

ROSTRA ECONOMICA



sefa

Issue 299
March 2014

respond?
rostra@sefa.nl

How our **brains**
are programmed
to see gender?

Frauenquote: can
we create women
leaders by law?

The plight of
Chinas migrant
factory girls



THE MANY
FACES OF
WOMEN

 UNIVERSITY OF AMSTERDAM

Faculty of Economics and Business

**FAST FORWARD JE
CARRIÈRE BIJ KPMG**



text
Dovile Venskutonyte
editor-in-chief

Dovile Venskutonyte
is a Bachelor student
in Economics.

image
Steve Snodgrass

SHE'S JUST NOT LIKED AS MUCH

You all must have heard of Sheryl Sandberg, the COO of Facebook, and her famous book *Lean In*. In her writing she talks about her own experience of climbing up the corporate ladder as a woman among many other issues that affect girls and women in their various career pursuits. She talked in one of her interviews that her colleagues and friends have strongly discouraged her from writing *Lean In*, because this is not an appropriate subject for an executive in a massive corporation to talk about. They thought it would hurt her career. Why did they feel that way? I think it's because we want to think that we live in a world where gender does not matter anymore. That all that matters is your merit, your ability and your drive. I hope to see that world someday, however we are far from it. This is obvious not only from statistics that show, how few women leaders we have, or how women are affected more by poverty, or the insane amount of gender based violence that exists today, but also from research that unveils the reasons for it. For example it has been discovered that employers are less likely to employ women, who do not wear make up, what is up with that?!

But the findings most painful to me are the ones that show that success and likability are positively correlated for men and negatively correlated for women. Of course this is very important to women seeking high positions, but it affects them in all walks of life, whether you're an upper class citizen of a wealthy nation, or a poor person in a developing country. The reason why I find it so devastating is not because it's unfair, but because I do not know how to change it. You can legislate quotas for female CEOs, establish affordable daycare facilities, build more schools in

developing regions and give women farmers microcredit loans, but how do you change the way we look at half of the population? You cannot force people to like someone.

I think that it starts with boys and girls. We expect the same results from men and women, yet we raise them so differently. Because we still raise kids to conform to gender norms of days long gone at least to some extent, we get a world, where men are liked for their strength, ambition and success and girls... well they can multitask. This is harmful not only to girls, but boys as well, to whom we could dedicate a whole other issue. Good qualities are good qualities; they're not masculine or feminine by themselves, it is how a person expresses them that can be labeled according to gender. Probably. Either way we should all strive to have them.

It may seem like we are not trying to help, by dedicating an issue of *Rostra* specifically to women, however, we should talk about reality the way it is, and not pretend that it is something entirely else. It is not that men and women are so different from birth, but they are cultured to be. The two genders have different experiences and roles in life, regardless of where they're born. Whether we like it or not there are issues that apply specifically to one gender and they must be analyzed in order to be solved. However, a point often forgotten is that these issues affect only one half of the world only in the most direct way. In the end, today we are so interrelated that all problems make an impact on all of our lives, even if we do not notice it. So, when we talk about the issues of women, we are talking about the issues of men.

Ironically, I think that my words would be best summed up, by a man living in a time and country, when feminism was a very very long way ahead. Plato once said: "Nothing can be more absurd than the practice that prevails in our country of men and women not following the same pursuits with all their strengths and with one mind, for thus, the state instead of being whole is reduced to half." ■

THE ROSTRA CHART



Source
Mindshare /
Ogilvy & Mathers

image
Tinou Flickr page

The Biggest Buyers Even though women hold a small portion of worlds wealth in comparison to men, they are recognized as the largest consumers. Estimates have been made that women make around 85% of all purchasing decisions. These numbers should be taken with a grain of salt, since such estimates are hard to make, but they do give some indication of who decides what to buy.



COLOPHON

Editor in chief
Dovile Venskutyte

Copy editor
Michael van Rhee

Editors
Felix Beer
Filip Svoboda
Jantine Derksen
Klara Keutel
Maria Carolina Campos
Matteo Ruozzo
Milian Bachem
Michael van Rhee
Pierre Borst
Sophie Yang
Theodor Vladasel
Yoeri Min

Supervisor from Sefa
Jeroen Pennings

Supervisory Board
Wouter Smeets
Lennart Verhoef

Reactions, letters and applications can be sent to:
Room E0.02
Roetersstraat 11
1018 WB Amsterdam
020 5254024
rostra@sefa.nl
www.rostraeconomica.nl

Columnists
Arthur Schram

Design
def., Amsterdam
(Yvonne Roos)

Print run
5000

Address Changes
Can only be made through
studielink, www.studielink.nl

Advertisements
KPMG
Shell

Advertisement Costs
Contact Sefa and ask
for Thijs Algra
020 525 40 24
commercial@sefa.nl

Printing
DR&DV Media Services,
Amsterdam

Copyright Notice
Any redistribution of part
or all of the contents in any
form is prohibited. You may
not, except with express
written permission by the
editor in chief, distribute or
commercially exploit the
contents. Nor may you
transmit it or store it in any
other website or other form
of electronic retrieval system.

14

How our **brains** are programmed
to see gender?



Are women the **cure for poverty**?

28

Facts and Figures: women leaders.

30

What it's like to be a female
professional **around the world**?

38

Student entrepreneur
Gkalogiannis Koutsogiannis.

42

Hedgafunds don't like women.

AND MORE

8 FACTORY GIRLS

41 COLUMN ARTHUR SCHRAM

18 WHAT HISTORY TELLS US

44 FEB STUDENT ABROAD

20 SEFA FRONT

46 FEB FLASH

37 FSR PAGE

In the previous issue the DSF interview was conducted
by Milian Bachem and Shell was done by Sophie Yang.



One of the organizations most concerned with development and poverty reduction is, of course, the United Nations. Soon after its inception the UN created a Commission on the Status of Women. In 2010 this became UN Women. Today this is one of the largest organizations fighting for the empowerment of women in a variety of ways, ranging from economic opportunity to gender based violence. It is convincingly argued that women's liberation not only has dramatic impact on reducing global poverty, but also fostering world peace.







text
Maria Carolina
Campos

Maria Carolina
Campos is a Master
student in Economics.

image
Alex Johnson,
Lindsay Maizland

FACTORY GIRLS

If you watch the documentary 'The Last Train Home' (2009) you will be taken to the world of the Zhang family. Changhua Zhang and Suqin Chen left their village 16 years ago to work in Guangzhou. The 50-hour journey that separated this couple from their children meant that Changhua and Suqin only managed to come home once a year for the traditional Chinese New Year festival.

The decision to leave the village was driven by their desire to provide a better future and education for their children: Qin and Yang. Ironically, their absence ends up being the main cause of the family's rupture as Qin, blaming her parents for abandoning her, suddenly decides to leave school and become a migrant worker. Determined to gain freedom and independence, Qin starts to work in the city, completely ignoring her parents' advice. The story of the Zhangs is the story of millions of migrant workers in China: a story of higher wages in cities, but also a story of separation and weakened family relationships. It is also the story of Chinese women (in particular migrant workers) caught between old traditional roles and new realities.

Chinese economic boom and migration movement

In 1978 Deng Xiaoping's reforms opened the Chinese economy to the world. At that time, the rural population made up over 80% of the country's total population. The late 1970s represented the beginning of ►

Around 61 million Chinese children haven't seen one or both parents for at least three months. Many only see their parents once a year during the Spring Festival.



THE WORD 'MIGRANT' IN MANDARIN LITERALLY MEANS 'FARMER TURNED WORKER'

industrialization and growth along which came a massive flow of migrants from the countryside to the cities. This internal migration was mainly spurred by migrant's wishes to improve their lives by earning higher wages in urban areas.

Economic transition created a myriad of complex, both positive and negative aspects that have affected migrant workers. While it allowed migrants to take advantage of urban labor market opportunities and increase their family income, it also meant dehumanizing and degrading work and living conditions for migrant workers. In fact, migrant workers have been associated with what is often called the "dormitory labor regime": a system that combines work and residency provided by the employer, where "work" means doing a repetitive task for 12 hours a day and "residence" stands for dirty overcrowded dormitories.

The migration movement has been shaped by institutional constraints, mainly the hukou system, which has contributed to the exploitation of migrant workers vulnerability and to their discrimination. This household registration method established in the 1950s assigns every individual to a rural or urban local community. The registration in a particular community has a hereditary nature and determines ones' access to local social welfare services (such as hospitals, public schools, insurance, etc.). Migrant workers rural hukou denies them the use of these services in the city. Even though this system has

experienced some reforms in the last decades, it is still quite difficult for rural migrants to obtain an urban hukou. Being an institutionalized barrier to public services and facilities, the hukou system has forced migrants to leave their family and children behind when they migrate.

Women's traditional role and 'left-behind' children

There are around 61 million 'left-behind' children in rural areas. They are brought up by their grandparents and have limited contact with their parents. Many only see their parents once a year during the Chinese New Year Festival. Distant work opportunities promise a better life and education for their family, but the psychological and emotional distance between migrant workers and their children has severe ramifications. These weakened family ties caused by migration and the urge to make a better living in the city have affected migrant women in particular.

The economic circumstances brought about by China's rapid industrialization have allowed women to become part of the labor force, gain some independence and help their families escape poverty. Yet, migrant women have started their emancipation process away from their children and families, being thus unable to comply with their traditional role in the family. This role is clearly defined in marriage: women look after the family, take care of domestic duties and make sure family relationships are harmonious. Family is an extremely important institution in China and women are responsible for maintaining it.

Women migrant workers face the hard and demanding challenge of reconciling their new economic status as urban workers with an old deep-rooted responsibility of taking care of their children, which is only partially fulfilled with the money they send home. Migrant women are part of a working world and a family reality that takes place in two geographically (and psychologically) distant locations.



