The ambivalent neoliberalism of the EU directive on gender balance on corporate boards

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Introduction

While there has been a long tradition to promote the equal representation of women and men in politics, moving women in economic decision-making positions is a more recent concern. In many European countries as well as at the European Union (EU) level, the focus in the area of women and decision-making has in the past few years expanded from politics to economy, specifically to women’s representation in corporate boards. The quota law adopted in Norway in 2003 has sparked laws or non-sanctioned recommendations in Spain, Iceland, France, Italy, the Netherlands, Belgium, and Germany, and the European Commission proposed EU-level legislation on gender balance on the boards of listed companies in November 2012. The call for women’s equal representation in economic decision-making is not, of course, limited to the corporate sector, but encompasses all public and private, national and international arenas, where such decisions are made, for example, national ministries of finance and central banks, World Bank, IMF, and European Central Bank and the European Commission itself. In this paper I ask, what are the implications for the pursuit of gender equality of the emergence of economic decision-making as a policy concern and the way the debate has focused on corporate boards.

In comparison to the extensive feminist research on women’s representation in politics, little has been said about economic decision-making from the perspective of feminist politics and gender equality. Most academic research on the issue has been conducted in the field of organization and management studies and it has, as a consequence, focused on management positions in the private sector and adopted a business perspective. This paper fills this gap by examining the meanings and implications of the shift from politics to boardrooms in the context of the debate about neoliberalization of feminism (e.g. Elomäki 2015; Eisenstein 2009; Fraser 2013; Kantola and Squires 2012; Oksala 2013; Pruegl 2014) and corporate influence on public gender equality discourses and agendas (Bexell 2012; Pruegl 2014; Pruegl and True 2014; Roberts 2014). My analysis, which builds on an understanding of neoliberalism as a political rationality that does not necessarily move hand in hand with neoliberal economic policy (Brown 2015), contributes to these debates by emphasizing the ambivalence of neoliberalization and its depolitizing effects.
I focus on the construction of women’s under-representation in economic decision-making as a policy problem at the EU-level. The EU discussion provides a useful window for a critical study of the efforts to move women to company boards and other economic decision-making positions. Although the European Union has played and important role in advancing gender equality in Europe, its gender equality policy has been embedded in the logic of the market, and it has developed and disseminated economized gender equality discourses compatible with the goals of economic growth, competitiveness, deregulation and fiscal austerity. Furthermore, the framings and concepts of the EU-level debate influence discussions at the national level.

My research material consists of documents of the European Commission, European Council and the European Parliament from 1990, when decision-making was included in the EU’s gender equality agenda, up to 2012, when the Commission proposed the directive. In addition to official policy documents, I analyze background reports, which took part in constructing male-dominated boards as a policy problem worthy of EU action. In order to determine whose voice and knowledge underpin the official representations of the issue, I examine documents of interest groups, such as the European Women’s Lobby (EWL), employers’ organizations (BUSINESSEUROPE) and large companies. My method is a broad discursive approach, which combines analyzing the discursive construction of policy problems (Bacchi 1999) and gender equality itself (Lombardo, Meier and Verloo 2009) with conceptual analysis. I focus on the discursive practices, which put forward certain representations of the issue, which in turn produce certain subjectivities, limit our understanding of the issue and of gender equality, and have material effects. In addition to framings, I analyze the concepts used to describe women’s absence from corporate boardrooms, which, like framings, shape our understandings of the issue.

My analysis of the EU level debate suggests that although boardroom quotas can be seen as anti-neoliberal policies that expose economic power and interfere in the autonomy of private capital, the recent attention to this issue may intensify the expansion of the neoliberal rationality in public gender equality discourses. Economized discussions on gender balance, which focus on benefits for businesses
and the national economy, lose the critical edge of the claim for women’s equal participation in the making of economic and financial decisions. They promote depoliticized and individualized understandings of women’s under-representation and gender equality and depoliticize economic power instead of making it visible.

To develop these arguments, I begin with my theoretical starting points, the discussions on the neoliberalization of gender equality discourses and the Foucauldian view of neoliberalism as a political rationality. I will then turn to the proposed EU directive and to the construction of women’s under-representation in economic decision-making as a policy problem. I will discuss the implications of the three shifts that took place in this process: the construction of economic decision-making as an economic issue rather than a question of gender equality and democracy, the replacing of the concern for the sharing of power between women and men and women’s participation in decision-making with the concern for labour market equality and women’s career advancement, and the proliferation of the corporate language of diversity.

