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**Gender Equality for Regional Growth**

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# Gender Equality for Promoting Economic Development

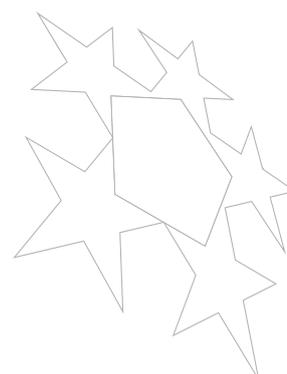
There is an increasing understanding that gender equality is an essential precursor for promoting economic development, in addition to being central to fairness and inclusive societal development. A lack of gender equality between women and men, implies that human resources are not being harnessed to their greatest extent for the development of the economy, and society at large. In economic terms, gender equality thus broadly means utilizing everyone and letting everybody – both men and women – be assets on which to build development through e.g. employment in the labour market, higher education, research, innovation and entrepreneurship. In this issue of Nordregio News we focus on the discussions of how gender equality and economic development are related.

Viviane Reding, Vice-President of the European Commission in charge of Justice, Fundamental Rights and Citizenship, has been quoted as saying: *“The economic case for getting more women into the workforce and more women into top jobs in the EU is overwhelming [...] We can only reach our economic and employment goals by making full use of all our human resources – both in the labour market as a whole and at the top. This is an essential part of our economic recovery plans”.*

The so-called horizontal and vertical gendered inequalities of the labour market – including a gender pay gap – are thus taken to hamper economic and societal development, in addition to not being just. Under the Europe 2020 strategy, the European Commission has

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therefore highlighted the need to promote a better reconciliation of work, family and private life. Particular foci include adequate child-care, more access to flexible working arrangements, and by making sure tax and benefit systems do not penalize a second earner. Fulfilling these needs can help to make sure more women enter and remain in the labour market.

In the first article **Inequalities Risk Hampering Economic Development**, I take a closer look at the arguments on how gender equality contributes to economic development and discuss the concepts that support the economic innovative and business ‘cases’ for gender equality. This is done against the back-drop of a description of some of the gendered inequalities in the EU. The article also features examples on policy initiatives for coming to terms with gendered inequalities.

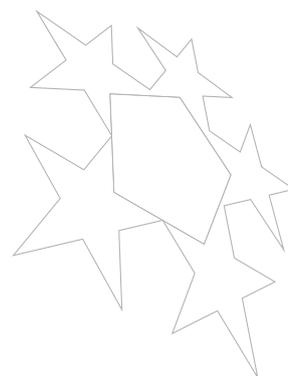
In her article **Gender Aware Management for Increased Innovation Capacity**, Marita Svensson deepens the discussion on how gender equality work has led to economic growth, increased innovation and attracting skilled personnel in the innovation system Fiber Optic Valley, in Sweden. Special attention has been paid to the role of managers, particularly middle managers, in the work for gender equality, as they have the power to define the conditions for work in their organizations. The case of Fiber Optic Valley has resulted in managers viewing both women and men as assets and utilizing their competencies – and also realizing that gender equality is great for developing new products.

In the last article **A Renewed Focus on Gender Equality in Iceland**, by Lise Smed Olsen, the lights are set on Iceland. Iceland, which was hard hit by the economic crisis in 2008, has integrated gender equality as a means of recovering. Building on interviews with the Icelandic policy makers Sigríður Elín Þórðardóttir, from the Icelandic Regional Development Institute and Bjarnheiður Jóhannsdóttir, Innovation Center Iceland; Smed Olsen shows that in regional policies for balanced development, Iceland has placed special attention on halting the out-migration of young women from Iceland’s rural areas. Halting the out-migration of young women from rural communities is important in limiting the risk that such communities collapse “from within”. Opportunities for distance learning and entrepreneurship are featured as a way of coming to terms with this, otherwise, unbalanced development.

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Katarina Pettersson  
Senior Research Fellow  
and the **Editorial Board of Nordregio News**



# Inequalities Risk Hampering Economic Development

By Katarina Pettersson

In the EU 2020 growth strategy, the goal for the European Union is to become a smart, sustainable and inclusive economy. This policy formulation suggests that the goal has yet to be achieved. One indicator of its failure to become smart, sustainable or inclusive is the lack of gender equality between women and men, which in turn implies that the full potential of human resources for the development of the economy and society in general has not yet been realised.

