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The Long Crisis: Economic Inequality in New York City

Fahd Ahmed  
DRUM

Tom Angotti  
CUNY Hunter College

Jennifer Jones Austin  
Federation of Protestant Welfare Agencies

Shawn Blumberg  
Housing Conversation Coordinators

Robin Steinberg  
The Bronx Defenders

See next page for additional authors

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Authors
Fahd Ahmed, Tom Angotti, Jennifer Jones Austin, Shawn Blumberg, Robin Steinberg, and Stephen Loffredo

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THE LONG CRISIS: ECONOMIC INEQUALITY IN NEW YORK CITY

A Conversation between Fahd Ahmed, Tom Angotti, Jennifer Jones Austin, Shawn Blumberg, & Robin Steinberg

Moderated by Professor Stephen Loffredo†

I. INTRODUCTIONS

The Long Crisis: Economic Inequality in New York was a panel discussion hosted by the City University of New York (CUNY) Law Review on November 12, 2014. CUNY Law Review planned this panel as a symposium in conjunction with our “Economic Justice” themed issue for volume 18.1. The symposium brought together lawyers and activists from New York City to reflect on how conditions of poverty are created and reproduced both in New York City and in the United States at large.

Working class people in New York City struggle to survive. They suffer from wage stagnation, long hours, and diminished public benefits. The educational system prepares poor and working class children for a life of rote labor. The city’s paltry public services have undergone years of assault and continue to face the constant threat of budget cuts. Furthermore, in the current political climate, there is a steady ideological drumbeat proclaiming that those who enter into these systems are the ones at fault: if you need help, then there is something wrong with you.

It is difficult living from paycheck to paycheck but this is the

† Stephen Loffredo is Professor of Law at CUNY School of Law. He has litigated many path-breaking law reform cases, including actions that secured the right of homeless families in New York to safe and adequate shelter, established the right of single homeless shelter residents to public assistance and Medicaid, and vindicated the statutory entitlement of disabled New Yorkers to federal benefits worth over $100 million annually. He has continued to represent poor people through the Law School’s clinical program and as pro bono counsel to the Urban Justice Center. He has written and spoken widely on the constitutional dimensions of economic rights and the role of wealth in a constitutional democracy.

1 City University of New York Law Review hosted this public panel discussion on November 12, 2014 at CUNY School of Law. CUNY Law Review would like to thank the co-sponsors of this event: Law Students for Reproductive Justice (LSRJ); Latin American Law Students Association (LALSA); Labor Coalition for Workers’ Rights and Economic Justice; National Lawyers Guild CUNY Law Chapter (NLG); Iraqi Refugee Assistance Project (IRAP); Student for Justice in Palestine (SJP) and CUNY Law Association of Students for Housing (CLASH).
reality for the overwhelming majority of New Yorkers. Moreover, given that “quality of life” and “broken windows” policing policies disproportionately impact low-income communities, working class people who interact with the criminal justice or immigration detention systems experience a unique, multi-faceted vulnerability that can propel them deeper into crisis. This panel sought to discuss the problems generated by this system, and to reflect on the work that these panelists are undertaking to combat and overcome the barriers that stand in the way of social change.

The following is a transcript of the comments of our panelists, Jennifer Jones Austin, Tom Angotti, Fahd Ahmed, Shawn Blumberg, and Robin Steinberg. Stephen Loffredo moderated the discussion. CUNY Law Review Special Events Editors, Syeda Tasmin and Rachel Nager organized the panel.

Stephen Loffredo

Thank you to the student organizers. Thank you to our panelists. Welcome, audience. Before turning to the panel, and just to set the stage a bit, I’d like to share a couple of graphics that I found useful in understanding some of the dynamics and some of the dimensions of economic inequality in the United States.
Top income shares, United States, 1913-2012


This first graph is based on data gathered and analyzed by two economists: Emmanuel Saez and Thomas Picketty, the fellow who just published Capital in the Twenty-First Century. The graph shows the share of income captured by the top 1% in the United States for each of the years between 1913 and 2012. One thing you notice right away is that starting in the late ‘70s, there’s a sharp increase in the share taken by the very top. In fact, by 2012, almost a quarter of all income is going to the top 1%. The last time we had that level of inequality was all the way back on the eve of the Great Depression in 1928.

Picketty and Saez also calculated the income share that has gone to the top 10%, and it turns out we have just broken new ground on that metric. The top 10% in the U.S. now receive more income than the other 90% of the population combined – the first time this has happened in the last hundred years. Wealth is distrib-

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uted even more unequally than income: the top 10% control three-quarters of all wealth in the United States. One last observation about this chart before I move on: you’ll notice there’s an era in the center of the graph — between the Second World War and the 1970s — marked by far less income inequality; this is an era that some economists refer to as “The Great Compression.” During these years, the United States managed to keep economic inequality at more reasonable levels. Many believe that the more egalitarian economy of this era resulted from conscious policy choices. So perhaps there are lessons to be drawn from that experience, and perhaps we’ll discuss those a little further on in the evening when we talk about solutions.

This second chart was created by Robert Reich, and you’ll notice that it reflects the same trends as the first graphic. What it shows is that, from the ‘40s through the ‘70s, as worker productivity grew, as the economy grew, the resulting prosperity was shared up and down the income ladder. Wages increased, pretty much in sync with increases in GDP, increases in the economy. But starting in the late ’70s something happens. The economy continues to grow, productivity continues to increase, the stock market contin-

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ues to climb—I’m happy to report it hit a new high today—but what happens to the ordinary worker and the average family? They are uncoupled from these upward trends and excluded from the economic gains. Their wages stagnate as the elites appropriate greater and greater shares of the nation’s economic growth.

I saw a startling statistic in the New York Times last week: fully 95% of all income growth since the end of the Great Recession has gone to the wealthiest 1%. At the same time, social mobility and upward economic mobility—the phenomena that are said to make vast disparities of income and wealth tolerable in a democracy—are on the decline. Now, you may ask, is the U.S. any different from any other advanced industrial nation in these respects? It may be a matter of degree, but the answer is yes. We lead the advanced industrial world on virtually any measure of economic inequality you care to choose. We’re also near the top with respect to such measures as poverty rate, child poverty, and infant mortality. We trail in social spending as percent of GDP. We trail in economic mobility. So that is at least part of the troubling picture on the macro-level. Now we will turn to our panel and ask them for their thoughts about economic inequality, its causes, and its consequences, from a more local and granular perspective.

Jennifer Jones Austin

Good evening, everyone. Let me begin by celebrating CUNY

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6 Added footnote.

7 Jennifer Jones Austin is CEO and Executive Director of the Federation of Protestant Welfare Agencies (FPWA). Prior to joining FPWA, Ms. Jones Austin served as Senior Vice President of Community Investment for United Way of New York City where she was responsible for providing vision and leadership in the development of community and systems level improvements in early childhood and elementary education, high school attendance improvement and graduation, financial stability and income support for low-income families, and hunger prevention and reduction of diet-related diseases. Ms. Jones Austin served as the city’s first Family Services Coordinator of the City of New York, a position to which she was appointed by Mayor Bloomberg in 2006 after four years as Deputy Commissioner for the City’s Administration for Children’s Services. As Family Services Coordinator, she led numerous early childhood and universal pre-kindergarten, juvenile justice, child welfare, and domestic violence survivor housing initiatives that resulted in increased services and supports, and improved policies and practices. She has also served as Civil Rights Deputy Bureau Chief for Attorney General Eliot Spitzer, and Vice President for LearnNow/EdisonLearning. Mayor Bill de Blasio appointed her the Co-Chair of his mayoral transition in 2013, and lead of his UPK Workgroup responsible...
Law School for having this forum, for having this discussion. Many years ago, I too found myself in law school. And as I looked at the slides you shared, I kept thinking to myself, if I had stayed on the track that I went to law school intending to be on, where might I fall? I went to law school thinking that I was going to be a corporate lawyer. And it was in my second year of law school, while searching for a law review note topic, that I happened upon a case of child abuse and neglect—severe child abuse and neglect—and it forever changed my thinking about the world and my role and my responsibility in it. And I dedicated my career ever since to working on behalf of the most vulnerable here in New York City, here in New York State, and beyond. And so I am hopeful tonight that this discussion, for those of you who are just here to hear what’s going on, those of you who have not committed yourself to one particular area of law, might get something out of this and you’ll join up with many of us who have dedicated our careers to working on behalf of the most vulnerable.

About three years ago, I found myself in a roundtable discussion with several influential people on the D.C. scene, one of them Donna Brazile, the noted political strategist, analyst, and Vice Chairwoman of the Democratic National Committee. We were talking about the election of President Obama and the upcoming 2012 election, and she said something that I have not been able to shake ever since that day. She said, “Can a child growing up poor in America today become president of the United States?”

Economic inequality is often overly simplified. It’s talked about as the unequal distribution of income and wealth, or the gap between the rich and the poor with respect to income and wealth. And that’s a good beginning definition. But I believe that to truly understand economic inequality, you have to move beyond the simplified definition, and you have to appreciate its impact. Here in New York City, examples of economic inequality and its impact can be found through communities that just pervade this city. Mayor de Blasio, you may recall when he campaigned, talked a lot about “a tale of two cities,” and essentially what he was speaking to was economic inequality.

