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Designed for Failure? Advocating Equality against Adversity in Hungary and Poland¹

Abstract

The article presents an analysis of women's access to management positions in Poland and Hungary in connection with the discussion around the European Commission's directive on quotas in business. The analysis used the literature and results of previous research. In particular, the authors answer the question of why policy in Hungary has been more stymied by the conservative backlash than in Poland. The article sheds light on the conditions under which initiatives to promote women's progress in the corporate world are raised, highlights the limited impact of corporate-led initiatives on transforming gender relations, and shows how mere lip service to equality is likely to result in only trivial increases in women's participation on corporate boards.

Keywords: backlash, Hungary, management, Poland, women on boards

Introduction

Like other Central East European countries, gender equality in the corporate world presents a conundrum in Poland and Hungary. In socialist times, women in both countries occupied management positions at higher levels than in Western Europe, were an important part of the full-time labor market, and attained the same level of education as men. With the transition to democracy and a market economy, accession to the European Union, and the rise to power of populist right-wing governments, women's overall economic status has declined, and the presence of women on corporate boards and in top managerial positions has remained at quite low levels [ILO 2015; Fodor 2004]. In 2021, women hold 9.4% of the positions on corporate boards in Hungary and 25% in Poland, well below the European Union average of 31% [EIGE 2021].

Moreover, symbolic policies without teeth have been adopted in both countries, despite policy pressure for gender equality measures through the EU membership process, to address these imbalances in the democratic era. In 2010, the Warsaw Stock Exchange stipulated that listed companies provide reports on the presence of women on their executive boards. In 2014, the Hungarian Business Leaders Forum set a target of 20% women on corporate boards and in management positions. Alongside these self-regulatory soft policy measures put forward by businesses, women's organizations, like the Women's Congress in Poland and the Hungarian Women's Lobby, have become active players in drawing public attention to gender inequity in the corporate world and in articulating demands for more authoritative policies, like quotas for women on corporate boards. While media attention toward women's leadership has increased significantly in

both countries, Polish advocacy groups have successfully organized training for women business leaders more than their Hungarian counterparts. Overall, Poland has also had more success than Hungary in increasing the presence of women on boards, a 13% difference between 2010 and 2021 compared to the decrease from 13.6% in 2010 to 9.4% in 2021 of women on boards in Hungary [EIGE 2021].

Thus, both countries are characterized by a lack of governmental commitment to promoting gender equality at the corporate level. The limited attempts have hit a backlash that was released after the transition to democracy, which was embedded in the persistence of conservative values about gender roles where women are seen as family caregivers and men as family breadwinners. Women's movements and other progressive voices have challenged this backlash, but their relative weakness has prevented policy success. Progressive forces have proven to be slightly more successful in Poland, with the corporate-led introduction of soft regulation, than in Hungary where piecemeal initiatives coming from businesses have not led to any long-lasting promotion of women in corporate leadership positions.

This article seeks to explain the conundrum of backlash and reversal in the post-democratic transition period as well as how and why policy in Hungary has been more stymied by the conservative backlash than in Poland. It sheds light on the conditions under which initiatives to promote women's progress in the corporate world are raised, highlights the limited impact of corporate-led initiatives on transforming gender relations, and shows how mere lip service to equality is likely to result in only trivial increases in women's participation on corporate boards.

To better understand the backlash to gender equality in which corporate equality unfolds, the first section assesses the post-transition context first for gender equality in general and then for gender equality in the corporate world in both countries. Next, the analysis tells the story of the development of a highly symbolic soft policy that was poorly implemented and evaluated in both countries, with some limited results in Poland. In the conclusion, the lessons learned from the two countries about the pursuit of corporate equality in Central Eastern Europe are reviewed, as well as why Polish policy has been slightly more authoritative and concrete than Hungarian policy.

Mapping the backlash in the post-transition era

The Context for Gender Equality Policy

After 1989, governments in Hungary and Poland eliminated the key pillars of gender equality policies of the past (women's full-time employment and job security along with universal access to social infrastructure) while failing to put into place new equality policies adjusted to the market conditions. As a result, women's positions in the labor market deteriorated more than men's, especially during the first years of the transition process [Rumińska-Zimny 2009, pp. 25–40; Křížková et al. 2010]. During this period, the signs of the conservative backlash against women's emancipation became noticeable. New voices questioned the appropriateness of women's employment, particularly for mothers, and idealized the segregated world of stay-at-home mothers and wage-earning fathers in both countries [Blaskó 2005; Lisowska 2008]. The two legacies of emancipation and familialism evoked mixed feelings about women's employment generally and women in managerial positions in particular [Dupcsik and Tóth 2014; Nagy and Vicsek 2014].

