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TRANSCRIPT OF PODCAST

Work with Purpose

EPISODE #54

WOMEN IN ECONOMICS

Hosted by David Pembroke, Founder and Chief Executive Officer,
contentgroup

TRANSCRIPT

David Pembroke:

Hello everyone and welcome once again to Work With Purpose, a podcast about the Australian Public Service. My name's David Pembroke. Thanks for joining me. I begin today's podcast by acknowledging the traditional custodians of the land from which we broadcast today, the Ngunnawal people and pay my respects to their elders past, present and emerging and recognise the important and ongoing contribution they make to the life of this city and region.

David Pembroke:

Today, on Work With Purpose, we explore the role of women in economics. Now, I know, when I studied An Introduction to Macroeconomics and Microeconomics at the University of New South Wales and barely scraped a pass, that it was the only right and proper thing to step aside for the brainy people and dedicate my time to dreaming up ideas in marketing.

David Pembroke:

Well, today, I'm joined by two of those brainy people, who've gone on to become leaders in the field of economics in Australia. Cherelle Murphy is the chief economist at Austrade, where she leads a team of economists, data analysts and information engineers to help shape and guide government policy in the trade, foreign investment and tourism sectors.

David Pembroke:

Prior to this important public sector role, Cherelle was a member of the ANZ Bank's research team, where she specialised in fiscal policy and the domestic economy. She was also a journalist for the Australian Financial Review for five years, including time as the economics correspondent for the paper in the Federal Parliamentary Press Gallery, here in Canberra. Cherelle Murphy, thanks for joining me,

Cherelle Murphy:

Nice to be here. Thanks, David.

David Pembroke:

My second guest today is Dr Leonora Risse, an economist with an interest and expertise in gender equality, labour economics, economic psychology, demographic and population economics, education, disadvantage and well-being. Her research focuses on understanding the impact of gender on economic opportunity and outcomes. This includes understanding the gender pay gap, women's participation in the workforce, women's underrepresentation in leadership and the role of attitudes, personality traits and societal norms.

David Pembroke:

Leonora is also the national chair of the Women in Economics Network. Leonora, thanks also for joining me.

Dr Leonora Risse:

Hi, David. It's great to join you.

David Pembroke:

Now, listen, perhaps a question to you first, Leonora and let's just say it's a little unscientific. But I went to a co-ed high school and I went to university and as a general rule, the girls were always smarter than the boys. Why is it that more than 30 years later, there are not more women in positions of influence and power in the public and private sectors?

Dr Leonora Risse:

Well, thanks, David, for that observation and for recognising that, really, the underrepresentation of women is not due to any gaps in ability or aspirations or capability. It has a lot more to do with culture and the environment and workplace norms and the gender patterned stereotypes that prevail right across society.

Dr Leonora Risse:

That can influence us in so many ways, including women's perceptions of whether or not a career in economics is for them, or a career in a leadership position is a viable option for them. Not necessarily because they doubt their capability, but because when they look at that environment, as it is at the moment, they don't see a strong representation, or an even balance of women.

Dr Leonora Risse:

Even when there are women in positions of leadership, or in positions that are traditionally male concentrated, such as in economics or in STEM, it's not always the case that the women who have made it into those professions have a smooth or an easy career. In fact, there can be a lot of a hostility.

Dr Leonora Risse:

There can be barriers, it can be a challenge for women. It can also be a case that even when women make it into those professions, there's not necessarily a level of respect afforded to them, that is afforded to their male counterparts.

Dr Leonora Risse:

So it's not to do with inability. It is more to do with looking at those workplaces, those sectors and questioning, is it inclusive and embracing of women?

David Pembroke:

But that's 30 years ago, quite so. Looking back, that this was a problem 30 years ago, why is it that it hasn't changed? Or hasn't changed substantially enough, to rebalance the representation?

Dr Leonora Risse:

I think we have made progress, but it's been really gradual. There is also a perception that just because laws have changed, or just because there are now more women and more girls studying these subjects, that doesn't necessarily translate into change within culture.

Dr Leonora Risse:

There's a lot of what we call implicit or unconscious biases and barriers, which are really hard to pinpoint and they can be quite seemingly minor, but they all add up into more substantial impacts.

Dr Leonora Risse:

One example I can give to you and this is, you might think, "Surely, 30 years later, surely we're not prone to these gender stereotypes anymore." But the research shows that, for instance, a CV that has a male name attached to it is rated more favourably than a CV which has a female name attached to it.

Dr Leonora Risse:

These implicit unconscious biases creep in and contaminate our thinking and our actions, even without us realising it. I think also, that's the hardest part to really, to fix, because we think we've made a lot of great progress, in visible, tangible ways and it's the more invisible intangible hidden ways that is harder to address.

