

Houston. It is the supreme indignity. Having lost more than 300 factories in the 1970s to the Sunbelt, St. Louis itself is now being carted away.

The situation in the Mississippi River metropolis is more serious than that in most other cities, but the same broad patterns of downtown decline, inner-city deterioration, and exurban development so evident in St. Louis are actually typical of the large population centers of the United States. This same result might have been achieved in the absence of all federal intervention, but the simple fact is that the various government policies toward housing have had substantially the same result from Los Angeles to Boston. The poor in America have not shared in the postwar real-estate boom, in most of the major highway improvements, in property and income-tax write-offs, and in mortgage insurance programs. Public housing projects were intended to redress the imbalance. Unfortunately, as we shall see, it did not work out that way.

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The Cost of Good Intentions: The Ghettoization of Public Housing in the United States

If a healthy race is to be reared, it can be reared only in healthy homes; if infant mortality is to be reduced and tuberculosis is to be stamped out, the first essential is the improvement of housing conditions; if drink and crime are to be successfully combated, decent sanitary houses must be provided. If "unrest" is to be converted into contentment, the provision of good houses may prove to be one of the most potent agents in that conversion.

—KING GEORGE V
April 11, 1919

The long-term, low-interest mortgage was not the only federal housing innovation of the New Deal. More controversial was the attempt to meet the need of the poor for adequate shelter. The result, if not the intent, of the public housing program of the United States was to segregate the races, to concentrate the disadvantaged in inner cities, and to reinforce the image of suburbia as a place of refuge for the problems of race, crime, and poverty. By every measure, the Housing Act of 1937 was an important stimulus to deconcentration.

Prior to the 1930s, housing reform in the United States meant the improvement of slum conditions through the establishment of minimum standards of ventilation, sanitation, and density. New York City's pioneering codes of 1867, 1879, and 1901, each of which established progressively higher legal requirements for dwelling units, were illustrative of this trend, as were the ideas of the nation's preeminent nineteenth-century-housing reformers, Lawrence Veiller and E. R. L. Gould, both of whom opposed housing subsidies and the actual public construction

of new housing. In their view, the role of government was simply to enforce the law. This was a common attitude in the nineteenth century, when private investors endlessly schemed to wring more profits from tenements. By the second decade of the twentieth century, however, entrepreneurs were shunning the low-income housing market, and most private investors displayed little interest in entering the field.¹

At both the state and the national levels, governments in the United States remained absent from the housing field throughout the 1920s. Similarly, the American city-planning movement early in the century concerned itself only slightly with the housing problems of the poor. European lawmakers, however, were charting a different course. Government assistance in England dated back to an 1868 Artisans Dwelling Act to help people who could not afford to keep their homes in repair. The really massive boom came after World War I, however. The British Housing Act of 1919 started public housing, and during the next decade both Great Britain and Germany built more than one million publicly assisted "homes for heroes." In the Netherlands, the government rehoused one-fifth of the total population in the same fashion, while in the Soviet Union the transition to public responsibility was almost total. As the American housing reformer Edith Elmer Wood noted sadly in 1931: "Nearly all other European countries have developed some form of housing loan at low interest and some form of municipal housing or a thinly disguised substitute for it." England, according to her estimate, was half a century ahead of the United States in the field of shelter.²

Along with John Aldler of Philadelphia and Representative George H. Tinkham of Massachusetts, Edith Elmer Wood (1870-1945) was one of the first Americans to champion "positive" rather than "negative" housing reform. The widely traveled daughter and later wife of naval officers, she argued that social behavior was conditioned by housing and that government action to replace the slums would improve citizenship, lower welfare costs, and reduce crime and delinquency. Having witnessed the initiatives European nations were taking to shelter their inhabitants, she subsequently devoted herself to the campaign for actual government construction of dwelling units. Her book, *The Housing of the Unskilled Wage Earner* (New York, 1919) became a classic and made her an international figure in housing reform. In it, she argued that private philanthropy was not the solution to the housing problem and that restrictive building codes simply raised the rent levels of tenements while doing nothing at all to increase the supply. In 1921, Mrs. Wood blasted the Secretary of Commerce Herbert Hoover's plan to eliminate waste in the construction industry. "Efficiency is good," she remarked. "But we are

still waiting to see it do for the poor man's home what Ford did for his car."³

In later years Wood was joined in her efforts by Catherine Bauer, Mary Kingsbury Simkhovitch, Clarence Stein, Lewis Mumford, and Frederick Ackerman, most of whom were founders of the Regional Planning Association of America. And by the early 1930s, several lobbying groups, including the National Public Housing Conference, were working for "public construction for those people who cannot be adequately housed at rents they can afford to pay."⁴ Prior to the New Deal, however, only the states of New York and North Dakota accepted the provision of housing as even a limited responsibility.⁵

