

“Policies to Promote Women’s Economic Opportunity”

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Full, Unedited Transcript

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>> Thank you so much for being here. It's my name is Liz Magill. I'm the Dean of Stanford Law School. And it's really just a privilege to welcome all of you for this important discussion of policies to promote women's economic opportunity. Stanford Law School feels extremely privileged to be able to co-sponsor this event with The Hamilton Project, The Brookings Institution, and Lean In. At the law school, we work really hard to enable our students to engage, not just with legal theory and legal doctrine, but to understand policy and the effect it has on people in their everyday lives.

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Many of our students are going to enter the world as lawyers and leaders. And they're gonna impact law and policy in significant ways. It's our job, we think, to ensure they understand all of the impacts of that work. And they understand how policy that's based in sound empirical research, developed, tested, altered and retested, implemented and tweaked, studied and questioned, can actually create profound change and good in the world and in the lives of everyday people. We're really proud of this aspect of Stanford Law School and we've been growing it in recent years. We've worked hard to have more offerings in the public policy arena.

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Including policy practicums, where students address problems for real clients using policy analytic approaches, as well as traditional legal analysis. Our clients have ranged from the human rights, the Inter, Inter-American Commission on Human Rights, to the Federal Office of Management and Budget, to the county of Santa Clara, to the governor of California. So it's a real honor, given our devotion to understanding policy and training our students to be leaders in policy as well as law, to extend that work by supporting gatherings like this one on relevant, urgent issues such as the economic empowerment of women. The topic you're going, topics you're going to discuss today, policies that would support increasing women's participation in the labor force, supporting access to childcare, encouraging lifetime economic security.

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These are obviously central to the lives of women, of course, but also for the economy more broadly and for our society. Tackling those issues is gonna take great minds, disciplined research, creative thinkers and very passionate advocates. So thank you to Secretary Rubin and to Sheryl Sandberg, to the Hamilton Project and to Lean In. And to Deborah Rhode and Lucy Ricca of the law school, who've done all of the work of our co-sponsorship, for asking us to be a partner in this and allowing us to participate. I'm gonna say a few words about Secretary Rubin. I wanna personally say that I had the privilege of sitting next to Secretary Rubin at a dinner in the summer.

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And I know many people who worked for him or with him and, of course, knew a lot about his biography. And I was ten minutes into, I've been told he was an extraordinary mentor, amazing leader, wise person, deeply knowledgeable. And I realized ten minutes into the conversation, that I was talking a lot more than he was, which I thought was a problem. And that he knew a lot more about what I thought than I knew about what he thought, which was my objective in sitting next to him. So we're incredibly fortunate to have many people here who are leaders and academics and passionate advocates in this area.

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But particularly pleased that Secretary Rubin is participating and leading on this topic. I'm very proud to say that Secretary Rubin is trained as a lawyer. He's a real model for how lawyers can become leaders in both the private and the public sector, a topic that we explore a lot at the law school under the leadership of Professor Rhode. If the question is how best to promote economic opportunity, there might be no one better suited to answer than Secretary Rubin. He, of course, started at Goldman Sachs and ended up leading that institution as that firm helped shape the global economy.

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He served President Clinton as the First Chair of the National Economic Council, and then as the 70th Secretary of the Treasury. As I was reading your bio, Secretary Rubin, I was reminded at how many fewer presidents we have than Secretaries of the Treasury. Thanks in part to his effort, the United States saw its budget deficit turned into a surplus, and enjoyed several years of very strong economic growth. Just as important, when the global economy hit dangerous waters during the Asian financial crisis, he worked skillfully and closely with the Federal Reserve and international financial institutions to keep us afloat.

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After leaving government, he did many, many things. Among them, starting this organization, The Hamilton Project. And that was before anyone knew that much about the founding father. And there had not been an entire musical written about him. As a long time practitioner and expert in the discipline of probabilistic reasoning and statistics, he knows better than anyone that if women are 51% of the United States population, we should probably have a majority of the pie. So he will give us some good advice about how to think about this topic. Let me introduce to you Secretary Robert Rubin.

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>> Yeah, tha, tha, thank you, Dean. I don't know about 51%, but you should probably have more of the pie. As long as it doesn't come from me. Let me add my welcome to the deans. And we are delighted at The Hamilton Project. This is the third event, third policy event, that we have co-sponsored, The Hamilton Project has co-sponsored with Stanford University. And it's a great honor and, and a great privilege to be a part of this. And, of course, in this instance, also with Lean In, which was founded by Sheryl Sandberg. Sheryl is a member of the Advisory Council of The Hamilton Project and also has been a friend ever since we worked together in the Clinton Treasury.

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Let me also recognize Roger Altman, who was Deputy Secretary of the Treasury. And it was really Roger and myself and one or two other people that founded The Hamilton Project 11 years ago. On the theory that it would be very useful to have an organization that was devoted to evidence, analysis-based, non-ideological apolitical and rigorously developed economic policy. And that's what we've been ever since. We've also spent a great deal of time energetically promulgating the work product that we develop so that it can become part of the public debate. And also contribute to activity in our political system, not only at the federal level, but the state level.

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Let me start with a comment that I, I think is fundamental to today's discussion and, and, and fundamental to the future of our country. We're all here because we share a common commitment to a series of purpose about policy. But we all know our federal government today is beset by terrible dysfunction. And the policy dialogue is, for the most part, or at least to a very large part, dominated by politics and ideology. Elected officials seem unwilling to engage in the principle compromises necessary if our political system is to work. And they seem unwilling to make difficult decisions or to ground the decisions in facts and analysis.

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My view at least, whether we succeed in reestablishing effective and constructive government, or don't, will determine the future of our country. I also believe that everyone of us can participate in helping to promote a more effective political system in all the many ways that are available in our democracy. We can work on campaigns. We can communicate with our elected officials in all kinds of ways. We can contribute to campaigns. We can support effective policy, construct the policy processes, and so much else. And I think it's the responsibility of every one of us to work toward trying to reestablish the constructive and effective government that we will desperately need if we're gonna succeed as an economy and as a country.

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The policy engagement of the Hamilton Project has been based on two fundamental propositions one. That economic growth and broad-based economic well-being should be the dual objectives of economic policy. And two, and very importantly, that they are interdependent, that we will not have growth unless we have broad-based participation that benefits the growth, and we will not have broad-based economic well-being unless we have growth. We don't endorse specific proposals. What we do instead is we bring together academics, policy experts and practitioners from around the country, just as happened which occurred in respect to today's event to discuss issues that we think are centrally important to the economic future of our country.

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And when we have policy papers, as we have today, they are subject to rigorous academic peer review. And that takes us to today's program. As all of you probably know the increase in female labor participation and in the broadened range of opportunity contributed substantially to economic growth for a long time in this country. But, that participation rate has declined in recent years. And that I believe has been a significant impediment to economic growth and there is even more a problem as we look forward. A lot has been postulated about the reasons for this decline, but the reality is that it is still a great deal that needs to be better understood.

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Panels will discuss this question of causation because understanding causation is a predicate to developing policies to deal with the issue. More broadly, I believe that we must do as a country at the federal level, but also at the state level, is to put in place a multifaceted, inclusive growth agenda that will promote both as I said a moment ago, growth and broad based participation in that growth. And the policies we're discussing today, it's seems to me, should be an important part of the agenda. I've had the opportunity to have just been to a fair number of policy conferences and the like.

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And these issues, female participation in the labor force, and the broadening range of opportunity for female participation in the labor force is very rarely, if ever a part of the policy discussion at these broad-ranging policy discussions, that it seems to me, needs to change. We're extremely fortunate to have with us an outstanding group of authors and panelists today. They have a wide variety of viewpoints. And hopefully this will contribute to the ongoing process of substantive progress with respect to policy development, and also along with so much else that many of you are involved with, greater public understanding of the importance of this issue.

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Let me recognize our terrific Hamilton Project team. There's Diane Schanzenbach our former director who was the architect to this program, Jay Shambaugh our outstanding new director of The Hamilton Project, who was a member of President Obama's Council of Economic Advisors. Kristin McIntosh, who has been an extraordinarily effective Managing Director. And Ryan Nunn, our deeply knowledgeable and thoughtful Policy Director. And, of course, our hardworking and talented staff, whose work is absolutely central to all that we do. So again, we are honored to co-sponsor these discussions with the Stanford Law School and with Lean In and with that I will turn the panel over to our first program, thank you.

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>> All right, you ready?

>> Yeah.

>> Okay, well thank you for being here everybody. It's really great to start the day with you. And thank you to The Hamilton Project, to Lean In and to Stanford Law School for hosting us, and to panelists to be here and to talk about this really interesting work. I have to say listening to Dean Magill's introduction brought me back to something, which is that I worked with Bob Rubin at the Treasury Sec, at the Treasury Department in Washington, DC. I worked with Larry Summers after Larry Summers succeeded him as Secretary of the Treasury.

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Bob Rubin whenever he was introduced was introduced as the greatest Treasury Secretary since Alexander Hamilton.

>> Well, I went on to go work with Larry Summers in a variety of different capacities and in a variety of different places and I use to joke around with him all the time and say Larry, you are the best treasury secretary since Bob Rubin.

>> So, it took me back to that. Anyways, it is very fitting to be here to have this conversation about the future of work for women here in Silicon Valley, since in many ways Silicon Valley is a symbol for some of the profound changes going on in our economy for our participants.

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Technology is creating whole new industries at a pace and a scale that we have really never seen before. It's changing what work looks like and what careers look like and it's making it far or less likely that someone would stay in one career or at one company for 40 years, let alone 20 years. And as a part of that it's changing the nature of the relationship between employees and employers. And I would also add that it's creating new pathways into the economy, so it is a brave new world. But, we are here today because it is still a man's world.

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Female participation rate in the US economy is only 57%, that's only one percentage point higher than it was when I graduated from high school, and that was a very long time ago. So, we know that if we can increase women's participation, it will make our country more productive and our businesses more innovative research shows it. It shows that when women control hou-, household spending, they invest more in their families. And, when they hold top management positions, profits rise. And, when they work in R&D, companies are more innovative, so we know this. And, yet, there are still barriers in place that are hap-, that are hampering progress of women.

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In the workforce, and I thought it was super interesting that Secretary Rubin mentioned that at all of these conferences that go on. This is often not what is discussed. So today, is gonna be a different day. We will discuss, we will talk about some of the po- policy proposals to lower these barriers. Where they stand and how we should be framing discussions on advancing women's opportunities and we have a fantastic group of panelists to do so. So starting immediately to my right is Heather Boushey the Executive Director and Chief Economist at the Washington Center for Equitable Growth.

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Heather's research which you'll hear more about focuses on economic inequality. And public policy specifically, employment social policy and family economic well being and her latest book is, here's the plug, finding time, the economics of work life conflict, from Harvard University Press. She's also currently participating in a bipartisan study group with Brookings and the American Enterprise Institute, otherwise known as AEI. Debra Ness is the president and chief executive officer of The National Partnership for Women and Families where she has played a leading role in positioning the organization as an advocate for today's women and families. And drawing on her background in health and public policy before assuming her current role As president.

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She served as executive vice president of the national partnership for 13 years. And Laphonza Butler, oop, is the president of the SEIU local 2015. The recently formed statewide long term care union that has united the voices of more than 325,000 SEIU nursing home and in home care workers throughout California. SEI local 2015 is the largest union in California and the largest long term care local in the country. Pretty amazing. And last, but not least is Jessie Rothstein, Professor of Public Policy and Economics at the University of California Berkeley. He's also the director of the Institute of Research on Labor and Employment, the co-director of the California Policy Lab, and the co-director of the Opportunity Lab.

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You got a lot of jobs.

>> He previously served as the Chief Economist at the US Department of Labor, and then as the Senior Economist with the Council of Economic Advisors. The Executive Office of the President, both in, in the Obama Administration.

>> To kick off this conversation I'm gonna turn to you, Heather, because you're a real expert on this subject. So, for all of us here today, can you set the stage? And explain why women's participation in the workforce is an economic issue. And also, maybe we can just like dive right into it. Can you address what Secretary Rubin said, why is it that people aren't talking about this at conferences?

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>> Two great questions. So, I wanna start the first answer, by giving a plug for the book which hopefully everybody has picked up, the 51% driving growth through women's economic participation. I mean Diane just did in the team, just did a fantastic job making this argument about why women are so important to the economy. We're 50%, 51% of the population, in a study that I did a number of years ago with my colleagues, John Schmidt and Eileen Applebaum. We estimated that about 11%, 11% of US economic growth, between 1979 and it was either 2013 or 2014, who can remember details, but about 11% of economic growth was due to the added hours of women into the labor force because of the rise in women's labor force participation over that time period.

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But as you pointed out, women's labor force participation has actually plateaued. And so the fact that more women, are not in the labor force, are not working more, is quantifiably an important issue for economic growth. And, so the study that I did with my colleagues is just one of a number of studies. The IMF has, actually been a lit, a fourth, a leader in this as well, making the argument. About how importance women's economic contributions are. Because and I know that a quick segue to your question, did the secretary noted about different conferences? I'm looking out at an audience today that is just many people, old friends and great folks out here and a lot of women.

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And I know that a lot of what we're gonna say up here today, you are all gonna go, uh-huh, yeah, I totally understand that. I contribute to the economy. I'm totally skilled. I get it. You see it in your workplaces. You see it in the world around you. And yet, with the rest of my time as an economist, I spend room, I spend time in rooms that look very different than this. Last week, Jay's laughing because he was there. Last week, Jay and I were at a conference of macroeconomists called Rethinking Macro. And it was one of those rooms where I felt very short, because all the humans that were there were all taller than me because most of them were men, like, I would say 95% of them.

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And they all looked the same in their little, their suits, and it was great.

>> But, it didn't the issues that we're talking about today did not come up. We were talking about macroeconomic growth instability and we did not talk about the fact that women's labor force participation has plateaued. That women's earnings, the fact that women earn less than men is an important economic stability issue because it's important for family economic well-being, which means it's important for consumption. And the extent to which families have seen their incomes rise in recent decades it has been because of the added hours of women into the labor force, which is a slightly different statistic than on growth.

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But if you look at families, especially in the bottom, in the middle of the labor force of the income distribution, those added hours have meant all the difference to family economic well being. Again, I'm sure many of you know this, but when you're thinking about the macroeconomy overall, you have to be thinking about those added contributions. So if there's one plea that I could leave this audience, I would like to see more of you in those other rooms. I'd like to see more of us engaging in these bigger, they're not bigger economic discussions because this is a big and important economic discussions but I'd like to see more of us in these other conversations about the economy.

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I will pause there because I feel like I've gone around, but.

>> No, that's great. I'm so glad you set the stage like that. And tell us, you did the study. What did you find in the study, if you can sort of summarize what the insights were and what your recommendations were?

>> Yes, so so back to my chapter, thank you, I needed to to be focused there. So in.

>> That's my job.

>> Yeah I know so great I love not being the moderator. In my, in our chapter that I did with my colleague Bridgette Ansel who's here today and I highly encourage any of you you know, who talk to her in the break.

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We focused on the fact that even though women are half of the labor force and even though women's economic contributions are so important. The policies that support women in the workplace and support families have not, adjusted to reflect this reality. And one of the arguments we make is that the standards that govern our labor force and our social insurance policies, although in this chapter we focus more on the labor standards issues, were policies that were laid out in the 1930s. In a period in which most women did not work outside the home, although that was, of course, always more likely to be true of immigrants, women of color, more likely to work outside the home.

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But still the majority of women were not full-time participants in the 1930s. And in fact, women had only gotten to vote just a decade before many of the new deal era policies. That create the, the standards around what we view as as work, full-time work, how we think about hours and scheduling, and what's fair in the labor force. So in our chapter we focus on issues around time, the fact that our nation's labor standards do not include paid time off to care for a family member when that family member is sick or you need to care for a new child or, or someone in your family is sick or you yourself are sick.

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That's something that was left out of our basic labor standards in the 1930s. We, we decided that people who were unemployed, or who were old or disabled, they, they should get money when they're out of the labor force, but not when you needed to provide that care. And that's a huge updating we need to think about, and we're gonna talk about that later on in the panel. The second area is around scheduling. Fair Labor Standards Act, fantastic piece of legislation passed in the 1930s, defines what a full time worker is at 40 hours a week.

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But does not deal with the kinds of scheduling issues that millions of workers predominantly women, but not all by any stretch of the imagination, face on the job each and every day. Issues around scheduling predictability and flexibility, the right to request a flexible schedule. And so we need to update those standards, so we talk about that. And then finally, we talk about pay disparities. I mean it's just completely ridiculous that men and women continue to be paid differently for putting in the same work. And, we talk about some of the reasons why we have these pay disparities and what we can do about pay discrimination.

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In particular, there's a lot of attention these days to the fact that you know. At a university setting. Although I don't see too many undergraduates in the audience. But you know, when you get that first job right out of college, that pay that you make follows you for the rest of your life. So if you aren't a great negotiator on day one when you get that first job, and you're paid maybe 5 or 6% less than the guy that's sitting next to you in school for four years. That, that gap grows and magnifies because at every job you get after that, they say, well, what'd you make at your last job?

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Well, I made this. And newsflash, the men do a better job at bargaining at the beginning and they are just paid better. And there's lots of research showing that, you know, how discrimination happens and how pay is set and how it really benefits, white men in particular. But, so this, this gap follows you over time. So we say, hey, maybe we should, prohibit employers from asking about what your pay was at your last job and focus on paying what that job should be fairly paid. And maybe that could go a long ways towards reducing some of the gaps.

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There are a couple of other things that we talked about. And I think this one is hard because so much of the pay gap is actually about caregiving. It's about, segregation on the job. It's about the fact that men and women work in different kinds of jobs. It's about this negotiation. It's about a bunch of issues. But it's also about making sure that the fact that women still provide care. And are these fantastic workers, is not being addressed through our basic labor standards.

>> Right, very helpful. Okay, Jesse, I'm gonna go to you and I'm gonna give him a second because I'm bouncing around here.

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>> Your most recent research focuses on the earned income tax credit, EITC, which is not specific to women but has some interesting implications particularly for lower, lower income women. Can you explain a little bit about how EITC works today and why you think that expanding the EITC would help overcome some of the barriers that Heather just mentioned?

>> Sure, so the, the EITC is a policy that, where the government essentially supplements your, your market income up to a certain point for, for relatively relatively low and middle income families. It's based on family income, which means that for the most part, if you have a family with two full-time workers, they don't get the EITC.

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So it means it's, it's very much targeted towards families with children with a single worker, which is to a very large extent, single mothers. And so and so that's the, that's why it's a relevant policy for, for this panel. I think the, the reason we think it's a useful response here is Heather mentioned that the, the big increase in family incomes. Almost all the increase in family incomes, if not all of it, over the last few decades has come not because people are earning more for the same amount of work, but because families are going from having a single worker to having two workers who make less or maybe the same as what they did before.

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But two workers make more than one worker and that's, and that's been the, the driver. So that it's been, it's been a push factor. The families needed to send more people to work because the, the market wasn't giving them enough without that. There's been no pull factor that said the market is increasing the returns to work, right? Women's wages have risen somewhat. That's almost entirely because more women, there are more college educated women in the labor force and fewer non-college women in the labor force. Non-college women's wages have essentially been flat for 30 years. So there's been no pull factor pulling more people into the labor market.

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One of the things we're gonna need to do, there are many things we're going to need to do to address the problem that, having to do with making work a more feasible thing to do if you're the one who's stuck doing most of the, the caregiving for your family. But one of the things we can do is make work pay better. Pull people in. Now it would be nice if we could figure out how to get employers to do that. Until we do that, the government can come in and supplement that. And that's what the EITC is meant to do.

