African American Housing and the Urban Crisis

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There are immense challenges facing the urban centers in many cities across the United States. Dilapidated buildings, homelessness, unaffordable housing, overcrowding, pollution, high crime rates, poor public education, and financial problems are just a few of the issues that are commonly cited by individuals who live within these cities and those who live outside of them. Frequently overheard in casual conversation among individuals, regardless of their connection to a city, are opinions on what parts of the city should be avoided, which neighborhoods have been or need to be revitalized, and what can be done to attract visitors or residents. Some of these individuals discuss urban issues with hope for the future, with disapproval of the current state of cities, or with nostalgia for what used to be or could have been. However, what is rarely discussed are the origins of the issues that plague these cities and the individuals who suffer most from them. Throughout the twentieth century, African Americans in urban centers across the country were disproportionately impacted by a variety of issues, such as racial discrimination, availability and affordability of housing, redlining, lack of decent job opportunities, predatory tax and real estate practices, and much more. Collectively, these challenges, along with many others, came to be known as the "the urban crisis."

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Before beginning an examination of the events and literature surrounding African American housing and the urban crisis through the twentieth century, it is worth analyzing the phrasing of "the urban crisis" itself, as this is a loaded term that has been used for a wide variety of purposes to invoke an equally varied number of feelings. From its earliest appearances in the 1950s to reassessments of its meaning in the early 2000s, "urban crisis" in a broad sense has been used to describe the problems facing inner cities, but what those problems are and who or what caused them has constantly been up for debate. In the 1950s, the urban crisis was often referred to as a series of structural issues such as suburbanization, poor housing conditions, and a lack of supportive city services, all of which could likely be solved by government action and intervention.[1] In many ways, this fell in line with New Deal-era thinking and approaches to fixing problems in the nation. In the 1960s and 1970s, however, perspectives began to change. During this period, the urban crisis was viewed to be a result of disruptive government action, which only the free market could resolve. In addition to the financial aspect of the problem, many individuals viewed the urban crisis in terms of morality and culture as well.[2] From this perspective, the solution was not government, however, it was capitalism, lower rates of divorce, less drug use, becoming less dependent on welfare, and ending a hereditary "culture of poverty."[3] Despite the use of the term "urban crisis" for seventy years, its meaning and theories to resolve it are still being debated today. For one portion of the country, cities are still in dire need of government assistance in order to fund projects that would rebuild, rehabilitate, and restructure urban cores. For another portion of the country, there is no urban crisis, as the growth of private businesses within cities

has fueled gentrification and revitalization that makes those cities an attractive place to work, live, and find entertainment. Clearly, the urban crisis is a highly complex topic with no single definition, cause, effect, actor, affected group, or timeline. As a result, further discussion of the urban crisis in this paper will focus on one central theme: the housing issues that African Americans faced in cities from the beginning of the Great Migration through the presidency of Richard Nixon.

Beginning in the 1910s, large waves of African Americans began leaving the southern United States and heading for urban areas in the Midwest and Northeast. The possibility of escaping from Jim Crow laws and lack of opportunity in rural environments ultimately drove around six million African Americans to leave states like Georgia, South Carolina, and Mississippi and relocate to cities such as Chicago, Detroit, and Pittsburgh, where focus was placed on the development of industry and production. This was especially the case by the 1940s, as the United States sought to become an "arsenal of democracy" and rapidly ramp up production of war materials for the massive industrial efforts in World War II.[4] As African Americans entered this new urban environment, demographics of cities, such as Detroit, rapidly and dramatically changed. From the beginning of the Great Migration to 1950, Detroit's African American population increased from 1.2% to 16.2%, causing a great deal of anxiety in much of the white population.[5] White Americans saw black migration as a threat to their neighborhoods, safety, property values, culture, and more. In order to prevent an "invasion" of African Americans in many neighborhoods, one of the earliest tactics heavily pursued by whites was the use of restrictive zoning laws.