The accession process to the European Union gave a boost to progressive changes in gender equality legislation in both countries, albeit there was limited effort to implement the new laws after Poland and Hungary became European Union members in 2004. This landscape has changed slightly since 2010, with the publication of research findings on the benefits of gender diversity in top management [EC 2010; Lisowska 2010; McKinsey 2013]. Although feminist groups were behind efforts to introduce gender quotas in politics (unsuccessful quota initiatives in 2007 in Hungary and successful initiatives in 2011 in Poland) the growing interest in corporate gender equality was initiated primarily by business actors in both countries [Fodor et al. 2019; Adamska et al. 2009; Lisowska 2021].

Despite initial steps, the lack of political will to promote gender equality has remained dominant in both Poland and Hungary. In Hungary, FIDESZ's electoral victory in 2010 has firmly anchored institutional opposition to "gender ideology" in academia, like the 2019 ban on master programs in gender studies at universities, and more generally to the European Union's gender equality initiatives. Poland has been on track to follow the Hungarian path since the victory of the Law and Justice party in 2015.

The Polish government claims that gender equality interferes with Polish national Christian values and culture, whereas in Hungary, family values are used as a political argument against gender equality, which is seen to erode traditional families without an exact explanation of what it means. A recent development is the questioning of the already ratified Istanbul Convention on preventing and combating violence against women and domestic violence by influential right-wing politicians in Poland and the total rejection of ratification by the Hungarian Parliament. At the time of the final writing of this chapter, convergence between the two countries is even more pronounced, particularly with the Polish ban on abortion. Indeed, by the end of October 2020, the two countries were leading a coalition to oppose EU-led gender equality initiatives more generally².

During the first two decades of democracy and a shift to the market economy, gender equality was not raised in national politics in either Poland or Hungary, except during a short period between 2000–2004 before the European Union accession. Both countries negotiated their membership and had to align their gender equality legislation with the more progressive *acquis communautaire*. After 2004, the main actors advancing gender equality were women's organizations and, after 2010, to some extent, also the private sector, particularly including foreign corporations [Fodor et al. 2019].

The role of the government and political parties in promoting gender equality has remained very limited in the case of Hungary, and since 2015, steadily less so in Poland. In both countries, populist governments transformed the issue of gender equality into the promotion of the family and conservative values. This resulted in the wave of familialism in Hungary and Poland, as well as in other countries in the region, leading to separate gender roles and expectations for women and men, treating men as the main breadwinners, and women as the main caretakers. Familialism and traditional family values were also signs of declining trust in political, economic, and social institutions [Dupcsik and Tóth 2014].

The backlash to gender equality in both countries has been framed by conservative family policy and ideology, and a lack of supportive labor market solutions such as flexibility and/or part-time employment, as well as insufficient child and elder care arrangements [Saxonberg and Sirovátka 2006]. In Hungary, the prominence of familialism was backed by the retention of a number of parental leave schemes offering a three-year-long paid period for

parents – in practice, for mothers. Instead of full-time employment, the ideal of full-time motherhood was promoted. Shortly after the system change, one of the most extreme governmental pronatalist policy initiatives encouraged mothers who had at least three children to stay at home on a paid childcare allowance until the youngest child turned eight.

In Poland, a similar approach prevailed, although until 2015 the financial support to families was less generous than in Hungary. In 2015, the conservative government introduced direct transfers of money to families and children (500+ programs) instead of developing nursery schools and kindergartens. Today the care of over 90% of children between 0–3 years of age is provided through informal arrangements, usually mothers and grandmothers [Rumińska-Zimny and Przyborowska 2016]. In Hungary, the availability of public childcare has been relatively good for children between three and six years, however, it has been more problematic to get a place in nursery schools.

Corporate Inequality in the Post-socialist Context

Despite relatively high levels of education for women in both countries [GUS 2021; HCSO 2017], there has been little support for gender equality in top managerial or board positions. Women start at a lower level of remuneration, earn less than their male counterparts holding the same position, and are promoted more slowly [Nagy and Sebők 2019]. In Hungary and Poland, the low percentage of women holding executive and non-executive positions as well as the low percentage of women among ministers are due to cultural conditions and stereotyping of the roles of women and men in society [Nagy and Vicsek 2014].

The representation of women on corporate boards is low in both countries and the progress has been very slow over decades. This relates especially to executive positions and CEOs, whereas women have slightly more opportunities to take a seat on supervisory boards, particularly in Poland. Despite some progress, the number of women on corporate boards is increasing at a very slow pace. This supports the argument that dedicated measures, such as the introduction of binding quotas, are needed in addition to soft measures to achieve significant changes.

In Hungary, a mixed board system has been established by government regulation; thus, the law allows for a supervisory board in addition to an executive board. However, it is only required if companies employ more than 200 full-time employees,

and “the works council did not relinquish employee participation in the supervisory board” [Nagy et al. 2017, p. 211]. In Poland, there is a two-tier board system: the management and supervisory boards are separate from each other, especially in the case of publicly listed companies [Lisowska 2010].