**Economic decision-making and the neoliberalization of feminism**

The recent interest in women in economic decision-making and corporate boards can be read as a reaction to the neoliberal transformations of the state and governance, which have shifted power away from democratic institutions to technocratic and private actors, such as international financial institutions and multinational companies. In this new context, private corporations are shaping public policy and partnering with states and international organizations in the planning and delivery of public policies and goods (Pruegl and True 2014). If the goal is women’s and men’s equal influence and participation in decisions that matter for society, it is more important than ever to target economic institutions and large companies. The debate about women in economic decision-making and boardrooms is thus timely. The relationship of this debate to the increasing influence of economic and financial actors as well as to the neoliberal political project they advance is, however, ambivalent (cf. Fraser 2013). Depending how the call for gender balance is formulated, it may either challenge or legitimize them.
Feminist scholars have argued that neoliberalism—most often understood as an economic-political project or a form of governance—has influenced gender equality discourses and policies and feminism, often in ways that cut their critical edge. The effects that feminist scholars working mainly within Marxist political economy or with a Foucauldian notion of governmentality have identified or anticipated can be roughly divided in five categories: the actors, discourses, priorities, practices and subjects of feminism and gender equality.

Firstly, economic actors have become involved in the promotion of gender equality as gender, previously an issue of women’s movements and state policies, has become an object of global governance. On the one hand, international financial and economic institutions, such as the World Bank, have taken gender equality issues on their agendas. The approaches of these institutions, known for their neoliberal policies, typically combine select ideas of the feminist movements with neoliberal market rationales and base their understanding of gender equality on neoclassical economic theory. (e.g. Elias 2013; Roberts and Soederberg 2012; Elson 2006). On the other hand, private corporations are increasingly promoting gender equality and shaping the official gender equality discourses and agendas through public-private partnerships (Bexell 2012; Pruegl and True 2014), corporate social responsibility initiatives (Pruegl 2014) and production of knowledge on women and gender relations (Roberts 2014). Corporate discourses have been criticized for instrumentalizing gender equality, understood narrowly as empowering women as consumers and workers, to the service of private financial interests. I see the involvement of economic institutions and the corporate sector as both an effect and a cause of neoliberalization of gender equality agendas. It is in itself a significant shift as regards to gender equality actors, and it influences the discourses, practices and content of gender equality work. In my analysis, I will pay particular attention to the role of corporate actors in shaping the debate.

The second identified effect of neoliberalization is the extension of market rationale to discussions on gender equality. International economic institutions and large corporations, but also women’s policy agencies and women’s organizations,
increasingly cast gender equality as good for the profitability of business and national economic growth and competitiveness, with the result that claims to gender equality legitimize and strengthen neoliberal economic priorities (e.g. Elomäki 2015; Fraser 2013; Roberts 2014). The expansion of the market logic has been facilitated by governance techniques, such as cost-benefit calculations, which translate activities in financial terms (Bexell 2012, 398; Kantola and Squires 2012, 386). Thirdly, the priorities of gender equality policy as well as of women’s organizations are changing as gender issues which are compatible with the market agenda or easy to monetize are prioritized (Kantola and Squires 2012). Fourthly, movement building, legislation and redistributive measures as practices to promote gender equality have been partly replaced with changing attitudes, capacity building and incentives and normative standards (e.g. Pruegl and True 2014; Young 2000). Finally, gender equality policies and initiatives are constructing women as economic subjects. Scholars have pointed out that while neoliberal gender equality initiatives portray women as rational and calculating economic actors, they also essentialize women by assuming that they invest wisely and look after their families and communities (Elias 2013; Roberts and Soederberg 2012). From a Foucauldian perspective, scholars have revealed that many recent women’s empowerment discourses construct women as entrepreneurial subjects, responsible of their own success as well as of achieving gender equality (Bexell 2012).

