



Federal Reserve
Bank of Boston®

Remarks as Prepared for Delivery

EMBARGOED UNTIL 9:00 A.M U.S. Eastern Time,
Thursday, August 31, 2023 – OR UPON DELIVERY

***“Creating An Economy
That Works for All:
Remarks at the Bunker Hill Community
College 2023 Convocation”***

Susan M. Collins

President & Chief Executive Officer
Federal Reserve Bank of Boston

August 31, 2023

*The views expressed today are my own, not necessarily those of my colleagues on the
Federal Reserve Board of Governors or the Federal Open Market Committee.*

bostonfed.org

Key Takeaways

1. To build a vibrant, inclusive economy, we need the best ideas, energy, and participation from everyone. Community colleges play a critical role in this important work by providing affordable, accessible higher education and essential skill development – ultimately strengthening our economy and society.
2. Collins said we can and should do much more to discover and nurture the potential in people with a range of experiences and backgrounds – including individuals who may be the first in their family to attend college and individuals who may look different in appearance from those who've traditionally held particular roles.
3. Reflecting on her first 14 months as Boston Fed president, Collins said she's been impressed and encouraged by the leaders and residents she's met who are working to ensure everyone has a chance to participate and thrive in the economy. The Boston Fed believes in the power of collaborative leadership to make local economies stronger and more inclusive. The Bank knows from experience that tangible, practical, community-based efforts serve to strengthen our region.
4. Collins commended community college students for having resilience, determination, and the ability to overcome challenges. These traits, she added, give them the potential to be highly capable contributors to economy. She also shared her appreciation for the faculty and staff supporting those students.

It is truly a pleasure to join you this morning for the 2023 Bunker Hill Convocation! It's always wonderful to be among faculty and staff, and I am delighted to know many students are here as well. I want to thank President Eddinger and Provost Caniff for inviting me to be with you today.

The start to a new academic year is a very exciting time – and I know, also an extremely busy one. Having spent most of my career in academia, your convocation reminds me of so many starts to the academic year – initially as a student, then for about 25 years as a faculty member, and for nearly another 15 as a university administrator. I have many wonderful memories of meeting students; launching programs; and welcoming, and welcoming back, faculty and staff – who are the essential pillars in every higher education institution.

In my current role, I lead an institution that, like yours, has a public mission. At the Federal Reserve, we work to foster a vibrant, inclusive economy – characterized by our congressionally mandated goals of price stability and maximum employment – an economy that works for everyone, not just for some people. However, we know that economic outcomes for some people, some communities, and some places have diverged – despite best efforts – and therefore, many have been unable to fully participate in the economy. A healthy economy needs the best ideas, energy, and participation from everyone – with the opportunity to work hard, contribute, and prosper.

In that context, I have a particular appreciation for the critical role that Bunker Hill Community College plays in the greater Boston region. More broadly, I'm thinking about the essential ways community colleges serve our educational system in New England, and nationally. Simply put, community colleges are foundational to higher education in this country. They enroll nearly half of all first-time undergraduate students¹ and provide an affordable, accessible opportunity for investing in essential skills. Here at Bunker Hill, you are supporting students of all ages and backgrounds,

¹ See “Community Colleges and Upward Mobility” by Jack Mountjoy, *American Economic Review*, Vol. 112, No. 8, Aug. 2022 (pp. 2580-2630): <https://www.aeaweb.org/articles?id=10.1257/aer.20181756>.

many who are the first generation in their families to attend college.² Your students are wonderfully diverse, and you've earned the designation of a Hispanic-Serving Institution, and an Asian American and Native American Pacific Islander-Serving Institution, from the U.S. Department of Education. I want to express my admiration and appreciation for all that you do to support and invest in your students. You are strengthening our economy and our society.

In my remarks this morning, I'd like to talk about two things. First, I'll briefly discuss my own career trajectory, with a bit of reflection on lessons and takeaways that I hope you will find helpful. Then I'd like to share my perspective on the importance of a vibrant, inclusive economy and mention some of the ways we at the Fed, community colleges like yours, and people across the region are working to achieve that goal. In this discussion, I have a few key themes, including: the vital role of community colleges, especially your work here at Bunker Hill. I'll also touch on the importance of partnerships and collaboration – since success in my work, and yours, requires all of us working together. And finally, since this is a convocation beginning a new academic year, I'll offer a thought on beginning, persisting, and finishing.

My Own Path

I'd much prefer to talk about the work of the Boston Fed, or Bunker Hill Community College, than about myself. But I am often asked how I got to be in this role, and whether I have advice for others – especially since I am the first woman of color to lead a Federal Reserve Bank. I see this as an honor, a privilege, and a responsibility. So, I'll share some brief reflections based on my own path.

Like many of your students, I have an international background. I was born in Scotland to Jamaican parents, and raised in New York City with frequent visits to

² See "Community Colleges and the Future of Higher Education" by Michael Patrick Rutter and Steven Mintz in *Inside Higher Ed* (March 2019): <https://www.insidehighered.com/blogs/higher-ed-gamma/community-colleges-and-future-higher-education>.