The percentage of women in management and on supervisory boards of all companies listed on the Warsaw Stock Exchange in Poland slightly increased from 15% in 2012 to 16% in 2018 [Fundacja 2016; Deloitte 2019]. The situation seems to be improving for the largest companies listed on the Warsaw Stock Exchange (Table 2). The representation of women on these supervisory boards increased from 12% in 2012 to 21% in 2018 and 25% in 2021. The share of women CEOs was at the level of 5% in 2012 and 11% in 2021. The situation is even worse in Hungary. As Table 1 shows, women’s presence in corporate

Table 1. Percentage share of women on boards in the largest listed companies in Hungary, 2004–2021

EU-28 Board members	Hungary					
	Board members	President	CEO	Executives	Non-executives	
2004	9.0	8.9	2.1	–	–	–
2005	9.8	9.6	4.7	–	–	–
2006	9.7	11.5	4.8	–	–	–
2007	10.5	10.8	0.0	–	–	–
2008	10.8	16.3	0.0	–	–	–
2009	11.0	13.3	0.0	–	–	–
2010	11.9	13.6	7.7	–	–	–
2011	13.7	5.3	0.0	–	–	–
2012	15.8	7.4	0.0	0.0	2.5	5.1
2013	17.8	11.3	0.0	0.0	7.3	10.7
2014	20.2	11.8	0.0	7.1	10.6	10.5
2015	22.7	17.8	7.1	21.4	11.9	15.1
2016	23.9	12.3	26.7	18.8	11.1	13.3
2017	25.3	14.5	23.5	23.5	13.3	15.6
2018	26.7	14.9	20.0	13.3	13.3	16.7
2019	28.8	12.9	20.0	6.7	20.9	14.9
2020	29.5	9.9	7.1	7.1	18.2	13.0
2021	30.6	9.4	6.3	0.0	17.9	11.8

Note: The data refers to the 16 largest listed companies in Hungary.

Source: EIGE Gender Statistics Database. Data for October each year [Accessed October 15, 2021].

Table 2. Percentage share of women on boards in the largest listed companies in Poland, 2004–2021

EU-28 Board members	Poland					
	Board members	President	CEO	Executives	Non-executives	
2004	9.0	9.1	10.2	–	–	–
2005	9.8	10.7	8.0	–	–	–
2006	9.7	9.4	12.0	–	–	–
2007	10.4	11.9	10.5	–	–	–
2008	10.8	10.4	10.5	–	–	–
2009	11	9.5	5.3	–	–	–
2010	11.9	11.6	5.3	–	–	–
2011	13.7	11.8	10.5	–	–	–
2012	15.8	11.8	5.3	5.3	5.0	11.8
2013	17.8	12.3	15.8	0.0	4.6	12.4
2014	20.2	14.6	26.3	0.0	4.4	14.9
2015	22.7	19.4	25.0	0.0	10.5	19.9
2016	23.9	18.8	30.0	0.0	11.2	19.3
2017	25.3	20.1	30.0	0.0	13.5	21.0
2018	26.7	21.0	35.0	10.0	13.0	21.9
2019	28.8	23.5	31.6	0.0	13.6	24.5
2020	29.5	22.8	36.8	10.5	15.4	22.8
2021	30.6	24.7	31.6	10.5	15.6	24.7

Note: The data refers to the twenty largest listed companies in Poland.

Source: EIGE Gender Statistics Database. Data for October each year [Accessed October 15, 2021].

senior leadership (board members) has decreased since 2010 when it stalled at 14% and dropped to 9% in 2021 among the listed Hungarian companies. There is a small difference between women’s rate in non-executive board positions (12%) and senior executive board positions (18%), signaling that women are doomed to perform less powerful tasks on boards [EIGE 2021].

It is worth underlining that the role of the state as a major employer and social service provider remained significant in both Hungary and Poland. The proportion of national assets in companies has thus remained rather high overall [Nagy et al. 2017]. At the same time, these state-owned companies have not excelled in having more gender balance on their boards. For example, in Poland, only 20% of the members of supervisory boards of state-owned companies are women [Ministry of State Assets 2020].

When Demands for Corporate Equality Meet Conservative Opposition in Hungary

The Populist Veto to Corporate Equality

Hungarian decision-makers and stakeholders have not tackled the issue of women's balanced representation in management seriously in the post-socialist period. The issue of women's underrepresentation on corporate boards has reached neither the national political nor broader corporate agendas and only gained minimal media attention. Although Hungarian public employers and state-owned companies are required to develop an equal opportunity plan as per the 2005 Act on Equal Opportunity and Equal Treatment, these plans remain largely symbolic without much concrete action [Kollonay 2012, p. 106]. Moreover, the legal framework for gender equality is rather diluted across all types of inequalities. The situation was not always as grim. At the beginning of 2010, the left-wing government had adopted a more ambitious Strategy for Equality between Women and Men. The strategy was never implemented by the populist government of Orbán, which gained power in May 2010 and has stayed in office since. Moreover, keeping a distance from the previous government on this issue was a crucial message of his government.