In an important reversal of traditional federal policy, the administration of Franklin D. Roosevelt initiated its own construction program. The direct involvement of Uncle Sam began with the passage of the National Industrial Recovery Act during the First Hundred Days of 1933. The legislation had four purposes: to increase employment, to improve housing for the poor, to demonstrate to private industry the feasibility of large-scale community planning efforts, and to eradicate and rehabilitate slum areas in order "to check the exodus to the outer limits of cities with consequent costly utility extensions and leaving the centrally located areas unable to pay their way."⁶ The first purpose was the most important; Congress wanted to create jobs, not housing.⁶

The 1933 housing law authorized the Public Works Administration (PWA) to accomplish these purposes through three mechanisms. First, the PWA Housing Division could lend money to private, limited-dividend corporations interested in slum clearance. Second, grants and loans could be made available to public authorities for the same purpose. Third, and most significant, the Housing Division was empowered to buy, condemn, sell, or lease property for developing new projects itself.⁷

Although PWA Administrator Harold Ickes bluntly complained that "American cities cannot produce a single instance in which slums have been cleared and new dwellings built to rehouse the displaced occupants by private enterprise operating on a commercial basis," the PWA attempted to place the emphasis of the program on private development encouraged by federal loans. Only seven of five hundred limited-dividend applications were approved, however, partly because very few of the corporations had sufficient equity to qualify for the program, and partly because those with the equity seemed primarily anxious to sell land to the government at inflated prices. The 284-unit Carl Mackley project in Philadelphia was the first and most important of the few developments that resulted from this effort.⁸

Unable to rebuild the slums through the private enterprise provision of the law, the Housing Division terminated its limited-dividend program in mid-1934 and turned to its second alternative. The ability of the PWA to work with local authorities proved of limited usefulness, however. In 1933 no state or locality had the legal authority to engage in slum-clearance projects; as late as 1937, only New York, Ohio, Michigan, and South Carolina had passed the required enabling legislation, and only New York City had constructed public housing with local funds (the 120-unit First Houses on the Lower East Side).⁹

Finally, the Housing Division turned to its last option—the construction of its own low-income housing projects on land acquired for the government by condemnation or purchase. Between 1934 and 1937, when the Housing Division of PWA was replaced by the United States Housing Authority (USHA), the government began 21,000 units in forty-nine separate projects costing a total of \$129 million. The most important of these efforts was a seven-building complex in Manhattan on the Harlem River Drive. Work began on the Harlem River Houses in 1936, and the project was dedicated by Mayor Fiorello LaGuardia on June 16, 1937. A short fireplug of a man, the feisty mayor thus hoped to “give the people of my city, in place of their tenements, decent, modern, cheerful housing, with a window in every room and a bit of sunshine in every window.”

These early New Deal efforts at subsidized shelter were soon stymied, however. In a landmark decision handed down in January 1935, Federal Judge Charles I. Dawson of Kentucky ruled that acquiring land for public housing in Louisville by condemnation (eminent domain) was not constitutional and that the Public Works Administration could not therefore exercise this power. In the words of Judge Dawson:

[Low cost housing] is certainly not a public use, in the sense that the property is proposed to be used by the federal government for performing any of the legitimate functions of the government itself. Surely it is not a governmental function to construct buildings in a state for the purpose of selling or leasing them to private citizens for occupancy as houses.¹⁰

Judge Dawson's ruling was upheld by the Court of Appeals for the Sixth Circuit, and lawyers for the Public Works Administration decided at the last moment to withdraw their petition before the United States Supreme Court. The PWA was thus forced to purchase sites at private market prices, increasing the costs and reducing the number of projects initiated. Costs also rose because this first New Deal housing effort was a hastily designed program to put men back to work. Thus, by the time PWA erected apartments or houses the minimum rents that had to be

charged precluded occupancy by the urban poor. Elements within the Roosevelt Administration suggested that the projects charge low rents and be operated at a loss, but the proposal was shelved when the Comptroller General ruled that there was no law to authorize such a subsidy.¹¹

