

HEARINGS
BEFORE THE
UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING



HEARINGS HELD
IN
NEW YORK, N.Y.

February 2, 1959, Morning Session
February 2, 1959, Afternoon Session
February 3, 1959, Morning Session
February 3, 1959, Afternoon Session

ATLANTA, GEORGIA

April 10, 1959, Morning Session
April 10, 1959, Afternoon Session

CHICAGO, ILLINOIS

May 5, 1959, Morning Session
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MEMBERS OF THE COMMISSION

JOHN A. HANNAH, *Chairman*
ROBERT G. STOREY, *Vice Chairman*
JOHN S. BATTLE

DOYLE E. CARLTON
REV. THEODORE M. HESBURGH, C.S.C.
J. ERNEST WILKINS (*Deceased*)

STAFF DIRECTOR, GORDON M. TIFFANY

Public Law 85-315
85th Congress, H.R. 6127
September 9, 1957

AN ACT

71 Stat. 634.

To provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

Civil Rights
Act of 1957.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PART I—ESTABLISHMENT OF THE COMMISSION ON CIVIL RIGHTS

SEC. 101. (a) There is created in the executive branch of the Government a Commission on Civil Rights (hereinafter called the "Commission").

(b) The Commission shall be composed of six members who shall be appointed by the President by and with the advice and consent of the Senate. Not more than three of the members shall at any one time be of the same political party.

(c) The President shall designate one of the members of the Commission as Chairman and one as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

(d) Any vacancy in the Commission shall not affect its powers and shall be filled in the same manner, and subject to the same limitation with respect to party affiliations as the original appointment was made.

(e) Four members of the Commission shall constitute a quorum.

RULES OF PROCEDURE OF THE COMMISSION

SEC. 102. (a) The Chairman or one designated by him to act as Chairman at a hearing of the Commission shall announce in an opening statement the subject of the hearing.

(b) A copy of the Commission's rules shall be made available to the witness before the Commission.

(c) Witnesses at the hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(d) The Chairman or Acting Chairman may punish breaches of order and decorum and unprofessional ethics on the part of counsel, by censure and exclusion from the hearings.

(e) If the Commission determines that evidence or testimony at any hearing may tend to defame, degrade, or incriminate any person, it shall (1) receive such evidence or testimony in executive session; (2) afford such person an opportunity voluntarily to appear as a witness; and (3) receive and dispose of requests from such person to subpoena additional witnesses.

(f) Except as provided in sections 102 and 105(f) of this act, the Chairman shall receive and the Commission shall dispose of requests to subpoena additional witnesses.

(g) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Commission. Whoever releases or uses in public without the consent of the Commission evidence or testimony taken in executive session shall be fined not more than \$1,000, or imprisoned for not more than 1 year.

(h) In the discretion of the Commission, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Commission is the sole judge of the pertinency of testimony and evidence adduced at its hearings.

Evidence or
testimony.
Release.

71 Stat. 635.

(i) Upon payment of the cost thereof, a witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Commission.

Witness fees.

(j) A witness attending any session of the Commission shall receive \$4 for each day's attendance and for the time necessarily occupied in going to and returning from the same, and 8 cents per mile for going from and returning to his place of residence. Witnesses who attend at points so far removed from their respective residences as to prohibit return thereto from day to day shall be entitled to an additional allowance of \$12 per day for expenses of subsistence, including the time necessarily occupied in going to and returning from the place of attendance. Mileage payments shall be tendered to the witness upon service of a subpoena issued on behalf of the Commission or any subcommittee thereof.

(k) The Commission shall not issue any subpoena for the attendance and testimony of witnesses or for the production of written or other matter which would require the presence of the party subpoenaed at a hearing to be held outside of the State, wherein the witness is found or resides or transacts business.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 103. (a) Each member of the Commission who is not otherwise in the service of the Government of the United States shall receive the sum of \$50 per day for each day spent in the work of the Commission, shall be reimbursed for actual and necessary travel expenses, and shall receive a per diem allowance of \$12 in lieu of actual expenses for subsistence when away from his usual place of residence, inclusive of fees or tips to porters and stewards.

(b) Each member of the Commission who is otherwise in the service of the Government of the United States shall serve without compensation in addition to that received for such other service, but while engaged in the work of the Commission shall be reimbursed for actual and necessary travel expenses, and shall receive a per diem allowance of \$12 in lieu of actual expenses for subsistence when away from his usual place of residence, inclusive of fees or tips to porters and stewards.

DUTIES OF THE COMMISSION

SEC. 104. (a) The Commission shall—

(1) investigate allegations in writing under oath or affirmation that certain citizens of the United States are being deprived of their right to vote and have that vote counted by reason of their color, race, religion, or national origin; which writing, under oath or affirmation, shall set forth the facts upon which such belief or beliefs are based;

(2) study and collect information concerning legal developments constituting a denial of equal protection of the laws under the Constitution; and

(3) appraise the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution.

(b) The Commission shall submit interim reports to the President and to the Congress at such times as either the Commission or the President shall deem desirable, and shall submit to the President and to the Congress a final and comprehensive report of its activities, findings, and recommendations not later than 2 years from the date of the enactment of this act.

(c) Sixty days after the submission of its final report and recommendations the Commission shall cease to exist.

Reports to
President and
Congress.

Termination of
Commission.

POWERS OF THE COMMISSION

Sec. 105. (a) There shall be a full-time staff director for the Commission who shall be appointed by the President by and with the advice and consent of the Senate and who shall receive compensation at a rate, to be fixed by the President, not in excess of \$22,500 a year. The President shall consult with the Commission before submitting the nomination of any person for appointment to the position of staff director. Within the limitations of its appropriations, the Commission may appoint such other personnel as it deems advisable, in accordance with the civil service and classification laws, and may procure services as authorized by section 15 of the act of August 2, 1946 (60 Stat. 810; 5 U.S.C. 55a), but at rates for individuals not in excess of \$50 per diem.

Staff director.

(b) The Commission shall not accept or utilize services of voluntary or uncompensated personnel, and the term "whoever" as used in paragraph (g) of section 102 hereof shall be construed to mean a person whose services are compensated by the United States.

(c) The Commission may constitute such advisory committees within States composed of citizens of that State and may consult with Governors, attorneys general, and other representatives of State and local governments, and private organizations, as it deems advisable.

(d) Members of the Commission, and members of advisory committees constituted pursuant to subsection (c) of this section, shall be exempt from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U.S.C. 99).

62 Stat. 697
et seq.

(e) All Federal agencies shall cooperate fully with the Commission to the end that it may effectively carry out its functions and duties.

Hearings, etc.

(f) The Commission, or on the authorization of the Commission any subcommittee of two or more members, at least one of whom shall be of each major political party, may, for the purpose of carrying out the provisions of this act, hold such hearings and act at such times and places as the Commission or such authorized subcommittee may deem advisable. Subpenas for the attendance and testimony of witnesses or the production of written or other matter may be issued in accordance with the rules of the Commission as contained in section 102 (j) and (k) of this act over the signature of the Chairman of the Commission or of such subcommittee, and may be served by any person designated by such Chairman.

Subpenas.

(g) In case of contumacy or refusal to obey a subpoena, any district court of the United States or the U.S. court of any Territory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under investigation; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

APPROPRIATIONS

SEC. 106. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

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UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
NEW YORK, N.Y.

February 2, 1959, Morning Session

COMMISSION ON CIVIL RIGHTS

MONDAY MORNING SESSION, FEBRUARY 2, 1959

The Commission met in the East Ballroom of the Commodore Hotel, New York, N. Y., at 9:00 a. m., Monday, February 2, 1959, Dr. John A. Hannah, Chairman of the Commission, presiding.

Present: John A. Hannah, Chairman; Robert G. Storey, Vice Chairman; Dolye E. Carlton, Commissioner; Rev. Theodore M. Hesburgh, Commissioner.

Also present: Gordon M. Tiffany, staff director; Mrs. Carol R. Arth, executive secretary; A. H. Rosenfeld, Director, Office of Complaints, Information and Survey; George M. Johnson, Director, Office of Laws, Plans and Research; Harris L. Wofford, Jr., legal assistant to Commissioner Hesburgh; Eugene R. Jackson, legal assistant to the late Commissioner J. Ernest Wilkins; Berl I. Bernhard, staff general attorney; Henry M. Shine, Jr., special assistant to the Staff Director; Thomas W. Young, information officer; Robert H. Amidon, Housing team attorney; William Swan, consultant, State advisory committees.

PROCEEDINGS

Chairman HANNAH. This hearing of the Commission on Civil Rights will now come to order. This is the first meeting of the Commission without our colleague, Mr. J. Ernest Wilkins, the former Assistant Secretary of Labor, whose death 2 weeks ago shocked and grieved all of us, and we shall miss him greatly as we carry on this work to which he was so dedicated.

First, I would like to present the members of our Commission:

On my left is the Vice Chairman, Dean Robert Storey, Dean of the Law School of Southern Methodist University of Dallas and a former president of the American Bar Association. On my extreme right is Gov. Carlton of Tampa, Fla., former Governor of Florida. On my immediate right is Father Theodore Hesburgh, the president of the University of Notre Dame at South Bend. Governor Battle, the other member of the Commission, John Battle of Charlottesville, Va., and former Governor of Virginia, is ill and unable to be here. He has the flu.

Now, we are happy to have with us some members of the New York State Advisory Committee to this Commission, and they have been invited to forward to us such advice as they think will help us

in these proceedings. One of the members of our New York committee, Mr. Elmer Carter, has just been selected by Governor Rockefeller as the new chairman of the State Commission Against Discrimination. We also have here today and tomorrow representatives of some of the 46 other State advisory committees that have been established to help us with our studies, and they will be in attendance as observers, and we welcome them.

Now, it is essential to an understanding of the Commission's work to remember that it operates as an independent fact-gathering study group to advise the President of the United States and the Congress on conditions which may be working to deprive American citizens of equal treatment and equal justice under the law because of their color, race, religion, or national origin.

The Commission has no power to enforce laws or correct any individual wrong it may uncover. Basically, its task is to collect, study, and appraise information relating to the civil rights situation throughout the country and then make appropriate recommendations to the President or to the Congress to correct such abuses as may be found to exist.

Early in its deliberations the Commission decided that the three principal fields for its inquiry and study would be voting rights, public education, and housing.

Sworn complaints that certain citizens were being deprived of their right to vote by reason of race led this Commission to approve voting investigations in Alabama, Florida, Mississippi, and Louisiana. To get the facts firsthand, we found it advisable to hold a public hearing in Montgomery, Ala., on the subject of voting rights.

The subjects of public education and housing, however, do not lend themselves to the same kind of proceeding. In order to collect information concerning the problems involved in ending racial discrimination in public schools, we have scheduled a conference of school officials from the districts and States involved to meet with us in Nashville, Tenn., on March 5 and 6. In order to collect information on the problem of discrimination in housing, we have come here for this open hearing in New York. While the focus of this hearing is the housing situation in New York City and State, the Commission hopes also to hear from the witnesses any suggestions or recommendations they may have generally respecting Federal housing laws and policies relating to the equal protection of the laws.

Now, our Vice Chairman, Dean Storey, presided for the Commission in Alabama. At the request of the Commission, Father Hesburgh has supervised the arrangements for this hearing and, at the request of the Commission, he will conduct these proceedings today and tomorrow.

Father Hesburgh, please take over and proceed.

(Commissioner Hesburgh assumed the chair at this point.)

Commissioner HESBURGH. Thank you, Dr. Hannah. As Dr. Hannah has just said, this is a very different proceeding from the hearing on particular complaints of the denial of the right to vote. Congress has required us to investigate all such duly sworn complaints and has established various procedural safeguards; but we shall proceed more informally here today and tomorrow, for this is an effort to hear a variety of views, not to adjudicate any specific situation.

No complaints have been submitted to us about housing conditions in New York City. We are here, instead, to try to gain some understanding of a problem that involves and vexes the whole country.

Housing is clearly central to the problem of achieving the goal of our Constitution, for we might well say that the justice involved in equal protection of the laws under the Constitution, like charity, must begin at home and in homes. If certain Americans, because of their color, race, religion, or national origin, grow up and live in conditions of squalor, closed off from equal opportunities to have good homes and good neighborhoods, than all of America is the poorer and the promise of the Constitution, and promise of the American dream, is not really being fulfilled.

"Give me your tired, your poor, your huddled masses yearning to breathe free," says the inscription on the Statute of Liberty in New York Harbor. "Send these, the homeless, tempest tossed to me. I lift my lamp beside the golden door."

That is what we have said to the world, and the 14th amendment to the Constitution is one guarantee that we mean what we say, and one meaning of the constitutional rule of equal protection must be that the homeless shall have homes and equal opportunity to have good homes.

To the extent that racial discrimination in housing exists in our midst, the progress that has been made in other problems, such as the protection of voting rights or the desegregation of public schools, will be in jeopardy, may indeed even create greater problems, for crowded racial slums threaten to turn our schools into blackboard jungles and to form a breeding ground for political demagoguery that can make a mockery of the right to vote.

The exploding metropolis is, therefore, a great challenge that this country and this Commission cannot ignore. Already about 100 million Americans, or 60 percent of our population, live within standard metropolitan areas, and it is estimated that by the year 1975 over two-thirds of our people will live in metropolitan areas. So, we are talking, ladies and gentlemen, about the face of America, now and in the future. That face must have the beauty and dignity and harmony of the Constitution, not the face of slums and discrimination and chaos.

We will, I am sure, meet this challenge as we have met others before. We have the resources; we have the tradition of the world's most successful melting pot, and we have the intelligence to find a good way forward and to make progress. We now need only the will.

I am only stating here some obvious starting propositions that explain in part our coming here today. The questions involved in solving the problem of discrimination in housing are many and complicated. We come here with no preconceived solutions. We are here primarily to learn.

Congress has declared in the Housing Act of 1949 that "a decent home and a suitable living environment for every American family" is the goal of national policy. Through its various housing programs—assistance for slum clearance and urban renewal, public housing, and mortgage insurance—the Federal Government is playing a major role in housing. In studying housing we are trying to collect information as to whether equal opportunity in housing is denied to some Americans by reason of their color, race, religion, or national origin. We need to know the causes and the effects of any such discrimination. We need to know this in order to appraise Federal housing laws and policies and to make constructive recommendations to the President and the Congress concerning the achievement in the field of housing of the national goal of equal protection of the laws, for before we can make such an appraisal we must understand the problems with which these laws and these policies are designed to cope.

To help us gain this understanding, members of our legal staff have been conducting field surveys and consultations in a number of cities. They have been working closely with appropriate officials in the Federal agencies—the Housing and Home Finance Agency, the Federal Housing Administration, the Public Housing Administration, and the Urban Renewal Administration. We have also asked the State advisory committees, now organized in 46 States, to assist us in finding the facts about the housing situation. In addition, in order to get the most accurate picture possible of the housing problems of minority groups and to get the views of housing experts and persons concerned with discrimination in housing, we have decided to hear firsthand testimony through public hearings, such as this which is begun here today.

We have come to New York City not only because it is the largest city in the country, but because, with the city and State legislation in effect, we find here in New York the most far-reaching laws of any city in the country concerning discrimination in housing. We want to find out whether these housing laws and policies of the Federal, State, and local governments are, in fact, accomplishing here the equal protection of the law for all Americans.

We have invited testimony on a number of specific questions which are available here for all observers. We do not necessarily expect each witness to touch on all of these questions.

We are grateful to the public officials, religious, business, and civic leaders, and to the private organizations who are cooperating in this hearing. We know that there are many other experts, leaders, and organizations concerned with this question whom time does not permit us to hear through oral testimony. We have invited many of these to submit to us written statements of their views, and we hereby invite any others who believe they have pertinent views on the questions raised in this hearing to submit these views to us in writing.

As Dr. Hannah has said, this is a step in our study in housing. We know that the situation in New York is not by any means identical with that in some other areas. Some of us come from States where very different conditions and policies exist. We intend, to the best of our ability and to the extent of our time, to inquire into the problem in these other areas, too. Toward the end of this study, we should be ready to discuss the problem with the top Federal housing officials, themselves. Mr. Mason, the Administrator of the Housing and Home Finance Agency, and the heads of the other constituent bodies of this agency, have had preliminary talks with the members of our staff. They have informed us that they will be very happy to meet with the Commission at a later point in our study.

One final word: Our procedure here today will be quite simple. Mr. Tiffany, the staff director of the Commission, who is seated over here on my right with Dean Johnson, who has been planning this hearing, will present the witnesses. Following the oral statement of the witnesses, members of the Commission, to the extent of time available, will be able to question each witness. To hear everyone, we will need to keep the time schedule of each witness—and in this I trust you will forgive us if we are rather rigid in adhering to this schedule because if we do not adhere to it we will never finish these hearings.

First, may I ask if the mayor of New York City has arrived yet? If not, I would like to proceed to our second witness.

Governor Rockefeller had hoped to be here in person this morning, but his budget message must be delivered in Albany this noon and he has sent as his representative his chairman-designate of the State Commission Against Discrimination, Mr. Elmer A. Carter. Mr. Carter will read a message from the Governor. Mr. Carter, himself, has been a member of the New York State Commission Against Discrimination since 1945. We are also happy to note that Mr. Carter is a member of the New York State Advisory Committee of this Commission on Civil Rights.

May I present to you Mr. Carter.

**STATEMENT OF ELMER A. CARTER, CHAIRMAN-DESIGNATE OF
THE NEW YORK STATE COMMISSION AGAINST DISCRIMINATION**

MR. CARTER. Dr. Hannah, Dean Storey, Father Hesburgh, and Governor Carlton, honored members of the U.S. Commission on Civil Rights: I have the honor of presenting the statement from Gov. Nelson A. Rockefeller of the State of New York. Governor Rockefeller says:

It is a privilege to be able to welcome the Commission on Civil Rights to New York for this public hearing on housing.

When we speak of housing, we are talking about the American home—and the home is at the heart of any good society. So, your subject is vital to the life of this Nation.

When we speak of civil rights, we are talking about those fundamental, constitutional rights that give meaning to the principle of government by the consent of the governed—the right to vote and participate freely in the processes of government; the right to equal protection under the law. These are the rights that distinguish our society from that of our totalitarian competitors and from all other tyrannies.

Under the Civil Rights Act of 1957 you have an important role in securing and protecting the civil rights of all Americans.

While your major mandate is to secure the right of all Americans to vote regardless of color, race, religion, or national origin, you are also directed to take stock of the status of civil rights generally. We believe the right to vote is secure in this State, but we still have a long way to go in achieving our goal of making New York State a shining example of our faith in freedom and justice for all men. We know that we have dark corners of prejudice and discrimination in our midst. So, like every other State in the Union, we come within the jurisdiction of the Commission on Civil Rights in study of the equal protection of the laws.

The equal protection promised by the 14th amendment to the Constitution is not a fixed thing to be defined once and for all. Like the other great constitutional promises of freedom of speech and due process, equal protection is a concept that necessarily unfolds along the changing conditions and deeper understanding.

Once human slavery was the issue. We did not have the wisdom to settle that without bloodshed. Now the issue is shifting from the negative goal of barring discrimination to the positive goal of providing equal opportunity for all. The spirit and talent of the men and women who comprise America are our greatest national asset. Our goal must be to insure to each and every one of them, regardless of race, creed, color, the opportunity to develop his capacities to the fullest. Only by so doing can we be true to our heritage and true to the ideals that have made America a beacon of hope wherever men aspire to freedom.

A unanimous Supreme Court has said that there must be equal opportunity in the schools. Our national conscience requires us to extend similar equality of opportunity to all parts of our public life.

In some areas, where habits and customs of school segregation run deep, we are now faced with chaos in public education. I trust that, with the help of the recommendations of this Commission on Civil Rights, this country will find ways to achieve integrated schools and in ways that will fulfill and not betray our belief in constitutional democracy.

In the North employment and housing are the cutting edges of the problem of discrimination. The denial of jobs or of homes because of color, race, and religion, or national origin, is a tragedy not only for the individuals involved, but for our whole society.

In 1945 New York State became the first State in the Nation to outlaw discrimination in employment. In recent years New York State has also pioneered the outlawing of discrimination in public housing and in publicly assisted private housing. Last April 1 an ordinance went into effect in the City of New York prohibiting discrimination in the sale, rental, or leasing of multiple-dwelling, private housing accommodations. We have an official State Commission Against Discrimination and a Civil Rights Bureau in the attorney general's office to carry out these State laws, and New York City has its own educational and enforcement agency, the Commission on Intergroup Relations, for its far-reaching new law.

I understand that in this hearing you will be considering the effectiveness of all these laws and agencies dealing with discrimination in housing. We welcome this inquiry and hope to learn from it. We will carefully study the record of this hearing and whatever recommendations you may make. We know that we have much to learn, much to improve.

We know that in many of our urban areas racial minority groups are crowded into blighted areas and that these slums breed ignorance, disease, and demagoguery. We know that substandard and segregated housing causes a demoralization that we cannot afford among any part of our people. We know that the Constitution and the American purpose require us to end these conditions and to create truly democratic communities with decent standards of life for all.

We know, too, that the solution depends not only on laws that prohibit discrimination in housing, but on other positive laws and programs that promote the construction of adequate housing for people at all levels of income; and we know that the solution depends on the cooperation of all branches of government—Federal, State, and municipal—and on the action and good will of private citizens and organizations.

Thus, it is fitting that the Commission on Civil Rights should come here on this inquiry, for the Federal Government plays a major role in the housing of Americans. The loan insurance of the Federal Housing Administration and the Veterans' Administration assists millions of families to purchase homes. The federally assisted program of urban renewal is, through its slum clearance and urban redevelopment projects, changing the face of the Nation. That work must go on and be expanded to meet the needs of the future, but with it the Federal Government has a major responsibility to see that the new America truly creates and maintains freedom and justice for all.

There are, of course, complex questions involved here and all the answers will not be found in New York, for our situation necessarily differs in some respects from that of other regions, but our laws and agencies may be models from which you and other areas may learn something, just as I am sure we will learn from whatever shortcomings you find here. I have said that the achievement of equal opportunity for all will be a major goal of my administration. I know we have great problems in this connection. I hope that by facing them and doing our best to solve them with good will and intelligence we can make this State a testing ground and a demonstration for the Nation and the world, a place in which we apply the truths that we declare to be self-evident, a place in which we strive tirelessly and without reservation to fulfill the promises of our Constitution.

Thank you.

Commissioner HESBURGH. Thank you very much, Mr. Carter, and I hope you will give our thanks to the Governor for this very, very fine statement at our hearing.

Mr. CARTER. Thank you, sir.

Commissioner HESBURGH. Now, Mr. Tiffany, will you please present the next witness?

Mr. TIFFANY. Mr. Earl B. Schwulst. Mr. Schwulst is president of the Bowery Savings Bank and chairman of the Commission on Race and Housing. He has been a Director of the Commodity Credit Corporation, the Director and President of the RFC Mortgage Company, Bank Commissioner of the Philippine Islands and Loan Manager of the Federal Reserve Bank of Dallas, Tex., the State in which he was born.

Mr. Schwulst has with him today Dr. Davis McEntire, professor of social welfare at the University of California, who served as research director for the Commission on Race and Housing. Dr. McEntire may supplement Mr. Schwulst's remarks and may participate in answering questions. The 3-year study which Mr. Schwulst's Commission on

Race and Housing conducted is a most comprehensive study of the problem with which we are concerned today. We are pleased to have their findings of fact laid before us for consideration at the beginning of this hearing.

Mr. Schwulst.

Commissioner HESBURGH. Mr. Schwulst, one moment, please. I believe Mayor Wagner has just arrived, and we would appreciate it very much, Mr. Mayor, if you would come forward. We are delighted to have you and would like very much to have your words for this hearing.

Hon. ROBERT F. WAGNER (Mayor, City of New York). Good morning.

Commissioner HESBURGH. Mayor, will you come up and meet these gentlemen? There is no need to present to all of you good folks the mayor of this city. Mayor Wagner.

STATEMENT OF HON. ROBERT F. WAGNER, MAYOR OF THE CITY OF NEW YORK

Mayor WAGNER. Thank you very much, Father, and members of the Commission: In the letter inviting me to appear before this distinguished body several reasons were outlined as to why the City of New York had been singled out for an inquiry into problems of discrimination in housing. The letter indicated you were interested in the problems of the city not only because New York is the largest city in the country, but also because it has the most far-reaching laws concerning discrimination in housing of any city in the country.

It is no accident that New York has a huge umbrella of legislation covering and protecting the rights of its citizens. The development of these antidiscrimination laws and policies has been the result of the determination of every city administration, regardless of party, and the people of this city to provide the necessary guarantee for the protection of all of its citizens, regardless of their place of birth, their ancestry, or their faith. Discrimination of any kind is as alien to the policies of my administration as it is to the traditions of the City of New York.

The 1950 census reported a total of more than 1,700,000 foreign-born residents living in New York City, representing just about every national group in the world. The varied backgrounds of New York City's population serves as a continuing source of amazement to the world. There are more foreign-born Italians in this city than the total population of Florence, Italy; more Puerto Ricans than in San Juan; more residents of German birth than in Bonn; more Irish-born residents than the combined population of Cork and Limerick; and we boast more Russian-born residents than either Minsk or Pinsk. Our Jewish population outnumbers that of the State of Israel. As a

center for the great religions, New York City is even more awesome. We now have 3,343 houses of worship in the city—more than in Chicago, Philadelphia, and Boston combined.

New York City has a huge nonwhite population. The Negro population in New York City is substantially larger than the combined Negro populations of the capital cities of all of the States of the South. However, our approach is different. From these various cultures, racial streams, and faiths, has evolved the greatest metropolis in the world. We want to keep it that way. That is why equal opportunity and civil rights in this town are so important.

Through the years we have developed a network of laws and policies to protect every individual in his rights to seek shelter, education, work, and relaxation. May I quote the official policy of the city of New York in this regard as stated by the City Council in 1955, in creating the official Commission on Intergroup Relations:

The council hereby finds and declares that prejudice, intolerance, bigotry, and discrimination, and disorder occasioned thereby, threaten the rights and proper privileges of its inhabitants, and menace the institutions and foundations of a free democratic State. A city agency is hereby created through which the city of New York officially may encourage and bring about mutual understanding and respect among all groups in the city, eliminate prejudice, intolerance, bigotry, discrimination, and disorder occasioned thereby, and give effect to the guarantee of equal rights for all, assured by the constitution and the laws of this State and of the United States of America.

Our concern has been, and continues to be, the welfare of all our citizens. We believe that the best interests of the city are in danger if there are forces at work to divide group against group or to isolate any particular group arbitrarily because of its race, religion, or ancestry. We have grappled with the problem of discrimination in housing for many years because we have recognized that such discrimination is wrong and, moreover, it will necessarily stunt and distort the natural growth of our city and frustrate constructive programs for the welfare of the people in the years to come.

We, in the city of New York, are convinced of one thing: A legislative program to combat discrimination in housing cannot be effective without a simultaneous program to increase the housing supply. One program without the other cannot be successful in eliminating patterns of segregated living. In recognition of this dual need, there has been both a steady progression of activity on the part of my administration to develop programs to improve and increase our housing supply as well as concentrated efforts to outlaw discrimination in housing by statute. New York City has pioneered in public housing. Since its inception in 1935 the New York City Housing Authority has made available, with the help of Federal and State funds, more than 100,000 apartment units to low-income and middle-income families on an open-occupancy basis.

Our private developers, however, continue to bear the greatest responsibility in providing the increased and improved living space we seek. I want to point out that for the first time in 6 years the number of dwelling units completed in the city topped the 30,000 mark, with private construction showing an almost 22-percent increase over 1957. Significantly, the increase in the number of units completed by private developers coincides, incidentally, with the establishment of new antidiscrimination legislation applicable to these dwelling units.

Through Federal assistance under title I slum-clearance programs, administered in this city by the Committee on Slum Clearance, private builders with the help of city and Federal Governments have already added more than 6,000 units to our housing supply. The Federal Government is also cooperating with the City Urban Renewal Board in an urban renewal demonstration project which may point the way toward a broad citywide program designed to keep what is good, improve those buildings which need improvement and to replace those which are beyond help.

The city's complex housing problems involve, of course, more than the construction of new units. There is the never-ending battle to maintain our properties and enforce standards that will provide for decent housing, especially in the old-law tenements occupied largely by low-income families. During the past few years we have completely revised and amended New York City's code and ordinances and the multiple dwelling law to reduce the hazards of fire and to curtail the conversion of apartment units to single-room occupancy, and thus prevent overcrowding. In addition, several code modifications are pending before the City Council which would further tighten and strengthen the enforcement of adequate health, sanitation, and safety standards. Our efforts to supply adequate housing to exert more rigid code enforcement and to enact legislation to improve housing standards will bring their greatest immediate benefits to low-income, minority families, many of whom in the past have been subject to exploitation and discrimination in seeking housing facilities.

Insofar as our program to outlaw discrimination in housing is concerned—and, for that matter, in all areas of civil rights—the City of New York has shown the way for the entire Nation. In 1944 the New York City Council amended the administrative code to provide for denial of tax exemption for housing developments with discriminatory practices. This was extended in 1947 to projects developed by insurance companies. In 1950 the New York State Legislature, through the Wicks-Austin law, outlawed discrimination in publicly assisted housing throughout the State and provided civil damages for those aggrieved. The following year, 1951, saw the enactment of the Brown-Isaacs law by the New York City Council which provided

penalties for landlords discriminating in housing developments receiving various types of city and Federal assistance.

After I became mayor in 1954, a number of other measures designed to eliminate discriminatory practices were enacted in this city. The first Sharkey-Brown-Isaacs law, in my first year in office, banned discrimination in multiple dwellings receiving Government mortgage insurance. Subsequently, the New York State Legislature extended the principle to the entire State and the legislature empowered the State Commission Against Discrimination to enforce these State anti-discrimination laws. In 1957 New York City again made history with the passage of the fair housing practices law barring discrimination in private multiple dwellings and in developments of 10 or more 1- and 2-family homes. Our experience to date leads us to believe that this legislation will serve as a positive force toward the creation of a single open competitive housing market in New York City. I am submitting copies, with your permission, of the various local and State laws to which I have referred for the consideration of the Commission.

I have outlined some of the efforts to combat discrimination in housing. We have also sought to eliminate prejudice and discrimination through a broad educational program. In 1955 the City Council established the Commission on Intergroup Relations as an official agency charged with promoting intergroup harmony in the city and eliminating prejudice and discrimination. This commission, under the leadership of Dr. Alfred J. Marrow and Dr. Frank Horne, has sought to develop a community information program with the help of cooperating public and private agencies. The commission has power to hold public hearings, subpoena witnesses and records and to make recommendations to me and to the council. It has successfully carried out its job with a minimum of sensationalism while working with other agencies and the community to solve intergroup problems.

It would be unrealistic, however, to assume that any set of laws or any single piece of legislation will automatically abolish discrimination overnight. Such legislation must be fairly and intelligently administered. It must be accompanied by broad educational programs to allay fears and to give support to those members of the community who seek to establish democratic principles in housing. Other members of the city administration are here today to testify in greater detail on various aspects of our overall approach in this regard.

As mayor of this city and as chairman of the New York Metropolitan Regional Council, I am very much aware that New York City, despite its enormous physical and human resources, cannot do this job in a vacuum. The Federal Government can play an enormous role

in fighting discrimination in housing by further helping our city and our communities to increase the supply of housing. Last week, in a telegram to the Banking and Currency Committee of the U.S. Senate, I set forth a request for a broad Federal housing and urban renewal program to provide the necessary support to our local communities in increasing the supply of housing, which at the same time will serve to help end discrimination and exploitation of minority groups. I am submitting a copy of this telegram for the record of this Commission because the expansion of these Federal housing programs is an essential part of the attack on discrimination.

I call to your attention, too, the request we have made for more local and regional autonomy in setting income and rental levels for federally aided public housing, without which we cannot achieve in public housing the cross section of our population and the avoidance of de facto segregation. At the same time, the Federal Government can and must set a moral climate which will inspire our citizens here and throughout our land to eliminate discrimination in housing and in every phase of American life.

Commissioner HESBURGH. Thank you very much, Mayor Wagner.

Mayor, you seem to have pointed up three things which I believe are essential to the problem we are going to be discussing today and tomorrow. It seems that, for the progress that has taken place here in New York, you have pointed, first of all, to the antidiscriminatory laws that have been passed on a city and on a State level; you have pointed to the educational work that is going on in human relations councils and establishing some kind of better understanding of intergroup relationships in this city and, lastly, you have spoken about the efforts at a Federal, State, and city level, both in public and private housing, to make more housing available for middle-income and low-income groups. Now, is any one of these three things—the availability of housing, new housing, the educational program, and the antidiscriminatory legislation—more important than any other one?

Mayor WAGNER. I think they are all very important, Father. It would be difficult to try to weigh which is the more important or most important of the three. I think we have to attack the problem on all three fronts.

Commissioner HESBURGH. Would it be a clear statement to say that to do one without the others would not get us very far in the attack on this problem?

Mayor WAGNER. No. I think that would be a very fair statement. I think we have to attack it on all three areas.