Although these changes in actors, discourses, priorities, practices and subjects are significant in themselves, it is important to look beyond them. They all point at two interlinked aspects of neoliberalized understandings of gender equality: individualization and depolitization. Neoliberalized gender equality discourses are mainly silent about structural gender inequality and gendered power relations. Their emphasis on consensus and win-win situations hides the conflictual aspects of gender relations and the conflicts between the goal of gender equality and market values and priorities (e.g. Rönnblom 2009; Bexell 2012, 398; Elomäki 2015). Depolitization and individualization are also present in the failure of neoliberal gender equality discourses to see women’s political struggle as collective and recognize its links to other struggles for social justice (Elias 2013, 165).
In my analysis of the EU debate on women in economic decision-making, I build on Wendy Brown’s (2015) Foucauldian interpretation of neoliberalism as a normative political rationality that disseminates market values, practices and metrics to every sphere of human life. Brown stresses that neoliberal economization means more than extending the market to heretofore non-economic activities for the purpose of wealth generation. Rather, market becomes the main way of understanding and organizing political and social institutions, practices, and discourses, and humans themselves are formulated in its terms. The neoliberal rationality makes economy the main organizing principle of the state and turns states into servants of the economy. Their whole legitimacy and task has become bound to economic growth, global competitiveness, and good credit ratings. (63-64) The neoliberal economization of human beings configures individuals exhaustively as market actors. Brown reminds that neoliberal rationality does not construct a timeless figure of a rational, calculating, profit-seeking “economic man”, but the shape of the economized subject changes over time. Whereas Foucault argued that at the dawn of neoliberalism the homo oeconomicus took the shape of entrepreneurialized human capital, Brown points out that in today’s era of financialization the neoliberal subject increasingly takes the form of financial or investment capital. In addition to entrepreneurializing its endeavors, it enhances its value through practices of self-investment and attracting investors. (33-34.)

Brown’s key argument is that neoliberal rationality is undoing political forms of being and thinking. Economization of the political and the turning of the homo poiliticus into a homo oeconomicus abandon the idea of human beings as political subjects and decision-makers in control of themselves and, together with other people, of the common world. The ideals of citizenship concerned with public things and deliberation about the common good among citizens vanish. (Brown 2015, 39, 221-222.) Brown’s views add an important element to the feminist debate about the depolitizing effects of neoliberalism discussed above, which have focused on the sidelining of (gendered) power and conflict. There is yet another aspect of the neoliberal depolitization, which is relevant for the debate about gender balance in economic decision-making, namely, the depolitization of the economy. As an effect
of the assumed autonomy of the economic sphere, policy issues identified as economic rather than social or political have been excluded from democratic decision-making processes and externalized to economic experts and financial institutions. As neoliberal governmentality spreads, this depolitization becomes more pronounced. (Oksala 2013, 49.)

Following Brown and other scholars (e.g. Larner 2000), who have emphasized that neoliberalism takes different forms in different contexts and is not uniform in its effects, I draw attention to the internally contradictory aspects of the policy debate. Because neoliberal economic policies do not necessarily coincide with the extension of neoliberal rationality (Brown 2015, 201-201; Ferguson 2009, 172-173), a policy debate may economize new fields and issues even if the policy regulates the market. Furthermore, even if a policy proposal economizes the issue at hand, the discursive and material effects of the policy may not participate in the construction of neoliberal subjects to the same extent. Making these distinctions allows me to challenge the idea of neoliberalism as a coherent force, which many discussions about the impact of neoliberalism on feminism have, often unintentionally, reinforced.

**From gender equality and democracy to economy**

On 14 November 2012, the European Commission proposed a European Union Directive on gender balance on corporate boards (EC 2012a). The proposal sets a target of 40% of the under-represented sex for the non-executive boards of large, publicly listed companies, to be achieved by 2020. Even if the content of the directive is weak – the proposal does not oblige member states to impose sanctions – the proposal is a major achievement. It puts an end to the focus on soft measures, for which EU gender equality policy has been criticized (Lombardo and Meier 2008, 104), and it is the first time the Commission uses legislation to promote positive action. The text of the directive, however, is more concerned with business benefits and national economic growth and competitiveness than with gender equality¹. In this

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¹ The arguments that gender-balanced leadership was good for business and national economy have been frequently made in Norway and other countries that have adopted boardroom quotas too (Suk 2014, 3).
section, I show how, the EU institutions conceptually separated women’s under-
representation in economic decision-making from political decision-making and
turned it into an economic problem.

Gender equality in decision-making has been a priority area of the EU’s gender
equality policy since Third community action programme on equal opportunities
1991–1995. In the 1990s and for the most part of the 2000s, the EU institutions
focused on women’s representation in political decision-making. Economy was
regularly mentioned, but its position in policy documents was marginal in comparison
institutions did not distinguish between different spheres of decision-making.
Women’s under-representation in politics as well as in the economy was represented
as a gender inequality, and women’s participation was understood as a condition for
achieving gender equality (CEC 1990; Council 1995; Council 1996; EP 2000, see
also Lombardo and Meier 2008). This reasoning was complemented with the idea that
women’s under-representation – also in the economy – violated the principle of
democracy and compromised the legitimacy of decisions (e.g. EP 1994, 249; Council
1996, 12).