The new factory girls

The lives of migrant women as well as family structures have been greatly influenced by China's industrialization and specialization pattern in the world economy and a new and distinct wave of migration is now taking place. As Leslie Chang reminds us in her book 'Factory Girls: From Village to City in a Changing China', China has experienced "the largest migration in human history" in the last 30 years and the profiles of these new migrants are different from their predecessors.

The women migrating in the 1980s and 90s rarely left their village by themselves. Now the young women, who leave the poor and isolated villages, face the change alone as the social stigma associated with migration from rural to urban areas has dissipated. They are more educated than previous generations and often start to work in factories straight after leaving school, without any experience in farm work. Their ties to the villages and families are also more fragile and weak. Most importantly, their motivations to start a life in the city are different from those of the past generation: the young women migrating are driven not so much by economic reasons, but by a desire of personal improvement and a dream to see the world.

These young migrant women are the ones on assembly lines producing the phones we use and the clothes we wear. They endure tough conditions in factories where they are

punished for talking while working or even for being a few minutes late. Isolation and loneliness are also a part of their lives: given the transient nature of migrant workers, the new 'factory girls' prefer to protect themselves and avoid bonding with the people they work and live with. Someone sleeping in the same dorm room can be gone the next day, so there is no opportunity to build close relationships. Their personal and work schedule is controlled by production cycles and the fluctuations in demand.

In the western world these young migrant women are victims, wasting the best years of their lives doing meaningless and repetitive tasks in factories that clearly violate basic human rights. However, this is not how they perceive themselves. This new generation of migrant women is a proud one. Young migrant women feel that migrating has allowed them to escape the rural world, become independent and access more employment opportunities. They are also more aware of their rights and indeed their concentration in factories has given them a sense of organizational and bargaining power.

Economic growth comes with opportunities and possibilities of social mobility; however, it also involves human costs and sacrifices. Chinese migrant women – younger or older – embody the contradictions of such a process that has deeply changed families, women and ultimately, the way we relate to each other. ■



text
Felix Beer

image
Thomas Dämrich

DOES GERMANY ACTUALLY NEED A WOMAN QUOTA?

After the elections, Germany's Social Party (SPD) and Angela Merkel's Christian Democratic Union (CDU/CSU) reached a coalition agreement for the upcoming collaboration. Ten basic conditions were set, among which the controversial "Frauenquote", or compulsory woman quota, were discussed. Its idea is to legally require companies on the stock exchange to have at least 30% of women on supervisory boards by 2016. This intention appears to be rather symbolic for an essential question. Namely the question, if Germany takes the right path to a better future. A future, where skilled labour will be in small supply and trained women will become increasingly indispensable for the German Economy. That is for sure. In dispute is whether the German industry will react well to this law and make themselves more attractive and permeable to both sexes. It seems logical, that the chances for success are greater, if they can continue looking for the best not only in one half of the talent pool, but at one hundred percent.

At the moment half of all graduates in business administration and 31 percent of the self-employed are female. Women make up almost a third of

company founders across all industries and company sizes as well as 27 percent of executives. However, only a few women are able to enter the decision-making positions of dominant companies in Germany. For instance, no more than 5 percent of all executive and leading positions of the dominant DAX-enterprises are occupied by female professionals and only a single large enterprise – Ikea Germany – is headed by a woman. Sadly the rule of thumb still seems to apply: the more influential is the position, the lower the probability that it is held by a woman.

This explains why the age-old, long-forgotten instrument of "women's quota" is experiencing a revival. One of the strongest advocates for the "Frauenquote" does not at all fit the stereotype of a women's representative. Thomas Sattelerger is chief human resources officer of Deutsche Telekom. "If I were a woman," says the 61 year-old, who previously made a career at Lufthansa and the tire manufacturer Continental, "I would hardly come to where I am today." Because companies like Telekom (current female managers: 13 percent) can no longer ignore female talent, Sattelerger has already enacted this quota in his company in

spring of 2010: by 2015, 30 percent of upper and middle management positions have to be filled by women, in Germany and worldwide. "With more women at the top, we are simply better," says Sattelerger. "The women's quota is for talent give us a real competitive advantage."

There are many indications that he might be right. According to a study by the consulting firm McKinsey, listed companies with mixed management teams accomplish higher yields, higher profits and better performance. Similar results are confirmed by a study of the United Nations. The value-added is often explained with supposedly feminine qualities such as emotional intelligence, sensitivity and communication skills.

Elke Holst of the German Institute for Economic Research (DIW) in Berlin, has not been able to demonstrate any significant differences between the personality traits of female and male managers. She explains the high-flyer qualities of female board members with their rather extreme selection. Those few who made it to the top, would bring new ideas and perspectives in formerly homogeneous all-male circles. Holst: "The fact that a female board

Norway introduced a 40% quota for female executives in 2003, which was reached nation-wide in 2009. The consequences for companies of failing to comply with the quota can be as severe as liquidation.



CHRISTIAN SCHWOLOW, SPOKESPERSON FOR DEUTSCHE TELEKOM:

“BUT THE RISK OF CONCENTRATING A QUOTA SOLELY ON THE BOARDROOM RISKS MAKING IT A PURELY SYMBOLICAL ACT. WHAT IS NEEDED IS SYSTEMATIC SUPPORT FOR FEMALE WORKERS EVEN AT JUNIOR RECRUITMENT LEVEL.”

member can better understand the needs of female customers – and thus the potential half of the market – is quite obvious.”

The question arises, why businesses do not make greater use of this potential. First part of the answer: because men decide on it.

“The ruling classes of the economy recruit always themselves. People are always preferred, who are assumed to have more commonalities in common.” says Edzard Reuter, former CEO of Daimler-Benz. For example, if you ask men, whom they would consider as appropriate partners and fellow board members, they would usually come up with a same sex mate in mind. “Often not the most experienced or skilled successors are sought, but the most

loyal and best fitting-in ones.” says Thomas Sattelberger.

Women, who are already in the middle corporate floors, are confronted with the infamous glass ceiling. In addition, attributes like ambition, confident self-promotion and maximum availability are often expected requirements for higher positions. These demands are incompatible with the idea of a personal life of many women. “To be successful, it requires a much higher level of customization for women on their way to the top”, according to the McKinsey study. Many prefer to forego a career, rather than to bend themselves in the long-run. A survey of the Harvard Business Review points out, that only 24 percent of men but 37 percent of women had lodged a career break. Most common reason: more

time for family. Although, afterwards almost all wanted to get back to work. However, only 40 percent found full-fledged employment.

A male dominated and favored working world systematically scares away a significant proportion of talents. This disregard can no longer be afforded by industries and society at large, as an extrapolation shows: if the employment rate of women will remain at its current level, Europe would have to face a lack of 24 million qualified workers in the next 30 years. In order to smoothen the way for more equality and sustainability, the conditions must change: opportunities for sabbaticals, child care facilities, more flexible work hours and more parental leave.

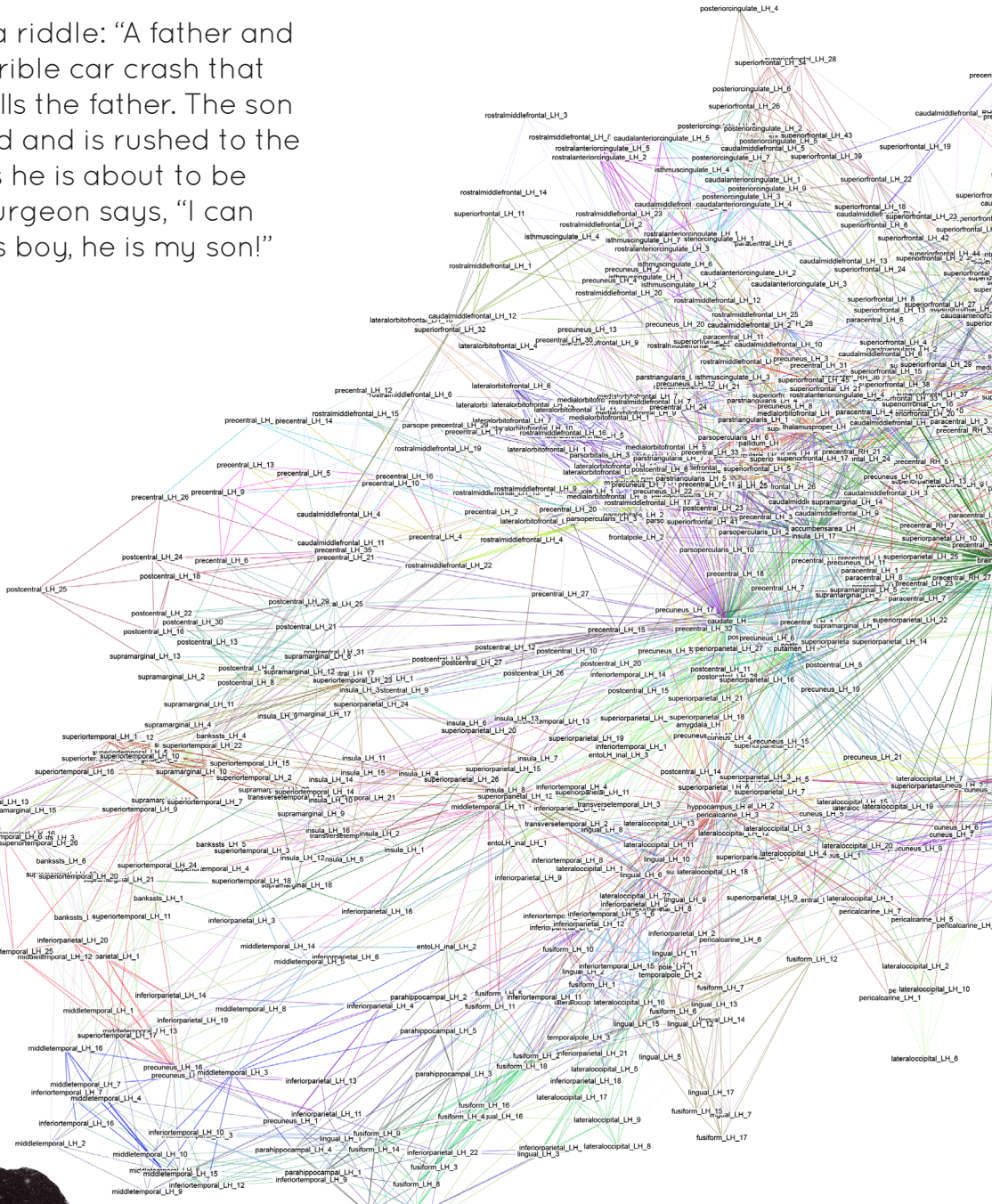
Is this women’s quota necessary? Not necessarily. But it would be a signal, that the rules of the game are changing. That the previously elitist leadership circle can no longer shut women out.