As African Americans moved into cities in the 1910s and 1920s, city planners began to form active zoning commissions. These zoning commissions would evaluate and control the types of buildings that could be built in various districts across the city. In response to African Americans moving into these environments, zoning commissions had two primary objectives. First, city planners would designate districts as areas strictly for single-family homes, due to the fact that many African American migrants could not afford single-family homes and relied on apartment buildings. This prevented the construction of multi-family units and largely preserved segregation. If this did not work, however, and African Americans did begin moving into a district, city planners would change the zoning from residential to industrial, allowing dangerous, toxic, or polluting industries, including toxic waste facilities and incinerators, to be built alongside African American housing, while white citizens moved away to more exclusive areas.[6]
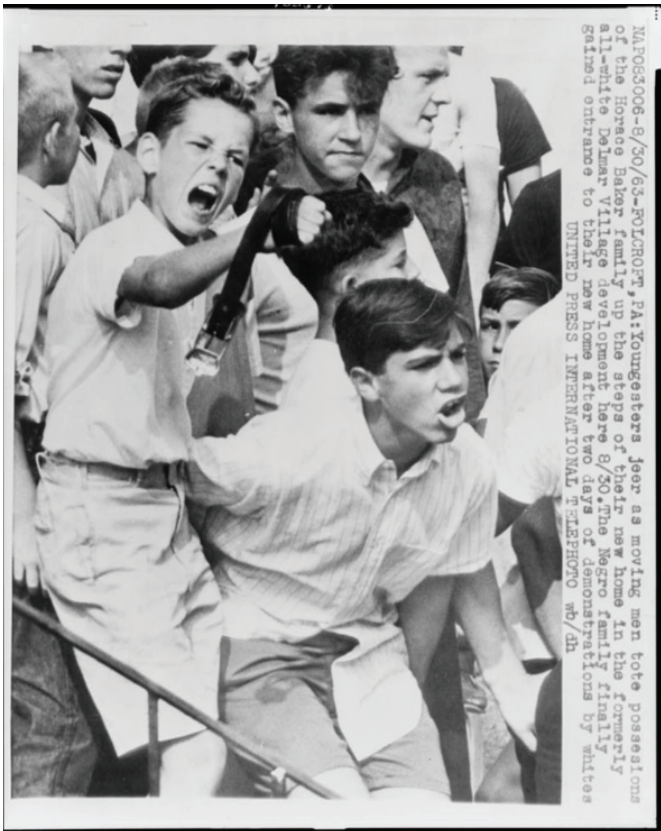
Issues related to zoning were not the only early challenges that African Americans faced as they entered cities. Much more common than living in a district that was rezoned as industrial was the difficulty of finding housing at all. With the massive influx of Americans into cities, due to opportunities for industrial work, came an extreme housing shortage. Racial discrimination, segregation in neighborhoods, lack of affordable housing, lack of construction, and working wage issues, caused African Americans to have an exceedingly difficult time finding a place to live within the city that would make it possible to commute. Because of this, the federal government began to develop public housing. While public housing construction began during World War I for defense workers, it was not until the New Deal that African Americans were accepted into the housing units.[7] This was a positive development for black migrants, but it was far from ideal. For many years, institutions such as the Public Works Administration and U.S. Housing Authority enforced segregation in public housing by following "neighborhood composition" rules, which stated that only residents that

match the previously established demographic of the area could live in the neighborhood's public housing.[8] Over time, public housing was forced to end future segregation and did begin to permit a few blacks and whites to live in integrated buildings, but it did not commit to undoing the segregated living situations that had been established before an integration compromise was reached. Increasing public pressure, along with court rulings that found the policies of segregation to be a violation of Fourteenth Amendment protections, forced project leaders to grudgingly build public housing without directly stating their intentions of restricting the buildings on the basis of race. Instead, segregation would attempt to be enforced by constructing new buildings in areas of a single predominant race.[9]

In order to convince city and local governments to construct additional units to meet the high need and demand for public housing, the federal government had to offer federal funding as a persuasive tool. This set off an intense debate over who would receive funding, how much funding they would receive, and where it would be used. At the center of this tension was an argument over funding for public housing versus subsidies and loans for the construction of private, single-family homes. Many whites at this time viewed public housing as disruptive, unsightly, dangerous, and financially threatening.[10] Viewing public housing as slums that were a threat to single-family homes and the residents within them, white Americans in cities like Detroit launched widespread campaigns against the construction of new public housing, especially if that housing was proposed to be located in a white neighborhood, and instead fought for the expansion of private homeownership.[11] Homeownership and the desire for it was not a new concept for white or black Americans. What was new, however, was the rise of the Homeowners' Movement and the extreme passion for it as a defense against public housing. Homeowners' Associations began to form with

