



**Asian American Federation  
of New York**

**FOR IMMEDIATE RELEASE**

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**ASIAN AMERICAN FEDERATION IMPACT STUDY FINDS SEPTEMBER 11<sup>th</sup> AFTERMATH  
SEVERELY HURT CHINATOWN'S ECONOMY, LEAVING LONG-TERM DAMAGE**

***Group Urges Private and Public Response To Reverse Business and Job Losses;  
Calls for Making Chinatown a Priority in Rebuilding Lower Manhattan***

**NEW YORK** – The aftermath of September 11<sup>th</sup> devastated Chinatown's once vibrant economy, causing unprecedented job loss and staggering business hardships. This impact has also left long-term concerns that require immediate attention, according to a comprehensive study released today by the Asian American Federation, a not-for-profit policy and service leadership organization. The Federation announced findings and recommendations from *Chinatown After September 11<sup>th</sup>: An Economic Impact Study*, the first neighborhood-level study after September 11<sup>th</sup>, at a press conference in Chinatown.

Drawing upon more than 30 data sources, including relief agencies and several community-based surveys, the study evaluated the extent of business and employment hardship stemming from infrastructure impediments and other factors. The study also examined the degree to which short-term assistance relieved economic distress for Chinatown, a community located less than ten blocks from the site of the World Trade Center.

"Our research revealed that more than six months after the September 11<sup>th</sup> tragedy, the people of Chinatown are still reeling from after-effects that have shaken this community to the core and continue to reverberate even today," said Cao K. O, executive director of the Federation. "Thousands of small-business owners, workers and residents in Chinatown are still struggling to cope with the consequences of this disaster upon their business and family lives."

Among major findings in the study:

- Nearly 3 out of 4 Chinatown workers were temporarily dislocated in the two weeks following September 11<sup>th</sup>.
- Three months after September 11<sup>th</sup>, nearly 7,700 workers – almost one quarter of Chinatown's labor force – remained unemployed.
- Five months after September 11<sup>th</sup>, 40 garment factories had closed their doors permanently, while 70% of garment workers and one third of restaurant workers were still working reduced hours.
- Prolonged road closings, traffic restrictions, telephone and power outages, increased security measures accelerated downturns in the garment, restaurant, retail and tourism industries. For example, in Chinatown's jewelry industry, which is one of the largest in the city, sales dropped over 50 percent.

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The Federation study identified several critical unmet needs in Chinatown. In a series of recommendations, the Federation called upon business, government and community leaders to discuss and address these needs cooperatively to spur prolonged economic revival and redevelopment in Chinatown and Lower Manhattan.

“*Chinatown After September 11<sup>th</sup>* is the first effort to quantify the severity of the economic impact of September 11<sup>th</sup> in Chinatown,” said Dr. Shao-Chee Sim, the principal investigator for the study. “We hope that this study offers a sound basis for substantive policy discussions and economic planning concerning the redevelopment of Chinatown as an integral part of Lower Manhattan.”

Among the major recommendations of the study:

- New government business assistance programs that target affected Chinatown businesses.
- Comprehensive planning and investment for community economic and workforce development with a special emphasis on immigrant workers with limited skills sets and limited English proficiency.

“More than half of Chinatown workers reside in other neighborhoods, including Brooklyn and Queens,” said Mr. O. Chinatown is a vital commercial hub with an aggregated deposit level in 35 local bank branches exceeding \$5.44 billion. Chinatown’s garment industry plays an important role in New York City’s status as the fashion capital of the world. Mr. O continued, “Our research supports that Chinatown is not simply an insular community – its prolonged suffering after September 11<sup>th</sup> may have significant impacts on the well-being of the city and the state. While immediate financial assistance is still needed, we also strongly recommend a focus on long-term solutions for economic stability and revitalization in Chinatown.”

The Federal Reserve Bank of New York, The Fiscal Policy Institute, and the Ralph and Goldy Lewis Center for Regional Policy Studies at the University of California, Los Angeles provided data analysis and technical assistance for the study. An Academic Advisory Committee of six respected researchers, and a Community Advisory Committee of sixteen community leaders guided the research process.

*Chinatown After September 11<sup>th</sup>* is part of the Federation’s Relief, Recovery and Rebuilding Initiative, launched in 2001 with major support from the Robert R. McCormick Tribune Foundation, The September 11<sup>th</sup> Fund, the William Randolph Hearst Foundation, and the JP Morgan Chase Foundation to organize service delivery to address unmet needs in New York’s Asian American community after September 11<sup>th</sup>.

The **Asian American Federation of New York** is a not-for-profit organization that provides public policy and community service leadership to identify and meet the critical needs of Asian Americans in the New York metropolitan area. The Federation serves the Asian American community by analyzing issues and voicing common concerns, advocating for responsive policies, offering financial and management assistance, coordinating service delivery, and creating unified, community-wide initiatives. The Federation, which began operations in 1990, has a membership of 36 community-based agencies that provide health and human services to diverse populations. For more information, please visit [www.aafny.org](http://www.aafny.org) or call 212-344-5878.

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*Chinatown After September 11<sup>th</sup>: An Economic Impact Study* will be available online at [www.aafny.org](http://www.aafny.org) after the press conference.