IN HER WORDS

Money Is Not Just for Men

Sallie Krawcheck — once a Wall Street executive, now an advocate for women investing — on how women can get their fair share.

By Maya Salam

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“I would argue that in our society, money is a male construct.”

— Sallie Krawcheck, co-founder and C.E.O. of Ellevest, an investment platform for women

Remember that moment in “Sex and the City” when Carrie couldn’t afford to buy her apartment because she had bought too many shoes? Worse, she’d miscalculated how much she’d spent on them by $36,000.

Sallie Krawcheck doesn’t think it’s cute — she thinks it’s a trope.

“The primary emotion women feel around money is not power or independence, but shame and loneliness,” she said. “It is actually viewed as an attractive female characteristic to be bad with money.”

Krawcheck, a former Wall Street executive, is a founder and the C.E.O. of Ellevest, an investing platform that helps women reach their financial goals.

Giving women control over their financial futures is her mission — one she spoke about June 13 at The New York Times’s New Rules Summit, a two-day conference focused on women’s leadership. (See clips from the day, including interviews with Anita Hill, Valerie Jarrett and Padma Lakshmi here.)

I caught up with Krawcheck before she went on stage. We discussed women and money, the six gender gaps that persist and what women can do to close them.

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The wage gap

The problem: As it stands, women make 80 cents for every dollar a man makes at best. The wage gap is decades away from closing for white women, more than 100 years away for black women and more than 200 years away for Latinas. (Fun fact: Yes, women do ask for raises. They just don't get them.)

What do we do about it? Stand up for pay equity and invest what you can as soon as you can, Krawcheck said. “It’s something you can start doing now, while you wait those decades (or centuries) for the gap to close, or those months (or years) for your clueless manager to get over their bias and give you that raise already.”
Krawcheck says the easiest way to get started is to have an automatic deposit of a small percentage of your paycheck into your employer-sponsored 401(k) or, if you don't have one, to fund a traditional or Roth IRA.

[Read more: A woman's guide to salary negotiation]

The debt gap

**The problem:** Women earn 57 percent of bachelor's degrees but hold two-thirds of student loan debt. They also pay more for mortgages, even though they're better at paying them back. “Personal finance info aimed at women is a steady stream of condescending advice to restrain ourselves from overspending on ‘frivolous’ things like shoes or lattes,” Krawcheck said.

**What do we do about it?** Do everything possible to get more money in the hands of more women, so they can pay their own debt down, Krawcheck said. “Meanwhile, buy the damn latte — and don't feel guilty about it.”

The unpaid labor gap

**The problem:** Even in 2019, women are responsible for more cleaning, child care and so-called emotional chores — “things like remembering and organizing birthday parties” — than men. This adds up to five years’ worth of additional unpaid labor over the course of their lives. Meanwhile, taking a career break for caregiving can curb a woman's future salary, Krawcheck said.

**What do we do about it?** If you're doing more of the work, Krawcheck advises renegotiating with your partner, like Melinda Gates did. And if you can afford it, outsource time-consuming chores: Hire someone to clean your home or pay a little extra to have groceries delivered, for instance — no guilt allowed. “We live in the golden age of outsourcing,” Krawcheck said.

She also advises advocating federally mandated, fully paid parental leave for both primary and nonprimary caregivers.

The pink tax, a.k.a. the consumer pricing gap

**The problem:** So women make less, and they also pay more for consumer goods marketed to them. “This isn't just about Lady Doritos — one study found that women pay 42 percent more than men do on products like razors and shampoo,” Krawcheck said.

**What do we do about it?** Krawcheck advises voting with your wallet — say, for women-led, fairly priced companies — and making some noise when you see the pink tax in action.

The funding gap

**The problem:** Female entrepreneurs garnered only 2.2 percent of all venture capital funding last year (a stat that hasn't budged much, even recently). They also get fewer small business loans, even though they're more likely to be good borrowers.

**What do we do about it?** Get more women in venture capital, Krawcheck said, and support female entrepreneurs by investing in their businesses, either as a backer or a customer. “If you're in the V.C. world, make deals with other women and help coach those who come after you,” she said.
The problem: Women keep 71 percent of their money in cash, compared with men’s 60 percent. Women also retire with just two-thirds of the money men do — though they live five years longer. Why? “Because all these other gaps mean women end up with less money to invest,” she said.

What do we do about it? “Just do the damn thing, honestly,” Krawcheck said. That is, just invest some amount, any amount. “Being financially ready could be a lot closer than you think,” she said, “and it’s the one gap you can start closing in minutes.”

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What else is happening

Here are five articles from The Times you might have missed.

- “This is what they’ve dreamed about, and this is a world championship.” Everyone had an opinion after the Americans thrashed Thailand for the most lopsided win in World Cup history. [Read the story]

- “They never once treated me differently because I was female.” Meet Brig. Gen. Laura Yeager, the first woman to lead a U.S. Army infantry division. [Read the story]

- “I will expect a level playing field.” The director of the National Institutes of Health calls for an end to all-male panels of scientists. [Read the story]

- “Big-League baseball’s first woman, on a stage of her own.” A new Off Broadway play aims to make sure Toni Stone is no longer a footnote to history. [Read the story]

- “The powerful women of fiction are born of both hope and fear.” Hollywood is reconsidering the archetype of the bad female boss, using her to subvert old tropes and build new ones. [Read the story]

Overlooked No More: Ma Rainey
Overlooked is a series of obituaries about remarkable people whose deaths, beginning in 1851, went unreported in The Times. For Pride Month, we're adding the stories of important L.G.B.T.Q. figures.

Ma Rainey, a Georgia native known as the “Mother of the Blues,” was the first entertainer to successfully bridge the divide between vaudeville and authentic black Southern folk expression.

Of the nearly 100 songs she recorded in the 1920s, many were national hits, and some have become part of the American musical canon.

With unapologetic lyrics, Rainey proudly proclaimed her bisexuality and helped to mainstream black female narratives in a musical style that later became a nationwide craze.

In “Prove It on Me Blues,” she sings defiantly:

\[ \text{Went out last night with a crowd of my friends. They must’ve been women, ’cause I don’t like no men. It’s true I wear a collar and a tie, makes the wind blow all the while. Don’t you say I do it, ain’t nobody caught me. You sure got to prove it on me.} \]

Read her full New York Times obituary here.

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