justice for men & boys
(and the women who love them)

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Why are David Cameron, Sir Roger Carr, Nick Baveystock, and Michel Landel assaulting men in the workplace?

Few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their stockholders as possible.
Milton Friedman (1912-2006), *Capitalism and Freedom* (1962)

[Note: text in red font relates to links at the end of the article.]

Across much of the developed and developing worlds, concerted campaigns to economically emasculate men are well underway. There are numerous strands to these campaigns, and I plan at some point to write further articles on the subject. In this article I shall focus on one strand which is far more important to men in general than is realised even by most MHRAs, the campaign to increase gender diversity in the boardroom ('GDITB'). The campaign assaults a cornerstone of capitalism, the freedom of companies to appoint directors as they deem fit.

There are numerous groups of people engaged in the GDITB initiative – including politicians, both male and female – but the most active people today are senior business executives, and in particular senior business*men*. Remarkably, they favour the preferential recruitment of female directors even after being made aware that GDITB leads to corporate financial *decline*.

Senior business executives, the vast majority of them men, are 'undermining the very foundations of our free society', to quote Milton Friedman. In doing so they're acting against the interests (economic and otherwise) of men in numerous ways. Men will increasingly be denied employment and promotion in the business sector, and even the most disadvantaged men will be adversely affected. As corporate profits decline, governments' corporation tax revenues will decline, and the government will ensure men are adversely affected more than women by cutbacks in the welfare system.

The proportion of women in FTSE100 boardrooms has grown from 6.2 per cent in 1999 to 17.3 per cent in 2013. The latest figure is commonly cited by commentators as 'under-representation', but if you consider three factors it's clear that women are *over*-represented on FTSE100 boards, and were in 1999. The three factors are work orientation, the proportion of women in the business sector, and gender-typical profession choices:

> The renowned sociologist Dr Catherine Hakim published a paper on Preference Theory in 2000. In the paper she showed that while four in seven British men are 'work-centred', just one in seven British women is. The next time a woman tells you she's looking for a 'better' work/life balance, ask her if she's looking for more work, or more life. Gender-typical differences in work orientation alone might lead us to expect a 4:1 male:female split on major corporate boards, all else being equal, but all else is *not* equal. Two-thirds of private sector employees are men. Men have traditionally outnumbered women in the key professions most likely to lead to board positions, notably Finance, by a considerable margin. It's only in recent years that women have worked in Finance in substantial numbers (other than in administrative roles) and it will be many years before a significant number will be sufficiently experienced to be considered for FTSE100 Finance Director positions.

We would reasonably conclude from the above that fewer than 5% of FTSE100 board directors should be women based on work orientation, the proportion of women in the business sector, and their choices of profession. The current figure is 17.3 per cent, hence my remark about over-representation. The overwhelming majority of FTSE100 female directors are appointed as non-executive directors, and this has long been the case. This alone is evidence of the *gender merit gap* in the upper reaches of major companies. Despite these realities the government, big business, and many other groups are collaborating to *increase* the over-representation of women on major corporate boards.

Why would senior business executives – and senior business*men* in particular – pursue GDITB, an apparently insane initiative? Our view is that there are key stakeholders with a common interest in driving women out of the home and into paid employment, regardless of the impact on women themselves, or on men and children. The groups include:

> Governments – seeking economic growth and increased tax revenues, and support from female voters.
>
> Business – seeking reduced wage bills (more workers looking for jobs depress wage rates) and higher demand for the goods and services they sell. Employers' organisations duly support this policy direction.
>
> Professional bodies – seeking more fee-paying members, and responding to pressures from female members.
>
> Pressure groups – relying on GDITB and similar initiatives to justify their existence, and provide paid employment for the people who work in them.

In return for governments passing legislation encouraging women out of the home and into paid employment, 'big business' accedes to demands for more women on corporate boards, albeit (currently) almost always as non-executive directors. Pressure is mounting, however, for more female *executive* directors to be appointed.

In May 2012 I launched Campaign for Merit in Business with the objective of challenging the Conservative-led coalition's threat of legislated gender quotas if major companies didn't increase the proportion of women on their boards 'voluntarily'. We've presented written and oral evidence to a House of Commons inquiry and a House of Lords inquiry, issued Freedom of Information Act requests to government ministers and civil servants, and challenged dozens of organisations which support GDITB, along with hundreds of individuals who do so.

In this article I'll outline the roles played by just four men out of the large number of men who are actively enabling GDITB:

> David Cameron – British prime minister, leader of the Conservative party since 2005.
>
> Sir Roger Carr – chairman of Centrica, a FTSE100 company. Former President of the Confederation of British Industries, for many years the leading major employers' organisation.
>
> Nick Baveystock – director general of the Institution of Civil Engineering.
>
> Michel Landel – global CEO of a French multinational company, Sodexo.