So I want to give you a few data points that will help to make
economic inequality here in New York City live, make it more obvious, make it more clear to you. Looking at one of the richest communities in the city, in the country, the Upper East Side, and one of the poorest, the South Bronx, which are separated by just a short subway ride—ten, fifteen minutes—you can get a very clear picture of economic inequality. On the Upper East Side, the median household income is $100,000, and the unemployment rate is less than 7%. But in the South Bronx, the median income is $20,000 and the unemployment rate is 16%. Home ownership, one of the most effective means of building assets and wealth, looks vastly different in these communities. The median sales price for homes on the Upper East Side last year: $1 million. The South Bronx: $280,000.

And with higher incomes and higher home values come better health and education systems. On the Upper East Side, where only 6% of residents self-identify as being in poor health, you’ll find four of the top twenty hospitals in New York City. But in the South Bronx, where 43% of residents identify themselves as in poor or at best fair health and where the HIV-related death rate is the third-highest in the city, access to hospitals is much more limited, and they are home to one of the worst hospitals in the nation. Sixty years since the Brown v. Board of Education decision, a public school on the Upper East Side, where less than one-third of the students are black or Hispanic, earned a performance grade of A in the last [Department of Education] rating, and 72% of the 8th graders are taking accelerated courses. But in the South Bronx, a public school that has a student body that is 99% black and Hispanic earned a C, grade and 18%—just 18%—of its eighth graders are enrolled in accelerated courses. Economic inequality is inextricably linked with income, health, and education. In short, income, health, and education inequality results in opportunity inequality, which then results in less social mobility, which then reinforces economic inequality.

We were asked to think about and share with you why there has been such a dramatic rise in economic inequality here in New York City and the nation, and there are many contributing factors. A few that I just want to highlight [are] the trend of making taxes less progressive since the 1970s [and] a changing job market that has forced many blue-collar workers to compete with cheaper labor abroad. We can look at the garment industry as an example of how we lost a lot of jobs overseas as trade rules were eased here in the United States. Job growth since the Great Recession is not where it
once was, and the biggest job recovery to date has been in low-wage jobs. That’s coupled with stagnant wage growth for lower- and middle-income earners, which in turn means that they have less money to save.

There’s been a high premium placed on education, and higher education in particular. The more educated you are—you well know, many of you, that’s why you’re in law school—the greater income you will likely earn. But with the high rise in tuition cost for college and graduate school, that makes higher education less of a reality for low-income people. Financial deregulation and expanded borrowing opportunities helped some people to build equity, and it caused other persons, particularly lower-income black and Latino families, to lose out. They lost a lot of money.

And finally, during the Great Recession, we saw significant cuts in funding for human service programs. Here in New York alone, $800 million were cut in human services programs. I’m talking about childcare, housing supports, homeless shelters, public assistance, [and] food supports. That resulted in people who were accessing these supports having less money in their pockets that came from those supports, which then caused them to stretch their dollars even more, and inhibited them from doing some of the things that would have allowed them to keep moving upward. Nationally, we have more than ten million people who are living in neighborhoods that are concentrated in inequality and in poverty, and the consequences are high unemployment rates, rampant crime, health disparities, inadequate early childhood education, and struggling schools.

So I said that I couldn’t help but continuously reflect on that question that Donna Brazile posed: can a poor child in America today become President one day? Can a child growing up poor today, in poverty today, become President of the United States? If a child in a lower-income community does not have the same access to quality public schools, then his chances of moving up, improving his education, and his educational journey are iffy at best. If a child growing up in a household that is low-income doesn’t have access to quality health care, her chances of thriving and being prosperous are iffy at best. Growing inequality decreases the likelihood of individuals, children, and families moving up the income ladder and building wealth. Economic inequality, we have to remember, is bigger than income inequality, and it’s more than an individual or family problem. Economic inequality is ripping through America, and it’s eroding the good old American dream.
Thank you, Jennifer, for that really excellent introduction and background. Since you started off with a personal anecdote, I will add my story. When I graduated from college, I went to Alabama and was working in the civil rights movement, where I discovered deep inequality, racial inequality, which has been fundamental, systemic, and institutionalized in the United States and continues to be. Then I joined the Peace Corps, which kept me out of Vietnam, thank goodness, but exposed me to another set of inequalities: the gross difference in the standard of living and access to resources between the United States and most of Latin America.

I was working in Peru for three years in rural community development. I discovered another systemic problem that persists: call it imperialism. It is based on a gross economic and political divide and the United States stands at the top. This is one of the many contradictions that we face in the United States. While it is one of the wealthiest nations in the world by some measures, it is also a major proponent of poverty in other parts of the world through its investments and disinvestments in industries that do not provide sustainable or decent living conditions for the people in those nations.

Those experiences led me on a track to work in different ways against inequality in community development. I got a Ph.D. in urban planning, which was interesting, and it didn’t stop me from doing community development work despite the dominant trends in the profession. I’ve done a lot of work recently in New York City. I think [Jennifer Jones-Austin’s] comparison between the South Bronx and Manhattan is excellent, and I would add another piece of information that came from a recent New York Times article. Manhattan, according to the U.S. Census, is the most unequal county in the United States. People who come from outside say Manhattan is all rich people, but Manhattan is not just the Upper East Side. We still have tens of thousands of people living in public housing and a lot of working people living in neighborhoods that are just holding on.

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8 Tom Angotti is professor of Urban Affairs and Planning, and Director of the Hunter College Center for Community Planning and Development. His recent books include The New Century of the Metropolis, New York For Sale: Community Planning Confronts Global Real Estate, which won the Davidoff Book Award, and Accidental Warriors and Battlefield Myths. He is co-editor of Progressive Planning Magazine, and Participating Editor for Latin American Perspectives and Local Environment. He is actively engaged in community and environmental justice issues in New York City.

9 No copy.
I want to talk a little bit more about the latest face of inequality. Part of our long history in this country has been a history of displacement people from their homes. This has been an urban issue, but it is also a social, racial, and economic issue that has been a profound divider. African people were displaced from their homes to come to work on plantations, and when slavery ended, they were displaced into the cities of the North. When they got to the cities of the North, they settled in neighborhoods and found that the Federal Urban Renewal Program wanted the land they were sitting on and they were displaced even further into overcrowded conditions and into public housing. It has been a story of constant displacement.

The story of New York City today is displacement on steroids. We call it gentrification. Some people take issue with that term and they say gentrification is a good thing because it means neighborhoods are improving. But no, it is not a good thing, if it means neighborhoods are improving while people are forced to move out. People who have lived in neighborhoods for years, decades, and generations suddenly find that they are being evicted from their apartments or that their landlords are converting to condominiums they can’t afford to buy.

If it is neighborhood improvement, I am all for it and everybody is all for it. Neighborhoods always change. There is nothing wrong with neighborhood change. But there is something extremely American about displacement. It is based on a great faith in the American dream, that owning property is the key to gaining wealth. People buy land and we have a private property market that plans our cities.

The market leads me to my last comment about inequality. I get a little nervous when I hear the economists talking about inequality all the time. I am afraid that what a lot of them are really talking about is dealing with the problem of low levels of consumption. Wages are low and fewer people are buying because they don’t have as much money to spend. They need a trigger for consumption, to expand consumption. I’m afraid that this is only restoring the structural inequalities that existed previously and not dealing with the fundamental problems of a divided society. It does not deal with the question of race. It does not deal with the historical questions of displacement.

I think [the discussion of] inequality has to go deeper. The search for solutions has to go deeper . . . . It has to go to the basis
of an economy, that fundamentally defines progress as growth. If
capital is not expanding, then it’s a weak economy.

Since the crash of 2007-2008, we have been told that the econ-
omy is recovering because the stock market is growing. People are
still suffering, incomes are flat, unemployment is slightly better,
but people may be working two and three jobs in order to survive.
So the economists are always defining everything as fueling the
growth machine. Government needs to spend more to trigger new
jobs. The private sector needs to be freed from taxes so that we can
get new jobs. But it is not working. It has not worked. It does not
address the question of inequality.

When you come to the spatial dimension, the urban questions,
the urban issues, the issues and questions that we face here in New
York City, that is exactly the solution the economists are proposing:
fuel the market to spur growth. What government has to do is en-
courage new housing construction and that is going to solve the
housing problem.

Mayor Bloomberg had his proposal to build 165,000 units of
affordable housing. Mayor de Blasio has a proposal to build
200,000 units of housing. Most of the projected growth is through
private investment, stimulated by government incentives and so
forth. But the problem is not the lack of growth. That’s the funda-
mental economic lie, because if I live in West Harlem growth is
what’s displacing me. It’s the construction of the new apartments.
Even if 20-30% are low-cost housing that I can afford, the vast ma-
jority of my neighbors are going to have to move to the suburbs.
And then the next level of inequality is experienced, because if you
happen to have black or brown skin, your move to the suburbs is
restricted. You don’t have the options the white middle class had
when it was displaced from New York City after the Second World
War, when the federal government was financing new suburban
development through Federal Housing Administration mortgage
guarantees and the federal Interstate Highway program.

Today, thanks to neoliberal capital, there is no substantial ex-
penditure in the public sector. There is no thought of another ma-
jor public works project like the Interstate Highway System, which
benefited suburban developers and the new, mostly white, middle
class. And there is no talk of reinvesting so people can stay in large
cities, in the central cities, and not have to move out to the
suburbs.

