

Autumn 2001 Winner

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Instructor's Foreword

In the following essay, written for my PWR course, "Happily Ever After? The Rhetoric of the 1950s American Family and its Legacy," Christine argues that racist federal policies in the postwar era played a crucial role in contributing to the extreme poverty experienced by "inner-city" African-American families today. In the 1950s, she notes, many white families benefited from unprecedented affluence and the federal government's willingness to channel an enormous amount of funding towards the development of suburbs, highways, and other improvements geared towards the middle class family. Meanwhile, their African-American counterparts were both forced to witness money previously earmarked for urban housing and public transportation disappear and legally excluded from the new neighborhoods their own taxes were financing. Christine draws upon many compelling pieces of evidence, including a Federal Housing Authority manual that mandated that racial homogeneity was essential to neighborhood stability. In so doing, she makes a complex, thought-provoking, and highly convincing case for how many poor African-American communities, left behind at a time when white neighborhoods were given a tremendous push forward, continue to pay the price for the prosperity in which they were never allowed to partake.

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THE ROOTS OF POVERTY IN URBAN AFRICAN-AMERICAN COMMUNITIES

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Although popular belief maintains that the 1950s represent a decade of nationwide unprecedented economic growth and all-around improvement in the quality of life following the difficulties of the World War II era, in truth, such was not the case for the whole of the American population. Significant segments of society were trapped in gritty urban areas, prevented largely by policy and by society from having any hope of enjoying many of the rapidly-developing changes in American life. While middle-class America enjoyed the most fruitful decade in recent memory, many urban African-American communities had little hope of any economic or social improvement as they suffered under biased and often discriminatory government policies intended to benefit the development of white suburbia at the expense of the welfare of inner city areas. In this regard, although African Americans have long had a troublesome history of significant economic and social disadvantage in the United States, the federal government during the 1950s was complicit in perpetuating the culture of despondency and hopelessness that continues to grip a significant population of urban African Americans in a vicious cycle of poverty as it exists today.

The most recent United States Census offers a tangible representation of the state of poverty in the nation today. Although the prevalence of economic disadvantage has come a long way since data examining poverty were first collected by the Census Bureau in 1959, the numbers indicate that the issue is still troublesome enough to merit serious consideration. To define poverty, the Bureau “uses a set of money income thresholds that vary by family size and composition to determine who is poor. If a family’s total income is less than that family’s threshold, individual in it, is considered poor” (Dalaker 11). As of the year 2000, the nationwide poverty rate indicates that 11.3% of the total population is poor. The rate of poverty within central cities alone is five

percentage points higher than that of the national average at 16.1%, indicating that the poverty rate in big cities easily exceeds the rate in the nation as a whole. Along racial lines comparing white and African Americans, as seen in Figure 1, blacks remain “disproportionately poor” when compared to white individuals (7): while only 7.5% of white Americans are poor, three times as many African Americans—one fifth of the entire African-American population—are living in poverty. Furthermore, the average African-American income is 65.5% that of the average white income, making the average African-American salary the lowest of all racial groups in the United States, as seen in Figure 2.

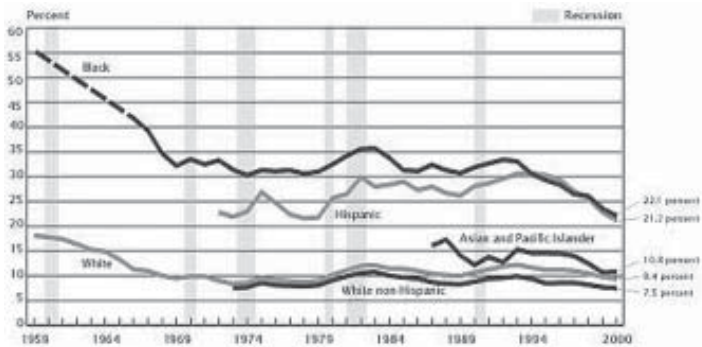


Figure 1. Poverty Rates by Race and Hispanic Origin: 1959 to 2000.