My first task is to demonstrate the existence of a relationship – strong enough to be considered a causal relationship – between GDITB and corporate financial decline. At one time it was confidently asserted by politicians (and others) that a business case existed for GDITB – in short, that companies' financial performance could be expected to improve when companies appointed more women to their boards. The basis of many such claims can be traced to reports produced by Catalyst Inc., a New York-based feminist campaigning organisation. The organisation is highly influential and also has offices in Canada, Europe and India.

Before I say anything more about Catalyst, let me introduce the most prominent academic proponent of GDITB in the world for many years, Professor Susan Vinnicombe. She founded the Cranfield International Centre for Women Leaders in 1999, and leads it to this day. In July 2012 she gave evidence to a House of Lords inquiry, 'Women on Boards'. We'd asked in our prior written submission to the inquiry that Professor Vinnicombe be asked about the evidence of a business case for GDITB. Lord Fearn duly asked her the following question:

> Is there a strong business case for improving the gender diversity of boards? If so, does it follow that there is also a strong business case for increased gender diversity on boards across the EU?

Our report of the exchange may be found here but for the purpose of this article the key passage in Professor Vinnicombe's testimony is this:

> There has been quite a push in the past – indeed, we ourselves have engaged in such research – to look at the relationship between having women on corporate boards and financial performance. We do not subscribe to this research. We have shared it with chairmen and they do not think that it makes sense. We agree that it does not make

sense. You cannot correlate two or three women on a massive corporate board with a return on investment, return on equity, turnover or profits. We have dropped such research in the past five years and I am pleased to say that *Catalyst, which claims to have done a ground-breaking study on this in the US, officially dropped this line of argument last September.* [my emphasis]

Having spent some time looking over Catalyst's website, I cannot find evidence that they've 'officially dropped this line of argument', but it's inconceivable to me that Professor Vinnicombe, given her international prominence in this area, made a mistake with respect to Catalyst. We sent her a copy of our piece on her testimony shortly after the inquiry session in which she spoke. Had she made a mistake, she would surely have corrected her evidence, but didn't do so – to her credit, it must be said.

I've just downloaded the report *Why Diversity Matters* from the Catalyst website. It's dated 23 July 2013, so it was published about 12 weeks ago. A short extract should give you a flavour of the content:

> **Improving Financial Performance**
> Catalyst found that companies with the most women board directors, especially those with three or more women board directors, had better financial performance than those with the fewest women board directors.
>
> Since 2004, a series of Catalyst studies has shown that companies that achieve diversity in their management and on their corporate boards attain better financial results, on average, than other companies.
>
> Catalyst's 2011 study found that companies with the most women board directors outperformed those with the least on return on sales (ROS) by 16 percent and return on invested capital (ROIC) by 26 percent.[2]
>
> Companies with sustained high representation of women – three or more women board directors in at least four of five years – significantly outperformed those with no women board directors.[3]
>
> In 2007, Catalyst found that companies with more women board directors outperformed those with the least on three financial measures: return on equity (53 percent higher), return on sales (42 percent higher), and return on invested capital (66 percent higher). Catalyst also showed that stronger-than-average results prevailed at companies with three or more women on their corporate boards.[4]

The reports referenced in this extract are from Catalyst's 'Bottom Line' series of reports which contain the following cautionary note in the 'fine print':

> Catalyst designed the Bottom Line report series to establish whether an empirical link exists between gender diversity in corporate leadership and financial performance.

> These studies have examined historical data and revealed statistically significant correlations. *The studies do not, however, establish or imply causal connections.* [my emphasis]

In October 2012 I publicly challenged Ilene Lang, President and CEO of Catalyst, to provide us with evidence of a causal link between GDITB and improved corporate financial performance. The challenge is here. She didn't respond to the challenge, which we've since repeated twice.

What's going on here is perfectly obvious. While Catalyst is careful not to *explicitly* claim causation, few people (and this includes journalists) take the trouble to read the original reports and thereby discover the cautionary note. People with an interest in this field – virtually all of whom are proponents of GDITB – interpret the language used by Catalyst as evidence of causation, and present it to others as such. A week ago the *Daily Mail* published an article written by one of its journalists, Louise Eccles. It was titled, 'More female bosses mean more profits, business told', and included a reference to the Catalyst data, without citing the source:

> Companies at which a third of board members are women made on average 42 per cent more profit, while shareholders received 53% higher returns.

