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From: Mills, Cheryl D <MillsCD@state.gov>
Sent: Friday, September 16, 2011 1:25 PM
To: H
Subject: FW: Up on Huff Po

From: Reines, Philippe I
Sent: Friday, September 16, 2011 1:05 PM
To: Klevorick, Caitlin B; Mills, Cheryl D; Klein, Jennifer L; Huang, Cindy Y
Subject: Re: Up on Huff Po

Awesome job

From: Klevorick, Caitlin B
Sent: Friday, September 16, 2011 01:02 PM
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Women Are Vital in the Participation Age

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Friday, Secretary of State Hillary Rodham Clinton chaired the first-ever Asia-Pacific Economic Cooperation (APEC) High-Level Policy Dialogue on Women and the Economy in San Francisco, California. Hosted by the United States, hundreds of private sector leaders and government officials gathered this week to discuss the inclusion of women as an economic growth strategy and to recommend concrete policies to increase women's economic participation in the region.

In her remarks, the Secretary made the evidence-based case for the inclusion of women as a vital source of economic growth. She articulated important steps in a path toward the Participation Age -- where every individual has the opportunity to be a contributing and valued member of the global marketplace -- including strategies to remove barriers that have prevented women from being full participants in the economy and unlock their potential as drivers of economic growth.

It is a pleasure to join you this morning at this summit on women and the economy.

I do not think it overstates the case to say that this gathering just might take its place one day in the history books. Not because of what we say here, but because of what we will begin here. As this summit comes to a close, we will adopt a Declaration that, for the first time in APEC's history, will affirm this organization's and each member economies' commitment to improving women's access to capital and markets, building their capacities and skills, and supporting the rise of women leaders in the public and private sectors.

It is fitting that the adoption of such a Declaration takes place in San Francisco. It was just one mile from here, in the Herbst Theater, where the United Nations Charter was signed 66 years ago. In fact, the APEC summit is the largest gathering of diplomats here since that historic occasion.

San Francisco is also an appropriate venue for this economic discussion because this is a community that is renowned for its spirit of inclusion and opportunity for all.

So on behalf of the United States and our people, I give each of you and your nations my heartiest welcome and heartfelt thanks for being here and undertaking this great mission.

There will be a temptation on the part of those observing or covering this summit, perhaps on the part of those of us attending it as well, to say that our purpose is chiefly to advance the rights of women -- to achieve justice and equality on their behalf. That is a noble cause, to be sure, and one close to my heart.

But at the risk of being somewhat provocative at the outset, I believe our goal is even bolder -- one that extends beyond women to all humankind. The big challenge we face in these early years of the 21st century is how to grow our economies and ensure shared prosperity for all nations and all people. We want to give every one of our citizens, men and women, young and old, greater opportunity to find work, save and spend money, pursue happiness -- and ultimately live up to their God-given potential.

That is a clear and simple vision. But to make it real -- to achieve the economic expansion we all seek -- we need to unlock a vital source of growth that can power our economies in the decades to come. That vital source of growth is women.

With economic models straining in every corner of the world, none of us can afford to perpetuate the barriers facing women in the workforce. Because, by increasing women's participation in the economy and enhancing their efficiency and productivity, we can have a dramatic impact on the competitiveness and growth of our economies.

When everyone has a chance to participate in the economic life of nations, we can all be richer, because more of us would be contributing to the global GDP. And the gap between the developed and developing countries would narrow significantly as productivity rises in economies from Haiti to Papua New Guinea.

But that great, global dream cannot be realized by tinkering around the edges of reform. Nor, candidly, can it be secured through any singular commitment on the part of us here. It requires, rather, a fundamental transformation -- a paradigm shift in how governments make and enforce laws and policies, how businesses invest and operate, and how people make choices in the marketplace. The transformative nature of the undertaking that lies ahead is, in my view, not unlike other momentous shifts in the economic history of our world. In the 19th century many nations moved from an agricultural to an industrial economy. Then the inventions and mass production of that era gave rise in the 20th century to the information age and the knowledge economy, with an unprecedented rise in innovation and prosperity.

As information transcends borders and creates opportunities for farmers to bank on mobile phones and children in distant villages to learn remotely, I believe that here, at the beginning of the 21st century, we are entering the Participation Age, where every individual, regardless of gender or other characteristics, is poised to be a contributing and valued member of the global marketplace.

