Angie Allen moved to Atlanta in 1971 and began working as an equities trader at Bear Stearns. She thrived in finance and was paid accordingly. In 1990, she co-founded an investment management firm, Globalt Investments, and sold it 12 years later to Synovus Financial Corporation.

Given her professional success, she lived in the city’s nicest neighborhoods. For a while she had a home in Buckhead, in a desirable northern section of Atlanta. Now she and her husband, Sam, live in Ansely Park, in midtown Atlanta.
As her career was growing, so was the city, becoming more prosperous and attractive for companies looking to hire people, from relative newcomers, like CNN, which arrived in 1980, to hometown stars like Coca-Cola, which began nearly 100 years earlier, and Delta Air Lines, which arrived in 1941.

Yet in 2000, after the dot-com crash, Ms. Allen began to have a change of heart. “I had this gnawing feeling that I had to switch horses,” she said. “I didn’t come from wealth.”

She realized that she had been living in a bubble. It was a nice bubble, with all the comforts and convenience her wealth could support. But it was a bubble nonetheless, one marked by homogeneity and an extreme distance, physical and emotional, from where she grew up, but also from people not as wealthy as she was.

She began working to help neighborhoods that were struggling; some of those efforts succeeded, some did not. Last year, she and her husband joined a group of affluent residents to give money and time to Thomasville Heights, a very poor area of about 4,000 people.

“Arsley Park is a privileged bubble within the town,” she said. “The first time we visited Thomasville Heights and found out about the desperation people felt, we met there in a rec center. After our meeting we found out we had been on lockdown. There was a shooter outside. I felt very unsettled, which was the entire point. It was just a few miles away.”

Photo
“I ended up in a lucrative field,” Angela Allen said. “We worked hard, yes. But plenty of people work hard, and they’re not getting anywhere, and they don’t have the kinds of jobs that are lucrative.” Credit Melissa Golden for The New York Times

A Growing Gap

Economic inequality is a well-known issue in the United States and around the developed world. Not only has a gulf grown between the haves and the have-nots, but so has the gap between the have-haves and the have-mores.

An outgrowth of this has been the creation of gilded ghettos. While far nicer and more comfortable than their urban counterparts, these gilded ghettos similarly narrow the vision of the people who live in them and their understanding of people outside of them. They also set their residents on a trajectory in life that is hard to stray from.

In this case, these gilded ghettos are perpetuating wealth, a sense of safety and access to great education. A byproduct is that they often unintentionally exclude others from those same opportunities.

“It’s the defining element of our time,” said Richard Florida, author of “The New Urban Crisis” and professor of business and creativity at the University of Toronto. “Economic inequality is an important component, but it’s not what is getting people angry. It’s this geographic separation of
people, these clusters of extreme affluence on the one hand and concentrated pockets of poverty on the other hand. The old middle-class neighborhoods are gone.”

Mr. Florida is referring to neighborhoods mixed by income and occupation. His father was a factory worker, but lived next door to his uncle who was an executive at Colgate-Palmolive.

“They were best buddies,” Mr. Florida said. “My dad was poorer. My uncle was richer. My dad was a Democrat, but my uncle was a Republican. That’s unimaginable today. They wouldn’t live next to each other.”

He said in the 1970s 70 percent of people lived in middle-class neighborhoods, but today only 40 percent do.

A home for sale in Ansley Park, in midtown Atlanta, where homes routinely sell for over a million dollars. Credit Melissa Golden for The New York Times

The effect is that people in different socioeconomic groups do not spend time with one another. That lack of contact causes different points of view for sure, but it also leads to very different outcomes in life.
“We used to think of these divides as city and suburbs, with the poor in the city and the rich in the suburbs,” Mr. Florida said. “But the truth of the matter is we have this patchwork of concentrated affluence surrounded by much larger areas of concentrated disadvantage. The interesting thing is this wealth divide is not city-suburb anymore. It’s chock-a-block. We look more like a third-world country, where poor and rich are bumped up against each other.”