However, there is an increasing understanding that gender equality is essential for economic development, in addition to fairness and an inclusive societal development. Gender equality in broader economic terms means utilizing everyone and allowing everybody – both men and women – to be assets for development through such means as higher education, employment in the labour market, research, innovation and entrepreneurship.

## Gendered inequalities

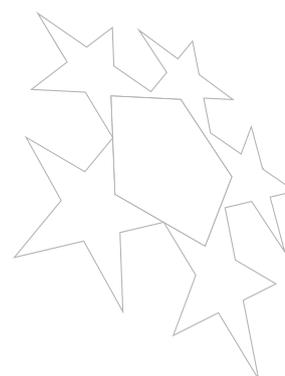
In the EU labour markets, the average employment rate for women is 62.1%, compared with 75.1% for men, suggesting that the EU can only reach the overall Europe 2020 target rate of 75% employment if a strong commitment to gender equality is made ([source](#) visited Dec 19, 2012). However, regional variations exist, and in the Nordic countries the average employment rate for women is over 70% (except in Finland) compared with that for men, which is around 75% (Nordic Statistical Yearbook, 2008). Although many women are employed, they tend to work part-time. In Denmark, 38% of women work part-time; in Finland the corresponding figure is 20%, and in Sweden 40% ([source](#) visited Dec 21, 2012). In Norway, 40% of employed women work part-time and among mothers the figure is almost 50% ([source](#) visited Nov 6, 2012).

One explanation for the gendered inequalities in employment rates is the unequal distribution of responsibilities for the care of children, grandchildren and elderly parents. Despite various policies and measures for the advancement of gender equality promoted and implemented in the EU member states, women remain the main carers. Women in Europe between the ages of 25 and 44 spend three times longer than men on child-care per day.<sup>[1]</sup> Statistics also reveal that the labour market participation of mothers is 12.1 percentage points lower



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than that of women without children, while the rate for fathers is 8.7 percentage points higher than that for men without children.[2]

A related explanation for women's lower labour market participation rate is lack of affordable and good quality child-care. An indication of this lack are figures revealing that in the EU, an average of 50% of children under three years of age are cared for by parents (mothers) alone.[1]

Another gendered inequality in the labour market is that women and men are to a large extent employed in different sectors of the economy, a situation sometimes referred to as horizontal gender segregation. For example, the OECD [3] concludes that women are under-represented in the business sector and concentrated in health, welfare, education and administrative jobs.

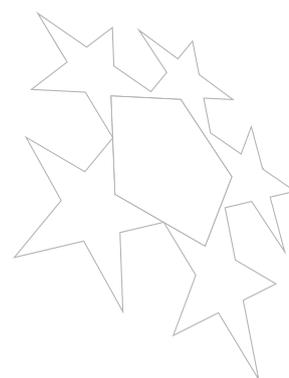
Women are also self-employed to a lesser extent than men. Approximately 30% of entrepreneurs are women in the Nordic and OECD countries.[3] Furthermore, there is a gender pay gap between women and men because women earn on average 16.4% less for every hour worked, with considerable variation among member states.[4] The gender pay gap is caused by multiple factors, such as gendered labour market segregation and differences in work patterns. According to the European Commission, differences in educational choices and biased evaluation and pay systems also play a role.

Vertical gendered segregation in the labour market consists of inequalities between women and men in leadership positions. The EU reports that boards of directors are dominated by one gender; in publicly listed companies, 85% of non-executive board members and 91.1% of executive board members are men ([source](#) visited Dec 21 2012). The OECD [3] describes a 'glass ceiling' because women are disadvantaged in terms of decision-making responsibilities and senior management positions; at the boardroom level, there is only one woman for every 10 men.

## **The economic benefits of gender equality and more women**

Besides the fairness argument for gender equality, there has been support for the 'economic case' for gender equality (see also [3]), the 'business case' for diversity and for gender equality [5], as well as the 'innovation case' for gender diversity.[6] These conceptualizations imply benefits for businesses, innovative milieus or innovation systems and regional and/or national economies of diversity (including 'racial' diversity), gender equality and gender diversity.

