

Episode 2 — Myth: Gender quotas thwart meritocracy

Overview:

The issue of whether to implement gender quotas for leadership positions, boards, political parties, and other groups is hotly debated. Some have argued that quotas are necessary to push gender equality forward and create a more level playing field. Others believe that implementing quotas gives an unfair advantage to women who do not deserve these positions: if they did deserve them, they would achieve them on their own merit. In other words, they perceive that gender quotas thwart meritocracy. We bust this myth with leading experts to show how quotas can actually be more beneficial than harmful.

Featured Guests:

Dr. Rainbow Murray, *Queen Mary University of London*

Dr. Daehyun Kim, *University of Toronto*

Research Mentioned:

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2. Duchin, R., Simutin, M., and Sosyura, D. (2021). The Origins and Real Effects of the Gender Gap: Evidence from CEOs' Formative Years. *The Review of Financial Studies* 34(2), 700-762.
3. Besley, T., Folke, O., Persson, T., and Rickne, J. (2017). Gender quotas and the crisis of the mediocre man: theory and evidence from Sweden. *American Economic Review* 107(8), 2204-2042.
4. Murray, R. (2014). Quotas for Men: Reframing Gender Quotas as a Means of Improving Representation for All. *American Political Science Review* 108(3), 520-532.
5. Kim, D. and Starks, L. T. (2016). Gender Diversity on Corporate Boards: Do Women Contribute Unique Skills? *American Economic Review* 106(5), 267-271.
6. He, J. and Kaplan, S. (2017). The debate about quotas. Institute for Gender and the Economy. <https://www.gendereconomy.org/the-debate-about-quotas/>
7. Rivera, L.A. and Tilcsik, A. (2019). Scaling Down Inequality: Rating Scales, Gender Bias, and the Architecture of Evaluation. *American Sociological Review* 84(2), 248-274.

Transcript

Episode 2 — Myth: Gender quotas thwart meritocracy

Rainbow Murray: So if you're concerned about someone being elected on the basis of their gender rather than their merit, then you'd do better to look at existing politicians who have had an unfair advantage through being male, which has allowed them to get into politics in greater numbers than their merit would dictate. And as a consequence a lot of the research that has looked at the impact of gender quotas has found that it has increased the quality of politicians.

Alyson Colon: That was Dr. Rainbow Murray, speaking on how we need to reconceptualize how we think of gender quotas. Welcome to Busted, a podcast by the Institute for Gender and the Economy. In this podcast, we bust prominent myths related to gender and the economy. By teaming up with leading experts, we uncover the origins of each myth, find out what the research actually says, and give you the tools to bust each myth yourself. We're your hosts, Alyson Colon, and my pronouns are she and her --

Carmina Ravanera: And Carmina Ravanera, and my pronouns are she and her.

Alyson: Today we're going to bust the myth that gender quotas thwart meritocracy. Carmina, let's go into what exactly this myth entails.

Carmina: Absolutely. Gender quotas can be a contentious topic, whether we are talking about them in terms of politics, boards, or other roles. A gender quota is a defined proportion or number of places or seats to be filled by people based on their gender.

Alyson: So what is the myth exactly?

Carmina: The myth is that gender quotas give an unfair advantage to women, because if they had the correct skills and abilities – in other words, the merit – then they would be able to achieve these positions on their own, without quotas. So, quotas impede meritocracy. But this perspective does not take into account one glaring, incorrect assumption: that these positions are achieved solely on merit in the first place. This is something that we are going to unpack today.

Alyson: Let's talk a bit about this concept of meritocracy. What exactly is it? Why is it important?

Carmina: A meritocracy is a society where merit rules. That means that people are rewarded for their talents, achievements, and skills – rather than, for example, their wealth or race or class. But the important question is, do we live in a meritocracy?

Alyson: I think a lot of people would argue that we do...I think people in general think that those who have talent and they work hard, they're going to rise to the top.

Carmina: Right, but it's a bit more complicated than that. To learn a bit more about this, I spoke to Dr. Rainbow Murray, who is a Professor of Politics at Queen Mary University of London. She is an expert on gender politics, representation and political institutions. Rainbow was also the first Senior Diversity Lead at Queen Mary University of London. Her current research focuses on merit and quality in political representation, and the representation of minority men in politics, among other topics. Let's listen to what Rainbow had to say about meritocracy.

