

Federal Reserve Board Oral History Project

Interview with

Patricia Barnes

Former Executive Assistant, Board of Governors of the Federal Reserve System

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Interviewer: Ben Hardaway

Federal Reserve Board Oral History Project

In connection with the centennial anniversary of the Federal Reserve in 2013, the Board undertook an oral history project to collect personal recollections of a range of former Governors and senior staff members, including their background and education before working at the Board; important economic, monetary policy, and regulatory developments during their careers; and impressions of the institution's culture.

Following the interview, each participant was given the opportunity to edit and revise the transcript. In some cases, the Board staff also removed confidential FOMC and Board material in accordance with records retention and disposition schedules covering FOMC and Board records that were approved by the National Archives and Records Administration.

Note that the views of the participants and interviewers are their own and are not in any way approved or endorsed by the Board of Governors of the Federal Reserve System. Because the conversations are based on personal recollections, they may include misstatements and errors.

Contents

Decision to Come to the Board.....	2
Working in Research and Statistics	3
Moving on to Bank Operations and Banking Supervision and Regulation.....	6
Working in the Personnel Division.....	7
Working for Board Members.....	9
The Camaraderie among the Board Members’ Assistants.....	12
Lighter Moments.....	13
Memories of Former Chairmen	14
The Work Environment at the Board.....	15

MR. HARDAWAY. Hello, and welcome to this edition of the Federal Reserve Board's 100th Anniversary Oral History Project. My name is Ben Hardaway. I'm with the staff of the Board's Office of Public Affairs, and I am assisting in the Oral History Project. With me today is Patricia Barnes, who has been with the Board for nearly 34 years now, and she has agreed to an oral history interview. Pat, how are you today?

MS. BARNES. Ben, I am fine—and very honored to be here today.

MR. HARDAWAY. Thank you very much. Pat, you came to the Board 34 years ago. How does it feel to be at this point?

MS. BARNES. Ben, I feel absolutely great. I started here almost 34 years ago: August 27, 1973. I started in the Division of Research and Statistics—hired by Ed Ettin, who was my supervisor then. I worked in various areas in Research for about 11 years with Ed Ettin, Fred Struble, Martha Bethea, Eleanor Stockwell, and Jim Eckert. I believe those were the key players in the Research Division when I came to the Board. I came from private industry, working in a hospital for almost seven years. I had so much to learn. I remember the days of typewriters, Snopake [correction fluid], white-out, and carbon copies, which was just unbelievable. Leaving the Research Division, I worked in the Division of Reserve Bank Operations (RBOPS) for Clyde Farnsworth, Elliot McEntee, and Florence Young, all of whom are no longer here. From Bank Operations I worked in the Division of Banking Supervision and Regulation for Fred Struble, an officer. Later I worked in the Division of Human Resources Management, then called Personnel, with Dave Shannon [division director, 1976–97]. I worked with him for nine years. In 1994 I was hired by Janet Yellen, who came in as Governor, and I stayed on the Board Members side for nearly 13 years.

MR. HARDAWAY. It seems like there's very few areas of the Board you haven't worked in.

MS. BARNES. There are very few areas that I haven't worked in. Being at the Board and working in various divisions gave me the opportunity to get to know people in practically every division—especially working for the human resources director and the Board members. I've worked for three Governors and am now on my fourth and final Governor. Governor Yellen, now president of the Federal Reserve Bank of San Francisco, hired me in 1994. She was here for only a short time before she was called to the Council of Economic Advisers (CEA). Governor Edward Gramlich came, and I worked for him about eight years. When he left a couple of years ago, I went to work for Governor Mark Olson only for a few months, and then for my latest governor, Governor Rick Mishkin, since September of 2006.

Decision to Come to the Board

MR. HARDAWAY. What originally drew you to the Board? You said you had worked in hospitals and doing sort of private sector—what made you come to the government in the Federal Reserve Board? Had you heard of the Board?