I will end with this skeptical note. We have to talk a little more
in depth about inequality as historic and systemic and not some-
thing that can be jiggled by the Federal Reserve issuing more bonds. Thank you.

Fahd Ahmed

Good evening. Thank you, Tom, for starting the conversation with displacement. I think it’s always important to recognize that we live in a country that was fundamentally founded on not just displacement but the genocide of people who are the original people of this land. And we see that repeated throughout history. The genocide and the displacement of indigenous peoples; the bringing in of African peoples; the flows of people, and particularly more marginalized communities, all to the advantage and the needs of economic development in the interest of profit. So displacement is a fundamental and central theme.

I think that one of the ways that we make the conversation more difficult is by using very nice terms like: “economic inequality.” It’s sort of like it is magically happening and we all kind of feel bad about it. As many people have said, it’s not by accident. It is intentional. It is inherently part of the economic system of capitalism that we live in. We can debate to what extremes economic inequality would be under different forms of capitalism, whether neoliberalism makes it worse—indeed it does—but it is inherent to the system.

10 Fahd Ahmed is Acting Executive Director of DRUM: South Asian Organizing Center. Fahd Ahmed came to the United States as an undocumented immigrant from Pakistan in 1991. He has been a grassroots organizer on the issues of racial profiling, immigrant justice, police accountability, and national security over the last thirteen years. Fahd attended Vanderbilt University as an undergraduate, and went to the CUNY School of Law. Fahd has been involved with DRUM in various capacities since 2000, when he had family members facing deportation, and entrapment as part of the War on Drugs. Within DRUM, Fahd co-led the work with Muslim, Arab, and South Asian immigrant detainees before, and immediately after 9/11, by coordinating the detainee visitation program. Over the last three years, as the Legal and Policy Director at DRUM, Fahd ran the End Racial Profiling Campaign and brought together the coalitions working on Muslim surveillance, and stop-and-frisk, to work together to pass the landmark Community Safety Act. He is also a member of the Steering Committee for the National Campaign on Surveillance and Use of Informants, which is housed out of DRUM. Fahd was a recipient of the Haywood Burns Fellowship from the National Lawyers Guild, and served as an Ella Baker intern at the Center for Constitutional Rights. In addition to DRUM, Fahd worked as a legal consultant with the Juvenile Justice Project of Louisiana on documenting and reforming policies of juvenile detention center in Louisiana. Fahd also worked as a lecturer and researcher on Islamophobia, national security, and social movements at the Arab and Muslim Ethnicities and Diasporas Initiative at the College of Ethnic Studies at San Francisco State University. He was also a Human Rights and National Security Reform Fellow with the Rockwood Leadership Institute, and a Fellow with the American Muslim Civil Leadership Institute.
One way to talk about it, rather than just say economic inequality, which is a very passive term, is to say the concentration of wealth into the hands of the few. The second chart that Professor Loffredo had shown, which showed the difference between productivity and wages. Productivity... turns into profits. And [then Professor Loffredo] used the term “appropriation.” That’s somebody doing the work, but somebody else capitalizing, or benefiting, on what’s being produced out of that work. That is very, very intentional. And we have to always be cognizant of that anytime we are trying to understand our current economic system.

I just want to briefly talk about sort of how economic inequality, the concentration of wealth, and capitalism impacts the communities that I work with. I work with an organization called DRUM—South Asian Organizing Center. We are a membership-based organization. The shortest way to describe it is like a community-based union of low-income South Asian immigrants, workers, and youth.

The issues that our members face: the first is the fact that they’re immigrants, which is an initial displacement, again, from their home countries. Nobody wants to leave their home. People are forced to leave their homes because of wars, because of economic policies, because of environmental disasters... mostly caused by the global economic system. So they're displaced in the first place and they're forced to migrate here.

Jackson Heights is two train stops on the E train east. It is a nice South Asian neighborhood. Some of you, I'm sure, have been there. The average wage in that neighborhood, for South Asian workers is $5.25 an hour. Anybody know the minimum wage in New York City? [It’s] $8.00 an hour. These are undocumented workers, and they are working from $5.00 to $5.25, sometimes $5.50, an hour. And they are essentially being threatened: “If you complain, we’ll call the police, we’ll call immigration,” even though that’s not legal. The law students here that work on these issues can attest to that.

The children of these workers go to New York City public schools... Go two more stops on the E train to Hillcrest High School. In New York City, we spend $227 million dollars a year to put police, school safety agents, and metal detectors inside our public schools. $227 million dollars a year. We have 5,500 school safety agents.

Does anybody want to take a guess on how many guidance counselors New York City public schools have? 2,400. What message
does it send to young students, mostly poor, mostly of color, when there are 5,500 safety officers for them and 2,400 guidance counselors? What message does it send to them that the public school policing budget is $227 million dollars a year, but in Hillcrest High School a teacher will give you extra credit if you bring in a ream of paper because she doesn’t have paper to print handouts for the students?

Over the last couple of years, policing in our communities has been a major issue in New York City. Stop-and-frisk has been one of the most visible components of it. Stop-and-frisk is just the tip of the iceberg, and only the tip of the iceberg that was visible. There is a lot more that remains to be uncovered. But even if you map out stop-and-frisk, you’ll find an interesting trend. You compare those maps to the maps of neighborhoods that are being gentrified, or being displaced, or are soon slated to be displaced, and you’ll see a lot of parallels. The neighborhoods that are slated to be displaced are the ones that are facing some of the harshest policing currently. And when people are picked up, given the prison industry, and the prison industrial complex, somebody stands to gain. Somebody stands to benefit from those levels of policing on the local level and on the national level.

Jennifer talked about the impact of economic inequality. One of the ways that we ought to frame it is that a lot of these things—policing, the deterioration of the education system, the exploitation of immigrant labor, the deterioration of life conditions—are actually intentional. It is part of the social and economic control. Policing keeps communities in check. It keeps them from speaking out. It keeps them from organizing. The policing of immigrant workers and laborers keeps them from organizing, prevents them from joining unions, from joining worker centers, from speaking out for better conditions. When we talk about policing, education, and budgets, there is an increasing recognition of a school-to-prison pipeline, particularly among black and Latino youth, who are essentially being prepared for prison. And then, for our membership, who are not quite at that extreme yet, we are seeing the school-to-low-wage pipeline.

I’ll end with an anecdote. We have a youth program. We do workshops on a lot of these same issues around what they facing, around racism, around economic injustice, and around immigration. You bring New York City public school youth into a workshop to have a discussion about their own lives. We ask: “Tell us about the time you were stopped by police on the street,” and they re-
respond: “This happened to me, and that happened to me.” The participation is kind of meek. However, last year we did the donor mailing, and you put these same students on a mailing factory line—fold up paper, put it in an envelope—and they get excited about it. That, to me, raises a lot of alarms.

These are students who are being trained. You are not intended to have critical learning skills. You are not being trained to be somebody who is going to be thoughtful, who is going to lead anything. You are going to be a worker. So, we are going to train you to be a worker. And we see this consistently across New York City public schools. There is a hierarchy in New York City public schools. You can clearly see the difference based on what school the students are coming from in terms of what they feel that they are qualified and designated to do. I’ll stop there and I will talk more about challenges and solutions later in the program.

**SHAWN BLUMBERG**\(^{11}\)

I work at Housing Conservation Coordinators. We are a legal services agency that defends tenants in housing court who are being actively evicted by landlords and we occasionally sue landlords. I wanted to talk more specifically about displacement and to piggyback on what Professor Angotti was saying. I particularly like Fahd’s point that displacement is intentional.

I’d like to talk about the consequences of the system that is the product of the disproportionate political power wielded by the real estate lobby in New York. I have a lot of statistics that I found really shocking. The real estate industry gave Senate Republicans in the last election cycle roughly the same amount as the next fourteen industries combined. So, that was about $4.5 million.

Talking about ultimate consequences, probably everyone living in the city is familiar with the incredible dearth of affordable housing. This is a repeated political talking point for every mayor, for every elected official in the city. It is probably fairly well known that hundreds of thousands of affordable units have been lost in

\(^{11}\) Shawn Blumberg is Legal Director of Housing Conservation Coordinators. Housing Conservation Coordinators is a community-based, not-for-profit organization anchored in the Hell’s Kitchen/Clinton neighborhood of Manhattan’s West Side. Housing Conservation Coordinators is dedicated to advancing social and economic justice and fighting for the rights of poor, low-income and working individuals and families. With a primary focus on strengthening and preserving affordable housing, they seek to promote a vibrant and diverse community with the power to shape its own future.
the last decade. I think an accurate number would be 400,000 units in approximately the last decade.

In approximately the last decade as well there was a 39% drop in the total number of available affordable apartments. “Affordable apartments” is sort of a blanket term and I don’t want to get too in the weeds, but they are scarce commodities.

Affordable housing is apparently every local politician’s goal, but it is something the system is really set up to get rid of and has effectively eliminated at spectacularly quick rates.

I work in Manhattan, so I am more familiar with Manhattan property owners than any other, but I think that what I am about to say applies to the rest of the city. Some of the most shocking aspects of the system are all clearly a result of the enormous disparity in the resources that landlords have versus the amount of resources tenants have: especially long-term rent regulated tenants and their advocates.

Rent stabilization is the biggest and most important affordable housing program in the city. It affects more units than any other. It provides more affordable housing than any other program. It’s not something that is affordable in the sense that one’s rent is tied to one’s income. Rent stabilization means that the amount of rent that a landlord can charge is limited.