A roadmap for equality between women and men 2006-2010 was the first EU gender
equality strategy to represent economic decision-making as a distinct policy problem
and give it a market-oriented rationale:

A balanced participation of women and men in economic decision-making can contribute to a
more productive and innovative work environment and culture and better economic
performance. Transparency in promotion processes, flexible working arrangements, and
availability of care facilities are essential. (CEC 2006, 6.)

In this short paragraph, the European Commission describes the benefits of gender
balance for private corporations and implicitly defines the economic in economic
decision-making as the private sector and as a business issue. One of the actions of
the Roadmap was the creation of the European Network to Promote Women in
Decision-Making in Politics and the Economy, which consisted mainly of
representatives of European or international organizations of business and
professional women². Consequently, the meetings and working papers of the network focused on economic decision-making, mainly on opening opportunities for women in the business world. (Pruegl and True 2014, 1150-1153.)

The Commission’s plans to tackle women’s under-representation in economic decision-making with EU-level measures began to take shape in 2010, following the global economic crisis of 2008–2009 and discussions about boardroom quotas in some member states. In Strategy for equality between women and men 2010-2015, the Commission promised to improve the situation, but boardrooms or quotas were not yet mentioned (EC 2010a, 7). In March 2011, Commissioner Reding unveiled Women on Boards Pledge for Europe, a call for companies to sign a voluntary commitment to increase women’s presence in boardrooms, and threatened to use her “regulatory creativity” if no progress was made. In March 2012, the Commission judged progress to be insufficient, announced that it would explore options for EU-level measures – including legislation – and launched a public consultation on the topic (EC 2012b, 15).

In parallel to opening the EU debate about women in economic decision-making, which soon narrowed down to company boards, the European Commission continued to construct the issue as an economic problem separated from the earlier frame of gender equality and democracy. The Commission’s background reports More women in senior positions – key to economic stability and growth (EC 2010b), Gender balance in business leadership (EC 2011) and Gender balance in economic decision-making in the EU – Progress report (EC 2012b) developed and polished the market-oriented rationale. The reports supplemented Roadmap’s business-oriented arguments with an economic case for gender balance, the view that women’s under-representation was a problem for the economic growth and competitiveness of the European economy (see Elomäki [2015] about the economic case for gender equality in the EU.) The explanatory memorandum of the draft directive casts the purpose of

the directive firmly in economic terms:

The under-utilisation of the skills of highly qualified women’s constitutes a loss of economic growth potential. Fully mobilising all available human resources will be a key element to addressing the EU’s demographic challenges, competing successfully in a globalised economy and ensuring a comparative advantage vis-à-vis third countries. Moreover, gender imbalance in the boards of publicly listed companies in the EU can be a missed opportunity at company level in terms of both corporate governance and financial company performance. (EC 2012a, 3.)

Before going into the meaning and implications of the shift from gender equality and democracy to an economic rationale, it is worth pointing out that the actors who brought economic decision-making to the EU gender equality policy agenda were different than those who made political decision-making a EU priority. The European Parliament’s Committee on Women’s Rights (FEMM) and the European Women’s Lobby (EWL), which were driving forces in shaping the agenda as regards to gender equality in politics (Lombardo and Meier 2008, 109), began to work on economic decision-making only after the Commission had defined the terms of the debate. FEMM discussed economic decision-making at length for the first time in spring 2011 in a report Women and business leadership (EP 2011)3, and the European Women’s Lobby adopted a position on boardroom quotas in July 2011 (EWL 2011). The EWL’s representation of the issue differed significantly from that of the Commission. It saw participation in economic power as women’s human right and argued that the decisions of the private sector, which have implications on everyone’s life, lack democratic legitimacy when “half humanity” is excluded from their formulation (EWL 2011, 4–5).

In contrast, the business world has a long record of producing knowledge on and calling public attention to women’s position in one particular aspect of economic decision-making, business leadership. Management consultancies and financial and accounting firms have been important producers and funders of knowledge about

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3 In 2010, FEMM had mentioned the quota law of Norway in a report on the Commission’s report on equality between women and men 2009 and called on the Commission and the member states to move in this direction.
gender balance in senior management, including in corporate boards (McKinsey 2007; Catalyst 2004). This research has focused on the gains of “gender diversity” for business performance. Business and professional women’s associations have been more active in advancing women in economic decision-making than traditional women’s organizations. Also their initiatives have focused on business leadership and the positive effects of “gender diversity” (e.g. European Professional and Business Women’s Network 2007). It is my contention that the early involvement of corporate actors and the absence of feminist voices from the initial shaping of the policy problem is one factor behind the economization of the debate and the way the debate focuses on business leadership.

