

The Federal Government and Today's Racial Residential Segregation in the U.S.

Renewing Inequality: Family Displacements through Urban Renewal, 1950-1966

Renewing Inequality [link follows] presents a newly comprehensive vantage point on mid-twentieth-century America: the expanding role of the federal government in the public and private redevelopment of cities and the perpetuation of racial and spatial inequalities. It offers the most comprehensive and unified set of national and local data on the federal Urban Renewal program, a World War II-era urban policy that fundamentally reshaped large and small cities well into the 1970s.

Link: <https://dsl.richmond.edu/panorama/renewal/> ← Source of this document

Urban renewal subsidized local government-run programs designed to solve a variety of crises of postwar urban life: deindustrialization, overcrowding, and land values that were plummeting thanks to suburbanization and commercial and industrial outmigration. The program enabled cities to acquire and clear tens of thousands of acres of “blighted” land—an administrative term of art that, in practice, disproportionately targeted minority neighborhoods for redevelopment.

By the late 1950s, cities were displacing tens of thousands of families each year, with families of color displaced at rates far higher than their share of the population. Though residents displaced through eminent domain were meant to receive some combination of compensation, relocation assistance, or placement in public housing, these federally guaranteed measures were often too meager, late in coming, or never delivered. In many cases, the program’s local administrators also turned homeowners into renters without delivering fair market value for seized properties. These thousands of acts of intergenerational wealth theft helped shape today’s profound inequality, a driving force of which are ongoing and growing racial divergences in homeownership rates.

“Urban Renewal...Means Negro Removal.” ~ African American novelist James Baldwin (1963)

By the time the program came to an end in 1974, the federal government had approved over \$13 billion worth of grants to over 1,200 municipalities. At least half of those cities executed projects that collectively displaced, at

minimum, a third of a million families. Never before has the scope of these projects been mapped from the national to the local scales.



One of Cleveland's main renewal-related housing developments was constructed on a landfill. The dump was renamed "Garden Valley." In this image, displaced families awaiting new homes watch as the dump is covered over.

And, while scholars have often written about the program from the perspectives of big cities like Chicago or New York, *Renewing Inequality* offers a more comprehensive accounting of the program, highlighting urban renewal's reach into hundreds of small and mid-sized cities. Indeed, a majority of renewal projects were in cities of 50,000 or fewer residents; and a majority of that figure were in cities of 25,000 or fewer. While the scholarly record of renewal would suggest the program's disproportionate impact was in the midwest (which executed about a thousand projects) and northeast (over 1,300 projects), our data—drawn from over two decades of quarterly federal reports on all programs—reveals that southeastern states pursued a significant number of projects as well (more than 750). Western cities pursued comparatively fewer projects, but the total was still significant (more than 400).

Over six hundred municipalities displaced families through federally funded urban renewal projects.

Two thirds of them were small cities, with populations of 50,000 or less in 1960.

Families of color were far more likely to be displaced. In many municipalities, including some large cities like Philadelphia, Cincinnati, St. Louis, Atlanta, Detroit, Baltimore, and Washington, two-thirds or more of those displaced were of color.

Scholars have long noted the violence of displacement that was often at the center of urban renewal projects. But by focusing their studies on larger cities, they have missed the preponderant story of the intimacy of racially-motivated clearance in smaller cities. By enabling users to view both raw displacement figures and displacement in terms of racial demographic data (drawn from the 1960 census), *Renewing Inequality* makes it possible to pinpoint the municipalities that displaced the highest percentage of their non-white or white populations.

Cities near the bottom of the national chart had small populations of color but overwhelmingly displaced those families: e.g. 8% of Lubbock, Texas's population was of color, but all of the nearly 1,300 families it displaced were. Similarly, 3% of St. Louis County's population was of color, but 94% of its nearly 500 displacements were. In cities where most displaced families were white, families of color were more often than not disproportionately displaced. For example, families of color made up 29% of those displaced in Minneapolis but were a mere 3% of the overall population.

African American neighborhoods across the country in cities large and small were destroyed at disproportionate rates. In some cases these areas were redeveloped for public or private low-income housing, but more often the land was re-purposed for commercial or industrial development or to make way for highways.