Forbes reports on evidence that having more women on boards improves decision-making and shareholder value while reducing risk-taking ([source](#) visited Dec 19, 2012). Herring finds gender diversity to be associated with increased sales revenue, more customers and greater relative profits.[5]



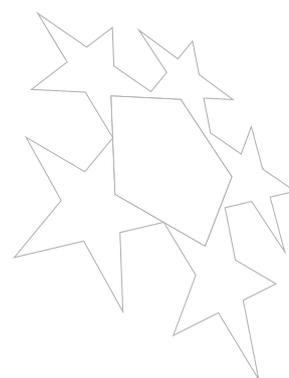
The benefits of gender equality for businesses include a 17% improvement in stock-price growth with more women in business management.([7] 2009) Furthermore, having more women on boards is associated with a higher return on equity by as much as 41% for companies with the largest proportion of women on their boards, compared with those with none.([7] 2010)

There are positive effects of gender equality in innovation systems. Researchers have argued that gendered stereotypes of innovation risk hampering innovation policies and networks. This is because the innovation potential of certain actors (women), industries (women-dominated and gender-balanced industries) and certain kinds of innovations (service innovations) is ignored. A gender perspective on innovation to include not only technological/manufacturing innovations but also social, organizational and health-care innovations has been suggested.[8] [9]

Danilda and Granat Thorslund [6] have identified six ways in which a gender perspective increases the innovative capacity of innovation milieus:

1. Competition for well-educated employees (making better use of women's talents and skills)
2. Competition through better decisions (gender diversity of work teams improves problem-solving)
3. Gender diversity as a driver of creativity and innovation (gender-balanced enterprises are more likely to innovate)
4. Competition with user-driven innovation (including women as users)
5. Gender as a means of design innovation (innovating products that challenge gendered stereotypes)
6. Competition by image shaping (improving companies' image by being inclusive, including in terms of gender equality)

The economic case for gender equality includes the above-mentioned benefits and evidence of gender equality leading to better productivity and economic growth, through women being employed in the labour market.[3] In addition, increasing women's employment can help overcome the demographic challenge of a shortfall in the number of European workers, which is expected to increase in the coming decades, particularly for the highest qualified jobs.([7] 2007, 2008, 2010 and 2012)



## Policy initiatives

An increasing understanding that gender equality is essential for attaining economic development – and being smart, sustainable and inclusive – has resulted in a plethora of policy initiatives. The EU initiatives include the Strategy for equality between women and men 2010–2015, which outlines a comprehensive framework committing the European Commission to promote gender equality in all its policies with the following thematic priorities:

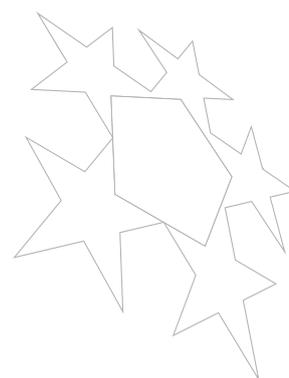
- equal economic independence for women and men
- equal pay for equal value
- equality in decision-making
- dignity, integrity and an end to gender-based violence
- promoting gender equality beyond the EU and a reduction in horizontal segregation

In addition, the European Commission's proposal for legislation to attain a 40% representation of the under-represented sex in non-executive board member positions in publicly listed companies, with the exception of small and medium enterprises.[10] Furthermore, in 2012 the EU launched a new programme called Equality Pays Off. It is intended to support the efforts of companies in addressing one of the major challenges of the future – skills shortages – by promoting equality between men and women, thereby reducing the gender pay gap ([source](#) visited Dec 19, 2012).

The OECD [3] presents the following key policy messages. Greater gender equality in educational attainment has a strong positive effect on economic growth, and good and affordable child-care is a key factor for better gender equality in employment. Change must also occur at home, because the bulk of housework and caring is left to women in many countries. Policy can support such changes, for example, through parental leave policies that explicitly include fathers. According to the OECD, equal access to finance for male and female entrepreneurs needs to be assured.