The construction of women’s under-representation in economic decision-making as an economic problem is indicative of how neoliberal rationality, which disseminates the model of the market to new activities and spheres, is transforming the way the European Union and its member states talk about gender equality. By presenting women’s equal representation and participation as contributions to company performance and national economic growth and competitiveness, the European institutions evidently aim to undermine opposition. However, this framing reveals that the EU’s commitment to gender equality as a value and a task is subordinate to the facilitation of the economy and the private accumulation of wealth. Furthermore, the framing economizes the problem and the subjects involved in a manner that limits our understanding of the issue.

The arguments through which the EU institutions link gender balance to economic growth and competitiveness rely on the neoliberal understanding of human beings as human capital. The Commission’s 2011 report Women in business leadership argues that “[w]hile women have a higher level of tertiary educational attainment than men in the EU, their professional careers do not fully reflect their skill levels, which is a waste of human resources and competences at a time when human capital is the key to competitiveness in the global economy" (EC 2011, 55). In the same vein, the European Parliament’s report Women and business leadership referred to “ensuring that all existing resources are efficiently utilised, that women’s skills and strengths
are channelled to best effect, that the best possible use is made of the Union’s human potential” (EP 2011, 136). In short, the gender equality problem of women’s under-representation in decision-making positions has been replaced with the economic problem of the under-utilization of women’s human capital. Women are not represented as decision-makers or an under-represented group, but as unused human resources, whose “skill-levels” should serve the European economy. The extent to which the Commission’s has adopted neoliberal rationality is evident in the argument that, given women’s higher proportion among university graduates, women’s under-representation in boardrooms is “lack of return to education for individuals and the public sector” (EC 2012a, 16). This argument, which builds on the market metric return on investment (ROI), reduces education to human capital investment. On the one hand, the individual is constructed as human capital in relation to herself, as someone who educates herself in order to maximize her value in the market. On the other hand, it is argued that the investments that member states have made in public education are not paying off, because women’s human capital is not used to the maximum.

The other part of the economic rationale of gender balance, the business benefits, adds a new layer to the economization of the issue. The Commission’s arguments about the business case are mainly based on research produced or financed by corporate actors such as Credit Suisse Research Institute, McKinsey&Company, Deutsche Bank, Ernst and Young, and the Finnish Business and Policy Forum (EC 2012b, 7; EC 2012c, 13; EC 2011, 56). The policy debate about boardroom quotas makes the assumptions and concepts of this particular, pro-business knowledge about gender equality the basis for EU policy. As a consequence, the policy documents of the EU institutions legitimize thinking which puts gender equality in the service of private accumulation of wealth. For example, the Commission argues that “gender diversity in the boardroom” is “a sign of openness to more viewpoints and respect for differences among stakeholders – shareholders, investors, employees and customers – signaling the company’s recognition of the complexity of world markets and its
preparedness to compete effectively at the global level” (EC 2012b, 13). The quote echoes the idea, typical to corporate approaches to gender equality, that gender balance in management positions helps companies to make the best out of the feminizing workforce and sell products to female consumers (cf. Roberts 2014).

The conceptual separation of economic from political decision-making and the construction of the former as an economic issue means that the frame of democracy, prominent in EU policy documents in the 1990s, has been sidelined. Although democracy is the core of the EWL’s view on boardroom quotas and although the European Parliament mentions “democratic deficit” (EP 2013, 28) and “distrust of the business power structures” (29) in its amendments to the draft directive, democracy has only a marginal position in the official discourse around the issue. From the perspective of the common sense understanding of the economy as an autonomous sphere detached from the norms and practices of politics (Oksala 2013), the view of gender balance in economic decision-making as a question of democracy is radical. It extends the norms and practices of democratic politics to the economy, questioning the assumed distinction between the two and standing in opposition to the extension of market values and practices to political life (Brown 2015). The loss of this perspective means that the discursive politicization of the economy has given room to economizing women’s under-representation. Neoliberal rationality has tamed the disruptive discourse.

However, the economization and corporatization and the resulting depoliticization of the policy discourse stand in contrast with the actual proposal at the table. Boardroom quotas regulate the market by limiting the powers of private corporations to determine who supervises their finances. In other words, the state interferes in the autonomy of private capital. The proposed directive also stands in opposition to the deregulatory policies of the EU. Despite the depoliticizing discourse, the directive politicizes the

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4 Here the Commission cites – without direct reference – the consultation reply of Catalyst, a corporate-funded diversity think-tank.
From equal power in decision-making to equal career advancement

The economization of the policy debate has not sidelined the concern for gender equality to the extent the concern for democracy has been sidelined. However, women’s absence from economic decision-making positions is currently represented as a different gender equality problem than in the 1990s.

