

Eric Alterman and Reed Richardson: Why Won't Congress Follow?



53

Tweet

0

Like

submit

reddit

9

Welcome to the Gilded City of New York

In the Age of Bloomberg, America's most iconic big city is also its most unequal.

The Editors April 17, 2013 | This article appeared in the May 6, 2013 edition of *The Nation*.

Like 286 Tweet 53

9

TEXT SIZE

SUBSCRIBE



The Flatiron Building in 1903, at the end of the last Gilded Age

To the stranger driving across the Brooklyn Bridge for the first time in search of the new New York, the neighborhood swirling at the base of the bridge looks less like the city than the shimmer of Oz. There, green parkland curves toward reclaimed lofts and cozy restaurants. Children bop along pebble pathways. And as waves lick the shoreline, a glass-encased carousel rises like a genie from the foam.

About the Author

The Editors

Also by the Author

Obama: Walk Your Talk on Guantánamo (Increased Security After 9-11, Jails and Prisons)

As the hunger strike approaches its 100th day on May 17, 100 prisoners are refusing food.

The Editors
Nation Notes

The Editors

This is DUMBO, one of the golden children of the New York City renaissance. Twenty years ago, the neighborhood wasn't much to see—just a worn-out industrial zone that was home to artists, squatters and other urban renegades. But in the last ten to fifteen years, as the city reinvented itself as a lifestyle metropolis, a wave of designers, techies and Wall Street types have washed up on its shores, bringing boutiques, furniture stores and a median income of \$168,000.

In this version of New York, the streets are made of Belgian cobblestone. "Luxury handcrafted" one-bedrooms rent for \$4,300 a month. Art spaces, cafes and Bugaboo strollers are everywhere—until, quite abruptly, they aren't. The stores disappear, the cobblestone turns to busted asphalt, and the reclaimed factories give way to the unexpected sight of ten rust-colored towers.

Here, at the desolate end of DUMBO, is a very different New York. The towers belong to the Farragut Houses, which are among the city's 334 public housing projects and have not been dusted by DUMBO's miracle powder. Instead, the complex has been buffeted by a mix of federal budget cuts and woeful mismanagement by the New York City Housing Authority. Trash bags are piled high outside the buildings. The elevators are forever breaking down. For more than four years, after NYCHA shuttered Farragut's laundry facility, the residents had to walk a mile just to clean their clothes.

This isn't to say there haven't been some improvements. Security cameras have been installed to help deter crime, and some residents say they enjoy DUMBO's peaceful proximity, even if they can't afford the shopping. But guns remain a scourge, and the area's subsidized daycare center was closed because the city concluded that gentrification made it unnecessary. The median income here is \$17,000—more than \$1,000 below the poverty level for a family of three.

"Ain't anything changed here," says one middle-age resident, who declined to give her name, as she stands outside the towers, clutching a cane. "If it gets better, it will be a miracle."

Here is New York in 2013: a city of dazzling resurrection and official neglect, remarkable wealth and even more remarkable inequality. Despite the popular narrative of a city reborn—after the fiscal crisis of the '70s, the crack epidemic of the '80s, the terrorist attack of 2001,

the superstorm of 2012—the extraordinary triumph of New York’s existence is tempered by the outrage of that inequality. Here, one of the country’s poorest congressional districts, primarily in the South Bronx, sits less than a mile from one of its wealthiest, which includes Manhattan’s Upper East Side. And here, a billionaire mayor presides over a homelessness crisis so massive that 50,000 men, women and children sleep in shelters each night. More New Yorkers are homeless these days than at any time since the Great Depression.

The numbers tell the story. Between 2000 and 2010, the median income of the city’s eight wealthiest neighborhoods jumped 55 percent, according to the Fiscal Policy Institute. Meanwhile, as the cushy precincts got even cushier, median income dipped 3 percent in middle-income areas and 0.2 percent in the poorest neighborhoods.