Nordic initiatives include the Norwegian law requiring 40% representation for women on boards of publicly listed companies, which went into effect in 2004. The law, which concerns 2000 firms, is reported to be a success and the proportion of women on boards rose from 6% to 40% between 2002 and 2009. However, it has been argued that the law should have been followed by effective sanctions and state measures to stimulate action. Similar legislation has since been passed in Spain (2007), Iceland (2010), France (2011), the Netherlands (2011), Belgium (2011) and Italy (2011).[11]

In Sweden, there is an Action plan for gender equal regional growth 2012–2014 [12] because the regions' economic growth initiatives have been found not to be gender equal, and the gender equality policy has lost pace in regional growth policy work. Each of the 21



regions must prepare an action plan, including an analysis of the current state of gender (in)equalities related to regional economic growth policies. The plan must set goals and propose activities.

There is ample evidence for the economic benefits of gender equality and increasing the number of women in business, and policies are being implemented to attain a smarter, more sustainable and inclusive economy. The OECD ([3] p. 13) also reminds us that “Gender equality is not just about economic empowerment. It is a moral imperative. It is about fairness and equity and includes many political, social and cultural dimensions. It is also a key factor in self-reported well-being and happiness across the world”.

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[1] European Institute for Gender Equality, 2011, Review of the Implementation of the Beijing Platform for Action in the area F: Women and the Economy. Reconciliation of Work and Family Life as a Condition of Equal Participation in the Labour Market

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[6] Danilda and Granat Thorslund (eds.), 2011, Innovation and Gender, *Vinnova* 2011:3, Stockholm: Vinnova

[7] McKinsey & Company, 2009, *Women Matter Reports* 2007-2010

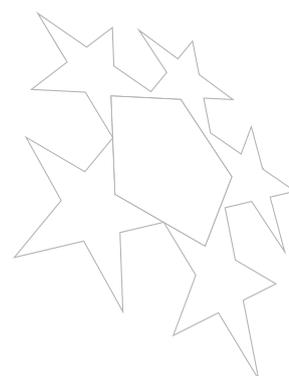
[8] Blake, M. K. & Hanson, S., 2005, Rethinking innovation: context and gender, *Environment and Planning A*, 37, pp. 681-701

[9] Nählinder, Johanna, 2010, Where are all the female innovators? Nurses as innovators in a public sector innovation project, *Journal of Technology Management and Innovation*, 5(1), 13-29

[10] European Commission, 2010, Strategy for equality between women and men 2010–2015

[11] Tegien, Mari, Gender quotas for corporate boards in Norway – Innovative gender equality policy, in Fagan, González Menéndez, Gómez Ansón (eds.), 2012, *Women on Corporate Boards and in Top Management: European Trends and Policy*, Palgrave Macmillan, Hampshire and [www.nordiclabourjournal.org/i-fokus/nordic-women-break-more-barriers-1/article.2012-03-07.2895697035](http://www.nordiclabourjournal.org/i-fokus/nordic-women-break-more-barriers-1/article.2012-03-07.2895697035), visited Jan 7 2013.

[12] The Swedish Government, 2012, Bilaga till beslut I 3 vid regeringssammanträde 8 mars 2012, N2012/1365/RT, Tillväxtverket, 2012



# Gender Aware Management for Increased Innovation Capacity

*By Marita Svensson*

In recent years, the term innovation capacity has come to dominate the Swedish terminology flora in discussions concerning sustainable growth. Innovation capacity is a key factor behind organisations' competitiveness and without it they are in danger of stagnating and in the longer term losing ground and disappearing. Moreover, while the importance of increased innovative power is stressed everywhere in society, paradoxically enough we see that the manner in which many companies are led and organised is neither particularly innovative nor able to take advantage of all their personnel's innovative power. It is becoming ever clearer how crucial standards and values are for corporate success. Therefore, working on promoting equality should form a natural part of the activities of organisations dedicated to creating the pre-conditions for sustainable growth.

Fiber Optic Valley is an arena for research and development within the areas of broadband, sensor technology and innovative and gender aware management. The Innovation system consists of some 50 members and partners from industry, academia and society. The equality aspect was prioritised from the very beginning, as one of the most important driving forces behind achieving long-term growth targets. Our strategic concentration on gender and innovation has resulted in us today being at the cutting edge of action-oriented gender research both in Sweden and abroad.