Commissioner HESBURGH. Good. Mayor, I would like to underline one thing you said because I think it is very important to our particular purposes. You have had so much experience here as commissioner of housing in New York City, as chairman of the City Planning Com-

mission, now as mayor and chairman of the New York Metropolitan Regional Council, and you know that 60 percent of the people of this Nation are living in metropolitan areas, large areas. Do you think that the Federal Government is lagging in its support of a housing and urban renewal program or—let me put it another way—do you think, in view of the large effort we are putting into highways and into the farm programs, that perhaps this urban renewal program, the housing program, is something of far more reaching importance than the highway or farm programs or of equal importance in our country?

MAYOR WAGNER. Well, I have stated, Father, on a number of occasions, before the various committees in Washington, in our House of Representatives, and in the Senate, the need for speedy action on legislation for urban renewal and for housing. We were very disappointed last year when the House of Representatives failed to enact a housing bill, and I sincerely hope they will act rapidly so we cannot be caught in a position of not being able to move ahead on a lot of the projects we have already initiated here, and I know in other cities, too, they have that same problem. Sometimes some of our friends in Congress, who perhaps do not come from metropolitan areas, haven't the conception of the problem we face here, and I sincerely hope that they will come and visit us or visit any of the other metropolitan areas so that we can show them the problems that we face in housing and the need for that legislation, which is very, very essential.

COMMISSIONER HESBURGH. One last question I would like to ask—and perhaps the other Commissioners may wish to ask a question: Do you also think it is essential that city ordinances must be joined by statewide legislation of an antidiscriminatory nature—

MAYOR WAGNER. Yes.

COMMISSIONER HESBURGH. To make a large city really effective, given the fact that the large city is now spreading out into the suburbs?

MAYOR WAGNER. That is very true, Father, and it has been the history of the State of New York here that within a year or few years the State has followed with legislation similar to legislation against discrimination that was adopted by the city, and the latest, of course, we put through a few years ago, the Sharkey-Brown-Isaacs bill outlawing discrimination in all housing, and we have legislation which has been introduced at the last few sessions of the Legislature in Albany to do that same thing, and I am sure that would follow up. I hope it would not take too long, but the history has been that the State has followed the city in these matters over a long period of years.

COMMISSIONER HESBURGH. Are you acquainted with any other large metropolitan cities that have as broad a complex of laws in this matter as the City of New York?

MAYOR WAGNER. Well, I shouldn't say I am an expert even in the City of New York, but I know this one better than any other city. I think we've moved ahead in legislation, much further than any other city.

Commissioner HESBURGH. I think what you have done is remarkable—

MAYOR WAGNER. We have a lot of problems, too.

Commissioner HESBURGH. And I'm very happy with this thing. I realize you have a lot of problems, too, and we will be hearing about those all day, too, I suppose.

MAYOR WAGNER. Yes.

Commissioner HESBURGH. Any of the Commissioners have any other questions?

Dean Storey.

Vice Chairman STOREY. Mayor Wagner, as I understand the facts disclosed, you have had a very rapid increase of the nonwhite population in New York in recent years, particularly the Negro; is that true?

MAYOR WAGNER. Yes. We have had an increase in the Negro population and in our fellow citizens from Puerto Rico, too.

Vice Chairman STOREY. As I understand, of the minority groups, you have had the greatest increase of the Negro population and the citizens from Puerto Rico, and I understand in many areas they occupy the same housing facilities, do they not?

MAYOR WAGNER. Oh, yes.

Vice Chairman STOREY. In the City of New York and in the greater New York area?

MAYOR WAGNER. That's right.

Vice Chairman STOREY. In some instances, I assume it is overcrowded, is it not?

MAYOR WAGNER. It is.

Vice Chairman STOREY. With Negroes and Puerto Ricans and the mixing?

MAYOR WAGNER. Yes.

Vice Chairman STOREY. Has that overcrowding been conducive to violence between those two groups or not, in your opinion?

MAYOR WAGNER. I think they get along better than most people would imagine from reading the newspapers. There hasn't been too much violence between them; not any more than we have with any other groups, I would say.

Vice Chairman STOREY. I have noticed some emphasis in the national magazines, and we down in Texas read about it. Has it been accentuated by this overcrowding and mixing together in certain housing areas?

Mayor WAGNER. Well, Dean Storey, I think we suffer in New York City because we are the largest city in the world, I would say, with all deference to London, and anything that happens here is news throughout the world. I mean the temperature here may be 98° in the summer and it goes all over the United States—98°; New York City sweltering. It would be 110 in Boston, but nobody pays much attention to that. Therefore, any incident that happens in New York is played up, I think, out of proportion, and we're just as law abiding as any other section of the country.

Vice Chairman STOREY. Mayor, I did not intend to say that you were not. On the other hand, has the overcrowding between the Negroes and the Puerto Ricans in certain areas led to more violence than otherwise?

Mayor WAGNER. I think you have to base it on the fact that overcrowding of any people in poor housing conditions tends for a little more trouble than if they had good housing, and we're trying to push our housing program and get the Federal Government to do it because if people can live in those better conditions they're going to raise their children better and there's going to be less tension and less crime.

Vice Chairman STOREY. That is the point I am trying to bring out.

Because of the limited facilities, there has been overcrowding, especially in the mixing of the Negroes and the Puerto Ricans?

Mayor WAGNER. There has been overcrowding. I would say not so much in the mixing, because I would say the people from Puerto Rico have been able to get out of the so-called ghettos, if you want to call them that, much more so than the Negro population, which has been confined, to a large degree, to certain areas of the city. Now, that's one of the things we hope will be accomplished by our legislation, and with more housing and better facilities, so that they can be able to break out of those so-called ghettos; but it's just really overcrowding that has caused this, and it has nothing to do with the groups involved.

Vice Chairman STOREY. Yes, sir.

Mayor WAGNER. It is human nature.

Vice Chairman STOREY. One of the inherent problems is the lack of adequate housing, I assume?

Mayor WAGNER. That's true, because we did find—still do, as a matter of fact—that when we tear down slums and create better housing, new housing there, we often create fewer units in the new developments than we had before, the number of families before, because they were living in overcrowded conditions. What we attempt to do, of course, is to build housing in vacant areas, too, of the city at the same time so that we can siphon off some of the excess population there rather than create further housing problems for us. That has hap-

pened in many instances where, due to improvements, people are forced into overcrowded conditions in order to find a place to live.

Vice Chairman STOREY. Thank you, Mayor Wagner.

Commissioner HESBURGH. I think Governor Carlton would like to ask a question, Mayor.

MAYOR WAGNER. Yes, sir.

Commissioner CARLTON. Mayor Wagner, we noticed you have approached this matter with local laws, that is, municipal laws and State laws. Do you feel that that is the better approach, looking at the situation from a local standpoint?

Mayor WAGNER. Well, as Father Hesburgh mentioned before, I think we have to have an approach on three or four different fronts, and I do think the local laws are necessary in order to give to the people an opportunity, if they are aggrieved, to have redress and to have some agency see to it that they are properly taken care of.

Commissioner CARLTON. Do you have any additional laws in mind that you think would be of help to you?

Mayor WAGNER. We haven't at this point in the city. There is legislation, as I mentioned before, the Baker-Metcalf bill, which would do for the State what we already did in the last Sharkey-Brown-Isaacs bill in the city. I think that would be a fine thing for the State to adopt, if they would, and, while we have the laws, what we must do now here in our city is to see that the laws are upheld and that everyone is protected.

That's the next big step for us.

Commissioner HESBURGH. Mayor Wagner, thank you very, very much for your kindness in coming here this morning and for this very fine presentation. I am sure we have all learned a great deal, and we would like to congratulate you and your city for the fine work that is being done in this general field.

Thank you very much.

Mayor WAGNER. Thank you very much.

COPY OF TELEGRAM SUBMITTED FOR THE RECORD BY MAYOR WAGNER

Mr. HARRY R. BETTERS,
Executive Director,
U.S. Conference of Mayors,
1707 H Street NW.,
Washington 6, D.C.

As mayor of the City of New York and chairman of the New York Metropolitan Regional Council I vigorously support the views of the U.S. Conference of Mayors on new housing and urban renewal legislation, and ask that the officials of the conference have this brief statement placed on the record when they testify before the Banking and Currency Committee of the U.S. Senate.

We are gratified that major housing and urban renewal legislation is being considered so early in this session of Congress. No other legislation is of more importance to the continuing health and sound development of cities and urban areas.

We take pride in the fact that New York has pioneered in programs which utilize the resources and assistance of city and State to produce low and mod-

erate rental housing. But in common with all other cities, we must continue to look to the Federal Government for major support. Urban decay is a national as much as a local problem. Its cure far transcends the capabilities of limited local resources alone.

A program which measures up to the needs of this Nation's cities should include the following:

1. Federal contributions to title I redevelopment and urban renewal of \$600 million a year for 10 years. The success of the title I program to date in New York City, as evidenced by 13 projects now underway and 5 more pending, the backlog of projects that are needed and could be advanced if sufficient funds are forthcoming, and the enthusiastic response of private redevelopers to the new West Side Urban Renewal Project where techniques are being developed that should be applicable to deteriorating areas in cities throughout the country—all testify to the potential of the title I program for stimulating the private investment necessary for the renewal of our cities. So far this potential has been barely utilized. A program of the size indicated is needed to enable us to move ahead of the rate of deterioration, and will therefore result in the smallest ultimate expenditure of public funds.

2. The present two-thirds Federal contribution to writedown costs must be increased, rather than decreased. In view of the acute financing problems faced by all cities, any such decrease would be self-defeating and tantamount to reducing the scope of a program which sorely needs expansion.

3. Continuity adequate to permit and encourage sensible long-range planning and programing. In addition to the basic 10-year program, authorization for advance acquisition in blighted and deteriorated areas, and the provision of two-thirds grants for the preparation or completion of community renewal programs would be of great benefit. The community renewal program would enable cities to survey their older and declining communities and make comprehensive plans for orderly renewal programs.

4. An increase in the amount of funds that may be used for nonresidential redevelopment above the 10 percent now permitted, and elimination of the requirement that such nonresidential redevelopment sites must include a substantial number of slum or blighted dwellings. Whatever the form of blight, it undermines the foundations of a city. A successful renewal program must be broad and flexible enough to meet the particular needs of the community.

5. Liberalized relocation assistance for both the families and the businesses displaced by renewal programs. The amounts of payments should be increased and the ways in which they can be used broadened in order to give maximum assistance in relocation. Every effort should be made to provide equality in treatment to those displaced by the various types of public programs. Relocation assistance should be authorized for families displaced within a renewal project by voluntary rehabilitation or code enforcement on the same basis as for those displaced by clearance. This is of crucial importance to the success of a program such as our west side project, which combines conservation, rehabilitation, and redevelopment. The growing impact of renewal activity on small business and industry requires not only an increase in relocation payments, but assistance through a program of Federal long-term, low-interest loans.

6. The interest charge on funds advanced by a municipality to develop a renewal project should be allowed as a proper charge against the gross project cost. Otherwise a city like New York is penalized because it doesn't borrow Federal funds for this purpose.

7. Restoration of the low-rent public housing program established by the Housing Act of 1949. Even with this, the balance of annual subsidy contributions will provide less than half of the remaining number of units authorized at current costs. An adequate public housing program is essential to increase the supply of housing serving that sector of the market which no privately financed housing can reach. It is vital to the success of the Urban Renewal Program since so many of the families now living in deteriorating areas which desperately need renewal fall within this sector. The regional administrators and the local authorities should be given greater autonomy to establish more liberal administrative practices, eligibility requirements and rent and income limits. The acquisition and rehabilitation of existing structures where suitable for public housing purposes should be encouraged. Programs of housing for larger families and elderly persons should be fostered. Continued occupancy of over-income tenants on the basis of nonsubsidized rentals should be authorized in order to promote stability of projects and neighborhoods, and to broaden the

cross section of families served by public housing for whom private housing is not available.

8. Strengthening of the FHA multifamily housing program, upon which New York City is singularly dependent, in the following ways:

An increase in the mortgage limits on sections 207, 213, 220, and 221 housing. Because of rises in construction costs the existing statutory ceiling on the amount of mortgage per room and per dwelling unit should be increased. Level payment mortgage plans for sections 220 and 207 housing should be made mandatory in order to reduce rents on new apartments. Increased FNMA special assistance for all multifamily programs is needed to support the apartment mortgage market. Section 221 should be revised to permit the purchase of existing small rental properties. FHA appraisal formulas should be changed to allow for more widespread use of section 207 and 213 housing in the central portions of the city and to reduce the cash equity requirements now imposed on the private builder.

(Signed) ROBERT F. WAGNER,
Mayor, City of New York.

LAWS SUBMITTED FOR THE RECORD BY MAYOR WAGNER

LOCAL LAW 20 (1944)

TITLE J. TAXATION OF REAL ESTATE

ARTICLE I. EXEMPTIONS

SEC. J41-1.2. *Discrimination in tax exempt projects.*—No exemption from taxation, for any project, other than a project hitherto agreed upon or contracted for, shall be granted to a housing company, redevelopment company, or redevelopment corporation, which shall directly or indirectly, refuse, withhold from, or deny to, any person any of the dwelling or business accommodations in such project or property, or the privileges and services incident to occupancy thereof, on account of the race, color, or creed of any such person.

Any exemption from taxation hereafter granted shall terminate 60 days after a finding by the Supreme Court of the State of New York that such discrimination is being or has been practiced in such project or property; if within said 60 days such discrimination shall have been ended, then the exemption shall not terminate. (As added by L. L. 1944, No. 20, July 3.)

LOCAL LAW 45 (1947) JUNE 23

SEC. J41-1.2. *Discrimination in tax exempt projects.*—No exemption from taxation, for any project, other than a project hitherto agreed upon or contracted for, shall be granted to a housing company, insurance company, redevelopment company, or redevelopment corporation, which shall directly or indirectly, refuse, withhold from, or deny to, any person, any of the dwelling or business accommodations in such project or property, or the privileges and services incident to occupancy thereof, on account of the race, color, or creed of any such person.

Any exemption from taxation hereafter granted shall terminate 60 days after a finding by the Supreme Court of the State of New York that such discrimination is being or has been practiced in such project or property; if within said 60 days such discrimination shall have been ended, then the exemption shall not terminate.

LAWS OF NEW YORK—BY AUTHORITY (1950)

CHAPTER 287

AN ACT To amend the civil rights law, in relation to prohibiting discrimination and segregation because of race, color, religious, national origin, or ancestry, in housing accommodations acquired, constructed, repaired, or maintained, in whole or in part, with the assistance or support of the State or any of its political subdivisions

Became a law March 30, 1950, with the approval of the Governor. Passed, by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

SECTION 1. The civil rights law is hereby amended by inserting therein a new article, to be article 2-A, to read as follows:

ARTICLE 2-A

EQUAL RIGHTS TO PUBLICLY AIDED HOUSING

SECTION

18-a. *Findings and declarations of policy.*

18-b. *Definitions.*

18-c. *Discrimination prohibited.*

18-d. *Restraint of discrimination; damages for violations.*

18-e. *Applicability.*

SEC. 18-a. *Findings and declarations of policy.*—1. This article shall be deemed an exercise of the police power of the State for the protection of the welfare, health, and peace of the people of this State and the fulfillment and enforcement of the provisions of the constitution of this State concerning civil rights.

2. The practice of discrimination because of race, color, religion, national origin, or ancestry in any publicly assisted housing accommodations is hereby declared to be against public policy.

SEC. 18-b. *Definitions.*—When used in this article:

1. The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy and receivers, or other fiduciaries.

2. The term "housing accommodation" includes any building, structure, or portion thereof which is used or occupied, or is intended, arranged, or designed to be used or occupied, as the home, residence, or sleeping place of one or more human beings, but shall not include any accommodations operated by a religious or denominational organization as part of its religious or denominational activities.

3. The term "publicly assisted housing accommodation" includes any housing accommodation to be constructed within the State of New York—

(a) which is to be exempt in whole or in part from taxes levied by the State or any of its political subdivisions;

(b) which is to be constructed on land sold below cost by the State or any of its political subdivisions or any agency thereof, pursuant to the Federal Housing Act of 1944;

(c) which is to be constructed in whole or in part on property acquired or assembled by the State or any of its political subdivisions or any agency thereof through the power of condemnation or otherwise for the purpose of such construction; or

(d) for the acquisition, construction, repair, or maintenance of which the State or any of its political subdivisions or any agency thereof supplies funds or other financial assistance.

4. The term "owner" includes the lessee, sublessee, assignee, managing agent, or other person having the right of ownership or possession or the right to rent or lease housing accommodations and includes the State and any of its political subdivisions and any agency thereof.

5. The term "discriminate" includes to segregate or separate.

SEC. 18-c. *Discrimination prohibited.*—It shall be unlawful:

1. For the owner of any publicly assisted housing accommodation to refuse to rent or lease or otherwise to deny to, or withhold from, any person or group of persons, such housing accommodation because of the race, color, religion, national origin, or ancestry of such person or persons.

2. For the owner of any publicly assisted housing accommodation to discriminate against any person because of the race, color, religion, national origin, or ancestry of such person in the terms, conditions, or privileges of any publicly assisted housing accommodations or in the furnishing of facilities or services in connection therewith.

3. For any person to cause to be made any written or oral inquiry concerning the race, color, religion, national origin, or ancestry of a person seeking to rent or lease any publicly assisted housing accommodation.

SEC. 18-d. *Restraint of discrimination; damages for violations.*—1. Any person aggrieved by a violation of section 18-c of this chapter and any person whose assessment shall amount to more than \$1,000 and who shall be liable to pay taxes on such assessment in any county, town, village, or municipal corporation in the State or who has been assessed or who has paid taxes upon any assessment of the above-named amount within 1 year previous to the initiation of an action under this section shall have a right of action in any court of appropriate jurisdiction

for restraint of such violation and for other equitable remedies including such affirmative relief as may be necessary to undo the effects of such violation.

2. Any person aggrieved by a violation of section 18-c of this chapter shall in addition have a right of action in any court of appropriate jurisdiction for damages caused by such violation.

SEC. 18-c. *Applicability.*—The provisions of this section shall not apply to privately owned housing accommodations which are not publicly assisted within the meaning of section 18-b(3) of this chapter.

SEC. 2. This act shall take effect July 1, 1950.

LOCAL LAW 41 (1951)

To amend the administrative code of the city of New York, in relation to discrimination and segregation in city-assisted housing

Be it enacted by the Council as follows:

SECTION 1. The administrative code of the city of New York is hereby amended by the addition of a new title and section, title W, chapter 41, to read as follows:

TITLE W

DISCRIMINATION AND SEGREGATION IN CITY-ASSISTED HOUSING

SEC. W41-1.0. *Certain acts prohibited; penalties.*—a. In the city of New York, with its great cosmopolitan population consisting of large numbers of people of every race, color, religion, national origin, and ancestry, many persons have been compelled to live in circumscribed sections under substandard, unhealthful, unsanitary, and crowded living conditions because of discrimination and segregation in housing. As a result, the peace, health, safety, and general welfare of the entire city and all its inhabitants are threatened. It is hereby declared to be the policy of the city to assure equal opportunity to all residents to live in decent, sanitary, and healthful living quarters, regardless of race, color, religion, national origin, or ancestry, in order that the peace, health, safety, and general welfare of all the inhabitants of the city may be protected and insured.

b. No individual, partnership, corporation, or association shall discriminate against or segregate any person hereafter seeking dwelling accommodations in any structure heretofore or hereafter erected because of that person's race, color, religion, national origin, or ancestry; (a) If such structure or the property on which it is situated is exempt in whole or in part from taxes levied by the city; or (b) if such structure is situated on property (1) which was sold by the city below cost pursuant to the Federal Housing Act of 1949, or (2) which was acquired or assembled by the city or any agency thereof through the power of condemnation or otherwise for the purpose of erecting such structure; or (c) if the city or any agency thereof has supplied funds or other financial assistance for the acquisition, construction, or maintenance of such structure; *Provided, however,* That this section shall not apply to any dwelling accommodation operated by a religious or denominational organization as part of its religious or denominational activities or to a property exempt under section 4, subdivision 5, of State tax law.

c. Every violation of subdivision b. hereof shall be a misdemeanor punishable upon conviction thereof by a fine of \$500. In addition, any person discriminated against or segregated in violation of subdivision b. hereof may bring an action in the supreme court to enjoin such discrimination or segregation.

SEC. 2. This local law shall take effect immediately.

(Passed by the Council of the city of New York, concurred in by the Board of Estimate and approved by the mayor on March 14, 1951.)

LAWS OF NEW YORK—BY AUTHORITY (1952)

CHAPTER 285

AN ACT To amend the executive law, in relation to the elimination and prevention of practices of discrimination in places of public accommodation, resort, or amusement because of race, creed, color, or national origin

Became a law March 27, 1952, with the approval of the Governor. Passed, by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

SECTION 1. The schedule of section headings of article 15 of the executive law is hereby amended to read as follows :

ARTICLE 15

STATE COMMISSION AGAINST DISCRIMINATION

SECTION

- 290. *Purposes of article.*
- 291. *Opportunity for employment without discrimination a civil right.*
- 292. *Definitions.*
- 293. *State Commissions Against Discrimination.*
- 294. *General policies of commission.*
- 295. *General powers and duties of commission.*
- 296. *Unlawful discriminatory practices.*
- 297. *Procedure.*
- 298. *Judicial review and enforcement.*
- 299. *Penal provision.*
- 300. *Construction.*
- 301. *Separability.*

SEC. 2. Section 290 of the executive law is hereby amended to read as follows :

SEC. 290. *Purposes of article.*—This article shall be known as the “Law Against Discrimination.” It shall be deemed an exercise of the police power of the State for the protection of the public welfare, health, and peace of the people of this State, and in fulfillment of the provisions of the constitution of this State concerning civil rights; and the legislature hereby finds and declares that practices of discrimination against any of its inhabitants because of race, creed, color, or national origin are a matter of State concern, that such discrimination threatens not only the rights and proper privileges of its inhabitants but menaces the institutions and foundation of a free democratic State. A State agency is hereby created with power to eliminate and prevent discrimination in employment and in places of public accommodation, resort, or amusement, because of race, creed, color, or national origin, and to take other actions against discrimination because of race, creed, color, or national origin, as herein provided; and the commission established hereunder is hereby given general jurisdiction and power for such purposes.

SEC. 3. Subdivision 4 of section 292 of such law is hereby amended to read as follows :

4. The term “unlawful discriminatory practice” includes only those practices specified in section 296 of this article.

SEC. 4. Section 292 of such law is hereby amended by adding thereto a new subdivision, to be subdivision nine, to read as follows :

9. The term “place of public accommodation, resort, or amusement” shall include, except as hereinafter specified, all places included in the meaning of such term as it appears in section 40 of the civil rights law, and it is intended hereby to limit the procedures and jurisdiction of the commission to such places. Such term shall not include public libraries, kindergartens, primary and secondary schools, high schools, academies, colleges and universities, extension courses, and all educational institutions under the supervision of the regents of the State of New York; any such public library, kindergarten, primary and secondary school, academy, college, university, professional school, extension course, or other educational facility, supported in whole or in part by public funds or by contributions solicited from the general public; or any institution, club, or place of accommodation which is in its nature distinctly private. Nothing herein contained shall be construed to bar any religious or denominational institution or association from limiting admission to or giving preference to persons of the same religion or denomination.

SEC. 5. Subdivision 6 of section 295 of such law is hereby amended to read as follows :

6. To receive, investigate and pass upon complaints alleging violations of this article.

SEC. 6. Section 296 of such law is hereby amended to read as follows :

SEC. 296. *Unlawful discriminatory practices.*—1. It shall be an unlawful discriminatory practice :

(a) For an employer, because of the race, creed, color, or national origin of any individual, to refuse to hire or employ or to bar or to discharge from employment such individual or to discriminate against such individual in compensation or in terms, conditions, or privileges of employment.

(b) For a labor organization, because of the race, creed, color, or national origin of any individual, to exclude or to expel from its membership such in-

dividual or to discriminate in any way against any of its members or against any employer or any individual employed by an employer.

(c) For any employer or employment agency to print or circulate or cause to be printed or circulated any statement, advertisement or publication, or to use any form of application for employment or to make any inquiry in connection with prospective employment, which expresses, directly or indirectly, any limitation, specification or discrimination as to race, creed, color, or national origin, or any intent to make any such limitation, specification, or discrimination, unless based upon a bona fide occupational qualification.

(d) For any employer, labor organization, or employment agency to discharge, expel, or otherwise discriminate against any person because he has opposed any practices forbidden under this article or because he has filed a complaint, testified, or assisted in any proceeding under this article.

2. It shall be an unlawful discriminatory practice for any person, being the owner, lessee, proprietor, manager, superintendent, agent, or employee of any place of public accommodation, resort, or amusement, because of the race, creed, color, or national origin of any person, directly or indirectly, to refuse, withhold from or deny to such person any of the accommodations, advantages, facilities, or privileges thereof, or, directly or indirectly, to publish, circulate, issue, display, post, or mail any written or printed communication, notice, or advertisement, to the effect that any of the accommodations, advantages, facilities, and privileges of any such place shall be refused, withheld from, or denied to any person on account of race, creed, color, or national origin, or that the patronage or custom thereat of any person belonging to or purporting to be of any particular race, creed, color, or national origin is unwelcome, objectionable, or not acceptable, desired, or solicited.

3. It shall be an unlawful discriminatory practice for any person to aid, abet, incite, compel, or coerce the doing of any of the acts forbidden under this article, or to attempt to do so.

Sec. 7. Sections 297 and 298 of such law are hereby amended to read, respectively, as follows:

Sec. 297. *Procedure.*—Any person claiming to be aggrieved by an unlawful discriminatory practice may, by himself or his attorney at law, make, sign, and file with the commission a verified complaint in writing which shall state the name and address of the person, employer, labor organization, or employment agency alleged to have committed the unlawful discriminatory practice complained of and which shall set forth the particulars thereof and contain such other information as may be required by the commission. The industrial commissioner or attorney general may, in like manner, make, sign, and file such complaint. Any employer whose employees, or some of them, refuse or threaten to refuse to cooperate with the provisions of this article, may file with the commission a verified complaint asking for assistance by conciliation or other remedial action.

After the filing of any complaint, the chairman of the commission shall designate one of the commissioners to make, with the assistance of the commission's staff, prompt investigation in connection therewith; and if such commissioner shall determine after such investigation that probable cause exists for crediting the allegations of the complaint, he shall immediately endeavor to eliminate the unlawful discriminatory practice complained of by conference, conciliation, and persuasion. The members of the commission and its staff shall not disclose what has transpired in the course of such endeavors. In case of failure so to eliminate such practice, or in advance thereof if in his judgment circumstances so warrant, he shall cause to be issued and served in the name of the commission, a written notice, together with a copy of such complaint, as the same may have been amended, requiring the person, employer, labor organization, or employment agency named in such complaint, hereinafter referred to as respondent, to answer the charges of such complaint at a hearing before three members of the commission, sitting as the commission, at a time and place to be specified in such notice. The place of any such hearing shall be the office of the commission or such other place as may be designated by it. The case in support of the complaint shall be presented before the commission by one of its attorneys or agents, and the commissioner who shall have previously made the investigation and caused the notice to be issued shall not participate in the hearing except as a witness, nor shall he participate in the deliberation of the commission in such case; and the aforesaid endeavors at conciliation shall not be received in evidence. The respondent may file a written verified answer to the complaint and appear at such

hearing in person or otherwise, with or without counsel, and submit testimony. In the discretion of the commission, the complainant may be allowed to intervene and present testimony in person or by counsel. The commission or the complainant shall have the power reasonably and fairly to amend any complaint, and the respondent shall have like power to amend his answer. The commission shall not be bound by the strict rules of evidence prevailing in courts of law or equity. The testimony taken at the hearing shall be under oath and be transcribed. If, upon all the evidence at the hearing the commission shall find that a respondent has engaged in any unlawful discriminatory practice as defined in this article, the commission shall state its findings of fact and shall issue and cause to be served on such respondent an order requiring such respondent to cease and desist from such unlawful discriminatory practice and to take such affirmative action, including (but not limited to) hiring, reinstatement or upgrading of employees, with or without back pay, restoration to membership in any respondent labor organization, or the extension of full, equal, and unsegregated accommodations, advantages, facilities, and privileges to all persons, as, in the judgment of the commission, will effectuate the purposes of this article, and including a requirement for report of the manner of compliance. If, upon all the evidence, the commission shall find that a respondent has not engaged in any such unlawful discriminatory practice, the commission shall state its findings of fact and shall issue and cause to be served on the complainant an order dismissing the said complaint as to such respondent. A copy of its order shall be delivered in all cases to the industrial commissioner, the attorney general, and such other public officers as the commission deems proper. The commission shall establish rules of practice to govern, expedite, and effectuate the foregoing procedure and its own actions thereunder. Any complaint filed pursuant to this section must be so filed within 90 days after the alleged act of discrimination.

SEC. 298. *Judicial review and enforcement.*—Any complainant, respondent, or other person aggrieved by such order of the commission may obtain judicial review thereof, and the commission may obtain an order of court for its enforcement, in a proceeding as provided in this section. Such proceeding shall be brought in the supreme court of the State within any county wherein the unlawful discriminatory practice which is the subject of the commission's order occurs or wherein any person required in the order to cease and desist from an unlawful discriminatory practice or to take other affirmative action resides or transacts business. Such proceeding shall be initiated by the filing of a petition in such court, together with a written transcript of the record upon the hearing before the commission, and the issuance and service of a notice of motion returnable at a special term of such court. Thereupon the court shall have jurisdiction of the proceeding and of the questions determined therein, and shall have power to grant such temporary relief or restraining order as it deems just and proper, and to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript an order enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order of the commission. No objection that has not been urged before the commission shall be considered by the court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances. Any party may move the court to remit the case to the commission in the interests of justice for the purpose of adducing additional specified and material evidence and seeking findings thereon, provided he shows reasonable grounds for the failure to adduce such evidence before the commission. The findings of the commission as to the facts shall be conclusive if supported by sufficient evidence on the record considered as a whole. All such proceedings shall be heard and determined by the court and by any appellate court as expeditiously as possible and with lawful precedence over other matters. The jurisdiction of the supreme court shall be exclusive and its judgment and order shall be final, subject to review by the appellate division of the supreme court and the court of appeals in the same manner and form and with the same effect as provided in the civil practice act for appeals from a final order in a special proceeding. The commission's copy of the testimony shall be available at all reasonable times to all parties for examination without cost and for the purposes of judicial review of the order of the commission. The appeal shall be heard on the record without requirement of printing. The commission may appear in court by one of its attorneys. A proceeding under this section when instituted by any complainant, respondent, or other person aggrieved must be instituted within 30 days after the service of the order of the commission.

SEC. 8. This act shall take effect July 1, 1952.

LOCAL LAW 42 (1954)

To amend the administrative code in relation to discrimination and segregation in multiple dwellings acquired, constructed, rehabilitated or repaired with the aid of government insured financing

Be it enacted by the Council as follows:

SECTION 1. Subdivision b of section W41-1.0 of the administrative code is hereby amended to read as follows:

b. No individual, partnership, corporation, or association shall discriminate against or segregate any person hereafter seeking dwelling accommodations in any structure heretofore or hereafter erected because of that person's race, color, religion, national origin or ancestry: (a) If such structure or the property on which it is situated is exempt in whole or in part from taxes levied by the city; or (b) if such structure is situated on property, (1) which was sold by the city below cost pursuant to the Federal Housing Act of 1949, or (2) which was acquired or assembled by the city or any agency thereof through the power of condemnation or otherwise for the purpose of erecting such structure; or (c) if the city or any agency thereof has supplied funds or other financial assistance for the acquisition, construction, or maintenance of such structure; or (d) if (1) the structure is a class A multiple dwelling as defined in section 4 of the multiple dwelling law, and (2) the acquisition, construction, rehabilitation, or repair of such class A multiple dwelling is hereafter financed in whole or in part by a loan, whether or not secured by a mortgage, the repayment of which is guaranteed or insured by the Federal Government or any agency thereof, the State or any agency thereof, or the city or any agency thereof, and such loan and such guarantee or insurance are still outstanding: *Provided, however,* That this section shall not apply to any dwelling accommodation operated by a religious or denominational organization as part of its religious or denominational activities or to a property exempt under section 4, subdivision 5, of the State tax law.

SEC. 2. This local law shall take effect July 1, 1954.

(Passed by the council of the city of New York, concurred in by the board of estimate and approved by the mayor on July 6, 1954.)

LAWS OF NEW YORK—BY AUTHORITY (1955)

CHAPTER 340

AN ACT to amend the executive law, in relation to the elimination and prevention of practices of discrimination because of race, creed, color, or national origin, in publicly assisted housing.

Became a law April 15, 1955, with the approval of the Governor. Passed, by a majority vote, three-fifths being present

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

SECTION 1. Section 290 of the executive law, as amended by chapter 285 of the laws of 1952, is hereby amended to read as follows:

SEC. 290. *Purposes of article.*—This article shall be known as the "Law Against Discrimination." It shall be deemed an exercise of the police power of the State for the protection of the public welfare, health, and peace of the people of this State, and in fulfillment of the provisions of the constitution of this State concerning civil rights; and the legislature hereby finds and declares that practices of discrimination against any of its inhabitants because of race, creed, color, or national origin are a matter of State concern, that such discrimination threatens not only the rights and proper privileges of its inhabitants but menaces the institutions and foundation of a free democratic State. A State agency is hereby created with power to eliminate and prevent discrimination in employment, in places of public accommodation, resort, or amusement and in publicly assisted housing accommodations because of race, creed, color, or national origin, and to take other actions against discrimination because of race, creed, color, or national origin, as herein provided; and the commission established hereunder is hereby given general jurisdiction and power for such purposes.