Well aware that adverse judicial decisions and escalating costs would effectively cripple the PWA housing program, Senator Robert F. Wagner of New York and Representative Henry Ellenbogen of Pennsylvania introduced new legislation in 1934 to create a permanent public housing agency. Initially, President Roosevelt gave the Wagner-Allenbogen measure only lukewarm support, and it died in the House Banking and Currency Committee.¹²

The outlook for change remained bleak the following year. The 1936 Democratic Party Platform contained only a weak plank endorsing federal involvement in housing, and the issue was of minor significance in the election. A hint of change came in October, however, when Roosevelt promised a large New York City audience:

We have too long neglected the housing problem for our lower income groups. . . . We have not yet begun adequately to spend money in order to help the families in the overcrowded sections of our cities live as American citizens have a right to live. You and I will not be content until city, state, and federal governments have joined with private capital in helping every American live that way. . . . I am confident that the next Congress will start us on our way with a sound housing policy.¹³

The unprecedented magnitude of his re-election landslide made the President feel safe in his advocacy of a stronger Washington role in housing. Moreover, Catherine Bauer had systematically built labor support, collecting endorsements from 525 local unions and almost every state federation of labor. In his second inaugural address, Roosevelt came out dramatically on the issue:

But here is the challenge to our democracy. In this nation I see tens of millions of its citizens—a substantial part of its whole population—who at this very moment are denied the greater part of what the very lowest standards of today call the necessities of life. . . . I see one-third of a nation ill-housed, ill-clad, ill-nourished.¹⁴

Although the President was personally more interested in back-to-the-land movements than in public housing, and although like many during the 1930s he confused slum clearance with improving conditions for the poor, Roosevelt did give his personal and powerful support to public housing in the spring of 1937. Within a matter of months, the United States Housing Act (also known as the Wagner-Steagall Act) had passed the Senate by 64-16 and the House by 275-86. Signed into law on Sep-

tember 1, 1937, it marked the first time the federal government accepted permanent responsibility for the construction of decent, low-cost homes. Long-time reformer Catherine Bauer called it a "radical piece of legislation," and the *New York Times* added: "With the President's signature the Wagner-Steagall bill becomes law and at last America makes a real start toward wiping out its city slums."¹⁵

The legislation empowered the United States Housing Authority (USHA) to develop public projects by funding duly constituted local housing agencies. The USHA was to funnel this money to municipalities through two mechanisms: first, by lending up to 90 percent of the capital costs of a project to local officials (for loans of up to sixty years, which meant lower rentals), and second, by subsidizing construction and maintenance costs. So enthusiastic was President Roosevelt that when work began on the first five projects under the new procedures on March 17, 1938, he wrote to Nathan Straus, his chief housing official: "Today marks the beginning of a new era in the economic and social life of America. Today, we are launching an attack on the slums of this country which must go forward until every American family has a decent home."¹⁶

On one level public housing was a resounding success. By the end of 1938, thirty-three states had passed enabling legislation, and 221 local authorities had been established. By 1941 the USHA had sponsored 130,000 new units in 300 projects scattered throughout the nation. And by the end of 1962, more than two million people lived in the half-million units built under various public housing programs. If the quality and design of the projects frequently invited derision, they were nevertheless superior to the dilapidated structures they replaced.¹⁷

On another level, however, public housing did not fulfill the expectations of its supporters. There never was enough of it, in part because conservatives found frequent opportunities to reduce its funds. In 1949, for example, Congress authorized 810,000 units over six years; only 322,000 new starts were actually funded over the next eleven years. Thus, in 1980, while publicly owned housing accounted for only about one percent of the United States housing market, it comprised 46 percent of the market in England and Wales, and 37 percent of the French housing market. And the problem was a shortage of funding, not a shortage of need. The real purpose of the 1937 law was to alleviate "present and recurring unemployment"; it emphasized economic stimulus over social and architectural objectives. As soon as the nation entered wartime and postwar housing booms, the public sector was relegated to a low priority.¹⁸