Before he became president, Donald Trump had a life that was defined by the gilded ghetto he created for himself. He lived and worked in Trump Tower, the Manhattan skyscraper he developed and opened in 1983. He ate at restaurants he knew, like the “21” Club. When he traveled, he went by private plane. He spent time at the resorts and golf clubs he owned.

Now even wealthier people are buying apartments that stretch into the sky on Manhattan’s so-called Billionaires’ Row along Central Park South. For a reported $220 million, Kenneth Griffin, the founder of the hedge fund Citadel, bought a four-floor condominium with a view of Central Park.

That building and others that have gone up are filled with apartments costing $30 million or more.

Even if these are extreme examples, that walling off is solidified, even among people closer in income level and occupation. Bay Colony, a development in affluent Naples, Fla., is separated from the rest of the high-end Pelican Bay development by its own gate — in other words, a gated community within a gated community.

On the one hand, such gating allows people to spend time with exactly the type of people they have the most in common with; on the other hand it creates an echo chamber of beliefs and expectations that further separates the have-mores from everyone else.

“If you had $10 million, the first thing people think is you’d be able to do the things important to you,” said Paul K. Piff, an assistant professor of psychology and social behavior at the University of California, Irvine. “You get yourself more space. You choose to live in a neighborhood with other like-minded people. You can curate your life in so many different ways that make it more comfortable.
The library in the Thomasville Heights neighborhood is closed and boarded up. Credit Melissa Golden for The New York Times

“But at the same time it becomes this physical and psychological barrier between you and the rest of the world,” Mr. Piff added. “That can slowly erode our natural psychological tendencies to orient toward others. It’s a basic component of empathy. It helps you see their common humanity. Without that concept you don’t have that empathy.”

He pointed to a study in the Chronicle of Philanthropy that showed affluent people who lived among other affluent people were less charitable than people who lived in more mixed neighborhoods.

**Immigrant Beginnings**

Ms. Allen didn’t grow up in a wealth bubble. Her father immigrated from Italy and worked construction jobs in Chicago before starting his own company.

She said her group of affluent residents, brought together by the Community Foundation for Greater Atlanta, were inspired to help after listening to Robert Putnam, a political scientist at Harvard University, discuss his book, “Our Kids: The American Dream in Crisis,” which talks about the opportunity gap between rich and poor young people in the United States and how it is making upward mobility difficult.
That group has committed to spending $350,000 over two years, with a focus on practical things like increasing school attendance and parental involvement and decreasing how often people change homes and schools. The group’s goal, Ms. Allen said, is modest: to help these children get a bit further up the socioeconomic ladder.

“I ended up in a lucrative field,” Ms. Allen said. “We worked hard, yes. But plenty of people work hard, and they’re not getting anywhere, and they don’t have the kinds of jobs that are lucrative.”

While such charitable efforts aim to make improvement, they are limited in their impact. What they cannot do is give disadvantaged children the networks that their more prosperous peers have.

Michael Novogratz, who is a billionaire, said he and his wife were the exception to the rule when they began moving from their middle-class roots in the 1980s to the exclusive world they now inhabit. Credit Rick Wilking/Reuters

Thomas Peters, president and chief executive of the Marin Community Foundation in Novato, Calif., said people often associated the county with affluent towns like Mill Valley and the enormous wealth of Silicon Valley. But Marin County’s gilded ghettos abut areas of extreme poverty.
“You could go from Mill Valley about five minutes and be in an area in San Rafael where families are jammed together in a single one-bedroom apartment,” he said. “And the deal is they rent it by a third of a day. You have that room or couch for eight hours — and that’s a five-minute drive from some of the most gorgeous homes in America where people could get lost in the house.”

Mr. Peters said some of the work of the foundation was to bridge the divide between Silicon Valley wealth and the poverty in other parts of the county through grants, but also access to its donor networks. The 400 families involved with the foundation have given $1.3 billion and have another $1.7 billion committed to give.

“We can address the fact that there are thousands of kids here who have all the natural ability and biologically vested intelligence to do spectacularly in life, but whose opportunities to do so are restricted,” he said.

Still, Mr. Peters is cognizant that the children who benefit from grants and the mentorship of successful donors are the lucky few. It is not something, in the parlance of the region, that is scalable.

