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GREENLINING.ORG

November 21, 2016

The Honorable Janet Yellen
Chair
Federal Reserve Board of Governors
20th Street and Constitution Ave N.W.
Washington, DC 20551
[SENT VIA EMAIL]

Federal Board of Governors Must Support Diversity of Regional Bank Presidents

Dear Chair Yellen,

The Greenlining Institute (Greenlining) urges the Federal Reserve Board of Governors to prioritize the racial diversity of presidents within the Federal Reserve Regional Bank System. As you know, The Greenlining Institute is a tireless advocate for communities of color and has long met with the Board of Governors to ensure the financial system works for all.

We now call upon you to demonstrate your leadership and commitment to communities of color. You must prioritize the confirmation of a diverse candidate to the impending vacancy of the president of the Federal Reserve Regional Bank of Atlanta.ⁱ

Communities of Color Continue to be Redlined

Greenlining was founded to combat the lingering effects of redlining. Despite being outlawed nearly 40 years ago, the 2007 financial crisis painfully demonstrated that communities of color continue to be disproportionately impacted by the banking system. From subprime mortgages to foreclosure practices, our communities were systemically targeted.

Despite warnings from groups like Greenlining, low-income and communities of color were hit first, worst, and continue even today to lag in the economic recovery.ⁱⁱ Communities of color see upwards of double unemployment of our white counterparts, a shocking statistic that only recently entered into the FOMC minutes.

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At Greenlining, we understand that people solve the problems they see. Disproportionate unemployment of our communities is inextricably linked to the absence of a single black or Latino regional bank president in the Fed's 102 year old history.^{iv}

The Board of Governors Must Act on its Commitment to Prioritize Diverse Leaders

We applaud your insightful comments on the necessity for diversity in Federal Reserve System and the larger economics profession.^v However important, this recognition must be coupled with bold leadership and action. Per your September 29th remarks before the Kansas City Federal Reserve Bank, we do expect you to “[be] committed to improving diversity throughout our organization, including at the upper ranks”.^{vi}

Continued “rubber stamping” by the Board will effectively preserve the non-diverse status quo and fails to communicate its commitment to diversity. The Board must use its veto power and oversight of regional banks’ nominations to ensure our economy’s leaders look like America. We thank you for the opportunity to engage on this issue. If the Commission or staff have any questions, please do not hesitate to contact Danielle Beavers, Director of Diversity and Inclusion, at 510-926-4024 or danielleb@greenlining.org.

Sincerely,



Orson Aguilar
President



Danielle Beavers
Director of Diversity and Inclusion

ⁱ <http://blogs.wsj.com/economics/2016/09/16/atlanta-fed-president-dennis-lockharts-retiring-whos-next/>

ⁱⁱ http://www.nytimes.com/2007/12/18/business/18subprime.html?_r=0

ⁱⁱⁱ <https://www.bloomberg.com/view/articles/2016-08-19/the-fed-s-effect-on-black-americans>

^{iv}

<https://drive.google.com/file/d/0B9clry7n9BAreFRwQ184SHFnX1k/view?pref=2&pli=1>

^v <http://greenlining.org/blog/2014/connecting-dots-federal-reserve-chair-yellen-diversity-policy/>

^{vi} <https://www.bloomberg.com/news/articles/2016-09-29/yellen-pledges-diversity-at-fed-amid-search-for-atlanta-chief>

Greenlining Coalition:

Allen Temple Baptist Church
American GI Forum
AnewAmerica
Asian Business Assn
Asian Inc
Black Business Assn.
Brightline Defense Project
California Black Chamber
California Hispanic Chambers
California Journal for FilAm

California Rural Legal Assistance
Chicana/Latina Foundation
Chicano Federation, San Diego
Community Child Care Council
Community Resource Project
Council of Asian American Business Assn.
El Concilio of San Mateo County
Ella Baker Center
FAME Renaissance
Greater Phoenix Area Urban League

Hispanic American Growers Assn.
Hmong American Political Assn.
KHEIR Center
La Maestra Family Clinic
Mexican American Grocers Assn.
Mexican American Political Assn.
Mission Language & Vocational School
Mission Housing Development Corporation
National Federation of Filipino American Assn.
Oakland Citizens Committee for Urban Renewal

Our Weekly
Precinct Reporter Group
Sacramento Observer
San Francisco African American Chamber
San Francisco Housing Development
Search to Involve Pilipino-Americans
Southeast Asian Community Center
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