Because rent stabilization is such an important part of the affordable housing landscape in the city, some of the gimmicks, traps, and incentives that landlords have to evict tenants are worth discussing.

Other obvious, terrible consequences that are a result of this system are the evictions, homelessness, and all of the attendant devastation not just to low-income folks but to middle-income folks, to working class folks in the city, and people who have made up the fabric of this city, who have lived in this city, whose parents have lived in the city for generations, and who, as Professor Angotti pointed out, are continually displaced.

I think that the real point is that these laws are awful. They make no sense and are not just a trap, but also a system that is set up intentionally to get tenants out. I think it’s an example of an application of Fahd’s earlier point.

The rent stabilization law is dictated by the state, and since 1971 the city has not been able to enact more stringent laws by-and-large than the state. This is by design, intentionally so, thanks to Governor Rockefeller.

Once a landlord gets a tenant out of rent-stabilized apartment,
that landlord automatically gets a 20% vacancy bonus. So, the landlord gets that prize for getting a tenant out, but not only do they get that prize for getting a rent-regulated tenant out, they have the opportunity to make improvements to the apartment. Tenants typically have to consent to these improvements, but if a tenant [has recently been evicted from] the apartment, no consent is required.

The great gimmick here is that not only is no consent required but there is an absolute and ridiculous identity of interest between the landlords and the contractors because there is absolutely no requirement whatsoever that the improvements be necessary or that they be useful in any way.

If a landlord is lucky enough and effective enough at churning apartments, then a landlord can make bi-annual gut renovations of the apartments, which are utterly pointless. And not only that, they can get away with incorporating the cost of these improvements into the rent and having the cost of these improvements be basically whatever the landlord and the contractors decide the cost should be.

The ultimate goal here in raising these rents is that the landlord gets a permanent rent increase. So, not only do they get to pay whatever they want in order to make these improvements to the apartment, and not only doesn’t it make the least bit of difference that they made the same improvements a couple of years earlier, but they get to take a proportion of these increases and incorporate it into the rent as permanent rent increases.

Now, the reason that this is terrible, other than that they’re clearly profiteering and it’s completely greed-driven and it lessens the supply of affordable housing in the city, is that another law in the state allows a landlord to deregulate an apartment when the landlord manages, through this fraud, sometimes perfectly legal ridiculousness, to get the rent up to $2,500.

Landlords have really an elaborate set of incentives to kick tenants out. And these tenants are among the most vulnerable . . . people of New York. The consequences are not just the devastation to these families on the individual level, but also the fact that once these apartments are de-regulated, this is one less apartment that is affordable in New York City.

A lot of times it’s just so easy for politicians, investors, or affordable housing developers—people who are invested in these issues and who seem to have all the right intentions—to just pay meaningless lip service to the problems they have with the system. A system that in so many more ways than I just described is abso-
lutely set up to hemorrhage affordable housing and to render homeless the most vulnerable people in New York City.

Tom Angotti

Quickly, I just want to add a couple points that slipped my mind before. New York City has always been called the real estate capital of the world. Since its founding, it has always been a place for investors to dump their excess capital and to store it in skyscrapers.

But, something had happened in the ‘90s and up through the last decade. There was what economists call the financialization of capital. More and more excess capital was being generated and put into banks and investment vehicles, and they didn’t know what the hell to do with it. So, big cities, like New York City—particularly Manhattan—were good places to park excess capital. Not because there was anything unique about New York City, but because of the land market.

They were investing excess capital in centrally located land where it would be expected to grow over a long period of time—grow even more than putting it in a bank, because bank interest rates are so low. So, that fed this frenzy, and it wasn’t just New York City. Go to London, go to all major cities in the world and you’ll see the same thing: skyscrapers sometimes . . . half empty. [But it] doesn’t matter because they are investment vehicles; they are not for housing.

Add to that the political dimension: Michael Bloomberg, the twenty-ninth wealthiest man in the world, is the mayor and explicitly says that New York City is the “luxury city” and that it is our goal to attract more wealth. [T]hat’s what development is, and it’s classical and neoclassical economics, which is trickle down economics. The more capital we have, the better off everyone is going to be. That explains what has happened. The gross loss of affordable housing over the past two decades has been inspiring a renaissance of movements against displacement.

Of course it’s this vast displacement that’s triggering investment. That has been the history of the real estate capital. [When] more capital gets dumped into the city, it has a displacement effect. It raises land values, and with increased land values you get increased rent and people get pushed out.

The economists are trying to say the housing problem has to do with the housing market, that there is the law of supply-and-demand: if you increase the supply [by] build[ing] more housing
and make[ing] more housing units available, they will trickle down to the people who need [housing] the most. That has never worked. It’s never worked, and the last twenty years are an example of it. We have had a building boom, yet [New York City] has become more unequal, more people have been displaced, and there has been a bleeding of existing affordable housing. There is a push to privatize public housing. Mitchell-Lama, the middle-income housing program, is in crisis and we’ve lost 25% of those units. So, that theory doesn’t work. You have to look at land, and that is why land is the essential element that we have to attack. When we talk about reform and change, and government programs, it has to be with the way land is dealt with. This is why rent control is so dangerous, not because it limits the rents. A lot of landlords don’t make their big profits on rents; they make their profits from their ability to resell over time.

ROBIN STEINBERG12

I knew that I was going to feel this way by the time the panel got to me. Because I looked at the bios of everyone who is speaking, and I knew that they would use terms like “real estate lobby” and “historic trends.” Each and every one of [these panelists] is more brilliant than the next. I have to be honest: I felt a little outclassed. I feel as if I haven’t actually dealt with things at the macro-level for so many years that I have to harken back to my days at Berkeley as an undergrad. So I did what every person does in this

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day and age, and I went to TED Talks last night.\textsuperscript{13} I sat in my kitchen and I was downloading TED Talks frantically.

Income inequality: I know what it is when I see it. It’s like pornography: you know it when you see it. But I can’t really define it. And I can’t really define it in the way that I know that my colleagues here have because I am not an economist and I am not a sociologist or a professor. But here’s what I took away from the TED Talk. I took away that economic inequality, no matter what country you are in, the worse that it is, the worse you fare on every metric that can ever be measured in a society. Everything from happiness to trust, all the way on through mental illness and incarceration. Every bad thing that could happen in a country, happens more the more economic inequality there is. So I learned that. The other thing that I really took away was the final point that the TED Talk advised: that if you want to live the American dream, move to Denmark.

So, I decided instead what I would do is focus on what I know best. I have been a public defender for thirty-two years and at the Bronx Defenders for the past seventeen years, which is located in the South Bronx in one of the poorest urban congressional districts in the nation.

I want to talk about how being poor affects what happens to you in the criminal justice system. I want to talk about what we see and how it continues to push and worsen economic inequality. That is the alley that I am going to go up tonight.

The obvious thing that we can look at is: if you are poor, how does that affect you being in the criminal justice system? The first, obvious thing is that you cannot hire your own lawyer. That is the just the easy, fundamental thing. That is not to say that there are not amazing public defenders who can provide amazing public defense, but you can’t buy your own legal team. You can’t buy every resource, or every expert, or everything that you need to defend yourself the way that you want to be defended. And if you were rich, you would be able to. This is the first place you see it, but it is the obvious trope about the criminal justice system. Of course that’s where you see economic inequality really playing out and how being poor really affects what happens to you. But, I think that it is important to look beyond the obvious.

The answer to “how does being poor affect what happens to you in the criminal justice system?” is a simple one. It affects you in

\textsuperscript{13} For more information on TED Talks, see Our Organization, TED, http://www.ted.com/about/our-organization (last visited Mar. 17, 2015).
every conceivable, imaginable way, from the minute you enter the
criminal justice system until the minute you are out, and way be-
yond. Make no mistake about that. And it starts before the cuffs go
on. If you are looking at how being poor affects what happens to
you in the criminal justice system, you have to start by looking at
how we define crime. When I think about this, I like to think about
tax fraud—not tax fraud like in a big scale, but rather like tax
cheating. You all know your parents do it. You write off a little
room in your apartment you call it your home office, and you take
deduction.

Then consider what happens when there is “welfare fraud.”
You don’t mention the extra person who is living in your apart-
ment from whom you are getting a tiny bit of extra income to feed
your children, and you get prosecuted in the criminal justice sys-
tem immediately. We see those cases day in and day out. The tax
cheater: not so much. You get an audit, and it’s horrible, and you
curse the IRS, but basically what is happening to affluent and mid-
dle-class families is that that kind of economic cheating gets dealt
with in an administrative hearing by an audit, which makes you
really uncomfortable.

So you can see right away how we are defining crime. How we
are policing crime and who we are policing are obvious. There’s
stop-and-frisk, which has already been covered. There’s broken
windows policing, where conduct that is going on in every commu-
nity in New York City is being policed only in poor communities,
and disproportionately those communities are communities of
color. This type of conduct is not being policed in affluent commu-
nities. You see that most strikingly all over The New York Times
these last couple of days. Marijuana. Everybody knows that everybody
smokes marijuana. And everyone knows that the more affluent you
are, the more you are smoking marijuana. And there is no eco-
nomic difference in the consumption of marijuana. There’s no
gender distinction in the consumption of marijuana. There’s no
other distinction. Everybody is smoking weed in New York City.
And you know we can debate that another time. That is for another
night.