Source: US Census Bureau, Current Population Survey, March 1960 to 2001, <<http://blue.census.gov/hhes/poverty/poverty00/povrac00.html>>

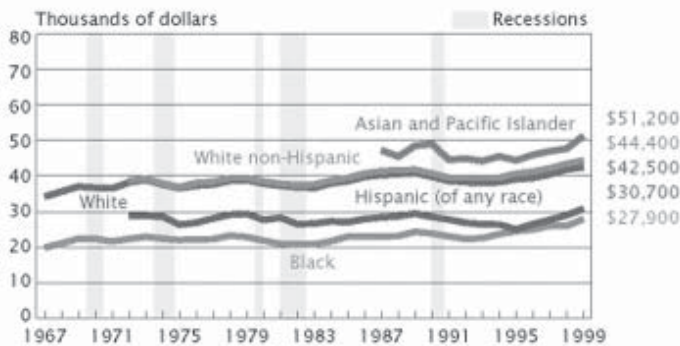


Figure 2. Three-Year-Average Median Household Income and Poverty Rate by Race and Hispanic Origin: 1998-2000. *Denotes statistically significant increase (income)/decrease (poverty) from 1998-1999 to 1999-2000. Note: Income rounded to the nearest \$1000. Income in 2000 dollars.

Source: U.S. Census Bureau, Current Population Survey, March 1999, 2000, and 2001, <<http://www.census.gov/hhes/www/img/incpov99/fig06.gif>>

Housing has consistently been polarized along racial lines as well. Despite all the progress of the civil rights movement during the 1960s, as late as 1970, African Americans comprised a mere 5% of the total suburban population, while in central cities 20.5% of residents were African Americans (Lake 3). Across the U.S. today, the majority of African Americans are not homeowners, while nearly 70% of whites own a home (Callis 5). The discrepancies along racial lines are clear and present a valid problem in the struggle to achieve equality.

The significant economic and class distinction between African Americans and white Americans as evinced by such statistics immediately raises questions as to why this might be. In this land of supposedly equal opportunity, it remains to be explained why one particular group should remain at a significant disadvantage relative to another group. The concern is that this trend is often explained away by concluding that there must be some inherent quality specific to that group that limits members from moving up and out of poverty. Essentially, this is one of the most pernicious ways that the urban poverty problem among African Americans can be explained, as it neatly places the blame for the economic and social lot of African Americans on their character and values. However, it is wholly unjustified to ignore the history of immense governmental and social obstacles that has played a significant part in giving rise to the current culture of lost hope and mounting frustrations within the poorest inner cities across the nation. As one of the most recent eras of systematic disadvantage that has gone largely unnoticed and underestimated by society at large, the 1950s deserves genuine consideration in evaluating some of the latest trends and policies that have exacerbated the state of poverty among inner-city African Americans.

The availability and condition of housing in the United States play an important role in the overall quality of life in the African-American community. Housing and suburbanization became issues of high importance during the postwar period, as the process towards meeting the growing demand for houses clearly shaped the distribution of types of living spaces today. Understanding the response in the 1950s requires an examination of the years before and during World War II. During the Great Depression, the severe economic downturn curtailed the construction of residential property by 95% within five years of its onset (Jackson 193). While the construction of new living spaces slowed even more steeply

through World War II due to a lack of both manpower and building materials on the home front (Sugrue 41), more and more African Americans began migrating up from the last vestiges of the Jim Crow South, bringing with them hopes for racial tolerance and acceptance as well as a better quality of life in finding wartime jobs in urban factories and manufacturing plants. This influx, compounded with the return of thousands of World War II veterans and the sudden population growth in the ensuing “Baby Boom,” resulted in a critical and widespread housing shortage during the 1950s (41-42). In response to the shortage, the government instituted several housing policies that were intended to bolster domestic growth and meet Americans’ needs but simultaneously served to encourage the development of further disadvantages within urban African-American communities.