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When Bill Clinton pitched it, it was designed as make work pay. We call our proposal make work pay better. That, that we need to, to raise the returns to people for working to make it feasible for people who are, who are relatively low market wages to work given all the expenses. Particularly that single mothers will have to, to bear if they go to work. All the child care expenses and other expenses that, that, that you take on, we need to somehow make the, the work more ruminum, remunerative. And so that's what we propose, is to expand the EITC.

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It's been the most successful social policy program we've had in decades, it's worked. There's no reason to think that we've done it as much as we should have. So why not do more of it? And so our, our proposal's very simple. Let's do more of what's working.

>> Well, can you talk a little bit about why it works, like what you've seen?

>> Sure, so the evidence suggests that when you give the family, families the EITC, that expands, that increases the return to work and has pretty large effects on women's labor force participation. There was a concern that it would, that the EITC would also drive out some, cause people to work less.

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There's much less in sign of that happening. It looks like the main effect of the EITC is it, it increases participation. And then on top of that, the effect that economists don't, don't focus on because economists focus on behavioral impact. It's not, not the direct impact, not the anticipated direct impacts. The really big effect of the EITC is it makes families better off. Even people who would have been working anyway, they make more. Their families are better off, their, you see impacts on health of the mothers, of mothers and children. You see impacts on children's school performance.

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You see impacts on the likelihood that children go to college. It has big effects on families that are, that are suffering.

>> So it sounds like it would be hard to be against this. Why would somebody be against it?

>> The EITC is one of the very few social policy programs that gets bipartisan support. So you'll very rarely hear somebody say they don't like the EITC. So the commenting on the politics of why it doesn't get expanded is, we can get into that, I'm not sure I wanna get in there right now.

>> We're gonna get there, we're gonna get there.

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>> Okay, Laphonza, you we've been speaking broadly about issues facing women's labor participation, and particularly through an economic lens. And I guess my question for you is do these perspectives align well with what you have seen, what you see each day with women who you represent in home, health, and long-term care field?

>> You know, absolutely there's nothing that's been said that I haven't seen or heard from the hundreds of thousands of women that I represent. And specifically around this sort of emerging, some newly recognized caring economy. There are a couple of factors that I think are unique to California that give

us the opportunity to forge pathways forward here and be, continue to be the pioneering state that, that we have been.

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First is, we have an infrastructure that is, that really outpaces any other state infrastructure as it relates to care. California has a program called the In-home Supportive Services that is income-based. But that is a option for every person in California, no, as long as they meet the income. And so California has the, by far the largest work force in its Medicaid program than any other, than any other state. It also is, has a very vibrant both technology and private sector business environment for caregiving. And what women that I talk to, our members, you know but for an incident of life, they would be in any other occupation that they might choose, or not choose.

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Whether that incident of life is having a child born with severe autism or other disabilities. Whether that incident of life is their mother or father got Alzheimer's, and they are trying to figure out how to deal with that. But for those incidences of life They might be continuing their careers. I, I often tell a story. I, I've talked to former teachers. I've talked to former studio leaders. And I've talked to former small businesswomen. These are all women who were members of our union, who, in that instant of life have had to make a total and complete shift, in their career choices.

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And those choices have led them to be, part of California's statistics of women living in poverty. They as as caregivers in this state you are earning, on average, about \$11.20 an hour. You have little to no access to health insurance without now the expansion of Medicaid. You have little to no access to retirement security. You have, because the care-giving occupation has been carved out participating in social security. You have no money to contribute towards savings, so your economic prosperity, your economic possibilities, your economic opportunities, the economic opportunities of these women, really have been limited, because of an incident of life.

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Also, because of the policies that have been structured around careers and care. These occupations was mentioned earlier, have been, were carved out of the Fair Labor Standards Act. Simple things like having access to overtime. When you work more than 40 hours a week you should get overtime. Well, that was not the case, until the, since the 1930s until the Obama Administration and Secretary Perez of the department of labor. It, it was still the case, that these jobs were not seen as professional jobs, California though it has the largest infrastructure of workers, and in this workforce, there are no standards qualifications at all.

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At least, women are, are doing the best that they can, by talking to their nurse practitioner, or their, the, the, the social worker for their for their child. They are trying to provide the best care that they can with no training, or recognition of the professional services that are being offered at, frankly, a cheaper cost than would be found in, other places. Other places where care, might exist. Lastly I think that, but there are tools. I don't wanna, our panel was getting coached up by Team Levine, in the corner like let's bring some energy, let's make sure we're, having some positive, with this, they are.

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Look I think the fact that we're having this conversation, suggest to all of us that where we are is not where we have to be. That there are not only ideas, but there are tools, that can be utilize to improve the state of, of women in the economic in our nation's economy, and we've got to figure out how we use all those tools at our disposal. I believe that unionization is one of those tools. Women in unions make \$11,000 more on an annual basis than women who are not in unions. They have 75% more likelihood to have access to retirement security, 38% more likely to have access to health insurance paid for, or at least significantly, are significantly paid for by their employer.

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They're more likely to have access to things like paid time off, and vacations. And so, there are tools. I think that, these kinds of conversation help us not only, raise up the ideas, the policies, that can be implemented, but I think, we also have to have the conversation about the power that is required to make those policies real. And, the, the, vehicles of change, that we all can be.

>> Well, you, you mentioned tools a couple times and you also mentioned policy. What are, what are some other tools, and what are the policies that you're actually pushing in the short term, or maybe even in the longer run.

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>> We all live in California and, and even in, in a state, so great as this, just a year ago, caregiver just got one day of paid time off. One day of paid time off. And so, the, the, the equal pay act that was signed by Governor Brown, the, paid leave that has become a part of the minimum wage package in states, and in cities are policies the, family expanding EITC. That is a conversation that's moving across our state and across our country. The they're really smart people talking about these issues. And, of course, many that are smarter than me, that, that really come up with the the policy ideas.

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I think, we've got to figure out how we move those policies from, from ideas into real, areas of improvement. I think that in four, four ways about the question Marty, in terms of tools, there's policy, there's political leadership, as demonstrated by, at many of the examples that we've talked about, whether it's Governor Brown, or President Obama, or Secretary Perez, or Secretary Rubin. There's business leadership like Mario Levine, and Cheryl Sandberg, and, and others who are, are trying to call these businesses and have this conversation about how these are policies that are good for the bottom line.

[00:37:55]

And, and I think there's unionization. I think that they're for real ways to move these policies to advance women's place in economic, in, in our nation's economy. And we've gotta utilize all of those tools.

>> Great, okay, Deborah, moving on to you. I want to, we're gonna go there, which is to the legislative and political arena. You've been playing a leading role in advocating for the past ten years. How have you seen the conversation change around these issues? And have the fault lines of the debate changed and in what way?

>> So, very good questions, and I'm not a politician, but I'm gonna sorta circle around your question first.

[00:38:38]

>> Maybe you should be one.

>> Because I could say ditto to everything that's been said and be done, and but I'm, and I want to actually really reinforce what Heather said about reading the book, the 51%. Because anybody who cares about moving women forward in this country and improving our economy really needs to read what's in this book. So, gonna knit some things together. The National Partnership for Women and Families actually started as the Women's Legal Defense Fund. Back in the early 70s. And we were dedicated to the idea that all women, all people should have the ability to fully participate, to live up to their full potential in our society.

[00:39:29]

We also, took that thinking forward and create, helped create a number of laws to make women more equal. And then, sort of ran into, a barrier and realized that if we don't start changing the culture a bit. And looking at stereotypes and what actually goes on in the workplace, even after you pass laws. We're not going to create a level playing field, and so, that led us to create the Family Medical Leave Act, and today, we're working on paid family leave insurance, we're working on paid sick days, we're working on. Scheduling, we're working on fair pay.

[00:40:09]

And we're also working still on pregnancy discrimination that takes the form today of women needing to have accommodations when they're pregnant in the workplace. And being fired because they ask that they can sit instead of stand, or they need to take an extra restroom break. So, I am true to say that this original push towards social justice and equality for women, is now joined up with an understanding that that inequality is devastating to our economy. And that until we can make the case that keeping women out of the workplace, or creating these barriers to keep women out of the workplace, is also diminishing our economy, our country's ability to thrive and prosper.

[00:41:05]

We're not gonna be able to make progress on these policies, because like it or not, most of the time when we talk about these policies, whether it's Washington D.C. or state capitals, they're viewed as women's policies. They're viewed as nice things to do but not the serious stuff. So, I'm grateful that we are now in the business of making the hardcore economic case for why as a country, why our businesses can't afford to not have women's full participation. But even as we do that, let's not lose sight of the social justice element here. We live in a culture that is very high on personal responsibility.

[00:41:54]

And a lot of the attitudes about women in the workforce go back to that idea that some how, if you're responsible, you'll figure it out, I did. So the next generation should figure it out, even though the world is so different today. Until we start to understand that that personal responsibility when it's applied in these situations, actually results in a punitive stance towards women. I think we're not going to make the full progress we need. If you think about it, in this country women get punished for being the ones who bear the children, raise the children, take care of the elders, take the time out of the workforce to do these important things that benefit all of society.

[00:42:45]

But as a result are then not able to accumulate any wealth, accumulate any retirement security or even take care of their own health. And if we think it's bad for women generally, if you look at the pay gap, my guess is everybody here knows that women earn 80% of what men earn. Think again about what it is for women of color, it is so much worse. Women, black women make \$0.63 on the dollar, Hispanic women make \$0.51 on the dollar. When you look at wealth, the, you know, how many assets you have minus your debt, women have \$0.32 on the dollar, generally, but for women of color, it's pennies.

[00:43:30]

And for black women it's \$100 in assets, for Hispanic women it's \$300 in assets. For white women it might be \$10,000 or \$15,000, but no where near what it is for men. And this punitive mindset means that over their life span, this lack of policies which Heather talked about, which Lufansa talked about, are resulting in women who end up not being able to build economic security. They live longer, they take care of us all and they die poor. Now, I know you want me to tell you about the political climate.

>> What happened to team Lavine?

[00:44:19]

>> I wanted, actually, this bill, I wanted a bill that you were saying and just ask you. Because finally I mean you're saying that now people are discussing it as an economic issue.

>> Exactly.

>> So that's how it has changed. The political climate is what it is. You've heard Jessie saying that there are some policy proposals that do in fact have, bipartisan support how can people frame this? What are their arguments that you're hearing that are finally breaking through or not breaking through and what is at risk? So a little bit more there.

>> Okay, so first of all I will say that there is very good dues on this front, because unlike a lot of other policies in this country there is traction.

[00:44:58]

Umm, when you talk about paid time off and you talk about paid family and medical leave, when you talk about paid sick days. For the first time ever in a presidential campaign, we have both a democrat and a republican talking about these issues. Now we may not have agreed with all the proposals, but it was a conversation. We now have bipartisan proposals in Congress. We think some are really good, and we think some are what we might call fake proposals. Nonetheless, both parties feel an obligation to be talking about these issues. Just some stats which will cheer us up a bit.

[00:45:37]

Paid family and medical leave insurance programs, we now have five states in this country. California led the way, New Jersey, Rhode Island and most recently in the last couple years, we've got New York, Washington and the District of Columbia. Paid sick days we have 40 jurisdictions, including five states, eight states I think. And then, we are making progress on pregnancy discrimination. I think in terms of the framing of these issues, I think people want to hear that this isn't just about individuals, but that it is about a system, our economy, and businesses. Particularly when you talk to middle America and conservative Americans, who go to that personal responsibility argument first.

[00:46:34]

When you start to paint the picture of how this affects businesses and their communities, and how this affects our economic strength as a nation, you begin to make some headway. And, finally, I think one of the things we have to do is start talking about a caring economy. And, by that, I mean recognizing that the job creation that's going on in this country, is happening more and more in jobs that are about caregiving. The kind of jobs that the women that LaFonza represents have. And if we don't start valuing caregiving, whether it's the private caregiving that women are doing in the home that benefits all society, or the caregiving jobs in healthcare and other service occupations.

[00:47:18]

Then we will never get to a place where we have an economy that allows both women and men to thrive.

>> Okay, you've done an awesome job avoiding my question, so I'm gonna go back at it one more time.

>> Which is that, you, you mentioned that there are some good policy proposals, legislative proposals, and there are some ones that you would call fake. Of the fake ones, can you talk about a couple of those?

>> What is that we lose with those proposals? My guess is that the people in the room here, might actually know what those are.

[00:47:48]

But for anybody who's going to watch this later, I think its helpful to understand what we lose in some of those proposals.

>> Thank you for bringing me back because I think this is actually very dangerous, I call it the danger of cooptation. There are, some people are familiar, for example with Ivanka Trump's proposal On pregnancy leave, or now parental leave. It started just as moms only, and now it's parental leave. This is a proposal that is for only a few weeks. It's only for parental leave. So it's not if you have health crisis. It's not if you have an elderly parent or a spouse or some other serious medical need or a loved one that you need to take care of.

[00:48:32]

And it's not enough money to make a difference. So it's just, it's what we would think of as a sham proposal. It purports to do something, but it would help very few people. And the danger is that it gives people the false illusion that we've done something. And my biggest worry with these sham proposals is that folks who are not big fans of these policies will latch on and say, we checked the box, we did it. There are also proposals out there for tax credits for businesses that do this. Well, what's that gonna do for us?

[00:49:08]

The, the businesses that are already doing it will probably get a bigger tax credit. But we know from history that tax credits do not really motivate massive change in employer behavior. And then there are proposals that only deal with, as I said, parental leave. Or there are proposals out there that would allow workers to create a a tax tax-free savings account. And we know that the folks who are gonna be able to benefit from a tax-free savings account that they could draw on for caregiving needs are gonna be the folk, not the folks who need it the most, but the folks who have the money to put into those savings accounts.

[00:49:49]

So those are some of the proposals that are out there that are very worrisome to us. Because they could fool people into thinking that we've, we've done something when we really haven't moved our country forward.

>> Okay, I think Heather wants to jump in here.

>> Yeah, I wanna add something to that cuz I think I agree with everything you just said, Deborah. You know, we're here in California. And one of the things we know is what works in terms of paid family medical leave. Because California implemented a policy over a decade ago. And because people have invested in the serious incredible research to study what happens when you implement a particular kind of policy.

[00:50:27]

So I wanna emphasize that all the points that you made in our, or you, we've, I've worked with the National Partnership for a lot of years. And it's so great to hear the, the way that you said this. But each of those points is actually backed up by evidence that shows that we know what works, right? We know what kinds of policies are actually gonna cover the people that need these benefits. We have places in America. Because of the work of activists and advocates all over the county, we have all of these case studies now that we can learn from.

[00:50:55]

And the problem right now in Washington is that instead of learning from the states, from what works, from the evidence, there's a set of ideas that are being put out that aren't part, that aren't evidence backed and that don't build on what we know. And I would also direct for those of you who are interested in this question, Aparna Mathur is sitting in the front row. And I was, had the, just the, the, the privilege of being on the AEI-Brookings bipartisan study group about what to do about paid family leave. And many of the things that the group agreed on, that this should be for men and women equally.

[00:51:28]

It should not just be for moms. It was really important. I think that work was important for changing the Trump administration's view on that. But one of the other things that came out of the working group, again looking at the evidence, was that we should not rely on employers to have to do this on their own. And a tax credit isn't gonna solve that problem. And I think that's a really important again, I'm gonna say it for like the fourth time, evidence backed finding that we know in terms of, of what works.

>> Okay, I want, I wanted to just draw that a little bit.

[00:51:57]

Maybe Jesse, you can jump in here, too. But can you talk about which states have done what and what have they found? Maybe just a few, a few more specifics on this.

>> Yeah, so this, to the state in terms of paid family medical leave, the one that's been studied the most is California because they were first out of the box. And because, quite frankly, foundations have invested. Because it costs a lot of money and time and energy to study this, they've invested in, in looking at that. My organization, The Washington Center for Equitable Growth, is actually investing in, we fund scholars and we're funding some folks to look at Rhode Island.

[00:52:27]

Because Rhode Island is one of the states that has done this. And Rhode Island's program is more generous than California's. So one of our questions is, what are the labor market implications? What are the implications on employers and state budgets? So, so, so what we know mostly from California and some of the highlights about research is that nine in ten employers surveyed in California say that the introduction of paid family leave was either good or or it, it was a, it was a big nothing burger in terms of their impact on their negative, on any negative impact on their ability to run their company.

[00:53:05]

So only one in ten employers responded that they had any problem implementing the law, or that it caused a hardship for them. And I think that is a really important finding that we know from survey work done on employers here in California. We also know from that research that if you, if you provide paid leave, men are more likely to use their leave than if it's just unpaid, right? Because men think that they should be paid for things, their, you know. So if you pay them,

>> They'll do that, right?

>> So if you say, hey, we're gonna you money to stay home, they'll do that.

[00:53:36]

Now, there's a lot of evidence that sometimes they're not always doing as they, you know, they, they, they, they, they, they, they may not do all the same care, that's fine. They're still home with that kid. And we know from the evidence that that's good for children and families. They're more likely to like stay engaged with those children over a lifetime, even if they eventually split apart from their family. That's different research. But, but we know from California that each year that, that that's been studied that men have been more likely to take it up. We know that the dollar amounts have had an impact on family economic well-being.

[00:54:04]

So it's economically important to families. And then we're learning a lot from these other states in terms of the one of the, the other things we learn from California is that because the California paid family leave, which again is only a few weeks, but it's not job protected. So low wage workers have been less likely to take it. And now we've got Rhode Island that has introduced job protection. So we wanna study, well, does that improve takeup? Does it cause more hardship for employers? What are the outcomes there? We don't know the answers to that yet.

[00:54:32]

We also now know a lot about scheduling, though, too, because we have places that have implemented changes in policies. And we've been able to study, well, what is, we're starting to be able to study what are the impacts of that. But some of that research is still to be, to be determined.

>> And EITC, yeah, do you wanna talk about that, okay?

>> Sure, so there's a, the EITC is, has been adopted by many states. It's not, not everyone, but something like roughly half of the states have, have a state EITC add on on top of the federal EITC.

[00:55:00]

I'm proud that California finally joined that group last year. We started with a very small one that we're expanding that we expanded this year. And we'll, we hope to expand further. The, so one of the things that that shows is that it-

>> But are those, are those at the level of what was being proposed for federal?

>> So some of the state add-ons are of the magnitude of what we proposed for the federal. So they, they demonstrate that you can do that. That, that that, that, that you can have a EITC that's that much bigger than what the federal one is and not cause any real problems.

[00:55:26]

And, in fact, get, get benefits. The, the, again, this, the, the policy has bipartisan support. Its support is more bipartisan when the alternative proposal on the table is a minimum wage or something like that than when the alternative proposal is a high income tax cut, cut, but but it does have bipartisan support. We've heard in the last week or so about how the people putting together the tax cut package, the federal tax cut package are just running into this problem. They can't figure out how not to, how not to raise taxes on middle income families.

[00:55:56]

This is a policy that would do that. And so it can be done, it wouldn't be that hard.

>> Okay, I've, I've gotten your thousand questions here. I have a pile right here. They're very heavy.

>> I'm just calling through them. And just to, while we're on the subject of EITC I love these two questions. One of them is, is basically that there are other proposals, one by Gene Sperling, who's put it out there. Why yours, not his, or others that are out there? And then why e, EITC rather than raising the minimum wage?

>> So the, as far as other proposals I think there's lots of ways to do this.

