



Diversity in Monetary Policy

Closing Remarks DEI Conference

Bank of Spain, 7 March 2024

Olivier Garnier

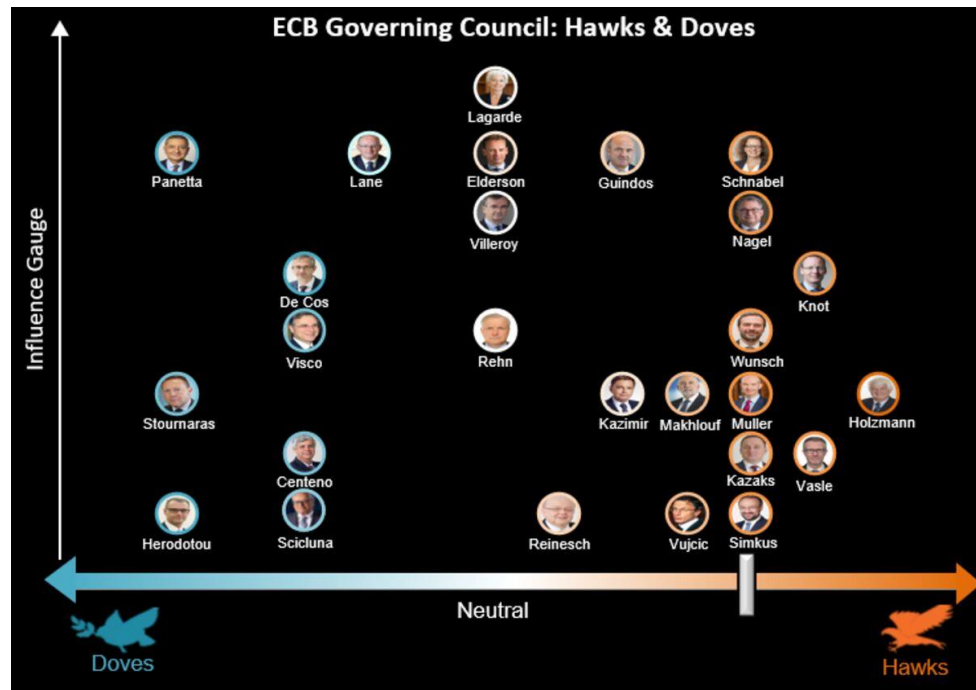
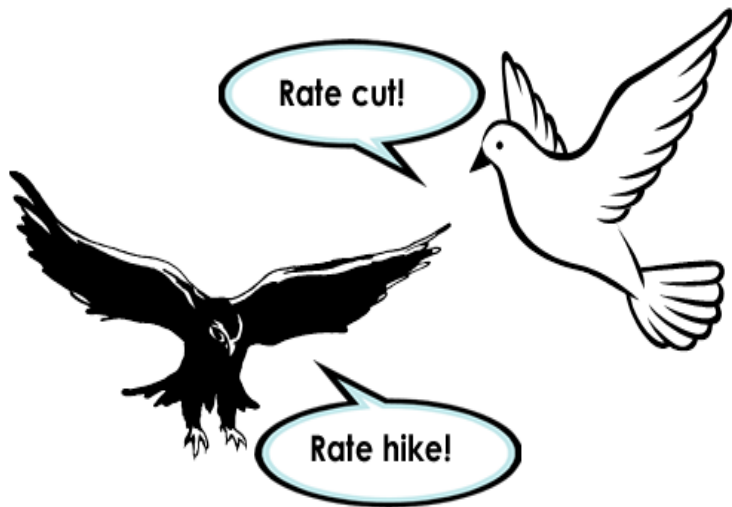
Director General

