



## Gender, Racial, & Sector Diversity at the Federal Reserve: 2016 vs. 2017

*2017 Leadership Reflects Persistent Lack of Diversity & Underscores  
the Fed's Unclear Institutional Commitment to Diversity*

In 2016 the Fed Up campaign at the Center for Popular Democracy published [“To Represent the Public: The Federal Reserve’s Continued Failure to Represent the American People.”](#) The report uncovered a shocking lack of gender, racial, and occupational diversity among the Presidents and Boards of Directors at the twelve Federal Reserve Regional Banks. The findings sparked public outcry and led to a coordinated campaign to improve the diversity of the Federal Reserve’s leadership. In May, 127 members of Congress [demanded better](#) public representation in a public letter to Chair Janet Yellen and the Board of Governors, [prompting](#) Hillary Clinton to announce her support for improved diversity at the Fed. Clinton’s demand was also echoed in the Democratic platform. Since then, numerous members of Congress have followed up with Yellen, including to inquire about diversity considerations in filling the vacancies for President of the Atlanta and Richmond Federal Reserve Banks.

### 2016 Numbers At a Glance

In 2016, the Board of Directors at the twelve Regional Reserve Banks were:

- 83% white, 10% Black, 4% Latino, and 3% Asian
- 70% male and 30% female
- 83% came from the Banking and Commercial sectors<sup>1</sup>

### 2017 vs. 2016

Despite mounting public pressure, and amidst calls from Congress and the public to appoint a leadership that reflects the American people, the Federal Reserve’s leadership has not meaningfully diversified in its race, gender, or occupational representation. In 2017, the current Board of Directors are:

- 80% white, 12% Black, 4% Latino, and 5% Asian
- 69% male and 31% female

Unfortunately, this comparison data illustrates that very little meaningful progress has been made to diversify the Fed. While 63% of the nation’s population is white, 80% of the 2017 Federal Reserve board members are white. Similarly, men make up 69% of Board members in 2017, despite constituting 49% of the US population.

In addition, the banking and financial services industries continue to have an outsized influence over our country’s monetary policy:

- **80% of the current Regional Board of Directors come from either banking or business backgrounds.**

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<sup>1</sup> The report “To Represent the Public: The Federal Reserve’s Continued Failure to Represent the American People” was published in February 2016. The 2016 figures included here reflect the final figures for 2016 which factor in subsequent vacancies filled mid-year.

*12 Federal Reserve Regional Bank  
Board of Director Diversity Stats -- 2016 vs 2017*

Sector	2016 Number	2016 Percent	2017 Number	2017 Percent	Percent Change
Financial	38	36%	41	38%	↑ 2
Business	50	47%	45	42%	↓ -5
Non-Profit	8	7%	9	8%	↑ 1
Academia	8	7%	8	7%	0
Public Service	0	0%	1	1%	↑ 1
Labor	3	3%	4	4%	↑ 1
<b>TOTAL</b>	<b>107</b>		<b>108</b>		

Demographics	2016 Number	2016 Percent	2017 Number	2017 Percent	Percent Change
Men	75	70%	74	69%	↓ -1
Women	32	30%	34	31%	↑ 1
<b>TOTAL</b>	<b>107</b>		<b>108</b>		
White	89	83%	86	80%	↓ -3
Black	11	10%	13	12%	↑ 2
Asian	3	3%	5	5%	↑ 2
Latino	4	4%	4	4%	0
Other	0	0%	0	0%	0
<b>TOTAL</b>	<b>107</b>		<b>108</b>		

*Source: Data Analysis of 2017 Federal Reserve Director Appointment Announcements: <https://www.federalreserve.gov/aboutthefed/directors/list-directors.htm> & Publicly available biographical information*

## New Directors vs. Reappointments

Every year, each of the twelve Regional Reserve Banks has three Directors whose terms are set to expire. More than half of the Directors whose terms expired in 2016 were renewed for another term ending in 2019. These re-appointed Directors were:

- 91% white and 8% people of color;
- 70% men and 30% women; and
- 87% came from the Banking or Commercial sectors.

With these reappointments, the Federal Reserve Regional Banks have demonstrated strong bias towards renewing terms of incumbent directors. This reinforces a status quo that skews heavily white, male, and banking-dominated. In the instances where the Fed appointed new Directors, the racial diversity improved - 43% of the newly appointed Directors are people of color. However, it's worth noting that while racially diverse, the new cohort is only 32% female, and 74% come from Banking or Commercial sectors.

## Variation Among the Federal Reserve Regional Banks

When looking at the diversity among specific regional Reserve Bank Board of Directors, it's clear some Regional Banks have farther to go than others:

- The New York Reserve Bank Regional Board, which is tasked with regulating Wall Street, is nearly 90% white. 66% of New York's Directors come from the financial sector.
- Fully 100% of the Atlanta and San Francisco Federal Reserve Board of Directors come from the corporate or financial sector.

- At half of the Regional Banks, at least 78% of the Directorships are filled by men -- in some cases like Cleveland, there is only one female Director which puts the percentage of men at nearly 90%.
- Some Banks have shown progress in recent years. Chicago is an outlier among the regional Banks, with 44% of their Board of Director positions held by people of color. Similarly, the St. Louis and Minneapolis Boards are 56% women.

### Recommendations

- The Board of Governors appoint one person from an academic background, one person from a labor background, and one person from a community non-profit background to each of the Class C director slots at all 12 Reserve Banks
- Consideration of the [diverse slate of director candidates](#) that the Fed Up coalition released in 2016
- The Reserve Bank presidential selection process be made more transparent and publicly inclusive. This includes: a public timeline, list of criteria, list of candidates, and opportunities for public input via town halls or forums.