[00:56:27]

I don't think there's a-

>> I, I knew you'd appreciate-

>> There's lots of ways to do this. We, we propose a kind of just across the board expansion of what we currently have, I think there's other things you could do that, that would, that would be as good. I don't think there, there's strong arguments for one, you could, you could tweak it in various ways without damaging the proposal. I think there are also good proposals to, to do things like expand the eligibility to the credit, for the credit, to other types of families. But, and I wouldn't advocate for ours over those, I think we should do both.

[00:56:59]

>> Mm-hm.

>> As far as the minimum wage, again we should do both, they are complimentary. I've done work that shows that one, that, that one downside of the EITC is that when you expand it employers manage to capture some of that through reduced wages. And if you expand the minimum wage as well you reduce that, that impact. And so, that's, that's one thing you could do. Even if you don't manage to offset that impact, it's still a worthwhile policy. You lose a little bit through the leakage, but less than you do through other, other types of policies.

[00:57:26]

But there's no reason to think these are, these are alternatives. We should, we should be doing both of them.

>> But if you only, if you only, if you could only push one it sounds like you're pushing for EITC.

>> At the Federal level, right now, yeah.

>> Right, at Federal level.

>> Yeah.

>> Okay, Laphonza, I wanna, I want to ask you. A couple of people have raised this, which is how do we support women participating through the gig economy? And I think for people here, it might be helpful to actually define what gig economy means.

[00:57:52]

And, you know, we're sort of, you, you've written this paper about a modern workforce and the 21st century which is, there are platforms like Instagram that are sort of creating new pathways into the workforce. That there's entrepreneurship, there are other things like, Uber, Lyft, TaskRabbit, and so forth, where people have these gigs. We talk about all these policies, but all of these policies seem to sort of apply to these other sorts of systems like the systems of like the 1930s whether women were in or not. How do you think about gig economy here?

>> I mean I think it's, I think it's an incredibly important part of the emerging economy that we've got to encapsulate in our policy development.

[00:58:38]

In our organizational development, and in, our law formation. And, and look I was in this conversation with Aspen Institute Future of Work, Initiative and their leadership a number of days ago. And there's a company here in California called Honor, that essentially provides a way for families to find caregivers, pays an incredibly high compared to the market compensation for hourly wage for the caregiver. And, you know, like, and, and, and the worker doesn't have a traditional schedule per se. But she is able, or he is able to sort of manage online through their phone, what clients they take, the hours that they're available, the tasks or duties that are required or expected of the, of the family.

[00:59:42]

What that worker is though missing if she doesn't have a second, more traditional kind of employment she doesn't have the kinda gap coverage that and getting hurt at work might cause. Where a traditional worker might have access to unemployment insurance, that is not available for the gig worker. So I think

there are a number of different things that we can do, right? We could take on the monumental task of transforming our tax code from this I don't even understand where it comes from but the definition, the limited definition that you could either be a 1099 worker or you can be a W-2 worker.

[01:00:28]

And who knows what those numbers even mean frankly but, but you know, that's a huge conversation if we're going to delve into tax code we've got to so I think that's one thing that could be done. The other we are seeing in conversation across the country and is being proposed as legislation in Washington State and considered in New York is this notion of portable benefits. What is a set of benefits that maintain the social contract for our state's workers, our country's workers. And how do we make sure that employers are able to contribute to those benefits and those benefits are able to move from place to place, from employment to employment.

[01:01:12]

Whether that person works for a private agency provided home care, or, and at night goes out and drives for Uber, because he or she you know, wants to be able to have that kind of flexibility. But they should also have the kind of supports that maintain the, the moral standard and the social commitment, that this country and this state have made. There are many other kinds of you know, scheduling. Can we figure out policies that help to support the scheduling choices that gig workers might make? And, and so, I, I think that there's, there are definitely, there's definitely conversation happening.

[01:01:53]

The evolution of thought and, advancing away from, in my opinion, what is traditionally been this us versus them kind of conversation. And really sort of jump into a place of where can we actually find agreement on what is necessary for the emerging gig economy. How do we drive towards those outcomes?

>> I, I just think it's so important, I hope everybody sort of takes away from, you know, this point. Cuz we are, we are discussing these policies that apply to work situations that are becoming outdated. McKenzie did a study recently that said that 20% to 30% of the working age population engages in some form of independent work, and that that number is predicted to grow.

[01:02:39]

And so, if you have people who are getting the flexibility, who are getting all of these other benefits but they don't have the kinds of benefits that they need, that kind of security. Do you want to add on?

>> Well, I'll just add on that we, we know, I mean, portable benefits sounds like a new idea, but but in many ways it's not. And so, let me just remind us that portable benefits is really the kinds of things that

are in the Social Security Act. No, you're social security, it's portable. You go from one job to another, you go from one state to another, you get the same benefit.

[01:03:07]

Unemployment insurance, kinda portable cuz every employer has it, but you get it no matter where, no matter what employer you work at. The, the SSDI program, and importantly these five states and hopefully soon the District of Columbia, which is not a state, which each are providing these, these statewide portable benefits for paid family and medical leave. And so, when you say portable benefits, I mean I, we're all, we, we, we need to deal with this new problem, but it's also a very old problem. This idea that workers didn't have stable jobs was something that we, that, it's an old issue, and we had solutions.

[01:03:45]

And thinking about these, these programs that transcend our reliance on just the employer is really important. Cuz if you got all those benefits that way, then it doesn't matter where in the tax code you're filing your, your your earnings.

>> And I'd like to just make sure people know that the, the Family Act, which is the National Paid Leave Insurance proposal that's out there. Is portable, so it doesn't matter who you work for, where you work, whether you're self employed or not, you are eligible.

>> Okay, that's great. Somebody noted, somebody made a comment which is that the US is the only industrialized nation without paid leave.

[01:04:28]

So I'm gonna end this panel with the following questions since I love politics. As much as I do policy-

>> Which is your predictions, what are the chances that congress passes a paid leave bill before the midterms?

>> Zero.

>> You are not on this panel.

>> Before the midterms?

>> Before the midterms or end of the administration.

>> I think that it is, it is absolutely zero that this happens.

>> But having said that, it is exciting that there are people talking about it and that, that's progress. So, I can't say its all bad.

[01:05:04]

>> Okay, is there anyone who disagrees with this? Okay.

>> No, but I think in the, in the midterms this will be an issue and all of us need to be listening carefully to distinguish what different candidates say.

>> Okay, and so on that note, in the shortest sound byte that you can, if you can leave people with one thing to say do to actually help push paid leave or EITC. What's the best argument or thing one could do? This is the rapid fire thing.

>> I think we have to emphasize the idea that the way we've set up the labor market and jobs is a choice that we've made and, and that it's a choice that we have to make differently for the for the new world.

[01:05:46]

And it's not something we should just leave to the market and assume it will take care of itself because the job structure is is something we've set up and we need to set up differently.

>> It's a choice, okay?

>> Join a union. Join a union, all right. Talk about it, and ask the question in every policy or political forum you're at, okay?

>> And remember that this is not just about women, it's about the future of our entire economy.

>> Fantastic, and with that, thank you very, very much. Thank you.

>> Fantastic.

>> Welcome back, we're gonna get started at the, the next panel.

[01:06:31]

>> What's up? No, she told us no. So welcome back. We're gonna, we're gonna get started with the next panel on expanding access to affordable, high quality childcare. I'm Diane Schanzenbach, I was formerly the director of The Hamilton Project. Now I'm back to my day job as a professor of, of economics at Northwestern University. Just wanted to say thank you for all the kind words about the book. It is absolutely true this is not only a moral issue of getting women into the labor market, but it's also just in our best economic, it's just in our.

[01:07:10]

It's good for the economy to get more women in into the labor force, thriving in the labor force. The United States is on a different trajectory than our peer countries, you know. As we've seen, Canada's female labor force participation rate increased dramatically, we've been watching the United States go down. Not only do we lay out some important economic facts in this book, but then we also have a series of well thought out, constructive proposals about how we can do this better. And so I really do commend the book to you. Big thanks to my co-editor on this, Ryan Nunn.

[01:07:47]

And the whole Hamilton Project team, and the amazing set of authors that we, we assembled for this. So it was a really fun project, and I'm glad we're here together. So this panel is on, is on, child care. Child care, and increasingly elder care as well, is a first-order importance to. To families, to women as they consider their economic engagement. No one feels good going to work or engaging in training, unless they know that their kids are well cared for and that they're safe. Childcare brings particular challenges, in particular, parents need certain traits in their childcare about the hours covered, convenience, etc.

[01:08:30]

While kids actually also need different traits to support their development, their cognitive and social development. Oftentimes, we find that we're short-changing either one or the other. Or oftentimes, in this case, both, but that really brings costs to the economy. Today in terms of depressed labor force participation rates among women. And in case, in the case of under investing in children, we're gonna pay for those costs to the labor market for years, and years to come. So we're here to talk about this, propose some solutions, etc. I'm so honored that we have such an expert group with us here for this panel, I'll start on the far end.

[01:09:12]

Elizabeth Casio is a professor of economics at Dartmouth College and she wrote one of the proposals here today. Ingrid Mesquita is the executive director of the First Five San Francisco Initiative, is that what you're gonna call it?

>> Yeah, it's the state initiative.

>> The state initiative. And Mater, who's a scholar in economic policy at the Conservative American Enterprise Institute. Thank you all for being here today. Liz, I'm gonna start with you.

>> Okay.

>> So the question that I have is about the resources that we are directing to this. Let's talk about the money, you're an economist, I'm an economist.

[01:09:50]

You propose a pretty major redesign, I would say of the tax system and the way that we subsidize

>> Right.

>> Child care in the United States.

>> And as I read your proposal, you argued that not only are we not spending enough overall.

>> Mm-hm.

>> But we're not allocating the pie appropriately either.

>> Right, right.

>> So tell us about your proposal.

>> Yeah, so I'll start with a little bit of background, so any of you who have children out there kind of know that getting high quality center based care for a child is really expensive.

[01:10:19]

So on average, I think it's about \$20,000 a year for full time, full year infant care. That's obviously a number that is way out of reach for most families. And it's out of reach in part because you can't go to the bank and borrow money to fund this, even though it could be a very, it most likely is a very good investment. Because what would be the collateral that you could offer the bank for that loan? So, but, you know, even families that can afford this often, you know, breath a great sigh of relief when their kids can start school, because it, it, it represents a huge, subsidy, for them and so, and this is kind of where my, overall proposal, comes in.

[01:11:04]

So the real goal here is to try to relieve that financial burden to make that kind of child care more affordable to more families. And in doing so enable more mothers to go to work, and, and I, I said it was high quality childcare. So it's sort of supporting child development at the same time. So the centerpiece of the proposal, sort of getting back to Diane's, original question, is, a new refundable childcare tax credit. So, so let me tell you how the sort of childcare tax policy, federal childcare tax policy works right now. There are are two programs.

[01:11:40]

They amount to about \$4.56 billion a year. The two programs are, first of all, a non-refundable child and dependent care tax credit, as well as a dependent care flexible spending account which some of you might be familiar with. That, that I don't want to sometimes referred to as a childcare exclusion or the emp, employer exclusion. So these policies, the lion's share of the benefits actually go to families with incomes above \$100,000 of year, a year, and this is not where the need is greatest. The need is greatest among those families who can't afford to send their kids to that \$20,000 a year program.

[01:12:21]

And among, given that school plays such a role in reducing child care costs among families with children under the age of five. And, and federal tax policy treats kids up through the age of 12 kind of equally, all right? So now, so my, my proposal is this refundable tax credit, which would be more generous for lower income families, as well as for families with kids under the age of five. So this idea of refundability, what exactly does this mean? It's sort of like the EITC which, which Jesse was talking about in, in the previous panel.

[01:12:54]

The idea is that even if you don't have positive tax, federal tax liability, you would get a check from the government to sort of pay you back for child care expenses that you've already incurred. So this is one of the reasons why the, the TRICARE policy is so regressive right now, is that it's not refundable in that way. So this idea is not new, okay. So there are many, there are many proposals out there across the political spectrum to sort of turn child care tax policy, federal child care tax policy, into sort of into a refundable credit.

[01:13:31]

And there's also been talk of meeting, making kind of broader federal tax policy, kind of more aware of children's, children's age or sort of more generous for younger children. So what I think actually distinguishes my proposed tax credit is actually, it's simplicity, because I think it would be very easy to implement given what the system looks like right now. And that simplicity also would reduce the administrative burden and increase take up. And it's so simple that there's actually enough information in public use data to try and stimulate out what it would do to the distribution of benefits if we were to implement it right now with status quo child care expenditures.

[01:14:08]

And basically we would dramatically sort of shift the distribution of benefits toward lower income families, without spending much more than we are right now. About \$1 billion more, so taking it more of like from 4.5 to \$5.5 billion. Now the goal is not to stop there. The goal is that once this incentive is in place, more people more mothers in particular, might find it easier to go into the labor force, to shift from informal care arrangements with friends or relatives, to more formal center-based care arrangements. And obviously that would make sort of the, the tax credit more expensive.

[01:14:43]

And I'm not exactly sure how, just how expensive that, that could get but, you know, probably not more than like four times that much. But you know, a problem with sort of focusing just on tax policy alone,

which is a lot of where the sort of federal government conversation is situated, is that it really kind of ignores this issue of quality on the supply side of the child care market. So my, my, my paper kind of talks about two ways. And I think I'll talk about this more a little bit later. But, kind of two ways to support quality in this market.

[01:15:16]

One is sort of more direct provision of public education, basically for children under the age of five. So starting with age four, where we've invested some, we could do even more there, and eventually, probably move down to age three. This is largely a state and local government thing, but the federal government could also be in, involved here to, to promote that kind of shift. And the other one which I, I think that maybe Ingrid will talk a little bit more a little bit later, too, is sort of continued investment in, in these quality rating and improvement systems.

[01:15:44]

Which provide information to parents about about the quality of local child care providers. And, and also some sort of financial support for, for professional development. So thanks, I'll stop there.

>> Thank you, Aparna. Going to you next, you've been a real thought leader on this issue. Both on child care and on parental leave, I might add. And especially as a prominent conservative in the American Enterprise Institute, it's been really great to have your, your voice in this. So tell us, tell us more about how you've thought about this. In particular, I was struck by your recent article in Forbes where you describe our child care system as just another area where we're failing the poor.

[01:16:27]

>> Yep, thank you, Diane, and thanks to everybody who's here listening in on this conversation. I think it's a really important topic. And, you know, I've been doing a lot of work on paid leave. Heather's been a part of the group, as have many others in DC and around, around the US. I think the reason we care about these policies is that, is exactly the demographic changes that we've been documenting. We talked a lot about them in the, in the first panel. But if you literally start looking at charts from the Bureau of Labor Statistics showing you what has happened to women's labor force participation, you know, for all women, women with children under the age of one, women with children under the age of five, women with children under the age of 18.

[01:17:09]

No matter which, you know, how you split it, every demographic, every group within that has seen a giant increase in labor force participation since the 1970s when the BLS, you know, started collecting this data. And, and so if you were in, you know, if you were a mother in the 1950s or the 1960s who had

a child under the age of one, you were probably not in the workforce. And so these were not issues that people really put a lot of thought into. You know, there was always somebody in the house to take care of the children.

[01:17:41]

But now we find that, you know, more than 80% of families have children, have, have both parents in the labor market. And according to the Council of Economic Advisers, nearly all of the middle class income growth that we've seen since the 1970s can be attributed to more women in the labor force. So this is, this is, as we point out continuously, is not just a women's issue. This is not just, we need to care about the health of the child, and so we need, yeah, you know, we need to be doing more on this. This is really an economic issue.

[01:18:12]

This has implications for GDP for growth. So, so when now having more women in the workforce has also contributed to an increase in child care costs. So obviously the demand for child care has, has gone up a whole lot. And what we find is that, yeah, you know, there are lots of families who can afford to pay for the, the good quality day care centers, that, that have cropped up in response to this demand. But if you look at how poor families are coping with this, it's really tough. So, so for most high income families, on average, child care is about 7% of their, you know, of their income.

[01:18:47]

For a lot of low income families that they really try to access these good quality centers, it can be 30 to 40% of their income. And so when I start looking at the, you know, the usage of child care, amongst different types of families, there's a huge difference in the US again relative to the European Union. So in the EU, you know, there's a, a great statistic coming out of the OECD. You find that children on average spend about three hours a week on informal, in informal child care. You know, that's grandparents, relatives. In the US, children spend about 25 hours a week on inform, in informal childcare, right?

[01:19:27]

And that's not a huge issue if, if we were confident that the quality of care that we were getting in these informal centers was great, right? If, if it's not just about dropping the kid in front of the TV and, you know, hoping that they would sort of imbibe all of this stuff that they need to be ready for school, we wouldn't, it wouldn't matter so much. But increasingly, the studies that are coming out are showing that children who are put in these informal settings are much less ready for school. They're much less ready, Much less prepared to, you know, to go into kindergarten.

[01:19:58]

And have all the stuff that, you know, a lot of other kids have already been taught in preschool than in good day, in, in good daycare centers. So, so that's that's a huge issue. Now let's point it out, you know, the, the government does try to help families with childcare. I would say there are, you know, at least three programs that, that try to do that through the tax code. One is the earned income tax credit, what Jesse talked about. Which is, you know, we, you, we, it's not directly about children. But it does subsidize families with children much more, at much higher rates than, than families without children.

[01:20:31]

In fact, one of the criticisms or, or one of the you know, aspects for improving the EITC has been to make it a bit more generous for families with no children. Because if it is a powerful work incentive, you know, why restrict it just to families with, you know, let's say, two kids and a single mother? At the same time, we and the EITC is great because it's refundable. Which means if you don't have a federal tax liability, you get money back from the federal government at the end of of the tax year. The child tax credit also helps families with children.

[01:21:01]

It gives you about \$1,000 for every child in, in the house. And it's partly refundable. So it's not as much of a help for low income families. Because it's, you know, it, there's a certain amount of money that you can get back, but not, but not a whole lot. And then, and then the last is the child and dependent care credit, which is directly about offsetting childcare expenses. So that tells you that, you know, let's say you have \$100 in childcare expenses. About 35 of those dollars can be, can come back to you through the child and dependent care credit.

[01:21:35]

But the problem with that credit is, again, that it's non-refundable. So it's not the lowest income family. It's not the poor families who have access to the credit. It's really, again, if you look at the distribution of things like the child tax credit and the child and dependent care credit, the bulk of the benefits are going to higher income households. I think there's a lot we can do to fix the system. And I think Liz's proposal is really valuable in pushing that forward.

>> Thank you, I wanted to take a minute to describe one of the other proposals that we have as part of this section of the book.

[01:22:07]

A proposal written by Bridget Terry Long, who is at Harvard University. She couldn't join us today for reasons that are deeply ironic, given the topic of the panel today.

>> Let me guess.

>> She's got two kids.

>> Yeah.

>> Yes and a husband who also works.

>> But she points out that there are 3.5 million women with dependents who are currently enrolled in higher education, at either two-year or four-year institutions. And we know that that is very important to the economy. We know, with rapid job changing, we know that getting people in for re-skilling, up-skilling, etc., is good for the labor market, it's good for wage growth.

[01:22:50]

Among these women with children who are in college, about half don't, do not complete their degree. And so what that means is they end up with the debt that it cost to take classes, but no credential to show for it. So against this backdrop, where we've seen more and more women, more women with children participating in higher education, we've seen at the same time investments in childcare for such women have dropped. So over the last decade or so there used to be 53% of community colleges offered child care of some sort, and those were certainly undersupplied.