Economics, International and Statistics

Banque de France

Diversity in preferences: Hawks & Doves

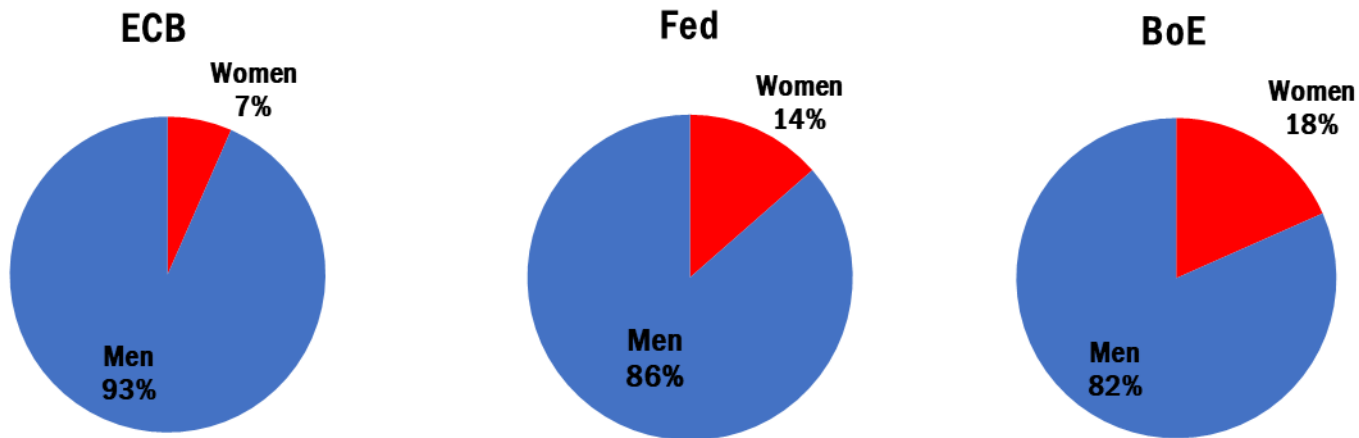
- > A hawk -> higher priority to fighting inflation
- > A dove -> higher priority to output growth and employment



Source: Bloomberg.

Central Banks at the top is still a man's world

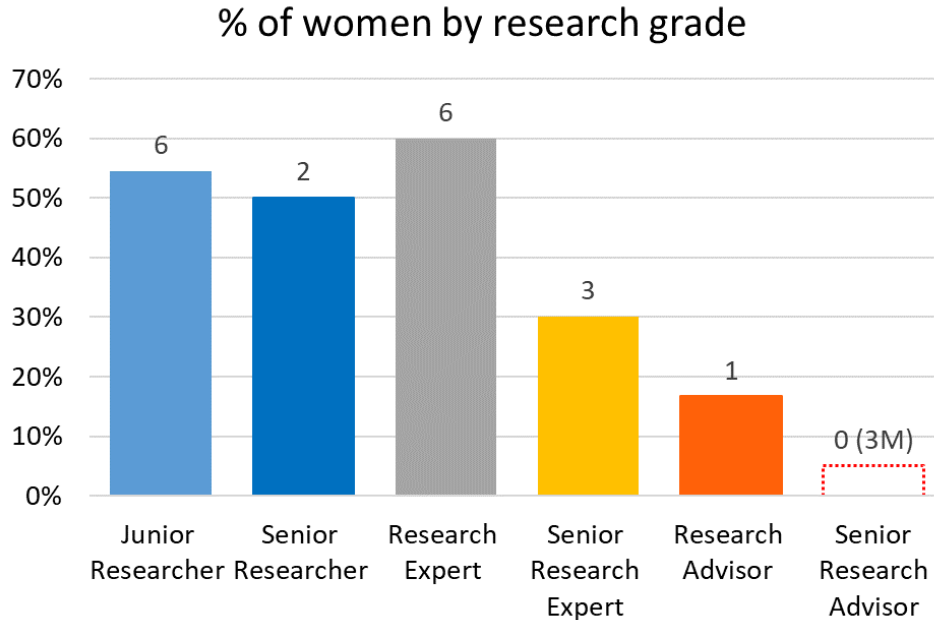
A "glass ceiling" of 20%



Note: ECB: the Governing Council (1998-2024), Fed: the Federal Open Market Committee (1960-2024), BoE: the Monetary Policy Committee (1997-2024). Source: Klodiana Istrefi & Giulia Sestieri, 2018, "Central banking at the top: it's a man's world", Banque de France Blog, updated in Feb 2024.