Strategic competence provision is one of the most important issues on the Fiber Optic Valley agenda. Becoming a world-class innovation system requires access to the very best workforce, not least at management level. This in turn requires both attractive workplaces and an attractive region to live and reside in.

## Power and structures

The equality issue arose already in the planning stage of the innovation system, in connection with analyses of obstacles and challenges to growth. Knowing that there is a strong connection between gender, innovation and sustainable growth, the decision to act was easy. Firstly, a long-term strategy for equality work was developed. The strategy had a clear focus on knowledge development and practical equality



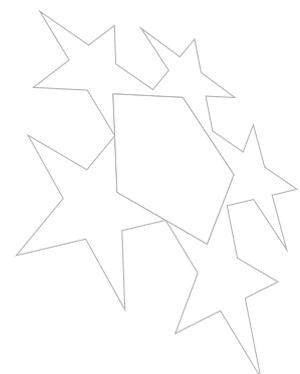
**Marita Svensson** is a Project Manager at Fiber Optic Valley and has the strategic responsibility for the gender perspective within the innovation system. She has experience of cluster and business development. Marita also runs a consultancy firm and is one of the co-authors of the book *Gender aware management – the journey from a non issue to the growth issue*.

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## Fiber Optic Valley

Fiber Optic Valley is an arena for research and development within the areas of broadband, sensor technology and innovative leadership and gender management. Their core business is to assist the growth of local and global companies, which is done through support in the form of research, training, financing, contacts and business development.

[Read more about Fiber Optic Valley](#)



work, in close consultation with gender researchers and Fiber Optic Valley's member organisations.

We have engaged in several research projects relating to gender aware leadership since then, which have involved a large number of managers and employees. The research projects show that management must lead the field when engaging in change work. Middle managers in particular wield the power to decide on employees' terms and conditions for performing their work.

Gender aware managers dare to think along new lines. They realise it is all about utilising both men's and women's expertise and they also realise that equality work is good for innovation capacity. A more equal society will probably generate new needs and thus encourage the development of new products and services.

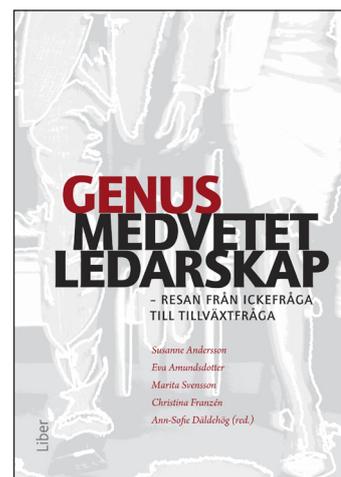
### The male standard rules

A natural first step in our strategy was to chart the current situation in the region from an equality and gender perspective. Gävleborg region is characterised by heavy base industry with traditional and hierarchical organisational structures, and we have one of the country's most gender divided labour markets with deeply ingrained patterns. Women and men live in separate worlds during the working day, and there are few women in positions of power. It is men – or to put it more accurately – the male standard that rules. With considerably more well educated women than men in the county, it is a major problem that we have not succeeded in taking advantage of all the competence possessed by women. This is a waste of resources that affects sustainable regional development.

Naturally, we asked ourselves the question of what makes men usually end up at the top of the ladder, taking over management of the companies and organisations which are so important for the development of the region? Despite the fact that the number of women with competitive skills is steadily increasing, these patterns still persist. How does the current gender structure affect companies' innovation and competitiveness, and what will this mean for corporate growth ambitions in the long term?

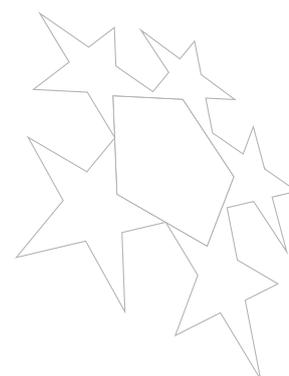
We chose a strategy which focused on rendering visible and changing behaviour with the aim of creating gender aware and attractive organisations. Since equality is about gender and thus about power and structures, we were also aware that especially the rendering visible of the sex-related distorted division of power and influence would meet great resistance, and the best way of being prepared for this resistance is to create a stable knowledge base on which to stand - knowledge which was based on research and well tried and tested experience.

