Boston Fed President Eric Rosengren Announces He Will Retire Sept. 30

Disclosing health condition, he moves up his planned departure by 9 months

Steve Osemwenkhae/Federal Reserve Bank of Boston

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Boston Fed President and CEO Eric S. Rosengren announced that he will move up his long-planned retirement from June 2022 to September 30 of this year. He retires after more than 35 years of service at the Bank, the past 14 as president. His planned June 2022 retirement was aligned with mandatory retirement age for the position.

In a message to the Bank's staff, Dr. Rosengren revealed for the first time that he qualified for the kidney transplant list in June of 2020, during the pandemic, upon the worsening of a kidney condition he has had for many years. Delaying the need for dialysis might be improved if he makes lifestyle changes now to lessen the risks of his condition.

Rosengren said, "It has been an honor to serve at the Federal Reserve System, in a job where one can be constantly engaged in pursuing the economic and financial well-being of the country and New England. I know that my colleagues will build on our progress, and continue making a difference for the public we serve."

He added that he hopes to improve his health condition and eventually be able to explore areas of professional interest and contribution, in the future.

Jerome Powell, Chair of the Federal Reserve's Board of Governors, said:

> “Eric has distinguished himself time and again during more than three decades of dedicated public service in the Federal Reserve System. He led the Fed’s work in managing several emergency lending facilities in two separate periods of economic crisis. In addition to his monetary policy insights, Eric brought a relentless focus on how best to ensure the stability of the financial system. My colleagues and I will miss him.”

Dr. Christina Paxson, the president of Brown University and chair of the Bank’s board of directors, said:

> “Eric’s leadership has been outstanding on so many fronts. As a result of his tireless work, the Bank is making cutting-edge contributions across all its functions, and positively affecting the economic and financial security of people in New England and the nation. His commitment to ‘Main Street’ economic issues and opportunity for all has inspired his staff, colleagues, and countless others to innovate in service to the public. And let me add that Eric is one of those rare people who combines the highest standards of intellectual rigor with the warmest collegiality, inclusiveness, and humanity. The directors wish him the very best as he focuses on improving his health.”

Corey Thomas, chairman and CEO of Rapid7 and deputy chair of the Bank’s board of directors, said:

> “All of us on the Bank’s board of directors have been so impressed with Eric’s leadership, and while he will be sorely missed, we understand his decision and support him fully in addressing his health. I would note that Eric worked tirelessly during the pandemic downturn to support the nation’s economic recovery, never revealing or complaining about a worsening health condition. His commitment and courage are exemplary. As a token of our admiration and appreciation, and to honor Eric as he retires, the nine members of the board of directors have together unanimously decided to make personal donations to the American Kidney Fund (https://www.kidneyfund.org/about-us/) in Eric’s honor, after September 30. This national foundation supports the fight against kidney disease.”

Rosengren’s Service

Rosengren was named the 13th president of the Boston Fed In July 2007, just as the global financial crisis was beginning to take shape. Prior to becoming president, he headed the Bank’s supervision, regulation, and credit functions, a role he took after 15 years as an economist and researcher.

Rosengren initially joined the Boston Fed in 1985, and he is known for a rigorously data-driven approach to economic analysis and policymaking and as a champion (/news-and-events/speeches.aspx) for both aspects of the Fed’s dual mandate – full employment and price stability. His work as a researcher and policymaker often explores financial stability issues and their potential to have downstream impacts on everyday participants in the economy. During the financial crises of 2008 and 2020, Rosengren led the Bank in supporting the economy and financial system, including through the creation of emergency lending facilities designed to ensure the flow of essential credit.

As president, Rosengren has championed the Bank’s goal of being visible leaders in the communities we serve. In this regard he expanded the Boston Fed’s outreach to and impact on low- and moderate-income communities. The Bank hosted foreclosure-prevention workshops for New Englanders during the Great Recession. It also created and ran a cross-sector grant competition (https://www.bostonfed.org/workingplaces.aspx) to help postindustrial New England communities achieve resurgence. More recently, Rosengren joined other Reserve Bank presidents to lead the Federal Reserve’s “Racism and the Economy (https://www.minneapolisfed.org/policy/racism-and-the-economy)” forums, seeking to understand and address important racial challenges in the U.S. economy.

During Rosengren’s tenure, the Bank has also taken on a wide range of payments, technology, cybersecurity, and financial management initiatives on behalf of the Federal Reserve System – including the development of the FedNow℠ Service (https://www.frbservices.org/financial-services/fednow), a nationwide instant payments system. Under his direction it also began exploratory work on technologies and use cases that could support a potential Central Bank Digital Currency.

Leadership Transition

The Bank’s bylaws provide for a solid plan for leadership continuity. The role of interim president and CEO will be assumed by Kenneth C. Montgomery (/people/former-bank/ken-montgomery.aspx), the Bank’s first vice president and chief operating officer.

Given that Rosengren was facing mandatory retirement at age 65 next June, preparations were well under way for conducting the search for the Bank’s next president. The search committee will consist of the six non-banker Federal Reserve Bank of Boston board of directors members, and will be chaired by Paxson.

By U.S. law, only directors not affiliated with regulated banks or financial institutions are eligible to help select a Federal Reserve Bank president. The choice must be approved by the Federal Reserve’s Board of Governors.

Much more information will be available soon on the search for the next president of the Boston Fed.

Resources

Letter to Chair Powell (pdf) (/-/media/Documents/Press-Releases/PDF/20210927-Rosengren-Letter-to-Chair-Announcing-Retirement.pdf)