Cincinnati was one such city. Its Kenyon-Barr project destroyed an African American neighborhood, displacing nearly 5,000 families, more than any other individual project in the nation.

Displacements shattered communities, and, in some cases, local renewal administrations gave residents scant notice—weeks rather than months. For individuals, the results cut deeper than the loss of homes and families. As Dr. Mindy Thompson Fullilove has described it, displacement could result in "root shock": psychological trauma

that both compounded and was compounded by collapsing social networks, dispossession, and economic and political disenfranchisement.

Louisville. 4 Hamilton: Walnut Street Urban Renewal. This African American neighborhood had been redlined in the 1930s. Because redlining led to divestment, redlined neighborhoods often became the targets of urban renewal projects.



Some individuals and communities resisted. Aurora Vargas, for instance, was physically removed from her home prior to its demolition in Chavez Ravine, Los Angeles, California.

Vargas' home was seized as part of the Temple Area renewal project, which displaced more than 1,600 families to make way for the Los Angeles Dodgers baseball stadium. If we looked just at the numbers, however, we would miss this story of Latino displacement, because the city of Los Angeles counted Latinos as "white" for statistical purposes.

As it became clear that renewal was harming minority residents' housing opportunities rather than offering improvements, urban renewal projects became key sites of protest for the civil rights movement. Across the country, residents, activists, and allies protested the displacement of disproportionately minority citizens from renewal-targeted properties.

What is 'Redlining'

Redlining is the unethical practice where financial institutions make it extremely difficult or impossible for residents of poor inner-city neighborhoods to borrow money, gain approval for a mortgage, take out insurance or gain access to other financial services because of a history of high default rates. In this case, the rejection does not take the individual's qualifications and creditworthiness into account.

In some cases of redlining, financial institutions would literally draw a red line on a map around the neighborhoods in which they did not want to offer financial services, giving the term its name. Although the Community Reinvestment Act was passed in 1977 to put an end to all redlining practices, critics say the discrimination still occurs.

Courts have determined that redlining is illegal when lending institutions use race as a basis for excluding neighborhood from access to loans. In addition, the Fair Housing Act, which is part of the Civil Rights Act of 1968, prohibits discrimination against neighborhoods based on their racial composition. However, the law does not prohibit redlining when it is used to exclude neighborhoods or regions on the basis of geological factors such as fault lines or flood zones.

While redlining neighborhoods or regions based on race is illegal, lending institutions may legally take economic factors into account when making loans. Lending institutions are not required to approve all loan applications on the same terms and may impose higher rates or stricter repayment terms on some borrowers. However, these considerations must be based on economic factors and cannot, under U.S. law, be based on race, religion, national origin, sex or marital status.

Examples of Legal Considerations

Banks may legally take the following factors into consideration whether deciding whether to make loans to applicants and on what terms:

Credit history - Lenders may legally evaluate an applicant's credit worthiness as determined by FICO scores and reports from credit bureaus.

Income - Lenders may consider an applicant's regular source of funds, which can include income from employment, business ownership, investments or annuities.

Property condition - A lending institution may evaluate the property on which it is making the loan as well as the condition of nearby properties. These evaluations must be based strictly on economic considerations.

Neighborhood amenities and city services - Lenders may take into account amenities that enhance or detract from the value of a property.

The lending institution's portfolio - Lending institutions may take into account their requirements to have a portfolio that is diversified by region, structure type and loan amount.

Lenders must evaluate each of the above factors without regard to race, religion, national origin, sex or marital status of the applicant.

SOURCE: <https://www.investopedia.com/terms/r/redlining.asp>

This only begins to hint at the complexities of urban renewal as a program, as an experience, and as a site of political and social conflict. Choosing a year on the national view provides more details about the development of urban renewal and briefly introduces other topics like the place of slumlords in the postwar city, the role of universities and medical centers in the program, growing critiques and opposition to urban renewal, and the relationship between renewal and gentrification. Throughout, one definition of progress—that of liberal policymakers and local elites who focused on urban redevelopment—came with devastating costs for others—poor and working class white and black families.