Rainbow: The concept of meritocracy is that we choose the best people for the job based on their talents and abilities and experience. And this is intuitively very appealing, because of course we always want the best person for the job. And our understanding of meritocracy is that what that means is that whenever you're selecting candidates for a job, you just choose whoever is best irrespective of their gender or any other quality. And so we often shy away from concepts like gender quotas because we think that they are no longer selecting on merit. But that assumes that we are already selecting on merit, and yet often, no this isn't the case. We see that frequently, people have advantages based on their social background,

their gender, their ethnicity, where other people are discriminated against, while some people have an unfair advantage. And so whilst we might want to be choosing the best people for the job we often aren't doing so under the status quo.

Carmina: Let me tell you about a few studies that really bring what she's saying to right here. When we look at Fortune 500 senior executives, we see that 72% of their corporate leadership are white men. And, one study from 2018 looked into the characteristics of CEOs in the United States. They found that of 587 men CEOs, over 71% of their fathers had white-collar jobs, about half attended private colleges, and nearly 20% grew up in families in the top 1% of the national income distribution.

Alyson: Wow, those are pretty glaring statistics.

Carmina: Yeah! There is definitely an overrepresentation of upper to middle class, white men in powerful jobs. And then it becomes hard to argue that we are in a meritocracy, because that means that white men must have more merit than women, or any other race and gender combination. But most people would agree that is not the case.

Alyson: Yeah, I think it would be hard to explain those statistics you just gave, solely using a meritocracy lens.

Carmina: And the argument that gender quotas will allow unfair preferential treatment of women incorrectly assumes that the people holding these jobs currently, are solely there because of their merit. Along with skills and talents, there's also structural advantages like connections, inherited wealth, or other advantages like gender bias that helped them get there.

Alyson: So Carmina, I really want to bust this myth because I feel like it's extremely persistent!

Carmina: Yes, people are very attached to the idea that those in power got there completely on their own merit.

Alyson: It makes me think about the work of one of our researchers, Dr. András Tilcsik. He conducted a study that looked at rating scales. He discovered that men and women with the same performance are evaluated differently because people don't perceive women as "brilliant" or "geniuses" as much as they do men.

Carmina: Oh, interesting.

Alyson: Yeah, you can see how something seemingly objective like a performance review could influence, say, getting a promotion. But in fact, that performance review isn't objective at all, it's impacted by our biases about gender. So people may have talents, skills, and merit, but they can't make it into powerful roles if the structures create barriers for them to do so.

Carmina: Exactly. We know there are many economic, political and social barriers that keep people from being rewarded for their talents and skills. One good example is that women who are highly qualified and run for political office face sexism and discrimination at every turn.

Alyson: Yes, we can think of recent examples of that.

Carmina: Yeah, and belonging to a racialized minority or being Indigenous means you also deal with racism and racist institutions your whole life.

Alyson: Right, I know that research confirms that women and people of colour are less likely to get the best mortgage rates, to be called for an interview, or to be hired for a job.

Carmina: And in addition to that, wealth is inherited, and having access to it means accessing networks that can get you into secure, well-paying jobs. If we know all of these different barriers exist, along with many others, then the argument that we live in a meritocracy cannot hold.

Alyson: It's true, and we see the evidence in our lived experience. So how might gender quotas remedy these barriers?

Carmina: Well, contrary to popular belief, the research on gender quotas does not say that they impede meritocracy at all. In fact, they can help meritocracy. Rainbow explained what the research has found in our conversation.

Rainbow: The current crop of politicians who are elected without gender quotas are not elected on merit. And so if you're concerned about someone being elected on the basis of their gender rather than their merit, then you'd do better to look at existing politicians who have had an unfair advantage through being male, which has allowed them to get into politics in greater numbers than their merit would dictate. And as a consequence, a lot of the research that has looked at the impact of gender quotas has found that it has increased the quality of politicians by eliminating the less meritorious males who had previously only got into politics through the advantage of being male, and who are now being replaced by more competent women who had been excluded previously because of their gender, and are now getting the opportunity to take part. So if you're expanding the talent pool to include all the talents rather than fishing in a very small talent pool that only exists of privileged white men, then you actually end up raising the quality of politicians or any other group, rather than decreasing it. And so there's a fairly unanimous consensus across the research that gender quotas increase rather than decrease quality and are therefore a way of promoting rather than hindering merit.

Carmina: To sum it up, research has found that quotas raise the quality of politicians. Let me tell you about this really cool study. Researchers looked into the Swedish Social Democratic Party, which began implementing gender quotas in 1987. The party required 40% representation of either gender within the party. What ended up happening was increased competition. There were men who were previously in the running but were now not as qualified, and were competing against qualified women, so many of the underqualified men resigned. This suggests that quotas actually promoted meritocracy. There are several studies which say similar things.