Image: Susie Cagle. Source: Fiscal Policy Institute. High income neighborhoods defined by median family incomes \$91,000 and above, low-income neighborhoods defined by median family incomes between \$24,000 and \$47,000.

New York, of course, has always been a city of striking contrasts, but its wealth gap is growing ever more extreme. The richest 1 percent of New Yorkers claimed almost 39 percent of the city's income share in 2012—up from 12 percent in 1980. The money pouring in at the top of the income brackets has simply pooled there, without trickling down to the bottom or even the middle. This great pooling has occurred as median wages have fallen, the cost of living has increased, and the poverty rate has risen to 21 percent—as high as it was in 1980. As a result, America's most iconic city now has the same inequality index as Swaziland.

This isn't entirely New York's fault. Over the last three decades, the whole country has experienced similar tectonic shifts, thanks in part to the national economy's increasing tilt toward finance—a sector that has an outsize presence in New York, which helps explain why the city has not only mirrored but exceeded the nation's rush toward inequality. "To the extent that New York is the home base for a lot of financial institutions, we have a lot of people who are able to pay themselves very well," explains James Parrott, chief economist of the Fiscal Policy Institute in New York.

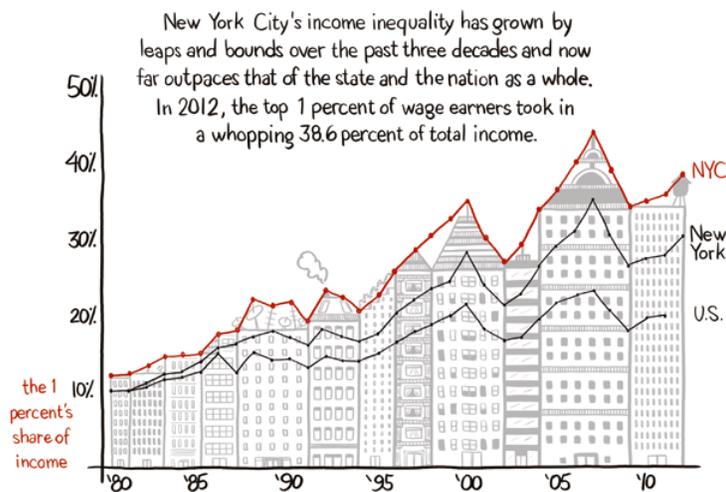


Image: Susie Cagle. Source: Fiscal Policy Institute, based on Piketty and Saez's top 1% income share for the US and FPI analysis of NYS Department of Tax and Finance and Division of the Budget data for NYS and NYC top 1% income share, 2010-2012 projected.

But, Parrott adds, the stewards of New York City—its mayor, legislators and other influencers—could have made choices to counter this trend: “New York City’s government is significant enough in its breadth...that the policy tools exist and the wherewithal exists to do something at the margins to lessen inequality.” The choices, however, that might have corrected some of the skew—within education, economic development, labor rights, poverty policy, budgeting—have largely been ignored in favor of creating a very different model of metropolis.

The Gilded Mayor

When New York’s 108th mayor, Michael Bloomberg, took the oath of office on January 1, 2002, few New Yorkers—including those who had voted for him—had any idea what to expect. A billionaire who had never held office, Bloomberg was mostly known as the Democrat turned Republican who had spent \$74 million of his own money, or \$99 per vote, to win the election.

Now, nearly twelve years later, Bloomberg has proved himself a powerful force, a mayor who has become at once a symbol and a source of many of the city’s changes. From his perch at City Hall, and with the aid of both imperial wealth and an often imperious personality, he has pushed a vision of the city that has charmed the chattering classes and confounded critics, even as it has defied easy categorization.

As the mayor of the civilized city—the one who has earned monikers like “urbanity’s great ambassador”—Bloomberg has pushed bike lanes, boutique parks and a complaints hotline. As the green mayor, he’s pressed tree planting, green building and an ambitious sustainability agenda. As the crusader mayor, he’s urged gun control and religious tolerance. And as the manager mayor, he’s wooed the tech sector, adding a shiny new spoke to the city’s economy, all the while keeping the wheels of city government spinning smoothly.