In some APEC economies, this transformation has been underway for quite awhile now - in others it has begun more recently. In all, progress has been too slow and too uneven. But there is no doubt that the increasing numbers of women in the economy -- and the rising productivity gains from improving the distribution of their talents and skills -- has helped fuel significant growth. And economies that are making the shift more effectively and rapidly are dramatically outperforming those that haven't.

If we are serious about this undertaking, if we really want to achieve full parity for women in the workforce -- both that they participate and how they participate -- we must remove the structural and social impediments stacking the deck against them. I don't urge this because it is the right thing to do, though of course it is. For the sake of our children and our nations, it is the necessary thing to do. Because a rising tide of women in an economy raises the fortunes of all families and all nations.

My husband often has said, in making the argument that everyone counts in life, "we don't have a person to waste." That is true. When it comes to the enormous challenge of our time -- to systematically and relentlessly pursue more economic opportunity in our lands -- we don't have a person to waste... and we certainly don't have a gender to waste.

Let's look at the evidence. The case for unlocking the potential of women and including them more fully in the economic life of our nations begins with an accounting of how women already are driving growth in our economies. The twenty-one economies of APEC are among the most dynamic in the world. Together, we represent more than half of total global economic output. And more than 60 percent of women in the APEC economies are part of our formal workforces. They're opening stores, running businesses, harvesting crops, assembling electronics, and designing software.

The Economist points out that the increase in employment of women in developed economies during the past decade has added more to global growth than China has. And in the United States, a McKinsey study found that women went from holding 37% of all jobs to nearly 48% over the past forty years, and that in sheer value terms, these women have punched well above their weight. The productivity gains attributable to this modest increase in women's overall share of the labor market accounts for approximately one-quarter of the current U.S. GDP. That works out to more than \$3.5 trillion -- more than the GDP of Germany, and more than half the GDPs of China and Japan. So the promise is clear. What, then, is the problem? If women are already making such contributions to economic growth, why do we need a major realignment in our thinking, markets and policies?

Well, because evidence of progress is not evidence of success. And to be sure, the rate of progress for women in the economies of our region varies widely.

Laws, customs, and the values that fuel them all act as roadblocks to full inclusion.

In the United States and in every economy in APEC, millions of women are still sidelined, unable to find a meaningful place for themselves in the formal workforce. And some of those who get jobs are confined to the lowest rungs on the job ladder by a web of legal and social restrictions that limit their potential. Or they are confronted with a glass ceiling that keeps them from the most senior positions. Only 11 of the CEOs of the Fortune Global 500 companies are women. That's less than 3 percent. Some women in the APEC region don't have the same inheritance rights as men, so they can't inherit property or businesses owned by their fathers. Some don't have the power to confer citizenship on their children, so their families have less access to housing and education, and they must constantly renew residency permits, making it harder for them to work.

Some are subject to different taxes than men. Too often, they are denied access to credit, and may even be prohibited from opening bank accounts, signing contracts, purchasing property, incorporating a business, or filing lawsuits without a male guardian.

Some women earn almost as much as men before they have children, but less afterward, and even less if they are single mothers. These barriers and restrictions - some formal, some informal -- erode women's abilities to participate fully in their economies, whether as employees or entrepreneurs. These barriers certainly aren't unique to the Asia-Pacific; variations on them can be found in every region in the world.

Some barriers are left over from a different time and haven't changed to reflect new economic realities or concepts of justice. Some seek to preserve an economic order that ensures that men have the higher-paying jobs to support their families. Some reflect lingering cultural norms -- the belief that women need to be protected from work that is thought to be dangerous or unhealthy for them.

In truth, what is dangerous is denying ourselves the level of economic growth we need to build stronger societies. And what is unhealthy is for women to be denied the chance to contribute fully to that growth. Because that denies everyone -- and every country -- a chance at greater prosperity.

Economic orders do not perpetuate themselves. They are made and remade through countless decisions -- small and large -- by economic policymakers, political leaders and business executives. So if we want to see opportunities for women improve, we must begin with sound economic policies that explicitly solve the unique challenges that limit women.

Here's why:

A Goldman Sachs report shows how a reduction in barriers to female labor force participation would increase America's GDP by 9 percent, the Euro Zone's by 13 percent and Japan's by 16 percent. Unlocking the potential of women by narrowing the gender gap could lead to a 14-percent rise in per capita incomes by the year 2020 in several APEC economies, including China, Russia, Indonesia, the Philippines, Vietnam, and Korea. Of course, rising income means increased spending, which in itself helps fuel even more growth. And here, too, women make a strong contribution. A Boston Consulting Group survey concludes that, globally, women will control \$15 trillion in spending by the year 2014. And by 2028, BCG says women will be responsible for about two-thirds of consumer spending worldwide. Digging a little deeper into the data, we can see positive benefits that flow from both the quality of spending and the quantity of saving by women.