Of particular importance to the spatial distribution of the limited amount

of public housing that was built was the decentralized nature of the program. In view of Judge Dawson's ruling and of widespread opinion that federal use of the power of eminent domain for housing was unconstitutional, Senator Wagner's bill created the USHA as a "low-rent housing and slum clearance measure . . . drawing its strength from local initiative and responsibility [italics mine]." It required that any city desiring public housing had to provide tax exemptions for the project and had to create a municipal housing agency. The 1937 requirement of local participation was strengthened and broadened in the Housing Act of 1949. Thus, every community had to make its own decision as to whether or not a need existed; the resulting application for federally subsidized housing had to be a *voluntary* action.¹⁹

The distinction was critical. Because municipalities had discretion on where and when to build public housing, the projects invariably reinforced racial segregation. A suburb that did not wish to tarnish its exclusive image by having public housing within its precincts could simply refuse to create a housing agency. No local housing authority from another jurisdiction and no national official could force it to do otherwise. By contrast, in Britain the municipality itself is the "housing authority," and in Japan the national government buys inexpensive land in very distant areas as the only practical means of acquiring space for public-housing projects.²⁰

Needless to say, hundreds of suburbs throughout the United States did not create housing agencies and did not apply for federal funding. As a result, low-income housing did not go up on the cheaper, vacant land of the suburbs, but in the heart of cities. Parma, Ohio, for example, a suburb of 100,000 people just a few miles southeast of Cleveland, had no low-income projects in 1981, largely because of a local law requiring approval by referendum of any proposed subsidized housing. Other communities used slightly different tactics with the same result. At the other end of the spectrum, some communities went after public housing funds with extraordinary vigor. Newark, New Jersey, for example, built more units of public housing per capita than any other city in the nation. Because its neighbors were more protective of their image, however, Newark attracted an even larger percentage of the very poor, and by 1970 it was the most troubled metropolis in the United States by any of a half-dozen measures of urban pathology.²¹

A second feature of the legislation that tended to concentrate public housing in the center rather than in the suburbs was the fact that housing authorities were typically made up of prominent citizens who were more anxious to clear slums and to protect real-estate values than they were to rehouse the poor. As John F. Bauman has clearly demonstrated in a

study of Philadelphia, the public housing authority was especially anxious to boost the sagging tax structure, to halt the spread of blight, and to raise property values.²²

Finally, there was a requirement that one slum unit be eliminated for every unit of public housing erected. Thus, only localities with significant numbers of inadequate dwellings could receive assistance. The following exchange between an inquisitive Congressman and the Commissioner of the United States Housing Authority underscores the point:

Congressman Kunkel (Pennsylvania): "Under this program, no area in which there is no substandard housing would be eligible for any public housing. Is that correct?"

Commissioner Egan: "That is correct. If there were no slums in that locality, regardless of how acute the housing shortage was, and if we knew we could not get the equivalent elimination required by the act, we could not go in there."²³

Even the most progressive Congressional leaders accepted such limitations out of concern that to do otherwise would imperil passage. In 1949, when a major new public housing bill was being debated, Republican opponents proposed an amendment that forbade any form of racial or ethnic discrimination in any public housing project. This placed many of the bill's supporters in a dilemma. If the amendment succeeded, the Southern senators would be certain to vote against the entire bill, thus ensuring its defeat. Yet, Northern liberals were not inclined to vote against an amendment promising racial justice.²⁴

Senator Paul Douglas, as decent a man as ever served on Capitol Hill, urged his liberal colleagues to put aside their principles temporarily in order to give the measure a chance. He told the chamber that the amendment "necessarily creates a sharp conflict within the hearts of all of us who want on one hand to clear the slums and to provide housing for the slum dwellers and who, at the same time, feel very keenly that we should not treat any race as second-class citizens." He went on to say:

I am ready to appeal to history and to time that it is in the best interests of the Negro race that we carry through the housing program as planned, rather than put in the bill an amendment which will inevitably defeat it, and defeat all hopes for rehousing 4 million persons.²⁵