When we in the spring of 2005 commenced work within our first project, 'Genusnätverket' (the Gender Network), there was a general conviction that the work should build on gender-scientific bases and that changes at organisational level must be led by management, and



### Gender aware management – the journey from a non issue to the growth issue

Fiber Optic Valley's research results are presented in the book **Genus-medvetet ledarskap – resan från ickefråga till tillväxtfråga** (Gender aware management – the journey from a non issue to the growth issue).



start with those who held power, i.e. the management. In this way, equality work is not just a peripheral activity but is an integrated part of central organisational processes aimed at enhancing their efficiency and developing them.

To start with, we held several workshops with the managers where we discovered the current situation facing the company. Middle managers in the Gender Network were given homework and knowledge training in the form of lectures and seminars to get to grips with the gender issue. Once they had understood this, they were assigned the task of drawing up action plans and commencing change work in their own companies.

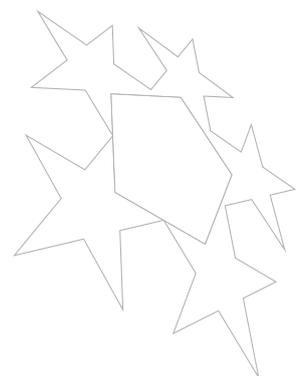
Each organisation had to find its own driving force and the added value of working with gender. The most important reasons for embarking on change work are often related to corporate needs for a values controlled management, strategic skills provision and increased innovation capacity.

### **Challenging the corporate culture**

In our next three-year research project, 'Gen(us)vägar' (Gender short-cuts), our aim was to increase our understanding of the affects of gender on the organisation of innovative processes and how gender labelling can be an obstacle to innovation, how a gender approach challenges corporate culture, contributes to innovations and enhances the efficiency of production. One of the most important factors for the success of this type of project is dedicated people who wish to bring about changes to increase gender awareness, work which often feels both personally challenging and may also meet resistance from colleagues and fellow employees. In such cases, being secure and having the time for reflection in a network plays an important role, in that there is a meeting place for discussion of common challenges and for supporting each other in change work. Common to our research projects is that there are several different networks participating in the process. Using a variety of methods, the network has created learning which provides inspiration for change work in the participants' own organisations.

### **Positive effects**

When awareness about the normative thinking in relation to gender increased, the organisations began to change their internal processes and structures. The result of the change work was that participating organisations became more creative, efficient and profitable by challenging the corporate culture. One of the companies increased its efficiency by nine percent during the project period. Some of the things which contributed to enhancing efficiency are changes to previously inefficient production with a large number of gender-labelled machines and the company rendering standard conceptions which limit activities visible.



# A Renewed Focus on Gender Equality in Iceland

By Lise Smed Olsen

The issue of gender equality has received increasing attention in assessments of the financial crisis and in initiatives to rebuild the economy of Iceland. Ambitions to ensure balanced regional development are challenged by the increasing outmigration from rural areas, especially by young women. The women do not find jobs that they find attractive, and one way for public authorities to address this issue has been by initiatives to support entrepreneurship.

## The role of gender in recovery from the financial crisis

In the wake of the financial crisis, a new government took office in 2009 and introduced a renewed focus on gender equality. In January 2011, the government presented the **Iceland 2020** policy statement, which presents a vision for the future of the country. It is the first strategy of its kind in Iceland and it aims to ensure more targeted and effective policy-making and planning in the public sector. All of the tasks that fall under the Iceland 2020 policy are expected to incorporate gender perspectives. A number of objectives have been set for 2020, including ambitions to reduce the gender pay gap.

A working group was appointed by the government with the task of evaluating the impact of the crisis from a gender perspective. A main conclusion was that with the onset of the crisis, in particular because of the extensive budget cuts to the public sector, more women than men became unemployed. Another study commissioned by the government is currently analysing the collapse in the banking sector from a gender perspective.