In the 1990s and 2000s, the EU institutions portrayed women’s under-representation in all areas of decision-making, in line with the Beijing Platform for Action, as an issue of representation, participation and the sharing of power between women and men (e.g. Council 1996, 12). The institutions stressed that the decisions made by political, economic and other influential bodies mattered for women, gender equality and society (e.g. EP 1994, 248-249). Equal participation was seen to benefit women as a group as well as the society as a whole – women of all social classes would gain from a better representation of women’s interests, and society would benefit if economic power were not in the hands of a male elite. What in my view is remarkable about this framing is that in addition to connecting economic decision-making to gendered power relations, it sees economic decisions as a matter of public interest and involves the democratic idea of participation in common affairs. It implies that human beings are in control of the economy, not its servants.

When economic decision-making was constructed into an economized policy problem with an emphasis on business leadership, women’s under-representation was turned from an issue of decision-making and power into a labour market issue, more specifically into a question of career advancement (e.g. EC 2011, 52). The language of equality of opportunity, typical to EU discourse on labour market equality, entered

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5 From a pragmatic perspective, the labour-market framing was a strategic necessity that enabled the European Commission to propose EU-level measures. The Commission does not have the mandate to propose EU-wide legislation on matters related to gender equality in decision-making, but the EU has powers to legislate on gender equality in matters of employment and occupation. Reframing women’s under-representation in company boards as a labour-market issue was therefore necessary.
the discussion (e.g. EC 2012c, 13; EC 2011, 54). The career frame is particularly visible in the European Parliament’s report on women and business leadership, which makes no reference to decision-making and power, but is concerned with “promotion to management posts”, “barriers and gender inequalities that prevent women from advancing their careers”, and “afford[ing] women the same career development prospects as men” (EP 2011, 136). The understanding of gender equality as equal opportunities for career advancement is individualistic and elitist. It takes the perspective of well-educated and competent individuals, who are motivated to succeed but face barriers because of their sex. Furthermore, the career advancement rhetoric likens the EU discussion on economic decision-making to corporate approaches. Corporate studies and initiatives on gender balance do not speak the language of decision-making and power but focus on careers and leadership (e.g. McKinsey 2007; Catalyst 2004).

This shift in the meaning of gender equality takes part in the neoliberal economization of economic decision-making and its subjects, and it contributes to the depolitization of the EU debate. Firstly, the career frame is compatible with the logic of competition, which for Foucault is the fundamental dynamic and principle of the market in neoliberalism (Brown 2015, 64–66). To demand equal opportunities for career advancement is to call for a fair competition between merited individuals. Women who have dutifully invested in their human capital should be able to compete for top positions without the market-distorting effects of gender inequality. The career frame thus supplements the emphasis on the global competition between states, present in the macroeconomic arguments, with competition between individuals. What is lost is the first political dimension of the earlier framing, the sharing of power between women and men.

Secondly, the career frame turns women into competing human capitals who climb the career ladder and seek return for their self-investments. By contrast, the frame of decision-making and power represented women as participants in decision-making processes and as agents of change, who with their skills, talents and perspectives could challenge the status quo and make society more equal (e.g. Council 1996). The
human capitals of the career frame do not challenge; they innovate in order to improve the bottom line of companies. In other words, self-interest in line with shareholders’ capital accumulation has replaced the participation in common affairs motivated by the well-being of society. The career frame thus limits our understanding of the issue by casting economic decision-making as a private activity driven by private motivations. Two different depoliticizing effects of neoliberalism are at play. On the one hand, the *homo oeconomicus* of neoliberal rationality vanquishes the political subject of the earlier discussion. On the other hand, the career frame reinforces the common sense understanding of the economy as a private and non-political.

Finally, examining corporate boards from the perspective of the individuals’ careers directs the discussion away from the role and effects of economic decisions in the globalized world. In other words, it makes invisible the power that private corporations increasingly exert in global governance and at national level. The masking of economic power is a common feature of the neoliberal gender equality discourses of international economic institutions and multinational companies (Bexell 2012, 399; Roberts 2014).