MS. BARNES. Ben, I had heard of the Federal Reserve when I was in school years ago—I graduated from high school in 1967. I worked in the hospital and became disgruntled and was complaining. My supervisor at the hospital was very frank with me and told me my job in the business office was as far I could go and I really needed to go back to school, because she knew I could do better elsewhere. I was working in the hospital in the billing collections section.

One of the ladies who worked with me had gotten tired, and someone told her about the Federal Reserve, and she was hired. She called back one day and was telling me how fabulous it was, and she said, "You know, you really should apply." She gave me the phone number. I

called. They called me in a couple of weeks later after receiving my application. And I came to the Board, was interviewed by three people in the Research Division, and all three wanted to offer me the job.

MR. HARDAWAY. Oh, wow.

MS. BARNES. And so the rest is history. On leaving private industry, I did not look back.

MR. HARDAWAY. And then were you always an administrative assistant or executive assistant?

MS. BARNES. No! I started as a clerk typist in the hospital's billing department, billing health insurance companies in private industry and calling people about billing collections, which I didn't like. I really became disgruntled. I was really happy that Ethel told me about the Federal Reserve. Ed Ettin hired me, and I will always be thankful to him.

Working in Research and Statistics

MR. HARDAWAY. And we've actually been lucky enough to have Ed Ettin do an interview with us, and he's a very interesting character. What was it like to work for him?

MS. BARNES. I really loved working for Mr. Ettin. His handwriting was not the best. However, I got the hang of it. Mr. Ettin was one of the best teachers I had coming to the Federal Reserve. Why? Because he had one of the busiest sections at that time in Research. He was a very hard worker. A lot of people called him a workaholic. I really learned a lot in R&S.

One of the biggest assignments was doing the Greenbook on typewriters. They had these long tables that we had to double. And Snopake every week—whiting out figures that they were preparing. It was a lot of work, and I remember saying, "I can't go to lunch today." Mr. Ettin asked, "Why?" I said, "There's too much work." He said, "Oh no, you have to go to lunch." He

stated, “What you have to remember is, there’s just a lot of work in the division, Pat. It’s not you. You’re doing an excellent job.” Apparently it was true, because I ended up getting a merit raise and a cash award about a year after I’d started working for him.

MR. HARDAWAY. Oh, great! Did you do a lot of late nights working on Greenbooks in Research?

MS. BARNES. No. It was pretty much strictly an 8-to-5 job, but if needed, I would work. I think I did more late nights when I went to RBOPS. Again, a lot of work, and I found myself working overtime and getting home at 9 or 9:30 at night and had to stop that.

MR. HARDAWAY. Were you able to balance family and work pretty well through those years?

MS. BARNES. When I first came to the Board, I was not married. Also, coming to the Board gave me an opportunity for growing in my skills. I mentioned earlier, a supervisor at the hospital said, “This is as far as you can go. You need to go back to school.” After coming to the Board, I took advantage of the opportunity and went to school at night, earning my Associate of Arts degree in 1975, which entailed working during the day and going to school five nights a week. I remember the days when shorthand was required. In order to move to the next level as a clerk typist, I had to pass the Board’s shorthand test. That is now obsolete.

MR. HARDAWAY. Was it a tough test?

MS. BARNES. It was not really a tough test, but with shorthand, if you didn’t use it a lot, you kind of would lose your speed and accuracy. When I started working in the Research Division, I did get to [use] shorthand skills, because they would dictate the morning and the afternoon markets calls. I was doing shorthand and longhand. When I look back now, those were great years because I got my foundation, which led to the longest career in my life.

MR. HARDAWAY. What was the Research Division like back then for someone who was an integral part but not, say, a researcher or an economist?

MS. BARNES. Working in Research allowed me to grow tremendously and become a very vital part of the Federal Reserve. I had an opportunity to work on my career goal. I worked for quite a few economists. I think it was a division that had more staff than any other division—and heavy workloads. Research allowed me to get my career foundation. I think I can't write home enough about that. Again, those were the days of typewriters. We later moved to Lexitrons and then computers. When I reflect back, those were some of the best years of my life, working at the Board. I learned a lot about the organization.