What follows are more stories about urban renewal: on the Cold War-era mentality that justified displacement as progress; on the local elites who championed the renewal process; and on the modernist era of architecture and design that remade cities for suburban commuters rather than residents.

To fully understand the scope of urban renewal, we must cast our historical imagination back to a time when many Americans and their political leaders looked to government to energetically solve problems. As many Americans moved to suburbs—often thanks to federally-backed mortgages—older cities grappled with intertwined crises: factories were also moving to suburban and rural communities, city populations were declining, and the residents who remained struggled in conditions of poverty that were entrenched through public and private mortgage redlining.

In total, renewal funded proposals to raze and redevelop 363,637 acres of land—that’s roughly 568 square miles. Put another way, that would demolish and redevelop half the state of Rhode Island or Manhattan 25 times over.

A program of such magnitude is best understood in the context of the optimism and fears of the Cold War. The entire gamut of projects—from Lincoln Center in New York City, to the expansion of urban universities like Marquette in Milwaukee or Georgia Tech in Atlanta, to the creation of state-of-the-art hospitals—were often seen as a “weapon” in “the Cold War struggle for hearts and minds,” the historian Samuel Zipp argues. Just as the Eisenhower highway system was conceived as part of the domestic Cold War (its authorizing legislation was titled “The National System of Interstate and Defense Highways”), urban renewal offered city leaders a way to revitalize cities—the industrial and economic engines of American global power.

The culture of the Cold War shaped urban renewal in other ways. Akin to the massive federal subsidies that poured into science education and technology development to fund the space race, urban renewal sought to solve a different problem. As James W. Follin, the Commissioner of the federal Urban Renewal Administration explained in 1955—drawing upon a Cold War metaphor – “slums and blight, like an octopus, have fastened their tentacles on the vital parts of most of our cities.”

“It is the same,” Follin argued, “in Washington, New Orleans, New York, and Louisville. It is not different either in Miami, Austin, San Antonio, and Durham.” “You really haven’t seen slums unless you’ve been to Puerto Rico.” Urban renewal in Puerto Rico displaced more than 22,000 families.

As cities razed and redeveloped neighborhoods, they drew upon a shared culture of architecture and design that was itself the product of the Cold War era’s mid-century modernism. The modernist architect I.M. Pei, for instance, spent the first twelve years of his career as the house architect for real estate developer William Zeckendorf at Webb & Knapp. Together, they designed renewal plans in Cleveland, Chicago, New York, Oklahoma City, Philadelphia, Pittsburgh, and Washington, D.C.



One of Pei's plans was in Oklahoma City (pictured in background). The Oklahoma City Chamber of Commerce produced a promotional video designed to sell the city-and the Pei plan-to prospective businesses.

The sheer scale of urban renewal's subsidies and eminent domain powers enabled elites to completely re-imagine their cities' urban fabric. Cleveland, Ohio undertook one of the nation's largest projects, Erievue, which cleared 196 acres of land along the city's lake shore.

Designed by Pei, the project was also one of renewal's biggest failures. Much of the razed land sits idle to this day. While Erievue displaced relatively few families, overall, the city of Cleveland displaced more than 7,300 families, 84% of which were families of color.

The answer to her question illuminates one of the broader themes of *Renewing Inequality*. Urban renewal did much more than redevelop cities across the country. It changed who cities were made for. As Americans increasingly migrated to suburbs—in part thanks to the policies traced in *Mapping Inequality*—city officials desperately sought to entice suburbanites back into cities: first by cultivating white collar, service sector jobs, and, later, by attracting suburbanites' retail and entertainment dollars. The federal highway system subsidized arteries that whisked suburbanites to and from their homes and downtown, carving concrete corridors through neighborhoods.

Rather than see the ongoing inequalities and spatial fragmentation of cities and suburbs today as the inevitable outcome of market forces, then, *Renewing Inequality* reminds us that the cities and suburbs we live in are the result of conscious choices. It falls to us, then, to decide what kinds of cities we choose to live in in the future.



In Cleveland, the Congress of Racial Equality protested the destruction of communities and the forced displacement of families and individuals. The woman's sign on the left points out that hundreds of families are still without relocation housing. "WHY ADD MORE??" she asks.