Meanwhile Sattelberger faces several male Telecom top executive requests. Not because of the quota or business matters. They wanted to get information on a parental leave for themselves. ■

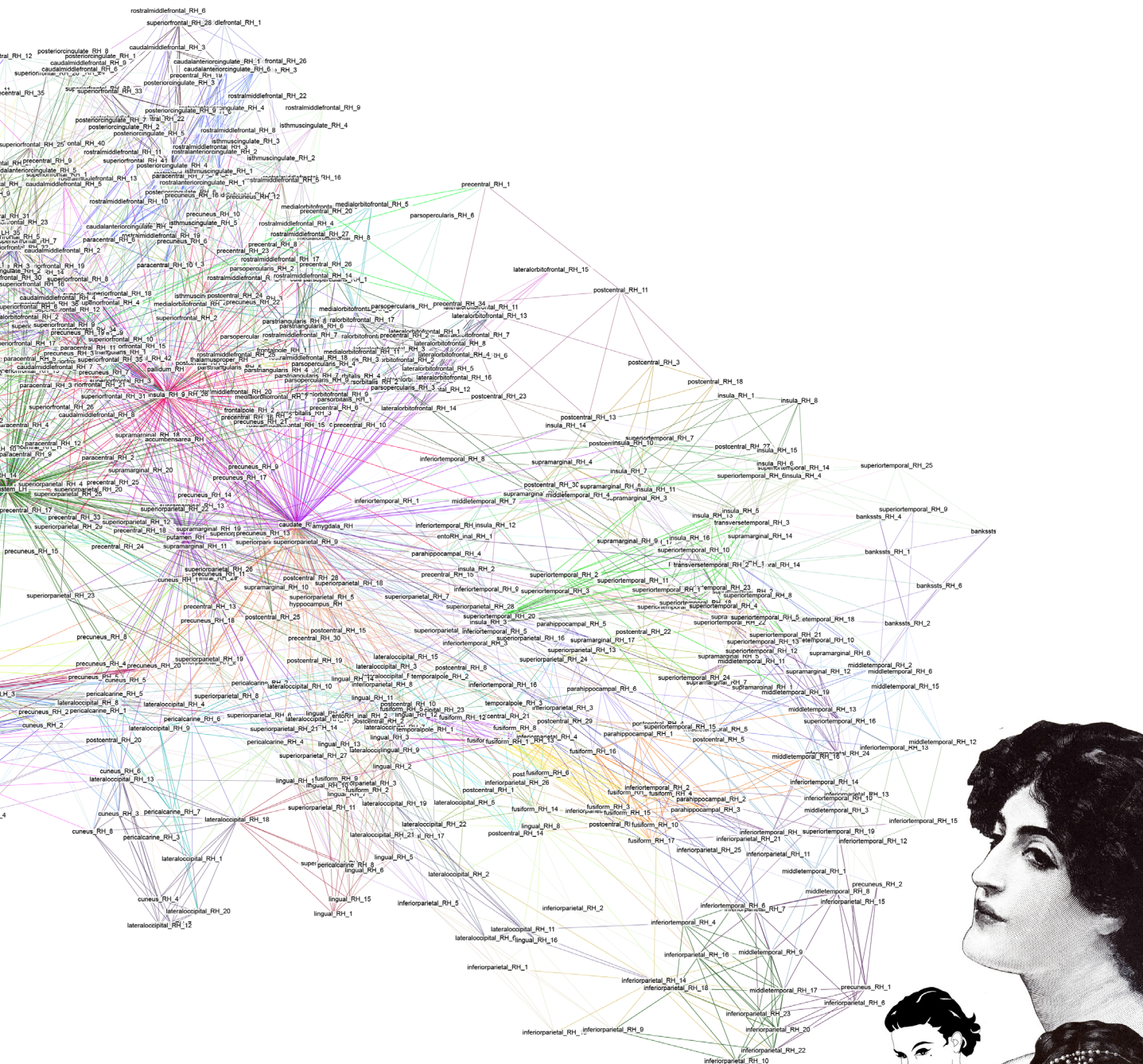
HER STORY IS

Let's start with a riddle: "A father and son are in a horrible car crash that unfortunately kills the father. The son is heavily injured and is rushed to the hospital. Just as he is about to be operated, the surgeon says, "I can not operate, this boy, he is my son!"

Explain. ▶



NOT HISTORY



Previous page The graphic was done by John Van Horn, Neda Jahanshad, Betty Lee, Daniel Margulies and Alexander Schäfer. It won an award for brain research visualization. To put it very simply, it shows the connections and relations between various parts of the human brain.



text
Jantine Derkse

image
Ars Electronica,
Sharon Brogan

Jantine Derksen is a MSc student in Business Studies – Entrepreneurship and Innovation.



THE TWO HIGHEST IQ'S EVER RECORDED (ON A STANDARD TEST) BOTH BELONG TO WOMEN

The answer is not that the boy has two fathers, nor is it that his father is somehow still alive. If you guessed that the surgeon is the boy's mother, you are, surprisingly, part of a small minority. Mikaela Wapman and Deborah Belle, professors of psychology, gave this riddle to university psychology students and children ages 7 to 17. Only a small proportion of both groups gave “the mother” as the answer to the riddle – 15 percent of the children and 14 percent of students.

Cognitive shortcuts

Why so few respondents gave this answer? This question can be answered

in schemas: cognitive frameworks or concepts that help organize and interpret information. Schemas allow us to take shortcuts in interpreting the vast amount of information that is available in our environment, but do not reflect personal values or life experiences. In 1981 Sandra Bem introduced The Gender Schema Theory. It explains these cognitive frameworks from a gender perspective, telling us what it means to be a male or female.

The cognitive shortcut taken while solving the riddle is the assumption that the surgeon is male, ruling out the option that the surgeon could be the boy's mother. Imagining the male surgeon triggers theories of a stepfather involved in the story or the boy having two fathers, blocking the normal and maybe even obvious answer. Schemas are being transmitted to members of a culture at a very young age, which explains the almost equal outcome for both children and university students. It is important to realize these schemas are not innocent assumptions, as they can contribute to stereotypes and make it difficult to retain new information that does not conform to our established ideas about the

world and can be misleading in our outlooks on men a women.

Gender schemas even have led to a false story of the fertilization process, portraying the sperm cell as being a competitive warriors battling his way to an aging, passive egg that can do little but wait. Emily Martin a cultural anthropologist pointed out that when you look at the facts actually it is the female egg having the active role in letting one sperm cell enter, as the sperm cell is weak and can do nothing but wait hoping to be the one. Martin's effort resulted in a clear example how cultural myths can turn into scientific myths, and vice versa.

Natural caretaker?

In today's society women with children are facing a lot of assumptions hard to live up to. On the one hand they are seen as mothers to whom it is natural to take care of children, while pursuing a career is being seen as ‘sacrificing’ this natural intuition. Sarah Blaffer Hrdy performed a twenty years research on nonhuman and human female reproductive behavior. Hrdy's research convincingly demonstrated motherhood is not something

16% 77%

When more women work, economies grow. If women's employment rates were raised to the same level as men's, the gross domestic product of the euro zone would be an estimated 13 per cent higher, United States would grow by 9 per cent and Japan's GDP would go up by 16 per cent.

Globally, 77 percent of women are literate, compared to 87 percent of men.



THE FIRST COUNTRY TO GRANT WOMEN THE RIGHT TO VOTE IN THE MODERN ERA WAS NEW ZEALAND IN 1893

instinctual but depends on the environment and the individual circumstances in which each woman finds herself. This outcome goes into a lot of assumptions of the mother as a natural caretaker. Off course human infants need care and are incredibly dependent. As a result, they have evolved a number of traits and behaviors that help strengthen the bond with their mothers and entice the mothers to commit to their care. However the evolutionary and historical reality is that women have needed help in raising their children and were not at all a stereotype of the all-compassionate mother who selflessly sacrifices everything for her child. As well, a lot of women naturally never want to have children at all.

It is important to realize being fulltime devoted to the care of children is not something natural to a woman. Hrdy points out throughout history women have been creating social networks in order to have the help of other people in the care of their children.

Feminine traits

Next to the stereotype of women seen as natural caretakers, it is still more difficult for women than men to be

taken seriously in business. In a study by the Stanford Graduate School of Business performed under 132 business school graduates, women who scored high in 'masculine traits' got more promotions than women having more 'feminine traits'. Furthermore, the study stresses that leadership is still defined in masculine terms and feminine behavior is not associated with competence or leadership. Women can be seen as leader, but only if they adopt some masculine features. This does not sound like we are going in the right direction to understand our gender schemas. Wapman and Belle showed in their research that gender schemas are still difficult to ignore. Is there however an approach towards a solution? "Having people understand that they hold this bias," says Wapman, "and when you look at job applicants, keep that in mind."

Not only in the position of reviewing job applicants one should try to be aware of this bias. The difficulty with bias is that it is difficult to be aware of it. As Mark Haddon wrote in his novel *The Curious Incident of The Dog in the Night-Time*: "There are three men on a train. One of them is an economist and one of

them is a logician and one of them is a mathematician. And they have just crossed the border into Scotland and they see a brown cow standing in a field from the window of the train.

And the economist says, 'Look, the cows in Scotland are brown.'