SEC. 2. Section 292 of such law is hereby amended by adding thereto two new subdivisions, to be subdivisions 10 and 11, to read respectively, as follows:

"10. The term 'housing accommodation' includes any building, structure, or portion thereof which is used or occupied or is intended, arranged, or designed to be used or occupied, as the home, residence, or sleeping place of one or more human beings.

"11. The term 'publicly assisted housing accommodations' shall include all housing accommodations in (a) public housing, (b) housing operated by housing companies under the supervision of the commissioner of housing, and (c) housing constructed after July 1, 1950, within the State of New York (1) which is exempt in whole or in part from taxes levied by the State or any of its political subdivisions, (2) which is constructed on land sold below cost by the State or any of its political subdivisions or any agency thereof, pursuant to the Federal Housing Act of 1949, (3) which is constructed in whole or in part on property acquired or assembled by the State or any of its political subdivisions or any agency thereof through the power of condemnation or otherwise for the purpose of such construction, or (4) for the acquisition, construction, repair, or maintenance of which the State or any of its political subdivisions or any agency thereof supplies funds or other financial assistance."

SEC. 3. Section 296 of such law is hereby amended by renumbering subdivision 3 as subdivision 4 and adding a new subdivision 3, to read as follows:

"3. It shall be an unlawful discriminatory practice for the owner, lessee, sublessee, assignee, or managing agent of publicly assisted housing accommodations or other person having the right of ownership or possession of or the right to rent or lease such accommodations:

"(a) To refuse to rent or lease or otherwise to deny to or withhold from any person or group of persons such housing accommodations because of the race, creed, color, or national origin of such person or persons.

"(b) To discriminate against any person because of his race, creed, color, or national origin in the terms, conditions, or privileges of any publicly assisted housing accommodations or in the furnishing of facilities or services in connection therewith.

"(c) To cause to be made any written or oral inquiry or record concerning the race, creed, color, or national origin of a person seeking to rent or lease any publicly assisted housing accommodation.

"(d) Nothing herein contained shall be construed to bar any religious or denominational institution or organization, or any organization operated for charitable or educational purposes, which is operated, supervised, or controlled by or in connection with a religious organization, from limiting admission to or giving preference to persons of the same religion or denomination or from making such selection as is calculated by such organization to promote the religious principles for which it is established or maintained."

SEC. 4. This act shall take effect July 1, 1955.

LOCAL LAW 80 (1957)

To amend the administrative code of the city of New York, in relation to discrimination and segregation in multiple dwellings

Be it enacted by the council of the city of New York as follows:

SECTION I. Chapter 41 of the administrative code of the city of New York is hereby amended by adding thereto a new title to be title X, to read as follows:

TITLE X

DISCRIMINATION AND SEGREGATION IN PRIVATE DWELLINGS

SEC. X41-1.0. *Certain acts prohibited; penalties.*—a. In the city of New York, with its great cosmopolitan population consisting of large numbers of people of every race, color, religion, national origin, and ancestry, many persons have been compelled to live in circumscribed sections under substandard, unhealthful, unsanitary, and crowded living conditions because of discrimination and segregation in housing. These conditions have caused increased mortality, morbidity, delinquency, risk of fire, intergroup tension, loss of tax revenue, and other evils. As a result, the peace, health, safety, and general welfare of the entire city and all its inhabitants are threatened. Such segregation in housing also necessarily results in other forms of segregation and discrimination which are against the policy of the State of New York. It results in racial segregation in public schools and other public facilities, which is condemned by the constitution of our State and Nation. In order to guard against these evils, it is necessary to assure to all inhabitants of the city equal opportunity to obtain living quarters, regardless of race, color, religion, national origin, or ancestry.

It is hereby declared to be the policy of the city to assure equal opportunity to all residents to live in decent, sanitary, and healthful living quarters, regardless of race, color, religion, national origin, or ancestry, in order that the peace, health,

safety, and general welfare of all the inhabitants of the city may be protected and insured.

b. (1) Except as provided in paragraph (2) of this subdivision, no owner, lessee, sublessee, assignee, or managing agent of, or other person having the right to sell, rent or lease, a housing accommodation which is located in a multiple dwelling, as defined in section 4 of the multiple dwelling law, or which is offered for sale by a person who owns or otherwise controls the sale of 10 or more 1- and 2-family houses located on land that is contiguous (exclusive of public streets), or an agent of any of these, shall refuse to sell, rent, lease, or otherwise deny to or withhold from any person or group of persons such housing accommodations because of the race, color, religion, national origin, or ancestry of such person or persons, or discriminate against or segregate any person because of his race, color, religion, national origin, or ancestry in the terms, conditions, or privileges of the sale, rental, or lease of any such housing accommodations or in the furnishing of facilities or services in connection therewith.

(2) Nothing herein contained shall be construed to bar any religious or denominational institution or organization, or any organization operated for charitable or educational purposes which is operated, supervised, or controlled by, or in connection with, a religious organization, from limiting admission to or giving preference to persons of the same religion or denomination or from making such selection as is calculated by such organization to promote the religious principles for which it is established or maintained.

c. Any person claiming to be aggrieved by a violation of subdivision b hereof may file with the commission on intergroup relations, a complaint in writing which shall state the name and address of the owner or other person alleged to have committed the violation complained of and shall set forth the particulars thereof and such other information as may be required by such commission. Upon the filing of such complaint, or upon its own motion whenever it has reason to believe that any owner or other person has violated subdivision b hereof, such commission shall exercise its powers with a view to conciliating the matter and eliminating any discriminatory practice it finds to exist.

d. In case of failure of the commission on intergroup relations to conciliate and eliminate a practice which it considers discrimination or segregation in violation of subdivision b hereof, it shall refer the same to the fair housing practices panel hereinafter created, with its recommendations.

e. There is hereby created a fair housing practices panel to consist of 12 persons, appointed by the mayor and to serve at his pleasure. Such persons shall not be members of the commission on intergroup relations. The members of the panel shall serve without compensation but shall be entitled to reimbursement of their necessary expenses. For each case that shall be referred to the panel pursuant to subdivision d hereof, the mayor shall designate any three members of the panel as a fair housing practices board which shall exercise the powers and duties provided for in subdivision f hereof.

f. It shall be the duty of the fair housing practices board to review cases of alleged discrimination or segregation in violation of subdivision b hereof, referred by the commission on intergroup relations in accordance with subdivision d hereof and to determine in each case whether in its judgment court action is warranted. The board shall have power to hold hearings and to issue subpoenas. If it shall find in the affirmative, it may direct the corporation counsel to bring equitable proceedings in the supreme court, in the name of the city, for the enforcement of the provisions of this title.

g. Proceedings had under this title before the commission on intergroup relations and the fair housing practices board shall be confidential.

The provisions of this section shall not apply to any tenant of an apartment, as defined in section 4 of the multiple dwelling law, in which he or members of his family reside, who rents or leases a room or rooms in such apartment to another person or persons.

Sec. 2. This local law shall take effect April 1, 1958.

Pursuant to the provisions of City Home Rule Law Section 22, I hereby certify that the enclosed local law (Local Law 80 of 1957, Council Int. No. 733, print Nos. 864-959) contains the correct text and:

Received the following vote at the meeting of the New York City Council on December 5, 1957: 20 for; 1 against; 2 not voting.

Was approved by the mayor on December 30, 1957.

Was returned to the city clerk on December 31, 1957.

Was approved by the Board of Estimate on December 23, 1957.

PETER CAMPBELL BROWN,
Corporation Counsel.

LOCAL LAW 55 (1955)

To amend the administrative code of the city of New York, in relation to a commission on intergroup relations

Be it enacted by the council as follows:

SECTION 1. Chapter 1 of the administrative code of the city of New York is hereby amended by adding thereto a new title, to be title B, to read as follows:

TITLE B

COMMISSION ON INTERGROUP RELATIONS

SEC. B1-1.0. *Policy.*—In the city of New York, with its great cosmopolitan population consisting of large numbers of people of every race, color, creed, national origin, and ancestry, there is no greater danger to the health, morals, safety, and welfare of the city and its inhabitants than the existence of groups prejudiced against one another and antagonistic to each other because of differences of race, color, creed, national origin, or ancestry. The council hereby finds and declares that prejudice, intolerance, bigotry, and discrimination, and disorder occasioned thereby threaten the rights and proper privileges of its inhabitants and menace the institutions and foundations of a free democratic State. A city agency is hereby created through which the city of New York officially may encourage and bring about mutual understanding and respect among all groups in the city, eliminate prejudice, intolerance, bigotry, discrimination, and disorder occasioned thereby and give effect to the guarantee of equal rights for all assured by the constitution and the laws of this State and of the United States of America.

SEC. B1-20. *Definitions.*—As used in this title:

(1) "Discrimination" shall mean any difference in treatment based on race, creed, color, national origin, or ancestry and shall include segregation, except that it shall not be discrimination for any religious or denominational institution to devote its facilities, exclusively or primarily, to or for members of its own religion or denomination or to give preference to such members or to make such selection as is calculated by any institution to promote the religious principles for which it is established or maintained.

(2) "Religious or denominational institution" shall mean an institution which is operated for religious purposes or is operated, supervised, or controlled by a religious or denominational organization.

SEC. B1-3.0. *Commission on intergroup relations.*—There is hereby created a commission on intergroup relations. It shall consist of 15 members, serving without compensation, to be appointed by the mayor, 1 of whom shall be designated by him as its chairman. Of the 15 members first appointed, 5 shall be appointed for 1 year, 5 for 2 years and 5 for 3 years; thereafter all appointments to the commission shall be for a term of 3 years. In the event of the death or resignation of any member, his successors shall be appointed to serve for the unexpired period of the term for which such member had been appointed.

SEC. B1-4.0. *Functions.*—The functions of the commission shall be:

(1) To foster mutual understanding and respect among all racial, religious, and ethnic groups in the city of New York;

(2) To encourage equality of treatment for, and prevent discrimination against, any racial, religious, or ethnic group or its members;

(3) To cooperate with governmental and nongovernmental agencies and organizations having like or kindred functions; and

(4) To make such investigations and studies in the field of human relations as in the judgment of the commission will laid in effectuating its general purposes.

SEC. B1-5.0. *Powers and duties.*—The powers and duties of the commission shall be:

(1) To work together with Federal, State, and city agencies in developing courses of instruction, for presentation to city employees and in public and private schools, public libraries, museums, and other suitable places, on techniques for achieving harmonious intergroup relations within the city of New York.

(2) To enlist the cooperation of the various racial, religious, and ethnic groups, community organizations, labor organizations, fraternal and benevolent associations, and other groups in New York City, in programs and campaigns devoted to eliminating group prejudice, intolerance, bigotry, and discrimination.

(3) To study the problems of prejudice, intolerance, bigotry, discrimination, and disorder occasioned hereby in all or any fields of human relationship:

(4) To receive and investigate complaints and to initiate its own investigations of (a) racial, religious, and ethnic group tensions, prejudice, intolerance, bigotry, and disorder occasioned thereby; (b) discrimination against any person, group of persons, organization, or corporation, whether practiced by private persons, associations, corporations, and, after consultation with the mayor, by city officials or city agencies, except that all instances of such discrimination within the jurisdiction of the State commission against discrimination shall be referred to that commission and all instances of such discrimination within the jurisdiction of the administrator of the fair education practices law shall be referred to the said administrator;

(5) To hold hearings, compel the attendance of witnesses, administer oaths, take the testimony of any person under oath and in connection therewith to require the production of any evidence relating to any matter under investigation or in question before the commission. No public hearing shall be held without written approval of the mayor. The powers enumerated in this subsection may be exercised by any group of three or more members of the commission when so authorized in writing by the commission. The commission after the completion of any public hearing, shall make a report in writing to the mayor setting forth the facts found by it and its recommendations. At any hearing before the commission or any committee thereof a witness shall have the right to be advised by counsel present during such hearings.

(6) To issue publications and reports of investigations and research designed to promote good will and to minimize or eliminate prejudice, intolerance, bigotry, discrimination, and disorder occasioned thereby;

(7) To appoint an executive director. The expenses for the carrying on of the commission's activities shall be paid out of the funds in the city treasury;

(8) To recommend to the mayor and to the city council legislation to aid in carrying out the purposes of this title;

(9) To submit an annual report to the mayor and the city council which shall be published in the city record.

SEC. B1-6.0. *Relations with city departments and agencies.*—So far as practicable and subject to the approval of the mayor, the services of all other city departments and agencies shall be made available by their respective heads to the commission for the carrying out of the functions herein stated. The head of any department or agency shall furnish information in the possession of such department or agency when the commission, after consultation with the mayor, so requests. The corporation counsel may assign counsel to assist the commission in the conduct of its investigation or hearings.

SEC. 2. If any provision of this local law or the application of such provision to any person or circumstance shall be held invalid, the remainder of such local law or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

SEC. 3. This local law shall take effect July 1, 1955.

(Passed by the council of the city of New York, concurred in by the board of estimate and approved by the mayor on June 3, 1955.)

Commissioner HESBURGH. Our next witness has already been announced, and you have his biography. I would like to ask Mr. Schwulst if he would kindly come up here and commence his presentation.

I would like to note at this point that we have revised the schedule somewhat so that Mr. Schwulst will be presenting his case from 10 until 11 o'clock. It is now about 2 minutes of 10. We would like to ask Mr. Schwulst if he would leave us some time for questioning, 15 or 20 minutes, and we will give him word when we are within 10 minutes of the end of our time so that we keep on schedule. Mr. Schwulst.

**STATEMENT OF EARL B. SCHWULST, CHAIRMAN OF THE BOARD
AND PRESIDENT, BOWERY SAVINGS BANK, NEW YORK, N.Y.,
AND CHAIRMAN OF THE COMMISSION ON RACE AND HOUSING,
ACCOMPANIED BY DAVIS McENTIRE, PROFESSOR OF SOCIAL
WELFARE, UNIVERSITY OF CALIFORNIA**

Mr. SCHWULST. Mr. Chairman, gentlemen of the Commission: I want to thank you very much for the privilege of appearing before you today.

Dr. McEntire, who was research director of the Commission on Race and Housing, of which I was chairman, has collaborated with me in preparing for submission to the Commission a statement dealing with the subject of these hearings. This statement is much too long for me to read to you, but I do request your permission to have that statement filed as a part of the records of the Commission; and I shall talk from notes and try to cover the highlights in that statement and the more important recommendations which the Commission on Race and Housing made with respect to the matter which you are now considering.

First, may I say one thing which prompted me to accept your kind invitation to appear before you. This is aside from the fact that I have a natural desire to be helpful to you in any way that I can be. I refer to a part of my own experience. I have been in the banking business for nearly 40 years, 23 years of that time as either the chief executive officer or the officer second in command of the Bowery Savings Bank, which is located just across the street. The Bowery Savings Bank is one of the largest lenders on mortgage in the country. It is the largest mutual savings bank in the world. That bank has followed successfully the policy of making loans on mortgage without regard to race, color, creed, or national origin of either the owners or the tenants of the properties. Its experience with those mortgages has been just as good as its experience with any other type of loan that it has made. It has millions of dollars of mortgages on properties owned by or occupied by minority groups, particularly nonwhites, and it has millions of dollars of loans on real estate properties which are open to occupancy by any person who is qualified economically to pay the rent or pay the price for the housing; and, as I say, its experience with respect to those loans has been just as favorable as its experience with respect to other loans that it has made.

The Bowery Savings Bank also has a nondiscriminatory policy with respect to employment. We have a very considerable number of nonwhite employees in clerical and responsible positions in the bank. We have Negroes; we have Chinese; we have Puerto Ricans; we have Italians; we have Catholics; we have so forth and so forth. There is no discrimination with respect to employment or lending insofar as

the bank is concerned, and those policies have worked out entirely to the satisfaction of the management and the trustees who are responsible for that very important institution. So much by the way of my personal experience insofar as it may relate to what I shall have to say to you.

Now, I would like to say a word about this Commission on Race and Housing, which has dealt with the very subject which you are so much interested in here in these hearings. The Commission on Race and Housing was set up about 3 years ago, a little over 3 years ago, for the purpose of inquiring into the availability of decent housing to people of all races, creeds, and to find out whether there were restrictions on the availability of the housing to all of our people who might be able to afford housing, and if there were such restrictions what was the reason for those restrictions and what were the consequences, and whether any remedies were called for to increase the availability of the housing supply to our people of all races, creeds, and colors.

There were 17 members of that commission from all parts of the country. They were, I think, distinguished men. I think they approached the inquiry completely objectively. The work of the commission was financed by a grant from the Fund for the Republic, but the Fund for the Republic had nothing else to do with the commission's work except to provide the money. It exercised no influence upon the very extensive research conducted by the commission. It had nothing to do with the conclusions reached or recommendations made by the commission. The recommendations of the commission were unanimously concurred in by the 17 members thereof. The findings and recommendations of the commission are supported by some 26 separate research projects, conducted under the general direction of Dr. McEntire, who is here today.

A number of universities participated in the research, a number of distinguished scholars, and we think this research probably constitutes the most comprehensive and most valuable body of material dealing with these questions that you will find anywhere in the country. Some of those projects are in press and will appear in book form shortly.

Now, if I may, I should like to review briefly the major findings of the commission and then go into some of its more important recommendations. The most important and I would say the overriding finding of the commission was that housing is apparently the only commodity in the American market which is not freely available to minority groups, and particularly not freely available to those minority groups who are nonwhite. These groups can go into the market and compete on equal terms with anybody else for practically every other commodity that is available for sale or for rent in the American market, but not with respect to housing.

Now, a word or two about the commission's findings as to why that condition prevails with respect to housing:

Some of the reasons for the condition are not related to race at all. They are related to the income status of the people in the minority groups. Incidentally, we studied four major minority groups: The Puerto Ricans; the Mexican-Americans; the Orientals; and the Negro. So, the income status of these minority groups, the low-income status, relatively speaking, is one of the factors which denies them accessibility to the housing inventory as a whole.

Another factor is the lower educational and cultural status of large numbers of those who compose those minority groups. That lower cultural and educational status would obviously be a restriction upon the ability of these people to move into and be happy in, even if they could afford it, housing in the better neighborhoods of the communities.

The third important reason for this lack of accessibility to the housing inventory is discrimination—discrimination not necessarily based upon prejudice, although often based upon prejudice, but, nevertheless, discrimination practiced against certain of these minority groups which prevents them from having ready accessibility to housing which they may be able to afford. Now, this discrimination factor is tied in principally with race. It is the Oriental and the Negro who are primarily affected by this factor of discrimination with respect to their inability to have access to the housing inventory as a whole. The Puerto Rican and the Mexican-American as he rises in the cultural scale and his income status improves does not suffer particularly from discrimination. He can be absorbed into, shall we say, middle-class American society just as the immigrant groups of old in time were accepted into what we call American society; but that is not true with respect to the Negro and it is not true, certainly, so far as our research goes, with respect to the nonwhites generally.

Now, what were the commission's findings with respect to the reasons or with respect to what lies behind this very important factor of discrimination which denies access to the minority groups, particularly the nonwhite minority groups, to this housing inventory? The commission found that prejudice and discrimination were not necessarily bound up with any animus on the part of the whites toward the nonwhites, but rather this discrimination grew out of two basic fears which the whites have with respect to permitting the nonwhites to move freely into housing neighborhoods generally: One of those fears it that the white will lose social status if a nonwhite moves into his neighborhood.

Generally speaking, the neighborhood in which a person lives roughly determines his social status in the community. Minority groups, particularly the nonwhite minority groups, for reasons which

I need not go into, have usually been looked upon as occupying a social status inferior to that of the white, and the white fears perhaps in his own heart or fears that his white neighbors or white associates, white friends, would be inclined to scale him downward in the social scale if they found that nonwhites were moving into his neighborhood. I don't think anyone can deny that fear exists.

There is also another fear that the white has with respect to nonwhites moving into his neighborhood, and that is the fear that property values will be depreciated and that he will lose economically if the nonwhites move in. Now, it cannot be denied that that fear exists. It cannot be denied under certain circumstances that fear is well founded. Both fears are well founded. However, the researches of the Commission on Race and Housing show that with respect to the depreciation of property values as the result of nonwhites moving into a white neighborhood, it is not a positive consequence, not an inevitable consequence, that the movement of a nonwhite into a white neighborhood will bring about a depreciation in property values. Our researches show that under certain circumstances just the opposite takes place—that property values move up when nonwhites move into the white neighborhood.

You can readily see how that would be the case. You may have such pressure for housing on the part of the nonwhite that, once they can break over a boundary and get into another area, the demand for housing in that area would be so great with respect to the immediate availability of the supply that the prices of those houses would go up, and our researches have indicated that in some instances that is true.

Our researches indicate also that in those cases, many of those cases, where, in fact, the values of the housing did go down when the nonwhites began to move in the decline in values was due, rather, to panic on the part of the white owners who were fearful that their area was going to be invaded and that it would become essentially a nonwhite area, and they were induced by that fear or that belief, if you please, that values would go down prompted them to dump their properties on the market; and, obviously, the dumping of properties on the market in excess of the demand at that time for the housing would naturally drive those values down—and that at times occurred, as our researches have shown.

One of our advisers, Professor Merton, has labeled this particular phenomenon the self-fulfilling prophecy. If the white owners in the neighborhood into which a Negro family or a few Negro families were moving, because of their belief that the values would go down, were prompted to dump their properties, sure enough, values did go down and, therefore, they said, "We're justified, therefore, in our belief that

the properties would go down in value because actually they have gone down in value"—a self-fulfilling prophecy.

Now, what were the commission's findings with respect to how this factor of discrimination, which looms so largely in this particular problem, in its operation to deny access to the housing inventory, was implemented? We found it was implemented by the attitude and practice of real estate brokers who sell and rent real estate. It was implemented by the practice of many lenders on mortgage who are called upon to finance housing. It was implemented by the attitudes and practices of builders, large-scale builders, and it was implemented by the attitudes and practices of local governing bodies having to do with zoning and planning and that sort of thing in many of these communities.

I do not want you to take what I have said as a blanket indictment of all real estate brokers, all lenders on mortgage, all developers of real estate, builders of housing developments or all local governing bodies. There are many lenders who do not practice discrimination in lending money on housing occupied by minority groups or rented to minority groups. There are many brokers who do not practice discrimination, and there have been some developers of housing projects who have not practiced discrimination; but our findings show that, as a rule, the brokers would make a loan or would sell a property or rent a property to a nonwhite only in a nonwhite neighborhood or one which was becoming nonwhite and that lenders on mortgage, as a rule, would make their loans to nonwhites or on property occupied by nonwhites principally in areas which were known to be or were becoming nonwhite in occupancy.

One of the most important factors implementing this matter of discrimination was the practice of the Federal Government, itself, in making available Federal aids to the creation of housing either in the form of insured loans through the FHA, guaranteed loans by the Veterans' Administration or grants in aid or other assistance to public housing.

Now, I do not mean to imply that the Federal Government or the Federal Government agencies are, themselves, prejudiced. I don't think they are. I don't think they believe in discrimination, but the way their programs have been working out discrimination has been the result—and you can see that very plainly with respect to these large residential developments which have been created under private auspices, private promoters, private builders, but which would not have been possible of creation if those promoters or developers or builders had not had available these credit aids in the form of mortgage insurance and Veterans' Administration guarantees of loans. There have been some of these developments, of course, which have been made available to nonwhite occupancy, but principally they have been

exclusively for nonwhites. Most of the larger of these developments have been exclusively for whites by the determination of the promoter or the developer, himself.

Now, the Government, the Federal Government, has not said to these speculators, these speculative builders—I do not want you to get any wrong connotation when I use the term “speculative.” I do not use it disrespectfully. Without these speculative builders we have today, we wouldn’t have all this housing we have today. They perform a very important function, but they are promoters in the very best sense of the word. Without his help from the Government in the form of insured mortgages and guaranteed mortgages, these builders could not have brought these great projects into being and, yet, it is these very developers and promoters who have been given the right to say that a nonwhite may not have a house in this development, notwithstanding the fact that, as a taxpayer, he has made it possible for the Government to create these housing benefits, the distribution of which the Government has turned over to the private operator and let him discriminate, if he chose, and, as you know, most of them have so chosen.

I would not want you to get the idea that, under these Federal programs, there hasn’t been a great deal of fine housing produced for nonwhites. There has been, but most of those developments have been exclusively for nonwhites, where nonwhites have been permitted to enter them.

Now, gentlemen, just a word about the consequences of this lack of accessibility to the whole housing inventory so far as minority groups are concerned: One of those consequences has been the perpetuation and the extension of segregated neighborhoods. We have some maps and charts here on the board, which Dr. McEntire may have time to refer to later, which show something of the pattern of segregation in the various parts of the country, major urban centers of the country.

Another of these consequences has been the spread of blight due to the overcrowding which has taken place as a result of the inability of many of these minority groups to move out into the housing inventory generally. That has induced the spread of slum conditions. These charts that Dr. McEntire may have an opportunity to refer to show that another consequence of this situation has been the fact that the nonwhite or minority groups generally—per dollar of what they pay in rent or in the purchase price of housing does not give them relatively as much as the white receives for the dollar he pays. They also show that he gets less—the nonwhite gets less—standard housing in relationship to his overall income position than the white receives. These flow out of the fact that he doesn’t have free access to the entire housing inventory, irrespective of his income position and his ability to pay rent or pay the purchase price of housing.

Now, there are three imponderable consequences of these restrictions, largely growing out of discriminatory practices. We can't measure these imponderables statistically, but they are tremendously important. One is our inability to tap to the full the potentialities and the talents of these minority groups. They have a good deal to contribute to our economic and cultural life; but, through segregation, through lack of full opportunity to move ahead in the economic sphere, although that's improving, they don't have the same degree of development of their talents and we are denied the full benefit of those talents. I think that is a luxury which this country pretty soon will find that it can no longer afford to have.

Another one of these imponderable consequences is the effect upon the foreign relations of our country. Secretary Dulles has mentioned that. The President has talked about it a number of times. The colored races are coming into their own gradually throughout the world. We need them as friends. We are in a very poor way to cultivate their friendship if they can point to discriminatory practices against the colored peoples, our own fellow citizens, in this country.

The third imponderable is one to me which is important, and that is the inconsistency between the profession which most of us make of certain ideals in our religious beliefs and in our great documents, historical documents, in this country and what we actually practice upon so large a percentage of our fellow citizens. That seems to me to create a conflict within our own hearts which is not conducive to our own happiness and well-being.

The general objectives of the Commission on Race and Housing was to do what it could to help in breaking down the three or four great barriers which stand in the way of minority groups in this country: (1) The barrier against their steady rise economically through better employment opportunities. Those employment opportunities ought to be enhanced as we go along.

(2) Break down the barriers against improvement in their educational and cultural standards and status in life. Improvement in that line will come more quickly as we get into a more free acceptance of nonsegregated education for the nonwhites in this country.

The third barrier, one that this Commission is very deeply concerned with, is breaking down of those legal and practical obstacles in the way of the free exercise of the franchise on the part of the nonwhites.

And the fourth, the one that I am primarily concerned with, and you at this meeting, namely: Breaking down the competitive barriers to free access to the full inventory of housing in this country.

Now, if I may take just a minute or two to go over the two or three major recommendations made by the Commission on Race and Housing:

First, with respect to the Federal Government—and, with your permission, gentlemen, I will read these because I think I can save a little time by so doing:

In the Housing Act of 1949 Congress declared the goal of national policy in housing to be “a decent home and a suitable living environment for every American family.” A related objective, also declared by Congress, is “the elimination of substandard and blighted areas.” Studies carried out for this commission, that is, the Commission on Race and Housing, demonstrate that realization of these goals of national policy is seriously hampered by racial segregation and discrimination in the distribution of housing facilities and benefits provided under Federal laws. Moreover, the policies of the Federal housing agencies which encourage or permit racial distinctions in the distribution of Federal housing benefits are inconsistent with the Constitution of the United States and the spirit of the housing acts of Congress.

In the judgment of this commission, these official acts of commission and omission which lead to discrimination are the product of archaic practices and attitudes which have no place in today’s world.

Although Federal programs provide but a part of the aids and resources utilized in the production of housing, the role of the Federal Government looms large in this area of our economy and society. It is generally recognized that Federal resources and leadership are crucial to the success of the national effort to achieve a decent home for every American family. In this report we call upon State and local governments, voluntary associations of citizens and the housing industry to take certain definite steps to purge our national life of the evil of housing discrimination. All this cannot proceed with any assurance of success unless the Federal Government moves to cure the ills of its own programs by the most expeditious, yet sound measures.

Toward this purpose we recommend to the President of the United States that he establish a committee on the elimination of discrimination in Federal housing and urban renewal programs. We suggest this committee be modeled after the presidential committees previously established to carry out the policies of equal employment opportunity under Government contracts and equal treatment and opportunity for all persons in the armed services. Like its predecessors, the committee should be composed of high-ranking Federal officials and private citizens, including representation of the housing industry and the groups affected by discrimination in housing.

This presidential committee should have the duty and authority to examine the rules, procedures, and practices of the Federal housing agencies and consult with representatives of interested groups and the housing industry with the view of determining the best means of achieving the purpose for which it was created. After study of the

problems, the committee should present to the President its recommendations for a complete program and time schedule, looking toward the elimination of discrimination in the distribution of Federal housing benefits at the earliest time practicable.

Now, we have some other recommendations with respect to the Federal Government which are in the statement that is filed with you. I won't go into those at the moment. We have some recommendations with respect to State governments, which I will not go into here, but they are in the statement.

I do wish to comment upon our recommendations with respect to the housing industry. With respect to this part of the statement, these recommendations concern mortgage lenders and real estate brokers as well as the builders of housing. Now, these, of course, are the recommendations of the Commission on Race and Housing:

(1) We recommend to builders, mortgage lenders, and real estate brokers, that they conform to the principle of a free housing market and study the experience of financially successful interracial housing developments for helpful guidance. This action is not only a matter of social responsibility, but it is in the economic interest of the housing industry to broaden the market for housing and remove impediments to its functioning.

(2) Individual builders may consider that to admit any nonwhites to their developments would place them under a competitive disadvantage—and, undoubtedly, gentlemen, that's what they feel and what they believe. Such disadvantage, to the extent that it exists, would be greatly lessened or eliminated if builders in a market area acted in concert to open all housing developments to qualified buyers or tenants without regard to race, ethnic descent, or religion. We recommend, therefore, to national and local associations of the housing industry that they take the lead in effecting a concerted industry-wide policy to this effect.

(3) Mortgage lenders should singly or collectively discontinue the practice of limiting loans to nonwhite borrowers in certain residential districts. Mortgage credit should be extended to nonwhites in any location on the same terms as to other borrowers.

(4) Since the National Association of Real Estate Boards has previously deleted from its code of ethics all references to race or nationality, we recommend that real estate brokers take the positive step of declaring that realtors should offer listed residential properties to any qualified purchaser or renter without regard to racial or religious distinction unless the principal has, in writing, directed limitation of a particular transaction to certain groups.

(5) And, lastly, we urge trade associations of the housing industry, including real estate boards, mortgage banker associations and build-

ers' associations, to drop color bars to membership and admit any qualified businessman without distinction of race, color, or creed.

Now, then, gentlemen, if you will permit Dr. McEntire to join me up here, he will assist me insofar as he can in answering any questions you may have. He is much more familiar with the statistical background and these research projects than I am because he has directed them and has been very close to all of them.

Commissioner HESBURGH. Thank you very much, Mr. Schwulst. I think you have made a great contribution to the purposes of this hearing—

Mr. SCHWULST. Thank you.

Commissioner HESBURGH. And I think the things you have said with the vigor and courage which you have said them and the wisdom coming from a man in your position give them great depth and great weight.

Mr. SCHWULST. Thank you, sir.

Commissioner HESBURGH. I would like to bear on one point which you mentioned. I think it is the key to your whole discussion, and I think it is a point in which Dr. McEntire can bring us great help, because if it is true then I think it represents an inequality in the American scene that we must address ourselves to on this Civil Rights Commission. You made the point that housing is the only commodity in the American market not freely available to minority groups, especially to nonwhite minority groups, and you said there were three reasons for this:

One was economic status, which was generally low to middle; Two was a lower educational and cultural status; and Three was active discrimination against these groups.

You indicated we could do something about the income status by perhaps a more open-ended approach to employment opportunities and to economic improvement, which generally seems to be coming to pass in our times, that we could approach the lower educational-cultural status by making better educational facilities available through whatever means possible on the American scene, and there is a great deal of conversation, talk and turmoil on this scene today, but the third point of discrimination was, I think, the one to which you addressed yourself more directly, and you said this discrimination came from two reasons—that the white property owners feel they will lose social status by the introduction of nonwhites into their neighborhoods and, secondly, that property values will be depreciated—although you say this is not necessarily true and possibly in many cases the effect of a self-fulfilling prophecy.