MR. HARDAWAY. What was the environment like? Was it very "business," very professional, sort of how it is today? Was it sort of a lot of academics, or the era was sort of very loose and very unstructured?

MS. BARNES. No, the people in Research were very serious about work ethics. I think it was because there was a lot of work to do. Everybody was involved in doing their own thing because of the work. I was really grateful for four more friends that worked at the Board in different divisions. They really helped me to get through those years, and we became very close. Today, I believe, two of them have already retired; a couple more have left the Board. Back in those days, the workload was heavy, and we were busy all the time. As mentioned earlier, when working with supervisors like Mr. Ettin, we worked constantly all day. I believe Mr. Partee was the Research Division director at that time who later became a Board Governor. I don't think there have been too many research directors at the Board who have become a Governor.

Moving on to Bank Operations and Banking Supervision and Regulation

MR. HARDAWAY. And after Research you went to Banking Supervision? What made you make the change?

MS. BARNES. I had been in Research 11 years and was ready for a change, to move up. Jim Kichline was now director of Research, and the secretary who worked with him had been there a long time. I remember covering the office when his assistant wasn't there. When he had the opportunity to hire someone when his assistant left, he hired someone else. I remember going to him and saying, "Hey, what can I do to move into a position such as this?" And he said, "Nothing personal, but keep doing what you're doing."

So I started applying for other jobs. I admit, my work ethic and the training for 11 years in Research had prepared me for pretty much any job that I applied for. However, it was time to move on, which was great. I got to learn other areas at the Board. I only stayed in Bank Operations for about two years, working with Elliott McEntee and Florence Young—lots of work there, too. By this time I had gotten married and had a son. The work demands in the office became pretty intense, and I found myself getting home at 9 or 9:30 at night. That had to change. Thankfully, a job became available in the Division of Supervision and Regulation, and I moved there.

MR. HARDAWAY. And what years were you in Bank Operations for?

MS. BARNES. I came to Research in 1973. I think it was about from 1984 to 1986.

MR. HARDAWAY. During a lot of those bank failures at the time. I bet those were some interesting times. What was the atmosphere like?

MS. BARNES. I have to admit, the atmosphere in pretty much all divisions was extremely busy—all of them workaholic divisions. But, again, that is because Banking

Supervision and Regulation—regulating banks—Research, all of those divisions, were some pretty large divisions. A lot of staff and lots of work.

MR. HARDAWAY. I can imagine.

MS. BARNES. I was only in Supervision for about four months and started working for Fred Struble. Then an opening for a division director's assistant came up, and I applied for the job in the Division of Personnel (HR). Dave Shannon, division director, hired me, and I was there for nine years.

Working in the Personnel Division

MR. HARDAWAY. What made you stay in Personnel for so long?

MS. BARNES. I had an excellent relationship with Mr. Shannon. The atmosphere was different because of the kind of work HR did—working with a lot of confidential information. Mr. Shannon and I became best friends, and he became a mentor to my son. I had great working relationships with the people there. This work was different from my previous divisions because I was in a position of managing the office, which included a couple of assistants under me. This job had a different kind of environment than in the Research and Bank Ops divisions. Even though it was very similar work, the level of work entailed more responsibility, as Mr. Shannon challenged my skills in HR.

MR. HARDAWAY. How so?

MS. BARNES. Mr. Shannon found my weak points, the things that I hated doing. Because he was a human resources person and knew his staff, his goal was to get to know people in the organization and challenge their potential. There were a lot of people who said, "He knows me. When he meets me in the hall, he calls me by name." Mr. Shannon had a certain project that we worked on that really challenged me, because he knew that I didn't like to write.

He could see the look on my face and knew I hated drafting letters, memos, but it was those things, my weak points, that helped me. He said, "I can't help you grow if you are not challenged."

MR. HARDAWAY. Absolutely.

MS. BARNES. The more letters I drafted, the more confident I became. The level of my responsibility changed as I went higher on the ladder. And it was a great opportunity to work there.

MR. HARDAWAY. What made you leave if it was so good?