And the logician says, 'No, there are cows in Scotland of which one at least is brown.'

And the mathematician says, 'No, there is at least one cow in Scotland, of which one side appears to be brown.' ■

text
Theodor Vladasel

image
leiris202
Flicker page

Theodor Vladasel (22) is a Master's student in Organisation Economics.

THE LAND OF PLENTY AND THE LAND OF OPPORTUNITY

At the start of the 19th century, colonial-style mansions overlooking the calm white beaches of Latin America were about to be rocked by upheaval against tyrannical foreign dictatorship, which had kept Spanish and Portuguese speaking lands in the western hemisphere in its grips for 300 years. Meantime, the North American colonies were diligently advancing into the industrial era, having just recently escaped the shackles of British rule. Throughout the 19th century, Latin America – the land of plenty – lost its colonial shine when it failed to modernize its institutions, while the United States steamed forward into an age of prosperity. By the end of the century, the fortunes of these two lands had reversed, and their divergent performance is explained by the interplay of endowments, institutions and inequality.

The Conquest and Exploitation of Latin America

The brutal Spanish conquest of the Americas left standing only a minority of the indigenous population; in addition, the settlers' ranks were dwindling after encounters with new deadly virus strands. The logical decision then was to impose a system of forced labor that could efficiently exploit the tropical climate at the core

of the Iberian colonies, propitious for plantations experiencing large economies of scale. In the land-abundant colonial periphery, small-scale farming and animal breeding were more suitable. At this point, while the central apparatus of colonial rule had all the political power, two types of institutions in Latin America led to markedly different outcomes: the latter involved a more equal distribution of land and resources, but the former used slave labor – both indigenous and African – to counter 'chronic labor shortages' and reap plantation profits.

Rich, but Deeply Unequal

This rigid labor market, whereby local land lords (caudillos) could subjugate their feudal subjects into forced work, was complemented by a system of land expropriation, low wages, high taxes and high prices for products sold to unwilling natives. This type of governance led, over the years, to the 'institutionalization of inequality': elites had a virtual monopoly on extraction of all kinds of resources and were almost invincible masters of the land. As land, income and education inequality mounted during the more than 300 years of colonial rule, and as the Iberian empires started to lose ground, the growing internal pressures in the colonies resulted in a wave of

LATIN AMERICA LOST ITS COLONIAL SHINE WHEN IT FAILED TO MODERNISE ITS INSTITUTIONS

revolutions, spearheaded by Simón Bolívar and José de San Martín.

When Revolutions Change Little

By the end of the 1820s, much of Latin America had been liberated, ushering in a period of weak democratization and feeble development. Nevertheless, this did not entail significant breakthroughs in development: colonial elites were replaced by equally cruel, extractive local elites, exploiting low labor costs to gain international competitiveness and profits. The new rulers saw little need to modernize economically and politically, a crucial failure of Latin America to enjoy the fruits of high-margin world trade once it liberalized towards the second half of the 1800s. The lasting consequences of inadequate economic and social policy of the past are still visible: large levels of inequality foment political instability, further hindering the ability

Per capita income in Cuba
in 1700 was

67%

larger than in the American
colonies.



of governments to invest in catching up with their northerly neighbors.

Inhospitable Environments Favour Cooperation

The lands of North America, conversely, were far less valuable – so much so that the early 1600s draughts and famines threatened the first colonies' survival. However, recognizing that an insufficient amount of labor could be coerced into exploitation (especially in New England), systems were put in place guaranteeing higher levels of freedom than in Latin America. Although Southern states had similar institutions to those in the Iberian colonies, the influence of the more egalitarian Northern states was visible, and wealth disparities did not escalate as in their Spanish or Portuguese homologues. The potential for pursuing westward expansion meant that institutions needed to be fair – especially concerning property rights – if individuals were to be enticed into remaining in the original settlements.

Fairer Institutions Make Way for Investment and Growth

Trade between western outposts, coastal settlements and Europe led to economic development that was widely distributed in the society. Consequently, many individuals seized

the opportunity to invest and build their fortune, but as British taxes slowly increased, dissatisfaction among the Americans grew to such levels that the colonial yoke was violently cast aside in the Revolutionary War. The subsequently founded country expanded the past legal framework, allowing continuity of institutions and freedoms, which ultimately impacted growth. As education became available to more people, so their advance into the industrial era became quicker and more durable, further accelerated after the Civil War. By the beginning of the 20th century, the United States had forged ahead in living standards and was on the verge of becoming the world's largest economy.

Two Sides of the same Coin, or Different Coins Altogether?

The two tales contrast what Daron Acemoglu and James Robinson name 'extractive and inclusive institutions' in *Why Nations Fail* – while the former facilitate long-term plunder, the latter foster an environment of economic cooperation for the many, whereby policy works towards greater social integration and opportunity available to large swathes of the population. The continual exploitation of Latin America and its 'open veins' (Eduardo Galeano) has generated a perennial state of relative

underdevelopment, with only recent significant improvements. The two institutional systems presided over a 'reversal of fortune' (Acemoglu and Robinson), whereby per capita wealth improved substantially in North America (the land of opportunity) and was more equitably disputed. This has allowed greater stability, although inequality is currently increasing, while political and economic differences are splitting the American electorate. The pattern for Latin America has been much more clear-cut: state-financed expansion has usually failed, ending with misery for the working people and military confrontations to end regimes.

The End Result

That pattern is currently unfolding in Venezuela. Cycles of left-wing populism, built on petrodollars and designed to reduce mass suffering, are followed by crippling economic woes, usually surmounted through the usually forceful institution of new regimes. In light of Chavez' failed socialist revolution, Venezuela is now facing a crucial turning point, whose resolution will determine its future: will it continue the exploitative and manipulative policies, doomed to fail, or will it reshape its economic and political vision and aim for prosperity? ■

SEFA FRONT

MESSAGE FROM MEREL

Before we knew it was time to dry clean our suits and step on our bikes towards the Zuid As. Of course I am talking about the biggest student career event in Amsterdam, the Amsterdamse Carrière Dagen at the beginning of March. Entering the WTC on my right there were students having breakfast with recruiters. I got my badge and personal schedule and handed in my coat. Tout Amsterdam was present. Both recruiters of the biggest companies in the Netherlands and ambitious students, full of energy and ready to enter the working field. Off they went to their cases, presentations or informal personal interviews with a lot of coffee in between. Off course ending the day with a well deserved glass of good wine. Looking back on four hectic days I can say, it was an immense success.

The most important thing you will learn from visiting such career events, is the importance of extra curricular activities. All recruiters just check off the following requirements for a job at their firm:

- Board year
- Internship
- Relevant working experience
- Experience abroad
- Voluntary work

Luckily for you, Sefa offers you the opportunity to gain experience in all of above.

For internships and relevant working experience go to www.sefa.nl/career

For experience abroad, the first opportunity coming up is the possibility to apply for the Sefa Research Project Committee, in May. Don't miss it! Also, all of us can recommend going on an exchange semester. Keep an eye on the website of the Faculty for more information.

Through Sefa for Society you can use your enthusiasm and knowledge to help others! Go to www.sefa.nl/forsociety to find out how you can participate in volunteer work relevant to your study, and possibly your future career.

Ready for the next step?

Last but not least, for the ultimate challenge during your study and the best preparation to jump start your career, a board year at Sefa will make you stand out from the crowd. Go to www.sefa.nl/board

Whatever the future may bring for you, discovering where your interest lie and what you want to put energy into, is the most valuable knowledge.



Merel van Geel
Chairman Sefa board
2013-2014



TURQUOIS





seta



P.S. ROOM FOR DISCUSSION MOVED!

With support from the Faculty of Economics and Business the sessions will be held at the Amsterdamse Academische Club until June (Oudezijds Achterburgwal 235). Interesting sessions coming up:

April 9

Guy Standing en Bas Jacobs on a basis income

April 15

Chris Zook (Chamber of Commerce U.S.A. and strategy director Bain

May 6

Peter Wennink (CEO of ASML)

May 14

Pim Ballekom and Harry van Bommel on the European elections

A photograph of two women, likely from an African country, looking towards the right. The woman in the foreground wears a blue and white patterned headwrap and a yellow and black patterned shawl. The woman behind her wears a red headwrap and a white shawl with black and yellow polka dots. The background shows a window with vertical bars.

THE CURE FOR POVERTY

**text**

Dovile Venskutonyte

Dovile Venskutonyte
is a Bachelor student
in Economics.**images**New Course flicker
page, James Gordon,
HDPTCAR flicker page

Women are half of the world's population. Some statistics suggest that they comprise even more than half of people. This seems like such an obvious statement, not worthy to waste breath on, yet it is stressed in so many speeches and articles on development and poverty. It is so, because women often seem to be a minority in politics. I am not only talking about the fact that very few political decisions are made by women, but also that issues that predominantly affect women are often pushed to the side as being important for only a group of people in society. However, that could not be further from the truth.



There are 130 million children out of school.

2/3
of them are girls.

The cure?

There is a great variety of aspects to be considered, when developing plans to reduce world poverty, increase standards of living and create sustainable economic growth in the world's poorest countries. Of course, there are great numbers of both men and women afflicted with disease, famine and a poverty trap, however, specifically women's empowerment is now considered to be a separate issue in fighting global problems. It was famously said by the late Christophe Hitchens, an author and journalist, that the only know cure for poverty is the empowerment of women. Of course this idea has been around before that quote, but how true is it? A skeptic would say that western nations developed primarily through the industrial revolution, improvements in productivity and technological advancement. Only afterwards did women manage to start their liberation movements around the world. Since we do not have time or resources to waste when tackling the issue of world poverty, we should look at the evidence to determine if female empowerment really is the cure or merely a consequence of poverty reduction.