At the end of the day, the people who are getting arrested for
it and policed for it are people in poor communities and commu-
nities of color. So you see how that plays out in policing. If you
were to overlay a map across this country, not just New York City,
with the per capita income per block against a map of marijuana
arrests, you would see a perfect and inverse correlation. You would
see that policing is going on in communities for conduct that is not being policed in other communities. You can see how being poor is really going to affect what happens to you, not just in the criminal justice system once you are there, but before you ever get there, before the cuffs go on.

Bail. Bail is one of the most flagrant examples of where being poor is going to have a horrible impact on what happens to you, your family, and ultimately your case disposition in the criminal justice system. If you don’t have enough money in the bank and your family can’t scrape together the money to put cash bail on you while you are waiting for your case to get to trial, you will sit in prison. Here in New York City, 12,000 of you will sit at Rikers Island. You will sit in prison, and you will wait, and you will wait: while your health deteriorates, while your mental condition deteriorates, while you lose your job and your kids are traumatized. While everything is falling apart outside, you are sitting there because you can’t post a thousand dollars bail. Bail is one of the things where you can really see economic inequality. A rich person is going to get out of jail and fight their case from the outside, continue with their job, continue to nurture their families and feed their families, and continue to build their defense case with the fancy defense team that they hired with their money.

Sentencing. Sentencing is partly related to bail, because in the criminal justice system, if you are in jail your case disposition will almost always involve a jail sentence. If you are out of jail it is much less likely that your sentence will ultimately wind up with you stepping back in. That’s the reality of the system.

Imprisonment rates have risen with income inequality in this country as well. So, you have seen a dramatic increase in the past fifty years. Fifty years ago we had 200,000 people in prison; now we have 2.1 million. As economic inequality has grown in this county, so have the rates of imprisonment.

Of course if you look at sentencing, even beyond imprisonment, you have fines that are being levied against poor people in the system. So they have fines being levied against them—court costs being charged to them. And then of course you have to pay for your own treatment in the “alternative-to-incarceration industrial complex,” as I’ve come to call it. And so that all does what? It works a terrible disadvantage on you if you are from a poor community and it makes your family even poorer because the system is now extracting more money from you that you can’t pay. And
2014]  

THE LONG CRISIS  

when you can’t pay, you get a warrant, you go back to jail, and it becomes a terrible cycle, which disadvantages the poor.

And the place where I think that we see it—and in some ways for us at the Bronx Defenders, we see it clearly because of the model of public defense that we use—is if you look at collateral consequences and the enmeshed penalties of criminal justice involvement.

Let’s say that something miraculous happens, and affluent Mr. Jones gets brought into the criminal justice system. And, not so surprisingly, poor Mr. Jones gets brought into the criminal justice system. And let’s say they are charged with the same thing. What you will see is that the enmeshed penalties and collateral consequences that occur for somebody who is from a low-income community or is poor will be far more dramatic and have far longer life-altering consequences than they will for rich Mr. Jones.

What do I mean? The collateral consequences and enmeshed penalties are things that are connected to your criminal case outside the criminal justice system. If you get a conviction in criminal court, you may lose your public housing. If you get a conviction in criminal court, you may lose public benefits. If you get a conviction in criminal court, you may see that you can’t apply for student financial aid to go to college, you may be deported, [and] you may lose your children. There are lots of collateral consequences, but they only happen to you if your life is tied up in those systems. If I own my condominium on Park Avenue and I get convicted, guess what? The board probably doesn’t actually throw me out, but Section 8 housing and the New York City Housing Authority (NYCHA) may very well evict you and your family.

So those collateral consequences that we have built into what happens to you when you get a criminal conviction really touch, almost exclusively, people coming from low-income communities, and particularly men of color. So that is where you see collateral consequences as this incredibly blatant example of all the ways in which, if you are poor and coming into the criminal justice system, you will suffer far more. Not just in the immediate, not just in going to Rikers and sitting there because you can’t post bail, not just in the fact that you got arrested to begin with, [and] not just in the fact that you are going to be sentenced more harshly than someone who is coming from a more affluent community, particularly if you are black or brown. At the end of the day, even when you are done with you criminal case, [enmeshed penalties] will spread out in your life when you are engaged in administrative and govern-
ment agencies because of your low-income status. Whether it’s public housing or public benefits or public school or any other place, you will see those effects trickle for years and years and perhaps your lifetime. And that is one of the ways that you really see through the criminal justice system a kind of disparity about how affluent communities and poor communities are treated differently.

In closing, the criminal justice system, in my mind, is being used as a means of social control to be thrown over poor communities and communities of color in this country. This is undeniable true. We can argue it. People can talk about it, saying, “No, police are there because there are higher crime rates.” But that is not really what is at play there. The criminal justice system is being used as a mechanism to control poor communities. And we talk about what the fear is under that, but there is no doubt that it’s true that the criminal justice system is more involved in poor communities and that it reacts more aggressively in low-income communities through policing and other strategies. Its impact is going to be worse in poor communities through collateral consequences and sentencing. In other words you are going to get more time, more often.

I have a client who we have been representing for many years who would seem to be a success story in the public defender world. What do I mean by that? We all like to think that the client comes into the criminal justice system, you connect them to the services that they need, you support them, you defend them, you work your way through all the systems—at least in our model of public defense at the Bronx Defenders—you manage to get their kids back, get them into stable housing, and get them out of jail, and they kick their heroin problem and they get their kids reunified with them from the family court. Then it is all good and there is your client standing in their home. And then my client said to me, “You know what, I’m still poor and my life is still really, really, hard.” And so, at the end of the day, even when we are toiling away in the criminal justice system in low-income communities, even when we can protect and defend clients against all of those consequences, we are still left with the reality of what it means to be from a low-income community and to be poor in this country in 2014.

DISCUSSION

JENNIFER JONES AUSTIN

It is encouraging to hear my co-panelists speak to many of the
structural and institutional policies and practices that have served to perpetuate racism and inequity over centuries.

I must also say, though, that as an individual who has worked both inside and outside of government, and deliberately so, when I graduated from law school I determined to go work in government wanting to be an advocate. Talking with many people, I was told that if you are going challenge government the best learning that you can have is going first to work in government, because then you gain an insider’s knowledge and you gain an appreciation for how government does what it does and why it does what it does. So as I have sat here and listened to discussion about displacement, displacement is very, very real and much of it is intentional, but we also have to appreciate that the game can only be played when you have willing participants in it.

So I look at communities like the Bedford Stuyvesant community, to take that as an example. I did not grow up in Bed-Stuy, but my father was a civil rights activist and a Baptist minister, a very prominent Baptist minister and civil rights activist, known internationally for his work. When I go into Bed-Stuy on Sunday mornings now to go to church, it looks very different than it did when I was growing up. I see more Caucasians walking along the streets of Bed-Stuy on a Sunday morning than I do African-Americans. But some of those African-Americans who lived in the community before determined and decided to sell their homes and not just African-Americans. Some determined to and maybe we can say that they did so for a variety of reasons. Maybe they did so for their nest egg, maybe they wanted to return south. But we can appreciate that some took advantage of gentrification, and they got on up and out.

Take my organization, the Federation of Protestant Welfare Agencies. It is an anti-poverty advocacy organization that, for better than ninety years, has been working with community-based organizations to address the needs of vulnerable populations, communities, and individuals. Just today I closed on a condo down in the Wall Street area, moving my organization’s headquarters downtown. Why are we moving? Because I took advantage of the real estate market and sold a building that the Federation bought about thirty years ago for about five million dollars, and I sold it for fifty million dollars so that the Federation could take that money and reinvest it in the community and its mission. People will say that I sold out, that I sold out to the big real estate developers. But I saw an opportunity to take the money and to put it back into the community rather than to have it sit in a building.
So as we’ve talked about the concentration of wealth, we’ve talked about real estate and conspiracies around real estate. I worked for Attorney General Elliot Spitzer, and he brought the biggest predatory lending suits against agencies back in the ’90s, and he’s the son of a real estate mogul. I worked for Mayor Bloomberg, and people said he wasn’t for the poor people. He did a lot that wasn’t very good for poor people, I admit that, but he also campaigned to bring about greater food policies that would serve to bring about a reduction in health disparities in low-income communities where people are dying from diet-related diseases in greater numbers than people in the Caucasian community.

The point that I am making with all of this is that we are making a very valid point up here, but it is important that we appreciate that these issues are complicated and you have to look at all the faces to understand them. They are nuanced in many respects. And sometimes people in positions of authority at the highest levels know exactly what they are doing, but sometimes people are just doing business as usual and they are not questioning and challenging. So a lot of the work comes in the policy work and I am going to turn it into some of this strategy conversation.

One of the things that I have come to appreciate working at the Federation of Protestant Welfare Agencies (FPWA) and working with on-the-ground community-based organizations that are doing the work of helping people make ends meet, ensuring that people have food supports, that they have housing support, that they have cash assistance, that they receive child care supports that enable them to go to work, on and on and on, one of the things that I’ve come to appreciate is that we are not really playing the capitalist game by making sure that people have, what is that old Chinese proverb, “give a man a fish and you feed him for a day, but teach a man to fish and you feed him for a lifetime.”