Senator Douglas was successful. When the amendment came to a vote it was defeated 49 to 31. And when the bill was voted on the next day it passed easily by 57 to 13. Public housing remained a federal commitment. But the fundamental problem remained. The new dwellings were not built at low density on the less costly land outside the central cities,

as was the case for example in Great Britain, where two-thirds of the publicly owned units constructed between 1920 and 1980 were houses and only one-third were apartments. Instead, because determination of need and site selection were left up to localities, public housing was confined to existing slums. It further concentrated the poor in the central cities and reinforced the image of suburbia as a place of refuge from the social pathologies of the disadvantaged.²⁶

Title I of the 1949 Housing Act not only did nothing to correct this problem, but it went so far as to encourage existing inequities. One section of the act required that "there be a feasible method for the temporary relocation of families displaced from the project area" into "decent, safe, and sanitary dwellings." Quite often, such housing was not available. And even when it was, there was often malfeasance on the part of public officials. Robert A. Caro, for example, has documented the ways in which New York City's powerful construction czar, Robert Moses, managed to move out the poor with scant attention to their resettlement.

The destruction of deteriorating buildings to make room for public housing often created problems in adjacent neighborhoods. An excellent example of this phenomenon can be found in Brooklyn. When blocks of slums in the Brownsville district were cleared to make room for public housing in the 1950s, thousands of displaced families moved into the neighboring district of East New York, which at that time was a vibrant, predominantly white, middle-class area with a stable economy. The sudden influx of large, lower-income, black and Hispanic families from Brownsville strained the physical and social services of the community. A mass exodus of the white population began. Within six years, a healthy community became one of the most decayed and dangerous neighborhoods in the United States. If the government had invested its funds in maintenance programs for the older housing of the inner city, the poor might have inherited stable neighborhoods, and the cities might have avoided the sorry spectacle of abandoned areas.²⁷

The original concept of public housing was that it was for the "working poor," the "deserving poor," and the honest man temporarily down on his luck. Long-term welfare families, loafers, and unwed mothers were not welcomed. By the 1960s, however, this concept had been discarded, and admissions policies were changed to allow welfare recipients into the structures. Thereafter, public housing came to be seen as the shelter of last resort, as a permanent home for the underclass rather than a temporary refuge for "respectable" families. By 1980, not only was public housing segregated and isolated, but black youths were defining the ghetto as "the projects." They saw the concentration of the poor in public

housing, and they knew that "the projects" were themselves concentrated in particular parts of cities.²⁸ In Chicago, for example, 150,000 persons lived in low-income public housing in 1978. A few scattered developments were in marginal white neighborhoods, such as Mayor Richard Daley's beloved Bridgeport. Their occupants were predominantly white and aged. The other 95 percent of Chicago's public housing, however, was dumped into the most poverty-impacted black ghettos in the city.

By the late 1960s, public housing was being criticized on sociological, economic, and architectural grounds. The most famous social criticism was Lee Rainwater's study of the Pruitt-Igoue housing development in St. Louis. The huge highrise project typified what was wrong with public housing across the nation. Riddled by crime and vandalism, it was unable to fill vacancies when they opened up, and it was torn down in 1976.

The economic attack on public housing was led by Martin Anderson, then a Columbia Business School professor and later an important functionary in the Nixon administration. Anderson's book, *The Federal Bulldozer*, maintained that Washington had actually destroyed more low-income residences than it had created and that government could best serve the dwelling needs of the poor by abandoning urban renewal and public housing.

The architectural criticism of highrise, superblock housing was led by Oscar Newman, whose *Defensible Space* won international acclaim. Calling for more entrances in buildings, more low-rise structures instead of apartment towers, and more observable, usable space where people could congregate, Newman contended that there were four attributes that contribute to the safety or lack of safety of any housing project: the capacity of an area to create perceived territorial influence, the capacity of a building to provide surveillance opportunities over the immediate area, the capacity of design to decrease the occupant's perception of isolation and stigma, and the availability of adjacent commercial activities.²⁹

Sadly, most projects lacked the amenities Newman identified, and public housing nationally continued on a downward spiral into the 1980s. Poorly maintained, segregated, cheaply constructed, and often physically dangerous, the projects had become "the dumping ground for the poor." Skeptics even charged that the only group that really gained from public housing was the investor in the tax-exempt, federally guaranteed bonds that were issued by most local housing authorities. Successive presidential administrations gave it a low priority, and real-estate interests were always quick to protest any government competition in the housing market. As one "heavy taxpayer and supporter of the party in power" wrote

on November 9, 1933: "We have too many cheap houses now and rent values are very low and there are too many subdivisions upon which all people who made purchases have lost practically all their investments." A half-century later, the objections were essentially the same.³⁰

In the mind of the average citizen, the failures of public housing were due to cultural characteristics of the poor themselves, who were seen to be resisting improvement. If government-assisted shelter—a free ride in the view of many citizens—failed to alleviate the characteristics of poverty, then the poor had only themselves to blame. In this sense, public housing was similar to other "poverty programs," which assumed that poverty could be eliminated simply by altering one aspect of the life of the poor.