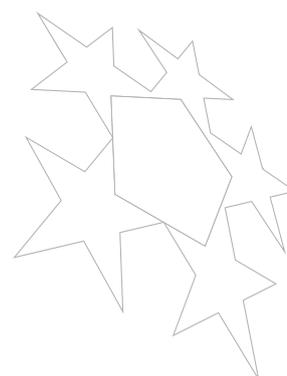
*“With these analyses, the government aims to get a better understanding of the role of gender in relation to the crisis, and to ensure the inclusion of women in initiatives to restore the economy”,* stated Sigríður Elín Þórðardóttir of the Icelandic Regional Development Institute.

In addition, the government has ongoing initiatives to implement **gender budgeting**, which involves the mainstreaming of gender and equality perspectives into the budgeting process. The objective of this project is to make the impact on gender balance visible, to allow re-evaluation of policies, expenditure, and sources of revenue in accordance with the objective of gender equality. The project is currently implemented by all ministries.



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## Increasing outmigration of women from rural Iceland

Increasing outmigration from the rural areas to the capital area has occurred in Iceland in recent decades. Statistics show that overall more women than men live in the capital area, while the opposite is true for the rural areas. The distinction is most substantial in the 20–39 age group, for which the difference between the sexes is greatest in east Iceland with 86 women per 100 men, followed by Westfjords with 89 women per 100 men. The current regional development plan for Iceland 2010–2013 refers to the potential implications of the increasing outmigration, especially by young women:

*”This is a cause for grave concern as many things indicate that women move first and then the men follow. This can lead to rural communities collapsing from within.”*

More women than men have higher education, which partly explains why there is a greater discrepancy between the numbers of men and women living in rural areas in the young age group, because it is young women who are most likely to move to Reykjavik or other towns offering higher education. Notably, even in the capital area there are more men than women in the young age group. This partly reflects the fact that it is common to go abroad for higher education. In this context, there may be concern over whether young people return to Iceland after finishing higher education.

One approach adopted by the Regional Development Institute to deal with the issue of young women migrating from the rural areas is to facilitate the opportunities for distance learning, which especially women have utilized. However, this does not prevent the outmigration of women from rural areas, as explained by Þórðardóttir:

*”It is the ambition of the Regional Development Institute to create jobs that are attractive to both men and women in the rural areas, but women especially have problems finding jobs that match their education. There are limited opportunities for employment, and one way to deal with this issue is to start up your own business.”*

In addition to supporting opportunities for distance learning, the Regional Development Institute approaches the issue of outmigration of women through efforts to support entrepreneurship. Innovation Center Iceland is another public organization with measures in place to support entrepreneurship.

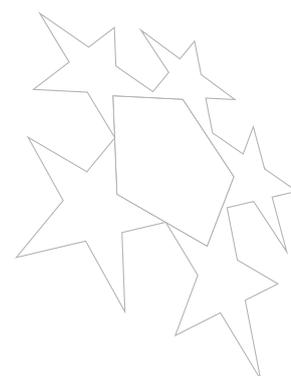
## A service versus technology debate in the business support system

Jobs that are typically attractive for women in Iceland are in service industries, education and the health-care sector, as is the case in other countries. Innovation Center Iceland manages two public funds that allocate grants for business start-ups and early stage development. In the allocation of grants from the two funds, emphasis is placed on the extent to which the business ideas are considered innovative. A scoring system is used in the evaluation of applications, and in this



Sigríður Elín Þórðardóttir is a specialist at the Icelandic Regional Development Institute.

**The Icelandic Regional Development Institute** monitors and researches regional development in Iceland and is responsible for the implementation of government policy through the development of regional strategies. The Institute provides credit and other forms of financial support, with the aim of improving economic and living conditions particularly in the regions threatened by depopulation. The Icelandic Regional Development Institute operates under the Ministry of Industries and Innovation.



system, technology and IT score higher than services in, for example, tourism and creative industries. Bjarnheiður Jóhannsdóttir from Innovation Center Iceland notes:

*“Over the years, I have witnessed a political discussion of whether we should consider rural versus urban issues, or technology versus service industries, but there is no real recognition that we need to take a gender perspective in the evaluation system.”*

Until recently, with the introduction of gender budgets, there has been little political discussion of how the business support system could support the business ideas of men and women more equally. The gender perspective has not been truly integrated into the process of distributing public funds, but statistics have subsequently been collected to provide an overview of the distribution of funds between women and men. These numbers reveal that the majority of public funds for entrepreneurship are allocated to male applicants.