Multiple studies have shown that women spend more of their earned income on food, healthcare, home improvement and schooling. In short, they reinvest. That kind of spending has a multiplier effect, leading to more job growth and diversified local economies. And that, in turn, can help ensure more educated and healthier citizens, as well as provide a cushion in the event of market downturns. The research also shows that women are stronger savers than men. Data from twenty semi-industrialized countries suggests that for every one percentage point increase in the share of household income generated by women, aggregate domestic savings increase by roughly 15 basis points. And a higher savings rate translates into a higher tax base as well.

Integrating women more effectively into the way businesses invest, market and recruit also yields benefits in terms of profitability and corporate governance. In a McKinsey survey, a third of executives reported increased profits as a result of investments in empowering women in emerging markets. Research also demonstrates a strong correlation between higher degrees of gender diversity in the leadership ranks of business and organizational performance.

The World Bank finds that by eliminating discrimination against female workers and managers, "managers could significantly increase productivity per worker by 25 to 40 percent." Reducing barriers preventing women from working in certain sectors would lower "the productivity gap between male and female workers by a third

to one half...across a range of countries." These gains are achieved because removing barriers means that the talent and skills of women can be deployed more efficiently. In a globalized world, this competitive edge is more important than ever.

All of this underscores my primary point - when we liberate the economic potential of women, we elevate the economic performance of communities, nations, and the world.

Let's take a look at one sector of the economy -- agriculture -- to illustrate what I mean.

Women play an important role in driving agriculture-led growth worldwide. Agriculture is a powerful engine for development, as we have seen in the rise of India and China. In several APEC economies, women comprise nearly half of the agriculture labor force. They sustain every link in the agricultural chain: they plant the seeds, care for the livestock, harvest the crops, sell them at markets, store the food, and prepare it for consumption.

But as for the role of women in agriculture nowadays, despite their presence in many kinds of jobs, they have less to show for all this work. Women farmers are up to 30 percent less productive than men.

That's not because they're less hard-working or committed. It's because women farmers have access to fewer resources. They have less fertilizer, fewer tools, poorer quality seeds, and less access to training or to land. And they have much less time to farm because they also have to do most of the household work.

When that resource gap is closed -- and resources are allocated equally; better yet, efficiently -- women and men are equally productive. And other positive benefits also begin to flow. In Nepal, for example, where mothers have greater ownership of land, there are fewer severely underweight children.

What we have here is an opportunity to accelerate growth in developing economies while -- at the same time -- producing more and cheaper food for the planet. Close the resource gap holding women back in developing economies, and we could feed 150 million more people worldwide every year, according to the Food and Agriculture Organization. That's in addition to higher incomes for families, more efficient markets, and more agricultural trade.

The same kind of impact can be seen in sector after sector of our economies. Because we know that the entrepreneurial spirit of women is strong. More than half a million enterprises in Indonesia and nearly 400,000 in Korea are headed by women. They run fully twenty percent of all of China's small businesses. All across Asia, they have and continue to dominate light manufacturing sectors that have proved so crucial to the region's economic takeoff. And economists project that women-owned businesses, which now provide for 16 percent of all U.S. jobs, will create nearly a third of the new jobs anticipated over the next seven years.

With that kind of evidence at hand, it is little wonder that the World Economic Forum's Gender Gap Report finds a direct correlation between the gender gap and productivity. The lower the former, the higher the latter. As Klaus Schwab, executive chairman of the WEF concludes, "women and girls must be treated equally if a country is to grow and prosper."

The Declaration we will adopt here today can begin to close that gender gap, by making it possible for more women to unleash their potential as workers, entrepreneurs, and business leaders.

Let me speak about the goals set by the Declaration in more specific terms.

We must commit to giving women access to capital so women entrepreneurs can turn their ideas into the small and medium enterprises that are the source of so much growth and job creation in our economies

We must examine and reform our legal and regulatory systems so women can avail themselves of the full range of financial services. Such reforms can also help ensure that women are not forced to compromise on the well-being of their children to pursue a career.

We must improve women's access to markets so those who start businesses can keep them open. For example, we need to correct the problem of information asymmetry -- making sure women are informed about opportunities for trade and orienting technical assistance programs so they serve women as well as men.