Many of our support organizations are doing the critical and necessary work of helping people get by from day to day, and they are not really doing the work of helping to change the conversation and not helping people to become upwardly mobile. So what my organization, FPWA, has determined to do is to figure out how to begin to change the game and how to get people more engaged in the game, and how to start changing the conversation around the living wage.

Why do we believe that we should just give people income supports? Why can’t they get ahead with just a few more dollars in their pockets? Why are we not pushing for fair and living wages?
Why are we pushing for minimum wages that just take the wages up by seventy-five cents a year between now and 2015? Why are we not saying that to live in New York City at a minimum everybody should be making $15.15 per hour? But we can’t get many people to join that discussion.

We have, in social service agencies, people who are working to serve the most vulnerable, and who are making less than $9.00 an hour. The people who are serving the people who are vulnerable are themselves vulnerable, but we are in fights with budget decision makers about whether or not that’s right.

Should non-profits be able to decide for themselves how they want to spend the money that comes through their contracts? In my opinion: no, not when it means that some people are going to go hungry at night while putting in a full day’s work.

The point that I am making is that we are functioning in a system that was based in structural racism and then over time it has been layered with policies that, on their face, suggest we are trying to improve upon all of the mistakes that were being made along the way, that we are trying to rectify, and that we are trying to give people equal opportunity and equal access. But then you have within the last administration an education reform plan that says we are not going to create a system replete with great schools, but we are going to create great schools within a system. What that means is that we know that we are not giving everybody opportunity. We are in a system where your early childhood foundation determines your success in elementary school, and that success in elementary school determines where you are going to go for middle school. And where you go for middle school then determines where you go for high school. We can’t play on the fringes.

We’ve got to get involved in real policy-making and that comes about by supporting policy and advocacy organizations. That comes about by getting involved in voting. That comes about in some instances by becoming a part of government so that you can be on the inside and challenge government.

FAHD AHMED

While I do think that the problems that exist are very intentional, I think it’s a little bit distinct than sort of personalizing it, as if it’s about some bad people that are doing it. I think that it’s inherent to the system. It doesn’t matter really who the people are that are in charge. The system is inherently set up so that, for it to
survive, it has to further and deepen exploitation and division and inequality, or whatever terms we want to use.

I think, at least from our perspective, because there are problems inherent to the system, we have to challenge the system. I’m sure later on, I’ll get the questions like, “Do you think some form of capitalism could work?” The answer to that is no. “Are you a socialist?” “Are you a communist?” No, I’m not saying that. I think as humans we still have a long way to go to figure it out, but I know that this system does not work.

And the lives of billions of people across the world show that it does not work. And so, what is the way to change it? I think we should use all of the tools that are available, whether that is voting, whether that is advocacy, whether that is lawyering. But fundamentally, I think the most potent tool is building the power of people that are directly impacted by these policies themselves. To build the power of workers as part of unions and as part of workers’ centers, to build the power of immigrants, to build the power of women, build the power of students from low-income schools, and really believing in mass movements.

We can elect politicians and they can say one thing, and then they can appoint Bill Bratton to be the police commissioner. Right? Talk about the “tale of two cities” and bring in the police commissioner who, more than any other police commissioner, implements policies that reinforce the “tale of two cities”.

And so how do we build a mass base of people so that they are able to raise up their own experiences, raise up their own voices, and really start to create a system of self-determination? The way that we do this is people and movements, and it may be a surprise to some people but social movements are pretty low in the United States. And really, the way that we start to build the power is by engaging [and] is by practice. We’re not going to come up with this grand theory and figure out, “Here is what we do.” But it’s by engaging in small struggles, policy-change struggles. Passing the Community Safety Act around the NYPD, increasing the minimum wage, working towards a living wage, working towards fifteen-dollars an hour. These are campaigns— these are struggles—that provide the praxis and practice for people to learn how to fight back. And how to raise our voices and to start to build power in a way that the people in power are accountable to them rather than just every four years we press a button and then hope that they do the right thing.
I have a really quick response to something that Ms. Austin said about voluntary participation and gentrification and all that. And it is maybe an obvious point, but it leads into a solution . . . even if a far-fetched one. The thirty-thousand families, not individuals but families, that were evicted last year, the tenants who live in affordable apartments in New York, and are routinely harassed out of their apartments, are not, categorically not, participating in gentrification. They’re not, you know, selling out in any respect and they are vulnerable.

JENNIFER JONES AUSTIN

Let me say, I appreciate that, and I’ve actually worked on housing evictions.

SHAWN BLUMBERG

No, I got it. I think a point worth making, however, is that, in housing court, where people get evicted, which is set up in fact to evict people, over ninety percent of landlords have attorneys, and even in Manhattan, where we work, south of ten percent of tenants have attorneys. This is part of the point I was trying to make earlier. This is a system that is set up just to leave the most vulnerable people as exposed as they can be to be evicted. And as a result, to not only have them suffer the devastation that is inevitable when they lose their homes, but also for affordable housing in the city to continue diminishing.

I would say one solution is funding legal services. There is a difference that might not be obvious to everybody here. In criminal court there is a right to counsel. In family court, where the state is bringing Article 10 proceedings to try to remove peoples’ children, there is a right to counsel. In housing court, where tenants are being sued to be evicted there is no right to counsel as things stand. And given the incredible resource disparity that is obviously going to continue to be inevitable when we are talking about property owners in New York City versus tenants, I think that increased funding and maybe even eventually a right to counsel in housing court is one big solution, in our world.

ROBIN STEINBERG

You know I think we need to make a decision about how we’re going to police and what we’re going to police and that, if we are
going to police we should police everyone the same. So if we’re going to police drug crime, which I don’t suggest that we do, then let’s go to college campuses and shake down every dorm room and arrest every kid who has illegal Adderall. Because you all know it’s there. And Ritalin and all the other sort of recreational drugs that are being used. And let’s stop focusing on poor communities, and men of color particularly, in the drug war.

So, I think we have to arrive at some understanding that we are either not going to police or we’re going to police equally and fairly and we’re not going to police because of the color of your skin or the neighborhood you live in or the size of your bank account. I think that is a big decision on the macro-level. I agree that there should be a right to counsel in a civil Gideon. 14 I think without that people will be struggling always and always out-maneuvered and always out-powered by people who are affluent.

I think there needs to be bail reform. Cash bail needs to be rethought, and alternative forms of bail need to be used that don’t require cash. And at the end of the day, I think I agree with what has been said: the lawyers aren’t going to solve it all. And I am a lawyer and I love to think that we can solve lots of things. Lawyers can do really well at what lawyers do and what we do really well is litigate and defend and engage and I think that is important. But lawyers need to also work in partnership with clients and with the people that they are serving and organize with them as partners in the struggles that our clients prioritize.

That partnership of lawyers and community members organizing in the context of the criminal justice system, not just people going through the criminal justice system but people’s families and communities partnering with lawyers and organizers is an incredibly powerful way to address systemic issues. Stop-and-frisk was the great example of that, the perfect merging. I frankly never thought I would see it in my lifetime, but it was sort of the perfect merging of all those things coming together at a wonderful moment. Seeing something actually change, gives me hope, even though I know I sound pretty angry and not hopeful most of the time. That was something that gave me a little hope that you can actually bring about change.

I would also like to think [about moving away from the] silo-

14 The term “civil Gideon” refers to the 1963 Supreme Court decision Gideon v. Wainwright (372 U.S. 335), which held that the Sixth Amendment grants indigent defendants the right to state-appointed and state-paid counsel in criminal cases. A “civil Gideon” would extend the right to counsel to indigent people in civil cases.
ing of policy organizations and direct services organizations. Policy should be dictated by the organizations that are working in the communities with the people. And to the extent that you can make that process seamless, in a perfect world, it would be housed in one place. In a perfect world, you would have the direct service work being done, in every form for clients, informing the policy and organizing activities that the organization takes on. I would like to think that is one of the things we do at the Bronx Defenders. But if you can’t do that, then there should be seamless access and relationships and collaboration that is very deep and very wide between direct service providers, particularly in low-income communities, and policy and organizing advocates because I think when that disconnect happens, we all go a little bit haywire.

JENNIFER JONES AUSTIN

That’s exactly what FPWA does and what we are trying to do more of is to provide advocacy building opportunities and training for on the ground community-based organizations so that it’s not just the policy people carrying their messages, and they are carrying them themselves.

STEVE LOFFREDO

Last words?

TOM ANGOTTI

I really go for this integration between policy and practice. I’m sort of one of the “go-to;” I think I’m the only “go-to” urban planning professional when there is a case and somebody needs an affidavit. I’ve written as many affidavits as I have articles for scholarly journals. And, most of our cases are lost, but I’m waiting for you guys to start challenging the City’s land use policies.

Land use and zoning policies are essentially based on whatever the real-estate market dictates. The City Planning Department should be renamed as the “Department of Real Estate.” And Mayor Bloomberg sponsored 140 re-zonings, 40% of the land in the city was re-zoned, which included creating multiple new opportunities for new development and oodles of profits for landholders. So, there is a case to be made.

The Furman Center for Real Estate and Urban Policy at NYU did a fantastic study in 2006, looking at the first generation of Bloomberg’s re-zonings and all of the up-zonings to create new op-
opportunities for development were disproportionately concentrated in low-income communities of color. And the re-zonings that were protecting blocks and neighborhoods were disproportionately in middle-income and white neighborhoods. Is there something to litigate there?