Tourism has been an important industry for the past three decades in Iceland, but a recent development is that the political focus on it has increased. To some extent, the economic crisis has had a positive impact on the industry, because the weakened Icelandic Krona has made it cheaper for international tourists to visit the country. In line with this development, the Icelandic Regional Development Institute now has more loan and grant applicants in tourism, compared with the situation a few years ago. Sigríður Elín Þórðardóttir elaborates:

*“We have found that the majority of loan applicants are men with firms in fisheries and similar industries. We now have more focus on tourism, and in this way we also have more opportunities to allocate loans and grants to women, because many work in tourism.”*

### **A growing culture of women’s entrepreneurship**

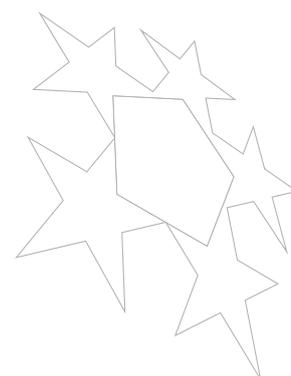
Since 1996 when it was first started, one initiative that has had political priority because of its significant support and promotion of women’s entrepreneurship is the ‘Brautargengi’ (Prosperity) business start-up/development course. The course targets women and is run by Innovation Center Iceland in both the capital and rural areas across the country, and today no fewer than 988 women have completed the course. An independent survey conducted in 2010 indicates that the percentage of start-ups by women who have completed the course is the same in Reykjavik as in the rural areas. Over the years, the course has become well known across the country, and it has strengthened awareness among women that starting your own business is an alternative for employment that they can consider.

Bjarnheiður Jóhannsdóttir is the Project Manager of Brautargengi and states that the course is important for developing competence and promoting entrepreneurship. She also indicates other factors that influence the entrepreneurship culture. For example, as a consequence of a crisis that was caused to a large extent by businessmen in Iceland, successful businesswomen are attracting more positive attention:



**Bjarnheiður Jóhannsdóttir** is a project manager at Innovation Center Iceland. She runs the Brautargengi course for women entrepreneurs in Iceland.

**Innovation Center Iceland** offers technological consulting and business support. A group of specialists in various fields encourages innovation and supports the advance of new ideas through research, development projects, business development and professional advice and consulting. Innovation Center Iceland operates under the Ministry of Industries and Innovation.



*”The increasing positive media attention on successful businesswomen has an influence on the entrepreneurship culture. These women become role models, and the existence of role models is an important driver for women to start a business.”*

Jóhannsdóttir also refers to the significance of grass-roots movements such as **Korka**, which is an initiative by women entrepreneurs to strengthen networking.

*”Korka has been highly influential among women in start-ups. They meet in cafes and have discussions on Facebook. The more experienced entrepreneurs offer mentoring advice. Many of the women I meet through my work have been in contact with this group, have asked for help, and are following it on Facebook.”*

### **Gender equality and the future of rural Iceland**

Sigríður Elín Þórðardóttir and Bjarnheiður Jóhannsdóttir agree that in spite of progress, there is still a gap between political intention and the implementation of gender mainstreaming in practice. In this context, the gender budgeting initiative is seen as an important step in the right direction to enhance gender equality in public spending. Meanwhile, a higher proportion of women than men continue to leave the rural areas, leading to unbalanced development and worrying perspectives for the sustainability of many rural settlements. Þórðardóttir says:

*”We need a clear political will that recognizes that women are drivers of regional development, and we need measures to encourage and enable the women to stay or to move back to the sparsely populated areas. We need to recognize that this is an issue and address the negative regional development.”*

There is a need for a better match between the education of women and job opportunities in the rural areas. A remaining question concerns the measures that the public authorities can introduce in the rural areas to promote further the creation of jobs and the attractiveness of living there for both women and men.