Now, the point that I am trying to bear in on is that you say these discriminatory practices are aided and abetted by the financiers, the brokers, those who finance housing generally, by the builders, develop-

ers of new housing, by local governmental bodies through zoning regulations of one kind or another and, lastly—and this, of course, bears in directly on our problem—the work of the Federal Government, the policies and practices of the Federal Government.

I would like to discuss that point of the Federal Government in this, but I would, first of all, like to ask Dr. McEntire if he can buttress or support your point that housing is the only commodity in the American market not readily available to the minority groups, especially the nonwhite groups. Dr. McEntire, can you elaborate on these charts and add to what has been said by Mr. Schwulst?

Dr. McEntire. Yes; I think so, Father. This is quite plain, I think, from general observation—that our American market is, on the whole, open to anyone who has the purchasing power. Any individual can walk into an automobile dealer's shop and drive away any car he wants to if it is available and he can pay for it, and so on through the entire range of consumer goods, but housing is the great exception and an individual simply cannot, in our cities and neighborhoods, move into a neighborhood of his choice and a neighborhood which he can pay for if the property owners in the neighborhood or real estate brokers, mortgage bankers, and so on, don't want him there because of his color. This is a general observation.

One element of statistical fact which Mr. Schwulst referred to in his testimony and which the data demonstrate very clearly is the effect of discrimination upon the market position, upon the position of nonwhites in the housing market, and Mr. Schwulst said that one consequence of discrimination was that the nonwhite homeseeker, home renter or purchaser does not get the same amount of quality of housing per dollar spent as does the white person—and may I ask you to look at this chart.

This chart No. 1, in which you see here—and I may say in our studies we accumulated a great deal of information, statistical data, on this subject, and in the charts we present only a few illustrative figures.

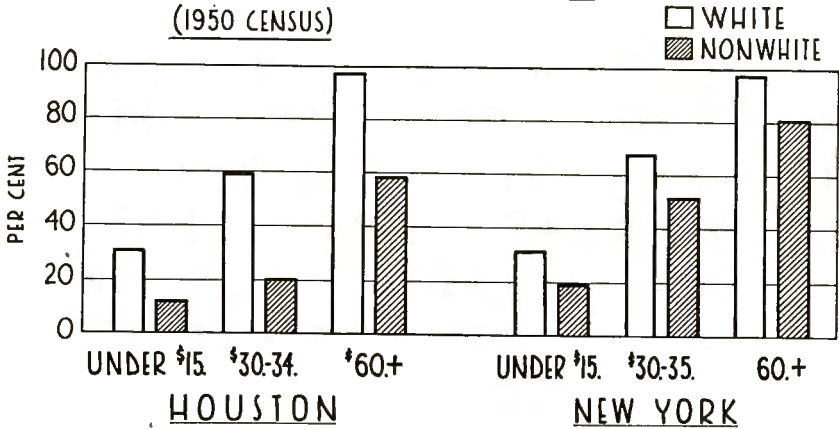
So, we make comparisons here for Houston, New York City, New Orleans, and Detroit, and the comparisons have to do with the percentage of rented dwellings which are standard dwellings; that is to say, dwellings which are in sound physical condition and which are equipped with private sanitary facilities, and here we compare them according to rental classes.

So, let's look at Houston, and we see that here we have those renters who are paying, at the bottom of the scale, under \$15 a month, and we see that the whites obtain in that city about twice as many, relatively twice the percentage of standard dwellings, as do the nonwhites.

Now, we go right on through the rental brackets, up to the highest one, \$60 and over, and we find again that in Houston—and these data are from the 1950 census—at this high rental level in Houston—prac-

CHART 1. RENTED DWELLINGS, PER CENT STANDARD BY GROSS RENT AND COLOR

(1950 CENSUS)



COMMISSION ON RACE AND HOUSING

tically all of the white renter households who pay \$60 a month or more for their rent obtain a standard-quality dwelling, but only about half of the nonwhites who pay the same amount of rent obtain dwellings of that quality.

Now, we compare this with New York, and we notice here that, although, in the first place, the differential between the whites and the nonwhites is much less than it is in Houston, relatively the nonwhites obtain a much better housing deal in New York than they do in Houston or, for that matter, in most other cities of the country; but the same differential exists even in New York, as we see—that the nonwhite still in New York has not received the same percentage of good-quality, of standard-quality dwellings as does the white person who pays under \$15 a month or who pays in the middle range or who pays in the high range. Here are the same data again indicated for New Orleans and for Detroit, and the same picture emerges.

Now, I might offer two observations concerning these charts:

In the first place, we see that there is a uniformity of pattern everywhere, that the nonwhite is disadvantaged everywhere as compared to the white households paying the same amount of rent.

In the second place, we see that the nonwhite is much more disadvantaged in the southern cities than he is in the northern cities. Not only for the same amount of rent does he receive actually a much poorer quality of housing than he does in New York, but the distance which separates him from his white counterpart at the same rental level is much greater in the South than in the North, which is just another way of saying what we all know—that discrimination is much more severe in the South than in the North.

If you would like to look and follow the lines that run horizontally across the chart, you will observe a very interesting thing—and that is that the white people who pay a certain amount of money for rent get just about the same quality of housing in the South as in the North. So, you see at the low rental level and at the intermediate rental level and at the high rental level the white person of Houston does just about as well as the white person of New York and vice versa. We see very little difference in the conditions of white housing in New Orleans as against Detroit, for example.

So, this indicates that the white person can take a dollar for rent and spend it in Houston or New York or Detroit or New Orleans, or Houston or Chicago, and get just about the same quality of housing throughout the country, but the nonwhite person cannot do that. The nonwhite person's dollar goes a lot farther in the North than it does in the South. For a given expenditure of money, he gets a much better quality of housing in New York or in Detroit than he does in Houston or New Orleans, or other cities. Now, Father, I could go on with more material from the charts—there are a great deal of them—but—

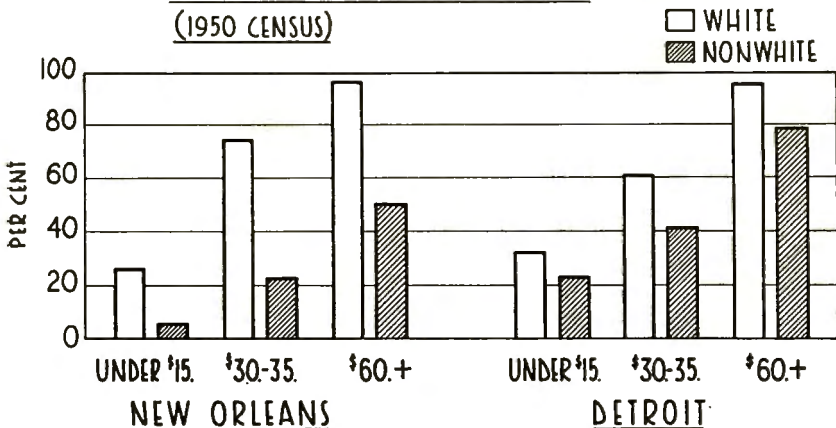
Commissioner HESBURGH. I think it would be well if you would explain the other chart. We have about 12 minutes left, and we want to get as much as possible of this, and I am sure some of the Commissioners would like to ask a question or two. If you would explain the second chart, we would appreciate it very much.

Mr. SCHWULST. May I say, Father—

Commissioner HESBURGH. Yes.

CHART 2. RENTED DWELLINGS, PER CENT STANDARD
BY GROSS RENT AND COLOR

(1950 CENSUS)



Mr. SCHWULST. I believe we have, the Commission on Race and Housing, or Dr. McEntire for the Commission on Race and Housing has made available to your Commission a great deal of our material; and, of course, all of it is available to you.

Commissioner HESBURGH. That is correct.

Mr. SCHWULST. Everything we have is available to you. All of our research projects, all of our mountainous mass of material and data—they're entirely at your disposal, and your staff, I believe, understands that.

Commissioner HESBURGH. Yes. We appreciate that.

Dr. McEntire. Shall I point out just these two other maps, Father?

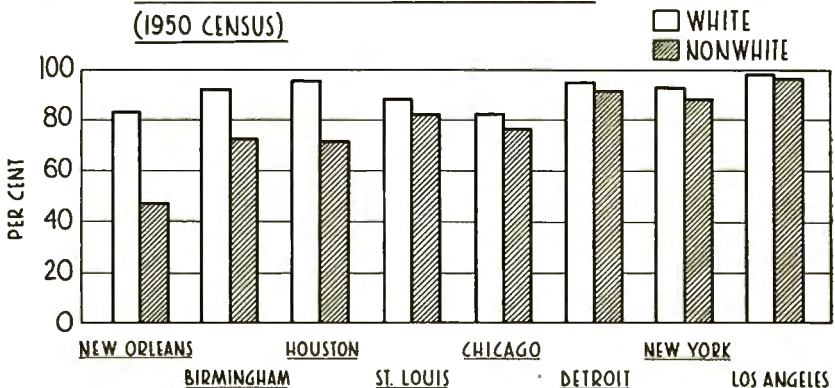
Commissioner HESBURGH. Yes.

Dr. McEntire. And then perhaps that will be all.

Commissioner HESBURGH. Could you take the PA with you, Doctor?

Dr. McEntire. Yes. In looking at chart 3 and chart 4, in chart 3 we have represented the home ownership dwellings that are valued at \$6,000 to \$7,500 in 1950. In that year this value class represented a middle class of home owned dwellings, which were very numerous, and this points out to us—from this chart, we see that the difference between whites and nonwhites in the quality of housing which they occupy at the same price level is much smaller in the home ownership category than it is in the rental category. The nonwhite who buys his house does better relatively than the renter. We see also that the discrimination gap between the white and the nonwhite is much smaller in the home ownership category than in the rental category. We see also that the same difference between north and south appears in the homeownership category as in the rental category.

CHART 3. OWNED DWELLINGS VALUED AT \$6000-7500
PER CENT STANDARD BY COLOR
(1950 CENSUS)



In New Orleans, for example, as we see on the map, the white homeowners in this value bracket, something over 80 percent of them, obtain standard dwellings, but only about 40 percent of the nonwhites paying the same amount for their homes received standard quality dwellings. As we go through the South and as we come to Chicago and to Detroit and to New York, we find that the difference between the whites and the nonwhites becomes very narrow. In New York it's quite narrow, and in Los Angeles it just about disappears altogether.

Then in the other chart, chart 4, this shows the percent of families of a given income class who obtain standard dwellings regardless of what they pay for them, and this is very interesting, as we see. No matter what the income, the nonwhite consistently gets poorer housing than the white family, and this differential is extremely great in the South and becomes quite narrow in New York and narrower still in Los Angeles.

I believe, gentlemen of the Commission, that from a national point of view these are significant data because they indicate—well, we are having this hearing here in New York City, and, naturally, a good deal will be said about conditions in New York City, as is proper to this hearing, but looking at the whole picture, from a national point of view, New York City has less overcrowding of the nonwhites than most of the southern cities. The housing conditions are distinctly superior in New York City to what they are in most other cities of the country, except in the Far West.

CHART 4. RENTED DWELLINGS, PER CENT STANDARD BY INCOME AND COLOR (1950 CENSUS)

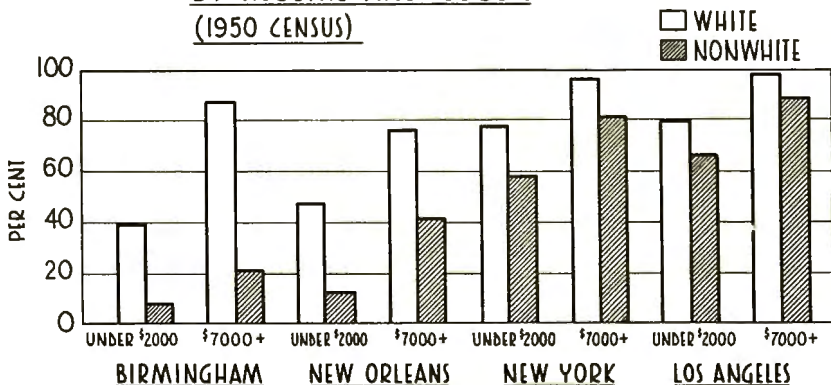
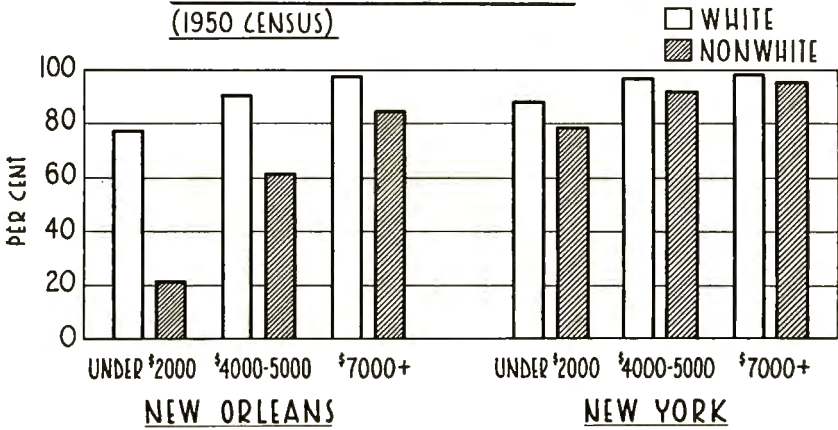
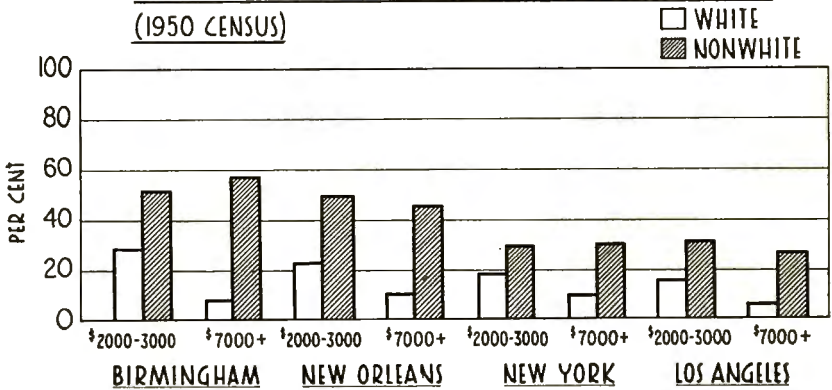


CHART 5. OWNED DWELLINGS, PER CENT STANDARD BY INCOME AND COLOR
(1950 CENSUS)



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CHART 6. RENTED DWELLINGS, PER CENT WITH 1.01 OR MORE PERSONS PER ROOM BY INCOME AND COLOR
(1950 CENSUS)

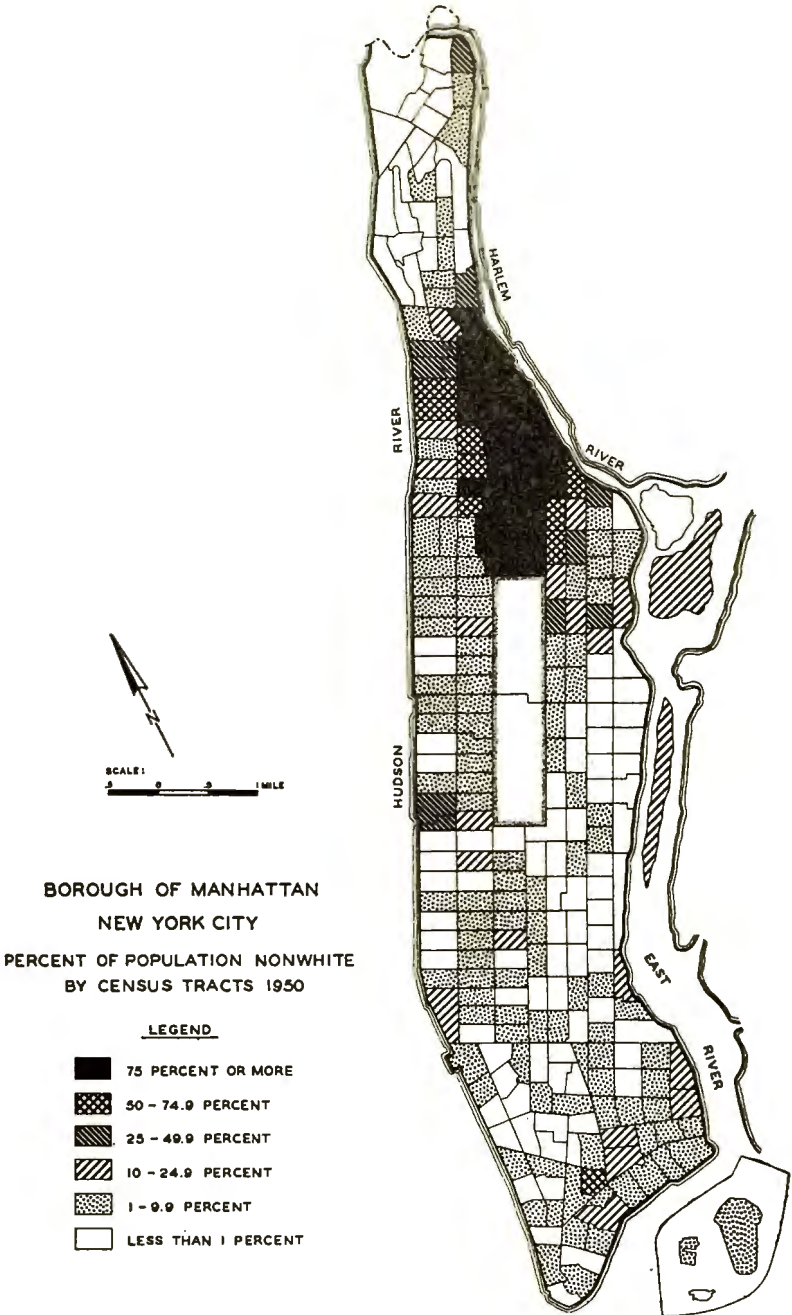


COMMISSION ON RACE AND HOUSING

Commissioner HESBURGH. Dr. McEntire, could you explain very briefly these other charts regarding the pattern within the cities, because here we have, I think, at least a picture that it has been said to me favors the South rather than the North, the pattern of the dwellings of various racial groups within a city?

Dr. McENTIRE. The maps that are being set up here show the residential distribution of nonwhites in various cities, and they could be gone into in a great deal of detail, but I will just mention one or two

things about them in a general way. You see that the residential pattern differs a great deal from one city to another.

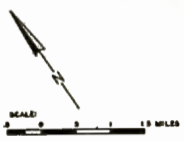


COMMISSION ON RACE AND HOUSING

MAP 1-A



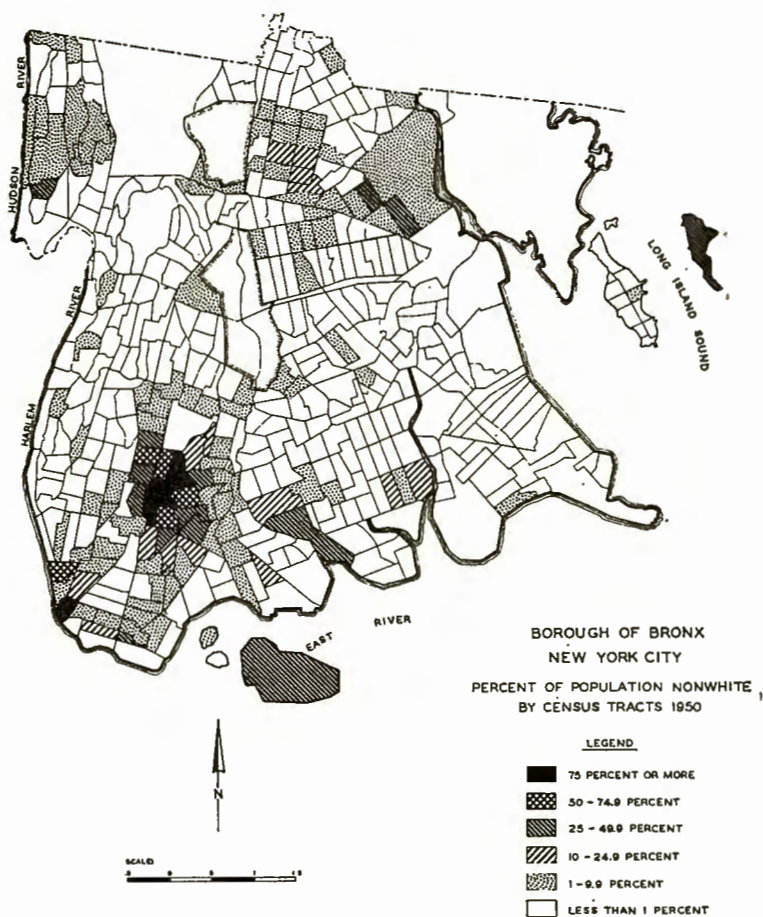
BOROUGH OF BROOKLYN
NEW YORK CITY
PERCENT OF POPULATION NONWHITE
BY CENSUS TRACTS 1950



- LEGEND
- 75 PERCENT OR MORE
 - 50 - 74.9 PERCENT
 - 25 - 49.9 PERCENT
 - 10 - 24.9 PERCENT
 - 1 - 9.9 PERCENT
 - LESS THAN 1 PERCENT

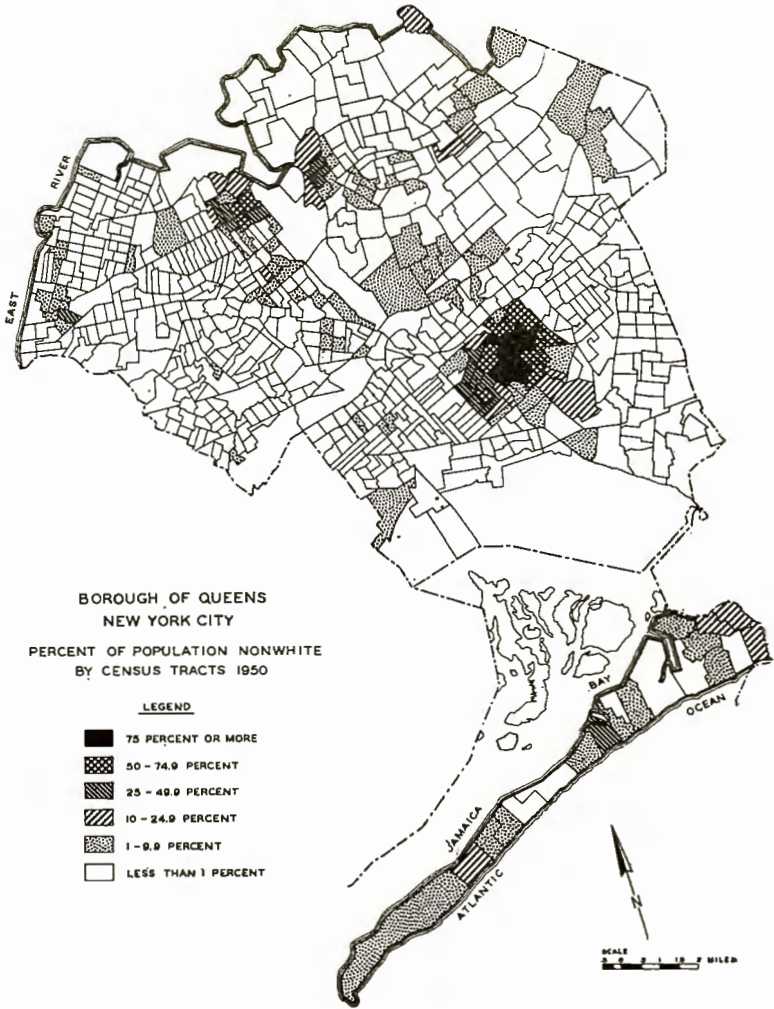
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MAP 2-A



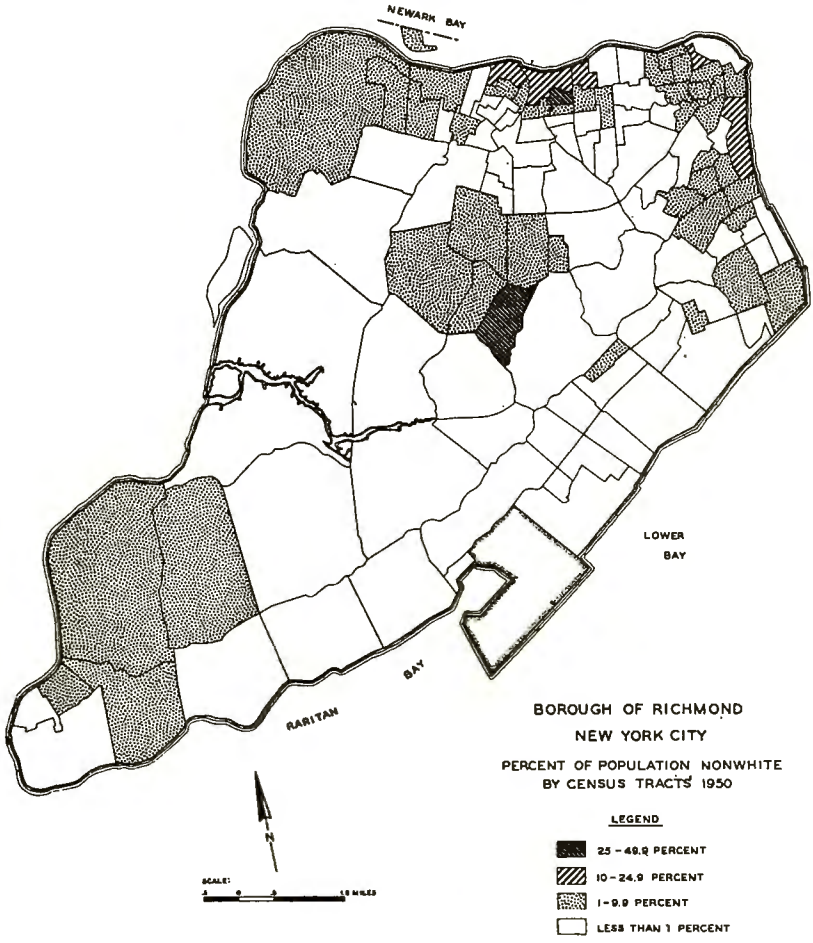
(COMMISSION ON RACE AND HOUSING

MAP 3-A



COMMISSION ON RACE AND HOUSING

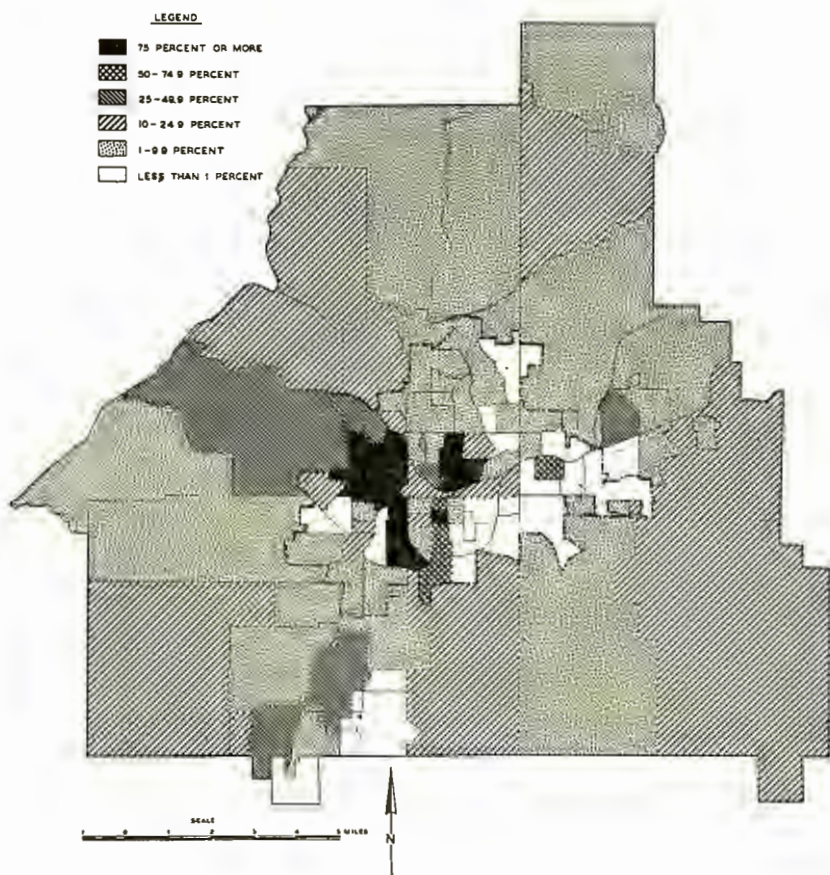
MAP 4-A



COMMISSION ON RACE AND HOUSING

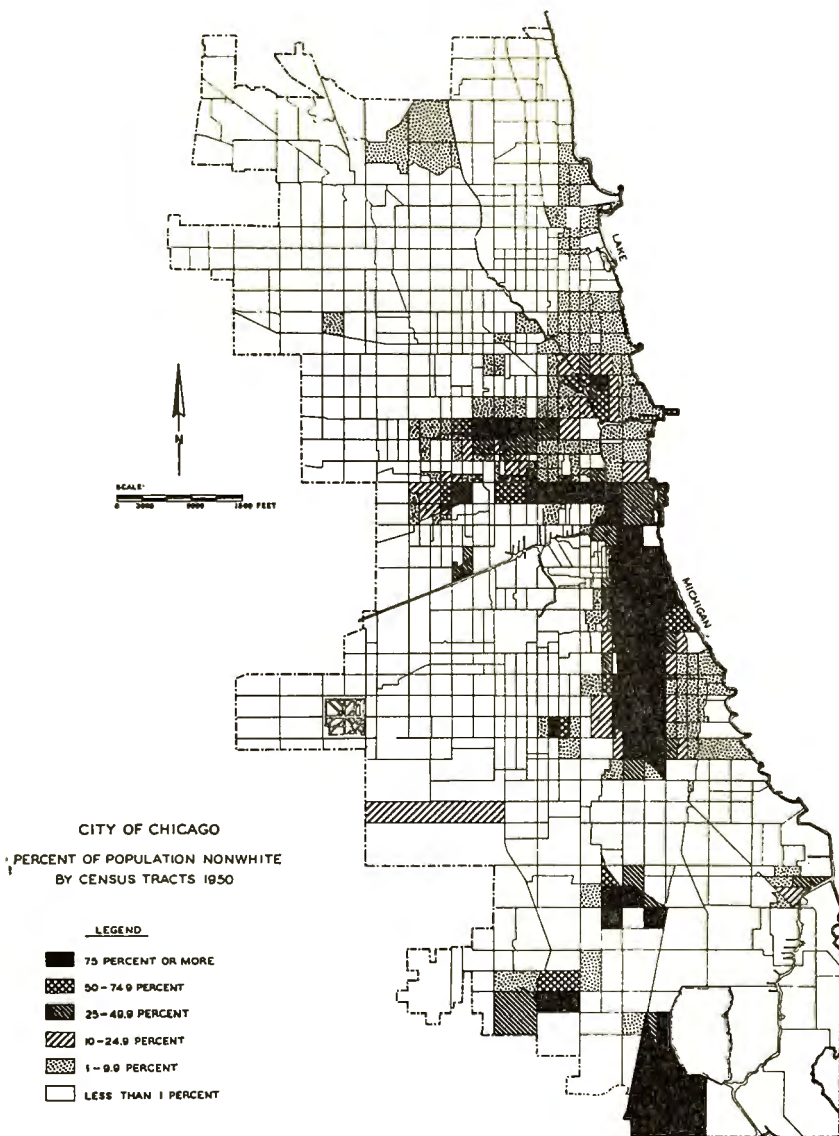
MAP 5-A

CITY OF ATLANTA
AND ADJACENT AREAS
PERCENT OF POPULATION NONWHITE
BY CENSUS TRACTS 1950



COMMISSION ON RACE AND HOUSING

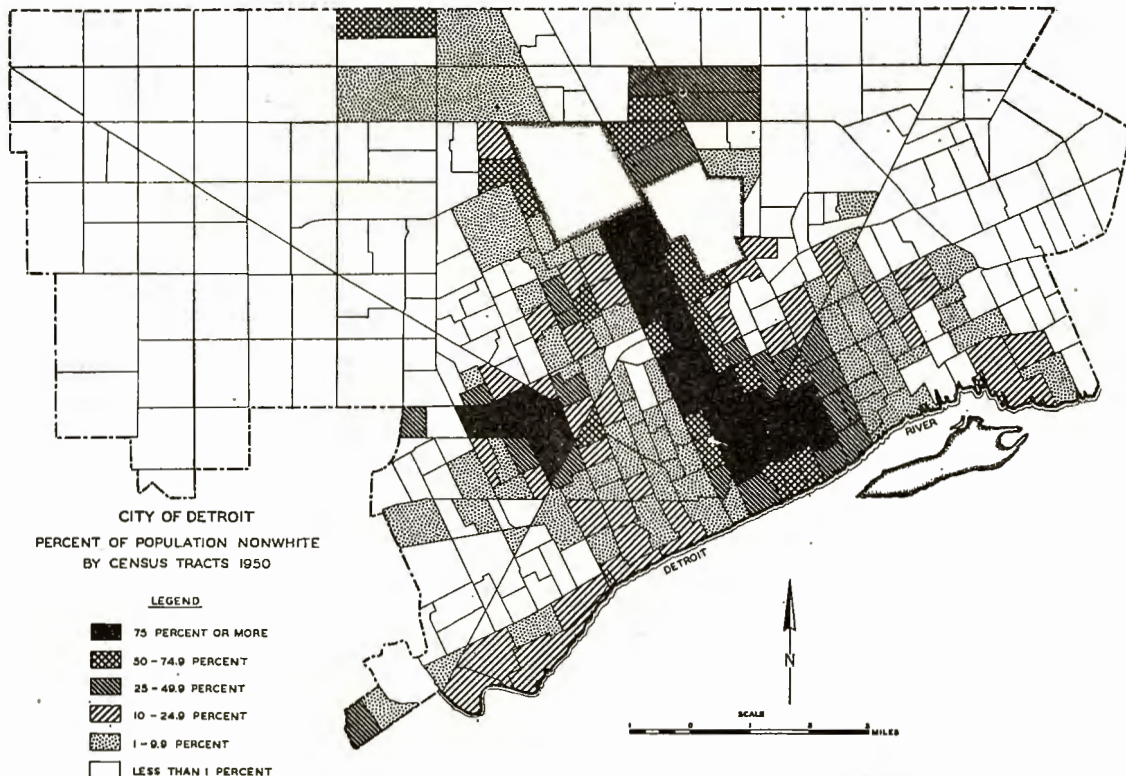
MAP 11-A





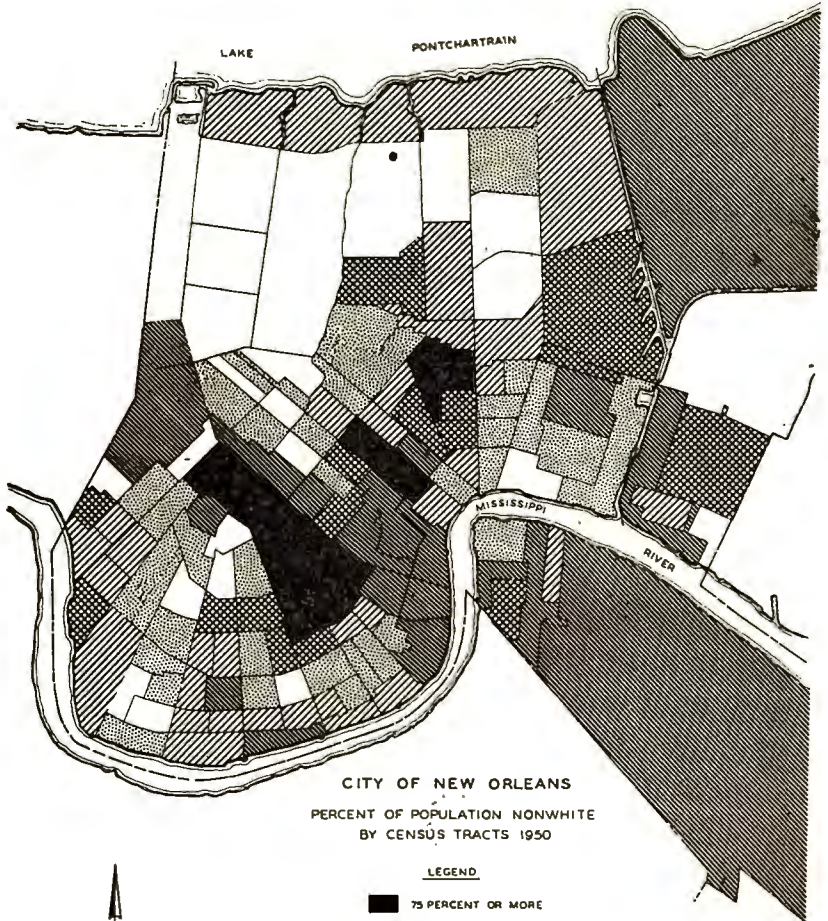
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MAP 12-A