Yet some aspects of the EU discourse resist a straightforward interpretation of it as a neoliberal and corporatist sell-off. Many corporate-led gender equality initiatives utilize the feminist language of empowerment and turn it into an individualistic discourse of entrepreneurial self-improvement. Critics have pointed out that, along the lines of neoliberal governmentality, these discourses produce responsible female subjects, called on to reform themselves for the sake of gender equality and the profitability of their employer (Roberts 2014; Pruegl and True 2014; Pruegl 2014). Responsibilization of the individual sidelines the important questions about changing gendered structures within corporations as well as in society. In contrast, the European Commission in particular the European Parliament incorporate the feminist idea of structural inequalities, which cannot be overcome with changes in women’s attitudes. For example, the Commission explains that one reason for the legislative proposal was to make change “structural” (EC 2012a, 6).
From gender equality to gender diversity

The shifts in how women’s under-representation in economic decision-making has been framed at the EU level are linked to shifts in the concepts used to describe this problem. Feminist scholars have discussed the conceptual politics of neoliberalization mainly from the perspective of the co-optation of originally feminist concepts (e.g. Stratigaki 2004). The EU debate on boardroom quotas sheds light on another process, the replacement of originally feminist terms with corporate concepts. In the European Commission’s policy documents, the language of diversity, the dominant way to discuss gender equality in the business world, has partly replaced the language of gender (in)equality and gender (im)balance.

The corporate-led diversity management discourse, which emerged in the US in the late 1980s and has become a global phenomenon, is the intellectual home of the business case for gender equality. The approach focuses on making the best out of the differences of the increasingly diverse workforce to enhance productivity and profitability. The diversity management discourse has been criticized for eliminating discussions on power and structural inequality, along with the concepts of hierarchy, privilege, equality, discrimination, and justice, and for individualizing and depoliticizing gender and racial inequality. An important feature of this approach is its deregulatory political agenda: it casts the voluntary activities of the corporate sector as the best way to promote gender and racial equality. (e.g. Holvino & Kamp 2009; Kirton & Greene 2009.) The diversity management discourse is thus linked to both neoliberal rationality and neoliberal economic policy. It describes (gender) equality policy in market terms and supports the deregulation of the market.

The corporate origins of the expressions “board diversity” and “gender diversity” in the Commission’s documents are evident. Before diversity became one of the Commission’s main concepts to discuss economic decision-making in the 2012 Progress report, the term was used only in connection to the business case and references to corporate studies (EC 2010a, 7; EC 2010b, 14). The draft directive refers to gender diversity almost as often as to gender balance and gender equality. For example, the Commission describes legislation as a means to ensure “a coherent
minimum level of gender diversity” (EC 2012a, 10) and argues that women’s higher representation on boards will have “positive ripple effects for gender diversity throughout the career ladder” (5). Women’s under-representation in boardrooms is represented as part of a broader question of “board diversity”: “[t]he persistent under-representation of women on boards is a key element of a broader lack of board diversity in general with its negative consequences” (4).

The emergence of the language of diversity coincides with the disappearance of reference to inequality from policy documents. As already noted, throughout the 1990 and 2000s, EU institutions portrayed women’s under-representation in all spheres of decision-making as a form of gender inequality in itself and equal representation as a means to put an end to inequalities. They also argued that the situation was caused by structural gender inequalities (e.g. CEC 2000, 26). In the Commission’s Progress Report and the draft directive, however, the term inequality does not appear even once.

The concepts of gender diversity, gender (im)balance or gender (in)equality have very different implications for the discussion on company boards. The conceptual pair equality/inequality is strongly attached to morality, rights, and justice. Gender equality is a moral value and a question of human rights, and gender inequality is a moral and in many cases a legal wrong, which has to be corrected in the name of justice. The vocabulary of (in)equality connects women’s under-representation in boardrooms to other gender equality issues and invites us to see structural inequalities as its cause. Furthermore, it allows us to portray an individual or a group who is in an unequal position, suffering an injustice. In the conceptual pair balance/imbalance, the dimension of morality and rights is less visible, even if the idea of justice is faintly present through the connection of balance to the idea of scales of justice. Talking about gender (im)balance evokes an ideal or natural state of balance and a deviation from it. This deviation is regrettable in general, rather than an injustice suffered by some. The language of balance/imbalance does not offer an explanation as regards to what has caused the disequilibrium. As a goal, it is more vague than gender equality, which implies the equal sharing of positions. Gender diversity, in contrast, is an inherently positive term, which is not attached to a negative counter-concept. In
corporate boards, there are just different levels of gender diversity. As a goal, gender diversity is even more vague. While three women among ten board members might not yet qualify as gender balance, it would indicate gender diversity. Indeed, the term evokes a state of affairs rather than a goal to be attained. The dimension of rights, morality and justice is not present.