In October 2020, the current government published the Action Plan "Empowering Women in Family and Society" for 2021-2030³. Most actions and initiatives are framed by traditional ideology focusing on women as mothers. There is one section on promoting women as leaders in the corporate sector, but without setting specific targets. The listed tools for having more women in management remain on the level of soft and vague initiatives, e.g., offering career guidance in secondary education; showing the example of women leaders; starting mentoring programs; launching awards; and promoting family-friendly workplaces and higher education institutions with family-friendly solutions.

The 2012 recommendation of the European Commission to adopt corporate board quotas [EC 2012] was not more successful in providing traction for corporate equality in Hungary. The recommendation was promptly rejected by the Hungarian government, along with nine other member states—the United Kingdom, Bulgaria, Czech Republic, Denmark, the Netherlands, Lithuania, Malta, Sweden,

and Slovenia, which vetoed any stipulations coming from the European Commission [Index.hu 2012]. Deputy Secretary of State Halász gave two reasons for the rejection in Parliament at the time (Parliament, Plenary session 2012.11.26. Intervention, p. 184).

1. The government does not support the quota system and prefers different regulatory mechanisms, like campaigns, awareness-raising actions, and voluntary company initiatives.
2. Compared to the introduction of the quota system it is more important to improve the conditions and proportion of working mothers.

Five years later the same position was upheld by the government. In an interview in 2017, the deputy secretary of state announced that while government officials began consultations with some CEOs, there was no support for corporate quotas among major stakeholders; hence the proposal was swiftly removed from the political agenda [Nagy et al. 2017].

The Impact of Women's Organizations: A Velvet Strategy of Informal Initiatives

While Hungarian civil society and particularly women's organizations are less powerful than their sister organizations in Poland and across Europe, other than a handful of large multinational companies, few other actors are advocating for corporate gender equality. One of the first and most influential businesswomen's organizations is the Hungarian Women Business Leaders Network (also called Women's Forum), which is a part of the Hungarian Business Leaders Forum (HBLF) founded in 1992. The Women's Forum was launched in the Hungarian Parliament building in 2005, a symbolic step that shows the group's strong social network. The main activities of the network concentrate on getting political and business attention to women's underrepresentation in management and on boards, networking and sponsoring women managers, and mentoring talented businesswomen of younger generations. The rationale behind the group's approach has been a focus on economic efficiency; it is good for businesses to have more women on boards as they can better utilize female talents, and diversity pays off. The president of the organization expressed this position in a recent interview: "We always say that it is not an equal opportunity issue, it is a business case" [Czakó 2019].

In 2014–2016, in the framework of an international project, Women Shareholders Demand Gen-

der Equality, a small group of lawyers bought shares of publicly listed companies, then they spoke from the position of shareholders to the company board directors requesting more women board members. These lawyers raised the issue of representation-related questions at the general assemblies of listed companies, which was a highly unconventional intervention into the masculine climate of listed companies. Although this happened only once, it was an effective tool for raising public awareness and women's empowerment (www.ewsdge.eu/).

The Hungarian Women's Lobby (HWL) (<http://noierdek.hu/2/>) has also raised its voice and kept the issue of women's increased board representation on its agenda. Being a member of the European Women's Lobby, the Hungarian organization takes an explicitly feminist approach. Following the example of Polish colleagues, it organized the Congress of Women in 2013, where several women managers contributed to the heated discussions on gender equality. Due to the lack of financial resources, this event has not been repeated in Hungary. HWL published both a volume on women's situations in the corporate world and a collection of policy recommendations [Juhász 2014; Juhász 2016]. These policy recommendations covered a wide range of possible actions from raising public awareness to the introduction of quota regulation on corporate boards [Nagy 2016], thus, a menu of different methods to promote gender-balanced leadership.

Influential businesswomen, partly overlapping with the members of the HBLF Women's Forum, launched a network called *Egyenlítő* (Equalizer) with the explicit goal of having more women in management and on boards. The main activities were strongly connected to networking and building women's solidarity in business, and they concentrated on issues such as the confidence gap, forceful communication, and implicit bias. As this organization attracts many influential women managers, they have had a significant media impact as well. On International Women's Day 2019, some members of the foundation collected good practices applied by the most active companies in gender-specific actions in Hungary and published, *Are We There Yet? Programs for Achieving Gender Balance at Companies in Hungary* (www.egyenlitalapitvany.org/wp-content/uploads/2019/03/noi_angol_march_web.pdf). Professional Women's Association, targeting mid-career women, and Businesswomen's Network, focusing on early-career women, have also been giving space to networking and mentoring activities

mainly in the capital city. All these projects aim to facilitate women's positions in management and not board membership, given that their argument is that women first must be part of the talent pool before they can be selected for board positions.

