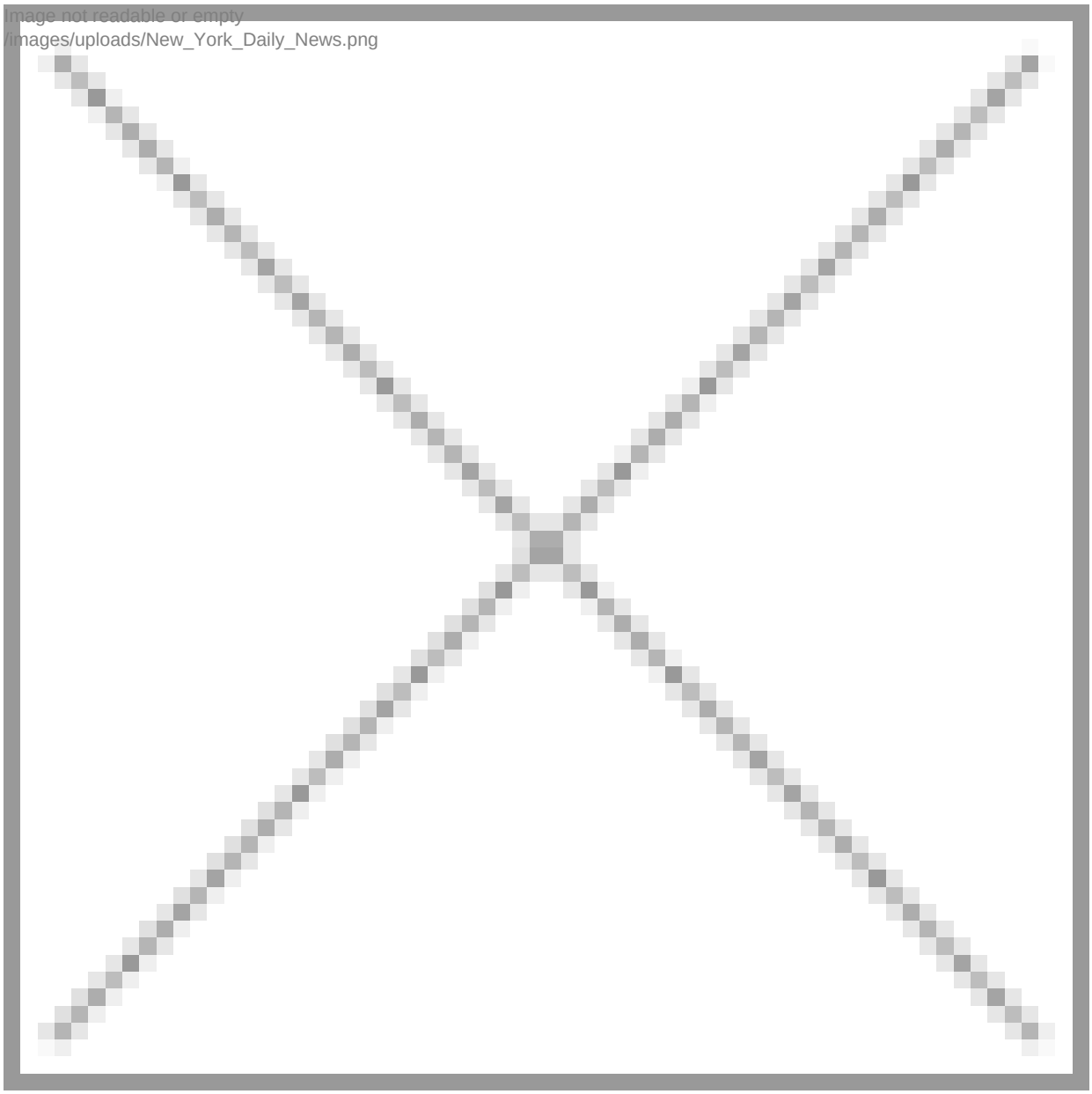


Commentary/Op-Ed - January 2014

Op-ed: What Mayor de Blasio can do to increase middle-class jobs, income equality

In an op-ed for the *Daily News*, the Center's Jonathan Bowles laments that the pathway to the middle class in New York City is now all but closed off for countless New Yorkers. While acknowledging that the city's soaring cost of living is a problem, he argues that the bigger challenge is that New York's economy seems less and less capable of producing jobs that pay enough to support a middle-class lifestyle in such a high-cost city.

by Jonathan Bowles



From the Gilded Age to the 1980s that inspired “Bonfire of the Vanities,” New York City has long been home to extremes of rich and poor. Yet, for all its stark disparities, New York has also been a place where working people from poor backgrounds could realistically aspire to a middle-class life.

Indeed, so many of the strivers who migrated to New York from abroad or from elsewhere in the U.S. came for the promiseof economic opportunity and the very real possibility for income mobility.

Today, however, the pathway out of poverty in the city is all but closed off for countless New Yorkers. What used to be a surefire ticket to the middle class — the combination of a stable job and an affordable home in one of the outer boroughs — now seems to guarantee only a spot among the ranks of the ever-expanding working poor.

In 2012, a staggering 410,000 New Yorkers — 1 in 10 working adults — had jobs that paid too little to rise above the poverty line, according to the Fiscal Policy Institute.

The city’s soaring cost of living is clearly a problem. But the bigger challenge is that New York’s economy seems less and

less capable of producing jobs that pay enough to support a middle-class lifestyle in such a high-cost city. It's not that New York isn't creating jobs. More people are employed in the city than ever before.

But most of the new jobs are in low-paying industries like retail, restaurants and health care. In 2012, 35% of working adults across the city — including 47% in the Bronx and 40% in Brooklyn — were in "low-wage jobs," earning less than $27,000 a year. That's up from 31% in 2007.

As a result, real median wages in the city are down by about 3% since the start of the Great Recession, and the underemployment rate — those working part-time because they can't find full-time work — in 2013 was 14.8%. The rate was 22.9% for black workers and 17.9% for Hispanics.

Mayor de Blasio has admirably promised to attack inequality. There are steps he can take to restore economic mobility.

With most middle-income jobs now requiring some level of college completion, the administration should launch a major new effort to boost the skills and educational levels of city residents, with more support for community colleges, job training and GED prep, among other things.

To help those with jobs climb out of poverty, de Blasio ought to expand work supports like subsidized day care and helpmore single adults qualify for the Earned Income Tax Credit.

On the economic development front, he should help more of the city's tech companies, artisanal manufacturers and other small firms grow to the next level, where they will be more likely to offer middle-income jobs. And more can be done to groom sectors that have the potential to create good-paying jobs that are accessible to those without a college degree.

It won't be easy, but New York can regain its longtime status as America's greatest city of aspiration.

Jonathan Bowles is executive director of the Center for an Urban Future, an independent think tank focusing on growing New York's economy and expanding economic opportunity. This op-ed was originally published by the New York Daily News on January 21, 2013 and is republished with permission.

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