MS. BARNES. Another opportunity for promotion. Oh, why else, Ben? What I liked about all of my supervisors at the Board was, they wanted me to grow as much as they didn't want me to leave. I am thankful they cared enough about me to want me to go higher in my career.

During performance review (PMP) sessions, one of the questions Mr. Shannon would ask would be, "Where do you see yourself five years from now?" And when I started working for him after a couple of years, every year in PMP, I said, "Well, I would like to become a Board member's assistant." And to that end, he really helped prepare me. [In] the position as director of HR, he got to work with a lot of the Governors on HR issues. I had a lot of interaction with the Board members' assistants. After nine years, two positions for Board member assistants became available. There were so many assistants applying for those jobs. I think when I applied for Governor Yellen's [assistant] job, there must've been about 20 some secretaries on the list. She interviewed, I think, maybe about eight candidates, and I was hired as her assistant. And so I've been on this floor, as a Board member's assistant, since November 1994.

Working for Board Members

MR. HARDAWAY. So, [in] 1994 you went to work for Governor Yellen? What was that like? Was it completely different than working for a division director?

MS. BARNES. It was. Even though the level of responsibility is higher because of your position, the workload, to a certain degree, decreased. However, it depends on each Governor. Normally, a lot of times when Governors come, it takes a while until they get their assignments and get familiar with their assistant. She was new and came from academics. She was not used to having an assistant. The Governors who came from universities were used to doing a lot of work and had to adjust to having an assistant. It was great, because I got to do my own procedures manual. Working with Governor Yellen helped me to build my secretarial skills. We were training each other, so to speak. She was excellent on the computer. After the interview, I told her I didn't think I would get the job, because when I was trying to find out about her, I heard that she was a computer whiz, and I figured I would never get this job. She again challenged me. I felt embarrassed, because she taught me a lot about the computer that I didn't know. I only worked a short time with her, because she was called over to become Chair at the CEA [Council of Economic Advisers]. We had a great working relationship then. Even today, we still have a great relationship.

MR. HARDAWAY. Was she a fun boss to work for?

MS. BARNES. Very fun Governor. And being a female, we shared a lot of things, unlike things that I could share with the male supervisors.

MR. HARDAWAY. And then you went over to another Governor?

MS. BARNES. After Governor Yellen left, there were a couple of things that happened. At that time, Jane Vergil was working for Governor Lindsay. I believe he left, and there were

two Board member vacancies. Unfortunately, we had to re-interview to work for Governor Gramlich and Vice Chairman Ferguson. I started working for Governor Gramlich. I had to get used to working with a male again. In the beginning it was kind of hard, because we were trying to get use to each other. He was very quiet. Governor Yellen and I would talk a lot, and he would just say, “Hi, how are you doing?” As the years rolled on—I worked for him, I think, nearly eight years—we were a great team. I got a merit increase during the time I worked for him, and he and his wife came to my wedding, our house blessing, and then, to my surprise, [my] 55th birthday party. I was really elated.

MR. HARDAWAY. Oh, very nice.

MS. BARNES. We had a really great working relationship, too.

MR. HARDAWAY. I can imagine. What were some of the personality style differences between Governor Yellen and Governor Gramlich?

MS. BARNES. The personality differences—women feel freer to talk to each other. For example, we could talk about outside life. Governor Yellen surprised me. My husband and I went on a cruise during the time I worked with her. I was excited, because it was my first cruise. She casually asked me, “What ship are you going on?” I gave her the information. When we got on the cruise, the first or second night at dinner, the waiter came over, and he asked for me. He said, “This is complimentary,” and there was a bottle of champagne on the table. Curious about it, I read the note from Governor Yellen saying “Enjoy the cruise.” I was literally taken back, and it really made for an even better cruise. We had a great working relationship. Women feel more comfortable talking to each other; they all cared about me as a person and as a family. Men would always ask, “How’s your family doing?” or about the weekend or a trip. And that’s pretty much it. Women get into more detail.

MR. HARDAWAY. Now, Governor Gramlich left after a few years—I think it was 2004?

MS. BARNES. He left [in] 2005, I believe.

MR. HARDAWAY. Then you joined Governor Olson. What was he like as a boss?