Jamaica. I see exposure to different cultures as something to joyfully embrace and learn from – and a source of strength for navigating the inevitable challenges each of us encounters.

My parents certainly passed on their love of learning, and I see myself as a lifelong learner. I hope you see yourselves that way, too. While many things interested me early on, I took courses in economics in college, and found it really appealed to me – including a fascination with how analyzing data could help us understand the complex economy. Studying economics in graduate school, my experiences visiting Jamaica and other countries led me to specialize in the international aspects of macroeconomics, with a focus on econometrics, or data analysis.

Like my father, I began my career in academia as a professor, engaged in research and teaching, and becoming increasingly interested in using my expertise to help improve public policies. I eventually moved to academic administration – as dean of a public policy school, and then provost. Then fourteen months ago, I started in this position, giving me the opportunity to use my background and experiences now as a policymaker, serving the public interest.

I know many Bunker Hill students are the first in their families to attend college, and recognize how helpful it was for me to have parents and other family members with advanced degrees. Observing them made it easier for me to see myself as a professional, possibly in a leadership position one day. But while my family saw my potential, I can tell you that not everyone in society saw a small, very young-looking black woman as likely to become an economist, a professor, a dean, a provost, or president of a Federal Reserve Bank.

There is much more we can, and should, do to look for and nurture the potential in people from *all* backgrounds, including – perhaps especially – people who look different from those traditionally seen in particular roles. We should avoid making assumptions about the capabilities and possibilities that lie behind mere appearance. This mindset influenced my work as a faculty member, and is one factor that led me to

academic administration. It is also critical for the Fed – as I’ve said, a healthy economy needs ideas, energy, and participation from everyone.

I also recognize that I’ve been blessed with considerable support throughout my education and career. I’ve benefitted from having a family – parents, as well as a husband and now adult children – who supported and encouraged me along the way. I had instructors, advisors, and mentors too; and the best ones were those who challenged me the most. I am very grateful to each of them.

But not everyone has that level of support, which makes the work you do here at Bunker Hill all the more important. People like to talk about trailblazers opening doors, but an image that resonates with me involves the responsibility, once through that door, *to hold it open* for excellent, high-potential people. I want to congratulate and commend you for opening doors – and holding them open – for your students.

This is a convocation, a gathering to mark a beginning of a new school year. Beginnings are important, but I suspect you and your students are focused on the entire journey – including its resolution. I’m reminded of the extraordinary Jamaican sprinter Usain Bolt, who said *“There are better starters than me, but I’m a strong finisher.”* A challenging start to a journey – whether a sprint or a career – does not determine the outcome. What matters is staying the course and finishing. And to be clear, I do not see the most important journeys in life as races. I wish you great success in your own journeys as you support your students throughout this school year and beyond.

Creating a Vibrant, Inclusive Economy – Together

The Fed works to foster a vibrant, inclusive economy, and we do that in a much wider range of ways than most people realize – monetary policy, economic research, financial stability work and bank supervision, community and economic development activities, and initiatives and infrastructure related to payments, technology, and finance.

Today I want to mention a few aspects of the Boston Fed’s work that show the breadth and depth of our efforts to support a strong economy characterized by equitable opportunity.

The Boston Fed has a reputation for analytical rigor and analysis of current economic data. This is absolutely vital for policy work – as is our long-term research on a variety of empirical and theoretical topics. We hope our nonpartisan, unbiased research is a public service. Of course, we study a range of topics related to credit, employment, and inflation. But our work is much broader than that.

Unfortunately, we can see through our own research that not everyone has the same opportunities to contribute to our economy – which limits its strength and vibrancy. We are committed to doing our part to help address this challenge by fostering inclusion. Key ways we do this are by examining factors that could limit people participating in the economy going forward, and by collaborating with other organizations.

As part of that work, the Boston Fed has a decades-long history of studying wealth disparities for groups and places. We believe better understanding these gaps can expand opportunities, making them more equitably available, help bring more people into the workforce, and strengthen economic growth and competitiveness.

In this context, the Boston Fed recently launched a multi-year research initiative to explore wealth disparities in Greater Boston and across Massachusetts. It’s a complex issue, and we aren’t taking it on ourselves. Our community partners include the Boston Foundation, the Barr Foundation, Eastern Bank Foundation, and the Greater Boston Chamber of Commerce.³

³ See Federal Reserve Bank of Boston press release, “Federal Reserve Bank of Boston and community partners launch research effort to explore wealth divides” (April 2022): <https://www.bostonfed.org/news-and-events/press-releases/2022/boston-fed-and-community-partners-launch-research-effort-to-explore-wealth-divides.aspx>

The initial priorities for this work include measuring family wealth and exploring wealth differences between racial-ethnic groups and across geographies. We want to better understand why certain disparities persist. We hope the findings will be used by a broad group of public, private, and nonprofit organizations to develop solutions that promote equity in wealth – which is a key foundation for greater economic opportunity.