Alyson: So what I find so interesting about way that you're framing this is that you are framing quotas in the opposite way that people usually frame them. You're suggesting that they curb unfair advantages that men or other dominant groups have, rather than that promoting unfair advantages for women or other minority groups.

Carmina: Yes, this is an idea that's actually prominent in Rainbow's work. She's written about this in a 2017 paper called "Quotas for Men." Here's what she had to say about this idea.

Rainbow: The way that we frame it at the moment is that we take men's presence for granted and we try to figure out what's wrong with women, that there aren't more women in politics. My perspective is that we should be looking at the ways in which men hold onto power and the consequences of that, one of which is that we have too many men in power. And therefore, whilst we may be getting the best men out there, we are also getting some other men who wouldn't make the cut if they were open to free and full, fair competition. So my argument is that we need to eliminate those less good men who have previously only been there because the current selection rules are biased in favor of men. And by replacing these less good men with a full, fair competition, we are likely to raise the quality of those who get into office overall. And one of the advantages of doing this as well is that it stops us constantly scrutinizing women's qualifications for office and actually starts scrutinizing men's qualifications for office, which when subject to scrutiny often don't measure up.

Carmina: We tend to scrutinize women's qualifications, but why aren't we scrutinizing the groups who are dominating our society in politics, and every other sphere? That's the question we should be asking.

Alyson: So, we're speaking from a business school, and I'm just thinking of a business school perspective. Do you think that businesses should be implementing quotas on boards and in executive teams?

Carmina: Good question. The other expert I spoke to, Dr. Daehyun Kim, an Assistant Professor of Accounting here at the University of Toronto, talked to me about research that shows why board quotas for women could be beneficial.

Alyson: I feel like the representation of women on boards is a really important topic. It's in the news, all the time.

Carmina: Definitely. Daehyun's research interest is in corporate governance, specifically boards of directors. He wrote a paper on gender diversity on boards in 2016, called "Gender Diversity on Corporate Boards: Do Women Contribute Unique Skills?", which was co-authored with Laura Starks. They found that boards without women lack specific skillsets, which then reduces firm value.

Daehyun: The way an optimal board is made up is, all the members of the board must bring unique and diverse perspectives on corporate issues. These organizational behavior studies have long shown, in very robust findings--an enormous amount of studies have shown that diverse opinions within a group enhances their decision-making. And I'm trying to transfer this kind of a theory into a corporate board setting and what we try to do is we look at the diverse, I guess, the functional expertise, the skill sets that the directors bring and see how that impacts the firm value. So it comprises of two studies. One is first we look at the impact of this diverseness of skill sets, or expertise, and how that impacts firm value, and we find a positive correlation. And through some other methods we are able to infer causal relations. So in sum we find that the more diverse the skill sets are in a corporate board, the higher the firm value is. Now the second study is looking at the gender composition. So how can women contribute to corporate boards? There's been a lot of studies looking at correlation between women on boards and firm value and there's a lot of social arguments for how we should increase women on boards. But there hasn't really been the mechanism, explanation, of how women can contribute to corporate boards. And we tackle this issue by looking at the expertise composition differences between men and women directors. And what we find is women and men tend to have--possess very different skillsets and expertise. And what's more interesting is these women, the skill sets or expertise that women tend to possess, are currently lacking in the current boards. In other words, if you bring more women to the boards, on average you are likely to increase the diversity of opinions or expertise within the board, which in turn will, based on the other study, improve firm value.

Carmina: Based on this research, gender quotas would again increase the quality of boards.

Alyson: So these are all really positive arguments for quotas. But we know from the research that quotas can also lead to several types of backlash. So for example, there could be potential stigma for a woman who achieves a position through a quota. People might think she didn't earn it -- they'll delegitimize her credentials.

Carmina: You're right, and quotas can also lead male employees to show lower engagement and negative job attitudes at work.

Alyson: So considering the backlash, I'm interested in how we can reduce resistance to equity initiatives like quotas - what did the experts say about this?

Carmina: Rainbow suggested that something important for organizations to do is emphasize how quotas raise standards. If people truly believe in rewarding merit, then they would see how raising standards for people in positions of power is necessary. Here's what she had to say about this.