the goals of independence, self-governance, improvement of communities, protection of home and family from social disorder, and homeowners' rights.[12] Members of these associations argued for the prevention of public housing and continuation of segregation in their neighborhoods by stating that it was a constitutional right for them to choose their associates. Furthermore, many white Americans thought that the constitutional rights that homeowners believed in trumped the civil rights of African Americans because, to them, black civil rights infringed upon the white homeowners' freedom to choose who they allowed in their neighborhoods.[13] Alongside arguments about personal housing rights, many individuals argued that public housing was a form of socialism or communism. They argued that allowing socialism/communism to seep into the private enterprises of building, selling, and owning homes would damage the free market. They also argued that owning your own home was patriotic and that communism could not be defeated in the United States if individuals were reliant on the government to house and shelter them.[14] This avenue of thinking was prevalent and powerful at the time, as McCarthyism and the fear and hatred of communism ran rampant across the country. Ultimately, this debate over private homeownership and public housing was highly damaging to perceptions of African Americans for decades to come. Forcing blacks into communities that were segregated, providing them with fewer resources, and increasing rhetoric about how blacks lived in "ghettos" reinforced stereotypes about African Americans, possibly strengthening resistance to integration that would lend itself to years of delaying progress.[15]

For many years, white opposition to public housing and integration into white neighborhoods was largely successful. Although this occurred in the 1940s-1960s, it is not an issue that has become irrelevant or a symbol of the past. For several decades, African Americans were locked into

NA083006-8/30/63-FOLCROFT, Pa.Youngsters jeer as moving men tote possessions of the Horace Baker family up the steps of their new home in the formerly all-white Delmar Village development here 8/30.The Negro family finally gained entrance to their new home after two days of demonstrations by whites UNITED PRESS INTERNATIONAL TELEPHOTO wb/dh

Young boys harassing the Horace Baker family, the first African American family to move into the all-white Delmar Village neighborhood of Folcroft, Pennsylvania, 1963. Library of Congress.

segregated areas that had fewer opportunities, lower income, and little ability to save money. These factors, combined with impactful conditions that were yet to come, such as deindustrialization and lack of investment, created environments of high poverty that disproportionately impacted African Americans. Effects of this can still be seen today, as 29% of Project-Based Section 8 Housing, 41% of Public Housing, and 12% of Housing Vouchers occupied by African Americans are located in high-poverty neighborhoods (the vast majority having incomes under $20,000/year), compared to 7%, 10%, and 4% of whites, respectively.[16] While these types of issues are extremely complex and have decades of history, it is statistics like these that make understanding the history of a topic like public housing important and relevant, whether individuals have a connection to a city or not.

Another tactic that was widely used in cities to prevent African Americans from moving into white neighborhoods was the creation of restrictive covenants. These agreements, while occasionally used for purposes along the lines of ensuring houses are painted approved colors, were maliciously used to target African American ownership of private single-family homes in white neighborhoods.[17] Within these contracts, homeowners were often prohibited from reselling their homes to African Americans or allowing African Americans to use the home outside of acting as a servant. These restrictive contracts became increasingly popular in Midwestern and Northeastern cities. One suburb of New York City, for example, had an 85% rate of restrictive covenants in subdivisions with more than seventy-five houses.[18] In 1926 (the same year a decision upholding zoning laws that excluded African Americans passed), the United States Supreme Court upheld the use of restrictive covenants, deciding that the contracts were private contracts and did not involve state action.[19] In many cases, however, the Federal Housing Administration would not provide insurance to housing developers if the houses being built would not include racially restrictive covenants.[20] Eventually, in 1948, the United States Supreme Court overturned their decision and struck down the legality of racially restrictive covenants in Shelley v. Kraemer.[21] Interestingly, the decision was made 6-0, as three justices recused themselves from the case due to the fact that they had purchased their homes with racially restrictive covenants in place.[22]

As segregated public housing, exclusionary zoning laws, and racially restrictive covenants came to an end, African

Americans were gradually making progress in gaining access to private, single-family homes. For better or worse, much of this progress was due to the fact that the real estate industry began to see African Americans as a new untapped market that was eager for homeownership, and could often be taken advantage of due to their desperation to escape poor, overcrowded living conditions in city centers where there was little opportunity for improvement.[23] Rather than dealing with African American property buyers and sellers in the same way they would with whites, the real estate industry saw blacks as a group that they could easily take advantage of to maximize their own profits. Whereas exclusion had previously ruled the real estate industry, what scholars refer to as "predatory inclusion" began to dominate the market.