Corporate Initiatives

National binding quota regulation is missing from Hungarian public policy, and the government has not proposed the introduction of soft measures either. Therefore, it is up to businesses to take proactive measures possibly initiated by multinational companies or NGOs. Table 3 summarizes the measures discussed in this section.

Table 3. Policy measures for gender equality on corporate boards in Hungary

Self-Regulation	
HBLF 202,020 Club (2014)	Individual multinational corporations ^a
Member organizations of the HBLF Recommendation to have a minimum of 20% women in companies' management and boards by 2020 Strategy consisting of four pillars: CEO forums, media awareness, mentoring, and networking Organized in cooperation within the Diversity Charter	Women's networks Mentoring Training for female talents Diversity training Unconscious bias training Internal company quota Comply-or-explain targets for women managers

^a Such as General Electric, Bosch, Deutsche Bank, and Hungarian Telecom.

The corporate gender equality discussion is mainly dominated by some large multinational companies with soft targets, which shows a strong link between business feminism and capitalist interests [Fodor et al. 2019]. Similar actions of public companies have not become known until now. Private companies are more interested in introducing self-regulation, like comply-or-explain, than public companies, which seems to be connected to the neoliberal steps involving more women in the workforce. Behind this self-regulation, the most widely used tool is the establishment of women's networks initiated by General Electric in Hungary in the early 2000s. In addition, mandatory quota systems are also present at some public limited companies, mainly among listed companies with German-based headquarters, like

Bosch and Deutsche Bank. Hungarian Telecom, for example, elaborated a plan “whereby they intend to increase the number of women in board positions and key managerial positions to 30% by 2015” [Kollonay 2012, p. 107].

Because of the discouraging 15% ceiling on women’s presence on corporate boards in Hungary, a notable initiative was launched by the HBLF in February 2014. Based on its previous work through the creation of the Women’s Forum and the gender sensibilization of member companies, the organization launched the HBLF 2020 Club (https://hblf.hu/activities/programs/hblf_202020_club), which is a unique example of self-regulation. According to the vision of the club, the target was to reach at least 20% women representation in Hungarian management and boards by 2020. The main initiator and founder of the Women’s Forum, Borbála Czákó, recounted in an interview what they did: “Since the situation is very bad in Hungary, we did not think of a 30%. Now this will not be met in Hungary. It is obvious that we still set a high target”.

The club was launched by twenty influential businesswomen, mostly CEOs and board members, and then it was supported by twenty men CEOs as well. The model of this initiative was the Anglo-Saxon “comply-or-explain” system, pointed out by Czákó who worked as a partner at the global company Ernst and Young in London, where she was responsible also for global diversity and inclusion projects. As the mission statement emphasized, the founders expected progress from CEOs and stakeholders (https://hblf.hu/content/_common/attachments/mission_vision.pdf). The club urged companies to take action and share their best practices to facilitate women’s progress. The founders were committed to reaching a better gender balance in organizations. They also requested a change in corporate culture and an increase in gender diversity at all levels of organizations.

To enhance the motivation of company leaders in this matter, the HBLF launched research on gender and management among the TOP 200 Hungarian companies in 2014. The results were presented to an exclusive audience consisting of men and women (deputy) CEOs of the largest companies in Hungary and members of the HBLF 2020 Club. Czákó summarized the aim precisely: “It was important that we contacted those executives who had the power to put women on the boards, so this was one goal. The other goal was to draw attention (to the topic) of all other executives in the long run”.

Based on the success of the first steps, the HBLF 2020 Club has followed a strategic plan for the coming years consisting of four pillars, namely regular CEO Forums (4–5 times per year with male and female CEOs to keep the topic on the agenda), constant media awareness of gender issues (strategic partnership with *Forbes Magazine* and other professional media), mentoring at different career stages to fill the talent pool (young professionals, mid-career women, and high fliers), and finally, regular networking with role models. It has been very often organized in cooperation with the Diversity Charter.

Even if some male CEOs officially resist the idea of promoting women on boards in their own companies, they support and sign the mission of the HBLF 2020 Club, and they are involved in the CEO Forum. Although the HBLF 2020 Club launching event earned significant media attention, bottom-up initiatives alone cannot reach a sustainable change in gender equality. They very often depend on personal interests and networks; therefore, they remain sporadic. Czákó also pointed out that there has been continuous and deliberate work on reaching the target as well. She perceived these informal solutions in many cases to be even more effective compared to the formal regulation concerning their aptitude for facilitating the change of social environment: “I think we must change Hungary culturally, and it is hard legwork”. She shared her negative experience that many people did not treat gender inequality as a real problem, and women managers are hardly accepted outside the HR and marketing fields.