In the majority

There is one group, which is comprised by about 70 percent of women; sadly this group is the worlds poor. In the west, the feminist movement tries to increase female employment, especially in more senior positions as well as make their wages reach parity with men's from that very popular number of 77 dollar cents that a woman earns to every dollar a man puts in his pocket. Unfortunately, if we would look globally the situation is quite more severe. It has been estimated that of all the hours worked in the world 70 percent of them are worked by women, yet women earn only a staggering 10 percent of income. Although, "earned" is the wrong word to use in this case. Women earn much more of global income, but they receive only a 10th of it. The reasons for this are many. However, I would dare to argue that the vast

majority, if not all of them stem from the way we still perceive women. Even in developed countries, where women's liberation movements have changed so many things, we still hold prejudices against female leadership and economic empowerment, thus it is not surprising that developing countries, which did not have these movements, hold beliefs, which are far more archaic. This translates into several practical harms. Firstly, a large share of women's work is not only underpaid, but is entirely unpaid. This is primarily the labor put into child raising and domestic responsibilities, however it also includes womens work in family farms and outside of the family, the monetary reward for which is taken by males. Secondly, it is the lack of education. Because women's place is still seen by many communities as "in the kitchen", it is much less likely that they will be given the opportunity for education. I do not want to draw a picture of parents denying their daughters access to school for no real reason, since that is not the case. Schooling is a luxury in many developing countries for both boys and girls, since it is expensive, children often have to work from a young age to help the family survive and, of course, there simply aren't enough schools for all. Parents do not have the opportunity to send all and in many cases any of their offspring to and educational institution, however when they do have some opportunity they prioritize boys. This is a sad yet rational decision. Not only will most girls end up in the household, they also have less career opportunities, even with an education. This creates a vicious circle, where gender norms prevent women from advancing, thus creating a less educated and unempowered generation of women, which does not have the opportunity to change those customs and hence another generation of poor women is raised. Also, the jobs that are available for men and women, both in the developed and developing world often have large differences in wages. I am not speaking of high management positions, but blue-collar work.



Women end up in care taking or secretarial jobs or work in the clothing industry, while men have access to, admittedly sometimes more dangerous, but more paid, construction, merchandise, transportation or sales positions.

Mothers

It is obvious that reducing the poverty of women reduces overall poverty, since most of the world's poor are women, but there has been quite a bit of research done to investigate the impact women empowerment has on poverty reduction beyond the direct effect. The results support the idea that this effect is very significant, but why? A major reason is that female empowerment is a major factor in population control. Even though developing countries suffer many problems, such as high mortality, disease, hunger and poverty, their birth rates are very high. A population, which grows too fast, is difficult to support, since there are more and more people that need help. When women get some say in their family planning decisions, they tend to have less children, but the ones that they do have get more opportunities in life. It is more likely that they will be better cared for, have more access to healthcare and education and have more resources allocated to them. Population ►

KOFI ANNAN:

AND YET RESEARCH IS ALSO CLEAR THAT WHEN GIRLS REACH THEIR FULL POTENTIAL, THROUGH IMPROVED STATUS, BETTER HEALTH CARE, AND EDUCATION, IT IS THE MOST EFFECTIVE DEVELOPMENT TOOL FOR SOCIETY AS A WHOLE. AS A COUNTRY'S PRIMARY ENROLMENT RATE FOR GIRLS INCREASES, SO TOO DOES ITS GROSS DOMESTIC PRODUCT PER CAPITA



control is of great importance to the developing world to lift their populations out of poverty and assure sustainable growth.

The entrepreneurial sex

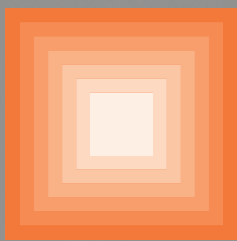
Furthermore women in poor countries tend to be different economic actors. Partly because there are cultural barriers for women to pursue careers as employees, they tend to be quite entrepreneurial. This is one of the reasons why micro-financing institutions often target women. Research suggests that they have less investment risk and are more likely to allocate their income to their families and communities. Also, women farmers, who get an investment often, end up creating employment opportunities to others in their communities. It has been shown that increasing the access to resources for female farmers has large effects on their productivity, which makes it less likely that they and their families will go hungry. Another major benefit comes from women gaining access to basic technology. Domestic responsibilities as simple as doing laundry take no time for us, but in developing countries they are very time consuming. However, when technology such as washing machines is provided to women, they tend to pursue entrepreneurial activities in the time that they gain.

Not only, are women eager to create their own business, they are also more likely to support their extend families and communities with their income. When women become important economically they gain much more bargaining power in the family and society, which makes it more likely that their children will have an education and their families will be healthier.

The long road ahead

Things are getting better for women around the world: education for girls is increasing, mother mortality rates are getting lower and it seems that the outlook on women is improving. However, just because some advancement has been made, it does not mean that that is good enough. Women are half the world, yet they are still a marginalized group. The pace at which this is changing is not good enough, since with every generation we leave millions of girls and women behind. The lack of gender equality should be reason enough to pursue policies, which help empower women, but there is so much more to the story. There is strong evidence to suggest that female advancements absolutely crucial for reducing poverty and liberating disenfranchised communities. In a nutshell, empowered women, empower society. ■

Looking for a job,
internship or
traineeship?
www.sefa.nl/career



sefa

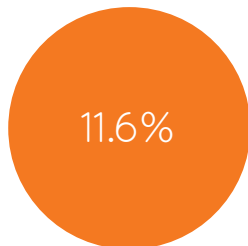


source
UN, Forbes,
Zenger Folkman

WE WANT WOMEN LEADERS, BUT WE DON'T WANT WOMEN LEADERS

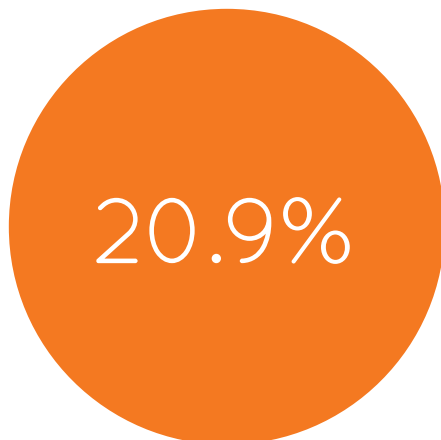
POLITICS

1995



HILARY CLINTON:

TOO MANY WOMEN IN TOO
MANY COUNTRIES SPEAK THE
SAME LANGUAGE - OF SILENCE

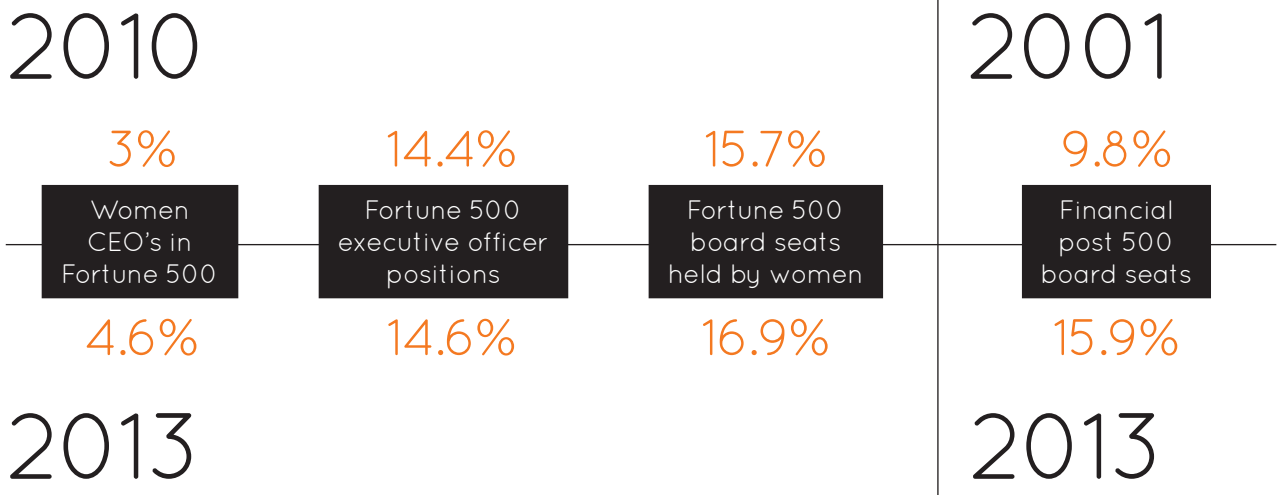


Highest number of women
parliamentarians in the world

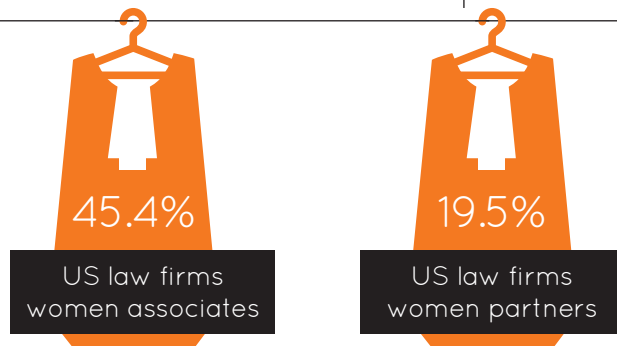


2013

BUSINESS

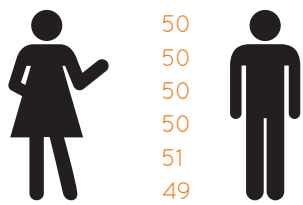


1 in 5 companies with over 1\$ million in revenue are owned by women.



SURVEY ON 7280 LEADERS IN COMPANIES HOW WERE THEY EVALUATED BY THEIR COLLEAGUES?

	Female	Male
Takes Initiative	56	48
Practices Self-Development	55	48
Displays High Integrity and Honesty	55	48
Drives for Results	54	48
Develops Others	54	48
Inspires and Motivates Others	54	49
Builds Relationships	54	49
Collaboration and Teamwork	53	49
Establishes Stretch Goals	53	49
Champions Change	53	49
Solves Problems and Analyzes Issues	52	50
Communicates Powerfully and Prolifically	52	50
Connects the Group to the Outside World	51	50
Innovates	51	50
Technical or Professional Expertise	51	50
Develops Strategic Perspective	49	51
Overall Leadership Effectiveness	53	49



CHRISTINE LAGARDE:

IF LEHMAN BROTHERS
HAD BEEN LEHMAN
SISTERS...