My greatest inspiration over the last several years has been seeing a renewed sophistication in the fight against displacement. I look at, not so much at Bed-Stuy, but next door at Crown Heights. The Crown Heights Tenant Union, and there are several other similar organizations, that for the first time are bringing together the gentrifiers and the gentrified, black and white, middle-income and working people. And, they’re all saying, “This is crazy, we don’t want to move.” I went to a meeting a couple of weeks ago where home owners are getting up and saying, “I could sell my house for ten times what I bought it for, but my family has lived in this neighborhood for generations, my friends are here, I don’t want to move, you can’t pay me enough; but, the pressures are such that everyday I’m getting a mailing that they want to buy my house. They are harassing us to get us out.” And so, people are starting to really organize in a sophisticated way, eliminating some of the big divisions because our housing movement and our community movements have been historically divided as the rest of society by race and class.

I think this is what needs to be supported and that where we as professionals need to work. I was a professional who worked ten years in government at the state and city levels. And I urge all professionals to get that background and experience because there is an unfortunate view around there in our movements that says “All government is corrupt and don’t even bother.” Because there is not single community struggle that has been won in New York City without allies in government, friends, maybe not in positions of great power, but people who know where information is, people who can dialogue and work with you, collaborate with you, perhaps silently. But you have to know how government thinks and operates, and they are not all just evil masters.

There are a lot of bureaucrats, and there are a lot of people who sincerely believe in government. The problem is that we have people financing governments, and the real estate industry is the

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single largest campaign financer in New York City for both parties. The view is that government can’t do it, and that is the great neoliberal lie that we also have to undo. We need government. We need better government. We need more honesty and straightforward government and that includes the professionals who go in, and don’t lose your moral compass and your political vision and your social vision if you go into government; but hang onto it and work with it.

QUESTIONS FROM THE AUDIENCE

LAW STUDENTS FOR REPRODUCTIVE JUSTICE (LSRJ)

Hello, this question is for the whole panel. When we talk about government, what role does the increasing privatization play and how does this increasing privatization affect low-income communities? In particular, how does this privatization affect prisons and policing as well as municipal functions and foster care?

ROBIN STEINBERG

I can make it simple. I think no good can come of privatization of prisons anywhere. Prisons should be uniquely a government function that should be thought about carefully, compassionately, [and] with an eye towards re-entry into people’s communities. Privatization: no good will come of that, at least not in my arena of the criminal justice system.

JENNIFER JONES AUSTIN

So, I’ll speak with respect to foster care. Are you aware that in the last year or so the Bloomberg administration engaged in some experimentation with social impact bonds? Are you familiar with social impact bonds? The Bloomberg administration partnered with Goldman Sachs to try to provide a set of services working with a nonprofit agency to achieve specific outcomes in a shorter period of time the theory being that you would spend less money over a time to achieve the outcomes that you desire.

This partnership did something on Rikers Island with the juveniles and they did something with foster care and with early childhood. The jury is out in foster care. I don’t know about the Rikers Island initiative on whether or not it actually proved successful.

One of the challenges that you have with privatization is that you find people taking shortcuts sometimes to try to maximize the
return on investment. But the flip slide of that you can learn from some of the principles that sometimes attend privatization or business when working with nonprofits. When you run a nonprofit, many people look at nonprofits as not being “businesses” and so therefore they don’t apply some of the soundest practices that you will see in solid functioning for-profit entities. I think lessons can be learned, but I don’t think that they should be privatized.

**Tom Angotti**

I think the privatization of public services, schools, libraries and parks through conservancies are major contributors to the gentrification and displacement of neighborhoods and they need to be stopped.

**Fahd Ahmed**

A couple quick points: Earlier, the term “neoliberalism” was thrown out. A fundamental function of neoliberalism is to undercut social services while continuing existing amounts of support resources for police services and the military as a means of exerting social control. I think that is one of the areas where that privatization is playing a role.

I do want to pick up on something around profit and nonprofit models. As somebody that is extremely critical of anything around privatization, I do think that there is a serious problem with folks engaged in nonprofit work resting on the fact that they are engaging in social work or justice work and not really committed to doing that work in the best and most efficient way possible. I think that that is a problem.

A lot of folks in the social justice movement, from the services aspect to advocacy to organizing just feel good about the fact that they are doing good work. That can’t be enough. As people who are working toward public interest work, I would highly recommend that whatever you choose to do you have to do it in the best way possible.

**Jennifer Jones Austin**

That is interesting. I recently spoke to a number of non-profits—a significant number of non-profits, CEO’s, and COO’s and CFO’s—about nonprofits establishing their business models, and I was fascinated. I noticed that the looks on the faces of these people were like, “business model? Why do I need a business model when
I’m running a non-profit?” When I spoke of the whole notion of: “Who’s your customer? Who are your customer segments? What’s your revenue? What’s your value proposition? Who are your stakeholders? Who is your strategic partner?” They were looking at me like I had two heads. If you are going to drive an effective and efficient business you have got to operate with those concepts and principles.

LABOR COALITION

To give context to my question, CUNY Law School is an institution that was built to address the problem of economic inequality in New York City by having a mission and structure of recruiting students who wouldn’t traditionally have access to this type of education.

The mission of the school is to train students to be part of the legal profession and train them to give back to disadvantaged communities in New York City.

We are facing extreme budget cuts, low enrollment and, with that, higher tuition. This situation is affecting both students and staff. Job security is a big issue, not just for the staff, but for us when we graduate.

My question is: how do we build that social movement here on our campus within the University as a whole? How do we identify how economic inequality is affecting a public university here in New York City that is supposed to serve New York City?

TOM ANGOTTI

Well, since I’m the chair of the Hunter Chapter of the Professional Staff Congress, which is the union representing faculty and staff at CUNY, we haven’t had a contract in four years, which means wages are flat. Now, the big social justice issue is the huge gap between full-time and part-time faculty. Part-time faculty on a per-hour basis, are making a fraction of what the full-time faculty make, and they don’t always have access to benefits.

I think more students and faculty across the campuses in CUNY can get together and push in Albany, where the big resistance is. The resistance is in the legislature and the Governor’s office. We need to push so that we get a decent contract with livable wages for everybody working at CUNY. That means fighting for funding because somebody has got to pay for the increased wages. The legislature has to come up with the money.

The feud is that we shouldn’t spend any more money on pub-
lic education, it needs to come from the private sector. The fight around the contract is really a fight to save CUNY. Every year, tuition goes up. Every year, wages are flat. And what Albany wants now is a contract with zeros every year going forward. Zero wage increases going forward. That is unacceptable. Part of the struggle is that the majority of faculty members at CUNY are part-timers. Thirty years ago the majority were full-timers. Because of the privatization of the university, the corporatization of the university, the hiring of administrators over teachers, we now have more administrators than we have full-time faculty in some cases.

I think that’s a task right before us, right now, that we really are working on now. We are testifying at the next Board of Trustees meeting, again, to try to get them to push. We’ve been supported by the City government, but the city portion of the budget is only the minority of the budget. The majority comes from Albany, and that is where the pressure needs to be.

CUNY LAW ASSOCIATION OF STUDENTS FOR HOUSING (CLASH)

In May of this year De Blasio announced his proposal for creating a number of affordable housing units, which is basically inclusionary zoning and creating a bunch of 80-20’s across our city. I think there are a lot of problems with this. I want to hear from Tom Angotti and Shawn Blumberg Maybe you explain a little bit about what 80-20’s and tax incentives and then also how this effects gentrification and how its really a back-door way to gentrify neighborhoods. And Shawn, you spoke about incentives for landlords to evict tenants. There are a ton of them, and I am wondering if you see this new proposal for inclusionary zoning and 80-20’s as a way to undermine rent stabilization and give almost another huge incentive to landlords to de-stabilize their buildings and possibly sell them to large real estate developers to create these 80-20’s.

SHAWN BLUMBERG

I think the inclusionary zoning really is probably something that Professor Angotti can speak more intelligently about. First of all, concerning tax incentives, 80-20’s, inclusionary zoning, there is a distinction between them. Also, within inclusionary zoning itself, there is an existing program from the Bloomberg administration, which has been optional, although I think there are proposals to make it mandatory. The idea with inclusionary zoning is that land-

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lords are given incentives to develop affordable housing in return for the ability to develop more space. I think mandatory inclusionary zoning has some very positive aspects, although I realize it’s debatable.

The 80-20 program is a bunch of existing tax incentives that landlords have. 421A tax abatements, low-income tax credits, are a big part of that: there are huge problems with this program both from a policy standpoint and certainly from the way we see landlords administering it. Landlords get to participate in all these different programs, often three different programs where they get multiple tax benefits for the same affordable housing. That is unfair and silly.

These incentive programs are really complex, and really opaque. We have seen in our neighborhood, where there happens to be a particularly high density of these 80-20’s, where it is to a certain extent an open question whether these landlords are knowingly screwing tenants or they incompetent because the program is so complex. We have an organizing campaign to educate people around these issues and we are trying to gather data, about what programs these builders are participating in; the duration of the tax abatements and the duration of the corresponding affordability of certain apartments. I won’t go too far into the weeds on that. We reached out to some property developers and were told several times, “We don’t have this information and to get you this information we would have to spend thousands of dollars in attorney’s fees.” It is debatable from our end, if it is scarier if that’s true, or if it’s scarier if they’re making this up? There are huge problems and the system in a very real way is set up intentionally to hemorrhage affordable housing. I don’t think every variation of the tax incentive policy necessarily needs to be a bad thing, but I certainly think the way that the policy has exists up to now has a lot of problems, both in the way that it is supposed to work and in the way that it actually works.