David Pembroke:

Now, Cherelle, you've sort of gone the hard way here, through banking and finance, traditionally male-dominated, then spending time up in the Press Gallery. What's your views on why it's been so difficult? And what's been your observation through your stellar career, really, to the position you are now, as the chief economist at Austrade?

Cherelle Murphy:

You're right, I did start my career in banking and finance, in the sense that I started a role in the Reserve Bank. Although, at the time, as an economics graduate, what I was looking for was a policy role. That's really how I thought about it at the time, but you're right. I did spend most of my career in banking, in finance, having worked at ANZ. And also, as you noted, a period of time, as a journalist.

Cherelle Murphy:

I have observed a number of behaviours myself, which have definitely acted as a barrier to both myself and the women around me in similar positions. It's rarely explicit. I also wonder about all the sort of unconscious bias that's affected the decision making around me for years, the kinds of decisions made about me, or for me, that I didn't even know about and the people that were making them perhaps were not aware of, either, the sort of conversations people have about you when you're not in the room.

Cherelle Murphy:

When I first started at ANZ, I worked in the dealing room, which was about 85% blokes. It was hard to fit in until people got to know me. Then, after that, I found it much easier, but it did certainly take some time.

Cherelle Murphy:

I had twin babies about 12 years ago, they're just about to turn 12. And I faced many assumptions at that point in my life. And it wasn't from, just from those I worked with.

Cherelle Murphy:

There's a lot of my friends and family and acquaintances and friends of my parents, who had a lot of judgements about my appetite for long hours of work, or my appetite to travel, or my willingness to work overseas, or what I should be focused on. I found that pretty challenging, myself.

Cherelle Murphy:

I once had a job where, to this day, it's only ever been held by men, except for, of course, when I had it. And I didn't actually get the public job title that went with that position, even although I was more qualified for it, than many of the men that did it before me and after me.

Cherelle Murphy:

So I've certainly seen some quite judgemental decisions around me, but there's also, as I say this, there's probably a lot that I haven't seen too. So it's been a journey.

David Pembroke:

But Leonora, that sounds like Case Study 101. Everything that's happened to Cherelle is really what the research is telling you, people making decisions, making assumptions, not asking, being biased.

Dr Leonora Risse:

That's right. I think Cherelle has offered some real real world examples there. And I think for women in the profession, it's really difficult to actually identify it yourself and then to admit to it, because there is this very understandable aspiration, to want to get through your career and advance your career on the basis of merit and proving your ability.

Dr Leonora Risse:

I think for, especially young women, it's difficult to grasp the notion that there are these barriers and biases that are there, unless you confront them, unfortunately, yourself. But also, it's about women.

Dr Leonora Risse:

I think resisting, playing what's sometimes called the gender card, or playing the victim, we really don't want to find ourselves in that scenario, either. So it is about recognising that it is a system. It is a system that's biased. It's not people who are innately biased. This system has been designed in a traditional way, to put value on long hours, basically, for people to make decisions, which is sometimes subjective. When you're in a recruitment panel, it's human nature to gravitate, or to find an affinity, with people who remind you of your younger self.

Dr Leonora Risse:

There are all these ways that I think we need to recognise. It's just part of the system, part of the culture that we're in and it's not anyone's fault, but we can work towards reconfiguring, redesigning systems of recruitment, and evaluation and decision making, so that we can cleanse the system of these gender patented biases.

David Pembroke:

So, Cherelle Murphy, if I could give you a magic wand and you could do two or three things that would change to arrest this bias and as Leonora said, start to cleanse the system, what would the changes be?

Cherelle Murphy:

So, David, I think that one of the first things that organisations can do, is they can be quite honest with themselves, in the sense that they can go back and review decisions that they've made and make sure that there is no bias in them. So whether that be salary increases or bonuses or recruitment, looking at their management.

Cherelle Murphy:

If they go back and say, "How did we do, on a gender basis? Did we actually award those positions very fairly?" And I think, when you look back, you can really see, yes or no, you did or you didn't. Then, of course, it's really

important that if you didn't, you go back and you fix it. I've seen that a lot recently in organisations I've worked in and around and I think it's really powerful.

Cherelle Murphy:

Another thing that companies can do is, of course, at the recruitment level. They can just make sure that the pull of people that they're willing to interview is 50-50, male/female. Pretty simple. Doesn't take a lot of ingenuity to get that one right.