(Average of 49 Leadership Items)





text
Sophie Yang and
Klara Keutel

images
Sophie Yang, from
personal archive

illustration
Yvonne Roos

3 COUNTRIES, 3 WOMEN, 3 EXPERIENCES

Women's participation in the economy has always been a widely discussed topic. As a woman, life can be very different depending on the country you live. Women's workplace participation can be promoted or hindered by a set of factors that are specific to the economy, society and culture of each country. To better understand the lives of women in different cultures, Rostra interviewed three women from three different countries currently living in Amsterdam. They were originally from Australia, Iran and Japan.

1 PAULA O'CONNELL, AUSTRALIA

What is the story behind you starting your own business in a foreign country?

I first came to Europe from Australia for a short term project with my previous company. They had bought a number of Dutch recruitment firms and I was here to assess the synergies across the businesses. In doing so, I also saw a gap in the market here: no one was in the field of searching for talent in the international marketing area. It was at a time that the internet was just starting to be accessible to everyone, and the world was getting much smaller. Companies were seeing the advantage of centralising their marketing efforts and hence O'Connell Executive Search was born.

It was very difficult at the beginning. It was the year 2002, just after "9/11" and the Enron collapse and the economy globally was not strong. I was day-in, day-out on the phone trying to find prospective businesses but after five months, I still didn't have any business. I thought about giving up but as I had a commitment on my office lease, I continued anyway. Finally, after six long months, I secured some clients and continued from there. By the following year, I was able to actually pay myself as well as make a start to grow the business and employ staff. ▶



IN AUSTRALIA IS THAT THEY HAD 'POSITIVE DISCRIMINATION' LEGISLATION WHICH ENCOURAGED COMPANIES TO HAVE A CERTAIN PERCENTAGE OF WOMEN ON SENIOR LEVELS

About Paula O'Connell

Originally from Australia, Paula moved to Amsterdam more than ten years ago with her previous employer. In 2002, she established O'Connell Executive Search; an Amsterdam based firm specialising in finding international corporate communications and marketing professionals for global companies based in Europe.

Have you faced any difficulties when you do businesses as a woman?

I've not experienced difficulties but have had the odd awkward moment. For example, when I was still working for my previous firm in Amsterdam, I attended a meeting of all our business leaders in which I was the only woman present. I thought nothing of it. There was a pot of coffee on the table so I asked the others whether they wanted some coffee. The men got really uneasy about my offer because they thought I was being subservient by pouring coffee for them. That was something remarkable! I just wanted a coffee.

I also experienced odd comments when I first started this business. I was often asked if it was my father's business. Such attitudes worked in my favour, however. By assuming that I couldn't possibly build a business on my own, I was quietly, under the radar, able to build with minimal competition.

Do you see a difference in attitude between Australian women and Dutch women regarding careers?

I think that despite all the progress here in the Netherlands, there is a subtle thing in the Dutch society that suggests women should not be working once they start a family.

It can prevent women from gaining more working experience and may partly explain why it generally takes a woman longer to be promoted than men.

I really support the initiatives to encourage more women at senior executive levels. It will help increase the number of women in businesses by having the right role models in place and help change negative preconceived ideas. In fact, one of the differences in Australia is that they had "positive discrimination" legislation during the 1980s and 1990s which encouraged companies to have a certain percentage of women on senior levels and you see the positive effects of that now.

What is your leadership style and where do you want to go next?

I like to be inclusive. A leader should set a clear direction and ensure her team has the skills, capabilities and input to truly contribute. Every single one of my employees is important in helping our business meet its goals; it's a bigger entity than any individual. I am personally inspired by how our business helps facilitate an individual's career growth.

I think I have changed a lot since I became an employer. I don't go after the job titles and trophies any more. Now

FOR IRANIANS, IT IS MORE
COMMON AND POPULAR TO
STUDY ENGINEERING,
ARCHITECTURE OR MEDICINE,
EVEN FOR WOMEN



About Shirin Rak

Shirin is originally from Isfahan, Iran's third largest city. She is married to a Dutch husband and moved to Amsterdam in 2011. Before coming to the Netherlands, she obtained her Bachelors degree on the English language in Iran. She is currently studying Economics and Finance at UvA.

I really enjoy working with my team, helping them grow and creating a nice working environment so we all enjoy coming to work. We all really like working with our clients and giving them a truly “wow” business experience.

2 SHIRIN RAK, ISFAHAN

What is it like to be a woman in Iran?

I think Iran is quite liberal as an Islamic country. Even though women have to wear hijab in public places in Iran, the rules are not strict. Burka, worn by women in other more conservative Islamic countries which covers the faces of women, is forbidden in Iran. I know that in some Arab countries like in Saudi Arabia, women are not allowed to drive or hold sales jobs but that is not the case in Iran. The Iranian culture is completely different from the Arabian culture even though we are all Muslims.

Are Iranian women conscious about their rights in the society?

I think in Iran, women know their position well and they are willing to fight for their rights. They are ambitious and they actively participate in the workforce. A large percentage of women from the cities pursue higher education. They hold jobs in the government, as medical doctors and engineers. For Iranians, it is more common and popular to study engineering, architecture or medicine, even for women. Many of my female friends from university got scholarships and studied abroad. My sister is also studying hydrology and water management in Europe in a PhD program. Most Iranian students in the Netherlands are in Delft studying engineering.

What is the attitude of Iranian women toward career opportunities?

I feel that a lot of Iranian women want to grow and want

to be independent. They want to pursue a career and they don't choose to stay at home. It is not like it used to be: in the past, husbands had the rights to stop their wives from working and to force them to stay home. Now they have a choice between working and staying home. Women nowadays tend to get married later and even if they did get married, they are delaying to have children. The divorce rate is increasing as well. I talk to many of my friends back in Iran and they tell me that their priority for now is their career. Only some of my friends got married, most still single.

Do you think any changes need to take place in the Iranian society?

Because Iran is a very closed country, it has little interaction with the Western culture. Iran is like a country encircled and is only growing within that circle. I would say that although the society is improving itself, the isolation limits the country from growing further. It is getting better but far from perfect. Of course women have freedom to a certain extent but definitely not complete. For example, a woman's future is still dependent on where she was born to: whether she is from the city or rural parts of Iran; whether she is from a family that is more open or close minded. If you ▶



IN JAPAN, GIRLS ARE EXPECTED TO BE VERY 'LADYLIKE': FOR EXAMPLE, THEY CANNOT SPEAK OR LAUGH VERY LOUDLY IN PUBLIC AND IF THEY DO, THEY HAVE TO COVER THEIR MOUTH WITH THEIR HANDS

About Uno Shinagawa

Uno, originally from Japan, came to Amsterdam about five years ago in 2008. In 2009, while her husband who is also Japanese, worked for an architecture design office in Amsterdam, Uno decided to start her own Japanese style catering company: UNOBENTO. The elaborately decorated Japanese style "bento-box" (lunch box) is tasty as well as visually appealing. Since its launch, Uno-bento has been a success and is loved by fans.

come from a small village where people are more conservative, as a women, your opportunities will be very limited.

When the Arab spring happened, the reaction in Iran was not that big although we are located in the heart of the Middle East. It was because although Iran is economically sanctioned, the situation there was not that bad: we still have the oil money and people can still live a fairly comfortable life.

What are your goals in the future?

When I first came to the Netherlands, I was homesick for a while but everything has become much better after my Dutch improved. For now, my goal is to finish my studies at the UvA and find a job in Amsterdam.

3 UNO SHINAGAWA, JAPAN

What is the story behind you starting your own company in Amsterdam?

After I arrived in Amsterdam, I was making traditional

Japanese lunch boxes: bento for my husband to take to work everyday. In Japan, the mothers and wives usually make very creative and artistic bento boxes for their children and husbands. My husband's Dutch colleagues saw the bento and they were very curious about it since most people here associated Japanese food with only sushi or tempura. They asked me whether they could pay me to make bento for them as well. I started with two boxes a day and that number grew to more than ten after a little while. I saw a business opportunity there so I decided to start a company.

It was very difficult at the beginning. Although I loved the designing and cooking part of the business, I did not have much knowledge about business management. I had difficulties with business planning, pricing and marketing. It was thus very frustrating but as I gained more experience with the operations, I learned to set a core value and to be flexible to leave room for improvisation. That strategy worked quite well and my working schedule is completely full now.

What are women in Japan like?

Japan is traditionally a very patriarchal society and I think even though the Western culture had much influence on



it in the recent years, the society at large is still unchanged. In Japan, girls are expected to be very “ladylike”: for example, they cannot speak or laugh very loudly in public and if they do, they have to cover their mouth with their hands.

In Japan, generally the husbands are the breadwinners and the wives stay home to take care of the children. Support from the family, workplaces or the government for women who want to continue working after having children is still very limited. Many of my friends back in Japan are housewives as well. They are all university graduates and it’s just a pity to see talents being wasted.

What are women’s attitudes toward their rights or having a career?

Most of the girls whom I went to high school with wanted to get married around 25 and have two or more children before the age of 30. They did not talk much about what they wanted to do as a career, I guess most of them knew that they were going to become housewives after getting married. Most women, especially in smaller cities, just accept the social expectations and they do not realise that they have alternatives. It is difficult especially

if they do not know many women around them who continue to work after having children.

Do you think you have changed after coming to the Netherlands?

Definitely. I realised that I have changed whenever I go back to Japan or talk to my friends from Japan on the phone. I used to be very passive: just complaining but not taking any actions. I think a lot of my friends are like that, too. The experience of living abroad made me understand that things are not fixed in a certain way: it can be changed if you took action. I am not afraid to speak out my feelings or ideas any more.