   One of the most aggressive methods that real estate agents used to move African Americans into previously exclusively white neighborhoods was blockbusting. Blockbusting real estate agents created housing opportunities for African Americans by causing panic among homeowners in white neighborhoods. These real estate agents would sell a home in a white neighborhood to a black family in order to create fear that African Americans were "taking over the neighborhood." The goal was to get these white homeowners to then sell their homes at extremely low prices in order to quickly escape the neighborhood before their assumptions that black neighbors would cause their homes to become worthless could come true. The white homeowners would flee to different all-white neighborhoods, and speculators, who purchased the homes at a low cost, could then resell the home for massive profits to new black homeowners who were eager to move into private, single-family homes. In many cases, actually selling one of these homes to a black family was not even necessary. Blockbusting real estate agents would pay black women to walk strollers down the sidewalks in white neighborhoods, have black children play in a neighborhood, or otherwise

make it appear that African Americans were entering the area.[24] These tactics were highly effective and quickly began expanding the areas that African Americans lived in within cities. As black neighborhoods expanded out from cities' cores, white neighborhoods receded further into the suburbs. Although blockbusting did allow many African Americans to become homeowners for the first time, the conditions that they were moving into were, in many cases, not significant improvements from how they had been living previously. Since these transitioning neighborhoods were often close to urban centers, the houses within them were often old and not in the same condition as newly constructed homes in the suburbs. Rat infestations, poor roofing and flooring, and a lack of general maintenance caused many of these homes to be not just unideal, but also physically dangerous.[25] For many white residents, it appeared that the slums were expanding further outwards from the urban centers. These conditions and appearances once again continued to reaffirm stereotypes about what black homeownership looked like, how black Americans lived, and what would happen to neighborhoods that became interracial. It is reasonable to assume that African Americans did not want to live in these conditions, but because of business practices from real estate agencies and banks, there were few other options.

   Rehabilitating the houses that African Americans bought in previously white neighborhoods was financially impossible for many black people due to what has been deemed a "race tax." The race tax occurred in situations where African Americans were refused mortgages from traditional lenders, and, because of this, they were forced to take offers that were openly exploitative. These exploitative offers, which had significantly higher interest rates and overall costs of owning a home (including down payments), were much higher than what a white homeowner would have been able to acquire.[26] The race tax extended further than just homeownership,

New York, New York. Demolition for slum clearance. Blocks of slum area are torn down for housing project, 1941. Photograph by Edwin Rosskam.

as well, with a 1968 study finding that 92% of stores in predominantly African American areas had installment payment plans on merchandise that were, on average, 50% higher than stores located in white regions.[27] Due to situations like these, African Americans were living at much higher rates of poverty than white Americans, while at the same time paying higher prices for groceries, merchandise, and substandard housing.[28] These factors meant that while individuals living in these newly black neighborhoods would have liked to improve the conditions of their homes or simply move to nicer areas, the exploitative financial situations surrounding their everyday lives made that nearly impossible.

Government assistance often did not do much to assist in these scenarios either. Programs from the United States Department of Housing and Urban Development, such as Project Rehab, sought to make improvements to 37,000 houses across the country in order to develop better living conditions and economic opportunities for African Americans within cities. Unfortunately, the project was largely a failure.