Cherelle Murphy:

The other thing that they can do is provide role models. Role models are really important. I remember one of the reasons I wanted to become an economist is because I saw Chris Caton in action. Back then, he worked for a BT and yes, he was a man, but I just loved what he did.

Cherelle Murphy:

I just thought, wow, this guy gets up and talks about big trends in the economy and everyone was sitting there watching him, completely and utterly glued to what he was saying. For me, he was a role model, back when I was still in my first years of economics at university.

Cherelle Murphy:

But I think that those small exposure points can make a big difference. So, if me, as a 14-year-old, had seen a woman in that position, I probably would have been even more impressed. So it'd be great for, particularly high school girls, to see more women in senior positions do some pretty cool stuff.

Cherelle Murphy:

The other thing we need to remember is, of course, that economics is a really broad field. The type of work that Leonora does on the gender side is incredibly interesting and there's just a wealth of data out there. And we can really draw some interesting insights out of that, that we've never had before.

Cherelle Murphy:

Equally, some of the work that I do on the macro side in trade, that grabs the attention of other people. So we need to show that economics is very much a broad discipline and we can cater to many different interests. And there are some worthwhile role models who can perhaps have some influence on girls at that early age.

David Pembroke:

Leonora, you are indeed the national chair of the Women in Economics Network. I imagine the mission is really about raising the profile, setting out these role models and encouraging young women to step into this broad and interesting field of discovery, really.

Dr Leonora Risse:

That's right. And David, as economists, we apply economic tools to our mission, as well. We look at the research and we look for, what is evidence-based examples of how to do this? So we make sure that we are applying economics to ourselves.

Dr Leonora Risse:

It is almost akin to a pipeline problem, where we have to think about all points along the profession. What is the attraction for, not just young girls, but for the diverse cohorts of people who are otherwise not attracted

to economics at the moment? How do we explain to them the diversity of uses and the relevance of economics to every day life and the broad range of professions where economics can take you, exactly as Cherelle has said.

Dr Leonora Risse:

We've seen that done quite well within STEM. So STEM was conscious about the underrepresentation of women and they launched a concerted campaign promoting women in STEM.

Dr Leonora Risse:

That was really driven by trying to explain and show examples of how careers in STEM could help people and lead to meaningful, purposeful jobs. And in our work, within WEN, in the Women in Economics network, we really have tried to rebrand economics, in a way, to make people realise, we help people to discover how, at the heart of economics is well-being and making the world a better place.

Dr Leonora Risse:

I know our definition of economics is, how do we study scarcity and how do we allocate limited resources to unlimited wants. But really, we don't turn up for work in the beginning of the day and say, "Okay, how can I allocate resources?"

Dr Leonora Risse:

We're motivated because we want to make the world a better place, make society fairer, more efficient, more inclusive, more productive, so that we can enhance well-being. So that has been part of our messaging, to try to illuminate that next generation about the usefulness of economics and to provide those role models.

Dr Leonora Risse:

As we progress throughout our career, we have to make sure that we're applying, or that we're building awareness about the points where there is a risk that females could become disengaged in the profession and drop out for a range of reasons that are applicable to economics, but also, are encountered in the workplace more generally, such as those barriers that Cherelle has described in her own profession. Then, at the top end, have a look at who are leading the economic agencies in Australia?

Dr Leonora Risse:

We have some remarkably talented, capable, skilled women and yet, the majority of those leadership roles in economic agencies are held by men. So the economics profession needs to look at itself and question, "What are we missing out on here? Why don't we have these women equally represented amongst leadership positions?" That applies, obviously, to policy making, more generally.

David Pembroke:

So, Cherelle, what sort of a problem does economics more broadly have, in terms of its reputation, in being able to attract very bright, young, energetic males and females, but in terms of this conversation with females? Because I do remember that classic commentary from, or quote from John Kenneth Galbraith, which was something along the lines of, "Economic forecasting only exists to make astrology look good," which I thought was quite clever. So does it have an image problem?

Cherelle Murphy:

Look, I have to put my hand up and admit that yes, I think it does. How I'm going to rely more on the work of others here, but there is some evidence that economics is losing it, well, as Leonora said, probably, to some extent to STEM, but also to business degrees.

Cherelle Murphy:

Now that people can choose a bit more specifically what they do, they may go into that business stream and skirt around the economics of that, or just do the first minor part of the economics degree, but then find themselves in accounting or business management or IT. I think that's one of the problems that we have is, we're not capturing people. Because they're being, I guess, distracted by other shiny things over here.

Cherelle Murphy:

To some extent, it's a default position, but that, of course, means that we need to work harder at making economics cool. We absolutely have to do that. There's some really clever women on the Women in Economics Committee, particularly our friends who work with high school students, who actually have some great tools to be able to make it cooler, to make it mean more to the 14-year-old brain, which I keep going back to.