MS. BARNES. Very, very nice. Governor Olson was the Administrative Governor and had a very nice personality. He even gave me advice on second marriages, while we would laugh about it. One great thing about the Board members' assistants—if another assistant was out, we would go down the hall and ask the Governor if we could assist in any way. We had a great working team.

Little did I know when I started working for him in February 2006 that I would only be working for him until June 2006. We were beginning to feel comfortable with each other, with the work and everything, when he decided to leave for—maybe not a better job, but I think a better opportunity.

Working for all of them has been great. Each of them was different. Each Governor had his or her own personality and own style, and with each one I learned and grew in my career field.

MR. HARDAWAY. Wasn't there a joke going around that every time you—

MS. BARNES. —started working for one of them, they would leave. Yes, well, Steve Malphrus, the staff director for Management, made a comment at Governor Olson's going-away party. He said, "Pat, maybe we'd better pay you to stay at home, because every time you start working for a Governor, they leave." And I said, "Steve, you should think about that. I'd be happy to do that." But every Governor I worked for, when they leave, they go on to bigger and better things. But let's see what will happen now with Governor Mishkin.

MR. HARDAWAY. But now you're leaving, so it's reversed.

MS. BARNES. It is now reversed. But leaving after 34 years of service and working in about five or six different divisions, I achieved the goal I wanted. My goal when I started was to work for a division director and then, ultimately, be a Board member's assistant, and I have been able to do that.

I love the Board. I think it is an excellent place to work. When I have an opportunity, when new people come in, I try to encourage them. I talk to them about work ethics, different things—for example, how they could excel in the organization. I'm just very, very thankful to have, in the last 13 years of working with the Board members and others, a great opportunity.

In 1991, one of the highlights of my career at the Board was receiving the Special Achievement Award. Under Dave Shannon in HR, I was afforded that opportunity, and it was a great feeling. When a person works for 25 years, the organization must be great. The Board has a 25-year Service Award Program where some employees are honored each year. I think that's great, because I've heard [that] a lot of other organizations don't have those kinds of incentives. At Thanksgiving and Christmas, we get special lunches, and all of those things help to make the organization what it is.

The Camaraderie among the Board Members' Assistants

MR. HARDAWAY. You were talking about how all of the assistants on the Board side of the building work with each other. Can you tell me a little bit about the camaraderie? Because I see you guys going to lunch together.

MS. BARNES. You're very observant, aren't you, Ben? We did. What happened—I'm going to be very honest with you here, Ben. In past years, I remember, when I was working for a division director, if I would call some of the former Board members, it was sometimes hard to be

able to get the answers or it might be weeks before getting back to you for requests. And I said to myself, if I ever became a Board member's assistant, I would work and I would really help others as much as we could. So we've been able to form an excellent team. We work together. How it happened is all of us, most of the Board members' assistants now, came from the Research Division. All, with the exception of one who, I think, was in the Inspector General's office, came out of the Research Division. Isn't that amazing?

MR. HARDAWAY. So you all knew each other before.

MS. BARNES. Most of us knew each other before. All of us pretty much climbed the same ladder. I think we started in Research, all of us branched out to other divisions, and then we ended back on the second floor as Board members' assistants. That attests to the fact that the Research Division afforded us a great opportunity. I was challenged. I learned. And so, now, as I think about it, I believe the other Board members' assistants would say the same thing.

Lighter Moments

MR. HARDAWAY. You mentioned one other thing, just a brief second ago, about some of the special events. [Are] there any sort of really cool anecdotes or really good stories of the lighter moments—not just the work and the grindstone of doing research and working with division directors, but some of the really lighthearted moments that stand out, whether it be, like you mentioned, Thanksgiving, the Christmas party, or the 25th anniversaries?

MS. BARNES. Well, I guess when I think of the lighter moments, I do think about the Christmas parties that the Board used to have. Years ago—so much has changed—34 years ago they would really have Christmas parties where there was acting, all kinds of drama, different things going on, and I believe, looking back, I considered them “the good old days.” I remember the days of dancing at the Christmas parties and having lots of fun. And now they've just kind of

come down to pretty much lunches as opposed to holiday lunches, holiday breakfasts, whereas before they would start the Christmas parties around 4:00 to 7:00 p.m.

