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Color the 1 Percent 99 Percent Conflicted

By FRAN HAWTHORNE

SOON after the Occupy Wall Street encampment was set up at Zuccotti Park in Manhattan last fall, 26-year-old Ryan Quick told his father, Leslie C. Quick III, a financier, that he might drop by the site.

“Don’t you even let me see you over there,” the father replied.

The senior Mr. Quick later said that he and his son were both “half-kidding” each other. But he need not have worried about any class rebellion. According to Mr. Quick, his son came back from his visit and said: “It just looks like a Phish concert. It’s difficult to get engaged by something that doesn’t really have a purpose.”

As scions of a family that co-founded Quick & Reilly, a pioneering discount brokerage firm acquired for $1.6 billion by another company in 1997, the Quicks are undoubtedly among the “1 percent” — the wealthiest 1 percent of Americans targeted by the Occupy Wall Street movement. Indeed, having made their fortune in finance, the Quicks might be particular targets.

According to census data, the 1 percent — a label that became common after a much-cited 2003 study of American income inequality — have an annual household income of about $380,000 a year. Federal tax data shows that the average was $957,000. And in an election year, anger at them persists, even though Zuccotti Park and other flagship encampments in Boston, Los Angeles, Philadelphia, and San Francisco are now shut down.

The “1 percenters” themselves have a mix of reactions to the outrage directed at them, including annoyance, skepticism, anger, fear, lack of interest and guilt. Some at the low end of the 1 percent threshold may not even feel all that wealthy, especially if they live in expensive places like Manhattan. Some have deliberately scaled back their lifestyles, while others have used the headlines to start family discussions of wealth and moral values.

Most of all, the superrich seem puzzled. Many clients asked Teresa Leigh, owner of Teresa Leigh Household Risk Management, a North Carolina-based advisory service for wealthy households, to explain just what all the headlines are about. “It’s on the front page of the paper, they see me — it’s lunch conversation,” she said.

Whether they are entrepreneurs who feel they earned their 1 percent, or liberals who have donated time and money to the same causes that the Occupy Wall Street protesters support, they are asking: Why target me?

“Almost all my clients are self-made,” said Christopher J. Cordaro, chief executive of RegentAtlantic Capital, a wealth management firm based in Morristown, N.J., whose clients have at least $2 million in investable assets. “They’re saying, ‘We worked hard, we went to college, we tried to better our lives. Isn’t that what I’m supposed to do?’ ”

That is also the Quick family’s history. When he joined the year-old family firm after graduating from college in 1975, Leslie Quick recalled, “we didn’t know if my father was going to declare bankruptcy or this discount brokerage thing was going to work.”

He added, “I look at Occupy Wall Street and say, ‘But for the grace of God, I wouldn’t be close to the 1 percent.’ ”

Ross Levin, president of Accredited Investors in Edina, Minn., which represents 400 clients with at least $2 million to invest, suggested that their reactions to the Occupy movement had much to do with their own individual politics. “Conservatives can look at the tattoo-wearing, drum-beating people and say, ‘Of course they’re not going to get jobs,’ ” he said. Meanwhile, “the progressives tend to be more conflicted, because they have a difficult time juggling their own success with the inequality.”

Joel B. Zweibel might seem to fit the protesters’ stereotype of a 1 percenter: A retired senior partner at the law firm O’Melveny & Myers, he spent his career representing big banks seeking to preserve their investments in companies that filed for bankruptcy.

Yet Mr. Zweibel might be just as easily found among the demonstrators: He participated in “ban the bomb” marches in the 1960s and has donated to such Democratic politicians as President Obama and Bill Clinton and the banking critic and consumer advocate Elizabeth Warren, now running for the United States Senate from Massachusetts (like the former two, herself a member of the 1 percent, according to reports of her recent financial disclosures).

Mr. Zweibel said the Occupy movement made him furious, not at the protesters but at some of his wealthy colleagues. “There is no reason why the 1 percent can’t donate, not just money, but ideas, learning skills, mentoring,” he said. He talks passionately about the career and personal mentoring program he co-founded at Baruch College.

Whatever their emotional reaction, few people seem to have made any significant changes in their daily lives. Mr. Levin noticed that five or six clients bought hybrid cars rather than more expensive, less fuel-efficient

Mercedeses. And in buying a new home, one couple eschewed the most prestigious neighborhood in Minneapolis, near the Guthrie Theater, settling for a second-best location across the Mississippi River.

In all these cases, Mr. Levin said, the clients specifically told him that “they don’t want to make that kind of statement” about their wealth “because of what’s going on.”

But such examples are a rarity. If the rich have cut back a bit on spending, many experts said, it was more likely because of the recession.

Rather than downsizing their lifestyles, “they’re spending more money on protecting their homes,” said Paul M. Viollis Sr., the chief executive of Risk Control Strategies, a security advisory firm based in New York City, whose clients have an average net worth of more than $100 million.

Ever since the Occupy protests began, Mr. Viollis said, his clients — many of them high-level financial executives — have noticed an increase in “harassment” in, for example, e-mails and phone calls saying, in essence, “I lost my job, so who the hell do you think you are having a bonus like this?” In response, he said, demand for bodyguards, security-trained drivers, home security guards and other personal protection quadrupled from the beginning to the end of 2011. Mr. Cordaro also said some of his clients who work on Wall Street complained that the marches and police security had “made their commuting a real pain.”

But on a more philosophical level, the protests’ biggest impact on 1 percenters may be to spur discussions with the next generation.

When the extended family of three brothers who built a major Southern construction company gathered for Christmas dinner last year, the teenagers and young adults asked the parents, “What do you think of Occupy Wall Street?” according to Nathan Dungan, a Minneapolis-based author and consultant on the topic of families and wealth who has advised this family.

He said the parents replied: “We don’t take exorbitant salaries, and we give a lot of people in our community jobs. We worked hard to be in this place.” Then, he noted, the family went to the local food pantry, as it does every year, to donate food and help serve dinner.

Even many of the most skeptical 1 percenters acknolwedge that the Occupy movement has some valid points about the nation’s huge wealth disparity and questionable banking practices that led to the financial crisis. “They get why people are upset,” Mr. Cordaro said. “They know it’s incredibly difficult to make it as the middle class.”

For his part, Mr. Zweibel said he was in total sympathy. “If I was younger, I would be out there,” he said.