MAP 9-A

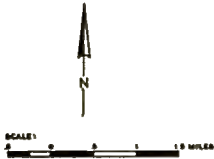
COMMISSION ON RACE AND HOUSING



CITY OF NEW ORLEANS
 PERCENT OF POPULATION NONWHITE
 BY CENSUS TRACTS 1950

LEGEND

- 75 PERCENT OR MORE
- ▨ 50 - 74.9 PERCENT
- ▩ 25 - 49.9 PERCENT
- ▧ 10 - 24.9 PERCENT
- ▦ 1 - 9.9 PERCENT
- LESS THAN 1 PERCENT



COMMISSION ON RACE AND HOUSING

MAP 13-A

Here we have New York on these maps, all four boroughs, and here we have Chicago. We see that generally in the northern cities the nonwhites tend to be concentrated in one or two large areas of the city and then rather thinly scattered through much of the rest of the city, whereas in the southern cities—and here we have the map for Atlanta, Ga., and another map for Birmingham, Ala., and another map for New Orleans—we see that actually the segregation of nonwhites into limited areas of the city is rather less than in the northern cities. The nonwhites tend to live more in smaller concentrated areas, but scattered throughout the whole city rather than in just a few areas; but one fact which the maps bring out, if you could look at them in detail, is that this pattern in the South is shifting more toward the northern pattern—that the nonwhites, the Negroes, in southern cities are tending to become more concentrated in certain large areas, whereas in the northern cities there is some tendency toward spreading out through the housing inventory and through the areas as a whole.

Commissioner HESBURGH. Thank you very much, Dr. McEntire.

Dr. Hannah would like to ask a question.

Chairman HANNAH. Dr. McEntire, in the first chart you showed us it was very clear that the nonwhite groups got less for their money when they rented or bought housing than the white groups, and then these other charts indicate the tendency of the nonwhites to concentrate themselves in specific areas, for one reason or another—in many cases, of course, not their own choice.

One of the statements that is often made by folks who are rather unfriendly to this sort of effort that we are engaged in here is that, "Well, after all, that's where they want to live. These people live in this kind of housing as a matter of choice." Did you do any research to find out how many of these people who are living in sub-standard housing are living there because they preferred to live in this kind of situation and wouldn't like to get out into better housing if they could?

Dr. McENTIRE. Well, I think we can say some things about that. Yes. We asked that question specifically of various nonwhite groups wherever we had the opportunity, but I would like to come at it by referring to what Mr. Schwulst said earlier about the actual barriers to better housing for the minority groups: That it is not only a matter of discrimination; economic conditions play an important part and general social development of the groups play an important part in the discrimination, so that it may well be in the actual residential pattern existing at any one moment of time that factors of economic necessity, of associational opportunity, factors similar to those which have concentrated immigrant groups in the past play a large part; but the nonwhites are in a particular position because those who want.

to move away and to disperse themselves into middle-class neighborhoods are barred from doing so, and that's where discrimination actually comes in.

There are many important consequences from this, one of them being, as we have seen, under the effect of nondiscrimination laws, that it doesn't generate any immediate breakup and dispersal of the minority concentrations. It couldn't be expected that such laws would do so, but what the laws would accomplish would be to give to the nonwhite person the same opportunity which white immigrant groups have had in the past—that when they were prepared and when they were ready and when they were economically capable of improving their circumstances by a move to a better neighborhood, then they would be able to do so.

Commissioner HESBURGH. I would like to——

Excuse me, Dr. Hannah.

Chairman HANNAH. I would like to pursue that. I don't want to belabor the point, but we make the point frequently that what we are trying to achieve is not only an opportunity for the nonwhite to vote and to have an educational opportunity and these other advantages that come to other people, but we say that once he has this opportunity we want to make certain he has the same opportunity to reap the rewards that result from his contribution to society that are available to other groups.

However, you didn't answer my question. I make the statement that other people make. Did you do any research to find out how many of these people in substandard housing with incomes to permit them to live in better housing would like to live in better housing or are they where they are because they want to stay there?

Dr. McENTIRE. We couldn't give you any statistical figure on that, Dr. Hannah. All we could say is that many of them are there because they prefer to be, because they can't afford to live elsewhere, but some certainly do desire to move elsewhere.

Commissioner HESBURGH. Gentlemen, we have exhausted our time on this, and we wanted to take a five-minute break, but I don't want to be completely arbitrary and I know there is a fellow Texan on our Commission who would like to speak to this fellow Texan, Mr. Schwulst. So, Dean Storey, I am going to give you the floor, even though it is against the time regulation here.

Vice Chairman STOREY. Mr. Schwulst, as I recall, you said some of these problems were not related to race in the field of housing, and you referred to several minorities—the Puerto Ricans, the Mexicans, the Negroes, and the Orientals—those four classifications. I understand your Commission made a study not only in New York, but throughout the Nation and, being a fellow Texan and having

been born just a few miles from each other, and since you have had business experience in Dallas and kept up with it, I want to ask you if you are familiar with the housing project known as Little Mexico in Dallas, Tex. You have some charts from Houston, but you don't have any from Dallas. Are you familiar with that project?

Mr. SCHWULST. No; I'm not. I've been away from Dallas for a mighty long time. I know there are areas in Dallas which are inhabited pretty largely by Mexicans. It used to be down on McKinney Avenue.

Vice Chairman STOREY. It was, and part of it still is, but did you realize that, through the efforts of the Mexicans, themselves, in cooperation with the city, they had built a very fine housing area known as Little Mexico—

Mr. SCHWULST. No; I didn't know that.

Vice Chairman STOREY. And that the Mexicans are highly treated and all citizens of Dallas are very pleased with the outcome of that?

And did you know also that in Dallas, up around Thomas Street, a great concentration of Negroes and bad housing, that it is entirely torn down and, under city and private auspices, a very fine housing area has been created?

Mr. SCHWULST. The Bowery Savings Bank has two very large loans on some rental housing in Dallas which is occupied entirely by Negroes, one development out near Forest Avenue, South Dallas, and one over at Oak Cliff which has a magnificent view of the Dallas sky.

Vice Chairman STOREY. They worked out very well?

Mr. SCHWULST. Oh, indeed.

Vice Chairman STOREY. Even from a financial standpoint?

Mr. SCHWULST. Oh, indeed; yes.

Vice Chairman STOREY. Now, I would like to address one question to Dr. McEntire, if I may. As I understood, Doctor, you said, by virtue of these charts and by virtue of your studies, that the discrimination was more acute in the South than in the North. Did you refer to that as to housing alone or in all areas?

Dr. McENTIRE. Well, our studies relate only to housing and our charts and statistics deal only with housing. I might have some impressions about other areas, but I think what we have to present here relates only to housing.

Vice Chairman STOREY. What I am trying to get at: I believe your statement was that these charts are evidence and show that the discrimination is more acute in the South than in the North, not playing one part of the country against the other, but I believe you meant to say, did you not, that that related to the housing area when you made that statement?

Mr. SCHWULST. That is correct; yes, sir.

Vice Chairman STOREY. Yes, sir.

When you get to the middle and upper income groups in comparison of Houston with New York and Houston with Detroit, there is not much difference, is there?

Mr. SCHWULST. Yes; there is quite a difference as between—the point I was making: As between the middle-income or upper income whites, or even lower income whites, for that matter, in Houston versus New York, versus Chicago or Detroit, there is not much difference; but when you compare the status of non-whites in Houston or New Orleans or Birmingham with the status of nonwhites in New York or Detroit or Los Angeles, then you find a very remarkable difference at every level of income.

Vice Chairman STOREY. With reference to the under \$15, of course, housing of that nature and that economic class is very limited in both areas, is it not?

Mr. SCHWULST. Oh, yes.

Vice Chairman STOREY. Very limited?

Mr. SCHWULST. Yes.

Vice Chairman STOREY. Thank you, sir.

Commissioner HESBURGH. Governor Carlton would like to ask one question, and I think I had better say at this time—this sounds arbitrary, but I must do it because otherwise we won't finish and the people who have prepared won't be able to make their statements—after Governor Carlton's question we are going to call the next witness, and if anyone wants to take the normal 10-minute break we planned at this time he or she will have to take it on his or her own time.

Governor Carlton.

Commissioner CARLTON. I believe I understood you to say there is less concentration of the minority race in the South than there is in the North. Is that correct?

Dr. McENTIRE. We find that generally true; yes, sir.

Commissioner CARLTON. And that the cost for housing, whether by rental or purchase, is higher in the South than it is in the North?

Dr. McENTIRE. The cost of housing—

Commissioner CARLTON. Yes.

Dr. McENTIRE. Is higher in the South than it is in the North?

Commissioner CARLTON. That the nonwhite has to pay more either for rent or for his house in the South than he does in the North.

Dr. McENTIRE. No. The data don't say quite that, sir. They say—the data say—that nonwhites who pay a certain amount for their housing get a poorer quality of housing than do whites who pay the same amount.

Commissioner CARLTON. In the North, where the concentration is greater, they get more; is that correct?

Dr. McENTIRE. They get more for the same money; yes.

Commissioner CARLTON. Same amount of money?

Dr. McENTIRE. Yes.

Commissioner CARLTON. One other question I want to ask: Mr. Schwulst, as a banker, is it your observation that values go up when the nonwhite move into a white territory or they go down?

I was not exactly clear on your observation there.

Mr. SCHWULST. Well, the research of the Commission on Race and Housing shows—

Commissioner CARLTON. But your observation as a banker here in New York City—

Mr. SCHWULST. Well, I don't know that I have made any observation along that line with respect to our own experience. I have stated that we make loans without discrimination to borrowers who pass the credit standards that we apply generally and where the housing meets our usual standards of value in relationship to the loan applied for, and our experience with respect to those loans to nonwhites and other minority groups has been just as satisfactory as our loan experience generally; and I have not made any observation based upon the experience of the bank, itself, with respect to what happens to housing values in particular areas when nonwhites move into those areas. That calls for extensive research, and we have researched through our research projects in specific areas in different parts of the country.

Commissioner CARLTON. The New York area does not happen to be one of them, does it?

Dr. McENTIRE. No; it does not.

Commissioner HESBURGH. Gentlemen, on behalf of all the members of the Commission, I want to thank you very much, and we are very grateful for the availability of all your studies—and, as one sometimes says, it is often good to stop a discussion when it is most interesting and hope it can go on in other quarters.

Mr. SCHWULST. Thank you very much, gentlemen.

STATEMENT OF EARL B. SCHWULST, CHAIRMAN OF THE BOARD AND PRESIDENT,
BOWERY SAVINGS BANK

Gentlemen of the Commission: May I say in the beginning that the statement which I am submitting to you for the record was prepared jointly by Dr. Davis McEntire and me. Dr. McEntire is professor of social welfare at the University of California and served as research director for the Commission on Race and Housing. He is much more familiar than I am with the voluminous statistical and other research data which serve as the evidence supporting the report of the Commission on Race and Housing and the statement which I am about to make to you. Dr. McEntire is here today and I trust that you will permit me to call upon him to supplement my statement whenever that may appear to be necessary, and to assist me in answering such questions as you may care to ask.

What I shall have to say pertinent to this hearing is derived, in the first place, from nearly 40 years of banking experience of which more than half has been in the field of mortgage lending, and, in the second place, from my recent association with a distinguished group of fellow citizens who, in their private capacities, composed the Commission on Race and Housing.

As to my experience in the mortgage lending field, I would merely say that for the past eight years I have been the chief executive officer of the largest mutual savings bank, the Bowery Savings Bank, and that for 15 years prior to my becoming chief executive officer I was the bank's second ranking officer. This particular savings bank is one of the country's largest lenders on mortgage and now has approximately \$1,200 million in mortgage loans with an additional \$150 million committed on such loans.

The Bowery does not discriminate on grounds of race, creed, color, or national origin in making loans (or, for that matter, in employment). It has many millions of dollars loaned on properties owned or occupied by nonwhites and other millions on properties of mixed occupancy. Its experience with these loans has been no worse than its experience with other loans.

The Bowery never inquires regarding the race, religion, or national origin of an owner or occupant of a property on which a loan application is made. If credit checkings are satisfactory and the value of the real estate in relationship to the loan applied for meets our usual requirements, the loan is granted. In fact, many of our loans are bought in the market and we never know the race, religion, or national origin of the owners or occupants of the underlying real estate at the time we acquire the loans. We make no inquiries along those lines because the information would have no influence upon our decision as to the acceptability of the loans. The only occasion on which we would, prior to making the loan, know the race or be able to surmise the religion or national origin of the borrower would be when the applicant applied in person for the loan. Many do apply in person. As I have said, the applicant's race, religion, or national origin would not have any bearing upon our decision to make or reject the loan.

Now, as to my association with and the work of the Commission on Race and Housing. In 1954 the Fund for the Republic invited me to serve as the chairman of a proposed commission to study the problem of racial discrimination in housing. I consented to do so on the understanding that the commission would be completely independent, free to conduct whatever inquiries it saw fit, and to draw such conclusions as its members, individually or together, might consider warranted by the facts. The other members agreed to serve with me on the same basis, which was wholly satisfactory to the Fund. The members were Prof. Gordon W. Allport of Cambridge, Mr. Elliott V. Bell of New York, Mr. Laird Bell of Chicago, Rev. John J. Cavanaugh of Notre Dame, Mr. Henry Dreyfuss of Pasadena and New York, Mr. Peter Grimm of New York, Col. Campbell C. Johnson of Washington, D.C., Mr. Charles S. Johnson of Nashville, Mr. Charles Keller, Jr., of New Orleans, Dr. Clark Kerr of Berkeley, Mr. Philip M. Klutznick of Park Forest, Mr. Henry R. Luce of New York, Mr. Stanley Marcus of Dallas, Mr. Harold C. McClellan of Los Angeles, Mr. Ward Melville of New York, Mr. Francis T. P. Plimpton of New York, Mr. R. Stewart Rauch, Jr., of Philadelphia, Mr. Robert R. Taylor of Chicago, and Mr. John H. Wheeler of Durham. All of the members served in their private capacities and not as representatives of any organization or group. Mr. McClellan resigned from the commission following his appointment as Assistant Secretary of Commerce in 1955. Dr. Johnson and Mr. Taylor died before the commission completed its work.

The Commission on Race and Housing undertook an extensive study of the housing conditions of minority racial and ethnic groups and factors related thereto. Particular attention was given to four groups: Negroes, Puerto Ricans, Mexican-American, and Orientals. Studies were carried out nationally and in selected metropolitan areas representing all major regions of the country. The research was directed by Prof. Davis McEntire of the University of California with the collaboration of economists, sociologists, and psychologists in a dozen leading universities. Prof. Robert K. Merton of Columbia University, Prof. Stuart W. Cook of New York University, and Dr. Robert C. Weaver of the New York State government served the commission as research advisers.

Thanks to the efforts of the cooperating social scientists and the generous financial support of the Fund for the Republic—extending with unvarying recognition of the commission's independent status—the commission had the opportunity of considering an impressive collection and analysis of facts. On the basis of all the studies, the members of the commission reached certain conclusions and ventured some recommendations which have recently been published by the University of California Press under the title, "Where Shall We Live?"

I should say here that the members of the commission were not under any commitment or obligation to make any proposals concerning the problems which they were studying. Indeed, we considered whether it might not be best just to

publish the findings of our research for the information of the public, without recommendations. However, since we had, in fact, after long study, arrived at certain conclusions, we decided to announce them. The recommendations of the commission were adopted unanimously.

With your permission, I should like to submit for your consideration the substance of the commission's proposals. First, however, let me summarize briefly the principal findings which emerged from our research.

Persons who belong to various minority racial or ethnic groups generally have fewer housing opportunities than do members of the white majority with comparable incomes. This is the core of the racial problem in housing—the fundamental fact which distinguishes the housing situation of the minorities from that of the general population. The minority homeseeker has less freedom to compete in the market for housing than does a majority white persons. Where the latter may bid for any available dwelling, the minority person is restricted from entering many neighborhoods because of his race, color, or ethnic attachment. Not only does he have fewer alternatives but the areas in which he can compete are generally of inferior residential quality.

Having stated the basic fact in this rather bald fashion, I now mention another major finding of our studies: the fact of variation. Racial discrimination in housing is not uniform but varies among groups, cities, regions, and from one period of time to another. Negroes are everywhere the most severely restricted group: Puerto Ricans among the least. In some cities the confinement of minorities to certain districts may well be compared to the medieval ghetto, but in other cities a much more flexible situation prevails. During the last war, the scarcity of housing available to growing Negro populations assumed crisis dimensions in many cities. At the present time, with a more abundant general supply of housing, the situation for minorities is much improved.

Discrimination and residential segregation go together. In every city the minority groups are concentrated in certain districts. I have here a series of maps prepared by our research staff, showing the distribution of nonwhites and other minorities in various cities. As the maps indicate, the residence pattern varies from one city to another. In some cities, the minorities are concentrated in one or two large areas. In other cities they are located in a number of smaller clusters. Southern cities tend to conform to the latter pattern; northern cities usually approximate the former. It will be noted that minorities are not completely segregated. In every city there are racially mixed areas plus a few minority persons scattered throughout the city. But everywhere, a general pattern of concentration prevails.

Undoubtedly many, perhaps most, of the minority people live in the segregated areas from economic necessity, force of habit, or choice. But when an individual decides to live somewhere else, he usually encounters obstacles due to his race or ethnic group. Property owners or brokers may refuse to sell or rent to him; bankers may refuse mortgage credit; local government may withhold services; in extreme cases, his personal safety may be threatened or his house, if he has managed to acquire one, may be damaged.

Looking inside the segregated areas, we find, as many have observed before us, that the housing is on the whole very inferior to the general standard of the respective cities. Most of the city slums are here. Parts of the minority areas contain good housing but these are generally nearby the slums and hence threatened with encroachment of slum conditions. The pressure of continually increasing minority population on a restricted housing supply results in the segregated areas being chronically overcrowded.

Minorities typically gain additional housing by expansion of their existing residence areas. Whites move out and their places are taken by the minority group. In this way, the shelter needs of a growing population are met but the group remains as segregated as before.

Within the metropolitan areas of the Nation, a broader pattern of segregation has developed as an outcome of population changes. The white population has been shifting to the suburbs at a very rapid rate since the end of the war, while Negro and Puerto Rican population growth has been overwhelmingly localized in the central cities of the metropolitan areas. Hence, we have the typical pattern of minority concentration in the large cities with broad surrounding zones that are almost wholly white.

Discrimination is not the only factor which accounts for the segregation of minority groups in areas of poor housing. Other major factors are the economic capacity and particular social characteristics of the group concerned. The importance of income in relation to housing needs no emphasis. Traditionally,

most Negroes, Mexicans, Puerto Ricans, and other minority individuals have been poor and unable to afford more than the cheapest dwellings unless by dint of overcrowding. This situation is changing, although the income gap between majority and minority populations is still very wide. With continued economic progress we may expect a largely increasing number of minority families to obtain good housing because they will have the means to pay for it. The trouble is that a dollar in the hands of a nonwhite person will not buy as much or as good quality of housing as will the dollar of a white homeseeker. I know of no other commodity on the American market of which this would be true. But in city after city our studies found that nonwhite families had poorer dwellings than did white households even when the rents paid or the purchase prices were the same. The disparity is greatest in the South, but it is clearly marked in cities of the North and West as well. This is a result of limitations on the housing alternatives available to nonwhites. Some examples are shown in the accompanying charts (Nos. 1, 2, and 3) prepared from special tabulations of 1950 census data.

In addition to poverty and discrimination, many members of minority groups are handicapped in obtaining good housing by a low level of education and all that that implies in regard to behaviour, social outlook, and ability to function in our urban society. As of 1950, nearly two out of five adult white Americans were high school graduates but among Negroes, Puerto Ricans, and Mexican-Americans only about one in eight had a high school education or better. Ways of living carried over from foreign cultural backgrounds are an added disability. Negroes, of course, are not "foreigners" in any sense, but a long history of economic and social deprivation have impressed upon the group a somewhat distinctive cultural stamp. The lower class of Negroes is further handicapped by a relatively unstable family system with a high proportion of broken families.

Owing to these cultural handicaps, many of the newly arrived Negroes and Puerto Ricans in northern and western cities, and Mexican-Americans in the Southwest as well, appear not to share fully in such accepted housing values of our society as privacy, sanitation, maintenance of property, or the social prestige of a well kept neighborhood. There is evidence that many do not compete as strongly for housing as even their limited incomes would allow. We find that nonwhites as a group tend to spend a smaller part of their incomes for housing than do whites. Both Negroes and Puerto Ricans manifest a tendency to spread the cost of housing by crowding, even at income levels which would permit more dwelling space per person.

Given time and opportunity, we can expect that economic and cultural handicaps of the minorities will gradually disappear, as in the case of many immigrant groups of an earlier era. At present, the poor housing of Puerto Ricans in New York and of Mexican-Americans in the Southwest appears to result more from economic and cultural factors than from ethnic discrimination. Members of these groups who are educated and possess adequate incomes have little difficulty in living wherever they choose. Continued economic and social advancement may be expected to produce corresponding improvement in the housing conditions of these groups.

Quite otherwise, however, is the situation for groups that are not white. For them, racial discrimination partially nullifies the rewards of economic and social progress. The Japanese in California, for example, are virtually on a par with the white population economically and have a somewhat higher level of education. They have been highly motivated to achieve home ownership and have made large expenditures for that purpose. Their housing is better than that of any other minority group, but distinctly inferior to that of the white population. With few exceptions, the Japanese do not live in good quality neighborhoods, although there is little question of their desire to do so and they could well afford the price.

Negroes who have achieved middle-class status (and their number is rapidly increasing) in all sections of the country generally fail to obtain housing comparable to that of whites at the same income levels. The accompanying charts (Nos. 4, 5, and 6), prepared from special tabulations of 1950 census data, clearly reveal two things: First, the improvement of housing quality among both whites and nonwhites with rising income; and second, the persistence of a housing disadvantage affecting nonwhites at all income levels. For example, considering renter families in New Orleans with incomes of \$7,000 or more, we find three-fourths of the whites but only 42 percent of the nonwhites living in standard housing (that is, structurally sound dwellings with private

sanitary facilities). In the New York metropolitan area, the housing of both whites and nonwhites is better than in New Orleans (or other southern cities) at all income levels; the difference between the racial groups in respect to housing quality is much narrower, yet it remains. At the income level of \$7,000 and over, 97 percent of New York white renter families lived in standard dwellings, but only 80 percent of nonwhite families possessed housing of that quality.

The causes of housing discrimination against minority groups are complex and frequently controversial. At bottom, obviously, is a widespread attitude of unwillingness on the part of white people to live in the same neighborhoods with nonwhites. It may be surprising to some but our studies indicate that for most people this attitude is based not so much on racial hostility as on certain fears of undesirable consequences of having nonwhite neighbors. Most fundamental, probably, are fears of loss of social position. As matters stand, the minorities have a low status in our society. When they enter a neighborhood, therefore, the white residents often tend to feel that their own status may be downgraded, particularly if the neighborhood becomes identified as a minority district. In this connection, it is important to notice that neighborhoods do carry pretty definite implications about the economic and social standing of their residents. Moreover, people who live in the same neighborhood are, in fact, considered usually as equals. Therefore, to the extent that people are concerned about their social standing (and almost everyone is to some degree), their anxieties are more likely to be activated by a nonwhite in the role of neighbor than in the role of coworker, fellow student, or fellow organization member.

Related to the status issue but more specific are fears of neighborhood deterioration including loss of property values. People look at the minority slums with all of their unwholesome manifestations, and fear that similar conditions may follow the entry of minority families. Or they may anticipate that the presence of minorities will reduce the market for residential property and hence provoke a fall in values.

It would be unrealistic to assert that these fears are groundless. Studies indicate that entry of nonwhites into a neighborhood does not necessarily depress property values and may even enhance them. However, under certain conditions, beliefs can generate their own validation. One of the distinguished members of our commission's Research Advisory Committee, Dr. Robert Merton, invented a name for this phenomenon. He calls it the "self-fulfilling prophecy." If enough people predict that property values are going to fall, and act in accordance with their prediction, the consequence may well be an oversupply of houses for sale and lower prices. Moreover, the conditions under which minorities have to obtain housing are often destructive of housing standards. When the residents of a neighborhood are more or less completely replaced by a different group in a short period of time, the established customs and practices of neighborhood maintenance are likely to be swept away, especially if the incoming group is on a lower socioeconomic level than the outgoing. When the supply of low-rent housing is insufficient for the needs of a growing population, the low-income group may expand into higher rent areas by means of subdivision and crowding of dwelling units.

Attitudes, beliefs, fears are, of course, states of mind which may or may not lead to corresponding action. In translating prejudice or fears into actual discrimination, the housing industry plays a great part. Not all members of the industry discriminate against racial minorities. Some are scrupulously non-discriminating and some are even crusaders for civil rights. But in the main, real estate brokers, homebuilders, and mortgage lenders make their services and products available to nonwhites only in limited measure and under special conditions. Real estate brokers, as a rule, will sell or rent dwellings to minority persons only in certain areas usually districts where minorities are already living. Extremely few builders will sell a new house to a nonwhite buyer except in developments intended for sale wholly to nonwhites. Many mortgage lenders will finance home purchases by nonwhites only in certain areas. Since almost everyone must depend in some measure on the housing industry to supply his housing needs, the refusal of the industry to make its services available on equal terms to minority homeseekers greatly limits their opportunities.

Most members of the housing industry strongly deny that their discriminatory practices result from prejudice and in fact there is no reason to suppose that persons engaged in these lines of business are either more or less racially prejudiced than any other large segments of the American population. A short

while ago, the builders and realtors in a California city were charged in a court proceeding with conspiracy to exclude Negroes from new housing developments. The court found the practice complained of to be "universally followed" in selling homes, but it also found "no animus" on the part of the defendants and no conspiracy. Instead, said the court, the businessmen were simply acting from their concepts of "good business and consideration for other customers * * * to continue a practice which had always been adhered to and which they felt was the right and considerate thing to do." This is a correct assessment of motives with respect to racial discrimination in the housing industry, in my opinion. Incidentally, this view of the matter has important implications for what can be done about the problem. Business practices that are considered undesirable can be changed, by law, if need be, whereas to change attitudes may be much more difficult.

Housing policies of the Federal Government have done much, both directly and indirectly, to sustain and strengthen racial segregation in housing. While vastly assisting and stimulating the production and distribution of housing, the Federal agencies, public housing excepted, have made no significant attempt to insure the availability of Federal housing benefits on equal terms to all Americans. One of the effects of Federal mortgage insurance or guarantees is to make large-scale building operations financially feasible; a corollary effect is to give the private builder the power to discriminate and segregate over wider areas than ever before. Hence, we have seen, in the postwar period, the emergence of huge new communities without a single Negro resident, at least at the outset. Racial segregation is probably nowhere more complete than in the federally assisted new private housing developments.

At one time and for a period of years, the Federal Housing Administration advocated the permanent exclusion of nonwhites from white subdivisions and adjoining territory by means of race restrictive covenants. Racial segregation was virtually one of the conditions for obtaining an FHA-insured loan. These policies have long since been abandoned in favor of a policy of neutrality or non-responsibility toward the question of discrimination. Formal neutrality, however, has the practical effect of supporting existing practices. It also represents moral sanction, for if the Government, expressing public policy, sees nothing wrong in racial discrimination, how can private persons be censured for practicing it?

The public housing program, also, has probably done more to increase than to diminish segregation, notwithstanding the open-occupancy policies of many local authorities. Federal policy, as in the private field, leaves to local agencies the decision of whether to segregate or not. Universally in the South and frequently elsewhere, local authorities elected for segregation, often moving low-income families from racially mixed slums to completely segregated public housing. Even where the formal policy is open occupancy, the frequent location of projects in slum areas and the use of public housing (as required by law) primarily to rehouse families displaced by slum clearance, who are mostly nonwhite, have tended strongly toward filling up the projects with minority families.

Local public agencies and officials, particularly in suburban communities, often use their discretionary powers over land use and building to prevent the entry of minority groups into areas reserved for white occupancy. Racial zoning was declared unconstitutional by the Supreme Court more than four decades ago, but at least one large southern city continued to enact and enforce racial zoning ordinances into the 1950's. Our studies have found evidence of frequent abuse of governmental powers to restrict the housing opportunities of nonwhite minorities in ways not accessible to judicial review, and under the cover of legitimate purposes.

In recent years, high officials of Federal housing have been among those urging equality of access to Federal housing benefits on principle. FHA now officially encourages open occupancy in private housing; it has notified builders in New York State that FHA expected them to comply with the State laws against discrimination in publicly assisted housing. Seemingly, the Federal housing agencies have been trying to find ways of promoting equal treatment of minorities without modifying their basic policy of letting private industry decide. In effect, the Federal Government seems now to be saying to private industry, "Discriminate if you must, but we wish you wouldn't."

Nothing that I have said up to this point about Federal policy should be taken as suggesting that Federal housing agencies have been unaware of or indifferent to the housing needs of minority groups. The Federal Government has never been willing to challenge the custom of segregation but within the limits of that

system it has instituted a series of measures to assist minority families in obtaining good housing. Among these are the allocation of "equitable" shares of public housing to minority occupancy, mortgage money from "Fannie Mae," special credit assistance from VHMCP, and the promotional activity of racial relations staffs. These measures have stimulated a significant volume of new housing construction for minority groups. In just 9 large metropolitan areas, nonwhites in 1956 occupied an estimated 93,400 dwelling units that had been built in 1950 or later, according to the Census Bureau's National Housing Inventory. These new dwellings were 8 percent (in New York 8.5 percent) of all nonwhite housing in the nine metropolitan areas.