[01:23:24]

That's dropped to 44% over the last decade. So that's a huge, huge decline. Funding for childcare slots on campuses is about half of what it was in the year 2002, even though more women with children are in, in this program. We've spent about \$17.5 million per year today at the federal level on supporting childcare for women in, in higher education. The Trump budget calls for eliminating this program altogether. Yeah, I'll just pause on that for a second. Colleges, especially community colleges, report that this is extremely important to them. That women don't want to go to class if they don't know that their children are in a safe place where, they're being nurtured and, you know, and, and taught.

[01:24:12]

There are, we have good evidence on this. There are pilot programs that, with strong evaluations that show that having childcare on campus works. It helps women finish their degrees, etc. So Bridget proposes why don't we spend more money on this?

>> Say it as well, go figure. And in particular, she really thinks that the way to solve this for colleges is to give grants to colleges. And make sure that they have access to to, you know, supporting childcare. So women can go to class, leave their children on campus and nearby. A little bit later, I think we'll talk about the pros and cons of subsidizing centers versus giving vouchers to families.

[01:24:56]

But I wanted to point that out as another really important aspect of this. And I think women in the labor force have certain challenges with childcare. And then women in college, community colleges especially, are facing different different challenges that are extremely important. Ingrid, going to you then. The First 5 San Francisco has been addressing these questions, really just pushing the boundaries on this. I think basically, you're really excited about the work you're doing. Tell us more about the work that you all have been doing.

>> Well, to sort of set the stage, I think that for many Californians, and by the way, I have a cold so excuse my little bit of a very sexy voice.

[01:25:36]

>> So California passed an initiative 20, almost 20 years ago, which is, is taxing all tobacco product in the state. It sets aside \$0.50 on the dollar. The the availability of funds for counties to have to really focus on prenatal all the way to age five. And it's based on research, evidence-based practices really looking at the science of brain development and lots of things that were available 20 years ago, which now are not put into practice. And so what we did in San Francisco, and it feels like sometimes from looking from the outside for those of us who do live in San Francisco and work in San Francisco, it's almost like nirvana because everything that you just talked about, we have.

[01:26:25]

And, but, believe it or not, we don't have enough. And so First 5 San Francisco took, took as part of the, we are government. And so we took on the challenge almost 15 years ago to implement a universal preschool initiative which the San Francisco voters passed. Basically making available preschool for any four year old regardless of income. And it was based, again, based on science, based on research, having standards in addressing the quality issue. Ensuring that with early learning standards that there was a horizontal alignment across, whether it was family childcare, whether it was center-based programs, or district programs.

[01:27:06]

Private, private, it did not matter. And so what we have is over 4,000 children now in a universal preschool system that prioritizes four year olds. And we've been able to start moving the needle around the school readiness issue. But, you know, the early learning gap begins way before four. And it is and what's disturbing is that, you know, once we see children enter not only into kindergarten or in, by the third grade, when you start seeing reading results and math results, is you start seeing this huge disparity, the one that will never catch up. So kids who start behind will never, basically, it takes extraordinary events for that child to catch up.

[01:27:52]

And so later on, there's, you know, economic implications that we see. And so there's all of this is so interrelated. So what we do is make sure that all the programs in San Francisco that are funded by the county, do have, we do have a rating system. And we ensure that any program that is going to be funded by the county needs a minimum level of quality. And it's not about just coming in and saying it's alright for you to stay at this minimum level, but really putting in infrastructure to support professional development. To ensure we're not oppressing more women who are in the early childhood workforce, by suppressing their wages as well.

[01:28:36]

And I think that that's an unintended consequence to a lot of these sort of, not very well thought out, sometimes, initiatives. Is that we try to create so much access that we forget what happens to the people who are actually in these environments as well. And so we're also addressing that as well. And through very recently, through our board of supervisors who are very progressive, Supervisor Kim's office and also Supervisor Ye, there's another initiative that potentially may be going to the ballot. And this is really exciting about providing universal childcare for birth to three. So that is another, another platform to be to address the school readiness because again, you know, kids don't, kids at four have formed so much in their lives.

[01:29:28]

That if we can start much earlier it's, I think that we could do a much better job of making sure that we interrupt these Early learning gaps.

>> Tell us more about the initiative that's going to the ballot.

>> How is it, is there estimates on how much it'll cost, how it'll be paid for, etc.?

>> Well, all of those things are still being discussed.

>> Sure.

>> I'm glad that we there is an SCIU representative present here, because it is also backed by SCIU. The idea that we have so many people in San Francisco.

[01:30:04]

So San Francisco has an average of 26000 a year for infant care.

>> Tell me about that.

>> There is variation across the country.

>> Yes

>> And our average wage for women in what we consider middle income bracket is \$60,000. But the reality is for you to live in San Francisco, you have to have a minimum of at least \$100,000 a year. So there you see the gaps, the gaps, the gaps, the gaps everywhere. And so being able to think about this as not only an economic driver, but really looking at it from the child's perspective of having accessible and for the parent affordable, but really high-quality early learning environment, starting at birth, just is a game changer.

[01:30:54]

It's a game changer for women, it's a game changer for children, and it's a game changer for our economy. I think that you know, San Francisco, you have the haves and the have nots, and we live in that dichotomy everyday. And it's the have-nots believe it or not just look exactly like us here. So I think in order to address that issue, the city is really pushing the boundaries. And not only that, also I'm asking voters to be very, you know, conscious of the fact that it takes, it's more than just a housing issue, it really is a quality of life issue, and eventually an educational outcome.

[01:31:39]

>> Absolutely, a question I wanted to just throw out to the whole panel, maybe Liz, starting with you. So much of the discussion around childcare, is about financing, it's about, you know, women's labor first participation, it's about money and mom's, and things like that. What do we know about quality from a child development perspective? How can we bake that into the system? I know in your proposal, you don't necessary favor licensed child care centers, you are more open to all.

>> Yeah, so I mean it's not that I don't favor them it's just licensure itself to guarantee the minimum level of regulation and safety.

[01:32:20]

That it is not synonymous with the type of quality is necessary, actually, to support child development. Yes, but in terms of the tax credit, I was, the intention there was to make this open to families who might have non-standard work hours. Or for after school care or Summer camps, so things like that which might not fall under that licensure rubric. But quality itself, yeah it's more than just a minimum set of standards. And it's more than just teacher education and class size, and things like that which are important. But it's about the interactions that kids have with their caregivers.

[01:33:02]

And there have actually been some rubrics developed to try to measure the the positivity, the engagement, the stimulation that children get from their caregivers in these childcare settings. And when those are both kinda emotionally and kind of intellectually in terms of learning. And when those kind of become part of the information that parents get about childcare centers, it not only gives those parents information to act on. Maybe choosing a center that's a little bit further away, that might be a little bit better along those measures. But it potentially gives those centers, you know, if there is competition in a market, some incentive to try to improve.

[01:33:53]

There's sort of an analogy here in the context of accountability in K through 12 education. But it sort of bring out that idea that quality here is about process then we sort of need to be thinking about it in terms of process. Not just kinda easily kind of took off the box, yes we've sort of met this requirement or that requirement, yeah.

>> Well, and process and also measurable.

>> Yes

>> So, going back to evidence based and making sure that what we invest in we can actually be able to track and say something about it.

[01:34:30]

That's where the quality made an improvement system comes in is that, that early educators. you know, and this is controversial because not everyone would appreciate someone coming into your either school or an external evaluator coming in every couple of years and saying, you know, based on these measures, this is the indicator as to the level of quality. But at the same time, we also have to, We also have to be accountable to the children who are in those programs. And more so as we know as we have more research and more evidence that suggests, well more than suggests, there's correlation that the quality of the interactions between the adult and the child really matter a lot.

[01:35:21]

I mean so much that you can have, you can now predict with certain certainty around what that child's educational outcome will be by third grade. That's to the point, not only to the educator but also the parent child interaction. And so what we've done in San Francisco is that we've really made lots of investments to make sure that it's not just only in the early education sites, but it's also that we're investing in families. Because families and parents also have that, First interaction with children, and we know so much. That when that attachment doesn't happen, that bonding or what's called bonding, in the first few months, that's has huge implications.

[01:36:07]

And there's, there's already science around, you know, a child's brain and their development, and how, you know, there's a response to that. It's either flight, fright, right? It's, it's very, Although very primitive, we all have it. And so our brain gets wired within the first nine months. And so if I don't have an attachment with my primary care giver, whether that's my mom, or dad, or my caregiver. My brain already is starting to form those neurons or pathways. And so what ends up happening is, when we talk about children's challenging behaviors, well that starts from very early starting at birth.

[01:36:50]

And that all has to do with the relationship between that child and that parent or that caregiver.

>> I think it's also interesting that when we were looking at the data on kids who have access to sort of childcare vouchers through the CCDF, the childcare development fund. You again find that kids who have subsidized care actually get poor quality care, you know, as compared to kids who are paying the regular rates.

>> Right, right.

>> And I think it's just

>> I think that needs to be monitored. And, it's a good question, and how do you quantify, sort of not just the center and the education and you know, but the interaction.

[01:37:29]

How do you, how do you change that and how do you measure that? I think that poses a great question.

>> Yeah, I think 75% of kids, of families who use those CCDF vouchers use License to Care. And it, it, it's just not enough alone to sort of ensure quality.

>> Yeah.

>> Parna, I would love to talk a little bit more about the politics around this. So I love that San Francisco is leading the way. And sort of we know what the politics look like in, in San Francisco. My home city of Chicago is also starting to make movements in, in this direction.

[01:38:00]

Parna, just starting with you, tell us more about what conservatives are saying and thinking about this.

>> About, okay. So that's a big question.

>> Or you could pick at whatever version of that that you want.

>> Yeah, yeah. Yeah, so I mean you know, as was pointed out earlier, I think yeah, conservatives haven't been talking enough about these policies. That's absolutely true. And it is refreshing to see the Trump,

you know, administration. Whatever you may think about the actual proposals, I think it's kept the issue on the table. So I think it's, yeah you know, I was not supportive of the Ivanka Trump proposal.

[01:38:37]

Let's do it through childcare deduction or do paid leave, as through the state UI programs. You know we, we wrote about why that wouldn't work, and why that's not a means to improve access to low wage workers. But at the end of the day, I think they, having those issues still be talked about, I think, matters a whole lot, even to conservatives. I think it matters that the White House is talking about it. And that's getting many more Republicans to, to, you know, sort of back other childcare proposals, to back other paid leave proposals out there.

[01:39:08]

And I think we are seeing a lot more action than we would when we came out with the AEI Brookings Paid Leave Report that, you know, as I said, many other organizations were part of. We were invited by the White House to talk about it. And even though they had a proposal which was the state, you know, doing paid leave through state unemployment insurance, they were very receptive to the idea of, you know, if there are better ideas out there, we're open to them. So I have seen, you know, just in conversations, that there is a lot of traction that these proposals and that these ideas are getting.

[01:39:40]

Now again, at the end of the day we're economists, they're the politicians. And we don't know, you know, what those negotiations would look like and who would back down on what and, you know, what actually gets pushed through. But I do think that there is a, a lot of initiative being taken even in the current administration to try to do something on these issues.

>> And do you think they're mostly thinking about it as children's issues, or women in the workforce issues, or, how should we be framing it, I guess, is the question?

>> Right, so, I, I think as conservatives, we care about these being pro-work, and pro-families.

[01:40:16]

So conservatives, you know, have traditionally backed things like the child tax credit, why? Because they think that that enables families to have more money to spend on children and to have, you know, to have that bonding between the parent and the child. And to give money for families to decide how they want to spend however they want to spend it. As opposed to something like, let's have the dependant child, and dependent care credit, which is tied to to work specifically. But it's not so much about, you know, the mothers having the option to stay home with the child.

[01:40:51]

So, so I do think that there the conversation is changing. This is about woman's labor force participation, this is about encouraging work. And this is about being pro family. And I think those are the two, you know, points on which more and more Republicans are coming around to the idea that, yeah, we need to do more about childcare, and we need to do more about paid leave.

>> Ingrid, what's your take on that for the politics from your perspective?

>> Well, San Francisco has been early adopter of many initiatives. And I think that, yeah. We're the land of initiatives.

[01:41:23]

And so.

>> But but we're, we do a proof of concept. And I think that many other cities across the state, actually I just came from Portland last week. This is where I got the cold. Where they're also spearheading this universal pre-school initiative because of, because of all the evidence. It's like, this is, it's the weird part, there's all these facts out there.

>> Right.

>> And other countries, and you know, around the world, take our facts. All of this research that's been paid, not only by the government, but also by philanthropists, that say that this is, this is the way to go.

[01:42:03]

So San Francisco at least is able to be in a position because of, you know, because we do have, I think, very progressive leadership. Not only with our board of supervisors but also with our mayor, that this is not so much of a huge argument, believe it or not. It's a, I think the all question always comes is it is a tension between priorities. And in San Francisco, because we have this horrible housing crisis, that is the number one issue. Which it's not just San Francisco alone, it's the entire Bay Area region and most of California.

[01:42:46]

And so, you know, everyone agrees with it. No one is gonna say absolutely not. It's just a matter of how do you pay for it?

>> Yeah, I mean when it comes to pre-K, the initiatives have really been taken by local and state governments. I mean the foundation of our public school system was the grassroots movement at, at the local level. It was not sort of top down imposition. So I, you know, I think, but we're still at a point we're only about less than 30% of four year olds are enrolled in these, these types of, of public pre-K programs today, so it's still a long way to go.

[01:43:20]

We did it with kindergarten. We, we, we can do it with, with pre-K as well, yeah.

>> There are some questions from the audience that I'm gonna sort of weave into this. And one of the questions from the audience is why have we seen a plateau in state level investment and childcare? Not really that preschool, the four to five, the, you know oftentimes, I would get into discussions with the people in the Obama administration. They'd say, look we've solved this. We've expand, we've suggested preschool for all. It's like wait maybe you don't realize, they don't come out at age four, right?

[01:43:49]

>> We've got to do something with them.

>> Yeah. Right.

>> I, I, I would say from, from my perspective is this, this stems from I think more than 20 years ever since welfare reform came about. Which mostly the states, you know, their funding was converted into block grants. This created a suppression within lots of different ways of being able to finance child care, mostly for women who were in poverty. And so what that does is that it is the, the supply and, and the demand part never ever meet. One, because those, that block grant suppresses also the ability to be able to pay.

[01:44:40]

So you don't have the purchase power. If you are a a family whose income is less than 40,000 a year in California, your ability to have purchase power to pay for quality whether infant or preschool, is pretty much non-existent. Unless you qualify for either a state or federal. And if you're lucky enough to live in San Francisco, you know, you're able to get some level of, you know, financial support. And I think that's one of the issues is that the funding has been stagnant for, you know, for two decades now. And it will be very, and with the great recession in the State of California child care was, was reduced by over a billion dollars.

[01:45:31]

And so in the State of California, which, you know, is popul, you know, so one of the most, it is the pop, most populous state in the nation, you know, just think about that. And we've never recovered.

>> Some more questions from the audience. People have asked if there's sort of a couple of themes emerging. One is this notion that the workers, who are providing the child care here think there's a general sense that they're underpaid. And that paying them more will be key to improving quality. I'd

like the panel's take on that. But then, at the flip side if we increase the price of inputs, that means that it's going to, of course, yeah, drive up cost.

[01:46:15]

How do we balance that? Do we have it about right now, or? Ingrid, I sort of would think to go to you, but, of course, love the economists weigh in as well.

>> Well, for San Francisco, we, you know, we, we're trying to address that issue. Because even with providing the access, I, I think that we did a, actually, we actually did a financial impact study on every input, every revenue source that the county gets for child care. Including our own local revenues. And what it turned out is that we had around close to \$15,000 gap per child, what it would actually take to pay teachers, even at a level of the entry level of kindergarten teachers.

[01:47:00]

That's 15,000 within programs that are center-based. For daycare providers or family child care it was sad. It was, the average was family child care worker was being paid \$4 an hour. Yeah, and so that's what I mean in terms of, you know, looking at who we oppress in the process of trying to create access, we also have to look as to, you know, what policies we also put in place for protecting the workforce that is preparing the future workforce.

>> This is real push.

>> Yes, towards professionalizing this workforce, which, which sometimes advocates view as being the same as more education, like sort of having educational requirements for, for these workers.

[01:47:51]

And I think there's, there, it isn't necessarily that when you go to college and, and you go to an ed school that you're trained to sort of have this sort of warmth of, of interactions with these children. So I think that, yeah, there is this return to education. And in, in, and people with BAs who, who wanna work at child care centers really kind of demand sort of more in terms of income. But it doesn't necessarily mean they're, they're better equipped to, to working with children. So I think what we, what, what really is needed is sort of the, the professional development that, that supports child development.

[01:48:27]

And, and sort of a, a greater recognition of the value, right of it to society, yeah.

>> Right, I mean, I, I think you're right. We, we hear this concern all the time that, what happens if you allow families to pay more for child care? You know, is that going to just increase child care costs even more and how do you address that? And I think the basic issue is, well, what is the goal? The goal right

now is to get good quality care to these children. And child care costs have been going up, whether or not, you know, the quality of these centers has gone up.

[01:49:00]

So, so I think, you know, we're talking about two different issues. One is we need to get more money into the hands of poor people so that they can at least access the basic quality care. And the second is, you know, that the, where the care prices are really going up is, you know, where people are able to afford it. And I think, you know, there you already get the, the good quality providers and the, you know, the, the people who are already providing that that good interaction and have the degrees, and so on. So, so I think the real issue to me right now is how do we get more of that money into the hands of poor people?

[01:49:32]

And not, not so much, and not worry too much about what happens at the high end of the, you know, the, the cost of care.

>> There's also a theme coming out in, in the questions that, that, that I share, which is you know, how do we think about the trade-offs between providing sort of vouchers or tax credits to individual families versus subsidizing centers? So the the long proposal talks about subsidizing centers on college campuses. You know, a lot of times when we're talking about low-income families we think about sorry, they're, they're trying to tell me to, to wrap it up.

[01:50:12]

Okay, we're gonna wrap it up soon.

>> We gotta talk about a few more things. You know that there are lar, long wait lists, etc. Will the market expand to meet those? Or what's holding the market back? Or is it not a question about, you know, are we too highly regulating this, you know?

>> We're not regulating it enough. I mean, and I don't mean it by regulation by just regulation alone. But really looking at areas where it, it focuses beyond health and safety. It really is about outcomes for children. And I think that it's a both.

[01:50:49]

It's, it's and and or, it's not an either or. It's about providing families with purchasing power. But it's also stabilizing centers to continue the ability and that availability of those spaces. Because if you don't do both then the market potentially will contract. Because it just cannot fund its, it cannot fund itself without an infusion of some other sort of public dollars that really subsidizes this economy. It's there's no way that families on, on a regular like even, you know income are able to pay 30,000 a year. I mean

that it's just, and, and with housing, it's just, it, it just, it just drives on sort of an unregulated economy which is the friends, family, neighbor care.

[01:51:42]

>> I think what I like personally if, if you had to choose between subsidizing commercial center, you know, care, or Giving families more money is just actually giving families more money. Because I think one of the issues that we, we find would be access to sort of the CCDF centers or the relative-based care is that they're often, of course, not open in non-traditional hours. So that, that's not a huge help to families that are working irregular hours, which tends to be at the lower end of the income distribution. They're also not always located in places where families need access to that care.

[01:52:17]

Whereas I think if you had, if the family had more money, they could choose how to, you know, how to provide that care themselves. Maybe, you know, get a babysitter at home. So, so just if, if you had to choose, I would say, you know, try to do it through the tax code. Try to hand, you know, people more money so that they can make those choices independently.

>> There's some skepticism in the questions in part. So I'm asking about even though this is a refundable tax credit, oftentimes child care centers wanna be paid, not just at tax return time-

[01:52:48]

>> Great, of course.

