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A Social Future? Inequality and Cities in the Transatlantic Context

Cities like Berlin, Atlanta, and Los Angeles have continued to grow in recent years due to their attractive economic, cultural, and social infrastructures, as well as a vast array of opportunities. However, societal developments and social inequality are also visible in cities and their communities. From homelessness and rising housing and living costs to the racial dimensions of wealth inequality and unequal access to public services and funds – cities will have to develop innovative and sustainable solutions. At the same time, tackling these challenges offers opportunities to cooperate with other cities and exchange best practices: cities are in this together.

Spotlight on social inequality in Atlanta, Berlin, and Los Angeles

Atlanta, Berlin, and Los Angeles are major cities known for their vibrant cultural and entertainment scenes and powerful economies. However, they all face significant challenges related to social inequality that continue to affect their communities.

In Atlanta, the city's history of racial and economic segregation has had lasting impacts, with Black and African American communities disproportionately affected by poverty and limited access to resources. U.S. Census data indicates that despite an average median household income of 74,107 USD in 2021, the city has a poverty rate of 17.9 percent. Addition-

ally, the median household income of Black residents is only 28,105 USD according to data from the Atlanta Wealth Building Initiative. Likewise, a Gini index of 0.55 for 2021 implies a high degree of wealth inequality. U.S. Census data shows that education and healthcare are significant issues, with many low-income students lacking access to quality education, resulting in only 31.6 percent of the population holding an undergraduate degree or higher and 10.3 percent without healthcare coverage (2021).

The once-divided city of Berlin has a Gini index of 0.31 (2021) according to the German Federal Statistics Portal. This indicates a relatively fair income distribution, though the city faces significant challenges related to social inequality as outlined by a monitoring report of the Senate Department for Urban Development, Building and Housing (2021). The German Federal Statistics Portal reveals a poverty risk rate of 19.6 percent in 2021 and the Federal Employment Agency reports an unemployment rate of 9 percent for February 2023. Workers with a migration background face a median income gap of about 900 EUR monthly (2021) compared to their counterparts without a migration history, according to the German Federal Employment Agency. The city's yearly median household income of 45,887 EUR (2022) is lower than in the western federal states of Germany, and while the share of academics is high, a fair and equal access to opportunities and resources for everyone is not guaranteed. A 2018 OECD report underscores that low upward social





mobility in Germany is worse than in many other European countries. Additionally, the Robert Koch Institute reported in 2016 that people over 65 with low social status describe their health as significantly worse compared to people with high social status.

The “City of Angels” also has to battle with the downsides of social inequality. According to U.S. Census data for 2021, the median income in Los Angeles is 70,372 USD, the poverty rate is high at 17.1 percent, and the Gini index of 0.52 indicates significant wealth inequality. The Census data also reveals a high unemployment rate of 10.3 percent in 2021. A report on “The Color of Wealth in Los Angeles” (2016) indicates a significant racial wealth gap, with white households earning on average 95,000 USD annually, while Black and African American households earn just 53,500 USD. The consequences of climate change also have significant impacts on society, with some communities more affected than others. According to a report by the California Resilience Partnership, these include low-income communities as well as communities of color (2023). Homelessness is also a significant challenge for the city, which must be addressed as a priority by the newly-elected Mayor Karen Bass to create a more inclusive future for all residents.

The cities share a common problem of social inequality, albeit to different degrees, that affects their residents’ quality of life. There is a need to address these issues and create a more equitable and just society for all. The mayors of these cities play a critical role in addressing these chal-

lenges. By working towards a sustainable, socially just, and more inclusive environment, we can ensure that all residents have equal access to opportunities and resources, regardless of their race, ethnicity, or economic status. To address these challenges and opportunities, an exchange of views between experts from different cities is needed. Cooperation between cities, especially in the transatlantic context, is the key to exchanging knowledge and best practices. This is precisely how to create more awareness and cooperation opportunities for an inclusive and sustainable urban future. Cities have a unique role to play in shaping the future as they serve as first responders to social inequalities and are responsible for implementing social policies on the ground. By addressing social change, they have a significant impact even beyond city limits and metropolitan regions.

This Townhall Dispatch shines a spotlight on the multiple facets of social inequality in cities and the urban efforts in the fights against it. To get an inside view of the situation and challenges in Los Angeles, we interviewed Eli Lipmen, one of the participants of “Future Cities – A Transatlantic Townhall Project”. As the Executive Director of Move LA, his insights on social issues as well as his efforts to combat social inequality in Los Angeles provide an important impetus for developments toward a more just city in the transatlantic context.