I emailed Ms Eccles to point out why the numbers were misleading, but she didn't respond.

Proponents of GDITB regularly point to studies and reports by Catalyst and other organisations (McKinsey, Credit Suisse, Reuters Thomson…) *apparently* showing a causal link between GDITB and improved financial performance. We've analysed many such reports and have yet to find one which didn't make the same point about correlations and causation.

So if there's no evidence of a causal link between GDITB and improved financial performance, is there any evidence of a causal link between GDITB and *reduced* financial performance? Indeed there is. The best evidence of causal links in this area are longitudinal studies, unlike studies which are a 'snapshot' of companies at one point in time e.g. the Catalyst 'Bottom Line' series. These longitudinal studies review the impacts of GDITB over an extended time period. Five longitudinal studies, analysing the impact of GDITB over time in companies in the United States, Germany and Norway, show such a causal link. Our short briefing paper is here. It includes the full Abstracts of the five studies.

To the best of my knowledge, nobody has ever disputed the soundness of these five studies. We've asked hundreds of proponents of GDITB to provide us with even one longitudinal study showing a link between GDITB and improved financial performance, and none have ever been able to do so.

We move on to our small sample of influential men driving GDITB.

DAVID CAMERON

David Cameron was elected Conservative party leader after the party's general election defeat in 2005. From the outset he showed himself to have anti-male leanings, although British men collectively pay 72% of the income tax which largely finances the state in general, and the government in particular. In 2009 he declared his intention to adopt all-women prospective parliamentary candidate shortlists. I resigned my membership of the Conservative party that day, as did many other party members.

Cameron has pursued feminist agendas from the moment he became prime minister, going even further than the three preceding Labour administrations (1997-2010). Shortly after coming to power in 2010, he appointed the *Labour* peer Lord Davies to make recommendations on how – not *whether* – to increase the representation of women in the higher levels of major businesses. The infamous Davies Report was published in February 2011, and I don't believe the most ardent feminist would disagree with a single sentence in it. Contributors to the report included Professor Susan Vinnicombe.

One of the report's key recommendations was that if FTSE100 companies hadn't 'voluntarily' achieved 25 per cent female representation on their boards by 2015, the government should consider introducing legislated gender quotas *forcing* them to do so. In 2010, the year before the report was published, 13 per cent of newly-appointed FTSE100 directors were women – almost all were appointed as non-executive directors, in common with almost all the existing FTSE100 female directors.

By 2012, the year after the report was published, the proportion of newly-appointed FTSE100 directors who were women had more than *quadrupled* to 55 per cent. Again, almost all were appointed as non-executive directors. It may be thought that appointing women as non-executive directors is a risk-free solution to the female representation 'problem'. Not so. It was precisely the strategy adopted by Norwegian companies in response to legislated gender quotas, but the impact on corporate financial performance was still substantial and negative.

Prior to coming to power, and for a time afterwards, both Cameron and his Liberal Democrat Business Secretary Vince Cable claimed 'evidence' supported the GDITB policy direction, usually drawing on Catalyst reports. Cable, a Liberal Democratic MP, is on record as saying that if he were prime minister, 50 per cent of his cabinet ministers would be women. We publicly challenged Cameron and Cable on numerous occasions, as well as other politicians and other proponents of GDITB, whenever such material came to our attention. Our challenges have been effective in stopping them making such claims, yet the government's threat of legislated gender quotas in 2015 remains in place.

We know from public statements by government ministers that the FTSE350 will be required to adopt GDITB in time, and presumably smaller companies too, although the damage wrought by GDITB will be inversely proportional to company size. Smaller companies are in a poor position to bear the burden of social engineering initiatives such as GDITB. Lord Davies is on record as stating that the figure of 25 per cent female representation on boards is 'a major milestone on a longer journey'. We can be very sure the journey won't stop short of 50 per cent, regardless of the damage wrought on the business sector, the only wealth-generating sector in the economy.

We know from an article written by Helena Morrissey, who founded and still leads The 30% Club – an organisation successfully campaigning for GDITB – that Cameron and his immediate team have been closely involved with the GDITB drive. Our piece on the matter is here.

David Cameron was a deserving winner of our Toady of the Year (2012) award. His certificate can be downloaded through this link. At the same time we awarded Toadies to the 33 FTSE100 chairmen who were, at the time, members of The 30% Club.

SIR ROGER CARR

Sir Roger Carr, chairman of Centrica, a FTSE100 company, has long been a leading light among the men promoting GDITB. He pursued GDITB when he was President of the CBI, the leading employers' organisation. The CBI has been a strong proponent of GDITB for some years. When I recently challenged Neil Carberry, a director of the CBI, about GDITB, pointing him to the evidence that one consequence of GDITB would be reduced financial performance, he remarked feebly, 'It's what the members want.' He claimed that no CBI member organisations were opposed to the policy direction. Carr continues to pursue GDITB at Centrica, and he was a founder member of The 30% Club.