Also, now that I live in a world outside Japan, I can see the society more objectively. In Japan, people are very scared to be eccentric, they don’t want to be seen as someone who “sticks out” from the crowd. Living in such a diverse Amsterdam culture, I learned to accept people who are very different from me. I learned that you can be “different” from everyone else.

Even if I went back to Japan, I don’t think I will go back to the way I used be. Other Japanese may think that I “stick out” too much, but I don’t care about that anymore. ■



LAAT JE STEM HOREN

STUDENTENRAADSVERKIEZINGEN 12-16 MEI
VERKIEZINGEN.STUDENTENRAAD.NL

STUDENT COUNCIL ELECTIONS

The student council elections are coming up and once again you will be bombed with orange juice, pink cookies and sweets: all of this just to get your vote. But is that all what's it about? Why should you vote in the student council elections?

The student council is an official legal body that is part of the faculty. Its task, as cliché as it sounds, is to represent the interests of students to the board of the FEB and the UvA. On the first of September, after an intensive preparation period, the members of the council begin their work. Ideas from the elections have to make place for an overflow of information. There are many on-going files and changes developing right from the start. All the skills and determination are put into practice to gather as much information as possible to be well prepared for discussions with the faculty board. All of this is done in order to transmit the perspective of students so that, in cooperation with the faculty board, decisions, which are in the interest of students, are made. It is obvious that the inclusion of students' opinions into the decision making process is necessary for a successful university. It is up to you to decide on whether your opinion and interests have been well represented so far. However, due to the efforts of the student council many important changes have already been made. For instance that the opening hours at the University Library at Singel have been extended and also masters students can now go on exchange. Another example is that your faculty is still here and did not merge with another university. The student council together with the employees' council exerted its right not to consent with the recent ambitious endeavour of the board of the university to merge the science faculties of the UvA and VU.

As you can see, the university is not asleep and many exciting things are taking place here. So do not be silent, make sure that the people who will sit in the student council next year represent your opinion.

How do the elections work?

First of all you are represented in the student council on two levels: the faculty council and the central student council. The latter deals with central policy and matters that vary from organizing the yearly elections to deciding whether an education program can be taught at the University of Amsterdam. The faculty council works on... it has been specified above (in our view it doesn't fit in this part of the article)

The elections will take place from the 12th until 16th of May. You can easily vote online at stem.uva.nl. You can read about the candidates in more detail at verkiezingen.studentenraad.nl or you can just come and meet them on the faculty premises, during the election week. We are sure they will be waiting for you with numerous attractive treats. And do not forget that you can vote not only for your faculty student council, but for the central council as well!

This year there will be two parties running at the FEB: List Sefa and Studentenpartij MEI. You can read more about them at sefa.nl or kiesmei.nl !

If none of the candidates or parties appeals to you this year, consider running yourself as an independent or perhaps starting your own party for next year's elections. Check out the parties' proposals and candidates in advance, log in with your student number and make a difference!

So, what do you think happens after you have voted? Do you have to wait until next year to get some more orange juice and cookies again?

Not quite, after the candidates are elected, the members of the council divide their positions internally. Like tigers they cannot wait to sink their teeth into various files and make sure that you do not have any re-sits on the same date or that your lectures are recorded. These are just a few things we are working on.

If you have an idea or suggestion, or you think that the faculty should be heading in a different direction please express it and do not hesitate to get in touch with us. Write us an email at fsr.feb@studentenraad.nl.

Also, this year, to improve our communication and to increase transparency, the student council has developed its new website studentenraad.nl/FEB. Here you can find the minutes of all our meetings and get to know what the student council is currently working on and what the long run plans are.

Faculty Student Council of the Faculty of Economics and Business, University of Amsterdam

FSR CONTACT INFO

Website: www.studentenraad.nl/feb

E-mail: fsr.feb@studentenraad.nl

Facebook: www.facebook.com/UvACouncil

Tel.: 020 - 525 4384

FOR SOME
REASON, I WAS
NOT SATISFIED
WITH A
CONVENTIONAL
WAY OF SOLVING
PROBLEMS



ACCURACY, EFFICIENCY & HONESTY

Many of you, I am sure, are considering starting their own business once you leave UvA. However, a few have started already. Gkalogianis Koutsogiannis, is one of them, and he has taken couple of minutes to share his experience with us.

Young, bearded Greek opens his doors to invite his guest inside, to the living room. His name is Ioannis Gkalogianis Koutsogiannis, but his friends call him simply Giannis. Before giving any room for questions or debate, he puts on the table the traditional Greek delicatessen – bread and olive oil with olives, his own import. Not hiding any pride he offers some of the food and says “so, what about the interview?”. What follows now, is the outcome of our answer to that question, and the consequence of consumption of a pile of olives with bread.

Do you have the so-called “entrepreneurial” spirit?

I always had the tendency to search for alternative ways of doing things and the desire for implementing innovative solutions. For some reason, I was not satisfied with a

conventional way of solving problems. Consequently, when I got my first job I found myself unable to follow and comply with rules that did not make any sense to me. I wanted to be creative and to run the operations my way. Most of all, I wanted to create something new, that would bring value to the customer. So I would say, yes I do have a bit of “entrepreneur” in me.

Since you disagreed so much with the old ways, could you share your own views on the way a business ought to be conducted?

A business for me should serve society and society’s interest. The last few decades businesses have been fiercely pursuing profit maximization and they have forgotten that their primary task is to meet consumers’ needs. I believe the reason a ►



**Ioannis Gkalogiannis
Koutsogiannis**

Import-export mediation of
Greek biological groceries

Currently second year Economics
and Business administration
(track Economics and Finance)

Obtained his first undergraduate
degree at university of Glasgow
in Social Sciences

I WOULD LIKE TO SHARE MY OPINION THAT OVERPRICED PRODUCT AND SERVICES ARE MAJOR CONTEMPORARY ECONOMIC PROBLEM

business should switch its strategy towards this direction is the growing customer awareness. Nowadays, consumers become more aware of their real needs and therefore only businesses, which meet those needs, could survive in the long run. In addition, information transmission nowadays is as fast as never before. Thus, it is easier for consumers to identify businesses, which pursue socially responsible strategies.

How did you get into the olive business then?

Since 2008, when Euro crisis broke out, I have been thinking about the economic potential of my homeland – Greece. Greece has (in relative terms) large and cheap export oriented organic food production. Its organic olive products, feta and other groceries are being shipped to all major European markets. Where, thanks to their high quality they are resold for double of the production and transportation costs. I believe that this overpricing of Greek products brings about major economic inefficiencies and welfare loss. Initially, this was only a hypothesis of mine. However, when I got a job in an organic food store here in Amsterdam, I realized that my guess was very close to the truth. Importers' profit margins were ridiculously high! I could not sit by and watch. My first move was to contact producers in Greece. Then, I spoke to my manager and explained that I can get almost all of the Greek groceries at much larger discount. After presenting her with the product samples, she was amazed, and gave me green for my first deal for olives.

What are the biggest challenges when finding the right producers?

I would say the hardest part is to find the right combination of price and quality. The products that I want to trade have to be of great quality but they also have to have a competitive price. Organic Greek products, although generally of very high quality, are often produced in quantities that do not always allow competitive prices. This contradiction between price and quality makes the task harder but not impossible.

What qualities does your counterpart have to have to earn your trust?

The three things I value most in a potential supplier is accuracy when it comes to arrangements, efficiency during the production process (to provide competitive price to quality ratio) and finally honesty.

How do you intend to operate your business in the future?

My short-term plan is to increase the scale of my exports in order to reduce per unit transportation costs. If I manage to achieve this then I will be able to provide consumers with organic food in a more competitive price. In addition, increase of the quantities will give me greater negotiation power when haggling over prices with the suppliers.

Do you have any final thoughts to share with our readers?

At this point, I would like to share my opinion that overpriced product and services are major contemporary economic problem and the worst consequence of inefficient markets. Therefore, it is important that socially responsible businesses strive to eliminate them.

Giannis, thank you for your time and delicious olives, and good luck in your business! ■

Arthur Schram

I DO NOT HAVE ENOUGH FEMALE COLLEAGUES



Arthur Jan Hendrikus Christoffel Schram is a professor of experimental economics at the Amsterdam School of Economics as well as the director of CREED. He launched his career by graduating cum laude with a Masters in Econometrics from the University of Tilburg and later achieving a Ph.D. degree (cum laude) at the University of Amsterdam.

It is remarkable how few of my colleagues are female. Why do so few women make it to the top of the academic career ladder? There is serious research into this question and many reasons have been put forward, but there does not yet seem to be a consensus. I want to look at this question from a personal angle.

But first: is it really a problem? The numbers say yes. At the student level the problem is relatively minor. Consider the Experimental Economics course I taught last year. 64 students finished this course, 28 of them were women (almost 44%). This seems quite representative for the economics programs. The average final grade for women was 7.34. For men it was 7.33. The conclusion that women are at least as good as men confirms what most professors at the FEB claim. This is important, because it means that women do not start a possible academic career at a disadvantage.

This starting point is quickly lost, however. If I look at the people working at my institute (CREED) over the last ten years, I see that 21% of the PhD students and three of the four PostDocs are women. However, only 17% of the assistant professors and none of the (ten) associate or full professors are women. Somewhere, somehow, women drop out.

Why? Obviously, this is caused by either the supply side or the demand side. On the supply side, women may simply be less inclined to participate in the rat race. There is indeed some

PERHAPS,
WOMEN ARE NOT
AS GOOD AS MEN.
THIS I REFUSE
TO BELIEVE.

evidence that women shy away from competition more than men do (for some nice work on this, see our very own Thomas Buser's work – yes, a man). It is my gut feeling that this is not the whole story, however. It may explain the drop in female representation from the undergraduate level to PhDs. But getting a PhD is a very competitive activity, and women who do so show that they do not shy away from competition. Yet, they tend to drop out after finishing. Perhaps (also supply side), they are not as good as men. This I refuse to believe. True, I have no hard numbers, but I have never heard anybody argue a gender difference in PhD quality. A final supply side effect could be that having a family is disadvantageous to pursuing

a career and that this is stronger for women than for men. This could be true, but should not be a problem for women themselves. If this effect is real, then recruitment procedures and career advancement decisions ought to correct for it. This can easily be done in a way similar to the procedures used by science foundations when awarding grants. This makes the supply-side effect a demand side problem.