Research career path at the BdF

Proportion of women declines with seniority at BdF



- Women researchers are less represented in the most senior grades (senior expert researcher, research advisor, senior research advisor).
- Consequence: more difficult to find an internal mentor / role model

BdF action points

Attractivity



PhD scholarships for women

Ongoing



50% of internships/CIFRE* for women

2025

Objectivity



More data to study career evolutions of W/M at BdF

S1 2024

Visibility



Organization of an annual event: seminar with a star female economist + session « experience sharing »

S2 2024

Career

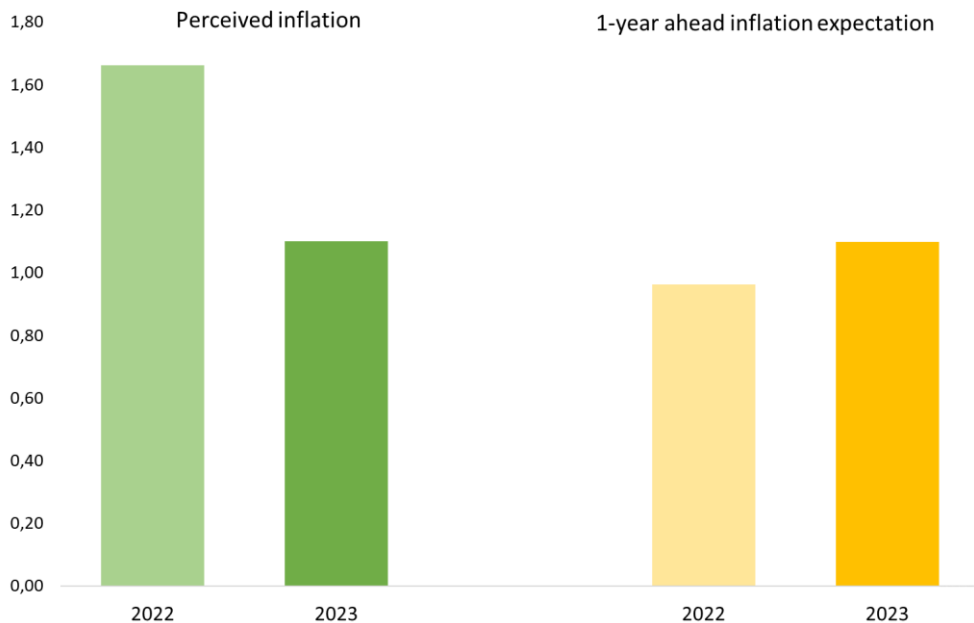


Take maternity leave/long leave into account when evaluating research career

2024

Women and the inflationary shock of 2022-2023

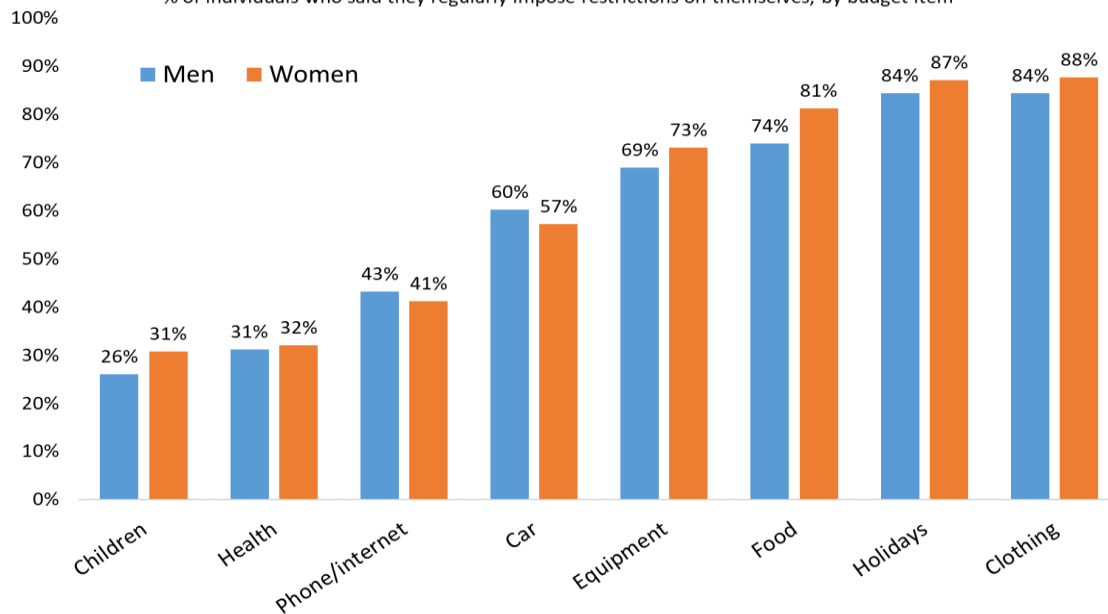
Average inflation gap in perceived/anticipated inflation between women and men (in pp)