The argument for the federal government’s complicity is largely found in the policies that led to the postwar expansion of American suburbia (Beauregard 132). Government involvement in housing assistance principally began during the New Deal era of the difficult 1930s, when housing problems were first recognized. During this time, President Roosevelt signed into law the Home Owners Loan Corporation (HOLC) in order to provide loans and federal mortgage assistance to protect small homeowners from foreclosure (Jackson 195-6) and to provide construction companies with the capital to build new projects. Aside from enabling thousands of Americans to purchase and maintain single-family homes, the HOLC was also responsible for developing a nationwide appraisal system to determine where and how the loans and refinanced mortgages would be distributed. The HOLC devised a system in which neighborhoods were assigned ratings of A through D (A being most favorable) based on “the occupation, income, and ethnicity of the inhabitants and the age, type of construction, price range, sales demand, and general state of repair of the housing stock” (Jackson 197). Individuals were given assistance in accordance with the potential they represented—the higher the rating of the area from which they came, the more likely they would be in securing financial support, as their status was deemed more “durable” (197). In this way, the HOLC exercised remarkable control over the housing policies of the nation, and by offering aid to Americans across the country, the HOLC also greatly stimulated domestic expansion from the cities outward.

In addition to the HOLC, the Federal Housing Administration (FHA) of 1934 also contributed significantly to the suburban expansion that began in the 1930s and exploded after World War II. As another aid agency born of the New Deal, the highly influential FHA “used federal dollars to insure mortgage loans, promising to repay the bank should the home buyer default. This meant that home loans suddenly became very safe and desirable for America’s bankers” (Hanchett 164), enabling thousands to have the money to buy single-family homes. In this way, the FHA was instrumental in encouraging eligible families to move out of the high-density urban areas into growing suburban developments. Within a decade, The Servicemen’s Readjustment Act of 1944 (better known as the GI Bill) and the Veterans’ Administration program supplanted the New Deal housing programs to a great degree and propelled domestic expansion to new heights following the end of the war. Thousands of returning veterans were greeted with exceedingly generous insurance that encouraged them to buy homes. Government policy had provided bankers with such great incentives to impart loans to families that they “actively sought projects to bankroll, the bigger the better” (Hanchett 165), offering loans to families with little to even no down payment. The result was that thousands more Americans across the country were suddenly presented with a very attractive opportunity to own a home, and as suburbia seized the interest of the American majority, suburban expansion remained a priority for the federal government.

However, these policies purposefully did not extend such privilege to the whole of American society, effectively contributing to the racial polarization in the nation’s largest cities and surrounding areas. In determining an individual’s eligibility for a loan or mortgage, agencies relied on the neighborhood classification standards that were heavily influenced by racism and the desire to maintain segregated neighborhoods. In essence, by “red-lining” entire inner-city neighborhoods, the federal policies “gave official sanction to discriminatory real estate sales and bank lending practices” in that “most important in determining a neighborhood’s classification was the level of racial, ethnic, and economic homogeneity, the absence or presence of a ‘lower grade population’” (Sugrue 43-44). In fact, the FHA’s *Underwriting Manual* explicitly stated that discrimination based on class and race must be taken

into consideration when assigning federal housing aid: "If a neighborhood is to retain stability, it is necessary that properties shall continue to be occupied by the same social and racial classes" (qtd. in Hanchett 166). It thus comes of no surprise that from 1945 to 1959, less than 2% of all federally-backed home loans went to African Americans (166). As residents of C or D rated neighborhoods, African Americans simply were unable to qualify for the mortgages and loans that would enable them to move out of the destitute urban districts. The FHA also considered rental housing, which dominated economically-disadvantaged areas, to be a riskier investment relative to private homes, to the effect that builders and developers could not expect much financial backing if they chose to develop or improve destitute areas. Therefore, new units of the most accessible type of housing to blacks plummeted from 44% of total new developments in the late 1920s to a mere 8.3% by 1956 (Gelfand 217). In this way, new developments of the decade were focused almost exclusively on suburban single-family home construction.