I'd also briefly mention the Boston Fed's work to support community economic development, expanding opportunities for everyone to participate in the economy. Since 2014, our staff have focused on encouraging local efforts to find economic resurgence in smaller cities and rural areas facing long-term struggles. We call it "Working Places."⁴

This initiative, started in 2014, is based on research that showed that an essential element of place-based economic resilience is cross-sector collaboration among local individuals willing to take on shared leadership. Now in 30 communities across 5 states, teams of local leaders choose a shared goal for improving the economy that benefits low-income people, and then develop and implement strategies to address them. They focus on issues such as workforce development, poverty reduction, affordable housing, and removing barriers to entrepreneurship. This initiative has helped foster collaboration among state government, the private sector, philanthropy, local organizations, and residents. The Fed hosts, convenes, and supports these efforts. This ongoing work demonstrates our belief in the power of collaborative networks.

As I talk to people in all parts of our region, I hear that people really do want to collaborate and work together to solve problems. Efforts large and small are essential, and in combination they can make a real difference and build resilience. In this, I'm reminded of the Kenyan proverb, that "*Sticks in a bundle are unbreakable.*"

I think about all the working people, leaders, and organizations I've visited with over the 14 months I've been in this job. And in addition to being so impressed with

⁴ Learn more about the Federal Reserve Bank of Boston's "Working Places" initiatives: <https://www.bostonfed.org/workingplaces.aspx>

what they are doing, I'm also incredibly encouraged that local, tangible efforts are adding up to real strength in our region. I'd like to tell you about a few of them, and hope you find them inspiring and motivating, as I do.

Often these efforts focus on the basic, practical things that get in the way of participation in the job market and economy – whether skillsets and training, or reliable and affordable childcare, or transportation, or the ability to find housing that's affordable in the vicinity of a job or school. It is important for us to celebrate these sorts of efforts, learn from them, and build on them!

- A first, obvious example would be right here – the way community colleges give people options to affordably develop skills to lead better lives. I note in your mission statement that *“The College provides inclusive and affordable access to higher education, supports the success of all students, and forges vibrant partnerships and pathways...”* And I know you work so hard to provide “wraparound” services that help smooth the issues that may be getting in the way of students continuing to progress. I also note the range of partnerships with organizations you've built, to give your students options and opportunities. As someone who thinks about the economy's health all the time, I just want to thank and commend you for that vital work.
- Another example – another stick strengthening that bundle – is in Connecticut, where East Hartford CONNects has launched a Professional Skills Academy with the goal of connecting residents with local employers – in the words of their director, trying to fill the gap between folks saying, “We need training,” and employers saying, “We will hire anyone as long as they're career-ready.” A related effort recruits underrepresented groups into manufacturing with training, and stipends that make it possible for people to take time for that training.
- Other examples touch on the critical economic issue of child care, which gives options to parents who want or need to participate in the workforce. To that end,

Leaders for Equitable Local Economies⁵ is an outgrowth of our Working Places effort, and in Fitchburg, the team has implemented a bilingual child care entrepreneur training program to help support individuals in opening up their own small businesses in childcare. The program has 80 graduates and started its fifth cohort this month! Similarly, the Waterbury, Connecticut Working Places team has provided training for residents looking to open licensed, home-based child care facilities. So far, 15 new facilities have opened.

There are so many other examples I could mention, from longstanding initiatives such as the public-private partnership facilitated by the Boston Private Industry Council for the Boston Fed and many other employers to hire summer interns from Boston Public Schools, to very recent ones such as the Boston Fed’s Economic Research Immersion pilot program this past summer for a small number of community college students – most from here at Bunker Hill.⁶ As I go around the region and meet with the wide range of the Fed’s stakeholders, people I talk to cite many challenges in our economy in New England, and also many strengths and opportunities. I find these stories of people and organizations making a difference to be inspiring and so gratifying.

What you do, what your students do, what we at the Boston Fed are doing, and what people are doing across New England are all part of making our economy resilient, vibrant, and inclusive. Efforts like these are adding to that Kenyan proverb’s bundle and helping to make it unbreakable.

Concluding Observations

In conclusion, I’ll just say that it is so essential that all in society have opportunities to enhance skills. You may have heard the saying, likely around for a long

⁵ Learn more about the “Leaders for Equitable Local Economies” efforts at:

<https://www.bostonfed.org/workingplaces/leaders-for-equitable-local-economies.aspx>

⁶ See “Boston Fed Program Aims to Attract Diverse Students to Careers in Economics” by Amanda Blanco, Federal Reserve Bank of Boston (Aug. 2023): <https://www.bostonfed.org/news-and-events/news/2023/08/boston-fed-program-aims-to-attract-diverse-students-to-careers-in-economics.aspx>

time and cited by F.D.R., that *smooth seas do not make for skilled sailors*. One thing I love and respect about community college students is that they set an example in contending with challenges. While no one would wish hardships on a person, there is no doubt that your students have built capability, resilience, grit, and the ability to manage many challenges. This gives them the potential to be some of our economy's most capable contributors. We all do well to recognize that in them!

However, let's think about that analogy of rough seas. Surviving them can be full of amazing lessons – but let's be honest: on the sea or in life, an instructor, guide, mentor, and supporter can turn a harrowing, possibly disastrous challenge into a formative one. That's what you do for your students here at BHCC. For that, congratulations. Best wishes for a great year ahead. And thank you for all you do.