

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
MINORITY (202) 225-5051

<http://oversight.house.gov>

Opening Statement Rep. Elijah E. Cummings Middle Class Prosperity Project Forum on Economic Challenges Facing the Middle Class February 24, 2015

Thank you, Senator Warren. I am honored to join you today as we launch the Middle Class Prosperity Project.

Today's forum will be the first of several we hold to examine the challenges facing the middle class and to do the work that Congress should be doing—formulating policies to strengthen the middle class and expand prosperity in our nation.

I also welcome our other colleagues here today, as well as our esteemed panelists. Thank you for sharing your expertise with us.

I believe this new project is critically important. The issue of middle class prosperity is not academic or theoretical—it is real and personal for me and millions of families across the country.

Every day, I hear from families in my district and throughout the country who are in the middle class or aspire to it. These are moms and dads and aunts and uncles and grandparents who watch the news on television or read the newspaper over breakfast.

These families hear about the economic “recovery.” They hear about the stock market reaching record highs, about companies making record profits, and about corporate executives making millions of dollars.

But then, they turn off the television, or they put down their paper. They look at their own lives, they examine their own realities, and they see a stark and unmistakable difference.

They sit at the kitchen table, and they take out their checkbooks to pay bills that grow higher and higher every single year.

Then they pull out their paychecks, and they stare at them in frustration. They cannot understand why they are still earning so little, year after year after year.

They ask a very simple question: where are the wages?

These families are working harder than ever. In fact, worker productivity has been increasing, and it has never been higher. But corporations and shareholders and executives are keeping more and more of the profits for themselves. They are taking a bigger slice of the pie.

This isn't fair. And it wasn't always this way. It used to be that when worker productivity increased, wages increased in virtual lock step. But that changed—and middle class families are now facing the consequences.

So these families ask themselves, if corporations are doing so well, and if the recovery is so strong, why aren't the results of my efforts going to me and my family?

That is what this project is about—giving a voice to middle class families across the country who are working harder and deserve far more than they are getting today.

So we start today's forum by asking the same question our constituents ask—where are the wages?

To help answer this question, my staff surveyed economists across the country, including Nobel Prize winners in economics, industry experts, and leading academics from some of our top universities—several of whom are here today.

These experts confirmed what we hear from our constituents every day—worker productivity is increasing dramatically, but wages have flat-lined because corporations and executives and shareholders are taking more of the gains. The middle class is being left behind as the costs of basic needs—like housing, childcare, and education—are rising.

If we do not change the policies that caused this squeeze, more families will fall out of the middle class, unable to cling on to the same economic rung their parents reached. And many more will never be able to achieve the middle class American dream.

In addition—and this is critical—our national economy will suffer. The middle class is the consumer base of our nation, and it is the engine that drives our economy. When consumers cannot afford to buy products, businesses will be pinched too.

So what should we do? Our first step is to understand the problem. That is why we are here today—to document and understand it. Then, in the coming months, we will convene additional forums to formulate concrete proposals to reverse these trends.

But let's be clear. The goal of this project is not just to talk. It is to identify and implement real solutions. We will work with our colleagues in Congress and the Administration to promote prosperity and to ensure that middle class families get what they expect and what they have earned.

Thank you.

Contact: Jennifer Hoffman, Communications Director, (202) 226-5181.