Although both blacks and whites suffered from the housing shortage of the postwar period, "blacks bore a disproportionate share of the burden [...] [as the] population expanded much more rapidly than the available housing stock in the small neighborhoods to which they had been confined" (Sugrue 42). A very small minority of African Americans did in fact acquire the means to move into largely white suburban areas, but almost all were staunchly and sometimes violently prevented from making permanent settlement by community members intent on preserving the homogeneity of their neighborhoods. Powerful homeowners' associations fought against African-American "invasion" and drove unwanted newcomers out of areas designated for white Americans only as Figure 3 illustrates. For the most part, however, African Americans from dense urban areas were not able to reach the point where moving to the suburbs would even be a possibility. Thus by offering African Americans neither improvements in urban areas nor new places to go to be free of the inner-city, the appraisal practices of the HOLC trapped African Americans in segregated and impoverished neighborhoods, perpetuating the vicious circle of urban decline and "set[ting] into motion a chain reaction that reinforced patterns of racial inequality (41, 34).

Like the many policies aimed at facilitating white, middle-class expansion into the suburbs, the postwar federal highway develop-



Figure 3. Signs of Exclusion. Some all-white communities made it clear that minorities were *not* welcome in their neighborhoods, and the government did nothing to protect minority individuals' civil rights from outright discrimination and racial prejudice.

Source: Office of War Information, Arthur Siegel, photographer.
Courtesy of the Library of Congress.

ments represent another example of a government policy designed to promote suburban growth with little consideration as to how it might negatively effect the largely disenfranchised urban African-American community. Aside from being another program that funneled precious federal funding and attention away from the inner-cities towards the suburbs, highway construction placed a further burden on poor African Americans by worsening the housing crisis and fostering greater racial segregation. Recognizing the need to provide greater access between the urban and suburban areas of big cities, the government passed the Interstate Highway Act of 1956, under which Washington would foot the bill for 90% of construction costs for several thousand miles of multilane highways with states supplying the remaining 10% (Beauregard 134). These measures would not only enable suburban residents to commute to their jobs in the central cities, but they also promised to stimulate the economy and bolster commercial growth (Sugrue 47). Within the next twenty years, over forty thousand miles of highway would be built (Jackson 249), drastically altering the face of urban areas by carving out huge strips of land upon which the roads were built as well as enabling thousands of whites to flee inner city areas while maintaining their jobs in industry and other businesses.

Aside from facilitating greater residential access to the outlying suburban areas, the construction of highway networks also prompted a shift in the state of the country's commerce and industry. The changes in the landscape of metropolises across the country transformed the cities' economies. The "white flight" prompted smaller businesses and services to flee the big city and establish themselves in more lucrative suburban strip malls and commercial districts. As improvements in transportation, communication, and technology prompted decentralization in the nation's largest cities, these same factors prompted deindustrialization—plants and even whole industries downsized, closed, or relocated to areas that were previously unsuitable or too rural for industry.

During the 1950s in particular, the federally-funded highway systems "made central industrial location less necessary by facilitating the distribution of goods over long distances" as trucking became a very fast and efficient means of transporting industrial products (Sugrue 127). Additionally, the federal government encouraged industry to move out of big cities as a precautionary measure in case of air attack during the Cold War. This, combined with many employers' prejudiced aversion to hiring black workers, left a significant population of African Americans without jobs and unable to relocate. "As industry fled the city, a large number of white workers were willing and able to follow" (177), trapping blacks in decaying urban areas and effectively perpetuating the vicious circle of poverty without any apparent means of escape.

The placement of the highways themselves came at an immediate and heavy expense to long-established inner-city neighborhoods and drastically reduced the already problematic housing availability for African Americans as seen in Figure 4. The construction of huge networks of roadway devastated the urban landscape, as the highways cut through densely-populated urban communities at the convenience and benefit of the suburban residential areas. For example, in Detroit, "the Oakland-Hastings Freeway blasted through the Lower East Side, Paradise Valley, and Hasting Street business districts, wiping out many of the city's most prominent African-American institutions, from jazz clubs to [...] the YMCA [...]. Left behind was [...] a 'no man's land' of deterioration and abandonment" (47). Not only were the urban areas disfigured and interrupted by the new highways, but the construction took place with little consideration for the dislocation of tens of thousands of African-American families whose homes and



Figure 4. Intercity highway. Highways often came to serve as demarcation lines between white and black neighborhoods. On the left side of this Chicago freeway lies public housing complexes for African Americans, and on the right, the bungalows of the white working class.

