Monetary and Financial Institutions Forum, on the occasion of the launch of the Global Public Investor Gender Balance Index, London, 7 March 2018.

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Ladies and gentlemen, esteemed colleagues,

1. Know thyself, 2. Nothing in excess, 3. Make a pledge and mischief is nigh. The inscription on the entrance of Apollo's temple in Delphi with these three rules is the key to a successful life, if success is measured by satisfaction with oneself, and others' satisfaction with us.

However, these three commandments are highly illustrative of the woman and her role in society today. What do we want as individuals, what is our accomplishment, what are we ready to sacrifice in achieving the selected objective, and is every sacrifice for the fulfilment of that objective necessary and justified? And do we know how to remain masters of our peace, our happiness, without promising too much because we are offered the chance to participate in the game?

As the end of February is near and 8 March draws closer, the titles of high-brow world weeklies and magazines usually resemble one another. As a rule, the gist of these articles is centred around the difficulty of striking a balance between motherhood and career.

Why is the choice always OR, black or white, career or motherhood, as I wish or not at all? Balance is the key to success.

A career or motherhood?

Motherhood is not inevitably a family. But family is both an obligation and support. How have we sacrificed family in favour of services? Instead of solidarity within our homes, family and generations, we've got paid services – of childcare, care for our parents, care for the elderly. We now have lonely beings who, in a race for individuality and acknowledgment, have lost a measure and, thus, a clear objective for achievement. Not all relationships are based on purchase and sale transactions. Not everything can be bought. It is therefore necessary to preserve humanity, self-respect and the respect of others.

Being a woman is wonderful. Being a mother is even more wonderful. I testify this with my experience with three grown-up children – two daughters and a son. They are good and educated people that I am proud of and whom I respect.

Being a successful woman, a satisfied woman and a mother who shows that these two things can go together – this is the best way for motivating others.

As a woman governor who comes from beautiful Serbia, I have chosen for today's event the following topics: 1) the issue of vertical advancement, 2) the issue of the first promotion, 3) the dilemma what the legislator can do, and 4) of course – the implementation of gender equality in Serbia, with a focus on the financial sector.

Issues of vertical advancement

In terms of the corporate ladder, it is hard to explain why women's participation at the top of the ladder narrows. This cannot be explained either by the choice of the profession or the purported "lack of ambition" among women. Women's participation in the total number of students

graduating from management colleges is increasingly higher each year. However, the number of women in managerial positions does not follow this rate. The situation in Serbia is similar. More girls graduate from universities than their male colleagues. More women complete PhD studies than their male colleagues. Still, this does not influence too much the increase in the number of women on the vertical corporate ladder.

Issue of the first promotion

What is the reason for this? In the past, there was a belief that women are simply not determined in asking for promotion, but this seems not be the case any longer. For instance, the research carried out by the McKinsey consulting firm in 2016 shows that women equally request promotion as their male colleagues. The research also shows that women get promoted at an equal pace as men from the medium and senior management. However, the advancement at lower positions is much more commonplace among men. One of the reasons may be the fact that employers are less motivated to appoint to managerial positions women who are in such a life phase when it is likely that they will go on maternity leave and have small children.

One of the reasons explaining this pattern also lies in the imbalance in terms of understanding family responsibilities. Although men today assume more obligations in relation to the upbringing of children than was the case with their fathers, research confirms that they usually overestimate their share in caring about children. It also seems that they underestimate the consequences of the care about children for the careers of their female partners. Still today, fathers who participate in raising their children by changing nappies and driving children to school – are rare.

What can the legislator do? Offer a chance, but the chance should be used. A person should believe that the chance is not only a dead letter, a quota. Evidence is needed that the chance is real. But these are only successful examples. Examples at all levels. Because society is led by the best, but society also needs the average ones whom we must promote.

Let us not forget that official state policies also play a role in the division of responsibilities of both parents. It is not only that state policies aim to equalise the cost of labour for men and women. They can affect, often indirectly, the companies' decisions on who to promote more or more frequently.

In Serbia, the state guarantees a year of paid maternity leave for the first and second child. The leave can be used either by the mother or the father. For the third and fourth child, this period is two years.

Unfortunately, sometimes policies that seem neutral at first sight in fact widen the gap between men and women. For instance, some universities introduce the possibility for men to go on maternity leave. Some men use such leave to write books and carry out research, and not to look after the baby. In this way, they ensure advantage over other colleagues. I do not wish to generalise, I'm just giving examples.

What is the situation in Serbia?

From a legal perspective, citizens of Serbia enjoy gender equality guaranteed by the Constitution. Through generations, a lot has been done to raise social awareness about the fact that there are no special women's rights, but the obligation of society and each individual to consistently respect the BASIC human rights.

In Serbia, women make up 56% of students who enrol in universities, and as much as 58% of those who graduate. Women take a lead in PhD studies as well, whereby they have an educational advantage over men in Serbia.

Women in government institutions

In the Government of the Republic of Serbia, the situation today is much more favourable. Women take five places – including the president of the Government and four ministerial positions. The number of women in government institutions is increasing as well. One third of the total number of MPs in the Serbian Assembly are women, which is almost five times more than ten years ago.

In Serbia's financial sector

As the central bank governor, I can say that I am proud that women in Serbia are dominant in the financial sector. Women in Serbian banking make up the majority of employees, though they are somewhat less present on managerial jobs. Women are executive board presidents in ten of 29 banks, and presidents of the boards of directors of five banks. In terms of activity, women in Serbia are the best paid in financial activities.

At the National Bank of Serbia

When it comes to the National Bank of Serbia, which I head for the sixth year, I can freely say that gender equality is respected and implemented. The Bank has been operational for almost 134 years already, with women governing the Bank for somewhat more than six years. The Bank has had 31 governors, of whom two women. (The first was elected in 2003 and endured only several months, whereas I am into the sixth year of my term.) However, chronologically, women's involvement in managing central banks is dominant in the 21st century. It has often been the case that women make up the majority of members of the Executive Board of the National Bank of Serbia. They thus had the key influence on making strategic decisions.

Today, women at the National Bank of Serbia take the position of the governor and a vice-governor. Ten of 21 general managers at the Bank are women. Furthermore, of total 189 managers, 115 (58%) are women, while 83 are men (42%).

Let me conclude. Women's participation in senior management positions still lags behind the participation of men. The ratio is usually one to five. Women are not less ambitious than men, but the time when women merit the first managerial position overlaps with the time when they start a family. The legislator can offer a chance, but the chance should be used. One should believe that the chance is not only a dead letter, a quota. Evidence is needed that the chance is real. Because society is led by the best, but society also needs the average ones whom we must promote. I can personally confirm that at the National Bank of Serbia which I head for the sixth year there are no quotas for the promotion of women to managing positions. The persons currently heading the Bank's organisational parts are experts with considerable experience. I know that such a balanced and modern approach has given a significant contribution to the great success that the National Bank of Serbia has achieved in fulfilling its mandate.

Thank you for your invitation. I wish that next year both statistics and the reality improve in favour of women.