Comments on Diverse Policy Committees Can Reach Underrepresented Groups

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Research Design

• Randomized Control Trial for 9000 participants
• Intended to understand how the race or gender of the FOMC members affect
  • Unemployment forecasts
  • Inflation forecasts
  • Trust in the Federal Reserve
• Provided reports to participants and randomized the FOMC member’s photo shown
  • Thomas Barkin (White man), Raphael Bostic (Black man), and Mary Daly (White woman)
  • Control = no photo of FOMC member
Research Findings

• White women and Black women form unemployment forecasts within the FOMC’s forecasts when Bostic or Daly are shown.
• The agreement is lower when no photo is provided.
• Black men are more likely to form agreement when Bostic is shown.
• No effects for Hispanics.
• No negative effects for White men
Research Findings, continued

• Find female and Black subjects are less distrustful when Daly or Bostic are shown of the Fed (on a Likert scale).

• For Hispanic respondents, whose ethnic group was not represented on the FOMC at the time of our experiment, we detect different patterns: Hispanic men tend to be more distrustful when exposed to a female or non-White FOMC member.
Pathways

• Conclude a taste for diversity instead of homophily are driving their results.
• This is based on the fact that female and Black subjects react similarly to Daly and Bostic.
• Homophily would say that they should respond to their own group in a more substantial way.
• There’s little to no evidence for that among female or Black subjects in their study.
Comments

Interesting that there is no adverse impact of diversity on the beliefs of Non-Hispanic white men. Perhaps because they believe the majority of the FOMC is influenced primarily by white men.

• “Female and Black subjects should not react to diversity salience either because they would think a White male majority drives the decisions.”
  • But perhaps, the perception is that some diversity is better than none. Therefore, this belief doesn’t have to be symmetrical as it is for white men.

• “Second, many treated White men in our manipulation check report a perceived FOMC demographic composition in which White men are not the absolute majority.”
  • It is probably quite difficult to test where the threshold may lie (if at all). But I do question whether there is some of that occurring here.
Comments

- Very little response from Hispanic population.
  - Potentially due to sample size
  - Race for this group is not considered.
  - Hard to know which race group they would self-identify with, but would that change any of the results?
  - For example, if they were included with Black or White?
Comments

• Overall, leads me to wonder if different things are salient to different populations in terms of representation?
  • Race in some cases
  • Gender in others
  • Ethnicity in others
  • Sexual orientation

• Or is there a hierarchy for which matters most?