

John C Williams: New York City is alive

Remarks by Mr John C Williams, President and Chief Executive Officer of the Federal Reserve Bank of New York, at the "Future of New York City: Focus on Jobs" conference, organised by the Federal Reserve Bank of New York, New York City, 4 October 2024.

* * *

As prepared for delivery

Good morning. Let me welcome you to the Federal Reserve Bank of New York and to our second Future of New York City conference. And thank you to the speakers, participants, and organizers who make this such a valuable forum.

This year we are celebrating the centennial of this landmark building here at 33 Liberty Street. We are proud of our history as a downtown anchor institution and look forward to the next 100 years.

Before I go further, let me give the standard Fed disclaimer that the views I express today are mine alone and do not necessarily reflect those of the Federal Open Market Committee (FOMC) or others in the Federal Reserve System.

It was not too long ago—a little over four years back—when some predicted that the future of New York City was quite bleak. Others even went as far to declare that New York City is dead forever.

Well, that forecast didn't age well.

I imagine those of you sitting right here in this auditorium would agree with me. Just to get here this morning, you likely had to catch a ride on a crowded subway, train, bus, or ferry. Or maybe you were brave enough to drive over a bridge or through a tunnel and then search for parking. Perhaps you stood in a long line waiting for coffee or a pastry, or dodged tourists taking a photo right in the middle of the sidewalk. I won't even mention the e-scooters and bikes. And it's only 9:00 a.m.

That's because New York City is again one of the most alive cities on Earth.

In truth, that 2020 forecast was based on the reality during that moment in time, at least economically speaking. New York City was the epicenter of the pandemic in the U.S., and our region was hit especially hard. According to New York Fed business surveys, business activity plunged to historic lows in April 2020, as fear of contagion kept many people at home and efforts to stop the spread of the virus shutdown large parts of the regional economy.¹ About 60 percent of service-based businesses and more than half of manufacturers reported at least a partial shutdown of their operations early on in the pandemic. Layoffs were widespread. The initial job loss of more than 20 percent in New York City exceeded the national decline of 15 percent.² You'll hear more about how the employment situation has evolved over the past four years from my colleague Jaison Abel in a few minutes.

I lived and worked here in Lower Manhattan, so I remember just what that drastic change felt like. The city went from being packed at all hours of the day to being almost unrecognizable. Here at the New York Fed and in offices just like ours across the city, only essential workers came to work in person. And neighborhood businesses and services-and the employees that supported them-suffered as a result.

But after that chapter came a remarkable rebound. To be clear, things are not exactly the same as they were prior to the pandemic. The city had to adapt to changes in office attendance and commute patterns, and the fallout is still lingering. But we are back on our feet, and the current reality is far different from the onset of pandemic and the period that followed. One indication that's important for our conversation today is that we've recovered the jobs lost during the pandemic and then some.

Now, shows and venues are packed. It's hard to get restaurant reservations at certain places. Apartment vacancies are low. And office workers are back, even if in some cases it's only a few days a week.

When we first hosted this conference in 2022, the discussion focused on remote work and the city's infrastructure, with a particular focus on an equitable recovery. The overarching question that shaped our conversations in that moment was, "*What is the future of New York City?*"

Now, that question has shifted. There's no doubt that New York City has a great future. So today, we're asking, "*What kind of future do we want to build for New York City?*"

The future will build and expand on what has worked so well for the city in the past. The foundational aspects that have made New York so successful for so long are still present. The excitement and enthusiasm that draw people to live and work here have not changed. At the same time, many of the challenges have not changed either. For example, the high cost of living and housing availability are still predominant concerns, among others.

The entertainment, arts, businesses, culture, and landmarks that we have here in New York cannot be replicated elsewhere. But those experiences can only be had if there are jobs and a healthy economy to support it all. It's important that we invest in the study of the challenges and opportunities for employment in this city, so that we can build the future.

Our conference today will do just that. In our sessions this morning, we'll talk about how employment was and continues to be impacted by shifts in the city. And we'll discuss similarities and distinctions across industries and occupations, initiatives that will attract and retain a robust workforce, and more.

Thanks again to our speakers and panelists for the knowledge and insight they bring to this event, and to all of you for attending and demonstrating your commitment to shaping the future of this great city.

¹ Jaison R. Abel, Jason Bram, and Richard Deitz, "[New York Fed Surveys: Business Activity in the Region Sees Historic Plunge in April](#)," Federal Reserve Bank of New York *Liberty Street Economics*, April 16, 2020.

² Jaison R. Abel, Jason Bram, Richard Deitz, and Jonathan Hastings, "[The Region Is Struggling to Recover from the Pandemic Recession](#)," Federal Reserve Bank of New York *Liberty Street Economics*, December 17, 2021.