Soft policy goes further in Poland but with limited results

The Return to Family Values

Gender equality remained blatantly absent from the agendas and purview of all post-1989 governments in Poland. This can be explained, at least in the first year of the transition process, by the magnitude of challenges related to the development of a market economy and the perception that gender equality had been already achieved and was well protected by the legislation, especially after the adjustments made in 2004. However, from a longer-term perspective over thirty years, a major factor behind the lack of attention to gender issues was traditional views on women’s roles deeply rooted in Polish society.

There were of course differences in the approaches of different governing majorities to the role of the Gender Equality Office. Centrist and leftist governments maintained the position of the Gender Equality Minister and were more open to a dialogue with women's organizations, ready to investigate new areas such as equality in business and monitoring progress, including the implementation of European Union directives such as the directive on the gender pay gap. For example, in 2014 the Minister of Gender Equality commissioned a review of the gender pay gap in the Polish public sector, which was prepared by the Supreme Chamber of Control [NIK 2014]. In the same year, The Ministry of Labor and Social Affairs implemented the project *Equality in Business*, which reviewed the situation of women at the decision-making level in business and provided arguments for why equality pays off. It was accompanied by a practical guide for companies on how to achieve gender equality in individual firms and increase the share of women in top positions [Ministry of Labor and Social Affairs 2014].

After 2015, with the election victory of the populist Law and Justice Party, the limited interest in gender equality policy turned into a veritable backlash fueled by a return to family values. This was reflected in the downgrading of the Gender Equality Office within the government, adding other dimensions of inequalities to its portfolio, such as matters regarding the disabled, and closing the dialogue with women's organizations, especially those working on violence against women and human rights. Attempts to restrict women's reproductive rights met strong social resistance with massive street protests in 2016.

In contrast to the Hungarian reaction, the 2012 recommendation of the European Commission to introduce gender board quotas launched a campaign and debate around women on corporate boards in Poland. At that time, Poland was governed by a liberal conservative government that gave more consideration to European Union-led initiatives than the government in Hungary. The public debate was long-lasting and often emotional with several pro-quota arguments advanced by women's organizations. It took place in the media and at various conferences and events organized by the Gender Equality Minister, women's NGOs, such as the Congress of Women's Association, employer organizations, and academia.

The public debate did not help, however, to pass the European Union proposal through the Polish Parliament. The proposal was rejected a year

later based on its non-compliance with the subsidiary principle (resolution of the Parliament of January 4, 2013). In the letter informing the President of the European Commission about the position of Poland, the government stated that there was no need for introducing quotas, as national legislation guarantees equal standards in the corporate world and is "more effective than the proposed EU legislation" [Commissioner for Human Rights 2019, p. 8]. The rejection of the European Union proposal by the Polish Parliament closed the case on the government side even if the debate on quotas continued in 2014–2015 driven by women's organizations that supported quotas along with recommendations on introducing measures to facilitate work-life balance, in particular through investments in caring infrastructure of children and elderly alike and sharing family responsibilities (also paternal leaves) between women and men [Fuszara et al. 2017].

In the context of the Polish debate, the pro-quota position of the National Commissioner for Human Rights, the constitutional authority for legal control and protection independent from other state authorities, should be noted. After the rejection of the European Union proposal by the Polish Parliament, the Commissioner requested information on two separate occasions from the government to evaluate progress in women's top positions in State Treasury companies and the economy at large. Recently, the Commissioner for Human Rights called the current populist Law and Justice government to take action to ensure equal opportunities for women and men in top positions in business. The Commissioner's letter on May 31, 2019, requested the prime minister to evaluate the effectiveness of systemic measures aimed at gender equality at top positions referring to the European Union legislative actions after 2012 and good practices of other countries such as Norway, Spain, and France [Commissioner for Human Rights 2019]. The Commissioner also made it clear that quotas are an effective tool to achieve progress and that they should be introduced first in State Treasury companies, which should serve as a model for private sector companies. There was neither any reaction from the government to this letter nor any discussion of it in Parliament or the media.

Soft Regulations to Circumvent the Conservative Backlash

Unlike Hungary, Polish policy toward gender corporate equality followed a mixed approach as shown in Table 4. From 2010 to 2017, some regulations

were introduced to promote women for board positions. In 2010 and 2011, the Warsaw Stock Exchange introduced soft recommendations for listed companies to publish information on their websites about the number of women and men holding executive and non-executive board positions [Resolution 2010; Resolution 2011]. The surveys carried out in 2009 and 2010 revealed that among listed companies more than half declared that they had taken actions targeted at gender equality. However, only a third of the surveyed companies acknowledged having clearly defined public relations goals. Whereas very few had introduced special policies related to recruitment and promotion including mentoring and training for women aimed at increasing their share in managerial positions [Adamska et al 2009; Lisowska 2010].