Although nonwhites have received relatively much less new housing than the white population, nevertheless, for 1 nonwhite family in every 12 to achieve a new house within a 6-year period, is a notable event. Never before, undoubtedly, has any such amount of new housing been available to the nonwhite minority. It signifies, plainly, that the needs of minority families for decent, livable shelter are being met in substantial degree. Yet all of these new dwellings and other dwellings not so new but good that the minorities are acquiring do not solve the racial problem in housing.

To enlarge the measures of Government aid that I have mentioned and thereby further stimulate the production and marketing of new housing for minorities would be possible, yet proposals for doing so receive little support from any quarter. This is because the issue is now recognized as one not of housing supply but of segregation versus equality. It is only to be expected that with progress in meeting the shelter needs of people, this other and greater problem should come to the fore, above all in the setting of the existing broad movement toward equal rights and opportunity in all spheres.

Segregated housing, even though plentiful and good, cannot be a satisfactory substitute for opportunity to compete in the whole housing market. The Supreme Court has declared segregation in the field of education to be "inherently unequal" and this judgment would seem to apply with even greater force to housing. It is a truism that no two pieces of real estate, no two dwellings are exactly alike. Certainly, no two families have precisely the same set of needs and preferences where housing is concerned. Hence, the only way of equalizing the situation of individuals is to allow everyone the same freedom to choose among available alternatives.

Moreover, for a minority group whose members are improving their economic condition and rising in the social scale, one of the main considerations is opportunity to compete for the social values of good neighborhoods. We know that the middle class seeks not just housing but neighborhoods. The Negro middle class does the same. For Negroes or other minorities, a good neighborhood must be one that is not a minority neighborhood but includes whites of the middle class. In this there is nothing novel but again a parallel with the historic experience of immigrant groups. Their members, as they became assimilated, desired to be identified as Americans and so sought to live in "American" neighborhoods. The cultural assimilation of nonwhite minorities and their eventual acceptance as equals mean that they, too, must be permitted to leave minority neighborhoods and to live wherever they can afford and choose to live.

Turning now to measures which might be taken to promote equal opportunity for housing, let me emphasize once again that the barriers to be surmounted are threefold, relating to economic capacity, social development, and freedom to compete. Any measures which will accelerate the economic progress of the minority groups, aiding them to obtain better jobs and higher and more stable incomes will strengthen their ability to obtain good housing in good neighborhoods. Any measures that will raise the social standards of these groups will also raise their standing in the larger community and lead to better living conditions for them and for their neighbors. This underscores the importance of education, above all, unsegregated education. But as our studies demonstrate, economic and social advancement, powerful as they are, are not enough, at least for those groups that are not white. In order that these groups may fully realize the benefits of social and economic progress, it is necessary to take steps aimed directly toward overcoming discriminatory restrictions on their competitive freedom.

I should like to conclude, therefore, with the recommendations of the Commission on Race and Housing. These recommendations, as I have said, were adopted unanimously by the 17 members of our commission after prolonged study of the facts and problems. They follow verbatim as they appear in the commission's report, "Where Shall We Live?"

RECOMMENDATIONS

No single measure can produce a major change in the existing system of racial inequality. Many approaches are needed even if some may seem to overlap. Government, at all levels, bears a primary responsibility because of its constitutional duty to treat all citizens equally and because of its great influence on housing. But there is also much which the housing industry can voluntarily do to support equality. Particularly because the housing industry has become a partner of government in the distribution of government benefits, it has a responsibility greater than that of ordinary private business to deal equally with all American citizens. Private or semipublic organizations, including churches, labor unions, and citizen groups particularly dedicated to equal rights, have a vital role to play as leaders of the movement toward racial equality.

Upon the basis of extensive studies, and guided by the foregoing principles, the commission offers the following recommendations:

The Federal Government

1. In the Housing Act of 1949, Congress declared the goal of national policy in housing to be "a decent home and a suitable living environment for every American family." A related objective, also declared by Congress, is "the elimination of substandard and blighted areas."

Studies carried out for this commission demonstrate that realization of these goals of national policy is seriously hampered by racial segregation and discrimination in the distribution of housing facilities and benefits provided under Federal laws. Moreover, the policies of the Federal housing agencies which encourage or permit racial distinctions in the distribution of Federal housing benefits are inconsistent with the Constitution of the United States and the spirit of the housing acts of Congress. In the judgment of this commission, these official acts of commission and omission which lead to discrimination are the product of archaic practices and attitudes which have no place in today's world.

Although Federal programs provide but a part of the aids and resources utilized in the production of housing, the role of the Federal Government looms large in this area of our economy and society. It is generally recognized that Federal resources and leadership are crucial to the success of the national effort to achieve a decent home for every American family. In this report we call upon State and local governments, voluntary associations of citizens, and the housing industry to take certain definite steps to purge our national life of the evil of housing discrimination. All this cannot proceed with any assurance of success unless the Federal Government moves to cure the ills of its own programs by the most expeditious yet sound measures.

Toward this purpose we recommend to the President of the United States that he establish a committee on the elimination of discrimination in Federal housing and urban renewal programs. We suggest that this committee be modeled after the presidential committees previously established to carry out the policies of equal employment opportunity under Government contracts and equal treatment and opportunity for all persons in the armed services. Like its predecessors, the committee should be composed of high-ranking Federal officials and private citizens, including representation of the housing industry and the groups affected by discrimination in housing.

This presidential committee should have the duty and authority to examine the rules, procedures, and practices of the Federal housing agencies, and consult with representatives of interested groups and the housing industry with the view of determining the best means of achieving the purpose for which it was created. After study of the problems, the committee should present to the President its recommendations for a complete program and time schedule looking toward the elimination of discrimination in the distribution of Federal housing benefits at the earliest time practicable.

2. We further recommend, pending the adoption of Federal measures adequate to insure the equal access of all citizens to Federal housing benefits, and parallel with such measures when adopted, that Federal housing agencies, give, without delay, the fullest support to State and municipal legislation for equal treatment in housing.

3. Because of the vital role of local government in many aspects of housing, it is essential that members of minority groups participate fully in the political processes through which local officials, including members of zoning boards, planning commissions, housing authorities, and the like, are selected. Restrictions on voting rights or other barriers to such participation should be removed.

We therefore strongly endorse the action of Congress in 1957 to protect the voting rights of citizens; we urge the President, the U.S. Department of Justice, and the Civil Rights Commission to enforce and implement the Civil Rights Act of 1957 in every possible way.

Major phases of government-assisted housing are planned and administered by Federal and local governments cooperatively. For these programs we offer the following recommendations:

1. Recognizing that equal opportunity to obtain good housing will be most readily achieved when the supply of housing is adequate for the whole population, we recommend that Federal and local housing and urban renewal authorities intensify their efforts to increase the total housing supply. Special efforts should be made to increase the supply of good quality housing economically accessible to middle and lower income groups.

2. Authorities in charge of urban renewal programs should recognize, as a primary responsibility, the opening of adequate housing opportunities for displaced families, most of whom belong to minority groups.

3. Urban renewal programs should place increased emphasis on conservation and rehabilitation projects in areas undergoing racial transition, to maintain good housing standards. Special effort should be made to stabilize these areas on an interracial basis.

4. Urban renewal authorities should actively promote housing developments on open land with unrestricted occupancy, within the incomes of a substantial number of families in central areas. For this purpose, the use of open and predominantly open-land projects authorized by Congress should be actively encouraged.

5. Authorities in charge of low-rent public housing should vigorously combat the tendency for public housing projects to become low-income and racial "ghettos." To this end, intensified efforts should be made to develop projects in scattered locations, away from slums, and of such size and character as will blend into the housing pattern in the site areas. Public housing agencies should seek authority to modify the income limitations on continued eligibility for public housing, so that tenant families would not be compelled to leave because their incomes had risen, but could remain on payment of a fair rent, if they desired to do so.

State Governments

1. We strongly recommend repeal of all existing laws requiring racial segregation.

2. We recommend that State legislatures follow the example of the several States which have enacted legislation prohibiting discrimination in housing. Such laws should, at the minimum apply to all housing built or financed by any form of public aid. Experience under the New York City law covering all multiple-unit and development housing should be carefully studied for guidance in the extension of State legislation.

3. Agencies of State governments charged with the enforcement of laws against discrimination should have four types of authority; namely:

a. Power to act upon complaints of violation; to seek voluntary compliance with the law by means of persuasion and conciliation; and if voluntary methods fail, to issue orders and apply for their enforcement in the courts.

b. Authority to investigate reported practices of discrimination and initiate compliance proceedings on their own initiative, independent of complaints from aggrieved individuals.

c. Authority to investigate complaints of discriminatory application of State or local laws relating to land use or housing and to make public the findings of such investigations.

d. Authority and adequate funds to conduct programs of research, information, and education to encourage public acceptance of an open housing market.

Local Governments

1. In the absence of State laws, we recommend that municipal legislative bodies adopt laws of the type recommended above to States, so far as their authority permits, and provide for their enforcement.

2. Municipal legislatures should declare, as public policy that all local laws be administered without discrimination, and provision should be made for investigation of alleged violations.

3. Municipal governments should take leadership in developing programs of information and education to encourage public acceptance of an open housing market, on the model of existing programs in several cities.

The Housing Industry

1. We recommend to builders, mortgage lenders, and real estate brokers that they conform to the principle of a free housing market and study the experience of financially successful interracial housing developments for helpful guidance. This action is not only a matter of social responsibility, but it is in the economic interest of the housing industry to broaden the market for housing and remove impediments to its functioning.

2. Individual builders may consider that to admit any nonwhites to their developments would place them under a competitive disadvantage. Such disadvantage, to the extent that it exists, would be greatly lessened or eliminated if builders in a market area acted in concert to open all housing developments to qualified buyers or tenants without regard to race, ethnic descent, or religion. We recommend, therefore, to national and local associations of the housing industry that they take the lead in effecting a concerted, industrywide policy to this effect.

3. Mortgage lenders should singly or collectively discontinue the practice of limiting loans to nonwhite borrowers in certain residential districts. Mortgage credit should be extended to nonwhites in any location on the same terms as to other borrowers.

4. Since the National Association of Real Estate Boards has previously deleted from its code of ethics all references to race or nationality, we recommend that real estate boards take the positive step of declaring that realtors should offer listed residential properties to any qualified purchaser or renter without regard to racial or religious distinction unless the principal has in writing directed limitation of a particular transaction to certain groups.

5. We urge trade associations of the housing industry, including real estate boards, mortgage banker associations, and builders' associations, to drop color bars to membership and admit any qualified businessman without distinction of race, color, or creed.

Intergroup Relations Organizations

Progress toward the realization of equal opportunity in housing and other fields depends in large measure upon the stimulus and leadership provided by voluntary associations of citizens. We therefore recommend:

1. That such associations develop effective programs for promoting equality of opportunity in housing and seek ways of carrying out those programs.

Since studies and experience have demonstrated that efforts to educate the public on the issues of equal rights and opportunity are generally most effective when linked with concrete demonstrations or specific action proposals, we recommend:

2. That voluntary associations emphasize programs of combined action and community education.

As examples of important and much needed programs of action and education, we recommend to voluntary associations activities of the following types:

3. Development and support of programs to increase the supply of housing economically accessible to middle and lower income groups.

4. Efforts to obtain the enactment of sound Federal, State, and municipal laws protecting equal opportunity for housing; enlistment of the support of candidates for elective offices who favor open housing policies.

5. Where nondiscrimination laws have been enacted, cooperation in promoting public understanding and acceptance of the law; taking the lead in mobilizing community support for effective enforcement.

6. Making representations to public officials concerning such discriminatory administration of land use and housing laws as may exist, reminding the officials of their constitutional duty to treat all citizens equally; directing public attention to instances of discriminatory use of public authority.

7. Assisting minority individuals whose legal rights have been violated in utilizing any legally available remedies; supporting litigation in defense of statutory or constitutional rights.

8. Encouraging and assisting trade associations in the housing industry to take action to overcome discrimination in the housing market.

9. Assisting qualified minority families to obtain homes in good neighborhoods by seeking dwellings that may be available, and soliciting the cooperation of the real estate business in this endeavor.

10. In neighborhoods newly entered or likely to be entered by minority families, counseling with local residents and public authorities to calm any racial tensions, prevent flight of white residents, and promote acceptance of an interracial pattern.

11. Stimulating and assisting the residents of racially changing neighborhoods to organize and act for preserving housing standards including adequate public services and enforcement of housing codes, to prevent such neighborhoods from deteriorating into slums.

12. Persuading community institutions such as churches, labor organizations, political associations, and others to adopt and publicly declare positions of support for equal opportunity in housing.

13. Working with the press, radio, and television to secure the fullest publicity concerning issues of housing and minority groups, publicizing both problems and progress toward their solution; assisting the communications media to obtain accurate information concerning events and issues in the field.

14. As an essential foundation for all the foregoing activities, collecting and making available facts concerning the housing conditions of minority groups, discriminatory practices and their effects, experience with open-occupancy housing including its effects on the housing market and property values, experience with laws against discrimination, public opinion regarding equal opportunity in housing, the changing economic and social status of minority groups, and other relevant matters.

To carry on the suggested activities effectively requires technical knowledge and skill in such fields as real estate, mortgage financing, public relations, law, social and economic research, and community organization. Therefore:

15. We urge organizations working for racial equality in housing to enlist the support and assistance of persons with the essential technical competence.

Finally, though voluntary associations by nature rest upon the participation of their members, to conduct programs of any magnitude or complexity requires trained staff and funds. We therefore recommend:

16. That philanthropic foundations and interested persons give financial support to voluntary agencies, national and local, that have soundly conceived programs of action and demonstrate competence in their execution.

Commissioner HESBURGH. Mr. Tiffany, may we have the next witness?

Mr. TIFFANY. The next witness is Dr. Alfred J. Marrow, Chairman of the Commission on Intergroup Relations, which is the official city agency administering the fair housing practices law of New York City. Dr. Marrow is both a businessman, as president of the Harwood Manufacturing Corp., and an author and teacher with a Ph. D. in psychology.

He will have joining him in testifying about the work of the Commission on Intergroup Relations the executive director of that commission, Dr. Frank Horne. Dr. Horne has had long experience in the Federal housing programs, serving from 1938 through 1955 as a specialist in racial relations and head of the Race Relations Service for various governmental housing agencies, including the Housing and Home Finance Agency.

I might add that Dr. Horne is also recognized as a poet. Perhaps some poetry could throw light on this problem, too, but the subject now is the City Commission on Intergroup Relations, and Dr. Marrow will talk first.

Commissioner HESBURGH. Dr. Marrow and Dr. Horne, will you please come up here? We have until 11:45 and, so, we will let you know when we are 5 minutes to the end.

STATEMENT OF ALFRED J. MARROW, CHAIRMAN, NEW YORK CITY
COMMISSION ON INTERGROUP RELATIONS

Dr. MARROW. Thank you. Mr. Chairman and members of the Commission: I will talk about the broader aspects of the commission's work and then Dr. Horne will talk more specifically about housing and the way we approach the problem.

Everybody knows, I think, that New York City has long been a pioneer in the task of establishing and maintaining equality for all of its citizens. The city's programs are based on a policy of what our commission has come to call an open city, a term we borrowed from elsewhere. We mean by this, by the open city, a city in which every citizen, whatever his race, religion, or ethnic origin, should be assured, as far as possible, equal opportunity to exercise his powers, to realize his ambitions at work, at play, in study, and so forth.

New York has done well, but it has not yet adequately solved its problem of human relations. Bigotry, prejudice, and discrimination continue to subject large numbers of our fellow citizens to invidious distinctions in schools, in housing, in employment. Too many daily suffer un-American indignities. The very choice of a barbershop can be fiercely restricted. This is the why and the wherefore of our commission. What it has been assigned to do is to safeguard not only the equal rights of the unequal, but by this means to protect all our fellow citizens from the common consequences of discrimination and segregation.

We are supposed to do this under statute, and we are constantly confronted with the argument: "You can't legislate morality and laws don't change prejudice." Our experience indicates that this argument takes no account of all the workings of the statutory regulation.

It is true that such regulations do not at once change habits and attitudes, but it is even truer that they set moral and civic standards and enable their application. Application of these standards is our direct task, education our indirect task, and each deeply involves the other. Thus, we have found in the few short years since the commission was set up, just three, that it does serve both to educate and to enforce compliance of our American principle of equality, rights and liberties for all the citizens of our city. The commission's mandate was negatively to eliminate prejudice and all of its byproducts, positively to encourage harmonious relationships between the diverse groups that make up the people of the city of New York. We were empowered to hold meetings, to make investigations, to subpoena witnesses and records, if necessary, and recommend such legislative or administrative regulations that might serve the ends in view as the statute defines them.

According to this statute, the commission consists of 15 members chosen by the mayor. These 15 set the policies. An executive director, Dr. Frank Horne, on my right, and a professional staff of specialists in housing, in social research, in community relations, in public information and education implement the policies. Implementing involves, in addition, cooperating with other agencies of the city of New York—the Board of Education, the Police Department, Health Department, housing, and many others—and it is through these departments that we influence intergroup relations at practically every level of our civic life.

While we have not yet complete comprehensive studies of housing conditions in the city, we do know that there are at least as many New Yorkers of different ethnic, religious, and other affiliations living together as good neighbors as there are people in a city the size of Norfolk; but we know also that about three times as many persons live in segregated areas tantamount to ghettos, so-called ghetto areas, that present most of the city's intergroup problems. It is there that our citizens (whatever their individual, social, moral, and economic standards, are compelled to live under slum conditions and to accept less value for their housing dollar than the rest of the population.

Now, New York City cannot avoid the national limelight. A fist fight in the subways or in our public schools is often equated with dynamiting in the South. True, despite this unjust equating and national attention, and despite the high degree of mobility of our residents, our city can still show an enviable record.

In the 3 years of our commission's service it has received only two reports of actual violence accompanying the move-in of a minority family to a previously all-white neighborhood. In both instances the Police Department acted swiftly to apprehend the perpetrators, and in both instances they turned out to be young hoodlums who were roundly condemned by all the citizens of the community in which these incidents took place.

Most Americans deeply respect the law whether they agree with it or not. It is significant that in the short time we have been administering the fair housing practices law—about 9 months; the law became effective April 1 of this past year—and despite the dire predictions made before the proposed legislation became law, not a single one of the several hundred property owners who have appeared before us as respondents has challenged the principles of the law and, while we have discovered obvious acts of discrimination, we have encountered very few people who openly admit that they do discriminate. For example, in recent community incidents involving the sale of property to nonwhite neighbors, indignation, if aroused, seems directed toward those responsible for selling rather than toward the buyer moving in. Often a Negro or other minority member is welcomed to the commu-

nity while at the same time the welcomers seek reprisals against the person who made the sale.

I believe it is safe to say that outright discrimination has gone underground in New York City because the law and the positive declarations of our municipal policy have taught our citizens that discrimination can have no acceptance in our daily affairs.

This commission has found that its most successful educational programs are those designed to get members of a neighborhood to find solutions to their own problems. The programs assume that members of a neighborhood will change their own approach and attitude as they participate in the program. This happens because their findings will be the findings that they, themselves, have made. Neighborhood problems cannot be solved without the participation of the people who live and work in it.

The neighborhood, as we see it, is a school principal, the police captain, the religious leader, the city officials, as well as the housewife, the tradesman, the banker and the worker, who must be brought together to discuss their common problems, and by such positive exchange of ideas the constructive solutions of community problems get worked out.

Prof. Gordon Allport of Harvard has observed that—and I quote:

A person ceases to be contrary in respect to a desirable course of conduct only when he, himself, has had a hand in declaring that course of conduct desirable. Such findings,

he adds,

add up to the simple proposition that people must have a hand in saving themselves; they cannot and will not be saved from the outside.

Recently our commission had a part in an interesting demonstration of this proposition in the Springfield Gardens section of Queens. Here we found an already integrated neighborhood being whipped into a froth of fear and tension because of the blockbusting activities of some unscrupulous real estate manipulators. Since a representative of Springfield Gardens has been asked or invited to appear here tomorrow to present in detail the story of that community, I would only observe that, as a result of the commission's close work with the members of the community, an adequate program of participation was developed. The people then were able to form their own educational tools and to use them meaningfully to reduce tension and to preserve the integrated character of this neighborhood.

Our commission is, of course, still interested in the progress of Springfield Gardens, but we are no longer physically on the scene—not merely because we are short of personnel, but because we want this community's efforts at self-help to have a fair trial.

Moreover, the commission hopes to develop more scientific measurements of success and failure in its work. To this end, we have recently set up an advisory council of leading psychologists,

psychiatrists, and anthropologists to aid our own staff in gaining scientific know-how in dealing with the complex human problems of our city.

Actually, though, what we can do locally is little compared to what can be done nationally. The Federal Government can give the strongest impetus to meeting this need for adequate scientific understanding of the problem because the U.S. Government is the largest employer of social scientists in the world.

These steps which New York City has taken and which I have briefly described demonstrate that discrimination can be fought effectively and successfully. If the Federal Government were to adopt a similar program, it is our belief that we could rid our communities of the scourge of segregation in the foreseeable future.

And now I would like Dr. Frank Horne to pick up at this point and proceed with a description of our work.

Commissioner HESBURGH. Thank you very much, Dr. Marrow. We will return to you for some questions later, and we would like now to hear from Dr. Horne.

STATEMENT OF FRANK S. HORNE, EXECUTIVE DIRECTOR, NEW YORK CITY COMMISSION ON INTERGROUP RELATIONS

Dr. HORNE. Thank you, Mr. Chairman.

The staff of the Commission on Intergroup Relations is pleased to join with its chairman and the mayor and other city officials in welcoming the Commission on Civil Rights to New York City for the purpose of conducting a hearing on discrimination in housing. In your invitation to us we noted that New York was chosen not only because it is the largest city in the world, but also because, with city and State legislation, it has the most far-reaching laws concerning discrimination in housing in any city in the country.

New York is large. We are five boroughs and, if you split them off, individually they'd rank among the largest cities in the United States. Brooklyn, for instance, exceeds the combined population of Philadelphia and Milwaukee and, by itself, would be the third largest city in the Nation. Manhattan exceeds the population of Detroit. It would have ranked sixth among the cities. Queens is larger than Baltimore and Boston combined, and the Bronx larger than Baltimore and Seattle. These two cities would have ranked eighth and ninth, respectively. The mayor has mentioned the heterogeneous nature of our population and the fact we represent people from every part of the world, every place in this Nation, every race, creed, and culture of mankind.

Now, these far-reaching laws that you referred to concerning discrimination in housing are a part of a great body of law and policy to establish and maintain the principle of what our chairman has called the open city. Our municipality is an open arena for free competition

among people of every background, open competition on the basis of individual merit, whether it be the baseball field or the football field or the basketball court or the boxing arena at Madison Square Garden or whether it be in business, employment, education, housing, or the cultural arts.

You state also that your hearing in New York is to assess the problem, that is, to see what measures have been helpful and successful in New York and what areas are still unsolved. Since you represent the executive branch of the Federal Government, we naturally assume when it comes to what needs to be done you are particularly interested in the potential role of the Federal housing agencies and programs.

The Commission on Intergroup Relations would first place its full support behind the findings and recommendations of the report of the Commission on Race and Housing as just delineated by Earl Schwulst, the chairman. We would believe that your Commission might suggest that this report be required reading for consideration by every official in the Washington and field offices of the governmental housing agencies. I say this both out of our recent experience in New York, limited to the past 3 or 4 years in this particular endeavor, and on the basis of the observation of some 17 years of experience within those Federal Government agencies, themselves. We would like to underline three sentences, which, for us, might constitute a program, that come out of that report:

First, the policies and activities of Government agencies and public officials must be counted among the principal influences sustaining racial segregation in housing.

Second, government at all levels bears a primary responsibility because of its constitutional duty to treat all citizens equally and because of its great influence on housing, because the housing industry has become a partner of government in the distribution of government benefits.

And, third, only government and law can be directly effective on a large scale in reducing or eliminating discriminatory practices.

Let us say categorically that discrimination does exist in New York City's housing supply, and this discrimination runs the gamut of types and costs of housing. In the first 6 months of our administration of the fair housing practices law complaints alleging discrimination ranged in units sought from \$15-a-room tenement apartments to \$75,-000 luxury cooperatives. While some of these acts of discrimination could come under the category of snobbery, the lion's share have a more devastating effect upon its victims. The City Council of New York, in passing the fair housing practices law, took official cognizance of the fact that large segments of our population are compelled to live in circumscribed neighborhoods and substandard conditions and that the existence of these overcrowded, congested, and hazardous housing

accommodations were a threat to the general welfare and safety of the entire city.

Despite encouraging signs that increased open-occupancy housing opportunities will hasten the dispersion of New York City's huge racial concentrations, we still recognize that 80 percent of the city's over 950,000 Negroes are concentrated in 4 or 5 areas of the city. The resultant overcrowding and congestion has reached unimaginable extremes in some areas. If the population density in some of Harlem's worst blocks were translated in larger terms, we could fit the entire population of the United States into three of this city's five burroughs.

How does this racially discriminated market and the resulting racial ghetto come into being? Why was it perpetuated? The answer was found in the application of a separate and discriminatory set of private real estate practices to nonwhites and the property they occupy from those practices which are applied to the rest of the housing market. They are geared to the basic concept that the homogeneity by income and certainly by race is the only respectable kinds of neighborhoods, whether they be financially or socially respectable. It was found in the nurturing of these practices by the Federal Government in its own housing programs. In deference to our quaint democratic customs in New York, the Federal Government makes some exceptions here which I will point out before I finish. It was found in decisions by banking institutions, mortgage brokers, real estate operators, and others, to write off entire sections occupied by minorities as bad risks. It was found in the community attitudes induced by these discriminatory practices of the dual market. The result was an ever-expanding spiral downward. Areas that might have been maintained as good neighborhoods were permitted to deteriorate. Even where owners sought to improve their properties, the attrition of mortgage and home-improvement funds in minority-occupied areas sounded the death knell.

What is strangest about the racially discriminated housing market is the failure to take into account the market, itself. Let me quote from a report of the Mortgage Bankers' Association issued by its Committee on Financing Minority Housing in October 1955—and I quote:

"Between 1940 and 1950 the number of nonwhite families earning between \$3,000 and \$5,000 increased over 30 times while the number earning over \$5,000 increased over 50 times. Never before in so short a period has such a phenomenon been witnessed. The result has been the introduction of numerous nonwhite families into a new economic state where desires are both stimulated and made effective. Since 1950 the same trend, at perhaps a somewhat less spectacular rate, has continued. The nonwhite part of the population is thus rapidly becoming an integral part of the general market for all types of goods and services."

Interestingly enough, I noted that the Wall Street Journal commented on this subject last year, in which they pointed out that apparently the real estate fraternity was acting as a sort of patsy for other commodities in the American economy because money that might have gone into better housing was apparently going into automobiles, cosmetics, and other conspicuous forms of consumption with the real estate fraternity not getting its share of this growing market; but, market trends notwithstanding, the restricted housing market marched resolutely onward, like lemmings to the sea, with community after community left to spoil because it had violated the strange unwritten law of homogeneity or respectability.

The negative prospect was disturbingly constant: The displacement of one group by another, with attendant resistance and hostilities; the creation of negative stereotypes of minorities as the cumulative result of their relegation to deteriorating housing and residential areas; the ensuing support of prejudice, intolerance, and hostility; the destructive effect on institutions of the communities—segregation of schools, places of worship, and public and private neighborhood services; the strengthening of negative forces in the neighborhoods who seek to preserve the status quo to insure the maintenance of restrictive practices; and, last, the psychological effects on the individuals and families who must endure the constant pressures of rejection and exclusion.

Our problem, then, is the dual and racially discriminated housing market. The nature of the problem dictates the mode of attack. It is aimed in three directions—and I speak now about the way we approach our law:

First, we call the trade—the controllers of the residential property; I mean the real estate operators, the owners, the managers, the builders, and the lenders; secondly, the government—and government at all levels—Federal, State, and local; and third, the people in the community themselves.

Now, the council of the city of New York found that the practices of the restricted market drag behind them the costly chain of induced and increasing de facto segregation in public schools, public housing, and other public facilities, distortion of our urban redevelopment and renewal programs, intergroup tensions, and, as parts of the over-concentrated ghetto deteriorate, heightened mortality, morbidity, delinquency, risk of fire, and loss of tax revenue. The council, therefore, declared, by law, the policy of the city to assure equal opportunity to all residents to live in decent quarters regardless of race, color, religion, or national origin—and I quote from the law—“in order that the peace, health, and safety of all the citizens of the city may be protected and assured.”

With this background, the fair housing practices law, banning discrimination in private multiple dwellings and in 1- and 2-family homes built in developments of 10 or more, because effective on April 1 of last year.

The mayor recognized this morning that the basic need before us of increasing the housing supply in various income levels is a prime necessity in overcoming the discriminated housing market. The Planning Commission and the City Housing Authority will develop this aspect further.

The mayor has also recognized the necessity for opening the entire housing supply, new and established, to all eligible tenants or buyers without regard to their race, religion, or national origin. The City Council has established a city policy and has created administrative agencies with powers to investigate, mediate, and enforce the policy. Now, in regard to the first 9 months of the operation of our bill, I will be filing, as part of your record, the first research report on the first 6 months' experience under the operation of this bill—this is the first instance we make this now public—because it outlines, along with the statements of policy and the program of activities in regard to it, and the law, itself, the basic information on just how the law is carried out.

I would put this fundamentally as highlight: That we approach this law as a tool to reorient the activities and the thinking of both the producers of housing and the users of housing, to reorient them from the activities and the detriments of the dual, discriminated market to the benefits and the advantages as well as the necessary activities of the open, competitive market. In this case, we, therefore, attacked the three things I spoke of. We do business with all levels of government. We do business with the Department of Welfare, because they place tenants, on how this business operates and what kind of people they put where and how the people operate who are supposed to be the landlords. We do business with the Bureau of Real Estate and the Slum Clearance Committee—and I will touch on that in a moment as I close.

We do business with the Department of State, which licenses real estate brokers in the various cities, including this city, to get their cooperation in enforcing, through the Licensing Act, the following of local law.

I would mention a little bit about two Federal agencies because this really concerns both you and us intimately:

The Federal Housing Administration: By its mortgage insurance program, in the city of New York there are some 75,000 dwelling units that are not covered by State law that are covered by city law, in which the Federal Housing Administration, itself, is the preferred stockholder in these developments, and in our negotiations here in

Washington we pointed out it would be an anomaly, indeed, if a person claiming discrimination would come before our commission and one of the respondents to be hailed would be the Government of the United States through the Federal Housing Administration who is a preferred stockholder in these corporations.

Fortunately, we get a point of view from the Federal Housing Administration that has been entirely constructive, in that they have not only said that they would put a rider on the agreements that they make through their mortgage insurance that all local laws will be observed as well as any Federal law that is concerned, and they are now including the Fair Housing Practices Act in this case; they also are saying, as they have made the agreement with the State commission, they will cease to do business with people who are not responsible by not keeping local laws, and they have gone even further by placing in New York City, as one of their seasoned operators, as a racial relations technician, Mr. McDermott, who I see in the audience, whose specific job as a group relations officer of the Federal Housing Administration is to throw the support of the Federal Housing Administration behind cities like ours and States like ours that are pursuing the open-market principle. We think this is a sound procedure.

Similarly, the Urban Renewal Administration, which you have mentioned: We have noticed recently in their dealings with our Urban Renewal Committee in the city they have pointed out that if they are going to waive, under our local law, the necessity of their reporting by race the people who have not yet been relocated when they are dislocated by urban renewal practices, since they have found out those are the toughest families to relocate—that, if that is to be waived on the basis we now have a law, they have asked for a description of the administrative arrangements for assuring enforcement and of supervisory controls established within the Committee on Slum Clearance and the Bureau of Real Estate and the other governmental agencies concerned. We would applaud this as positive governmental action. There are many others to go into.

I will then say, secondly, as part of our job in enforcing this program, as the chairman pointed out, we receive complaints of those who allege they have been discriminated against in any multiple dwellings. We investigate these complaints by intergroup relations officers who know the job that's involved. These are technicians. On the basis of such investigation, there are mediations in the field. If these are not successful, there are conciliation conferences with members of our commission. If these do not succeed to remove the discriminatory cause, there are formal hearings before the entire commission, and ultimately a panel appointed by the mayor to review,

and ultimately the passage into court if we cannot remove the discrimination any other way.

In order not to consume too much time and save a little more time for questioning, I would say our experience under this law so far has taught us that when you speak of education we are content to speak of the kind of education the chairman speaks of; that when we first have a law or a policy toward which to educate, then the very process of education, hearings, et cetera, is necessary as to this because in this process we are educating the manager and the real estate owner and the operator to the single competitive market and at the end of the trail, as is always good in motivation, there are not only advantages in this, but there is a penalty at the end of the road if you do not.