Rainbow: One way that they can mitigate their resistance is by emphasizing the benefits by making it clear that the end goal of this is not just to give a leg up to those poor unfortunate women out of pity, but to actually bring more competent people into the business or into the government in order to raise standards overall. And they need, in doing so, to acknowledge that the existing system is not recruiting the best people that it possibly could. Part of the problem with resistance is that some of the people who resist are those who are already in those positions and they resist for two reasons. First, in order to

protect those positions, because inevitably having more women means having fewer men, and the men don't want to give up their positions. But also because a lot of men believe sincerely that they did get there on their own merit, and they may have some talent and they may have put some effort in. And what they don't recognize is that other people may be even more meritorious than them and it can sound insulting to them to suggest that they were only there because they had this unfair advantage. But if you flip that, it's equally insulting to women who have been blocked out previously because of their gender, to then be told that they're only now being admitted because they're being given an unfair advantage, when what you're actually doing is simply leveling the playing field and giving them the opportunity they should've had from in the first place. So if we try to make it clear that we're not giving undeserving women an unfair advantage, but are instead getting rid of the unfair advantage that is currently being given to undeserving men, then people might start to understand it a bit better.

Carmina: And, Daehyun spoke to how resistance tends to happen at the beginning of a quota initiative, but after it's implemented, people often change their minds about it.

Daehyun: Norway was the first country to institute this gender quota, a 40% gender quota, and at first there was a pretty big resistance to the idea. But after several years, after conducting interviews with the existing incumbent male directors, they began to say they now begin to understand the importance of having women on boards because of, again, the diverse perspectives that they bring to the board, which is really critical for corporations. People tend to resist the change for various reasons, but we've never had a counterfactual where women were the majority on corporate boards on average. So we've never been there, and the only reason to resist the quota, because I guess for now, is because we've never been there. And things are going well, status quo.

Carmina: All this being said, it's pretty clear what equity initiatives like quotas can do. They improve quality of candidates as a whole, and they contribute to social good. For any organization in any industry or field, that's pretty hard to argue with.

Alyson: So, if someone was to say to me, "Hey, Alyson, gender quotas are a terrible idea! They give women unfair preferential treatment and they impede meritocracy", what should I say to convince them otherwise?

Carmina: I think Rainbow responded to this in a much more effective way than I could, so let's hear what she had to say.

Rainbow: If you believe that gender quotas are a threat to meritocracy, then by extension you believe that we currently have a meritocracy. And if you believe that we currently have a meritocracy, then you believe that having businesses and governments that are dominated by wealthy white men is a result purely of merit, and that therefore white people are more meritorious than people of colour, that men are more meritorious than women, and that people born into wealthy families are more meritorious than people born into poor families. And that is what you're saying if you say that gender quotas are a threat to meritocracy. A lot of people, when it's put like that, don't actually believe those things. They don't necessarily come at things from a very racist and sexist perspective, they just haven't necessarily thought it through. And so if they do think it through and go, well actually no, maybe it isn't the case that these wealthy white men are simply better than everybody else, then they have to ask: if they're not better than everybody else, what are they doing there? And if they aren't actually the only people capable of doing the job, why are the other people not doing the job, and how can we fix that?

Alyson: I think we can say that these myths are busted! Gender quotas do not thwart meritocracy. In fact, they can promote it.

Carmina: Yes! There's a really strong case for gender quotas.

Alyson: For those who are interested in learning more, we have an explainer on Quotas on our website, gendereconomy.org. If you go to the front page, you'll see a section called "What we're talking about".

There is a link to the explainer on Quotas, which will lead you to research briefs, articles, and videos all about this topic. I encourage everyone to check it out. The research we mentioned in this episode can also be found in our show notes.

Carmina: And finally, don't miss our next episode of Busted! We'll be busting myths about the underrepresentation of women in STEM careers, and specifically this conception that this is just a "pipeline" problem and nothing else. Here's a clip from our next episode.

Sharla Alegria: In engineering and physical sciences especially, women deal with these questions about their competence, exclusions from things like study groups that actually help you to get good grades, persist and help you feel like you're part of the culture, part of the community. Overall, there's a culture that suggests they just don't belong. Sociologist Cecilia Ridgeway describes these as fields with a masculine cultural frame. I think that's kind of useful. So here's the other piece. Lots of people like their identities to be consistent. So if you think about yourself as a woman, and it feels comfortable and consistent to do things that seem consistent with that, then you might find fields where there are more women or that don't feel as masculine more comfortable.

Alyson: Until next time, happy mythbusting!