

Men Chafe as Norway Ushers Women Into Boardroom

By RICHARD BERNSTEIN

OSLO, Jan. 8 — On the first day of this year — and in the teeth of strenuous opposition from many Norwegian businessmen — Norway's leftist government put into effect one of the more radical attempts to achieve sexual equality: requiring that in the next two years 40 percent of the board members of the nation's large, publicly traded private companies be women.

"The government's decision is to see to it that women will have a place where the power is, where leadership takes place in this society," Karita Bekkemellem, Norway's minister of children and equality, said in an interview here.

"This is very forceful affirmative action, but it will set an example for other centers of society," she said.

Ms. Bekkemellem, and other supporters of the law are pleased with some of the early results. Already in Norway, for example, databases have emerged where thousands of women looking for board positions have listed their names and qualifications, and any of the 519 private corporations affected can search for prospective board members.

Executive recruiting companies are said to be very busy meeting the demand for women with business experience. Already in the past couple of years, in anticipation of the law taking effect, the representation of women on corporate boards increased to 16 percent from roughly 8 percent.

But the fact that Norway's government felt it necessary to set a quota for women in the top ranks of business and to enforce it as a matter of law — the penalty for noncompliance is the disbandment of the offending corporation — reflects a fact of European life that goes well beyond Norway.

It is that the major countries of Europe are doing quite badly in promoting women to positions of power

in business and, more generally, in achieving other sorts of diversity, especially racial and ethnic.

"Foreigners, women and minorities are almost completely excluded from the top of the business heap," Marta Dassù and Daniel Franklin wrote in an article that appeared in *The Financial Times* late last year, summarizing a study of 450 European companies by the Aspen Institute Italia with the Economist Intelligence Unit.

Not surprisingly, the study found that women and minorities "are making slow inroads" in Britain and Scandinavia, but "all the surveyed nations have a dismal number of nonwhite males in top executive roles, if any at all." Only 2 of the 75 British organizations surveyed are led by women, the study found. In all of the 450 companies, only one, Vodafone of Britain, was led by a member of an ethnic minority.

The situation seems paradoxical given other elements of the European picture. Half or more of university graduates are women in many countries, and women are increasingly visible in politics, the media and elsewhere in public life.

The paradox seems especially sharp in Germany, which late last year for the first time elected a woman as chancellor, Angela Merkel. About half of university graduates are women in Germany, one-third of the members of Parliament are women; one-third of the doctorates awarded go to women.

But among the top 30 companies of the German stock exchange, only one board member is a woman. She is Karin Dorrepaal, elected a year and a half ago to the board of Schering Group, the big drug company.

"Compared to other western European countries, Germany is in the rear guard of the emancipation," Alice Schwarzer, perhaps Germany's most prominent feminist commentator, wrote via e-mail. Even in areas where women appear to have made

progress, like politics, the advance is more a matter of appearances than real power, she said.

"The women's representation of one-third in Parliament and in the cabinet has led to a situation where powerful politicians withdrew from democratic bodies and made their politics in their separate back rooms," she said, referring to the socialist-led coalition government of Chancellor Gerhard Schröder that governed for seven years before Mrs. Merkel took office.

"That's why the mere existence of a female chancellor, no matter what

A law says that in the next two years, 40% of company directors must be women.

she does, will shake up all the existing structures," Ms. Schwarzer said.

If women are at least numerically well represented in such other areas of life as academia, television and politics, why not in business? Some 40 percent of the students at Norway's business schools are women. Why are so few women on corporate boards?

The Norwegian answer is clear: The men's club of corporate boards does not want to admit them. The law on sexual equality in business, adopted at the end of 2003 by the previous conservative government, was put into effect this year because voluntary measures to increase the representation of women in business failed, and some sort of legislative coercion was deemed necessary.

"Until recently, we didn't see any change," Elizabeth Grieg, director of

a family-run shipping company, said in an interview. "It was all talk about women in business and very little movement."

But other European women deny that the problem for women is the glass ceiling or the men's club. In Germany, for example, Sonja Müller the managing director of Victress, an organization formed a year ago to help women get into business, argues that the business door is open but that women, looking for different, more balanced lives, have not been interested in entering.

"There's nothing that stops them except themselves," Ms. Müller said in an interview in her office in Berlin, where, in addition to Victress, she runs a profit-making consulting company. She was asked if Germany's new chancellor should make a special effort to put women into important positions.

"What I like about Mrs. Merkel is that she doesn't make being a female a topic," Ms. Müller said. "It would be horrible if she put lots of women into posts because they are women. That would be the opposite of gender equality."

In Norway, Trygve Hegnar, editor and owner of a business daily and a business biweekly, *Kapital*, is a leading opponent of the new law, arguing that requiring absolute equality seems nice as an abstraction but does not work in the real world. Moreover, he says, it is contrary to the principles of a free society to tell private businessmen whom they must put on their corporate boards.

"Ninety percent of the businessmen are against it," he said, "and most of the people in favor are politicians." Still, he said, businessmen will comply with the law, which means that about 700 board seats will go to women in the next two years, a large number for a country with a population of 4.5 million.

"They say it will be just as good," Mr. Hegnar said. "And maybe it's true. We haven't seen it yet."