Cherelle Murphy:

And I'm not suggesting for one second, that's where the only problem is, but I think it's where the start of it is. So we have to make the problems real.

Cherelle Murphy:

As Leonora said, we are actually focused in well-being. We're not really over here thinking about, necessarily, the scarce resources that we have to distribute. We have to make this real for people. We have to give them real examples of where economics actually comes in and makes a difference.

Cherelle Murphy:

I mean, I myself was, when I first arrived in Australia ... I'm from Scotland, as you can maybe just tell, by my accent. When we arrived, or I arrived with my family, in the early 1990s, in the middle of the recession, when unemployment was rife and I saw a lot of unemployment around me and with unemployment essentially comes misery. It's the real human side of economics.

Cherelle Murphy:

One of the reasons I got so interested in economics, as I got into the later years of high school was, I thought, "Wow, if I wanted to make a difference to that unemployment problem, then economics is the tool or the toolkit that I need to get in there, and do something." Ultimately, that's one of the reasons I wanted to work at the Reserve Bank when I graduated.

Cherelle Murphy:

So I was motivated by a real life sense of improving well-being. As Leonora says, I think that's really important that we inspire people, because the meaning of the work, as this podcast says, there's real purpose behind it.

Cherelle Murphy:

At the end of the day, don't get me wrong, you don't go home every day saying, "Wow, I've, I made a difference today," but sometimes, you really do.

Cherelle Murphy:

Some days, I walk out of the office, or my home office walk through to the kitchen, at the end of the day, at the moment. And I genuinely feel proud of what I've done. I think, if we can just inspire a little bit more of that, then potentially, we'd do a bit better.

Cherelle Murphy:

The other thing I'd like to mention, and it's always seen as a bit uncool, particularly for women to talk about this, but is money.

Cherelle Murphy:

Economics actually pays really well. It is a well-paid job. And we shouldn't shy away from that. On average, across the population, we get paid much better than people who don't have economics degrees.

Cherelle Murphy:

Obviously, there are others that sit up there, too, but this is a good career for someone who wants to set themselves up for a steady and predictable financial future. Economists are in great demand.

Cherelle Murphy:

I work in the public service and I can see it all around me. There is constant demand for economists, data engineers, statisticians and those who work around the periphery of economics as well. So I can guarantee, that if you go into this profession, you will have a job for life.

David Pembroke:

Fantastic. Well, if I could, Leonora, just come back to you and back to that issue around the systemic change. Now, we are in the middle of this massive structural change being driven by the pandemic, where the system that you must have been researching for some time has been tipped on its head in many ways.

David Pembroke:

As a researcher, I'm sure you are licking your lips to get the new data about what this is going to mean. Have you got any early indications as to what this flexible working environment is going to mean, to some of those traditional biases in the system?

Dr Leonora Risse:

Yes, exactly. David, this whole acceleration of working from home and remote technology has certainly shifted us into a new era of work. And the outlook really looks like we're not back to how things were before.

Dr Leonora Risse:

There's so many things unfolding at the moment, that we really shouldn't be surprised by, because the research was there, pre-pandemic, to indicate where things would go, on a gender basis. Prior to the pandemic, we often talked about working from home as being something that could accommodate, particularly, women with caring responsibilities, to juggle their work and family roles, or their work and caring roles. And that was preferential to them potentially dropping out of the workforce completely.

Dr Leonora Risse:

I think the percentage of people working and working from home arrangements was single digits before the pandemic. Then, obviously, with the pandemic, estimates are around about 40%, I believe, of people now working from home. Now, the indications are that it is likely to be proportionally more men than women who opt to return to the workplace, or to spend relatively more time on-site, in the office.

Dr Leonora Risse:

Proportionally more women will be opting for something that's hybrid, or working entirely from home, to cater to those gender patterned caring responsibilities. Now, what we know-

David Pembroke:

So it could get worse.

Dr Leonora Risse:

... Yes, well-

David Pembroke:

So it could get worse.

Dr Leonora Risse:

... That's driven by an understanding of the role of unconscious bias and preferential treatment that goes towards workers who are present in the office and those conversations that we have incidentally in the corridor, or just being around other people, being able to exchange information.

Dr Leonora Risse:

It means that if you are not physically present in the office, you're less likely to be part of that inner circle of information, exchange of project ideas and also, just to make your presence and your voice heard. The research preceding the pandemic made that quite clear, that that was a disadvantage. So yes, we are at a risk of that.