In some situations, new housing was built, or uninhabited homes were "improved" with subpar structural work that either created problems that would give homeowners trouble in the future or put band-aids on major construction errors that would come to haunt those who lived in the home. In other situations, housing developers used the funding that they had acquired from the federal government to work on housing that had residents living in it at the time, displacing them without providing a new place to live.[29]

Another way that the real estate industry took advantage of African Americans in the realm of housing was through the appraisal process. Much like how African Americans purchased homes from blockbusting real estate agents for exorbitant prices, appraisers also played a crucial role in the purchasing and selling of below-average housing. While there are certainly factors that qualify a house as being in good or bad condition, such as the condition of its structural materials, the state of the roof and ventilation systems, and the maintenance of the land that it is on, assessing the value of a house is largely subjective and based on perceptions about what the house looks like, where it is, what the neighborhood is like, who will live there, the condition of the house compared to others, and more. Appraisers in cities during the postwar period did not have sets of standards, rules, or licensing that ensured consistent and fair evaluations of properties. Additionally, appraising, at the time, was an entry-level position that individuals typically moved on from when the opportunity to work for a real estate agency or mortgage lender became available. This led appraisers to give little thought or care to the thoroughness and fairness of their appraisal as long as the job was completed on paper. Furthermore, appraisers worked for low wages based on the number of houses appraised, causing them to frequently take only around fifteen minutes to determine the value of a house, so they could move on to the next one, rather than

the recommended minimum of two hours' evaluation.[30] Combined, these scenarios surrounding the appraisal of homes that were being sold for or to African Americans rarely reflected the actual worth of the home. Appraisers often ignored issues that would dramatically lower home values in order to overvalue the house and build stronger relationships with realtors in the hope that they would either receive a cut of the sale or earn a job with the real estate agency. Since most of the African Americans that were purchasing homes in these types of neighborhoods were first-time homeowners, many did not realize that they were being taken advantage of. Without a mediator to protect these future homeowners, multiple parties were working against African Americans' interests and only seeking to further their own profits.[31]

The final issue related to African American housing that will be discussed here is the problem of "slum clearance." As the twentieth century went on, African American neighborhoods, whether ones at the urban core or ones that had transitioned from white neighborhoods, were often referred to as slums, with people using the conditions created and left behind for African Americans, in conjunction with stereotypes about blacks as families and homeowners, to disparage black neighborhoods and identify them as blighted areas. When the interstate system began construction, African American neighborhoods were largely the ones that were demolished to make way for highway construction. Similarly, popular urban renewal projects that would build offices, universities, hospitals, and middle-class white housing frequently targeted African American neighborhoods for "slum clearance" to begin construction. Before being ordered to assist the occupants of these homes and neighborhoods in finding new housing in 1965, federal officials rarely helped them in locating a new place to live. By that time, the majority of the interstate system had already been built over these previously lived-in communities.[32] Because of the seemingly positive changes that these actions made for the general public, the state of some of the previously existing housing, and the physical destruction of the neighborhoods in question, slum clearance was and continues to be celebrated by large populations, despite the immense damage that it did to African American individuals and communities.

Conversations about the current state of our inner cities, what is wrong with them, and what can be done are frequent.

> " Remnants of actions surrounding this topic are around us at all times, whether it is using the highway to navigate to our jobs and everyday activities, witnessing the condition of dilapidated urban houses and buildings, coming into contact with individuals living in poverty or poverty-stricken areas, or looking for a potential new home or apartment located near a city. "

It is not surprising, however, to rarely hear or talk about how these urban conditions came to be and the groups that were primarily impacted. Issues of African American housing and the urban crisis are challenging to talk about not only

because of how hard it can be to discuss discrimination and segregation, but also because the topic is incredibly complex. Throughout this paper, a great number of topics surrounding African American housing and the urban crisis were discussed, but this still only scratches the surface. There is still much to be said about the Federal Housing Administration's role throughout urban history, the role that deindustrialization played in advancing the urban crisis, the growth of ideologies about the role of capitalism and private businesses in addressing issues in the inner cities, redlining practices, the Federal National Mortgage Association and the Government National Mortgage Association, and much more. Information on these topics are complexly intertwined and span decades of our history. It may not be considered "light reading," and can be difficult to unpack in a digestible

way, despite (and because of) this, the topic of African American housing and the urban crisis is incredibly important for Americans to study today, whether you live in an urban or rural environment. Remnants of actions surrounding this topic are around us at all times, whether it is using the highway to navigate to our jobs and everyday activities, witnessing the condition of dilapidated urban houses and buildings, coming into contact with individuals living in poverty or poverty-stricken areas, or looking for a potential new home or apartment located near a city. The history of African American housing in cities and the urban crisis is not just history that impacted one group of people in one period from our past. It is a lasting system of actions and consequences that are still lived and felt by millions of Americans today.

ENDNOTES

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