

Morgan Stanley Sued for Race Bias by Former Diversity Head

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Morgan Stanley was sued by its former head of diversity for allegedly discriminating against Black women who work at the bank.

Marilyn Booker, who joined Morgan Stanley in 1994 and became its first global head of diversity, claims in her lawsuit that the senior “white male-centric leadership” refused to adopt her plan to address racial bias at the firm and instead terminated her in December.

The lawsuit was filed Tuesday in federal court in Brooklyn, New York. It seeks a judgment that bars the bank from discriminating against her and other Black women at the firm and asks for unspecified damages.

Morgan Stanley didn’t immediately respond to a request for comment.

Booker, most recently a managing director at the bank, said she repeatedly voiced her concerns about “irrefutable and appalling patterns” in the firm’s hiring, retention and lack of advancement of Black employees. But she claims Morgan Stanley only paid “lip service” to these issues.

“Tirelessly, but to no avail, Ms. Booker tried to force Morgan Stanley’s leadership, including Chief Executive Officer James Gorman, to address the systemic racial discrimination rampant at the Firm.

Morgan Stanley took no action but instead hamstrung her efforts by steadily decreasing her budget year over year, according to the complaint. “even though her budget would not amount to a drop in the bucket for Morgan Stanley when compared to the money it threw at other initiatives and the massive revenue the firm generated.”

In her lawsuit, Booker criticized as hypocritical Gorman’s recent comments expressing support for the Black Lives Matter in the wake of the death of George Floyd at police hands.

“Clearly, Black lives did not matter at Morgan Stanley,” she said.