This theme carries over into our educational operations within the communities and with the community organizations which we work with in extensive number, both the citywide organizations and the neighborhood organizations, because what we're finding there in the process of educating to this law—it is on the basis that we are working with communities, as Dr. Marrow has outlined by a specific problem now; it isn't a matter of just some attention or some good will because Negroes or Puerto Ricans are nice people or something of the kind, but rather because of the way the property is handled, the way the people are induced to come into these areas naturally, the way in which the property is exploited and allowed to run down, and the way in which 1 room that used to have 1 person now has 6, 8, and 10. It is these matters that really control the relationships in their community.

Then, if we are to do education, we do the educational job of pointing up with the community and letting them find out with us just where the faults really lie, whether they lie on owners and operators of property or upon the kind of real estate dealers that are not seasoned real estate operators or upon exploiters of the property themselves.

Although the fair housing practices law has been in effect less than a year, its administration profits from the body of law and policy in this field as administered for many years by the State Commission Against Discrimination, which they, in their testimony, will outline to you. However, the State Commission's jurisdiction, the matter that makes a difference to us, covers about 7 percent of the housing supply in the city while ours covers about 70 percent of the housing supply. I will only take a few minutes, and then you may ask about it, if you wish.

I had put upon the board the matter of dispersion, which has interested us at several times, and the first set of three that appears here on the left happens to be the dispersion pattern for the city of New York of those people who are not impeded by matters of color, but they are foreign born. This is the natural progression through

the periods of 1940, 1950, and 1957 of people who have come into our city who are white, but who are foreign born. From the map on the left—the heavier the color, the more the concentration—you see some of the patterns of concentration begin to loosen out, and it begins to flow out to the community, which is the normal American pattern in this city. We have two maps that indicate similarly about Puerto Ricans, although these are not population figures as such.

These, you will notice, are Puerto Rican births in relation to the total birth as a matter of showing population dispersion rather than concentration only, but you notice in the spread of the Puerto Rican birth rate and the population from 1950 to 1957—this is 1957—there has been a matter here of a spread, but a tight kind of spread, some cohesion in the spreading, concentration on top of the spreading, because right now, in the midst of your hearing, you are here with us at a time of transition. From a dual market, like every other city and county and State in the country has, we are moving toward the single pattern.

Unfortunately, I don't have the individual map, but the 1950 Negro population spread and concentration—you see, the coloring goes from the heavy groups I spoke of in four areas, where most of it in 1940 was concentrated here and here. We now have the phenomenon of spread, with some concentration, with all this light yellow. These are actual census tracts and census figures to indicate you have this spreading through various parts of the city in spite of these heavy concentrations which still exist and, even more important to us, these happen to be the areas where you can trace the effect of public policy and public development.

Where public policy and public law calls for nondiscrimination is where the spread is taking place, and where it is not so covered, as most of our housing supply has not been covered until April 1 of this year, you do not have that policy and law. In other words, when the covenant decision was passed, which was a Federal action through the court, itself, on racial covenants, this whole area was practically not in existence, except for scattering.

This happens to be one of the areas in Brooklyn.

If we could stop to trace the public housing developments and where they were, we would find part of this spread would be because the public housing program is wide open. A good bit of it is private and public-assisted housing, including the cooperative developments and the housing developments under the sponsorship of unions and other sponsors. The public and privately assisted housing developments, open to all people, have contributed to this spread. We simply, from these charts, try to make the point that where there is public policy that calls for nondiscrimination we seem to be able to trace the impact and the dispersal, the more normal dispersal, of the population.

I will close in the few minutes left to me by making to you a few specific recommendations which come out of our experience.

We would urge: First, the full support of the Federal agencies behind the nondiscrimination policy of New York City.

We have cited the first steps in this direction, notably by the Federal Housing Administration under Norman Mason's direction, whom I note has come now to be the Administrator of the Housing and Home Finance Agency.

Second, a widening of this support by the use of intergroup relations technicians in the governmental agencies, backed up by the Commission on Civil Rights.

Again we would cite steps in this direction by the Federal Housing Administration and its Intergroup Relations Service.

Third, the abandonment of all special gimmicks or aids to produce so-called Negro housing; instead, to offer the vast funds and powers and guarantees of the Federal agencies as incentives to stimulate the opening of the whole supply to all people.

In this connection, we would ask you to carefully review the financing support in these governmental agencies: The Home Loan Bank Board; the Federal National Mortgage Association; the Voluntary Home Mortgage Credit Program; the Federal Deposit Insurance Corporation; the Federal Savings and Loan Deposit Insurance Corporation.

Since our efforts in this city are affected so largely by the moral as well as the financial powers of the Federal Government, we would support the basic recommendation of the report of the Commission on Race and Housing that the President of the United States appoint a commission or utilize the Commission on Civil Rights to make a thorough examination of the policies and practices in governmental housing programs to bring them in line with nondiscrimination and open occupancy. To this end, we would suggest that the President of the United States issue an executive order based upon his own principle as enunciated in a statement in 1954. In response to a query as to his racial policy in the field of federally aided housing, he said he had tried as hard as he knew how to have accepted this idea: That where Federal funds and Federal authority are involved there should be no discrimination based upon any reason that was not recognized by our Constitution. He would continue to do that. You notice I am quoting him indirectly, as it was done in 1954.

Our Job ahead in New York is a big and tough one. We have established our objectives in law and in public policy. We have created the administrative agencies to muster the city's resources in achieving these objectives. We're on our way, and we would want the Federal Government on our side, on the side of the open competitive market, rather than on the side of the restricted market.

This, as Mr. Schwulst indicated, taken together with the protection of the voting right, in which you are interested, are two key activities now in the whole field of civil rights.

Commissioner HESBURGH. Thank you very much, Dr. Marrow and Dr. Horne, for these fine presentations.

THE NEW YORK CITY COMMISSION ON INTERGROUP RELATIONS

RESEARCH REPORT ON ASPECTS OF ADMINISTRATION AND ENFORCEMENT OF THE FAIR HOUSING PRACTICES LAW, APRIL 1—SEPTEMBER 30, 1958

This Research Report on Aspects of Administration and Enforcement of the Fair Housing Practices Law, is limited, as the title implies, to the specific operations that have been studied and analyzed by the Department of Research and Intercultural Education during the first 6 months of the law's administration, April 1 to September 30, 1958. It does not embrace the commission's extensive public information and community relations activities related to wide public understanding and acceptance of the basic objectives of the legislation. Its issuance at this time, as a special report, is in response to many requests that the commission share its experience, even as it is being experimentally evolved, with others seeking ways out of the racially discriminated housing market.

The approach of the commission is to assist both producers and consumers of private housing to reorient their activities from the traditionally restricted, discriminated housing market to the requirements and advantages of open, competitive bargaining for shelter. It is the commission's view that the law's objective is the establishment of equal opportunity to obtain housing in the interest of the general welfare of the entire city and all of its citizenry.

In this endeavor, the commission seeks the cooperative action of all elements involved in the marketplace—builders, lenders, real estate operators, owners, managers, purchasers, renters, community organizations, and individuals who are committed to the American principle of free competition and fair play.

THE LAW—ADMINISTRATIVE ASPECTS

"It is hereby declared to be the policy of the city to assure equal opportunity to all residents to live in decent, sanitary, and healthful living quarters, regardless of race, color, religion, national origin, or ancestry, in order that the peace, health, safety, and general welfare of all the inhabitants of the city may be protected and insured." The cardinal principle of the Nation's first local law¹ banning discrimination and segregation in private housing was embodied in this public policy declaration. Local law No. 80 of 1957, the fair housing practices law,² was introduced by city councilmen Joseph T. Sharkey, Earl Brown, and Stanley M. Isaacs before the city council on May 21, 1957, approved as amended by the council on December 5, 1957, approved by the Board of Estimate on December 23, 1957, and signed by Mayor Robert F. Wagner on December 30, 1957. Its effective date was April 1, 1958.

Prohibitions

The fair housing practices law specifically prohibits discrimination or segregation based upon race, color, religion, national origin, or ancestry in multiple dwellings (buildings containing three or more apartments) and in one- and two-family homes sold in developments of ten or more contiguous lots and controlled by one person.

It delineates discriminatory practices as the withholding or denial of the housing accommodation or its facilities or services as well as differentials in terms, conditions, or privileges of the sale, rental, or leasing of such accommodations.

¹ Historically the first such law in the United States was enacted in 1866 by Congress and is still extant though unenforced; Revised Statutes of the United States (4 U.S.C. 42) which declared: "All citizens of the United States shall have the same right in every State and Territory, as is enjoyed by the white citizens thereof to inherit, purchase, lease, sell, hold and convey real and personal property."

² Title X, sec. X-41-1.0 of the Administrative Code of the City of New York.

Administrative Agencies

Responsibility for administration of this law was vested primarily in the Commission on Intergroup Relations of the City of New York. The commission is authorized to receive and investigate complaints, initiate complaints on its own motion, use the powers of its organic legislation (Local law No. 55 of 1955) to hold hearings and subpoena witnesses or records, and to conciliate for the purpose of eliminating any discriminatory practice it finds to exist. Moreover, it is expected, according to the legislative history of the fair housing practices law, to embrace in its administration the basic tenets of its function as an intergroup relations agency.

Accordingly the administrative agency is as concerned with the prevention and preclusion of violations of this law as with the enforcement of its provisions through the complaints proceedings.

Under the law, the end product of the commission's enforcement proceedings is conciliation to eliminate "any discriminatory practice it finds to exist." Cases in which the commission finds violations of the law but fails to conciliate are referred with recommendations to the Fair Housing Practices Panel, a body newly established by the law.

Three members of the panel, who shall be designated by the mayor to comprise a Fair Housing Practices Board for each case referred from the commission, are empowered to review the case to determine whether in its judgment court action is warranted. The board, like the commission, is empowered to hold hearings and to issue subpoenas.

If the board finds in the affirmative, it may direct the corporation counsel to bring equitable proceedings in the supreme court, in the name of the city, for enforcement of the provisions of the law.

Proceedings before the commission and the board are required by the law to be confidential.

Commission policy

Immediately following enactment of the fair housing practices law, the commission issued a general policy statement³ establishing such program objectives as: Enlisting the fullest cooperation of the entire community in achieving the objectives of the law; working with private agencies and community organizations to promote understanding and acceptance of these objectives; making available to property owners and managers, technical and consultant services to assist them in compliance with the law; utilizing research and other resources to develop effective methods of implementing the law; securing the cooperation of other city agencies and administrative officials; developing informational materials and aids; and vigorous and impartial use of the powers authorized by the law.

Pursuant to this policy the commission has developed and initiated programs and activities of broad scope.

Tooling up

Before the effective date of the law, the commission directed its energies primarily to the task of preparing for the expansion of its budget, staff, and facilities⁴ as well as the promulgation of rules and procedures and preparation of processing documents to facilitate the handling of complaints and the recording and analysis of operations.

One of the major accomplishments during the preparatory period was the establishment of cooperative working relationships and agreements with city and State agencies whose functions directly affected the processing of complaints cases. Among these were the following:

1. *New York City Department of Law.*—For legal opinions interpreting provisions of the law; review of the rules and procedures; provision of legal counsel for case processing and conduct of hearings.

2. *New York City Department of Buildings and the New York City Tax Department.*—For authorization and procedure to facilitate continuing provision of information necessary to determine the legal jurisdiction of complaints.

³ See the publication, "General Policy of Commission on Intergroup Relations concerning Administration of Fair Housing Practices Law."

⁴ The supplementary budget for implementation of the law was approved March 13, 1958; recruitment and training of the expanded professional and clerical staff was approximately 80 percent completed as of September 30.

3. *State Commission Against Discrimination.*—For cooperative agreements to secure and exchange jurisdictional information and effect interagency referral of complaints accordingly. (Resulting procedures, formally adopted by the commissioners of both agencies—SCAD and COIR—provide for expeditious transfer of complaints from one agency to the other, according to jurisdiction, with the minimum inconvenience to complainants.)⁵

4. *Temporary State Housing Rent Commission.*—For opinions concerning issues in complaints which involve technical or legal matters governed by the State rent law.

City Agency Operations Affecting Real Estate Practices

In establishing program priorities for implementation of the fair housing practices law, the commission considered as essential the cooperation of city agencies engaged in direct relationship with real estate operators, particularly those concerned with relocation from sites cleared for redevelopment and public improvements and with listing of vacancies in the private supply for family referral or placement.⁶

Most important among these agencies is the Bureau of Real Estate which is responsible for supervision of relocation incident to all urban renewal project (title I of the Housing Act of 1949) and other public improvement clearance

The commission, with the cooperation of Bureau of Real Estate, first made a thorough study of the relevant procedures and practices, analyzed the implementing documents, and surveyed relocation operations on selected urban renewal project sites. On basis of its findings, it is working with the bureau in establishing the policy and procedure necessary to achieve such compliance objectives as: (1) Including the requirements of the fair housing practices law in contracts with private relocation companies; (2) onsite supervision of compliance performance; and (3) notification of site families of their rights under the fair housing practices law.

In addition, the commission has secured the cooperation of the Bureau of Real Estate in acting upon complaints cases alleging discriminatory relocation practices.

The commission also is engaged in consultations with officials of the Urban Renewal Administration in the Washington and regional offices concerning policies and procedures affecting action of city agencies pursuant to a resolution⁷ passed by the city council requiring deletion of racial designations from relocation forms.

The Committee on Slum Clearance has requested waiver from the requirements of the Urban Renewal Administration for the reporting of racial characteristics of title I site occupants.⁸ The Commission on Intergroup Relations has been informed that this request is based upon the existence of laws prohibiting racial discrimination in housing in New York City which presumably will be implemented by administrative programs in such way as to make for a racially open housing market. In such market, the relocation of all families, regardless of race, could be effected in compliance with the Federal statutory standards.

This request for waiver is being approved conditionally by the Urban Renewal Administration which will review operating experience to determine whether the fair housing practices law is in fact implemented in such way as to assure compliance with the Federal standards.

It follows that this situation calls for the cooperation of the Commission on Intergroup Relations, the Slum Clearance Committee, and the Bureau of Real Estate in the development of effective implementation programs in relationship to the title I clearance sites.

⁵ See appendix.

⁶ This emphasis is consonant with the policy of the mayor, announced October 12, 1958: "The objective of this city's policy is clearly that every resource and facility of the city and its departments be utilized in every possible way to remove from the housing supply any restrictions based upon race, religion, and national origin." (See "A Statement on Housing Policy," by Robert F. Wagner.)

⁷ Res. No. 315, "Resolution Requesting that Questions Relating to Race, Religion, and National Origin Be Deleted From City Relocation Forms." Introduced by Councilman Earl Brown; unanimously adopted June 19, 1958.

⁸ These reports are to facilitate review by the Urban Renewal Administration of local agency compliance with Federal statutory requirements respecting relocation as provided in sec. 105(c) of the Housing Act of 1949, and their fulfillment of contractual obligations concerning feasibility of relocation plans. They were designed to enable the Federal agencies to determine whether or not minorities rehoused in a racially discriminated housing market received the assistance and accommodations specified under the relocation requirements.

Another city agency having direct relations with real estate operators is the Department of Welfare. The department's Housing Section, through staff assigned in welfare centers throughout the city, solicits and lists vacancies for public assistance families.

Prior to enactment of the fair housing practices law, the discriminatory practices⁹ of landlords who either specified racial preference in listing vacancies with the Department of Welfare or selected referred clients according to such racial preferences, were unregulated. When the law became effective, the Department of Welfare immediately brought its provisions to the attention of the Housing Section, instructed the staff to refer all instances of presumptive violations to the first deputy commissioner, and established reporting procedures for this purpose.

Subsequently, the commission and the department established official inter-agency liaison for the purpose of assuring compliance practices and resolving problems related thereto. Among the specific objectives of this cooperative agreement is to develop suitable methods of dealing with real estate controllers who refuse to list vacancies with the Department on nondiscriminatory basis and to process discriminatory rejections of referred families particularly when such incidences are not presented in the form of individual complaints.

Continuing official compliance negotiations

Activities carried out during the first 6 months period of administration under the fair housing practices law, as described in this report, represent only the beginning of the commission's program which calls for the enlistment of cooperation and implementing agreements with all Federal, State, and city agencies whose programs directly affect or influence the practices of private real estate operators in New York City.

To this end, negotiations are also planned or underway with respect to such agencies as the secretary of State, in charge of issuing licenses to real estate brokers; the Mortgage Facilities Corporation, which administers a special mortgage lending service to owners of properties in distressed areas; the State Housing Division and the New York City Comptroller, both of whom are involved in administering State and city aided programs under the redevelopment companies law and the limited profit companies law (the Mitchell-Lama legislation).

Federal Housing Administration

The program to effect compliance with the fair housing practices law by controllers of FHA-insured developments in the city has been approved by the FHA Commissioner. Approximately 75,000 apartment units under jurisdiction of the Commission on Intergroup Relations¹⁰ will be affected by the FHA-COIR agreement, which was publicly announced by the commission's chairman following a conference in Washington with the FHA Commissioner, Norman Mason, in July.

Several steps have been taken pursuant to this agreement, and others are underway. Arrangements have been completed for the revision of "riders" attached to mortgage insurance application forms in New York to inform applicants of their responsibility to conduct their operations in conformity with the fair housing practices law;¹¹ the notification of FHA by COIR of complaints, here-

⁹ A Department of Welfare study (May 1956) revealed a differential between rentals paid white public assistance families and those paid for nonwhite and Puerto Rican families which reflected the effects of the discriminated housing market. Among other significant findings, this study showed that 57 percent of white families, distributed in households of two or more public assistance persons living in unfurnished apartments, furnished apartments, and furnished rooms (exclusive of public housing) paid under \$40 rent per month while 60 percent of the nonwhite families and 69 percent of the Puerto Rican families paid \$40 upward.

¹⁰ FHA-insured developments which were built in New York City prior to July 1, 1955, are under the jurisdiction of COIR; those built subsequent to that date are under the jurisdiction of the State Commission Against Discrimination. The State commission executed a cooperative agreement with the FHA which has been in force since February 1957.

¹¹ Pursuant to the FHA agreement with the State Commission Against Discrimination, "riders" have been attached to all application forms issued in New York State and have specifically referred to compliance with State antidiscrimination housing laws and with the Sharkey-Brown-Isaacs law of 1954, which applied to publicly assisted developments in New York City. The revised "rider" adds reference to the fair housing practices law of 1957 (also known as the Sharkey-Brown-Isaacs law of 1957).

ings, and findings involving FHA-insured properties; and the notification of all owners of FHA-aided multiple dwelling properties of the requirements of the fair housing practices law.

The recently announced appointment by FHA of an intergroup relations advisor to specialize in services to builders, lenders, and mortgage brokers operating under local antidiscrimination laws is another action designed to implement the agreement. The commission's activities directed to encouraging voluntary compliance by controllers of FHA-insured properties and to assist them with implementation endeavors will entail close coordination and cooperative working relations with this adviser as well as with the officials of the FHA insuring offices in the New York City area.

Compliance by real estate interests

Complementary to the establishment of basic implementation procedures in the operating structure of public agencies is the commission's program of directly encouraging the compliance of real estate controllers through education and consultative activities.

In developing these activities, the commission has benefited from the cooperation of many real estate operators who favor the objectives of the law and wish to contribute to its success as well as some who are ethnically committed to conduct their business in consonance with public policy and law.

These operators—representing owners, rental management, and credit agencies—not only have consulted with the commission concerning interpretations of the law and methods of implementing compliance but also have volunteered invaluable suggestions based upon their experience and knowledge of the practitioners' interests, viewpoints, and problems.

It is significant, however, to observe that the existence of the law itself has created the energizing force so essential to propelling into action even those practitioners who favor the law's objectives.

In the context of processing complaint cases, the commission has conducted conciliation negotiations, including adjustments endeavors in the field, with a view to encouraging compliance with the law. This approach has also yielded constructive suggestions and cooperative responses from the real estate operators.

The role of the law in bringing into focus and grasp central problems and issues and in evolving necessary solutions is increasingly apparent. It serves, for example, to fix responsibility for certain actions which traditionally have been passed from one to another by the different operating sectors of the real estate industry. This is revealed not only through investigation and conciliation of complaints but also through requests for assistance that have been presented by real estate practitioners. Prior to the enactment of the law, existence of a problem—such as a hazard of reprisal by owners or the danger of losing business in a competitive situation—generally was accepted rationalization of discriminatory practices. Now the problem must be dealt with and resolved at the ultimate point of responsibility.

Some of these problems are real and call for intensive efforts to engage strategic forces within the industry itself to break through barriers that have become entrenched within their own structure.

On the other hand, many operators are discovering, through the educational experience of complying with the law, that many of its feared consequences were unfounded.

Among the major interests of the commission is study and analysis of compliance practices in order that a body of techniques and facts may be developed on the basis of actual experience.

The extent to which there is in fact compliance with the fair housing practices law is one of the current gaps in the information now available to the commission.¹² That such compliance exists to a significant degree, however, is increasingly evident.

For example, investigation of complaints alleging violation of the fair housing practice law has brought to the commission's attention several instances of compliance practices. In one such case, a firm which has built and manages several thousand multiple dwellings in the city, submitted evidence of the fact that a compliance policy has been established, staff instructed accordingly, and that families who were the ethnic prototypes of the complainant were occupants

¹² See reference to "Experience Survey," p. 20.

of several of the firm's developments. Indeed, the president of this firm was a proponent of the legislation.

Through other channels, the commission has learned that another large-scale owner-management firm instructed its staff to comply with the law although it had opposed its enactment.

THE ENFORCEMENT PROGRAM

The enforcement responsibilities of the Commission on Intergroup Relations, under the fair housing practices law, provide for (1) receiving complaints alleging violations of the law from individuals or groups of individuals, (2) initiation of complaints by the commission on its own motion, (3) investigation of complaints, (4) conciliation to eliminate any discriminatory practices found to exist, (5) conduct of hearings for which witnesses and records may be subpoenaed, and (6) referral of cases in which conciliation is not successful to the Fair Housing Practices Panel.

The method of conducting the enforcement program is set forth in "Rules Governing Procedure and Practice in Relation to Complaints Alleging Discrimination in Housing," promulgated by the Commission March 25, 1958.³³

The status of complaints cases processed under these rules is classified in four major categories:

1. *Intake* (See chart I).—This is the status of cases between intake interview and jurisdictional certification by the executive director.

Processing of cases through this stage is designed to assure rapid movement into investigation status. Cooperative arrangements with the State Commission Against Discrimination and the city Departments of Buildings and Taxes facilitate jurisdictional clearance within approximately 24 hours after the intake interview. Cases in which there appears to be a possibility of securing a unit are marked by a red star on all case folders and are docketed for priority handling.

2. *Investigation* (see chart II).—This is the status of cases between jurisdictional certification and a finding of reasonable cause to credit allegation of the complainant. This stage includes, but is not limited to, cases actually in the "field" for investigations.

During this stage, cases are investigated to determine the facts and are negotiated, primarily through informal methods, for adjustment. On basis of information secured in this stage or the conditions of adjustment achieved, there may be a finding that there is no reasonable cause to credit allegation of the complainant or a decision to make no findings as to reasonable cause. The latter decision is made only in cases where adjustment is effected.

3. *Settlement* (see chart III).—This is the stage of cases for which a finding of reasonable cause to credit allegation of the complaint has been made.

Cases in this stage are subject to formal negotiations under direct supervision of commissioners. These include cases ordered for conciliation conferences and hearings. These cases may also require further investigation, but are not reverted to the "investigation" status as defined below.

4. *Dismissal*.—Cases in this status have been closed under the procedure specified in the rules.

Dismissals may be authorized for cases in any stage: Intake, investigations, or settlement.

One of the explicit reasons for placing the fair housing law under an administrative agency instead of authorizing persons to present charges of discrimination directly in court was to provide for the "screening" of complaints and for the maximum use of methods to adjust the issues involved in such complaints without recourse to legal proceedings. The commission's procedures, therefore, are designed to facilitate the legislative intent in these respects.

It follows that every feasible effort is made to achieve satisfactory adjustment of issues without making findings of reasonable cause. In this connection, it is significant to note that the personnel conducting field investigations are intergroup relations officers, trained to approach the factfinding process with alertness to the possibilities of achieving on-the-spot adjustment from respondents wherever feasible. This method has been especially effective in situations involving apparently inadvertent actions and unauthorized practices by agents as well as those in which the respondent was actually complying with the law.

³³ "Highlights of Procedure for Handling Complaints Alleging Discrimination in Housing," a summary of the rules, is in the appendix.

Even after findings of reasonable cause are certified, cases may be negotiated through several conciliation processes. Among these are: Conciliation conferences conducted by individual commissioners; conciliation endeavors by the executive director after respondent's answer to notice of hearing if warranted; commission conciliation after a decision, based upon the findings of hearing, adverse to the respondent.

It is significant also to note that the procedures are designed for a commission of volunteer members, who serve without compensation and are not available for full-time attention to commission program operations. The direct supervision of cases by commissioners, therefore, is not introduced until after reasonable cause has been certified.

Cases in settlement stage are first assigned to individual commissioners, who conduct conciliation conference and are responsible for (1) negotiating settlement conditions, (2) ordering further investigation if necessary, and (3) recommending further commission action, including hearings, commissioners so assigned are not eligible for designation to hearing tribunals in cases handled by them.

THE CASE LOAD

Since the effective date of the fair housing practices law—April 1, 1958—166 allegations of housing discrimination in New York City have been received by the Commission on Intergroup Relations. Not all of these have been in the form of complaints: Roughly one out of six has been classified as an "unverified allegation."¹⁴ Regarding the status of these 28 allegations¹⁵ as of September 30, 1958, it may be reported that 9 are inactive, and 19 are pending further action.

Of those in inactive status: 5 were adjudged satisfactorily; 2 provided inadequate data for action (note—this category includes mail and telephone reports from anonymous sources); 2 have been referred to another agency. Of the 19 which were "pending further action," as of September 30: 14 were awaiting further action by the respective individuals or organizations who referred the matter to COIR (note—some persons in this group have been advised of the procedure for filing complaints); 5 were awaiting COIR decision as to appropriate action.

An analysis of selected characteristics of 138 complaints processed under the law between April 1 and September 30 is presented in a separate section of this report.¹⁶ This total number (138) represents a fairly uniform monthly flow of complaints, the range of which has been 19 in April to 28 in June. The average monthly complaint intake for the period of this report has been 23. The status¹⁷ of the 138 complaints at the close of September, may be summarized as follows: 5 were in intake status; 48 were in investigation status; 50 were in settlement status; 35 were in dismissal status.¹⁸

It should be noted here that 4 of the 50 classified under settlement status, have been carried through the conciliation process. In each, the respondent has expressed willingness to comply with the fair housing practices law: These cases have been held in the above status pending corroborative action.

It is necessary to exert caution in using the foregoing for predications regarding the size and movement of the caseload, relative to the fair housing practices law. The pioneering nature of the legislation produces a dearth of truly comparable experience in other times and places. The variables are many. It cannot be known at what time, and to what extent, the educational efforts of voluntary organizations throughout the city will serve to step up the volume and flow of complaints. It seems probable, also, that through informal communication channels, minority group members will be influenced regarding their use of the law. This, it is recognizable, will not be disassociated from the experiences of those who bring complaints to the administering agency.

It seems premature to arrive at statistical conclusions pertaining to the COIR housing complaint caseload as these refer to such operational aspects as number of man-hours required per complaint, average number of days required for moving a case through settlement status, the number and characteristics of personnel and other resources required for implementation of the law. Such determination, it would seem must be evolved through actual experience. How-

¹⁴ Refer definitions in appendix.

¹⁵ Actually there have been 32 allegations classified as unverified during this period. Four of these were converted, subsequently, to complaints. Their descriptions are included in the analysis of complaints.

¹⁶ Refer pp. 14-17.

¹⁷ Refer to categories, pp. —.

¹⁸ For monthly load, with reference to status, refer table p. —.

ever, it seems clear at this time that a human relations approach to the solution of problems, one which takes into account the uncertainties, the fears, and the confusions of all parties concerned in the respective complaints, rather than a purely legalistic, technical treatment will affect these characteristics. Examples of some possible effects may be:

- (1) an increase in the number of man-hours per case;
- (2) an extension of the number of days required for moving a case through settlement status.

These, it may be expected, would be accompanied by—

- (3) an increase in the number of cases satisfactorily adjusted in settlement, or investigation, status with a correlative decrease in the number demanding referral for legal action.

This report includes analyses of the characteristics of complaints. Such analyses in relation to respondent, the nature of settlements, referrals to Fair Housing Practices Panel, and forces and factors which seem to facilitate or impede movement toward realization of the law's intent have been deferred. When a sufficient number of respondents have provided firsthand information to elicit a body of reliable data regarding their characteristics, these too will be subject to analyses. After a reasonably wide sample of complaints has been moved through settlement status, it may be possible to arrive at some valid conclusions about the nature of these adjustments. A variety of research approaches to the identifications of the above forces and factors may be necessary before conclusions, which will have meaning for not only New York City but also other interested localities, can be drawn.

Housing complaint case load

Date ¹	Status				Total ²	Number of personnel ³
	Intake	Investigation	Settlement	Dismissal		
Apr. 30.....	12	7	0	0	19	2
May 31.....	26	15	0	1	42	2
June 30.....	34	32	2	2	70	3
July 31.....	27	50	4	11	92	5
Aug. 31.....	30	64	8	17	119	5
September.....	5	48	50	35	138	5

¹ Refers to the close of the month, as indicated.

² These are cumulative totals.

³ Refers to number of paid professional staff working specifically on processing of complaints.

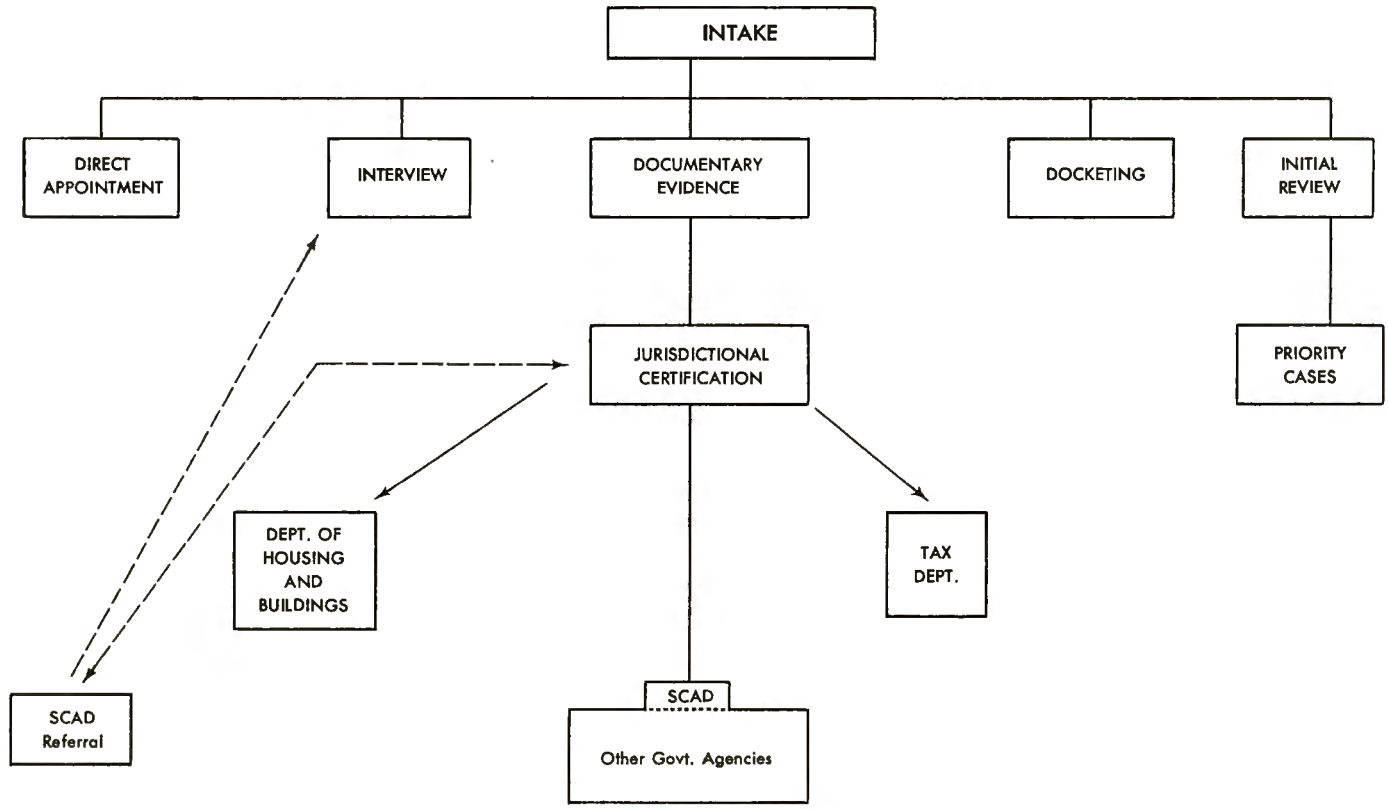
VERIFIED COMPLAINTS ANALYSIS

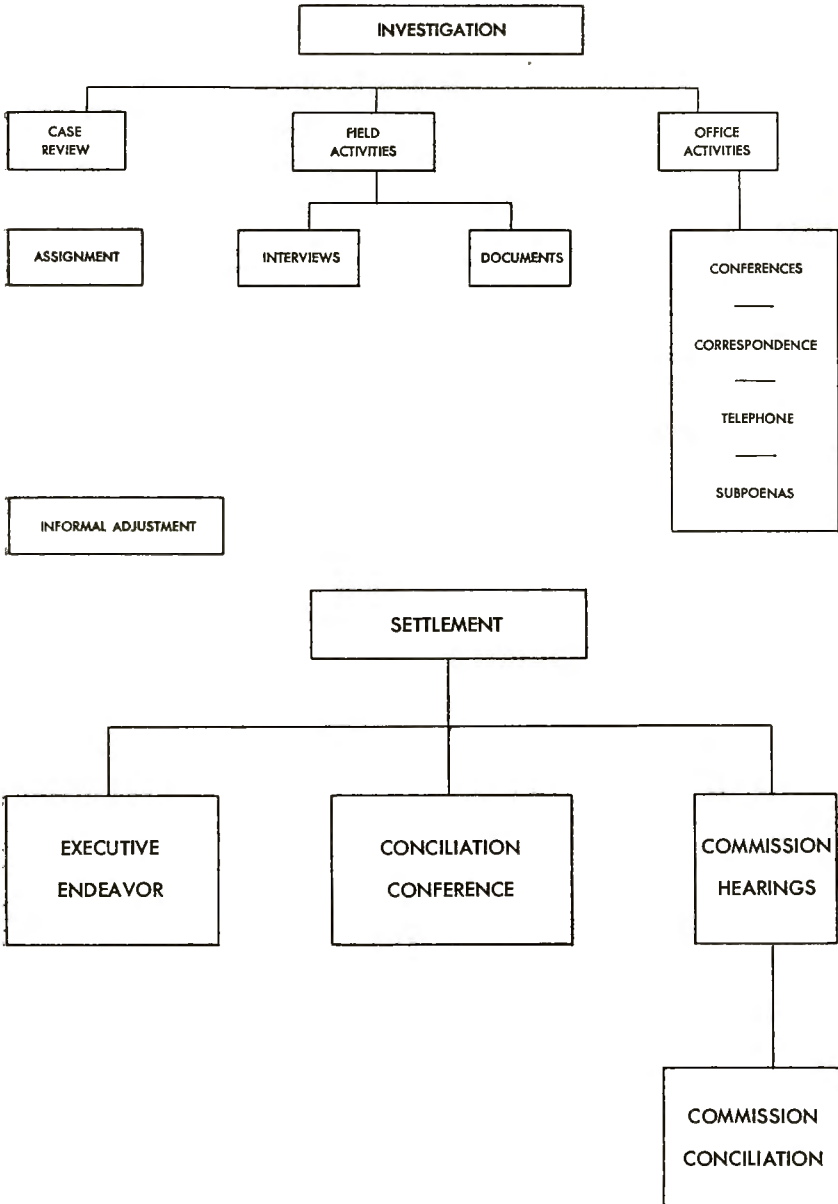
During the first 6 months, the complaints officer of the commission docketed 138 verified complaints. This report presents information on these 138 cases obtained by the complaints officer in interviews with the complainants. The objective is a nontechnical description of certain characteristics of these men and women, of the apartments they desired, and of their experiences in trying to rent them. For this purpose, and in the interest of brevity, this report focuses its attention on the modally typical complainant as much as possible. However, for the benefit of readers who may desire fuller details a series of tables is presented in the appendix containing the full range of information.