But there have been other Mayor Bloomborgs. The top cop Bloomberg has presided over a vast surveillance program targeting Muslims and a massive, racially skewed stop-and-frisk dragnet. The union-busting Bloomberg has waged war on organized labor, leading—for the first time since the fiscal crisis of the 1970s—to a remarkable situation in which every major public employee union is working without a contract. As Giuliani with a smile, he’s cut social services, pushed the fingerprinting of food stamp recipients and tried to charge rent from homeless people in shelters. As the MBA mayor, he’s turned public schools into high-stakes testing centers. And as the imperial mayor, he pushed through a deeply undemocratic change to the city’s term-limits law to pave the way for a third term in office.

Attempting to make sense of this jumble of policies, observers have often resorted to catchy memes about the mayor’s motivations. Bloomberg, they say, is a classic centrist—part social liberal, part fiscal conservative. Or he’s an apolitical technocrat whose only concern is doing what works. As one breathless *New York* magazine profile framed it, “Mike Bloomberg’s politics are non-politics—it’s all about the numbers.” Yet these theories miss the larger point about the mayor’s tenure, which is that his pragmatism has always been in the service of a larger politics, and his twelve-year reign has been geared not simply toward technocratic efficiency, but toward realizing a very specific vision of New York.

Bloomberg himself expressed this vision in a March 2012 piece in the *Financial Times* bearing the title “Cities Must Be Cool, Creative and In Control,” in which he wrote:

For cities to have sustained success, they must compete for the grand prize: intellectual capital and talent.

I have long believed that talent attracts capital far more effectively and consistently than capital attracts talent. The most creative individuals want to live in places that protect personal freedoms, prize diversity and offer an abundance of cultural opportunities.

Then he added, "Economists may not say it this way but the truth of the matter is: being cool counts."

This is New York for the creative and "creating" class—and with its culture, diversity and openness, that city is indeed a nice place for professionals to live. But what about those people who aren't part of the creative class, who don't descend on the city, post-college, with MacBooks full of "intellectual capital"? Bloomberg has answered that question as well, often quite explicitly, as he did during his weekly radio address not long after his *Financial Times* column appeared. Explaining why he opposed a "god-awful" City Council bill requiring employers to provide paid sick days to employees, he said, "It would be great if all jobs in the city paid a lot of money and had great benefits for the workers. Not good for the employers." Which is to say: in the cool, creative and in-control city, ordinary workers don't count.

In essence, Bloomberg's is a vision of the city forged primarily around the care and feeding of thought leaders, professionals and strivers—with little concern, and sometimes active contempt, for the ones who do the care and feeding. (In 2011, 400,000 New York workers, many of whom toil in service sector jobs, were not paid enough to hoist themselves out of poverty.) This is a fundamentally two-tier style of urbanism, one in which a cool, creative and well-managed metropolis glitters like something lovely, its radiance drawing attention away from the dimmed surroundings.

* * *

A New New New York?

More than 150 years ago, Walt Whitman stood on the deck of a ferry, heading home across the East River toward Brooklyn. As he crossed, he saw the crested waves, the belching foundry chimneys, the other passengers, and felt the demotic spirit move within him. "Just as you feel when you look on the river and sky, so I felt/ Just as any of you is one of a living crowd, I was one of a crowd," he rhapsodized in what became "Crossing Brooklyn Ferry."

Decades later, much of that waterfront is gone, replaced by DUMBO's shimmer, yet one suspects that a poet like Whitman might still find something universal in this city—in the bustle of an Occupy Sandy relief center, in the African markets that dot old Harlem, in the rattling can of a 7 or A train.

Please support our journalism. Get a digital subscription for just \$9.50!

Amid the two-tier urbanism of the Bloomberg era, many people have been working hard to make the city a more equal place. Workers have been coming together at fast-food restaurants, retail stores and car washes. Liberal-minded politicians, calling themselves the Progressive Caucus, have brought innovative ideas to the City Council. A coalition of the stopped-and-frisked has pressed for big changes in policing policy.