Interview with Eli Lipmen

Eli Lipmen is the Executive Director of Move LA. He also serves on the ClimatePlan Policy Advisory Board and as the co-chair of the South Los Angeles Transit Empowerment Zone Transit Work Group alongside LA Metro. The Transit Center presented Eli with their “Think Globally, Act Locally” award in 2021 for his work on the National Campaign for Transit Justice. Eli has worked with nonprofits to improve donor engagement and outreach efforts, including the Los Angeles Regional Food Bank, AJC, and Homeless Health Care LA. He graduated from the University of Pennsylvania, the University of Southern California’s Annenberg School for Communications, and the London School of Economics. He serves as President of the LA City Commission overseeing local Neighborhood Councils and is a graduate of the Coro Lead SoCal program. Eli’s family of five lives in the West Adams neighborhood in the City of Los Angeles where they regularly walk, bike, and ride Metro around LA.





Have the priorities of citizens shifted as a result of COVID-19? Which topics and issues will be top of mind for the people of LA in the coming years?

Yes, the top issues are street homelessness, housing, and affordability. Topics such as traffic and transportation and the climate are less important currently. Los Angeles is currently grappling with its unhoused population, which is nearly 25 percent of the total unhoused population in the entire United States. LA's new mayor, Karen Bass, is laser-focused on housing people and reducing the number of tents on our streets as quickly as possible. She ran on reducing the number of people on the street and finding permanent housing for all Angelenos. This will take a dedicated effort to acquire, rehab, and build thousands of units of permanent, affordable housing and to ensure that those currently housed are able to stay in their housing situation affordably. The recently approved ballot measure, Measure ULA, which will raise up to 1 billion USD annually from a one-time tax on sale of properties over 5 million USD, will help to measurably increase affordable housing, protect tenants' rights, and prevent more people from falling into homelessness.

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Over the next few years, the 2028 Olympics, to be hosted in LA, and climate change will increasingly become important issues for the region. As LA plans for an influx of visitors, athletes, and journalists, and with the eyes of the world on the region, there will be an effort to show that LA can be a leader on addressing climate change, affordability, and traffic. With a commitment to a zero-car Olympics, we hope to lose the moniker of a "car culture" and prove that reducing traffic and traffic facilities can occur and that deep decarbonization of transportation, energy production, goods movement, and manufacturing will result in the mitigation of the worst impacts of climate change.

Where do you see Los Angeles in 2040? Is the city already set up for success, or are there changes that are inevitable?

Los Angeles must address affordability if it wants to survive as a thriving city in 2040. With a deepening divide between the wealthy and those without financial means, we are seeing the cost of living rise dramatically due to a lack of affordable housing, low wages, and the extremely wealthy seeking services that require the personnel to provide it. Ongoing corruption and investigation of elected leadership, lack of affordable housing, under-investment in disadvantaged communities, terrible air pollution, deadly traffic fatalities, and over-policing that disproportionately targets people of color continue to plague the region. However, with new leadership, along with new sources of funding for affordable housing, scheduled increases in the minimum wage, and billions of dollars of investment in a transportation network, Los Angeles has the right leadership and policies to succeed. We must accelerate the pace of investments and ensure that everyone in the region can share in prosperity to succeed.

What initiatives and projects (city administration/politics, civil society, business) offer promising and unusual solutions to tackle social inequality in LA (and beyond)?

Move LA created and led an effort to build capacity and educate Los Angeles City residents about a transformative effort to affordable housing, support renters' rights, and work to end street homelessness. This coalition and community organizing effort, formed under the "United to House LA" banner, resulted in the passage of Measure ULA, a ballot measure approved by 58 percent of voters in November 2022 that will generate nearly 1 billion USD per year for affordable housing production, renters' protection programs like right to counsel, and homelessness prevention programs specifically targeted to our most vulnerable residents – seniors on fixed



incomes, veterans, people with disabilities, and very-low income households. LA will begin to build social housing and provide direct subsidies to seniors, veterans, and others at risk of becoming homeless as well as those facing short-term economic hardship. These innovative programs were created by those closest to the ground to address the unhoused population and social inequality in a meaningful way. Ensuring that everyone can afford housing in Los Angeles will ensure that our investments in a high-quality transportation network serve the very people who should benefit the most.

You had the chance to exchange thoughts and best practices on future cities with other urban experts, like you, from Atlanta and Berlin. Looking at the transatlantic context, what do you think we can learn from each other? What issues and projects could be done together to improve our urban spaces and make them more equitable for citizens?

I have learned that we cannot do this alone – that we must work together and support one another in the effort to cre-

ate more equitable, affordable, and sustainable cities. We must change the way we work, live, and move around to address ever-evolving natural and man-made crises. Easy solutions are no longer

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possible, and we must move ever quicker to implement policies that will result in fewer citizens dying due to decades of racist policies – from policing to poor street design to redlining and overcrowding of housing that has led to the rapid spread of disease, unhealthy housing situations, and discrimination against tenants. Two projects that could benefit from further transatlantic engagement include multi-family, mixed-income social housing – successfully implemented in cities like Berlin and Vienna – and active transportation – successfully implemented in Copenhagen, Utrecht, Amsterdam, and several other European cities. An idea would be to hold an “exchange” of planners from U.S. and European cities to learn best practices on planning, finance, and implementation of needed housing, transportation, and goods movement infrastructure.

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