>> But throughout the year.

>> Of course, yes, and I forgot to mention that, yeah. So yeah, so the, sort of part of my proposal is that you, this could be accessed in advance. But the logistics of an advanced child care tax credit potentially quite co, complicated given the volatility of, of income and low income populations. As well as the sort of just, even with that, the inability to predict exactly what child care costs are gonna be. So the concern is that you might draw on this credit and then end up owing the IRS money at, at, at tax time.

[01:53:18]

So I would recommend like trying to sort of experiment with different ways of structuring advanced tax child care tax rate. But absolutely right, I mean, being able to draw down on this with some regularity during the year is gonna make it much more effective.

>> And we've tried that with the Advanced EITC, which-

>> Yeah, yes, and there was-

>> You know, which, yeah, just very-

>> Yeah, there's very low takeoff, about 3%.

>> But then we, yeah.

>> Yeah.

>> It's possible that if you need it for child care and you tied to that, there's much more-

[01:53:44]

>> Yes, exactly, instead of sort of wanting that lump sum payment.

>> That's right.

>> Yeah.

>> Excellent, so I think I'm getting the sign from that staff-

>> Time is up.

>> That time is up.

>> Thank you so much for this engaging panel discussion.

>> Thank you.

>> Thank you.

>> Thank you.

>> And I believe lunch is available. Is that true?

>> Hello, all. I'm Deborah Rhode from the Center on the Legal Profession at Stanford Law School. And I've been tasked with cutting your lunch short. But there's a compensation because I'm going to show you some cartoons.

[01:54:39]

It's a great honor to be with you to make some very brief framing remarks for the panel to follow. And I wanna focus my those remarks on women in leadership. Because as the author or coauthor now of three books on this subject, I'm increasingly convinced that the solutions to so many of the problems that we're discussing here today, solutions that have been advanced, require having more women in pivotal roles. And the facts are frustratingly familiar. Despite almost half a century of equal opportunity

legislation, women's opportunities in leadership are anything but equal. In the United States the women are a majority of the electorate.

[01:55:28]

But hold only 19% of congressional seats, a figure unchanged in the recent election. The number of women governors fell to 10%. And this nation ranks 95th in the world for women's representation in national legislatures, below Bangladesh, Bulgaria, and Saudi Arabia. In the academia, over half of college graduates and advanced degree students are female. But there are only a quarter of full professors and university presidents. In management, women are, are over a third of MBA students, but only 19% of board members. And 6% of CEOs of Fortune 500 companies. In my profession, law, about half of new entrance are female, but they're less than a fifth of law firm partners.

[01:56:16]

And the gap, of course, widens for women of color. At current rates of change, it would take almost a century to reach parity in congress and in executive suite. This gap, I think, reflects three main problems. And I'll just say a word about each. First, unconscious bias. Second, in, exclusion from networks of support and professional opportunities. And finally, work-family conflicts. Gender bias certainly, one of the most intractable obstacles for women seeking positions of influence is the mismatch between stereotypes traditionally associated both with women and leadership. Most qualities associated with leadership are masculine, dominance, authority, assertiveness, and so forth.

[01:57:02]

And these do not, as the cartoon indicates, seem attractive in women. So aspiring, ambitious women confront a double standard and a double bind. What's assertive in a man is abrasive in a woman and would-be female leaders for seeming too feminine or not feminine enough. On the one hand, they're too soft, unable or unwilling to make the tough calls. On the other hand, those who mimic the male model are often viewed as strident and overly aggressive. Hillary Clinton's experience is perhaps the most prominent case in point. She's long been dogged by claims that she's cunning, savage, pushy, a Lady Macbeth in a headband.

[01:57:47]

During the last debate, Trump called her such a nasty woman during tele televised debates. And vendors at rallies sold more merchandise, such as Hillary nutcrackers and the t-shirt pictured here. Life's a bitch, so don't vote for one. Trump also invoked the gender card and claimed that the only reason people were voting for her was that she was a woman. He famously said if she were a man and she was the way she was, she would get virtually no votes. This prompted the observation by New York Times columnist, Gail Collins, do not ask yourself how many votes Donald Trump would get if he were a woman and he was the way he is.

[01:58:28]

Truly, she said, you don't wanna go there.

>> And the research, of course, suggests that Collins is right. An overview of more than 100 studies confirms that women are rated lower when they adopt masculine authoritative styles. Yet other research finds that individuals with those styles are much more likely to emerge as leaders than those with feminine styles. In one study featuring a profile of a hard driving, highly successful Silicon Valley venture capitalist. Half the study participants were told that the individual was Heidi Roizen and the other half were told that he was Harold. Everyone liked and admired Harold.

[01:59:06]

Heidi, they thought, was a bitch. In addition in effect, women are facing trade-offs that men don't. And the problems of bias are compounded by for women of color. Who often face assumptions that they're the beneficiary of special preferences and not merit appointments. In one study involving identical resumes, an applicant named Lakisha had to eight, have eight years more experience than an applicant named Emily to get the same interview opportunities. Motherhood also evokes stereotypes that are not consistent with leadership roles. Having children makes women, but not men, appear less competent and committed to their careers. And those perceptions can in turn prevent women from getting the assignments that would demonstrate their capability and commitment, and then a cycle of self-fulfilling predictions is established.

[02:00:04]

A related problem is in group favoritism. A wide array of research we know shows that individuals give more favorable evaluations and opportunities to individuals who are like them, in important respects, including gender, race, and ethnicity. So women are often excluded from the informal networks of support, mentoring, and sponsorship, that are critical for advancement. Ellen Pao's recent book, Reset, documents the impact in Silicon Valley when talented female professionals are excluded from social life, social events because, as one male colleague assertively put it they'll kill the buzz. Exclusion also appears even in formal settings, I'm going to guess that every woman in this room has witnessed the scene in this favorite cartoon.

[02:00:56]

Ironically the home is no more an equal opportunity employer than the workplace, only in domestic batters, presumptions of competence are reversed which means unequal family responsibilities. Despite a significant increase in men's domestic work over the last half century women still spend twice as much time on childcare and household tasks as men do. And in one representative survey of high achieving women four out of ten felt that their husband created more work around the house than they contributed. We know that women who work and have children are held to higher standards than

working father and are often criticized for being insufficiently committed either as parents or professionals.

[02:01:44]

And those mixed messages leave a lot of women with the uncomfortable sense that whatever they are doing they probably ought to be doing something else. The gender imbalance in family roles then reinforces gender inequalities and career development so that women with demanding work and family commitments often lack time for the networking and mentoring activities that are necessary for advancement. They do not either lean in, as Sheryl Sandberg famously put it, because for leaders, all work and no play is fast becoming the norm rather than the exception. Technological innovations have created as many problems as they've solved.

[02:02:23]

And although they make it increasingly possible for women to work from home, they make it increasingly impossible not to. And at a talk she gave many years ago at Stanford, Gloria Steinem, when asked how women can solve the work, family issue said, women can't until men are asking that question too. Well, of course, fortunately, many men are. They're in this room and we owe you a huge debt. And we do not lack, now, for promising solutions, to some of the, problems that I've raised. What we need most is a commitment to gender equity that's reflected in organizational and societal policies, priorities and work structures.

[02:03:06]

The tone at the top is critical. Leaders need to set goals, hold individuals accountable and resist diversity fatigue. The need to develop initiatives that can level the playing field such as monitoring evaluations for bias, establishing mentorship programs and developing more effective work-life policies involving telecommuting child care and flexible schedule options, all the things we've talked about earlier. And the societal level we also need all of those gender equity laws and initiatives, as well as more mentoring training and financial support for political candidates, both men and women, who make those issues a priority. At the personal level, of course, we need to work for a more equitable distribution of household responsibilities.

[02:03:57]

I love, that cartoon, it shows us what we need. And we also need, as one congressman put it, to learn to live with guilt. We, also, have to encourage our kids to have leadership aspirations. Whether it's through these informal socialization processes or supporting programs that support leadership for girls. And finally, and most importantly, we need those who care about gender equity to make their voices heard. We all need to pull up our socks, write some larger checks, and commit more time and resources to this

issue. Over a century ago, a newspaper editor, William Allen White, advised women to raise more hell and fewer dahlias.

[02:04:49]

It remains good advice, and thank you for being here to share it. All right.

>> Good, how are you?

>> Hi congressman, there-

>> My goodness. How are you?

>> Good, hey,

>> Hi, ladies.

>> Good afternoon, I'm Jay Shambaugh. I'm the director at the Hamilton Project, and we've got a great panel now, with the title of Building Lifelong Economic Security. Before I start, I just want to thank Diane Schanzenbach who's the former director at Hamilton who in addition to leaving a great team at Hamilton for me to work with when I got there was the driving force behind this event and the co-editor with Ryan Nunn of this book, which if you haven't picked up yet, there's still copies outside and those of you who are watching, there's an ebook you can download from the Hamilton Project.

[02:06:22]

And there are a lot of terrific in addition to terrific papers, terrific proposals in there. So we have a great panel. We're gonna talk about this question of lifelong economic security for women. And I think a lot of the things we've already talked about today, pushing those directions, things that will help push women's labor force participation, child care issues that wind up being very important to women's economic security as well. But we want to talk on this panel also somewhat more specifically about some of the tax and spend policies that wind up shaping women's economic security over their lifetime.

[02:06:55]

And, just a couple things, one proposal we'll talk about is ways we can use Social Security better to help women as they age and another to think about how we can use tax policy to make sure we encourage women's labor force participation, and just a couple of facts to remember as we think of those. Roughly 57% of people in poverty are women, and so the official poverty numbers have plenty of flaws of them, but they're indicative of something and then even more so, roughly two-thirds of the seniors that are in poverty are women. So this issue of trying to make sure we build successful careers over time for women and have proper policies in place for them later in life are really crucial.

[02:07:39]

And the people we've got here to talk go in order this way. We have Nancy McPherson who is the State Director of AARP at California and who is great experience in the field thinking about lot of these issues and looking forward to hear a lot of what she can tell us about that We have Congresswoman Anna Eshoo, who's been, in Congress since 1993, I believe. And is a leader on-

>> The year of the woman, they only meant it for one-

>> So a leader on tech and housing and, and economic policy more broadly. We have Karen Dynan who is a professor of the practice at the Harvard Kennedy School and recently the assistant secretary of Economic Policy at the Treasury Department in the Obama Administration.

[02:08:29]

And we have Sara LaLumia, who is an associate professor at Williams College and studies tax policy and income distribution and things like that. So Karen, I'd like to start with you, so you're one of the authors who've put a proposal in this book. And I was wondering if you could tell us a little bit about the economic problems senior women face. And kind of what your proposal would do about that and in some sense, why whether it's markets or families, can't just do this on their own, like why do we need the government to do something here?

[02:09:02]

>> Sure this is great, so this all started with work that I was doing at the Treasury Department with Jason Brown, my co-author on economic hardship amongst older women, it's, the figures are kind of stunning. You already referenced the fact that older women, 65 plus, are much more likely to be in poverty or suffer hardship than their male counterparts. And the numbers are high also in absolute sense, I mean, by the time you get to age 85, it's like one in five women, who are living in poverty at that age. So it turns out, there's some factors that we you know, know that are pretty obvious that women live longer, that they have lower lifetime earnings.

[02:09:45]

You would expect that to contribute to hardship, but if you drill down into the data, what you see is that the hardship is often tied to specific life events. So in particular what we find is that a lot of the hardship is related to widowhood and it's related to major health care shocks that basically puts these women into disability. And, widowhood, you know of course there are a lot of financial hardships that come with widowhood. But among them is the fact that Social Security benefits for many families, drop by more than spending needs after widowhood.

[02:10:23]

You know in the case of health care shocks, I think that is pretty clear. You can have massive out of pocket spending needs if you, you know, suddenly suffer a shock and you need someone for example to come to your house and take care of you. So, what we did is we wrote a proposal that involves making a couple of pretty modest changes to the Social Security System to, it helped to mitigate this hardship. And basically what the proposal entails is giving, giving people the option when they start to claim their benefits of electing a lower benefit in exchange for you know, basically in the case of widowhood a, a smaller drop in survivor benefits and or additional cash income should they fall into disability.

[02:11:17]

So effectively it's like allowing people to buy insurance through the Social Security System. You raise the question, why can't people just self insure or do it through markets? There are some market outcomes that would help, but as it turns out, people don't take advantage of them. So in a general sense if there is one thing we've learned from the behavioral economics literature, and, of course, this is where the Nobel Prize was awarded a couple of weeks ago, is that people just aren't good at making proactive decisions. To benefit themselves financially, particularly when they're complicated financial decisions.

[02:11:54]

And buying an annuity or buying long-term care insurance, that's a complicated financial decision. I would say more specifically with the long-term care. There are just problems with that market. And the problems have to do with how complicated it is to provide these benefits, now in the future for a long time. But basically, it's led the market not to work so well and to a lack of trust. So kind of the, the beauty of this plan is we're kind of making this option available in a very kinda easy way through a, an institution that is already there, Social Security System.

[02:12:27]

It's well designed, it functions well, and is an institution that people trust. So, so I would say that's, that's, that's a kind of real strength of the plan, and I would just say just the other things in terms of like, that makes it politically feasible is this a self-financing plan.

>> Right.

>> This is a plan where, you know, it doesn't involve taking money away from the taxpayer or putting risk on someone else.

>> Thanks, Sarah, so you have one of the other proposals in here. And so in the morning we talked a lot about labor market institutions or about childcare and different ways that we could try to make it easier to get women, make it easier for women who want to be in the labor force, in the labor force.

[02:13:04]

And, and Jessie talked about the EIPC, one way to change in some sense the returns to work. And so you've got another proposal that would operate, for in some sense, for different parts of the income spectrum on how can we get the returns to work, to be different? So could, could you tell us a little bit about it?

>> Yes, absolutely. So one of the most important determinants of lifetime economic security is a person's work experience. And when you get to a moment of widowhood or disability, if you have a lifetime of work experience behind you, those things will still be difficult, but they'll be easier to cope with.

[02:13:37]

And I have a puzzle in the book that thinks specifically about how married couples are taxed. Taking as a starting point the fact that in the US tax code, there is a, a disincentive built in for married women to participate in the labor market. And it works in the following way. So the US uses a system of joint taxation where a married couple is the unit of taxation. This means that, that we pull together the resources of husband and wife and, and tax the couple on those pooled resources. And if you think about a, a situation where husbands might be making labor force participation decisions first and then women are thinking about what, what choices do I make?

[02:14:18]

That doesn't necessarily describe every married couple, but it might describe a lot. The tax rate that a wife faces is going to depend on the income that her husband earns. And you can have situations where the first dollar that a wife is going to earn is will be taxed at a high rate because of the tax that her husband faces. And the US is in a minority of countries that uses this kind of joint taxation of married couples. And there is a good deal of evidence suggesting that joint taxation of married couples does reduce labor force participation throughout lifetime.

[02:14:52]

And so then when people are facing events, difficult events, later on in life, they might have accumulated fewer resources. So the proposal that I lay out tackles this particular distortion of the tax code in particular that wives are, on average, facing higher tax rates. And it proposes a deduction for married couples where there are two earners. And the deduction would be equal to 15% of the earnings of the lower earning spouse. And this would offset exactly the problem that is created by joint taxation of married couples. So it is true that the, this disincentive that the tax code creates.

[02:15:31]

Is stronger for those whose husband's earning place them in a higher tax bracket, and the second earner deduction would go after that particular group. The this is a proposal that would be fairly easy to

incentive in the light of our current tax system. In fact, we had a second earner deduction in place in the early 1980s, and it's something that has received some support from politicians across the spectrum. So I think it's something that would be not as costless as Karen's proposal, but not as difficult as some other proposals. And I would just say that, of course, this would be layered on with other ways to support women in the labor force.

[02:16:14]

So with all of the things that we talked about this morning, having access to childcare, hugely important for labor market participation. And thinking about scheduling issues, hugely important, but the tax code has a piece to play there, as well. And I think it offers the possibility to improve outcomes over a range of time periods. So in the short-term, you could have women who are participating in the labor force more, earning more. Over the course of a career, if you have fewer time periods out of labor force, build up more human capital, this is going to be helpful for economic security.

[02:16:48]

And then when you get to retirement, helpful, as well.

>> Okay, thanks, that's great. Congresswoman Eshoo, I was wondering if we could turn to you for a broader perspective in some sense on some of the things that have happened over the last decade that helped contribute towards women's lifelong economic security, steps we have taken, and for that matter, places where we might worry about those steps kind of going back.

>> Sure, it's wonderful to be with you. Thank you very much, and to, I think we all stand on the shoulders of Cheryl, don't we?

[02:17:20]

And everyone that is participating in this and everyone that is here, it's, it's an honor, really, to be with you. Now from an objective and rational standpoint, or perspective, the proposals that Kara, and, and, Karen, and, Sara have made, the Congress should be paying attention to it. But the Congress is neither rational or

>> Or objective right now, and that hurts our country. It's hurting our country. It's not just something to be covered by talking heads at night. But adjust for some perspective going back. I mentioned it at dinner last night. I hope you don't mind my looking down because I have notes, and I don't wanna be wrong.

[02:18:16]

But I wanna include the things that I think are really important. Between 1964, that's when John Kennedy was President, he signed the Equal Pay Act into law, and 2014. So between 1964 and 2014, the

pay gap for women went from \$0.59 earned by women, by women for every dollar earned by men, to \$0.79 for every dollar, that's according to the Congressional Research Service. Now, that's blue chip. That is non-partisan. It's not bipartisan, it's non-partisan. I know it's a word that's not mentioned very often anymore. And today women make \$0.80 for every dollar that's earned by men.

[02:19:00]

So there has been progress, but it is exceedingly slow, that's decades, that's 50 years. The first bill signed into law under President Obama was the Lily Ledbetter Act. You've all heard Lily speak, you know what the case was. I mean, it was so outrageous. And what it did, what that act did was to overturn the 180 day statute of limitations for women to contest pay discrimination. So that was, I think that was another important step, is a down payment relative to the pay gap, and an important one. But these are very hard earned steps.

[02:19:48]

These are very hard earned steps. I, I just can't emphasize that enough. They are, I, I think the issues that we're all talking about, and I listened in part to the last panel and to Professor, is it Grody? That, was speaking, and all of the things. She's so marvelous. Where are you? We're all indebted to you. You've, we really are, you're, you're a north star for us. There are issues that are really relegated to the pile of soft things instead of being thought of and and advocated for. And I think our language has something to do with this as what makes a difference in every American's day to day life.

[02:20:41]

These are issues that are interwoven into our lives. We work, we get sick. We have children, they get sick, someone needs to stay home with them. Someone in our family, a parent, an in-law gets sick, usually women take care of them. People die. They even die when they're young. You have to have time to grieve. So all of these policies are part of our day to day living. Now what I want to concentrate on for just a moment are two national insurance programs that I think we take for granted. And they are under assault now.

[02:21:25]

They are very much under assault, both Medicare and Social Security. I have the sense when I speak to, when I'm speaking to a younger audience, she's pretty dated that she's talking about Medicare and Social Security. But they are two, I think, of the most important bookends of social insurance in our country. Let me give you a couple of statistics on them and what they have done. There are other things that we've done that we're, we've made real headway, the the Affordable Care Act revolutionized insurance policies for women. We have complicated bodies. We have complicated bodies.

[02:22:09]

It's the way we're made, and so we need the health services that are gonna speak to those complications. And so the benefit, the essential benefit package that was designed took women in this country and their bodies very seriously. Where there would be no co-pays for certain examinations, certainly for contraception. These are, I don't have to tell you that they're under attack. They're being removed as I speak, and this is affecting tens of millions of women in the country. Remember, before these insurance reforms were made through the ACA, women were discriminated at just because you're female.

