

Schumpeter Discusses Brazilian Women's Progress in the Economist

RIO DE JANEIRO is proof that even nature's most lavish blessings cannot guarantee success. Rio lost its position as Brazil's political capital to Brasília in 1960 and its status as the country's business capital to São Paulo over the following decades. Gang wars and poor infrastructure have battered its tourist industry. The 2016 Olympic games represent the city's best chance of reversing decades of decline. But is it capable of seizing the chance? That question towers over Rio like the rhetorical equivalent of the statue of Christ the Redeemer.

The person who will do more than anybody else to answer it is the head of the Municipal Olympic Company, Maria Sílvia Bastos Marques. She has the perfect background to lead an organisation that straddles the public and private sectors: a former boss of a steel company and director of Brazil's two biggest companies, Petrobras and Vale, she has also held numerous positions in local government and served as the first female director on the board of Brazil's huge development bank, BNDES. And she has a ready answer to any question.

What about logistics? She points to a map that shows the dedicated bus lanes and metro lines that will bring the scattered population to the games. What about Rio's Byzantine government (power is divided between federal, state and municipal government, and the armed forces own huge chunks of land in the city)? She seems to know everyone who matters. What about crime? She notes that this is not her responsibility but quotes figures to show that the new "pacification" police are doing a good job. Ms Bastos Marques says she wants the games to transform her native city, speeding up projects that have been on the books for years—such as a 30-year-old scheme to upgrade the port district—to lay the foundations for long-term growth.

That Ms Bastos Marques has been given this demanding job is another example of the rise of women in Latin America's most populous country. Brazil has a female president, Dilma Rousseff, and women have 26% of the seats in her cabinet. The boss of Petrobras, Maria das Graças Foster, is the only female head of a big oil company worldwide. Grant Thornton, a consultancy, reports that women make up 27% of the senior managers of Brazil's leading companies, compared with a global average of 21% (Sweden manages 23%, Britain 20% and the United States 17%). Forbes, a business magazine, calculates that 20% of the country's billionaires are women, compared with a global average of 10%. Brazil has a higher proportion of women in the labour force (59%) than developed countries such as France (52%) or Britain (57%). Then again, one reason why professional women have prospered is that it is so easy for them to hire working-class women to mind their children and clean their homes: Brazil has around 7m domestic workers, almost all women.

Not all the figures are so flattering. McKinsey, another consultancy, reckons women constitute only 7% of board members. Less than 9% of seats in the lower house of Congress are held by women. But the change has been dramatic. Brazil was once a macho, patriarchal sort of place: in 1960 women had an average of six children and only 17% worked outside the home. Women have been flooding into the workforce, especially in the biggest cities. Sylvia Ann Hewlett, the president for the Centre for Talent Innovation, an American think-tank, says that 80% of Brazilian female graduates she surveyed aspire to the top job in their workplace, compared with 52% of their American sisters.

What accounts for this remarkable transformation? Brazil has long, in theory, had open competition for places at elite universities and in government. But only fairly recently have women been able to take advantage of this, thanks to improved schooling and a fall in the fertility rate to just 1.8 children per woman. Girls now outperform boys in school and make up 60% of university graduates. Some of the current generation of bosses have succeeded against extraordinary odds: Ms Foster was born in a favela and started work as a rag-picker at the age of eight but eventually earned engineering degrees and an MBA. Now the odds are getting shorter and the numbers are likely to rise dramatically.

A second answer is progressive social policies. Brazil has had a vocal feminist movement for decades and a women's ministry since 2003. Ms Rousseff has fought hard to promote women in her government. Some global companies have led the charge to make their Brazilian workplaces more female-friendly: Walmart's local operation, in which females fill 35% of management positions, has a women's works council, for example.

Sometimes women appreciate being patronised

There is more to the feminisation of Brazil than this, however. Powerful politicians have used the ancient arts of patronage to promote a lucky few women. Ms Rousseff acted as Ms Foster's patron, employing her when Ms Rousseff was minister for mines and energy in 2003-05 and later, as president, putting her in charge of Petrobras. Ms Rousseff was herself a protégée of her predecessor, Luiz Inácio Lula da Silva. Eight of the country's nine female billionaires inherited their wealth from their fathers or husbands: two of the nine are the daughters of Brazil's biggest toll-roads magnate.

Still, it would be naive to expect any country to march in a straight line towards modernity, least of all Brazil. Tom Jobim, the musician who (with Vinícius de Moraes) gave the world "The Girl from Ipanema", once said that "New York is great, but it's a mess; Rio is a mess, but it's great". That Brazil is producing women like Ms Bastos Marques—or Ms Rousseff or Ms Foster—offers proof that a country which less than 30 years ago was still run by hidebound generals is making dramatic progress. It also offers hope that the mess that is Rio will bring forth a successful Olympics.