



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

JEROME H. POWELL
CHAIR

October 17, 2025

The Honorable Ayanna Pressley
House of Representatives
Washington, D.C. 20515

Dear Congresswoman:

Thank you for your letter dated September 8, 2025, expressing concern regarding unemployment for Black women in the United States.

Black workers (both men and women) consistently experience higher and more cyclical unemployment rates relative to other workers.¹ So far this year, the unemployment rate for Black women has averaged 6.2 percent, while the overall unemployment rate has averaged 4.2 percent. To get a sense of the implications of this differential, if the unemployment rate for Black women had been equal to the national average, the level of total employment in the economy would have been higher by about 235,000 (about 0.15 percent).

Moreover, since the beginning of this year, the unemployment rate for Black women has risen much more than the overall unemployment rate. From the first quarter of 2025 to the most recent three months of available data (through August), the unemployment rate for Black women increased 1.2 percentage points (from 5.6 percent to 6.8 percent), while the aggregate unemployment rate rose only 0.1 percentage point (from 4.1 percent to 4.2 percent). The increase in the unemployment rate of Black women widens the existing disparity between their labor market outcomes and the labor market outcomes for others in the economy, resulting in a corresponding increase in income inequality.

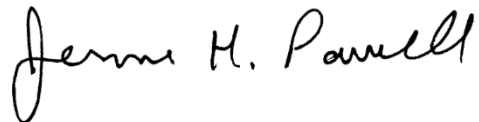
Under our dual mandate, the Federal Open Market Committee views maximum employment as the highest level of employment that can be achieved on a sustained basis in the context of price stability. While the Federal Reserve's tools are not designed to target demographic disparities, fostering conditions that support maximum employment and price stability will help build a strong foundation for creating prosperity for all.

¹ See, for instance, Cajner, Radler, Ratner, and Vidangos (2017), *available at* <https://www.federalreserve.gov/econres/feds/racial-gaps-in-labor-market-outcomes-in-the-last-four-decades-and-over-the-business-cycle.htm>; and Aaronson, Daly, Wascher, and Wilcox (2019), *available at* https://www.brookings.edu/wp-content/uploads/2019/03/aaronson_web.pdf.

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As for your question regarding Federal Reserve independence, Congress, through the Federal Reserve Act, directs that Federal Reserve governors serve in long, fixed terms and may be removed by the president only “for cause.” Long tenures and removal protections for governors serve as a vital safeguard, ensuring that monetary policy decisions are based on data, economic analysis, and the long-term interests of the American people. The Federal Reserve’s monetary policy independence is an important and broadly supported institutional arrangement that has served the American public well.

Sincerely,

A handwritten signature in black ink, reading "Jerome H. Powell". The signature is written in a cursive, flowing style. The first name "Jerome" is written with a large, looped 'J'. The middle initial "H." is written in a smaller, simpler script. The last name "Powell" is written with a large, looped 'P' and a trailing flourish.