[02:22:57]

They charged more, just coming out of the box. They charged more because you were female. And I think many of us are just walking, talking, pre-existing conditions. So now, today Medicare serves 24 million women that are 65 years of age and older. 24 million, that's a large community of women in our country. It represents 56% of adults that are enrolled in the program. Now when Medicare was first adopted, what, in 1966, one-third of women over 65 lived in poverty compared with only a quarter of men. Today that number's changed, it's 10% of women and 5% of men.

[02:23:44]

So to speak to what we've done and what works and This was not, much of what is part of Medicare today was not part of Medicare or Social Security when they were first passed into law. So in many congresses, through many administrations changes, positive changes have been made, built on and now today this is one of the favorite hits in our nation's in our nation's capitol. And I don't say it to frighten people. You need to know that that's the case. In women also make up the majority of elderly social security beneficiaries. And as is talked about in you papers.

[02:24:36]

And I think that you more than alluded to this. What happens to women in retirement is based on what there work life and their, what they were paid. So, if they're short changed in terms of a wage gap, if they're short changed because they're work life was interrupted because they had children, stayed home to raise them or have to change jobs because of fill in the blank, all the things that happen in people's lives. That has a direct correlation and it's can be a very hit on women when they are retired. I remember when my father died, my mother said, now I'm gonna get daddy's check along with mine.

[02:25:24]

I said no mom, it doesn't work that way but I'll be your social security check so.

>> So it's you know there's a persistence of poverty among women, Jay. Over 65 compared to men, and I know that Karen and. And. Sarah, you know, have tried to address these in what they are publishing,

what they're proposing, but where we can't go is to dismantle Social Security or Medicare, we simply cannot. And I think there really has to be rising up on this because in three budgets, three national budgets in the House of Representatives in the Ryan budget those budgets have contained the privatization of, of Medicare.

[02:26:28]

The privatization. And, by the way I'm not a fan of annuities, because they cost people a lot of money. There has to be a better way, for women to save without companies really creaming off the top. And most people don't pay attention to the bottom page of a financial statement. So have we made some progress over the years, Jay? We have. This is a time and an administration that is not only not interested in these issues, but they're the majority is complicit and, in turning them back. In turning them back, so I think it's a time to retrench.

[02:27:12]

I think it's a time to embrace new powerful ideas if if the private sector, we can't just depend on the goodness of the private sector, we have to have rules in our country. But if we see wonderful examples, solid examples coming out of the private sector, it strengthens our hand in the congress to say well if company A and company B are doing this with these policies, surely, we can have a national umbrella that's going to advance our entire society. But if I want to leave you with anything Social Security and Medicare are the more than the the safety nets for the elderly in our country.

[02:28:05]

Of course when any of us hit 65, we don't think of ourselves as elderly, right? I sure don't think I'm old maybe some, my kids think I am. But but these are essential insurance policies for the American people, and even more so for women. Even more so for women, they would be destitute if they didn't have it and that's why you know we are pushing back so hard on this. So it's about taking steps forward, some we take sideways, some are really steps that take us backward but. You know the as I think Dr. King said the arc of history bends this way towards justice and you know good policy.

[02:28:53]

So that's where I draw my hope from and my constituents obviously, yeah.

>> So I think I've talked too long, but I want you to know that it's both. And that that set of book ends is really an essential one.

>> Okay, thanks, that's that's that's great perspective.

>> Can I just say one more thing? It's a very interesting thing that when tax reform tax cuts are proposed, and they are now, and the, the estimates for them, the cost of them, is \$1.5 Trillion cost charged to the national credit card over the next 10 years.

[02:29:38]

All of the voices, and it's more than a Greek chorus chanting on the side of the stage are, have completely forgotten about any kind of fiscal sanity. But outside of those, the first thing they go to is, we have to, this is not sustainable, Social Security is not sustainable, Medicare is not sustainable. I say to them, you're not sustainable with your ideas.

>> So, you know, we can't be taken in by that.

>> We really can't be fooled by that, so I won't say anything else, all right.

>> So, no that's great perspective. Especially thinking about some of the longer term aspects era.

[02:30:25]

So, Nancy, I'm wondering, I know your group has done work in the field booking kind of snapshots today. Where do women, and senior women in particular, find themselves? And, and women across the board, in California I think in particular, where you've done the research? I'm wondering if you could tell us a little bit about kind of what perspective you're seeing right now on women's economic security?

>> Happy to do that. If I could just emphasize though, that with Social Security and, and Medicare, what you're talking about is so important, and we also have to stop talking about these as entitlements.

[02:30:57]

>> That's right.

>> These are things that people have paid into for a lifetime of working.

>> Umhmm.

>> And we need to remember that when people are trying to dismiss them as entitlements. I'd love to talk about some of the data that we've collected in California. But I do want you to know, how many of you think that AARP stands for the American Association of Retired Persons? Some hands. So we have not been that for a very long time. We are just AARP, and the reason is that over 47% of our 38 million members across the country still work.

[02:31:39]

And we've heard all day long that people are staying in the workplace longer. They're doing it out of need. They're doing it because they want to, because somebody who used to retire at 55 is looking at three decades, still. Of wanting to be productive and contributing, those are important things to actually consider. And in every state, all, in 53 places, because we're in the territories too, AARP has a, a team of advocates and an army of volunteers. In California, we have over 5,000 volunteers who work with us to advocate on behalf of people who are 50 plus.

[02:32:22]

And not just people who are 50 plus, but people who are 50 plus and their families. Because what's good for an older adult is just as good for a mom pushing a baby stroller or an eight-year-old. And much of our work has really changed over the years to really focus on the fact that this is about families, and not just about older adults. In California, our focus is in four areas. And we've heard a couple of those touched on today. And as we work at AARP to empower people to choose how they live as they age, to make life better for people who are 50 plus, there are certain linchpins that are really important to that.

[02:33:05]

And it's not just labor, it's not just childcare. It's an age-friendly community where people are connected through transportation systems and affordable and accessible housing. They have access to the supports and services they need to thrive in their homes and communities. And we know from our own research that over 80% of the people that we survey regularly want to remain in their, they want the option of remaining in their homes and communities as they age. So we also have to think about that. And in, each friendly community also provides opportunities for work as well. In 2006, the World Health Organization convened a team, a team of municipal leaders from across the world in Vancouver to talk about the, the global parallels of urbanization, and also the aging dynamic.

[02:34:02]

And in, they created something called the Network of Age-Friendly Communities. And in 2010, AARP became the North American affiliate for the World Health Organization. And we addressed eight domains of livability. And financial security is certainly one of those, through the issues we've been talking about today through labor issues, through people having access to jobs throughout their lifetime. And if we talk about the, the biases that we see in, in workforce in particular, you know, we talk about diversity in race, in gender, in sexuality. But age really has to become part of the diversity matrix. Because within the next, by the year 2030, the over-65 population is nearly going to double.

[02:34:55]

And if you see what used to be the pyramid of our population, that really is going to look a lot more like a beehive in the future. So what, what does that mean for us in terms of our systems and our structure, everything we do to be able to support people throughout their lifetime? In California, one of the things

we think is really important is that if we look at the people who have access to retirement savings through their employer, we know that over 7.5 million people in California do not have that access. And we have a population of about 38 million.

[02:35:37]

And of that, the number for women, I'm just looking at my card, 58% of those are females who don't have access to retirement savings through their workforce. And so we got very involved in 2016 in helping to pass a piece of legislation that's also been passed in about five other states, called Work and Save in some places. It's called Secure Choice in California. And it allows those folks who have not had access to work fit to retirement savings in their workplace, to begin to accumulate that. It's been under attack at the federal level in 2017.

[02:36:19]

But California and a couple of other states are continuing to move this forward. And really hopefully to create for people, additional parts of the, the pins that are important for anybody who's going to retire. Social Security can only be one part of that.

>> Mm-hm.

>> Pensions used to be an important part of that three-legged stool. But those are decreasing for people across the workforce, but certainly for women. So workforce, workplace retirement savings is really critical. So in 2016, because we really wanted to understand the thoughts and feelings of workers in California. In AARP, in California we commissioned a study of workers ages 30 through 70 and what their level of anxiety and what their level of preparation was for retirement savings.

[02:37:17]

And generally, what we really found, savings across the board, whether it's for retirement or an emergency. And we learned some really interesting things. We called our survey California Dreaming or Struggling, because when the findings came out, that was what was happening. Some people had a dream of what their future could be, and some people had a high level of fear. New York, AARP in New York did a similar study in 2016, and theirs was called High Anxiety when they finished theirs.

>> Wow.

>> Because that's what they found, that people had high levels of anxiety about their future.

[02:38:00]

And people were more afraid of their money running out as they aged than they were of dying. Because I think this is such a, a high fear for folks. One in three, now this is just for women in California and New

York, one in three, 35% felt they were struggling or just getting by. Over half of the women, 53% of those surveyed, these were 18 plus women had no access to workplace retirement savings. And here's something that is really profound, I think. One in five were not able to pay an emergency expense of \$1,000 or more.

[02:38:45]

50 per, 56% were anxious. They, were very clear that they had not saved enough to be, not even comfortable, but to be able to retire. And 23% were not confident that they could even retire. 42% in California said paying for housing expenses in California is a major obstacle to saving. And those of us who live in California know that. In the Bay Area, the median price of a home is \$1.1 million, 1.1 million. And it, while it's less in other parts of the state, it's still significant. It's almost close to 700,000 in Los Angeles. And these are, when you consider the level of income that you need to be able to, pay for that kind of housing, it's in, incredible.

[02:39:41]

And so when you looked at that, we asked people, have you thought of leaving the state? 61% have considered leaving the state because of the high cost of living, specifically related to housing. So, I think these are some really important numbers. There is optimism about public policy. There is optimism about advocacy that people are doing. But, I think we really need to look at the aging numbers. Let that number stick with you. We're gonna nearly double in the 65 plus population by the year 2030 and what does that mean for us? And the last thing I want to say, before we go back to you is, we talked about care giving this morning we barely touched on that.

[02:40:29]

It's such a huge issue. In California, we have, 4.3 million family caregivers who provide unpaid family care giving to the tune of about the economic value that is about \$57 billion dollars a year. And, in, in, across the country, it's almost \$470 billion worth of unpaid family caregiving, the economic value that unpaid family caregivers provide. So, it's really huge in terms of employer policies, but also in terms of the supports and services that we provide for people who are doing that really critical job. And I think others have alluded to the fact that family caregivers, they're not valued, you know?

[02:41:22]

They're value has been almost worthless, and there's a really good chapter there that really speaks to that. But we really got to get strong on the policies that we're gonna be passing in employer education as well.

>> Okay, thanks. So, with some of those numbers in mind, in terms of the magnitude of the issues, I wonder if we can turn back to our, our, two authors for a second. Cuz I know both of you in

conversations earlier had said, you know, you wanted to be clear these were targeted proposals aimed at doing one thing right.

[02:41:59]

And I think often with evidence-based policy that's the point, right? You build up evidence towards, here's a step we can take. But it's not, no one policy is gonna solve issues of, of this magnitude. And so I'm wondering if, if either of you wanna say just quickly some other things that you think would compliment the idea that, that you've been putting forward.

>> Yeah, absolutely. I, I think, the idea that tax policy can matter for labor force participation decisions is something that we heard earlier in Jesses' proposal. I'm, I'm looking at him, and like Jesse I'm a huge fan of the ITC, and I think that that's worked really well.

[02:42:31]

Expansions of that make a lot of sense and would employ some of the same logic that I'm thinking about, where we imagine the tax as one lever along with many others that influence labor force decisions. And, and EITC is going to effect a different kind of group than the proposal that I'm thinking about. But the general principle that, you can encourage labor force participation through the design of tax code, that's one that I see operating in lots of different places.

>> Yeah. That's, that's the second policy I like a lot.

>> Yeah.

>> Yeah, so yeah, I'm glad you asked me that.

[02:43:06]

I mean so, our proposal was supposed to be a concrete, doable thing but it really only is only a step in the right direction. Much more needs to be done. I just have to say I'd like to echo my distinguished panelists. I mean, Sarah's absolutely right that we need to be doing her proposal. But everything we've been talking about all day long because if women aren't earning more income when they're working than that just exacerbates the challenges when they're retired. The congresswoman is absolutely right that Social Security and Medicare are essential programs. They're going to face challenges going forward.

[02:43:43]

On the financing end, we need to preserve those programs such that they are taking care of vulnerable, older Americans and providing retirement security. I should say that conversation actually could be an opportunity for building in updates and improvements.

>> Yeah.

>> But then lastly, I think this issue about, you know, making sure that people who can save are able to save it's just all so essential. If you look at the data on peoples savings, I mean, they just struggle so much to save, so much the income distribution. A huge part of the problem is that people don't have access to easy, automatic ways to save, to save, and can expanding access to workplace retirement programs is also just another really important thing we need to be doing.

[02:44:33]

>> Okay, thanks. I, I was, I wanna, cuz I know we also have, more things coming up after. So I wanna hop to some of the audience questions cuz I know we have a great audience here. And, and one thing that I want to open up really to, to everyone here, because there, there are a few questions along this lines, is both of these, the proposals that we've talked about, key in a lot of ways on married couples, right? And so at the same time, you know, what are some of the things we need to be thinking about for single women, both in from single women in their careers in general, but also, as they head towards retirement?

[02:45:12]

And so, I kinda wanna open that up to anyone if there are things you'd like to mention on those.

>> Well, I would say the first thing that comes to my mind is, is that single women really kind of take it in the shorts in the tax code. You could start there. I mean, there are, there are, really some important changes that, that need to be made that don't, I think it's wonderful that there are breaks for married people, but why at the cost of single people? I, I don't, I've never really quite understood that.

[02:45:46]

But maybe it was unintentional as it, when it was constructed? I don't know. I'm not on the ways and means committee either. So I think that, I think that we have some things that need to start taking place very early on so that women, girls, older women, wherever they are, however we construct this, really need to know a lot, lot more about money, about financing. I, I think probably everyone here, I mean, this is a sophisticated audience. I don't think we can really, there's not a need to teach you too much about the elementals. But, I have found that, the following, that there are so many that don't even know the elementals, or what's out there, or what does it mean to plan?

[02:46:47]

I mean, if you're 23 years old, it's difficult to talk to your child about, you better think about your retirement. They think that you have a form of dementia. But the thing is, is that, we need easy ways for

people to save and never touch that money. But make it so easy that they're not embarrassed to put \$2 a week aside. And when they can, \$5 a week and that it becomes something that's automatic. Maybe it comes through your organization, maybe some, I know that the for, just the immediate past, Secretary of the Treasury, Jack Lu, had initiated a fabulous program and, and it was designed just the way I, referenced.

[02:47:36]

You weren't charged anything at all to have the savings account. It was safe and backed-up by the federal government. You could, save \$1 a week, \$2 a week, it could fluctuate, whatever. But at least it gave people a pathway to the future where they had some soft landing, sometime in their life. So I think that we need to think more about doing things like that. Certainly the good things that we have need to be revisited and strengthened. But I think that there is a financial ignorance. And it's assumed that everyone knows exactly what to do, and alas look at these figures that Nancy gave us.

[02:48:25]

You know? But for the most part, I know my own parents never worried about retirement. They never worried about it, and then they got there. And then there I was, right? You know, you know I mean I love being a good daughter but it was a very good example to me, of a lack of planning.

>> Yeah, automatic payroll deductions, I think are really important. And that's why the retirement savings programs that we're talking about in some states are really critical. And that we find ways to move those forward. And just because you're single doesn't mean you don't have care giving responsibilities.

[02:49:00]

>> That's right.

>> You could have children, you could have older parents. You may have even more of a burden because you're not sharing that with anyone. So making sure that people who need care giving support, that we really work on policies. And I will say I do love having coming back to California to work for ARP. I'm a native Californian, but I've been working for ARP in other places. It really is fun to see this state lead in so many places. And some of the caregiving policies that have been passed in California are really intended to strengthen the support that people need to do the care giving.

[02:49:40]

Part of that I think that's really critical.

>> I'll chime in here and say it's very difficult from a tax policy perspective to design treatment of the family that is simultaneously achieving all of the objective that we have for it. And, umm, marriage neutrality is a difficult goal. And you can look at policy and say, this creates a marriage penalty. You can look at the same policy and say that creates a singles bonus. And so framing is a difficult issue here. And the underlying economics are difficult as well. There's been some movement towards where possible reducing the extent to which the tax code differentiates on the basis of marital status.

[02:50:26]

The ITC has had some positive movement in that direction. I think that there will continue to be tension when you have the married couple as a taxable unit. And the, I only mention this because it's none. The paper that I wrote. There are some countries that have moved away from taxing married couples, to taxing individuals, regardless of there marital status. It's not an easy choice to make and there are a host of other difficult issues. But if you want to have more, if you want to have treatment that doesn't distinguish on the basis of marital status, that's the direction to consider.

[02:51:04]

>> Can I just chime in on the, I just wanna chime in on the caregiving point, just because it is just such a massive issue. And anyone who's been through it knows it can be financially devastating to go through this. And I just wanna say our program, it's targeted at people who can afford to have lower benefits and short-term to get the supplement later on. But it's kinda like with saving, I mean the first problem is can you even afford that. And really where we need to go is to a much more kinda, you know, universal program that provides long-term care insurance across the board.

[02:51:41]

I think one thing that really appealed to us about this program is not that it It would be anyway a substitute for that. But it could be, like a building block, a bridge, to go in that direction, okay.

>> Thanks. So I think I'm being totally of around five minutes left and I think one thing if could just kind of a rapid two sided question for you in terms of, so. What do we see as something that are things we actually could accomplish in the near term that would help women's economic security? And what are some of the biggest obstacles we're facing towards getting even these near term concrete things done?

[02:52:18]

>> Social security, we'll probably say that together.

>> Mm-hm.

>> But I think that's really critical and it is a program that can be solvent. It does need some tweaking, but it can be there for future generations.

>> I would say that as well and just. For you all to have an appreciation of this social security, is easy to tweak. It's not hard, we've done it before, it's easy. Medicare is tougher but I think that where we are right now in our national legislature, I would say that we need to fight very hard to protect the gains that we've made.

[02:53:01]

I wish it were solution, solution, solution every day and the president signing that into law. That's not where we are. So, and I also think that health care in our country is, but hanging by a thread. But I am bound and determined to do everything I can, to make sure that people, you know, have coverage, but not junk coverage. I don't want people to think that they're gonna have it and then when they gonna use it, there isn't any there there. And women especially, these are huge attacks on women. Okay, I don't like to scare people, but I am a forthright person.

[02:53:55]

If it wasn't the case, I wouldn't say it. You know, this, this whole debate about abortion, set that aside. Contraception is on its way out in this country for average women. It's on its way out. It's, it's been removed from our insurance policies. They don't want it to be in any insurance policy and there are penalties in terms of what you have to pay. So, preserve the gains that we've made, stay very active on what the really important solutions are. So that when the stars are aligned, we're ready to go with them. And, I would say that every candidate in the country should campaign on those solutions.

[02:54:41]

Because if the family unit, or families as we understand them, the nuclear family can't make it in this country and be celebrated. And we all say that we celebrate that, then we're not gonna have a society. We're not going to have a society. So these are things that, they're the essentials. They're the essentials.

>> I'm encouraged on the front of providing better savings vehicles. Just because, I mean the, what we've been talking about fall under the class of kind of an automatic IRA. It's something either through your employer or just that you sign up for yourself.