Table 4. Policy Measures on Gender Equality on Corporate Boards in Poland

Self-Regulation	
Resolution of the Warsaw Stock Exchange 2010	Resolution of the Warsaw Stock Exchange 2011
Listed companies Recommendation for promoting women on company boards	Listed companies Recommendation to include in the annual report data of the number of women and men holding executive and non-executive board positions Recommendation to publish the report on the company website
State-Regulation	
Act of the State Treasury 2015	Act of the Ministry of Development on implementation of the Directive 2014/95/EU 2017
Companies with a state share of at least 25% 35% of women on corporate boards Five-year period (by 2020) Recommendation to appoint women on corporate boards No minimum annual increase No monitoring No sanction	Large companies of 250 or more employees Annual reporting on gender diversity Obligation to explain no progress No deadline No minimum annual increase No monitoring No sanction

In 2015, the State Treasury introduced a soft executive ordinance for companies that had a minimum of 25% of state shares to have a gender balance on corporate boards with a target of 35% wom-

en by 2020 [Ministerstwo 2015]. Moreover, Poland had to comply with the stipulations from Directive 2014/95/EU on the disclosure of non-financial information and diversity information starting in 2017. The objective was to enforce reporting obligations in large firms (250 or more employees) on presenting data by gender, including managerial positions as well [Ministerstwo 2017].

These soft regulations had a very limited impact on advancing women in board positions. Regulations at the Warsaw Stock Exchange created some pressure on business leadership only during the first few years. In 2016, the Warsaw Stock Exchange published the last report on women on boards in listed companies, which was a part of publicly available documents presented to stakeholders. Little has been done to monitor the implementation of the executive order of the State Treasury as well as the Directive 2014/95/EU. While the target of 35% women on corporate boards of state-owned companies has not been achieved thus far, there has been a twofold increase in women on private corporation boards, more as a result of the active insider advocacy, examined in the next section, than any of these soft policy measures.

The Impact of Women's Organizations: Expertise and Insider Advocacy

Given the historical absence of government support for gender equality policy, Polish women's organizations were the key actors in lobbying for gender equality and proposing new solutions. They worked toward more gender awareness in politics, business, and social life, initiated public debates as well, and created networks to promote role models and publish reports monitoring progress. A number of these organizations sought to support women entrepreneurs by promoting women's careers in the corporate sector. One of the first organizations supporting women in business was the International Forum of Women established in 1993 at SGH Warsaw School of Economics as a research program on women entrepreneurs (www.mfk.org.pl/). Now, many others are active. The Foundation of Women Leaders promotes women on corporate boards by providing mentoring and organizing meetings with women in leadership positions. The foundation, Success Written with Lipstick, organizes an annual competition for Women of the Year in various categories (corporate and self-owned companies, and includes an award for male CEOs who help women move up the career ladder (<https://sukcespisanyszminka.pl/>)).

The most active and influential women's organization in Poland is the Women's Congress established in 2009 (www.kongreskobiet.pl). It is now the largest women's NGO in Poland, which has twenty-nine local representatives across the country and organizes annual congresses gathering around 4,500 women nationally to discuss and recommend actions. The association actively promotes women's participation in decision-making and prepared a citizen's project on obligatory quotas for women on the lists of political parties, adopted by the Polish Parliament in 2011. A 35% quota for women candidates in elections is now in force and, as a result, the share of women in Parliament has increased from 21% in 2007 to 29% in 2019. The Women's Congress also actively supported the EU directive on quotas on corporate boards and organized a number of public debates on gender issues. In March 2020, it prepared the first Polish proposal for an equal pay law based on the European Union's recommendations on wage transparency. The project has been already well-received by opposition parties in the Parliament and by the media and has resulted in the government proposal to amend the Labor Code to formally define mobbing in wage inequality.

Overall, the impact of women's organizations in Poland on advancing positive changes has been significant despite the unfavorable political climate. They initiated research on inequalities and provided arguments on why women's economic potential matters for the development of the private sector. Prior to 2015, they also managed to successfully lobby policymakers on issues such as quotas in politics and have put pressure on the conservative Law and Justice government. At the same time, these organizations have strengthened women's self-confidence through mentoring and training, promoting role models, and building networks.

Conclusion: Comparative lessons for promoting corporate equality in times of conservative backlash

In Hungary and Poland, there have been only limited efforts to improve women's positions on corporate boards and the absence of relevant regulations at the national level. Before 2015, Poland introduced soft regulations recommending companies fair representation in management, while in Hun-

gary there are only self-regulations at the company level typically guided or set by the international headquarters. The lack of national mandatory regulations in both countries has consequences in terms of lower representation of women on company boards and slower pace or stagnation of progress as compared to countries that have such regulations. Poland, however, had more success than Hungary in introducing gender equality in the corporate world, as has been pointed out, with the share of women on corporate boards in Poland doubling, while in Hungary it decreased in 2021 compared with the previous years.