Dr Leonora Risse:

Actually worse is, what we could be seeing is a reversion back to gender stereotypes, where it's basically baking in women's role as caregivers at home. Now, organisations need to think very strategically, about how do we allow and permit and encourage and support people to work from home, but do so in a way where we have just as many men opting to work from home and taking on the caring responsibilities as we do women opting to return to the office as well, so we don't see that amplification of gender patterns.

Cherelle Murphy:

If I could just jump in, if you don't mind?

David Pembroke:

Cherelle, would that...

Cherelle Murphy:

I agree very strongly with Leonora on this point. I think that what we need to be very careful about is making things different in the workplace for men and women. And I think the fact that that many men feel like they

can't take that role as carer, or ask for part-time work, is just as dangerous as the woman pulling back, because she feels like she has to.

Cherelle Murphy:

I think there are so many men who want to play a really important role caring role, whether for their children, or for other relatives who need help. And if we show any bias towards them doing that, we're not doing ourselves any favours.

David Pembroke:

Mm. So listen, just to wrap it up. I have two daughters at home, a 15-year-old and a 17-year-old. What advice would you give them, as they start to prepare themselves for life in the workforce? How should they get ready?

David Pembroke:

And I think, to Cherelle's point, the money will appeal, so we're part of the way there. But what would you say to them, Leonora?

Dr Leonora Risse:

Well, the research also shows that what really motivates and inspires young women these days is being able to contribute towards solving problems. If we look at the real world problems that we're facing at the moment, at a societal level, at a global level, take your pick as to which problems to go for.

Dr Leonora Risse:

So I would say that that is really a pathway. In my own opinion, that is pathway to a very fulfilling, rewarding career, where you are inspired by contributing to leaving behind a solution that will live on.

Dr Leonora Risse:

In the future, you'll be able to look back and say, "Look, I contributed in my own small way, or maybe in a big way, towards tackling climate change, towards tackling inequality, towards understanding and making workplaces and society fairer and better."

Dr Leonora Risse:

I would say, stay true to that motivation, whatever it is that motivates you and look for avenues where you can build the toolkit to contribute in that way. And also, to build your networks of supportive, understanding people who share the same values and the same aspirations as you do.

David Pembroke:

And Cherelle Murphy, the final word to you.

Cherelle Murphy:

That was just so beautiful.

David Pembroke:

Real pitch. That was a good pitch, what's your pitch?

Cherelle Murphy:

I'm going to be blatant and say, "Study economics." For all the reasons-

Dr Leonora Risse:

Oh that too, of course.

Cherelle Murphy:

For all the reasons that Leonora said, but also, because, it's just damned interesting. It is just really interesting. You've got a guaranteed job at the end of it, a well-paid job.

Cherelle Murphy:

You can buy all the shoes and handbags that you like, whether or not you choose to marry, or have kids, totally up to you. But you're going to have a really good time along the way.

David Pembroke:

Fantastic. Well, Cherelle Murphy, Dr Leonora Risse, thank you so much for joining us on Work With Purpose and two outstanding role models for young women to get into the wonderful world of economics.

David Pembroke:

Because, as I said at the beginning, there are so many bright young women out there. They certainly need to be encouraged.

David Pembroke:

And again, the system needs to take a look at itself, to remove the biases that are in the way at the moment, that are probably, well, that definitely are impacting on the productivity of the country. Because we don't have our best and brightest doing the work that they should be doing. So Cherelle Murphy, Dr Leonora Risse, thank you very much for joining us on Work With Purpose.

Cherelle Murphy:

Thank you.

Dr Leonora Risse:

Great, great. Thank you, David.

David Pembroke:

And to you, the audience, thank you for coming back, once again. We really do appreciate your ongoing support.

David Pembroke:

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David Pembroke:

Then, if you do happen to come across our social media promotion for the program, please pass it along, share it. If you are feeling generous, a little bit of a review always helps.

David Pembroke:

Thanks, also, to our good friends and colleagues at IPAA and also, the Australian Public Service Commission, for their ongoing and outstanding contribution to this program.

David Pembroke:

Indeed, we do who have another series at IPAA, the IPAA Integrity Series and make sure you do have a listen to that. That's hosted by Rina Bruinsma, of the Australian Public Service Commission.

David Pembroke:

What it's about is having very important conversations about the critical importance of ethics and integrity in the work of the APS. So make sure you subscribe to that, as well. A big thanks to the team at contentgroup, for also helping make this program come together.

David Pembroke:

My name's David Pembroke. We'll be back at the same time, in two weeks, with another important conversation about the Australian Public Service. But for the moment, it's bye for now.

Voiceover:

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