[02:55:16]

Where you're having these automatic deductions. And I'm encouraged partly because they have bipartisan support. Partly because states are moving in this direction. You know, this is something that was proposed by the Obama administration. It's hard to kind of mandate something like that nationally.

But once you've got the states going, I think, you know, the industry is gonna be like well, we'd rather have a national standardized program than all these separate state programs. So I am, encouraged on that front that we'll get some place. As to what's discouraging, I think, it's not that I. I mean we just like really.

[02:55:53]

>> Stop turning on your TV set.

>> If you're interested in retirement security as many of my fellow panelists have said, it really starts. You know, at a much younger age, and there just are so many things that we need to do that have been hard to do. Well, for a very brief and very small point, earlier on the panel we heard some dis, you know, day we heard the discussion about the gig economy. And I think there's a little glimmer of hope that there might be some informal jobs that have different scheduling that are going to be available to women that have not always been available in the past.

[02:56:25]

And that might be one little step going forward that would eventually lead to longer term economic security.

>> Okay, great. Well I'd like to thank our panelists. This was a wonderful session and I know we're going to move right into.

>> We're gonna move right into our partners from Lean In are going to I believe now present some research and then follow it up by talk, by a conversation between Sheryl Sandberg shortly. So I think we're moving to that.

>> My name's Rachel Thomas, and I'm the President of LeanIn.Org. And I wanna start by asking you to do something.

[02:57:12]

Raise your hand if you think it's okay if one in ten Cal trains arrive on time. If you think that's all right. Okay, now raise your hand if you think it's okay, good enough, that one in ten of the coffees you order are made correctly?

>> Not good, right? When one in ten leaders in an organization are women, nearly 50% of men say women are well-represented, they say it's good enough. It's not that different for women, when women see three in ten Senior Leaders are women, they feel the same. And it's hard to imagine a ground swell of change when the bar is so low, when are, we're accepting of the status quo.

[02:58:05]

So for the last three years, Lean In and Mackenzie and Company have conducted what has become the largest study of its kind on the state of women in the workplace. This year, 220 companies employing 12 million people gave this all of their pipeline data. Their HR teams took an extensive HR Best Practices Survey. And then 70,000 employees, both women and men, took a survey as well to talk about their experiences in the workplace. And what I'm gonna talk through today is based on all of that data. So three years ago, when we first came out, we said it was gonna take about 100 years to reach gender parity in the C-suite, 100 years.

[02:58:45]

And sadly, the data tell the same story this year. Women are underrepresented at every level in corporate America, and it's worse for women of color. And we've seen this the last couple years, but the reality is women hit the glass ceiling much earlier than we think. Women are 18% less likely to get that first critical promotion and then they never catch up. So what that means is when you look at the C-suite in organizations, only 1 in 5 C-suite leaders are women and less than 1 in 30 are women of color. And I wanna pause on that for a second, that's just not right.

[02:59:32]

And it's not because of attrition. Men and women are leaving their organizations at about the same rate. And, actually, most men and women say they intend to stay. And those that will leave at some point, plan to stay in the workforce by and large. And only 2% of women and 1% of men say they're gonna leave to focus on family, which is very different than conventional wisdom. And it's not because of lack of interest. Men and women are exceedingly interested in advancing to the next level. And it's not because of lack of asking. Women and men are negotiating at the same rates both for raises and for promotions, they're just not getting promoted as quickly.

[03:00:17]

And then the other thing we know is that when women negotiate, they pay a social penalty. Women who negotiate are much more likely to be called bossy, too aggressive, intimidating than men who negotiate and women who don't. And this is all about a bigger trend that we see year over year, which is women face an uneven playing field at work, a workplace skewed in favor of men. Here's a couple examples. We know that employees who get advice from managers on how to advance are more likely to be promoted, but women get less of this advice.

[03:00:55]

We also know that if you have access to senior leadership, you get that sponsorship that's so critical, you are more interested in being a top executive yourself. But women get less sponsorship and less access to

those senior leaders. The other thing that we saw this year. Sorry, we have a technical, I'm making sure it's catching up with me. The other thing that we saw this year is that there are big blind spots that get in the way of progress. Cuz you cannot solve problems you do not clearly see. So the first is, that men think their company is more committed to gender diversity and doing a better job advancing women than women do.

[03:01:38]

They also think women are getting more support in the workplace. And I wanna go slowly on this one fact. When asked if disrespectful behavior towards women in their company is quickly addressed, men are 60% more likely to say it's happening on a regular basis than women, that companies are actually activating quickly. And some men even think gender diversity efforts disadvantage them. So this year 15% of men said their gender hurts them. And we know of course that gender diversity efforts are getting us closer to being fair, not closer to less fair. And men are less, probably not surprisingly given all this, men are less personally committed to gender diversity efforts.

[03:02:27]

And it's hard to imagine we're gonna get there if we're not working hand in glove, women and men. The other blind spot we saw this year is that many companies are overlooking women of color. So women of color face more barriers to advancement, and they get less of the support they need. Compared to white women, women of color get less support from managers, less access to senior leaders, and they're promoted more slowly. And black women in particular are disadvantaged, as you can clearly see. So what's happening is, we're not always taking into account the double discrimination that women of color face.

[03:03:15]

They biases for being women, and they face biases for being women of, people of color. So companies need to get over a one size fits all solution to supporting women, and really address the distinct challenges women of color are facing head on. And this really behooves companies to double down on women of color. Because we know women of color have higher ambitions to be senior executives to top executives than white women. The other thing that we found this year, which is not new to anyone in the room, but women continue to work a double shift and it has an impact on their leadership ambitions.

[03:03:57]

So on average, more than 50% of women do the majority of household work in their home, compare to less than 25% of men. And when couples have kids, the gap widens. Women with partners and children do 5.5 times more housework than men in the same situation. And it doesn't matter even when women are the primary breadwinner in their house, they do the vast majority of housework. And there's

evidence this dampens their ambitions. Women with partners and children are far less likely to say they want to be a top exec than men in the same circumstance.

[03:04:39]

And we also know that women do share house work more equally with their partner, they're more ambitious. So these are just a couple of the findings of this year's women in the Workplace study. I hope you want to know more, and if you do, please text WIW to 555888. Again, that's WIW to 555888, and we'll get you the report right away. And if you're a company in the room we can even tell you how to sign up to participate next year. And before I close, I wanna say something we all know in the room but I don't think we can punctuate it enough.

[03:05:18]

That getting this right matters now more than ever. Millennials are the largest and most diverse generation right now, and the work force is only becoming more diverse. So companies that keep up with the pace of change will be more successful, they'll have a competitive edge. We know that companies with more women in leadership perform better. We know that employees on teams that are more diverse are more committed and work harder. And of the best, the most talent employees are lifted up in organizations regardless of what they look like, where they come from, what their beliefs are, we will all be better off.

[03:06:01]

We're going to switch from the state of women the problem, to what the solution might be. And I'm gonna welcome Shelley Correll, who's the director of the Clayman Institute for Gender Studies here at Stanford, and is also a professor of sociology and organizational behavior up to the stage. And then Sheryl Sandberg, who of course is the CEO of Facebook, the founder of LeanIn.org.

>> Hi, everyone. We wanna start by congratulating the men in attendance.

>> Gloria Steinem says if you attend one event like this, you get a pass when the inevitable revolution happens.

>> So is a very high ROI hour for you, so we're glad to have you.

[03:06:49]

>> It's great to such a good crowd here. And you and I now have 35, 40 minutes to solve the problems of gender equality, right?

>> That should be easy.

>> So I thought, so what we're gonna do is I'm gonna, we're gonna talk for a little bit and then we'll turn, we will have, there'll be some question cards that are going around. So that if you have a question that you would like to ask of Sheryl, you can write down the question and at the end we'll get to those cards. And I thought we might start with just talking a little bit about Lean In itself.

[03:07:14]

The first time you and I were on the stage together was right after Lean In came out. So that must have been about four years ago.

>> Mm-hm.

>> And thinking about what's happened in the last four years, and thinking about the book that you've written which is just, I think so beautifully lays out all the forms of bias that women experience. I wonder what, what really stands out at this point in time, for you from that book.

>> Well this book started with a Stanford professor, Deborah Gr, Grenfell who many years before I wrote Lean In I was sitting at a dinner next to her and we were talking about the data on men and women.

[03:07:44]

And she said, there's one thing that data holds most clearly. Which is that success and likeability are negatively correlated for women and positively correlated for men. Meaning, if you're a man, you get more successful, more powerful, you are liked more. And if you are a woman, as you get more successful and more powerful, you are liked less. And I had one of those moments a lot of you have had at other points in your life, where I was like whoa, that explains so much, right? And you could feel it and see it and it really got me to the point where I started looking into the data.

[03:08:19]

>> Mm-hm.

>> On what was underpinning, and it really is about, about the stereotypes. And we can illustrate it right here, men, we're so glad you're here to help us. Men only, raise your hand if you were called bossy as a little boy.

>> Wow, just Bob.

>> Just Bob.

>> Women only, raise your hand if you were called bossy as a little girl, all right. Men, raise your hand if you've been told you're too aggressive at work. Women, raise your hand if you've been told you're too aggressive at work. So, you're the sociologist, we know the facts.

[03:08:56]

In gender-blind studies, we know that male behavior in childhood and adulthood is not more aggressive, not less aggressive than women, women are not more aggressive but, why do we put these labels? But we put these labels because when a woman asserts power is aggressive, is ambitious, that's a negative and it's a positive for men. And Lean In was about trying to quit that stereotype and put this information which really comes from the field of sociology. Enter the general public, and give out all of us a vocabulary with which we could try to change it by leaning in, and understanding the barriers to doing that.

[03:09:32]

>> So, since Lean In came out, you've been doing a lot of work yourself around bias in the workplace, and I know at Facebook you've launched some programs. How do you think about the kind of biases that we see in the workplace today? Are people acting out of ill-will, or what do you think is happening there?

>> Yeah, I think the most important thing for everyone to understand about the biases women face, women of color face People who are under-represented minorities of both gender space is that one, it's all of us and two it's deeply human.

[03:10:01]

This is not a problem other people have, this is a problem I have. So you know, I have given speeches where I will take questions from the audience and I will not notice that only men ask questions until someone points it out. I did that in an internal Facebook presentation, which was about women and bias.

>> Now why is that? Why do we have biases? We have biases because as humans we process information very rapidly. We don't process deductively. By the time a lion is running at me, and I would think, four legs, cat family, hair, tail, I'm dead.

[03:10:37]

That's not how we process information, we process incredibly quickly. And that means we hold people to their stereotypes and we don't like surprises. And so Lean In has now been published in 40 languages, Rachel and I and our amazing team, Ashley's here, have worked all over the world. And let's be clear, situations for women are so different, right? We have issues of of basic civil liberties, basic human rights in a lot of parts of the world, and so there are vast differences. There are also vast cultural differences, even in the United States right now, or between Europe and Asia.

[03:11:11]

But one thing is true all over the world, is that the stereotype of women is that they should be communal. They should be communal, and they should give to others. And the stereotype of man is, they should be leaders. And, so when a woman leads, when a girl leads we call her bossy and aggressive. And when a boy leads, it's fine. And, you know, the good news is that, since this is cultural we can change it. So, this weekend go to any playground, anywhere, in the country or the world, you can see a little girl bossy, probably by her parents.

[03:11:42]

You walk right up and you say to those people, parents, that little girl's not bossy, that little girl has executive leadership skills.

>> So I wanna pause, and I wanna say that the other way. That little boy has executive leadership skills. Humor is about surprise, so in case those of us in this room thought we didn't have this bias, I just proved we did because we laughed. And I laughed, so even for us, I mean, let's be clear. We are the people running this conference and you are the people attending it. We have that same bias.

[03:12:22]

So the most important thing we can do to correct the bias is understand where it comes from and understand that it's all of us.

>> So when I think about the women in a workplace report that just came out, I wonder what we see there in terms of how biases played out. I was really struck by the negotiation results, and I wondered if you wanted to say a little bit about that.

>> Yeah, the negotiation data is clear and completely confirming of what this says. So, If women negotiate on behalf of themselves then it's very interesting.

[03:12:51]

Other data from the field tells us that it's not that women can't negotiate. Women are great negotiators on behalf of other people. I have great teams. I lead our negotiating teams at Facebook. When a woman is negotiating on behalf of someone else, no one minds because she's being communal. She's helping others. It's negotiating for yourself. And what our data shows from last year is that when a woman negotiates for herself for promotions, she is more likely to be called bossy and aggressive. And she is more likely, so even if you get that promotion, even if you get that raise, it pays off.

[03:13:26]

It, sorry, it is a negative thing over the course of your career.

>> Down the road.

>> And it's not that women aren't negotiating at the same rate as men. And it's not that women are dropping out of workforce more. In the survey they're staying in at the same rates. It's that they are not permitted to negotiate on behalf of themselves without negative repercussions. And again, that's what raising these biases changes.

>> That's just what, you know, when I, when I read the report, that was one thing that really surprised me is, we hear so much about women don't ask, and here we say no difference in the report with this rather large sample.

[03:13:56]

I found that very surprising.

>> Right, well we saw no difference in the rate in which women and men are asking.

>> Asking, right.

>> We saw a very big difference in the rate at which women and men are treated after they ask.

>> Exactly, exactly. So the problem is not women don't ask, it's they're not getting the same benefit from

>> That's right.

>> Yeah, yeah.

>> So what surprised you in the report, I'm, I'm wondering? You've been thinking about these things a lot. Were there some finding that you read you just thought this, this is surprising, or?

[03:14:17]

>> Well, nothing surprised me, unfortunately, because we're close to this data. I think probably the most important part of the report this year is the really deep dive on issues for women of color.

>> Mm-hm.

>> And these biases exist. So there's really big biases on gender. Everyone knows the famous study. But it's interesting to note that the Boston Orchestra, when they started auditioning orchestra members behind a screen, hired more women. And a lot of those women had been subbing for the orchestra. So they could have seen that talent. On race two resumes, identical. A white sounding name and a black sounding name.

[03:14:52]

That white sounding name is worth 50% more callbacks for interviews. That's eight years of experience, eight years. The other bias that we didn't cover as much in the report but I think we'll do a deep dive on hopefully next year is motherhood. You take two identical resumes and you just put PTA.

>> You signal you are a m-mother, and there are huge differences. So if you are a black working mother, you've got all three, you know? And that is why what we're seeing on these biases on women are actually dramatically increased for women of color.

[03:15:23]

And so it wasn't surprising, but it's still very disappointing and something we have to address and change.

>> Yeah, as someone who's done a lot of the research that you've just describe with these resume studies, you know, I find that they're, they're really convincing in, sort of, showing the bias but what I love about this report I think is it shows how it actually plays out in the workplace.

>> And it, yeah. I'm sorry.

>> No, go ahead, go ahead.

>> And it's really important to think about how these play out. So one of the findings that we found over and over in the research that people did that underpins Leamon, and this is very important, is that the more meritocratic you think you are, your organization or person, actually the worse the biases are.

[03:15:59]

If you are a male who thinks he's like a great feminist, you are likely to have worse biases, not less, not less. This makes perfect sense to me. And I work in an industry where we think we're great, we think we're meritocratic, we think we're measuring everything. It's because since we all have these biases, myself included, everyone in this room including, right? If you don't think you have them you do not do the corrections you need to have and you become very wedded. So there's a very good study of police chiefs and this was really interesting.

[03:16:29]

They sent out resumes and they had some women, some men with different criteria and they ask people to determine what are the criteria where you should select the police chief. And it could either be experience on the streets or it could be educational background. Well so it turned out that the group of people who got the group of resumes where the women had really great education, thought street experience was more important as the criteria. And the group of people that got the resumes where women had a lot of street experience, they decided that educational background was more important as a criteria.

[03:17:04]

And so it shows that even in the criteria we pick, these biases exist and, again, we have to acknowledge that. And even if my own organization, the breakthroughs happen when I was willing to say I have the bias too. Because before I was willing to say that, because I didn't know the data as well, people felt like I was accusing them. But once I said, look, I have this problem too.

>> Mm-hm. People were much more open to listening and that's made a really big difference.

>> So our job is to talk about solutions and we've ethically laid out the problem.

[03:17:32]

So let's, I wanna turn to solutions that companies can do. We've talked about policy changes, which are of course very important, but what can we do in the meantime with, with, comp-, with companies? What can companies do to get rid of some of these biases?

>> Companies can do a lot. I mean a lot of things we need there's federal policies, state policy. We absolutely need public policy is critical and that's why we're so grateful to be partnering with the Hamilton Project at Brookings. And Stanford Law School, where we are. But corporate policy is important too and particularly in the absence of, what are the legislative answers a lot of us are pushing for, and have pushed for for a long time.

[03:18:07]

What companies do matters. So, gender bias, race bias. You have to acknowledge it, you have to do training on it. We do it, we have a managing bias training that is public. We, we made ours public. You need to be looking in your HR systems from your recruiting system to your interviewing system to your hiring system to importantly pay, and promotions, and ratings for bias. So we do it, we've done it for years. Every six months, Facebook has a cycle where we do ratings for everyone. We give out bonuses based on those ratings and we do promotions.

[03:18:39]

And we are systematically looking for gender and race bias at every level and every job category, every review, and it's really important to do both. Because you have to look at the rating system to see if men and women are getting on average, and different races. You also have to look at the promotions, because, are women getting promoted, are people or minorities getting promoted to the same, to the same level? And you need to do that really systematically. One of these we said in our report this year, which is really important, is you really have to, you have to handle race and for women of color head on.

[03:19:11]

That a lot of companies will have diversity programs and programs for women, and they will have sometimes programs for underrepresented minorities, but that intersection has so much bias to it that you really have to handle that intersection head on. You can't have a one size fits all approach.

>> I'm just amazed at how pernicious the bias is. We've been doing, we've been analyzing some data that a manager's written performance reviews. A language analysis in a way that Gender biases creep into the language you know and it's just shocking and then if you don't recognize that, and looking just at the ratings you can miss how those ratings come about.

[03:19:43]

>> That's right. And you can look at the words like aggressive and you can do sweeps of performance reviews looking for the trigger words.

>> Mm-hm, yes and there that sort of pushback that women are too aggressive really shows up.

>> Mm-hm.

>> Yeah, okay so. Well, let's, let's talk about social movements now. And I really wanna talk about lean-in circles. I think when you and I first met, we, we were talking about the possibility of launching lean-in circles based on some work we had done at the institute.

>> Yeah.

>> With kind of, at little small scale with, with a voice and influence.

[03:20:09]

Which I know some people in here have, have been involved in here at Stanford. And you said to me, you had the idea, you and Rachel, to really scale this up kinda massively. So much so that I think, I was somewhat nervous about your plan.

>> And it's really taken of, and I'd love to hear you talk a little bit about the growth of circles and what you think they're doing to help us get beyond some of these problems.

>> So, Lean In Circles are small peer groups. We suggest eight to ten, mostly women, but we welcome men.

[03:20:35]

You know, there are all sizes. The one in Houston has hundreds of members, because they say everything's bigger in the state of Texas.

>> But the idea was that mentorship is so important, and pure mentorship can be so important. And we wanted to get in a world, which doesn't encourage female ambition, we wanted to give women a safe place every month to get together and be ambitious for whatever their goals are. It doesn't have to be the sea suite in corporate America, it doesn't have to be running for office, it can be anything that's important to you, that the world keeps telling you not, and we want people to be ambitious for themselves, and support each other.

[03:21:10]

And so, our goal was to have 1,000 circles, we have 34,000. We grow by 84 a week, 85 a week roughly. We are in 150 countries. This weekend, I get to go meet with the Lenin Latinas circle in Redwood City, and our great leader is here. But they exist in all flavors, and shapes, and sizes all over the world, and they're pretty incredible. Now, we based this on your program, so Gina Viankeeney, who is one of Rachel and my co-founders of Lean In had attended your voice and influence program and it is very in-depth, very good training that senior executive women can take the time and afford and go to at Stanford.