Source: Raymond A. Mohl, "Planned Destruction: The Interstates and Central City Housing," *Tenements to the Taylor Homes* (University Park: The Pennsylvania State University Press, 2000), 235.

businesses were in the paths of the proposed highways. When the projects were announced, property owners in the line of construction found themselves unable to sell properties marked for government acquisition and unable to move without the money generated from such a sale. Further exacerbating the critical housing shortage in urban areas, the government offered little, if any, assistance to families forced to relocate within a thirty-day period (46). In having such concern for the welfare and prosperity of new urban developments, the government once again turned its back on the urban poor, providing additional strain on destitute living conditions.

The attitude towards the construction of highways through inner-city areas coincided with the government's unofficial take on the best solution to the urban poverty problem. Recognizing the unattractiveness of the deplorable conditions in urban areas, the government decided to undertake an "urban renewal" policy to eliminate physically the slums in which the state of poverty was confined. The government viewed major highway construction through inner-city areas in major American centers as "a handy device for razing slums" (47), one of several methods upon which the government would rely to "improve" big cities. The plan was to destroy dilapidated inner-city housing to revitalize downtown

areas. City officials believed that large-scale high-rise building projects would bolster the social and economic prospects of the city by cleaning up the grittiest of “blighted” areas. In order to facilitate this, Washington passed the Taft-Ellender-Wagner Housing Act in 1949 as part of a plan for urban redevelopment. This policy was intended above all to mandate the construction of a great number of residential complexes in the place of the razed slums, thereby improving land value while providing sufficient housing. However, within a few years the lucrative prospects of the cleared land lent way not to housing affordable to the families its construction replaced, but to luxurious apartments, office buildings, and shopping centers (Biles 145). The results were that out of the 425,000 housing units that were torn down between 1949 and 1968 as part of the urban redevelopment program, only 125,000 units were constructed in their place, the majority of which were luxury apartments (Biles 153). This forced the severely disadvantaged, ousted residents to relocate themselves without any government assistance during a time when the availability of housing was already limited.

As no provisions were made as to where displaced residents too poor to afford such improved housing would relocate, the policy of eliminating “blighted areas” simply did not adequately address the needs of the disadvantaged population. In 1954, a policy for urban renewal was added to the 1949 measure, calling for the construction of 35,000 public housing units in communities that had been altered by slum clearance (146). The addition of this program effectively launched a full-scale national effort to eradicate poverty-stricken urban areas and meet the demands of the housing crisis by replacing the slums with high-rise, low-rent housing. However, this effort was fraught with resistance and failure at its inception. To begin with, white communities refused to allow public housing with African-American residents to be situated in locations proximal to their neighborhoods and “fought zoning charges that allowed for the construction of apartment buildings, even on marginal land that bordered commercial or industrial areas” (Sugrue 51). Their resistance severely curtailed the actual construction of housing accessible to disadvantaged African Americans. As affordable housing became even more scarce for relocated black families, landlords taking advantage of the situation made conditions even more difficult. Public housing became too expensive for many families, and often housing was illegally subdivided

to provide occupancy for more people than originally intended, also at relatively high cost. Conditions in such apartments were often poor and in need of repair. "As long as the rental housing shortage for blacks persisted, black apartment dwellers suffered from rent gouging" (54), and often were at the mercy of demanding landlords who were quick to evict tenants late in their payments. Under such conditions, displaced African Americans continued to suffer as the federal government, with full interest in the welfare of white middle-class suburbia, continued to turn a deaf ear. With affordable housing so scarce, often the only option for poor black families was simply to move to adjacent poverty-stricken districts, further concentrating poverty in specific inner areas. The areas that fell under the government's plans of urban redevelopment and renewal improved, but only at the grave expense of the poor.