There is another demand side problem. Most academic recruitment and career advancement decisions in economics are made primarily by men (simply because we are in such an extreme majority). It has been said that men apply different criteria than women and that male criteria tend to focus in attributes that are typical to men. I have been on many such decision committees. I have always thought that I keep an open mind and consider candidates without gender bias. In fact, I would like to have more women amongst my colleagues, because I like diversity. Many of my male colleagues share this feeling. However, the numbers and the above analysis seem to show that we do not choose accordingly. If the only remaining argument in explaining the gender imbalance is on the demand side, then we are doing something wrong. My mentality has to change. But how? ■



text
Milian Bachem

image
iiawards Flickr page

Milian Bachem is a Bachelors student in Economics and Finance

THE ROLE THAT GENDER PLAYS IN HEDGE FUNDS

Let me start this article by going back to the 26th of April. The setting, is at lecture hall at the University of Virginia, where a symposium is being held between students and a panel of five guests who are the leaders in the world of finance, and specifically hedge funds. Among the five guests is Mr. Paul Tudor Jones who is the manager and founder of Tudor Investment Corporation. Towards the end of the symposium one of the students in the audience asked the panel, why the panel only featured “rich, white middle-aged men”. Mr. Jones answered that question by saying that “having a baby is a focus killer” and that “as long as women continue having children, the industry is likely to be dominated by men”. He added that “as soon as that baby’s lips touched that girl’s bosom; forget it”.

Go the other way

“The reason for this is that trading requires a very specific skill set and focus that is vulnerable to emotional

events, such as divorce. The emotional distraction that comes from divorce is so overwhelming, that you can automatically subtract 10 to 20 percent of the ability from any manager if he is going through a divorce. The same is true for women who have children.” These statements above proved very controversial. The organizers of the symposium had to send an email to the students and the staff apologizing and clarifying the remarks. Following the symposium one of the female alumni who had become successful in hedge funds herself, sent an open letter to the University of Virginia. In the open letter she wrote that not all men in finance had this view and that, as a women in finance you come across a person like this you should “go the other way”. Both parties certainly have strong viewpoints, but only one of them actually backed up their views with data.

Numbers don’t lie

Heads-up for all the guys studying

finance or economics and finance that aspire to become hedge fund managers (full disclosure: I’m one of them) - and this one might sting! From January 1 through to the end of November 2013, the small number of hedge funds that are run by women have out-performed their male rivals by 3.67%, which is a gigantic number if it’s multiplied by amount of credit these hedge funds manage. The numbers are even more staggering if you look at the return between 2007 through June 2013, a period that includes the worst financial crisis of the current century. Female hedge funds returned 6% on average, while their male equivalents returned a negative 1%. The Rothstein Kass (the company that did this research) audit partner, Kelly Easterling says women outperform men primarily for two reasons: their approach to risk and the size of the funds they manage is different from their male counterparts. Research has shown that women take less risks, are less likely to



The 2009 Rising Stars of Hedge Funds, selected by the editorial staff of Institutional Investor News.

RESEARCH HAS SHOWN THAT WOMEN TAKE LESS RISKS, ARE LESS LIKELY TO BE OVERCONFIDENT AND TRADE LESS OFTEN, WHICH ALL IS LIKELY TO ADD UP TO STEADIER RETURNS

be overconfident and trade less often, which all is likely to add up to steadier returns. Meanwhile, because they tend to run smaller funds with fewer assets, women can move in and out of positions more readily than male peers dealing with larger funds. It also shows a sad truth that statistics like these are even needed. For an industry that has always been fast to adopt new technology and talent, “feminization” for lack of a better word, has been largely ignored. If you look back at the stock market 30 years ago, it was a very different place from what it is now, with most of the trades done by hand and by people that had never seen the inside of a university. Now,

most trades are done by computers and the people that operate/program them, have flashy PhD’s in mathematics and physics. Ignoring women is not just sexist and narrow minded, it’s also a bad business decision. By excluding all women, your talent-pool and thus potential earning power is halved.

Same treatment

Despite these characteristics and results there remains a resistance for the organizations that make money from hedge funds to hire women. While I am not a fervent proponent of a big government, I do think that the legislature has the primary

responsibility to iron out the inequalities in business. There are too obvious examples: Firstly; require hedge funds to have a certain percentage of women and second for women to have access to broader networks that will allow them to raise capital and hold more positions. Some may see positive discrimination policies as favoritism toward women; those people however are getting the point totally wrong. There is a big difference between equal treatment and the same treatment. The first creates gaps in equilibrium, as we do not all have the same opportunities for whatever reason. The same treatment however facilitates equal opportunities and a more “fair” labor force.

To end on a positive note, the returns have shown the accomplishments and perseverance of women in hedge funds and if these excess returns stay the same on the long run, more and more companies must start considering women. ■





EXCHANGE IN THE LION CITY

While studying in Amsterdam was already going abroad for me, I was sure from the beginning that I would use the opportunity to go on an exchange. When it came to deciding where to go, the first thing was to decide whether it should be Europe or somewhere outside. As I had seen most European countries previous to my studies, but had never travelled outside, I realized that this would be a great way to see a new part of the world. South America was an option, but unfortunately it was not open for me due to language barriers, and after looking at the partner universities I singled out three destinations – Singapore (as my first choice), Hong Kong and Auckland. Luckily I got accepted and could start packing.

How was the life in Singapore and the city itself?

Singapore is extremely clean and safe. I could literally leave my computer in the park, go somewhere to eat and come back being sure it's still there. There are tons of rules, most ridiculous to me – no chewing gum allowed in the country and drinking water is not permitted in the metro (or the stations). Breaking any of the rules results in huge fines. It has to be said, I didn't get any and I don't know

anyone who did. On the other hand, the nightlife is totally crazy, a lot of good clubs, and many of them are very high up in skyscrapers, one even on top of the building.

Different parts of the city are very contrasting, there is the famous Marina Bay with a beautiful skyline, Little India and Arab streets are there as well. On the other hand, there are areas stricken with poverty. Oh, and the food is incredibly good and it's cheap.

How was the university and the studies?

My exchange university the National University of Singapore. While the studies were interesting enough, what I remember the most is the campus. That was my first experience of living on campus and it was amazing. It had a pool, gym, tennis courts, numerous food places as well as study places of course. The heart of campus is the Starbucks, which is open 24 hours a day. At any time you could go there and find someone you know, it was a nice meeting point. Most of the time I stuck with other exchange students, and there were a lot of them as Singapore is a very popular exchange destination. Singaporeans study a lot, and it is mainly due to their grading system. In Amsterdam you can study a certain amount to get a certain

grade. If you are ok with just passing, you study just enough to get a 6. In Singapore your grade is relative to how other students do, therefore they study all the time to beat others and are not that keen on helping others. I can remember quite a few times, when I came home after going out and my Singaporean roommates were still studying.

What was the overall experience?

Going abroad to Asia also allowed me to travel around quite a lot and that was just as important to me as being in Singapore itself. It is also conveniently located between Malaysia and Indonesia, and has a big airport, with some not that expensive airlines. Trips around South-East Asia became just a casual weekend thing. The weather was really hot, but I loved it. Singapore is quite European like (at least for the most part) and English is one of their official languages, so there was no real culture shock. But if you go to any of the nearby countries you will experience a whole new world. And while I haven't really heard any bad reviews from my friends' exchange experiences wherever they went, I can definitely recommend Singapore as a top destination. The sun, the food, the travelling and new friends made this possibly the best time of my life. ■



CARS HOMMES WINS DISTINGUISHED LORENTZ FELLOWSHIP

Dr. Cars Hommes, professor of Nonlinear Economic Dynamics at the University of Amsterdam, has been presented with the Distinguished Lorentz Fellowship 2014. As a Fellow, Hommes will spend ten months carrying out interdisciplinary research on complexity models for predicting economic behavior.

STATISTICS DEBUNK OLD ASSUMPTIONS ABOUT TENNIS

With the first Grand Slam tournament of 2014 completed, professors Franc Klaassen of the University of Amsterdam (UvA) and Jan Magnus of the University of Tilburg (UvT) and VU University Amsterdam (VU) present their book *Analyzing Wimbledon*, in which they subject the sport of tennis to a thorough statistical analysis. The book presents many ideas, including a method for updating each player's odds of winning a match after every point scored.

Publication details: Franc Klaassen and Jan R. Magnus, *Analyzing Wimbledon: The Power of Statistics* (Oxford University Press). ISBN 9780199355969.

A WORLD-CLASS COMPANY NEEDS WORLD-CLASS TALENT



Working at Shell, you could be helping us tackle one of the great challenges facing our world today – meeting the energy demands of a fast growing global population.

Shell is a company of firsts, so we're looking for fine minds that thrive on innovation. We need people who want to get involved and make a difference. We believe in making the most of resources, whether that's working to build a better energy future or encouraging people to achieve their potential.

So our graduate programme is designed to allow you to use your talents to the full on a range of major projects. We look to provide day to day responsibilities that will help you grow through experience. Continuous learning is also an effective way to develop your strengths.

Everyone has a part to play, from IT, HR and Finance to Sales and Marketing, Supply Chain, Contracting and Procurement and Trading. To find out more about opportunities with Shell, visit www.shell.com/graduate

Let's deliver better energy solutions together.



Shell is an equal opportunity employer





CAN YOU MANAGE sefa

Application Deadline April 13th

For more information on a board year at Sefa,
go to www.sefa.nl/board (Fluency in Dutch is required)

65 events
4500 members
200 active members
250 company contacts