New York is a city forever giving birth to itself. It is no accident that Occupy Wall Street was born here. And in November, when New Yorkers go to the polls to elect a new mayor for the first time in twelve years, the city will reinvent itself yet again. "People aren't good at describing what is in their own interest," Bloomberg has said, to explain why he described it for them. Now the people will have a chance to define for themselves what kind of New York they want to live in: a Gilded City, or a genuinely democratic one.

Read all of the articles in The Nation's special issue on New York City.

The Editors April 17, 2013 | This article appeared in the May 6, 2013 edition of *The Nation*.

Like 286 Tweet 53 9 TEXT SIZE SUBSCRIBE

Web Letter (0) | Write a Letter | First Page

More from TheNation.com

- ▶ Why Aren't Environmental Groups Divesting from Fossil Fuels?
- ▶ How Wall Street Defanged Dodd-Frank
- ▶ The Trials of Rafi Segal
- ▶ Time for Big Green to Go Fossil Free

From Around the Web

- ▶ 11 Public Universities with the Worst Graduation Rates (The Fiscal Times)
- ▶ Bryce Harper and the most egregious player vs. umpire incidents of the season | The Strike Zone - SI.com (Sports Illustrated)
- ▶ Sculpture of ancient Rome: The shock of the old (BBC)
- ▶ How to Grow Strawberries in Baskets (HGTV Gardens)

Recommended by

[Ad Policy](#)

Like

Add New Comment

[Login](#)

Before commenting, please read our [Community Guidelines](#).



to live. On the other hand, it is much safer if you are rich. This has been the role of the NYPD since then, to suppress the bottom tier of NYC residents. But Guiliani and his Wall St. advisors did not set about remaking the very landscape of the City as has Bloomberg. When Bloomberg leaves office, there will still be many programs in progress to de-industrialize the entire coast of NYC and turn the waterfronts into parks and recreation areas for our rich tourists. There is no indication, as I said, that any of the announced candidates for Mayor after Bloomberg will turn towards building small businesses and bringing manufacturing back to the city. NYC is still on trajectory to being a Disney Land for the Rich and still trouble for the poor and middle class.

Muser

Perhaps it will be very hard to find any viable candidate who is not obliged by the times to preferentially favor the twin engines of financial trading and tourism over everything else.

Subscribe by email RSS

Trackback URL

More Lived History

Remembering Mary Thom
(Feminism, Lived History, Media)

Remembering Bob Edgar
(Lived History)

Welcome to the Gilded City of New York
(Lived History, The Gilded City, Activism, Society)

Anthony Lewis, 1927–2013
(Lived History, Supreme Court, Media, The Constitution)

Nation Media

 **Noam Chomsky: Things Are Ugly—Do Something About It**

 **'Dirty Wars': A Look Into America's Secret Killing Machine**

 **John Liu: An 'Out of Control' Wealth Gap Is Holding New York City**

Back

 **WATCH: The 2013 Ridenhour Prizes**

Also From The Nation

How Did These Five Lobbyists Become Congressional Staffers?
(Politics)

Penny Pritzker's Commerce (Part Two)
(Business, White-Collar Crime, Politics)

Swarthmore Students to Board of Managers: No More Business as Usual
(Activism)

What Did RGIII Learn at the Muhammad Ali Center?
(Sports, Society)



- Home
- Blogs
- Columns
- Current Issue
- Magazine Archive
- Multimedia
- Puzzle
- Community
- Educators
- Students

- Politics
- World
- Books & Arts
- Economy
- Environment
- Activism
- Society

- Advertise
- Subscription Services
- The Nation Builders
- Newsletter
- Nation in the News
- Store
- Spanish Translations

- Help
- About & Contact
- Digital, Mobile and E-Reader
- Community Guidelines
- Work for Us
- Privacy Policy
- Terms of Use

Copyright © 2012 The Nation