Tom Angotti

When Bloomberg and later de Blasio announced their affordable housing programs, the Real Estate Board of New York unanimously stood up and applauded. Why? Because these programs are moneymakers. They make money on affordable housing. It’s public subsidies that go into it. Real estate doesn’t pay for that 20% that’s affordable. The other problem with these programs is, if you look at the definitions of affordable they are invariably unafford-
able to the people in the neighborhoods where the inclusionary housing is being built.

If you look at the history under the Bloomberg administration, and it’s not going to change much, more people have been displaced by inclusionary housing and more affordable units have been displaced than have been created. That is the problem. Check out my article “A Tale of Two Housing Plans.”

When de Blasio came out with his housing plan I was looking for a different approach. At the beginning, de Blasio’s plan starts to sound like a different approach. There is talk about helping neighborhoods preserve the quality of life and a lot of good rhetoric and narrative, but then you look at the teeth in the plan and it’s all about building market rate housing with 20% affordable housing. Originally the promise was we were going to get 30 or 40 or even 50% affordable housing, but City Hall just announced it’s going to be 20%. The real estate industry said, “more than 20% and we can’t make any money. If we can’t make any money, it ain’t going to work.” So, now you know who does the planning.

I think the inclusionary housing program could work better but New York is late at the game and is doing it the wrong way. San Francisco has an inclusionary program that has some problems, but they started a lot earlier and it’s much better thought out. At least they try to integrate it with neighborhood preservation. That’s not happening here.

JENNIFER JONES AUSTIN

I shared earlier that I was the co-chair of the de Blasio transition team and I had a hand in helping to appoint probably 95% of the people that are holding their positions. When I did so, I did so with a mandate to look for the most progressive, competent, and diverse people to fill these positions: people that were as concerned and sincere about economic inequity and creating a more equal opportunity city as any one of the persons sitting up here on this panel, including myself. What I will tell you is that it is hard to run a government. I will tell you that ideas have consequences, some you intend and some you do not intend. That it is not as simple to say that somebody just went south and elected to do something that went contrary to what they campaigned on.

When you are running a government the size of the New York

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City government and you have competing concerns, priorities and challenges, sometimes you can not do everything just the way you intended to. Sometimes you hope that you do a little better. It’s not always going to be perfect and sometimes perfect is the enemy of the good. Sometimes what you put in place is more disastrous than what was there before. It’s all about taking risks and you try to make smart, calculated and educated risks. But there is not one person that sits in that City Hall right now or any of those city agencies that is not as concerned about economic inequity and overcoming it as any one person on this panel and I can say that personally.

AUDIENCE MEMBER

Thank you for a very insightful and informative panel. My question is about the role of women in this conversation about economic inequality. Something that isn’t unique to this panel is that the word “women” was mentioned once. The conversation around economic inequality doesn’t center on the needs of women and the role that they can play in combating economic inequality. From what you’ve seen in your work respectively, how do we make sure that women stay in the center of this conversation?

JENNIFER JONES AUSTIN

For many of the persons who are challenged here in this city and across this nation, low-income earners, a great many of them, probably the greater majority of them are low-income women, and in particular women of color with children. So, maybe we haven’t singled them out because in some instances it goes without saying. When I talked about social service workers being among the lowest paid, we’re talking about women, primarily women, and women of color.

ROBIN STEINBERG

The reality is that policing and the criminal justice system pretty much target men and men of color in New York City. So of the stop and frisk campaign, 10% of the people who were ever stopped and frisked in that campaign over all those years during the Bloomberg administration and the Ray Kelly administration were women. While it is true that there are women in the criminal justice system, there is a more prevalent conversation about how men are coming through the system. Not to say that there aren’t women in the system and that it is not impacting women who
aren’t going through the system, who are members of that family. This is obviously a very important conversation to have.

I think if you wanted to look at the analogy of where systems are at play for women who are in low-income communities, you will have to look at the child welfare system. That system is really where you see women being hauled in on abuse and neglect petitions, 80% of which are directly related to “neglect,” which is almost always directly related to poverty. Who you see in the family court system, whose kids are at risk of removal, are poor women and almost exclusively women of color. That is something that we really need to be talking about in the broader narrative of poverty and income inequality and women in particular.

FAHD AHMED

To undo existing hierarchies in society, we can’t recreate smaller hierarchies. If we see rich above poor, men above women, adults above youth, fairness around housing status. We have to be sure that our movements are reflective of those hierarchies and actually flip those hierarchies in total. An example is when the housing plan came out one of the things that it completely excludes are the lowest income folks and homeless people. Completely excluded. How do we expect that plan to fix anything if the people who are the most marginalized in the city are not accounted for in that plan? I appreciate that this is an ongoing struggle, but even in our movements we have to figure out how to not recreate existing hierarchies.

AUDIENCE MEMBER

I’m not a lawyer. I am actually a social worker who works in the alternative-sentencing industrial complex, which I think is a wonderful name for that. It is important that when we talk about inequality at any level we engage people who are actually being affected by it. There are these wonderful policy discussions that you can have and there are these broad macro discussions about housing, but for me, since I primarily work in substance abuse and mental health the issues that come up are: “I have a criminal record and I can’t get a job” and “I can’t get student loans.” “I can’t vote.” “Why should I stay abstinent (or whatever the treatment modality is that we want these people to do so that they do not go back into the judicial system)?”

It becomes so that we have begun to use the judicial system as a treatment modality. Which is ineffective. It’s immoral too, but
that is a different issue. How do we go from looking at large marco issues and then begin to engage the people on the ground and ask them, what is it that they want? How is it that we can help them as opposed to doing the exact same thing that has been going on, which is: “we know what is best for you, we’ll tell you what we should do on a policy level.”

**JENNIFER JONES AUSTIN**

I can give you one example where we can see what you are talking about making a difference. Are you familiar with worker cooperatives? They are an alternative form of entrepreneurship, where a group of individuals will come together and decide to create a business from the ground up.

New York City year after year was engaging in all of these workforce development opportunities and supports that really weren’t getting people anywhere. People engaging in entry level positions with no opportunity for growth and development. No increased incomes or career ladder opportunities.

We went to the government and said that you really should be investing in worker cooperatives as a small business like service. We went to the New York City Economic Development Corporation and said support worker cooperatives where people on the ground are empowering themselves, deciding what they want to do, how they want to make an income, how they want to support their families.

Just recently the City Council invested $1.2 million in helping to seed worker cooperatives. Growing about 920 worker cooperatives with this seed money and more promised over the next several years to come and building out about 235 new jobs in the first year. By listening to the community and having the community say, “This is what we need, this is what will strengthen our community and strengthen us as individuals.” What that requires often is having that go between, having that broker who is going to help bring forward the voice, helping to organize individuals and communities on the ground to help bring the conversation back. That is just one example, I am sure that there are others.

**FAHD AHMED**

For me the emphasis is always organize, organize, organize mass bases of people. So, I’ll mention three organizations. There’s
VOCAL New York, which organizes people both in public housing and people dealing with substance abuse issues. Picture the Homeless, which organizes homeless people and also a lot of folks dealing with substance abuse problems. NHRE: New York Harm Reduction Educations. If you go to these organizations, their members are the folks that are dealing with substance abuse issues, they are the ones coming together, they are talking about their problems, they are coming up with the solutions and they are leading and organizing their own struggles. Nobody is telling them, “Here’s what you should do, let me advise you.” They are amazing at it. Support those organizations financially, volunteer wise, whatever it is. I am sure that there might be other organizations like that as well.

ROBIN STEINBERG

I just wanted to make a final point. I feel the need to say this. Maybe it is just the defender odd moment in me and maybe it is a bit of a kumbaya moment as well, but I feel like it is important to say that there is no question that the current administration and Jennifer [Jones Austin], in particular in her leadership role, took enormous care to try to find people who run parts of this government in ways that we haven’t seen in a very long time. In compassionate ways. In smart ways. In progressive ways and in inclusive ways and in ways that we haven’t seen before. I watched in awe as I saw people being appointed, people that I knew, being appointed to positions of authority. Positions where they could actually make a difference. People who were actually going to make change and we have seen some of that change.

Maybe because it is the defender in me and maybe it is because I am talking to a lot of law students here, but I also think that it is equally important to say that the voices from the outside, on the ground are critical. The voices that are nay saying and pushing the envelope all the time are critical. It is critical that you do that no matter what the government looks like and who the leaders are and how progressive they appear. I think that there is room for both and I don’t think that either needs to be defensive, but I think that you need to find where your comfort level is and if you

are comfortable on the inside and you are willing to deal with the complex issues that I am sure keep Jennifer up at night and I am sure wakes her up in an existential crisis at night about how you navigate complex issues. If you can do that and that is where your comfort level is, that is where you should find yourself. If you are comfortable on the outside, agitating and pushing and being that person to question even people as thoughtful as the leaders in this administration, then that’s where you should land. There isn’t a good and evil necessarily, but it is about finding where you need to be.

**Stephen Loffredo**

I would like to thank our panelists for an insightful and engaging discussion and I would like to thank all of you for coming. I would also like to thank CUNY Law Review for organizing this panel tonight.