“It’s heartbreaking to admit that,” he said. “But it’s what we have. It’s what we can do. Absent the answer to a grand plan, this is a good plan.”

Up From Middle Class

Michael Novogratz and his wife, Sukey, who are billionaires, grew up middle class and met at Princeton University. He was a star wrestler and went on to become a partner at Goldman Sachs and the chief operating officer at the Fortress Investment Group, a hedge fund that went public in 2007. They have deep networks in college sports, the Ivy League and the highest echelons of finance that would seem to allow them to get the biggest bang for any buck they spent to help even the playing field.

Photo
Yet Mr. Novogratz said he and his wife were the exception to the rule when they began moving from their middle-class roots in the 1980s to the exclusive world they now inhabit.

“Social mobility in the country has gone down, not up,” he said. “Some of it is, it’s harder to get into the schools and the jobs that create these robust networks of opportunity.”

One program he supports is Beat the Streets, which uses wrestling to help disadvantaged urban children. He said about 12,000 young people go through its programs in a year.

“These kids are taking two subways and a bus to get to practice,” he said. “We’re trying to get them into college. The wrestling world becomes a network for them. It’s very tough for that group to get that jump forward. We’ll cherry pick a couple of kids each year, and they’ll go to Stanford, Princeton or the Air Force academy.”

While those children have every opportunity to build a robust network, the ones not picked could struggle to get access to networks similar to those that propel their more-affluent peers to comfortable lives.
Correcting the effect of these gilded ghettos on people not fortunate to live, work and raise children in them may not be easy.

Mr. Florida is resigned to America remaining divided and hopes for a mutual respect among socioeconomic groups that do not live side by side.

The group brought together from the Community Foundation for Greater Atlanta knows it could take a decade or more to help improve Thomasville Heights but attendance at parent-teacher conferences already has improved. Credit Melissa Golden for The New York Times

“We’re now so sorted into different geographies that the best we can hope for is a mutual coexistence,” he said. “Clustering is what drives people. You’re not going to unify people.”

Instead, he thinks Americans who are aware of this wealth divide can do worse than emulate Canada. Forget the idea of the melting pot, he said. “In Canada, we always consider the country a mosaic. It’s respect our differences, our identity and become more of a Canadian dream.”

Mr. Piff of the University of California is more optimistic. He is hoping that finding ways to foster connections across class lines can help rich and poor to understand each other better.

“People empathize with the people they want to,” he said. “It’s kind of threatening to our social values to acknowledge that perhaps people might find themselves in positions they didn’t
deserve or in situations they didn’t cause. It’s easier for someone who believes the world is a meritocracy to empathize with someone who clearly didn’t bring something on themselves, like Syrian refugees.”

His suggestion is to draw from early work on race relations and create opportunities for contact among people who live in vastly different economic worlds.

“Writing checks and volunteering reinforces the gap between you and someone who is receiving your care,” he said. “There are benefits to making just one good friend who is different than you, one friend who gets you to see yourself in their eyes, to humanize their experience. You extrapolate from your friend to the broader world around you.”

**Just Work Harder?**

That connection, at least from the Atlanta example, can change people’s views. Brian Friedman, an adviser to wealthy families, and his wife, Vanessa, a college professor, live in Tucker, Ga., an Atlanta suburb with a median income of $64,388. They had focused their charity internationally until they visited Thomasville Heights, which they had never seen in over two decades of living in Atlanta.

“People would say, ‘They should just work harder, this is the United States’,” he said. “What we found is that just isn’t true. There are people living in our backyard with developing-world standards.”

The group brought together from the Community Foundation for Greater Atlanta knows it could take a decade or more to help improve Thomasville Heights. But he said last year the amount of moving among apartments was down, and the number of people showing up at parent teacher conferences, a focal point of affluent neighborhoods, went from 10 to 80.

“We can’t take credit for all of it,” Mr. Friedman said. “But at least we’re helping the schools.”

**Correction: November 13, 2017**

Because of an editing error, an earlier version of this article misstated the year CNN arrived in Atlanta. It was 1980, not 1986.