Women and the inflationary shock of 2022-2023

Adjusting purchases to inflationary shocks

% of individuals who said they regularly impose restrictions on themselves, by budget item



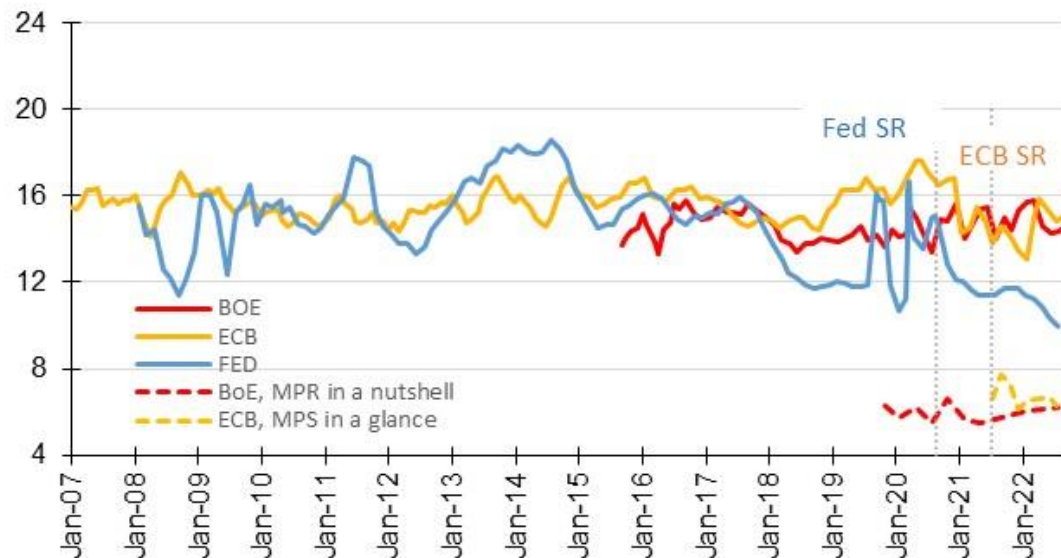
A significant proportion of households report restrictions on certain budget items. (Women 73% vs 62% for men).

However, **81%** of women said they had had to cut back on **food purchases**, compared with **73%** of men.

Women also more restricted on **holidays/leisure** and **clothing**.

Towards more clarity in central bank communication

Recent improvement in language complexity of monetary policy statements (Fed, ECB, BoE) and their simpler equivalents (ECB, BoE)



Source: Sylvérie Herbert, Klodiana Istrefi, Giulia Sestieri, 2023. "Towards more clarity in central bank communication", Banque de France blog. Language complexity is measured as the 3-meeting moving average of the Flesch-Kincaid Reading Grade Level in respective central banks' monetary policy statements (ECB, BoE, Fed) and their simpler equivalents (ECB, BoE). Latest observation: September 2022.

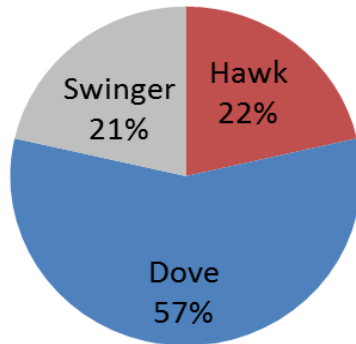


Thank you!

Hawks and Doves in the FOMC over time

- Istrefi (2017) found three types: **Hawks**, **Doves** & **Swingers**
- Female FOMC members have been perceived mostly on the **dovish** side.

Women



Men

