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***“Always the First” – An inspiration to career women in Banking & Finance:***

***A keynote speech by Rachel Lomax, Deputy Governor, Bank of England***

Rachel Lomax, Deputy Governor for Monetary Policy at the Bank of England, delivered a keynote speech to Women in Banking and Finance (WIBF) on 16<sup>th</sup> March 2004. The talk was hosted by Credit Swiss First Boston at their prestigious new headquarters in Canary Wharf. Aqute attended the lecture and provides a summary of the key points from her presentation below.

**Rachel Lomax, a profile**

In 2003 Rachel Lomax became the first female Deputy Governor of the Bank of England in its 300 year history. How did she reach the top of her profession in this very traditional environment? Her inspirational talk to WIBF charted her career and how she achieved this.

Before joining the Bank, Rachel was a top civil servant, serving as Permanent Secretary to three Government departments: the Department for Transport, the Department for Work and Pensions and the Welsh Office. She spent the first twenty-five years of her career at the Treasury, broadening her experience by short spells in Washington (at the World Bank) and in the Cabinet Office.

She freely admits she had a head start in educational terms. At a time when most women left school without any qualifications, she was one of only two women doing a Masters degree in Economics at the London School of Economics. But that was 1968 and everything seemed possible.

Rachel joined the Treasury straight from the LSE: she describes it as a ‘polite’ place in those days but even so, like many of her contemporaries, she found the world of work a tougher place than she had expected. Women were still not really taken seriously: their ambition was tolerated rather than fostered; and their efforts to combine work and caring responsibilities were permitted rather than supported. It was assumed that she would resign when she got pregnant. But she didn’t, successfully persuading the Treasury to let her work part time until her children went to school, one of the first women to be allowed to do so.

### What mattered in her career?

Looking back on her career, Ms Lomax stressed the importance of professional credibility, both in terms of qualifications and breadth of experience. She says: 'There is no substitute for the confidence that comes from knowing you can do the job, because you have the skills and the experience, and you have the track record to prove it.' But she also acknowledged the need to be flexible and to seize opportunities as they appear.

She argued that women of her age needed to learn how to take themselves seriously before they could make other people take them seriously. They had a lot of rather mundane issues to work through (like how to dress and how to behave) and too often felt rather isolated at work. A sense of humour helped, both in winning allies and in deflecting unacceptable behaviour. She thought younger women were getting a lot of benefit from developing networks of friends and contacts in their own sectors and more widely; networking helps in doing your present job and it can open doors for the future.

### Her role at the Bank of England

Today, the Bank of England's role is to maintain monetary and financial stability. Rachel is one of two deputy Governors, with special responsibility for monetary stability. She sits on the Monetary Policy Committee (MPC), which is the nine-person body that determines short-term interest rates. This is a relatively new body, set up in 1997 when the Bank became independent. It is composed of full time Bank of England officials and four external members, typically academics or business economists, who serve for fixed terms on the basis of their expertise. Of the nineteen people who have been members of the MPC so far, four have been women: Rachel and three externals (DeAnne Julius, Kate Barker, and Marian Bell). The MPC meets monthly, chaired by the Governor and every member is individually accountable for his or her vote. Minutes of MPC meetings are published two weeks later on the Bank's website at [www.bankofengland.co.uk](http://www.bankofengland.co.uk)

The MPC's track record since 1997 has been excellent by any past standards. Inflation has been low and stable; and the UK weathered the global slowdown better than either the US or the euro zone. The Committee has a policy of being as open and transparent as possible. It discusses the risks around its central forecasts in the Bank's quarterly Inflation Report, in evidence given to Parliamentary Committees, and in public speeches given by members of the Committee.

### The Bank of England: then and now

Not surprisingly, economists tend to dominate the modern Bank of England. (The present Governor was a professor of economics.) This is a comparatively recent development however. For most of its 310-year history, Governors of the Bank of England were rich City gentlemen. The Bank's original purpose was to lend money to the Government, and it remained a private company until it was nationalised in 1946.

Some things don't change, however. The Bank remains on the Threadneedle Street site to which it moved in 1734, and it is still responsible for the note issue. Crucially, it is still banker to both the Government and the so-called settlement banks. This is what gives it the power to set very short term interest rates in normal times and, in very exceptional circumstances, to act as lender of last resort by supplying liquidity to the market; and this is the foundation for its modern role as the guardian of monetary and financial stability.

Rachel Lomax ended by saying that even the most traditional organisations have undergone far reaching change; business women should look past old stereotypes and seize the opportunities that present themselves.

**About WIBF**

WIBF was established with the aim of promoting women in their careers in financial services. WIBF are a not for profit professional organisation committed to empowering women in the banking and finance industry to realise their full potential.

**About Aqute Limited**

Aqute is an active member of WIBF. Aqute specialises in consulting to the financial services sector with over 10 years experience in helping drive business change and performance improvement with clients that are household names in banking and insurance. If you would like to receive future or back copies of our newsletter, please reply to: [info@aqute.co.uk](mailto:info@aqute.co.uk). For more information contact [angela.hakim@aqute.co.uk](mailto:angela.hakim@aqute.co.uk) or [liz.thrussell@aqute.co.uk](mailto:liz.thrussell@aqute.co.uk).

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The views in this newsletter represent the author's views on the events described herein and although every effort has been made to accurately describe them, may not be an accurate representation of the presentations given.

For more information,  
please contact [info@aqute.co.uk](mailto:info@aqute.co.uk)  
500 Chiswick High Road  
London W4 5RG  
[www.aqute.co.uk](http://www.aqute.co.uk)  
t +44 (0)20 8956 2505  
f +44 (0)20 8956 2504