Actually, the fault was not with public housing or with the tenants, but with the expectation that any one solution could so vastly reduce poverty and social pathology. The public housing concept remains valid, however, and the success of "the projects" in some cities suggests that the fault may rest with management or with funding levels rather than with the idea. In New York City, for example, the 1984 waiting list for public housing included more than 175,000 names, and the annual turnover rate was less than 4 percent. While public housing might still be described as "federally built and supported slums," the need for adequate, clean, and inexpensive shelter for the poor obviously remains.

The proliferation of public housing is a twentieth-century phenomenon that has changed the appearance and character of cities around the world. In countries as diverse as the Soviet Union and South Africa, state-constructed projects have become an integral part of national ideologies (socialism in the U.S.S.R. and apartheid in South Africa). In many industrial countries, such as Great Britain and West Germany, public housing has become a standard extension of the welfare state. In impoverished Third World nations, public housing is an important tool with which to address massive social problems. Whether inspired by ideology or necessity, public housing has become an important institution in most countries.

The major exception is the United States, where government assistance has served mainly to create invidious distinctions between city and suburban life. Beginning in the 1930s, the American government began two major thrusts in the broad field of housing. On the one hand, it encouraged homeownership through the long-term, low-interest mortgage. The beneficiaries of these programs were typically white and middle-class and their destinations were usually suburban.

The second major housing initiative of the federal government in

volved the actual construction of dwellings by public tax monies for the benefit of those who could not pay market rates for shelter. This program slowly evolved from one offering temporary relief for the working poor to one offering a kind of permanent and dismal protection for the most disadvantaged members of the society. The locations of these structures were almost always in the poorest parts of central cities.

Federal policies are often at cross-purposes with one another, or, as is sometimes said, the right hand does not know what the left hand is doing. Perhaps in an organization as immense as the United States government it would be impossible to have a single, coherent, consistent housing policy. But however confused the situation appears, however much government officials argue that Washington programs have been consistently motivated by the desire to produce social benefit for all income groups, the basic direction of federal policies toward housing has been the concentration of the poor in the central city and the dispersal of the affluent to the suburbs. American housing policy was not only devoid of social objectives, but instead helped establish the basis for social inequities. Uncle Sam was not impartial, but instead contributed to the general disbenefit of the cities and to the general prosperity of the suburbs.³¹

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The Baby Boom and the Age of the Subdivision

What the Blandings wanted . . . was simple enough: a two-story house in quiet, modern good taste, . . . a good-sized living room with a fireplace, a dining room, pantry, and kitchen, a small lavatory, four bedrooms and accompanying baths . . . a roomy cellar . . . plenty of closets.

—ERIC HODGINS,

Mr. Blandings Builds His Dream House (1939)

No man who owns his own house and lot can be a Communist. He has too much to do.

—WILLIAM J. LEVITT, 1948

At 7 P.M. (Eastern time) on August 14, 1945, radio stations across the nation interrupted normal programming for President Harry S. Truman's announcement of the surrender of Japan. It was a moment in time that those who experienced it will never forget. World War II was over. Across the nation, Americans gathered to celebrate their victory. In New York City two million people converged on Times Square as though it were New Year's Eve. In smaller cities and towns, the response was no less tumultuous, as spontaneous cheers, horns, sirens, and church bells telegraphed the news to every household and hamlet, convincing even small children that it was a very special day. To the average person, the most important consequence of victory was not the end of shortages, not the restructuring of international boundaries or reparations payments or big power politics, but the survival of husbands and sons. Some women regretted that their first decent-paying, responsible jobs would be taken away by returning veterans. Most, however, felt a collective sigh of relief. Normal family life could resume. The long vigil was over. Their men would be coming home.¹

In truth, the United States was no better prepared for peace than it