Let me briefly cite two State Department programs that are underway in other parts of the world. Pathways to Prosperity connects policy-makers and private sector leaders in 15 countries across the Americas in order to help small business owners, small farmers and craftspeople do more business, both locally and through regional trade. And the African Women's Entrepreneurship Program reaches out to women in countries eligible for increased access to the U.S. market under the African Growth and Opportunity Act, providing them with the information and tools they need to take advantage of all that AGOA has to offer.

Finally, we must support the rise of women leaders in the public and private sectors because frankly, they are more likely to have firsthand knowledge and understanding of the challenges women face. Their perspectives add value and insure that we shape policies and programs that are not just "window dressing" but successfully eliminate barriers and bring women into all our economic sectors.

Several businesses already are taking significant steps to meet these goals, with innovative programs. Goldman Sachs is training the next generation of women business leaders in developing economies with its Ten Thousand Women campaign. Coca Cola's "Five by Twenty" campaign aims to support five million women entrepreneurs worldwide by 2020. And just this week, Wal-Mart announced that it will use its purchasing power to support women entrepreneurs by doubling the amount of goods it will buy from women-owned businesses globally to \$20 billion by 2016... and by investing \$100 million to help women develop their job skills -- including women who work on the farms and factories overseas that are Wal-mart suppliers. These programs are just the start of the type of permanent shift we need in how businesses worldwide invest in women.

I made the point at the beginning of my remarks that our purpose here should be bolder - to pursue a fundamental transformation of our economies by allowing more women to participate effectively in them - and to shape them.

I do not underestimate the difficulty of ushering in this Participation Age. Legal changes require political will. Cultural and behavioral changes require social will. All of this requires leadership -- by governments, by civil society, and by the private sector. And even when countries pursue aggressive structural reforms to get women into the economy and enhance their productivity, they don't always produce the kind of results we seek. So we need to be persistent, and to be comprehensive in our approach.

And while economic orders may be hard to change, policy strategies -- no matter how good -- can only get us so far. We all must make an aggregate choice -- not simply to remove the barriers restraining women from full economic participation, but to fill this vacuum with active investment.

And because it is a choice that will take shape through the countless decisions of our citizens, it is for us here in this room to do what we can to make these decisions -- these habits of character -- easier for our citizens to make and to cultivate. When we apportion our medical research and dollars, we should do so from a full understanding of the economics surrounding healthier, more productive women; when we design tax policies, we should ensure they make it economically rational for all women to work if they want to -- whether single, married, or the mother of four.

And by being big and bold in our thinking and transformational in our policies and practices, we will find many other benefits for our society, beyond the economic.

There is a stimulative and ripple effect that kicks in when women have greater access to jobs and the economic lives of our countries: Greater political stability. Fewer military conflicts. More food. More educational opportunity for children. Financial stability for more families in the world, yielding exponential dividends across the entire spectrum of human activity.

Our Declaration is meaningless if we don't put muscle behind our mission. As I said earlier, this Summit "just might" make the history books. But it will do so only if we make history by empowering our rhetoric with concrete action.

And what we also need is a way to measure our progress. Think about it: we track the things we care about. On a personal level, we want to know our credit score, our bank balance, the interest rate on our mortgages, the rate of return on our investments. We even do an amazing job analyzing sports statistics.

At the governmental level, we routinely measure unemployment, job growth, our national debt, GNP and our balance of trade. We are concerned about all those things, and knowing the facts helps drive our policy choices, course enhancements and corrections.

Shouldn't we be at least as attentive to collecting, analyzing and publicizing the facts as we seek to move women into the mainstream of economic life in our nations? How else can we determine whether we're heading in the right direction? Finally, we must also be mindful that this is no short jaunt we are on. It is a generation-long journey -- one that must couple persistence with patience. It is akin to what Max Weber said of politics, that it is "the strong and slow boring of hard boards."

But in pursuing the promise of the Participation Age, let us remember that by harnessing the economic potential of all women, we boost opportunity for all people. And we boost the economies of all our nations. That is why I'm honored to be here as a representative of the people of the United States, to bear witness to what we begin right here, in San Francisco, on September 16, 2011. This is indeed the starting line of a great race to a promising future, but only if we run a smart race, with passion and practicality; only if we take time to measure and course correct our progress along the way. Only then will this starting line also mark a turning point in history.

I cannot wait to see where we go from here, and I assure you that the United States Government and its people will be there with and for you, every step of the way.

Thank you all very, very much.

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