There are several reasons why there was this difference in performance between the two quite similar countries. First, with the arrival of the populist right-wing majority in Parliament five years later, the populist backlash against gender equality had less time to take hold in Poland. Women's mobilization was also more pronounced around issues of gender equality in the corporate world in Poland than in Hungary, particularly on the national scene. Given the lack of political will, particularly with the advent of the right-wing populist government, bottom-up self-regulatory processes initiated by women's organizations became very important in both countries. Policy recommendations prepared by the Hungarian Women's Lobby have offered a wide range of actions for all stakeholders considering changes. The European women's lawyer actions can also serve as good practice in raising awareness of the benefits of regulations and mandatory quotas. Polish women are even more effective in establishing a common platform for action by bringing together thousands of women at annual congresses to empower women in public life and let their voices be heard. The key question today is who will join these organizations to push for long-term efforts aimed at building systemic mechanisms, including quotas, to close the gender gap in the corporate sector, particularly in the context of the hardening conservative backlash in the government. Corporate actors seem to be potential partners of women's movements in bringing change despite being driven by the business case approach and corporate profit. New media campaigns focused on women in the corporate sector, such as *Forbes Women* launched in 2019 in Poland, could be also a powerful ally.

However, there are also commonalities between the two countries. The aversion to mandatory regulation is rooted in historical antecedents, mainly in the backlash to the socialist emancipation project,

and recently in the strong anti-gender attitude of conservative governments blocking policies and measures promoting gender equality. In this setting, traditional gender roles are reinforced implicitly; moreover, the missing political will and a non-supportive environment reduce women's aspirations to compete for demanding jobs to break social norms. Today, none of the political parties that have entered the Parliament in Hungary and Poland have included corporate equality in their programs, not to mention proposals for concrete measures such as corporate quotas. However, in Poland, some references have been made to gender equality as a core value within human rights in the programs of the centrist and leftist parties. Similar attitudes can be observed in Hungary, where some politicians and political parties had intended to introduce gender quotas for elected office in 2007, which was finally rejected by Parliament.

Women in Hungary and Poland are aware that the process of progressive changes in the corporate sector has just begun, and there are many challenges ahead. As the founder of the HBLF 202020 Club in Hungary, Borbála Czakó, said, "We cannot change the whole society overnight." Companies may modify their regulations not because of changing attitudes toward promoting women to top positions but to comply with the formal requirements from internationally based headquarters. At the same time, the importance of informal negotiations should not be underestimated.

The debate on quotas in Poland and soft policy measures certainly had a positive effect on raising awareness of the gender gap in top positions in business and on its economic costs. The diversity context is now more often used in public statements and debates to underline the benefits of having more women on corporate boards. There is, however, little or no consensus on introducing quotas and establishing mechanisms to promote women to top positions. Polish CEOs and managers, both male and often female, point out that soft solutions are a better option (changing corporate culture, voluntary target, flextime, and flexplace). In official statements, gender equality is considered "very important for us," as in the prime minister's speech in March 2019 in the Polish Parliament. The current government claims, however, like the previous, more liberal government in 2012, that women's position in the business sector is on target and national legislation already guarantees equal opportunities for women and men.

Despite having many experienced women in middle management, women remain seriously underrepresented in leadership positions in both countries, which goes against the business case for women on boards. There are, therefore, some additional explanations for the limited progress in both countries. The first is the male-dominated power structure in the corporate sector, both as stakeholders and decision-makers, who are not interested in taking action. The second is an increasingly hostile political climate regarding gender issues (often referred to as gender ideology) and toward the implementation of international commitments and treaties. These together slow down the much-needed progress.

In terms of the mechanisms for progress, Poland offers a more optimistic picture, even if it confirms that gender transformation is a long process, and it cannot be taken for granted. Progress is not linear and advancements in gender equality legislation do not guarantee success. Progress depends on the political will of decision-makers at the government, local, and party levels as well as at the level of the firm. As the Polish case demonstrates, progress could be also driven by bottom-up actions of women's movements and good practices of companies. In Hungary, despite some civil society voices promoting more women on boards, the bottom-up approach is less effective due to the general weakness of civil society.

Interviews

Borbála Czakó, President of the Hungarian Business Leaders Forum, July 16, 2019 (Individual interview by Beáta Nagy).

¹ It is reprinted from chapter 9 published in the book: *Gender Equality & Policy Implementation in the Corporate World. Making Democracy Work in Business*, edited by Isabelle Engeli, Amy G. Mazur, Oxford University Press, Oxford 2022.

² *Guardian*, October 28, 2020, <https://www.theguardian.com/world/2020/oct/28/hungary-andpoland-to-counter-critics-with-rule-of-law-institute> (Accessed October 29, 2020).

³ <https://kormany.hu/dokumentumtar/a-nok-szerepenek-erositese-a-csaladban-es-a-tarsadalomban-20212030>.

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