



**The American Dream on Hold: Economic Challenges in the
African American Community**

**Opening Statement by Carolyn B. Maloney
Ranking Member, Joint Economic Committee
October 30, 2015**

Thank you ...

It's an honor to be here today in Representative Rangel's district.

In his long, history-making career in Congress, Charlie Rangel has done just about everything – Chair of Ways and Means, longstanding Dean of the New York Congressional Delegation, and a tireless advocate for veterans. But some of you might not know is that he is a founding members of the Congressional Black Caucus. I know that he is very proud of that fact.

And it is an honor to continue my collaboration with Congressional Black Caucus Chairman G.K. Butterfield. G.K. has been a wonderful partner in our work to shine a bright light on the economic challenges facing the African American community. By building awareness, we can lay the groundwork for change.

I would also like to thank my colleagues from the Congressional Black Caucus for attending today and sharing your perspectives and knowledge this morning.

As Members of Congress, we are confronted with many serious and complex issues.

In my experience, it is impossible to come up with an effective solution unless you know the real size of the problem.

That is one reason we are here today.

Earlier this year, working in cooperation with Chairman Butterfield and the CBC, I instructed the Democratic staff of the Joint Economic Committee to examine the economic challenges facing the African American community.

We looked at the national picture. And we have looked at what's happening in our states and major cities.

What we found may not shock many of you here today... because these are things you know all too well.

But the information may surprise many others in America who are insulated from some of the problems we face. Even many Members of Congress likely are not aware that things are as bad as they are.

Just one statistic can help to tell the story.



Nationwide, the median net worth of white households is **13 times greater** than black households (\$142,000 vs \$11,000).

Today, we turn our attention to New York City, a cultural, financial and (with the Mets in the World Series), I'm proud to say a sports powerhouse once again.

New York is a city of extraordinary wealth, but as we'll hear, it's also a city of great disparities in economic security.

Consider these facts:

- In New York City, African Americans currently face an unemployment rate (12.0 percent) that is **over four percentage points higher** than the highest unemployment rate experienced by whites (7.9 percent) during the recent recession.

The numbers are even more startling when you consider income:

- The median income of white households in New York City is over \$80,000 – a good amount, even in a city where the cost of living is quite high. African American households earn just around half of that – about \$41,000.
- That means that the income gap in New York City between white households and African American households is **\$39,000** – compared to a national gap of about \$25,000.

And the disparities extend to poverty:

- African Americans in New York City face a poverty rate nearly double the rate for whites – 23 vs 13 percent.

As policymakers, we can respond to these numbers by throwing up our hands or rolling up our sleeves. Those who are here today are choosing the second option – to take action.

Today, we are fortunate to have two excellent panels of academic experts and community and business leaders.

Their knowledge and insights will help us wrap our arms around the problems that lead to these tragic numbers – so that we can tackle them head on.

For millions of African Americans, the American Dream remains on hold. We need to change that. And understanding the scope of the problem is critical to doing so.

Thank you for being here. I look forward to our discussion.