I had a brief email exchange with Carr, asking him to supply the evidence that having more women on corporate boards leads to enhanced financial performance. He replied that he didn't personally believe they did so, but 'they improve meeting dynamics'. You couldn't make it up. In April 2012 we posted a piece about his daughter Caroline, Goldman Sachs's Head of Global Leadership and Diversity. A link in the piece will take you to the Toady we awarded her father.

NICK BAVEYSTOCK

To the best of my knowledge, no professional bodies in the UK are challenging the drive to increase the proportion of women in their professions. Most are actively supporting it. Where women dominate professions (e.g. psychology, where over 90 per cent of graduates are women) it's not deemed desirable to increase the proportion of men. Where men dominate professions (e.g. engineering, where over 90 per cent of graduates are men) professional bodies and other organisations have worked with the government and others for *decades* to address the 'problem'.

This brings us to Nick Baveystock, director general of the Institution of Civil Engineering. He's on the board of an organisation, WISE, which has the stated objective of increasing the proportion of women working in engineering from the current 13 per cent to 30 per cent by 2020. Put another way, to reduce the proportion of men from 87 per cent to 70 per cent. That would require the number of men working in the field of engineering to fall by 24.2 per cent in the coming seven years. Details of WISE and our public challenge of Nick Baveystock can be found here. He didn't respond to the challenge, predictably.

MICHEL LINDEL

We recently found out some intriguing information about Michel Lindel, CEO of a major French multinational, Sodexo, since 2005. It followed a public declaration by Debbie White, CEO of Sodexo (UK & Ireland) that she was in favour of legislated gender quotas for major corporate boards. Our two pieces on the matter, including our public challenge to her, may be found here and here. She, too, didn't respond to the challenge, needless to say. We've issued public challenges to many proponents of GDITB, here are just a few of them (the latest was Janet Street-Porter). We've never had a response to any of our challenges. These people are utterly *shameless*.

Our piece on Michel Landel is here, with links to Bloomberg's profiles of Sodexo and Michel Landel. From the latter we see that Landel's most recent annual compensation package was €3.36 million, equivalent to around £2.84 million / US$4.56 million. The detail which struck me most in Landel's profile is that he's a director of Catalyst Inc., the feminist campaigning organisation we encountered earlier. Indeed it would appear to be his sole directorship outside Sodexo. Catalyst has been very active in co-opting men into driving gender diversity programmes as this link (one of many) demonstrates.

So what can we conclude from all this? Men in positions of power in many fields (politics, business, employers' organisations, professional bodies…) are engaged in a common quest to pursue GDITB, even after being presented with strong evidence showing that GDITB will damage the corporate sector, and in turn the interests of companies' shareholders. A small price to pay for the advancement of women who are poorly qualified for board positions, apparently. The consequences of GDITB will inevitably echo what we've long seen in the public sector in the UK, where feminisation has led to an ever-growing culture of mediocrity, inefficiency, and ineffectiveness. Men will be disadvantaged in terms of both recruitment and promotion at all levels, male unemployment will rise, and with it the male suicide rate. Four out of seven unemployed people in the UK are already men, and unemployment is a bigger driver of suicide among men than among women. Men are already disadvantaged with respect to employment in the public sector. Although two-thirds of public sector workers are women, the Equality Act (2010) allows public sector bodies to preference women over men when recruiting.

Let me paint a picture of the future, if GDITB and similar initiatives aren't stopped. In his book *The Woman Racket* Steve Moxon presented evidence showing that when recruiting and promoting people, women display considerable same-gender preference (unlike men). I covered the matter myself in *The Glass Ceiling Delusion*. There are plenty of real-life examples of how women preference women in senior-level appointments. In the FTSE100 the highest proportion of women on boards is at Burberry, where three of the seven directors are women. Its CEO is Angela Ahrendts.

At the House of Commons inquiry 'Women in the Workplace' I gave oral evidence along with three others. One was Heather McGregor, a founder member of The 30% Club and for many years the owner and CEO of Taylor Bennett, a London-based executive search firm. She boasted to the inquiry about the gender balance in her company. I invite you to open this link to see the gender balance among the 18 directors and staff at Taylor Bennett today. Only one is a man. Welcome to the future, where women are in charge. But don't worry. Dirty, dangerous, and low-paid jobs will remain open to men, as they've always been.

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