[03:21:44]

You put a lot of time and effort into it. An idea was we could film you, put it online for free, and get any woman, give any woman access to the kind of educational and tips that really senior women can usually only get, and it worked.

>> Yep.

>> Your videos were fantastic, you told me you were recognized in the supermarket.

>> A SFO actually, I was-

>> I was on a plane, and person after person, it was right after it came out, stopped to say hi to me.

>> You're probably used to this experience-

[03:22:13]

>> No, I-

>> But I wasn't.

>> But that was the idea, right, because who has access to this information? Senior Executive women. We were trying to give that access to everyone and that's where all the people around the world have worked with us on some really great educational materials. So, we're big believers, we also have really good data on circle participation and ambition for cir- for women in circles. If you ask women in circles if

they have done something they wouldn't have done over the last six months, they say yes, and they say yes every time and it's been pretty incredible.

[03:22:40]

>> I want to share some news I just learned this morning, corresponding with Michelle Clayman, for whom the institute is named, and she is a GSB alum and we're sitting here in the graduate school of business right now. And what they did is, the alumni here at the graduate school of business started their own circles, all over the United States, and they made them intergenerational. So that we're-

>> Awesome.

>> Senior women. So, there's just so many ways you can modify this, and it's now, she told me, the fastest growing GSB, program, alumni program on campus.

[03:23:06]

>> That's awesome.

>> So, I, I just wanted to share that with you, I just learned it.

>> That's awesome and I think there are some in the law school, and if they're not for the women here, join, or start a circle. It's all free and online at [leanin.org](http://leanin.org). It will make a big difference, in what you can accomplish, and what you believe you can accomplish.

>> So, I wanna talk a little bit about sort of a problem that I've run up against. And I wonder what you think about this. So, basically I've been really encouraged by the number of people that I've encountered in corporate sector that really are wanting to work on diversity issues.

[03:23:35]

But it seems like we're seeing more people who are standing up saying diversity efforts have gone too far. I quote the article that was on the New York times, and it's puzzling that it could have gone too far when we see the numbers in this report, right? 10% women, or something. And so, I'm wondering if you've encountered that, and, if, if so, how do we work around those naysayers? Either bring them on board, or work past them, maybe, what would be your advice there?

>> Well, the data does show this, and it shows this in the, in the, you know, broad population, but also in our survey that a lot, a lot of men, more than half, think their company has done plenty-

[03:24:09]

>> Mm-hm.

>> On diversity, and that diversity's in really great shape, to the one in ten number Rachel shared at the beginning. And, you know, sometimes, you know, you know, when people say, do you favor, you know, women in minorities over white men, and I'll kinda look at them from the Facebook and say, wow, if we do that we do it really badly.

>> Like the numbers don't support that.

>> Right.

>> But what really matters, I think, is convincing men that diverse hiring, and diverse promotions are in their interest, and they are. I mean, if you were a man, and you are the most junior level man, or you are the most senior CEO, and you can work better with half the population.

[03:24:46]

Throw in race and you got more than half the population, right? You're going to outperform! And it's not just your company will outperform, and you'll get squeezed, you will out perform by being that person. You know, economics and the great Karen Dyn, Dynan is here, teaches us that if everyone else is undervaluing a resource, and you just value it at the appropriate level, you will have better outcomes at lower costs than, than other people. And so, you know, that correct valuation of what diversity is, this is also really important in home life. Men who have heterosexual relationships and are more even partners have happier more stable marriages and children, particularly girls, who are happier, healthier, more emotionally stable do better in school, do better at work.

[03:25:36]

And it's particularly important for daughters. So, by age 14, and this data is fascinating, if you have a father who does chores. Not says, dear you can do anything you want, but actually does stuff in your house, and you survey 14 year old girls, the girls who see their fathers doing stuff will have broader career ambitions than the others. So, the girls who really don't see their fathers doing much, their career ambitions will be limited to the traditions female fields, which are good fields. But the ones who see their fathers doing more also think they can be astrophysicists.

[03:26:06]

And so, what that's telling you is, as a man, this matters and it doesn't just matter in the aggregate and hurt you. It actually is a positive for you.

>> Right, yeah. Thank you. So, let's talk a little bit about corporate policy now, and, and, and in the absence of public policy. Right now, I feel very, worried about public policy. In the absence of that, what

can, what kinda corporate policies, not just actions of individual employers, but policies that affect all employees, do you think would be most helpful for it right now, for advancing women?

[03:26:36]

>> So, corporate policy, as I said, really matters, particularly in the absence of some of the public policies we need. So, I think corporations have a very broad responsibility to their employees and their employees includes contractors. And this is really important, because all companies, mine included, are increasingly relying as firms sub-specialize on contractors, as well as full time employees. And so, a couple years ago in 2015, Facebook went to a program where we are, mandating that all of our contractors get paid at least \$15 minimum wage in the US, so a living wage, and get paid leave.

[03:27:08]

And a lot of the contract work force even for big companies that pay great benefits like ours, don't have that. And so, we're really hoping other companies see that opportunity, as well. Paid family leave, we're one of the only countries in the world without it, but as we don't have the public policy, companies can do it. And companies should do it. And again, it's not a trade off. It's not, you know, do you invest in your employees? If you invest in your employees, they invest back in you, and we see the payoffs in increased productivity and increased loyalty.

[03:27:36]

And as much as we have challenges in the economy for finding enough jobs for people, it's also very competitive for the people, people wanna hire, and companies are competing for talent particularly out here, but really all over. And so, investing in your employees to get their loyalty- Really makes sense. Personal passion of mine and Rachel's has done a lot of work with me on it, along with Ashley Finch, who's here and runs our partnerships, is bereavement leave. When I lost my husband, I had never really thought about this much before. Facebook had a good policy already.

[03:28:07]

We offered ten days for immediate family. But, you know, most, only 60% of private sector workers get any bereavement leave. And it's often unpaid. And it's usually three days. And if you lose a spouse or a child, that's not enough. We had this quote from a man who said, I got a month off to take care of my child as she came into the world when she was born, and then three days to grieve when she died. And so we went to 20 days. And we're talking to a lot of companies and a lot of companies are jumping in.

[03:28:37]

Bank of America went last week. And they announced 20 days for all of their employees, and they're a huge employer. Airbnb, Chegg, SurveyMonkey, all of Barry Diller's companies, IAC, and we think more will come. And they're joining companies like Adobe and Activision, who already had great policies in place. And so companies can do more and they should.

>> Yeah, I'm currently writing with, with Marry Ann Cooper who a paper where we're sort of arguing, I wonder what you'd think about this, that in, in the absence of policy changes to help women right now. That these changes at the corporate level could sort of be shifting public, can help shift public opinion.

[03:29:13]

Such that when, where may, maybe later, we'll have enough public opinion to go forward with the federal family leave policy or something like that.

>> Which we need.

>> Yes.

>> I mean, we need public policy here. And family leave is, is the policy that at least has the most traction, right? Debra Ness is here, the most traction. The, the, the high, it's not a great environment for legislation, let's be clear, and let's acknowledge that. But let's also acknowledge that when it's hard is not when you stop trying, it's when you try harder. And Debra Ness and the coalition she's put together has been really important.

[03:29:45]

I endorse the Family Act, though it's something I've never really done before, but I felt that it's so important, and we know what we need.

>> Mm-hm.

>> And we need it full stop. We need 12 weeks.

>> Mm-hm.

>> It needs to cover men and women. It needs to cover all forms of childbirth, all forms. And medical leave for families, and for parents, and for self. And we need substantial wage reimbursement. Because without the wage reimbursement, without substantial wage reimbursement, the women and men who most need it can't take it.

>> Exactly, and we do have good evidence, cross, cross culturally that shows that paid family leave does keep women in the paid labor force and reduce the wage penalty-

[03:30:20]

>> That's right.

>> In the United States. So it really contributes greatly to the goals I think for.

>> That's right, and, you know, this partnership came about under Bob Rubin's leadership and guidance at The Hamilton Project, which has a seriousness of purpose around fiscal issues and economic issues for our country. And if you peel this all back, this is not just about equity and equality, even though it is.

>> Mm-hm.

>> This is also about economic growth. If women participated in the labor force at the same rate as men, that's worth five percentage points of GDP growth.

[03:30:49]

When was the last time we had an extra five percentage points in GDP growth?

>> I mean, that would solve an enormous amount of problems.

>> Exactly.

>> It wouldn't solve every problem, but boy, would that be welcome for the workers, you know, in our country. And so we know that solving these problems, and that's why this, this partnership with The Hamilton Project and Brookings and Stanford Law has been so important. This is an economic issue. And we need to reframe it and understand it as driving our economy because it does.

>> We have some questions from the audience.

[03:31:19]

>> Okay.

>> So the first one is, what can we do to support young single women and single mothers in the workplace?

>> So I thought a lot about this because I became a single mother. And not a single mother with financial challenges, which makes a really big difference. But 70% of mothers are in the workforce. 40% of mothers are the primary breadwinners. Of single parents in our country, 84% are single mothers. And they are living, they have the highest rate of poverty in every state. They are more likely to be in service sector jobs, which are not, do not have unions, do not have minimum wages, have lower, lower benefits.

[03:31:56]

And they are more economically vulnerable. And so these policies for leave, the right corporate policies, the right federal policies, these are the policies we need. But they are most important for single mothers, who do not have someone else there to take care of a child.

>> The, the second question, who still needs to be convinced that women's labor force issues are core economic issues? And how do we do that? So who's not buying it?

>> I think most people need to be convinced that these are not core economic issues. And, you know, Bob and I have talked a lot about this.

[03:32:25]

I think our understanding of the economic drivers in our country is not, is not what it should be.

>> Mm-hm.

>> It's not what it should be. I remember having a conversation. I worked with Larry Summers for a long time. And I said, you know, how come most people don't understand the basic stuff in economics? And he said, well, most people think if you drop a big heavy brick and a light little tennis ball, they're gonna fall at different rates. So it's not just economics.

>> There's an educational problem, but there is. And there's an educational problem and we are not providing the education people deserve in this country.

[03:32:58]

We are particularly not providing it to underserved communities. And it goes all the way from basic reading and writing to understanding our civic responsibilities, understanding the laws. Understanding the right to vote. Major issue people have around voter suppression. Understanding the basic rights people have. And understanding the most important things we know about how an economy works. And how we can have inclusive growth.

>> So with with the fake news stuff going on, is this, in some ways, seems like it would make it worse. But on the other hand, the Internet has the potential to, to, to shoot out correct facts.

[03:33:30]

Is this that helpful? Is it help, what can, what can we do there?

>> Well, any time education can be provided broadly and free, that's better. Now certainly, there's been false news. We've talked about efforts to make sure false news is minimized on Facebook. Other people have talked about that as well and we take that really seriously. The opportunity to provide education for free is big. And there's a lot of good stuff going on in this community and others, from Khan Academy to others. What you and I did, what you did, right, we took the Clayman Institute work in Voice and Influence.

[03:34:00]

And we made it available to people for free in tens of thousands of people around the world, who could never afford to fly to Stanford and take their class and have that. And so these are great tools. And they're equalizing tools and we just need to make sure they're used for the maximum amount of good.

>> So I think you've spoken to this a little bit. But this person asked, how can firms improve working conditions and benefits for contractors? So what kind of specific things do you think?

>> How much people get paid, living wages?

[03:34:26]

Paid leave, maternity, paternity, family leave, medical leave, vacation, super important. And again, it has to be paid, not just time off. You have to do substantial wage reimbursement.

>> So this person asked, what advice do you have for women working to launch a new business in terms of over, just having discrimination they may face in receiving funding? Anything specifically that they should be aware of?

>> It's a real issue because, again, you're negotiating for yourself when you're raising money. And we've seen and there's a lot of studies on bias in the venture capital industry. In this industry, not in tech, but in, but, but everywhere.

[03:35:01]

And so negotiating well negotiating communally. Not advice that I love giving, but advice that works. We have a lot of it up on LeanIn.org. You know, when, so for example, and this applies to funding a company, but, and I wanna be clear. I'm about to give advice that I don't want to give because I don't want these biases to exist. But until they've, we get rid of the biases, the best way to get rid of the biases is get women to negotiate well. So I believe in this, in this advice, which is if you are negotiating for a raise and you are a man, you can walk in and say, I deserve this.

[03:35:37]

That will not backfire on you. We know the data says it will backfire on a woman. So I think along with saying, I deserve this, explaining that, you know, this is important for your performance. So this will make you more effective as a team member. I've heard stories over and over. And it was pretty funny, it never occurred to me. A whole bunch of people started negotiating using LeanIn. They would say, well I read this book. And I don't wanna get, I don't think women should get paid less than men. And that actually proved to be very effective because what you were saying what this isn't just about me, this is a broader issue for women.

[03:36:08]

I think mission based fundraising works for women and works for men too, it's good advice for anyone. And by the way, the advice I just gave on individuals negotiating, it's better for men to be team based too, so everyone being more communal would be a welcome change. But, but for saying like, here's what my company is gonna do for other people, not just for me, so that when you're negotiating, it, it, you're able to be as successful as possible.

>> Okay, the, the researcher team is doing is so, is so, value, provides, so, so valuable information, but how can it be leveraged at a time when data and expertise is continually being discounted?

[03:36:47]

>> I don't know if data and expertise is continually being discounted. I believe there is, there are more voices out there. There is more competing data. There are certainly, you know, there are certainly untrue data, and we need to refute it. But the best answer for bad data is usually good data. And the best answer for bad speech is often not always good speech. And so I think people are paying attention to data. We've been really pleased with just the attention the Lean In McKinsey report got from last week. There were lots of coverage all over the world.

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And lots of people taking issues for women and women of color really seriously. And those issues for women of color and women existed before. What happened last week is, we put out a report. We put out data. And I'm really proud of the book Brookings is putting out, the Hamilton Project is putting out. I think we have it here. Right there. But there's amazing data in that, so I'll share one example from the Hamilton Project. People refute the pay gap. They say the pay gap doesn't exist. So one of the, one of the studies in here looked at full-time workers, I believe it was age 24 to 50, 24 to 54, in the workplace and looked at the pay, the wage gap.

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And here's what they find, it's a 16% gap in this study. This is for all races. We know from other studies that it's much worse for women of color. But it's 16% overall. If you equalize for education, the pay gap goes up to 21%. So five percentage points up, why? Because women have higher education levels than men. Then, if you equalize for occupational differences, it goes down, by 9%, to 14%. And 14% is unexplained. So in economic terms, unexplained is residual slash, in my opinion, sexism, because you can't explain it. You can't explain it by educational differences.

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You can't explain it by hours worked. You can't explain it by occupational differences. So we know that 14% is really biased. Now the occupational difference also have real bias in it, and we know this.

>> When more women go into a field, everyone can get paid less. And you can look at this, there have been studies done of fields that are pretty even in terms of both educational attainment you need, but also kind of hours worked. So light trucking and nursing assistants. They've done studies. Pretty even education levels across the board. Shift work, so it's kind of simple in hours, right.

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Turns out, guess who gets paid more? The truckers or the nurses?

>> The truckers. So even the occupational differences, even that 9% I believe has a lot of gender bias. But even if you want to give someone that occupational differences don't have the bias, which I think they do, you still have a 14% gap. And so I do believe there are people out there who think there's no gender pay gap, who don't think it's worse for women of color. And it is data that proves them wrong. And we at Lean In are really honored to partner with Bob and the Hamilton Project and Stanford Law School on the seriousness that, that this data deserves and the very serious work that we're putting out today.

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>> And on the occupational bias, if we, if we know that bias keeps women from getting the jobs they want, that 14%, that you know. My favorite, when I look at this wage data, is that animal trainers make more than childcare workers. I mean, what does that say?

>> And it'd be interesting, do you know the percentages of men who are animal trainers? It's gotta be way higher.

>> It's way higher, yeah, yeah, yeah. So I, so its hard to make a skill difference argument. So so, this person asked, what can women who aren't in leadership positions do to help improve the situation for women?

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I like this question.

>> I think we can do a lot. So we know women get interrupted more. We know men often get attribution for women's ideas. And anyone can speak up in a meeting. I wanna hear, could you mind letting Shelly finish, I wanna hear what she has to say. That's a power move for even a junior woman. It's also communal. So you will be not disliked for doing that. Now if you say, you interrupted me, which I

still think you should say, there is that kind of self promotional thing, which by the way everyone should do.

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But how nice to do it for someone else and you're both communal and you're helping another woman. This is a great project and Rachel lead it, and Karen lead it. Like, we can support each other and we've seen that power in Lean In Circles and it's been really profound.

>> Okay, this person asked, what are the strategies for increasing the diversity in the pipeline in towards leadership?

>> So this is really important, because organizations, you know, want more diverse people in the pipeline and in leadership, and it's been hard to do. So one of the things I've become most convinced work is the diverslative approach.

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Some people call this the renewal. We call it the diverslative approach. But, what it means is you do not hire until you interview qualified candidates with minority backgrounds. So Rachel and I did this at my foundation. We wanted to hire more women of color and for us, we needed a man because we had no men, at Lean In. So diversity for us was a man, and we wanted to find a man at least and we wanted to find more women of color. And we just couldn't get there. And then, we went to the diverse slate approach and we just put in a rule.

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That you cannot hire until you find a qualified candidate who's a man or an under represented minority. And now we're more than 50% women of color. We don't have that many men, we just have one or two. One-ish. Okay, we have one man.

>> We have one man. But we are, and we were a little more focused on color than gender. Sorry to all of the men out there, but it is the Lean In Foundation. But we're more than 50%, and we got there with the diverse light approach. And now Facebook's doing it. And we're trying to do it at all levels.

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And the good news here is, in my foundation and when we've done it at Facebook. We feel very convinced that we are hiring the best candidates. No one feels that they are making any compromises. It just took a little longer and a little more focused effort, to get the right candidates. But once you see them, their often the best. And I think our teams are stronger for it.

>> Yeah, I've long thought if we fixed our processes, and got rid of the bias in our processes, that the diversity would follow. That's the implication.

>> Absolutely.

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>> Okay, so we have time for one more question. And the question is this. It's nice, we'll finish on a question relating to color, which I know this report really focuses on. The gender bias and bias against women of color is even worse in the field of entrepreneurship. What can be done to address these issues for women of color in the workforce and in the entrepreneurial situation?

>> I mean, it's bad in every industry unfortunately. And, I think we sometimes lose sight of that, and let's be clear. The tech industry is not great, finance is not great, entrepreneurship is not great.

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But the non-profit industry. 75% of the workers in the non-profit industry in the United States are women. 21% of the large non-profits are run by women. So it is actually, yes it's an industry problem, but it is at its core in leadership, ambition, and success problem for women, and particularly women of color. And I want us to recognize that. It's very broad and it's very broad around the world. And so the answers are again, recognizing the bias, being willing to say them, and being willing to the time to correct. I also think, and I wanna conclude with this, that, it is data, it is framing these issues as having the economic importance to companies and countries that they are that really matters.

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I'm really grateful to the hard work The Hamilton Project and Brookings did to put out this amazing book with just one good study after another. I hope people take the time to read it. We're gonna post about it a lot from the Lean In Foundation. And I hope we, as a community, not just the people here and the people watching, but everyone who cares about economic growth, everyone who cares about equality across women and race, across gender and race. We will work together to understand how critically important these issues are for our economy because they are.

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>> Thank you so much for being here.

>> Thank you guys.