The sudden emergence of the language of diversity is a clear indication of the corporate influence on the EU’s gender equality policy, but its relationship to the extension of neoliberal rationality is more complex. Although the diversity management approach is a prime example of the neoliberal economization of gender equality, the concept of diversity itself is not economizing. However, combined with the diminishing references to inequality, the language of diversity contributes to the depoliticizing effects of the neoliberal economization. For example, portraying women’s under-representation as an aspect of “board diversity” (EC 2012c, 4) detaches this problem from the broader gender equality agenda and loses sight of gendered power relations. The vocabulary of diversity serves to detach the proposed directive from rights, justice and morality. This false neutrality makes the language of diversity a perfect vocabulary for the economization of the policy debate.

It is important to stress, however, that although the Commission has adopted the concepts of the corporate diversity perspective, it has not adopted its key political goal, the move from equality legislation to voluntary corporate initiatives. This mismatch between the content and the discourse of the proposed directive can also be formulated in another way: the efforts to regulate the business world in the name of gender equality have brought the corporate language and its individualizing and depoliticizing tendencies to the EU gender equality discourse. This inconsistency brings us back to one of the ambivalences of neoliberalization, which I emphasized in the beginning of this paper: neoliberal economic policies and the expansion of neoliberal rationality do not necessarily go hand in hand.

**Conclusion**

The expansion of the debate about the equal representation between women and men
from politics to boardrooms can be read as a feminist response to the reallocation of power in global governance. The claim for women’s equal representation in economic decision-making has the potential to politicize the economy by drawing attention to economic power, which in public discussions hides behind references to abstract and anonymous market forces and economic necessities. The demand for gender balance could also counter-balance the extension of neoliberal rationality in political life by extending democratic values, principles and practices to the economy. In this paper, I have suggested, based on the case study of the EU-level discussion on gender balance in corporate boards, that this potential is not actualized in practice. Although boardroom quotas interfere in a non-neoliberal manner in the autonomy of private capital, the debates about them are saturated with neoliberal rationality, which economizes the policy problem and human beings. Instead of politicizing economic power, discussions about boardroom quotas may intensify the neoliberalization and corporatization of public gender equality discourses.

I have argued that at the EU-level economic decision-making has been conceptually separated from political decision-making and given a market-oriented rationale. The gender equality and democratic problem of women’s under-representation was turned into the economic problem of under-utilization of women’s human capital, a barrier to national economic growth and competitiveness and negatively influences company profits. In parallel, the concern for the equal sharing of power between women and men and for equal participation in the making of common decisions has given way to the concern for equal opportunities for career advancement. Finally, the language of diversity, the main way to discuss gender equality in the corporate world, has become part of the official EU discourse. As a result, the flagship gender equality initiative of the European Commission is based on an individualized and depoliticized understanding of gender equality, depoliticizes the issue of women’s participation in decision-making and effaces economic power. I have argued, that the economization of the issue has been facilitated by the early involvement of corporate actors and late appearance of feminist voices in the debate, as well as the way the focus of the discussion has shifted from economic and financial decisions to business leadership.

Because the results of neoliberalization are not uniform across countries, institutions
and contexts, some aspects of the EU debate about economic decision-making depart from other neoliberalized gender equality discourses. Most importantly, it is not based on an individualistic idea of empowerment that constructs women as entrepreneurial selves responsible of their own success, but contains aspects of the feminist idea of structural change. The neoliberalized female subjects of the EU directive are competing human capitals, who self-invest more than men, but who are not getting a proper return on their investments because of the glass ceiling.

There is an important contradiction in the neoliberalization of the EU debate on economic decision-making. Although the EU-level debate is saturated by neoliberal rationality, the Commission’s decision to tackle women’s under-representation with legislation stands in opposition to corporate friendly neoliberal economic policy as well as to some neoliberal modes of governance. Firstly, the proposed directive regulates the market and limits the powers of private corporations to determine who makes decisions about their finances. Although the proposal frames the quota as a pro-market and pro-competition policy, it stands at odds with what Brigitte Young (2000) has called the disciplinary neoliberalism of the EU. Secondly, the proposal departs from the soft measures and technical tools (best practices, expert networks, project funding, indices) seen as neoliberalized ways to promote gender equality, which have been the main tools for advancing gender equality at the EU level. The case of the EU debate exemplifies the importance of analytically separating between different understandings of neoliberalism.

The lesson to be learned is in itself ambivalent. On the one hand, economization and corporatization of a policy discourse do not necessarily lead to neoliberal and corporate-friendly policy. On the other hand, policies that regulate the market and corporations in the name of gender equality may advance the neoliberal economization of public gender equality discourses and enhance corporate influence on them.

References

Research material


Literature