MR. HARDAWAY. Who was the best dancer? Were you out there?

MS. BARNES. I was on the floor, yes. There were days when I was out on the floor dancing. I love dancing, even from high school. I don't do a lot of it now. Oh, maybe what I do like to do is the Electric Slide. But those are some of the lighter things I can think of right now.

MR. HARDAWAY. Now, I was talking to a colleague of yours, doing her oral history interview, and she mentioned ice cream sundaes as a special treat that had gone on. Is that true?

MS. BARNES. I forgot about that. It was, yes—wow. That was Linda [Wells], I believe, who has been here longer than I have. Employees could go up to the cafeteria at a certain time and get one.

MR. HARDAWAY. The cafeteria was where?

MS. BARNES. Cafeteria—well, we had a cafeteria over in this building. I don't remember too much about that one, but, yes, you could go up at a certain hour and get ice cream sundaes, which was nice. I also remember—there's been a lot of building, of course, since 9/11—that we used to have a lot of art work around the Board that people could come visit and look. A lot of that, of course, has been moved. One of the things that stands out now is the beautiful water fountain. My friend Donna Milbourne could probably think of a lot of the lighter things and lighter times.

Memories of Former Chairmen

MR. HARDAWAY. You came in during Arthur Burns's term.

MS. BARNES. I vaguely and barely remember him. I remember Mr. Miller, and I slightly remember Mr. Burns. Back in those days, when I was in Research, I never really got on

the second floor and really didn't have a lot of dealings with them. Mr. Miller was here a very short time—I think a couple of years. The one that I really remember is Chairman Volcker, and I also remember Chairman Greenspan.

MR. HARDAWAY. Anything in particular about Volcker?

MS. BARNES. I remember he loved cigars. He would have a cigar in his mouth a lot.

MR. HARDAWAY. Any particular memories of Chairman Greenspan that stand out?

MS. BARNES. What I remember about him is that he was the one who handed me a Special Achievement Award and a 25-year Service Award. I can't recall anything else that really stands out.

The Work Environment at the Board

MR. HARDAWAY. What do you think makes the Fed a very good institution to work for, now that you've been here and you've seen a lot of changes—from buildings to Chairmen, to directors, to good times and bad, some harsh economic times, some banking issues? Is there anything that particularly stands out in your mind of what really makes the Board a good place to work and why people are here?

MS. BARNES. I think the employees, for the most part, are good people, and very friendly people to work with. What made it a good place to work is, the Board has gone completely with technology, electronic computers, and I think that has been a great change. I would say, overall, the people in this organization are great to work with. Chairman Bernanke and all of the Chairmen who have spoken during the holidays, or during Special Achievement Awards [presentations], special days, or retirements, speak of the people that work here who make up the organization. And they're dedicated. I believe they are dedicated to work in making the organization what it is now.

MR. HARDAWAY. What do you think you're going to take away most from your time here? Thirty-four years is a lot.

MS. BARNES. What I'm taking away is a lot of friendships, working with some great people, friendships that I plan to continue to keep. As a matter of fact, on my retirement party day, April 27, I plan to have business cards to give out where I can continue to keep in contact with people and anyone who would like to keep in contact with me after I retire. I said in my retirement letter to Governor Mishkin—I didn't talk much about him, but even the seven months that I worked with him, he's very funny, he's very humorous, we've had an excellent working relationship—that even as I was writing, as excited as I am about leaving, I am leaving a place where I learned a lot and am thankful for the opportunity to work for a great organization. Tears come to my eyes, because I am really going to miss people. I'm going to miss people who stop [by] my office to say, "Good morning, Pat. How are you?" I don't even know who they are sometimes. I will miss that. I hope I have left an indelible mark on all the people I worked for in this organization.

MR. HARDAWAY. Pat, thank you very much for your time.

MS. BARNES. Thank you, Ben. It's been a pleasure.