Furthermore, public housing itself was not limited to minorities or those displaced by slum-razing; rather, it was available to all Americans, including whites who searched for decent homes but whose economic situations required low-rent housing. This interracial availability extended segregation into the public housing complexes as well. In an effort to keep certain districts racially homogeneous, potentially "inharmonious" housing candidates were screened out during the application process. In fact, between 1947 and 1952, 56,758 white families applied for public housing along with 37,382 black families. Of this, 41% of the white families made it onto the waiting list, while only 24% of black families did. In the end, 9,908 white families secured public housing, while a mere 1,126 African-American families were provided with similar homes. Again, the half-hearted effort to provide economically-disadvantaged blacks with decent housing gave way to racism and prejudice, ultimately failing to afford any real improvement. The government's discriminatory policies effectively kept many African-American families out of public housing (58), deepening racial inequality through segregation.

In preventing African Americans from migrating out of inner-city neighborhoods and providing white Americans with ample opportunity and incentive to move into the suburbs, the policies of government programs effectively cultivated an atmosphere of destitution and hopelessness in urban ghettos that compounded the tangible economic problems faced by African-American residents. In areas segregated by race, class, and economic status, the individual experience of poverty is exacerbated by the social

isolation brought on by residing in neighborhoods that offer few opportunities to interact with individuals and institutions representing mainstream society. Ghetto residents lack contact with regularly employed persons, who could provide social support [...] and the aspirations of youth [...] are directly affected by the joblessness and other social dislocations that pervade these communities. (Wilson, Quane, and Rankin 63)

Generations of African Americans raised in such environments without the obvious possibility of any degree of social or economic upward mobility easily lost the will to strive for improvement. This unquantifiable psychological impact drew African Americans still deeper into the vicious cycle of poverty and, in keeping with racial bias, led many outsiders to believe that the attitudes and behaviors that reflected this hopelessness were the causes of the poverty problem rather than the effects of restrictive policy. Through the national policies of the 1950s, programs established and overseen by the federal government systematically denied the basic rights and equal opportunities of economically-disadvantaged African Americans, perpetuating the vicious cycle that would continue to fester in the urban poor for decades to come.

However, the harsh conditions and injustices endured by African Americans in the 1950s made way for the explosive changes of the following decade. The mid- to late-1960s represented a period of intense racial unrest, such as one featured in Figure 5, in many of the nation's largest cities as a response to mounting frustrations throughout the previous decade. "Growing resentment,



Figure 5. Urban riot. Young black men riot in the streets of Detroit during the summer of 1967.

Source: Thomas A. Sugrue, *The Origins of the Urban Crisis*, (Princeton: Princeton University Press, 1996), 260.

fueled by increasing militancy in the black community, especially among youth, who had suffered the brunt of economic displacement” ignited the devastating urban riots that exploded in cities with large poor black communities like Harlem, Los Angeles, and Detroit in the summers of 1964, 1965, and 1967, respectively (Sugrue 260). The determination of many members of the African-American community to effect change also manifested itself in the revitalization of the civil rights movement during the late 1950s and early 1960s, a response that took on both non-violent and violent forms. Newly founded or reinvigorated groups fought against discrimination, segregation, and racism as the impediments to social change. The decades, although turbulent, produced remarkable improvements for the rights of African-American men and women across the country. Rates of employment, average wages, housing conditions, and poverty levels improved, and continue to improve, since the end of the 1950s. Whereas 55% of African Americans lived in poverty in 1959, that percentage has dropped by 30 points and in the year 2000 reached an all-time low (Dalaker 11). African Americans now hold prominent positions in all levels of government and are experiencing greater levels of economic and social opportunity and mobility than ever before. Most suburban areas today represent a level of diversity unheard of in the past half-century. The country most certainly has come a long way since the 1950s.

Still, much needs to be done before equality for African Americans can be fully realized in all areas. The circle of poverty still maintains a significant presence in current society and large communities of African Americans remain trapped in destitute inner-city areas. Vestiges of old attitudes regarding why African Americans remain in a state of poverty continue to hinder the effort to effect change. Upon close examination it becomes evident that the federal government during the 1950s played a significant role in developing the culture of despondency that persists in inner-city neighborhoods to this day. For these groups, the 1950s represented not white picket fences and manicured lawns of the suburban sprawl, but an era of red tape and growing resentment as the disenfranchised urban population suffered under the government policies and social attitudes determined to keep mainstream America moving forward without ever looking back on the lives of those left behind.

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