A. The complainants

The majority of these 138 cases alleged discrimination based on race and color (87 percent) and involved Negro complainants. Allegations in the other complaints, based upon religion (5 percent), ancestry (6 percent), and national origin (2 percent), primarily involved persons who identified themselves as Jewish, persons of Italian or Chinese national origin, and those of Puerto Rican origin or ancestry (appendix table I).

These complainants alleged "denial or withholding" in 91 percent of the cases, that is, that rental or purchase of vacant apartments was refused them because of their minority group status. In the remainder of the cases





discriminatory "terms," "services," or "conditions or privileges" were alleged. Examples of these charges are as follows:

Terms.—A higher rental was allegedly set on the apartment when the owner discovered the applicant was Negro.

Privileges.—The tenant was refused a lower-floor apartment in the same building allegedly because of national origin.

Services.—The tenant's steam heat and hot water were turned off and repairs in her apartment terminated allegedly to harass her into moving her roommate out when the latter was discovered to be Negro.

Most of the principal complainants (55 percent) were men. (When two persons signed the complaint, the chief wage earner or head of the household was considered principal complainant.) Four out of five were under 40 years of age; indeed, one-half of the total were younger than 30. About one-third were born in New York City and this is the largest single group, but almost as many were southern born, and another almost equally large group was born elsewhere in the United States (appendix table IX).

The chief wage earner in the complainant's household was most frequently (67 percent) engaged in a middle-class rather than a working-class occupation: 29 percent were found to be professionals or semiprofessionals, 11 percent were found to manage their own or others' businesses, 27 percent were found to be white collar workers (appendix table V).

The complainants were found, consistent with this occupational distribution, to have had more than average formal schooling as 61 percent attended college for at least 1 year (33 percent graduated) and an additional 26 percent graduated from high school (appendix table III).

The weekly household incomes of 37 percent were above a hundred dollars; those with 65 up to 100 were 28 percent; those with less than 65 per week were 22 percent (appendix table IV).

These households were about evenly divided between those with no more than one wage earner (54 percent) and those with at least two (42 percent). In the large majority of cases (83 percent), they were childless households. They were, therefore, usually small households of one or two persons (67 percent) (appendix table X).

B. The vacancies

About half of the apartments the complainants desired were located in Manhattan (54 percent); the remainder were distributed in roughly equal proportions in the Bronx (16 percent), Brooklyn (15 percent) and Queens (12 percent). None of the complainants sought dwellings in Richmond (appendix table II).

The buildings in which the vacant apartments were located were not new buildings as a rule since only 17 percent were constructed after 1939, while 40 percent were built between 1939 and 1900 and 26 percent prior to that. The Manhattan vacancies were older on the average than those in the other three boroughs (appendix table VI).

The rentals of these apartments ranged from under \$15 per room to \$80 or more. The median rental per room was \$28.55. The vacancies located in Manhattan, though older than those in the other boroughs were more expensive on the average since, of the 20 renting for \$40 a room or more, as many as 17 were in this borough (appendix table VIII). There is reason to believe that the Manhattan properties, while older, have been improved by fundamental alterations, the costs of which are reflected in the rentals.

The complainants learned of the vacancies from newspaper advertisements (51 percent); from word-of-mouth information given them by friends or relatives (12 percent); from their own observation of vacancies (10 percent); or from real estate brokers (4 percent) (appendix table XI).

But when they attempt to rent the apartment they met with treatment which they believed to be discriminatory at the hands of the landlords (31 percent), and/or the real estate brokers who placed the newspaper advertisements (26 percent), and/or the building superintendents (24 percent) and/or the building manager (14 percent) (appendix table XII).

C. The discriminatory experience

The rental of a dwelling turns out, upon scrutiny, to be a fairly complicated social process rather than a single, simple act. The complainants were subjected to the allegedly discriminatory treatment at different phases of the process. Some (about 20 percent) who made telephone inquiries in response to an advertisement reported having been asked over the phone whether they were Negro or Puerto Rican. But most (38 percent) alleged discrimination at the time of first personal contact with the renting person. Others (18 percent) following inspection of the dwelling were only then refused it, and still others (12 percent) not until after having put down a deposit.

The complainants usually learned of the Commission on Intergroup Relations through the same sources they learned of the fair housing practices law. Most

often (40 percent) this source was reputed to be a voluntary community organization. The second most frequent source (30 percent) was a newspaper account of the fair housing practices law and of commission activities. A third source was the State Commission Against Discrimination, which refers complaints to COIR under the agreement previously described.¹⁹

D. Dismissals

As of September 30, 35 of the 138 complaints brought before the commission had been brought to dismissal status without recourse to formal hearings or litigation. In nine of these which had involved the refusal, initially, of a respondent to rent to a complainant, the respondent either: (a) Rented the unit at issue to the complainant; (b) made available a substitute unit; (c) accepted an application from the complainant for a unit which might be vacated at a later date; (d) or rented the unit at issue to another member of the minority group in question.²⁰

Two of the other complaints which were resolved satisfactorily did not involve original rentals of units, but alleged discrimination in relation to such issues as lease renewal or relocation practice.

A third group of cases (five) was dismissed because the complainants failed to complete the complaints procedure. In these situations, a reasonable time period was allowed before the complaint was dismissed.

The fourth group of complaints which reached the dismissal stage comprised six cases in which the complainant, with COIR approval, withdrew the allegation of discrimination. This may be illustrated by the case in which the original complaint alleged the withholding of service—steam heat and hot water—on a discriminatory basis. The complaint was withdrawn, before COIR conciliation, when the respondent provided the services at issue.

Finally, there were 13 complaints in which support for the allegation was not available. These varied but an example may be provided through the case of a complainant whose own attorney actually contradicted his version of the incident.

The Commission on Intergroup Relations has not acted to categorize formally the bases for complaints dismissals at this time because of the range and variety of experience within the still limited sample. The design for this analysis is developed, and will be applied when the number of cases seems adequate. The above grouping may serve to suggest, however, the range of experience in relation to adjustments to date. They intimate COIR'S interpretation of its province as not only the adjustment of a specific grievance, but also constructive activity directed toward the assurance of "equal opportunity to all residents to live in decent, sanitary, and healthful quarters regardless of race, color, religion, national origin, or ancestry * * *"

THE CITY

Its Housing Supply—Its Minority Market—Its Housing Conditions

Local law No. 80 of the city of New York in 1957—the fair housing practices law—applies to a city which is distinctive. Its shelter offerings are diverse but often limited. Its population typifies a "collision and intermingling of many races and creeds."²¹ Its conditions of living are varied, but sometimes deny freedom of movement.

The supply

A definitive statement of the characteristics of all of the privately owned and operated housing in New York City cannot be made at this time. There are, however, some descriptive data which seem pertinent.

At the close of the year (1957) New York City's dwelling unit inventory was reported to be 2,535,666. Of this number 690,632 were 1- and 2-family: The remainder, 1,800,034, were multiple.²² The multiple units were distributed throughout the five boroughs as follows:

¹⁹ Refer p. —.

²⁰ In this case, the original complainant had other quarters.

²¹ White, E. B., "Here Is New York," Harper & Bros., New York, N.Y., p. —.

²² Department of Commerce and Public Events, City of New York, "Statistical Guide for New York City, 1958," New York, N.Y., 1958, p. —.

Bronx-----	388, 961
Brooklyn-----	540, 829
Manhattan-----	530, 224
Queens-----	233, 328
Richmond ¹ -----	6, 692
Total-----	² 1, 800, 034

¹ Staten Island.

² Department of Commerce and Public Events, City of New York, "Statistical Guide for New York City, 1958," New York, N.Y., 1958, p. —.

By April 1958, this inventory is reported to have increased to a total of 2,580,000 dwelling units, of which 740,732 were reported as 1- and 2-family. Included in both inventories were units in publicly owned housing projects (roughly 99,000 as of April 1958).²³ These units, and those in the categories listed below, are excluded from the provisions of the fair housing practices law:

One- and two-family homes singly built or in developments of less than ten. Dwelling units which are operated, supervised or controlled by, or in connection with, a religious organization * * * or any organization operated for charitable or educational purposes.

Exact figures for dwelling units in the above-excluded categories are not accessible at this time. It is estimated that, combined, they represent roughly 30 to 35 percent of all of the residential units in the city. Thus, it has been estimated that the provisions of the fair housing practices law apply to 65 to 70 per cent of the city's housing supply.

The city's housing inventory continues to include a sizable proportion of old-law tenements.²⁴ In 1958 the total number of dwelling units in these tenements was reported as 388,826 for the city as a whole. Regarding these buildings the Department of City Planning reports that—

For 40 years until 1950 the rate of attrition was about 5,000 units annually.

As a result of public works large-scale housing and urban renewal programs an average annual rate of 6,250 was achieved in the 1950's. Of the current inventory 62 percent is in Manhattan and 29 percent in Brooklyn.²⁵

New construction and conversion continue, however. The latest available figures (preliminary) show the net gain in the city's housing supply during the period January through August 1958, to be 2,045 units.²⁶

The report of an April 1958 inventory includes an analyses of 3,138 new dwelling units in multifamily rental projects. This analyses, conducted by the City Planning Commission, revealed a rental range of \$75 to \$325 per month. In all of the boroughs, these monthly rents "clustered" in the range of \$75 to \$175.²⁷ The significance of these figures to this report becomes apparent when they are related to the analysis of properties involved in complaints received under the fair housing practices law. There it is reported that of the 138 complaints processed by COIR from April 1 to September 30, 93 pertained primarily to apartments in older buildings at rental rates lower than those for the new buildings above cited.²⁸ This raises questions as to the function of rent control in the complainants' search for living quarters.²⁹ The finding is consonant with the opinion expressed by the COIR Housing Department staff, viz, that most of the minority group members who have utilized the complaints procedure established under the fair housing practices law have sought to enter a tight, highly competitive market, a market which comprises some of the best housing buys in New York City. It seems reasonable to assume that the vacancy rates in these much-sought units would be lower than those for high-priced new apartments which are not rent-controlled. Some support for this assumption may be found in a recently published study of high-rent housing in New York City. Here it was reported that a survey in the first quarter of 1957, of all private unsubsidized rental units completed in Manhattan from 1947 through 1956 had revealed a rental vacancy rate of 3 percent. In the same writing, the rental vacancy

²³ Allegations of discrimination in publicly owned and assisted housing are handled by the State Commission Against Discrimination.

²⁴ "Old law tenement" refers to a multifamily dwelling which was built, under construction, or for which plans had been filed prior to 1901.

²⁵ Department of City Planning, Newsletter, New York, N.Y., October 1958, p. 1.

²⁶ Ibid.

²⁷ Department of City Planning, Newsletter, New York, N.Y., September 1958, p. 1.

²⁸ Refer pp. 12-17 of this report.

²⁹ This question is under investigation now by the COIR research staff.

ratio for the New York Metropolitan area for mid-1957 was estimated as "probably not much changed from the 1950 ratio of 1.3 percent."³⁰

It would be fallacious to conclude on the basis of the data regarding complaints under the fair housing practices law, that minority group members in New York City never enter newly constructed residential buildings outside the traditionally segregated or fringe areas. It is known that there have been within the city some controllers of privately owned dwellings who, prior to the passage of the law, acted in accordance with their democratic commitments and leased their available properties to all applicants who met the standard for occupancy, without reference to minority status. It must be assumed, further, that there are other controllers who—upon passage of the legislation—altered their practices in accordance with the law's intent. The numbers of such controllers or of minority group members affected by them is not known at this time.

The Commission on Intergroup Relations, in cooperation with a number of voluntary organizations throughout the city, has just completed an "Experience Survey" of residential patterns throughout the city. This survey has been informal, has made no effort to be scientifically systematic in methodology or verification of returns. It has sought, through the cooperating organizations, to collect information regarding buildings, blocks, and neighborhoods in New York City, in which the induction of nonwhite or Puerto Rican occupants has taken place. The analysis of this survey's returns is in progress at this time. It may provide clues to the validity of the opinion, related to the discussion (above), that the newer residential structures, not in rent control status, represent a more flexible housing market than older controlled units. It may offer support of the assumption that this "more flexible" market yields a potent opportunity for minority groups' entry into the now-open housing supply of New York City, from which they were restricted previously because of their race, creed, color, national origin, or ancestry.

The Market

New York has been variously called the "melting pot," the "pressure cooker," the "port of the Nation" and—"the city of final destination, the city that is a goal."³¹ Its population is heterogeneous. New York, though challenged by the rapid growth of some other American municipalities, in 1950 continued to hold the No. 1 position in rank order of populations of U.S. cities. Its total at that time was 7,891,957. Within this total, the number of disadvantaged minority group members who may be regarded as susceptible of discrimination in housing because of their "race, color, religion, national origin, or ancestry" is known to be high. No enumeration of that number has been undertaken. There are some figures, however, which do provide clues.

Color and race.—For 1950, the U.S. Census Bureau figures for the total number of nonwhite persons in New York City was 775,516. City estimates of the number for this group in 1957 total 910,000.³² The heavy majority of this nonwhite population in the city is Negro. In 1950, the official total population of this minority group was given as 747,608. No comparable data are available within the 1957 estimates cited here.

The Negro population of New York City is distributed unevenly throughout the five boroughs. Thus, it has been reported that—

While there has been considerable decentralization of the Negro population in the city of New York, the basic settlement pattern is still one of considerable concentration in Harlem and several other important subcenters.

Four areas in the city contain over 80 percent of the city's Negro population. The analysis to date does not reveal whether the remaining 18 to 19

³⁰ Shussheim, Morton J., "High Rent Housing and Rent Control in New York City," Temporary State Housing Rent Commission, New York, N.Y., April 1958, pp. 26 and 2.

³¹ *NOTE.*—Private unsubsidized rental units constructed since February 1, 1947, are not subject to rent control in New York City. This report included cautioning data to the effect that even for this high-rent, uncontrolled sector of New York's housing supply, the market is not soft: that the rental vacancy rate "primarily reflects the level of recent construction," p. 27.

³² White, E. B., *op. cit.*, p. 18.

³³ Statistical Guide, *op. cit.* p. 38. The 1950 total includes 19,631 persons of Puerto Rican background classified as "nonwhite." The 1957 estimates exclude all Puerto Ricans, from both white and nonwhite categories. No color classifications within the discrete Puerto Rican figures are given.

percent is distributed mainly in small clusters or whether larger numbers are "diffused" in neighborhoods where white population predominate.³³

The four areas referred to above are: West Harlem, in Manhattan; Bedford-Stuyvesant in Brooklyn; South Jamaica-St. Albans in Queens; and Morrisania in the Bronx. The first two of these are well-known, densely populated, highly concentrated areas about which frequent questions are addressed to the Commission on Intergroup Relations.

West Harlem, in Manhattan, comes immediately to mind. Contrary to the idea which is expressed sometimes by those who are not familiar with this city, not all of the Negro population in Manhattan, lives in Harlem. In 1950, the population for that area included approximately 230,000 Negroes. This number represents: Slightly more than 30 percent of the total number of Negroes in the city; roughly 60 percent of the total number of Negroes in the borough of Manhattan; roughly 94 percent of the total population within the area itself.

These proportions are purported to have declined somewhat in the intervening 8 years. This decline appears to reflect, in part, the impact of public housing, and title I projects. Assessment of the meaning of these figures requires recognition that some the Negro residents of Manhattan may be found in neighborhoods which fringe Harlem itself. Others are in: (a) pockets of Negro residence in privately owned and operated units scattered throughout the borough; (b) publicly owned and assisted developments (this includes the title I structures); and (c) integrated buildings which are to be found in the borough, in limited numbers. It may be stated, further, that Harlem itself, does not represent an entirely homogeneous area from the point of view of socioeconomic status. The point here is, however, that the area does represent one of the "centers of Negro settlement"—an area which seems to be tightly compressed contrary to its past history. In this regard it has been reported that "since 1950 the boundaries of [West] Harlem have hardly been extended, bringing to a halt a geographic spread which began almost 50 years ago."³⁴

The second well-known area to be cited for illustrative purposes here is Bedford-Stuyvesant in Brooklyn. Here, in 1950, the Negro population was reported as roughly 130,000. This number at that time represented: Slightly more than 17 percent of the total number of Negroes in the city; slightly more than 60 percent of the total number of Negroes in the borough of Brooklyn; slightly more than 70 percent of the total population itself.

By 1957, the latter proportion was purported to be approaching 85 percent. This increase is consistent with a trend during the present and past decade. Analysis reveals that "The Negro population in Bedford-Stuyvesant and adjacent areas has tripled since 1940. The acreage in which Negroes comprise more than 50 percent of the population has quadrupled since 1940."³⁵ Bedford-Stuyvesant, like Harlem, does not represent an area which is homogeneous in socioeconomic status. It is a location in which many Negroes have found the only accommodations available to them.

The above-quoted paper includes statements regarding the other two areas of Negro settlement as follows:

South Jamaica-St. Albans.—Territorially, it is the largest Negro area in the city—its acreage is almost double that of Harlem 1½ times as great as the Bedford-Stuyvesant area. Since 1950 the area in which Negroes predominate in this southern part of Queens has increased 2½ times.

The Negro population in the South Jamaica-St. Albans area is now almost as great as that in the Morrisania area of the Bronx, and is growing at a faster rate.³⁶

The references to these areas are utilized here to illustrate the compression of living which has been, surely in part, a result of the denial to New York City's Negroes of the opportunity to compete freely for homes in all parts of the city. There are other reasons, of course, and among these may be voluntary self-segregation by some, but this does not dilute the significance of the central target of the fair housing practices law; viz. the barriers to competition for homes on a free and equal basis which have been set up by controllers against Negro groups.

³³ Cohen, Henry, "Where Is New York Going?" unpublished paper presented before a conference on Living in an Integrating Society at the YWCA, Upper Manhattan Branch, New York City, on April 18, 1958, p. 6. Material quoted with consent of the author.

³⁴ Loc. cit.

³⁵ *Ibid.*, p. 7.

³⁶ Loc. cit.

Religion.—There are no comparable figures regarding the religious backgrounds of New York City residents. The estimates are many and varied. 1957 statistics for the city³⁷ include the following:

<i>Churches</i>		<i>Synagogues</i>	
Roman Catholic-----	462	Orthodox-----	1,112
Eastern Orthodox-----	51	Conservative-----	92
Protestant-----	1,589	Reform-----	39
Total-----	2,102	Total-----	1,243

There are no figures for the respective memberships of these religious institutions which are reported as located throughout all of the five boroughs. It is known generally, however, that there are areas within New York City in which the respective populations are—to a higher degree—homogeneous in religious background and faith. There are known to be, also, social controls additional to those of voluntary choice which combine to create and maintain such communities. Included among these have been the exclusion practices of some of the controllers of privately owned residence units.

Foreign born.—New York is the Nation's No. 1 port of entry. For 1957, it is reported that 169,556 immigrant aliens entered the country here.³⁸ Their destinations were many, of course. However, the Immigration and Naturalization Service reports³⁹ that, for the same year, approximately 24 percent of all of the immigrant aliens admitted to this country (77,356) identified New York as their "State of intended future residence." There is no breakdown of the number within this group whose intended residence was New York City, but it seems probable that this number does represent a significant proportion of the above total.

The total foreign-born white population of the city in 1950 was reported (by the census) as 1,784,206. The listing of "Native country" comprehends 26 categories, plus "All others." The range of totals within the discrete categories was from 3,244 (Mexico) to 344,115 (Italy). These foreign born residents of New York City, similarly to other minority groups, are to be found in "clusters," within each of the five boroughs. New York has its "Chinatown," its "Little Italys." Not all of the foreign-born are equally likely to encounter discrimination on the basis of their nativity, however. It is alleged that the rate of rejection and exclusion on that basis varies with the specific national origin of the individual. The nature and extent of immigration to New York City; the identity and character of the related individual, family, and community problems; the impact on life in the city as a whole are not really known. At this writing, the COIR Department of Research and Intercultural Education is working on the design for a proposed comprehensive study of these questions.

Ancestry.—This classification, in this report, refers to persons of Puerto Rican background. In 1950, the total number of persons so identified in New York City, was reported to be 246,306. Estimates of the 1957 number range from 550,000⁴⁰ to 620,000.⁴¹ The latter estimate provides data which indicate that a slight majority of this number lived in Manhattan (282,000). The second largest number was in the Bronx (163,000); the third in Brooklyn (158,000). It is known that, within the five boroughs, persons of Puerto Rican background are dispersed unevenly. The repetitive pattern is that of "high density pockets" "fringed with thin, irregular lines of residential breakthrough." Probably the best known of such "pockets" is East Harlem in Manhattan, the boundaries of which are determined variously, by different organizations and groups.

There are known to be, in Manhattan, about 12 neighborhoods in which Spanish is the chief language spoken, of which East Harlem is the largest and most densely populated. The population estimates for this area vary so widely that any effort at their reconciliation seems not feasible at this time. However, it may be said that East Harlem typifies the center of Puerto Rican settlement in New York City.

³⁷ Statistical Guide, op. cit., p. 13.

³⁸ Ibid., p. 24.

³⁹ Immigration and Naturalization Service, U.S. Department of Justice, "Annual Report 1957," Washington, D.C., p. 32.

⁴⁰ Statistical Guide to N.Y.C., op. cit. p. 38.

⁴¹ Commonwealth of Puerto Rico, Migration Division, Department of Labor, "A Summary in Facts and Figures" April 1958 edition, New York, p. 17.

As the most recent group to come to the city in numbers, the Puerto Rican migrants have encountered all the obstacles to selection of homes of their own choice which have been known to previous immigrant groups. The question has been raised as to whether the fact that numbers of these migrants are not only Spanish speaking but brown in color has made these obstacles more formidable. Discriminatory practices related to housing the Puerto Rican newcomer usually are described as comprising not only denial or withholding of units, but exploitation—through high rentals, limitations of services, and lowering of occupancy and maintenance standards—in some of the buildings to which they are admitted. The barriers to freedom of choice of a place to live are many, and interrelated. As is true for the other minority groups specified under the fair housing practices law, such barriers must be regarded as including the psychological mechanisms which the minorities themselves have evolved to protect and defend themselves from the rejection experience. However, it is clear also that discriminatory practices, in privately owned and operated housing in New York City have contributed, heavily, to the conditions under which numbers of newly arrived Americans of Puerto Rican background are forced to live.

Conditions

Prior to the passage of the fair housing practices law, there was evidence to the effect that the housing accessible to the minority populations, for the most part, was located in the old, already overcrowded areas of the city, with the areas of new construction being all but closed to them. For example, while the Negro population had increased 62 percent from 1940 to 1950, the housing occupied by them increased only 58 percent. On the other hand, with a 2-percent increase in the white population, the housing occupied by whites increased 12 percent. For the city as a whole, in 1950, nonwhites constituted 9.8 percent of the population, but occupied only 8.3 percent of the housing * * * In general, nonwhite families were confined to extremely limited areas with lower than the city's norm, and paid higher rents for inferior and more crowded quarters, and even the growing group of minority families with adequate financial means was largely confined to substandard ghetto neighborhoods.⁴²

The fair housing practices law, in provision and intent, applies directly to the conditions above delineated. The Commission on Intergroup Relations, as it implements the provisions, holds constant its recognition of the law's historic role as the first such effort to challenge such conditions. With this in mind, the commission seeks to document, to analyze, to evaluate the various aspects of its own operations; to share the products from time to time not only with the city which is affected immediately but also with others having similar conditions and similar concern. This report concretizes the first of such efforts.

METHODS

The report which follows is a presentation of findings elicited through research procedures which were "built in" to some of the original plans for administering the fair housing practices law. It is limited to selected implementations and enforcement aspects of administration of the law. It, this report, is not comprehensive of the educational and interpretive activities which have been conducted by and through this commission relative to the law. In the months between the enactment and the effective date of the legislation, the research and housing staffs worked together to develop definitions, recording and reporting systems which would accommodate not only the program requirements but those of research as well. In the process, program needs were given primary consideration: research functions were related, directly, to these. There were a limited number of instances in which addition to content or system were necessary for the research purposes.

The activities for which the above provisions were made were those which—

1. were necessary to the processing of discrete complaints;
2. required formal and official contacts or agreements with other administrative agencies;
3. necessitated new policy decisions (specifically related to the law) by the Commission on Intergroup Relations.

⁴² Based on excerpts from the Report of the Mayor's Committee for Better Housing, Subcommittee on Special Problems such as Housing for the Aged and Large Families and Discrimination and Integration, New York, June 1955.

The research, as planned, included both qualitative and quantitative analyses. In the planning process, questions which seemed susceptible of systematic investigation—immediately or at a later date—were outlined. Possible hypotheses were listed for consideration on the basis of experience. Definitions were developed which would permit classifications of data. These referred not only to such matters as case status, or to categories reported in the appended tables, but also to terms employed in the report of the implementation and enforcement programs. The original design called for a 6 months' testing period of all of the definitions, procedures, instruments, and interpretation devices (Apr. 1-Sept. 30, 1958). The evaluations called for in this plan are underway at this time: Definitions are being reshaped, procedures and instruments are in revision as the results of the 6 months' use. Day to day, interdepartmental communication to facilitate evaluations is provided primarily through the Housing Complaints Officer, Earle W. Fisher, who is designated as the liaison officer with the Research Department for case information.

There are data which underpin all of the material presented by the COIR Director of Housing and Relocation—Mrs. Corienne R. Morrow—in her analyses of the implementation and enforcement programs. These data came from the sources listed below:

1. Reports of discrete projects carried on in relation to the law;
2. Monthly reports of activities, submitted to the executive director;
3. Work unit analyses, derived by the research staff from job descriptions and daily records of activities;
4. Individual case records.

The report of the complaints analyses, and the appended tables pertaining to those data—prepared by Harold Goldblatt, COIR research associate—are built on data provided by the complaints records. Here, coding devices and categories were derived directly from the data: It has been necessary to alter some of those which were preplanned. It is interesting to note that some aspects of these data already have provided clues for further research.

Data for the reports on the "Caseload" and "The City," both prepared by the director of the COIR research program, came from—

1. Records and documents of the COIR Complaints Processing Procedures, these include:

- a. docket and registry documents,
- b. statistical file cards,
- c. discrete case records,

2. A variety of outside sources (as identified in the writing). These include:

- a. census data,
- b. reports of public agencies,
- c. special related reports as cited.

This report was written at this time in response to the many questions addressed to this department regarding the fair housing practices law. Summarized, these are:

1. What kinds of procedures are necessary to administer and enforce the law?
2. How many complaints are received by the commission? What are their characteristics?
3. What are the characteristics of the housing covered by the law? What proportion of New York's housing supply does this represent?
4. How many New York City residents are embraced within the "minority" groups most susceptible to the discriminatory actions prescribed by the law?
5. What are the overall residential patterns of these minority groups? (4 above.)

These questions have come from professional intergroup relations, human relations, civil rights, and social welfare workers as well as from research technicians specializing in the social and civil rights field—throughout this country and abroad. Research technicians have stressed the question:

6. What research is underway, or planned, that will insure the availability of data on New York City's experience to other communities with similar interests?

It must be understood that the activities reported here do not embrace all of those which have been carried out by the Commission on Intergroup Relations in the implementation of the fair housing practices law. It is limited to those on which research was preplanned.

This report is submitted with the hope that it will be of use and interest, and that—in return—it will elicit the sharing, with this department, of any research ideas, designs or findings which its readers may consider pertinent.

RHETTA M. ARTER,
Director of Research and Intercultural Education.

COMMISSION ON INTERGROUP RELATIONS, FAIR HOUSING PRACTICES LAW

VERIFIED COMPLAINTS—APR. 1—SEPT. 30, 1958

TABLE I.—*Basis of complaint, type of discrimination*

Basis of complaint	Race and/or color	Religion	National origin	Ancestry	Total
Type of discrimination:					
Denial or withholding.....	109	6	2	9	126
Terms.....	5	0	0	0	5
Conditions or privileges.....	1	0	1	0	2
Facilities.....	0	0	0	0	0
Services.....	4	0	0	0	4
Other.....	0	1	0	0	1
Total.....	119	7	3	9	138

TABLE II.—*Locations of desired properties by boroughs*

Basis of complaint	Race and/or color	Religion	National origin	Ancestry	Total
Borough:					
Brooklyn.....	18	0	0	3	21
Bronx.....	19	1	0	2	22
Manhattan.....	63	6	3	3	75
Queens.....	15	0	0	1	16
Richmond.....	0	0	0	0	0
Unknown.....	4	0	0	0	4
Total.....	119	7	3	9	138

¹ 3 of these involve no specific properties; 2 are against real estate agencies, 1 against a relocation agency.

TABLE III.—*Education, basis of complaint*

Basis of complaint	Race and/or color	Religion	National origin	Ancestry	Total
Education:					
Less than high school.....	2	0	1	3	6
Some high school.....	2	0	0	4	6
High school graduate.....	33	0	1	2	36
Some college.....	36	3	0	0	39
College graduate.....	40	3	1	0	44
No answer.....	6	1	0	0	7
Total.....	119	7	3	9	138

TABLE IV.—*Family income, basis of complaints*

Basis of complaint	Race and/or color	Religion	National origin	Ancestry	Total
Family income per week:					
\$200 and over	8	4	0	0	12
\$100 to \$199.99.....	35	2	2	0	39
\$65 to \$99.99.....	34	0	0	4	38
\$64.99 and under.....	26	0	1	4	31
No response.....	16	1	0	1	18
Total.....	119	7	3	9	138

TABLE V.—*Occupation of chief wage earner, basis of complaint*

Basis of complaint	Race and/or color	Religion	National origin	Ancestry	Total
Occupation:					
Professional.....	37	3	1	0	41
Managerial.....	12	2	0	1	15
White collar.....	37	0	0	1	38
Skilled.....	7	0	0	1	8
Semiskilled.....	6	1	2	3	12
Unskilled.....	4	0	0	0	4
None.....	16	0	0	2	18
No response.....	10	1	0	1	12
Total.....	119	7	3	9	138

¹ Signifies students, retired.

TABLE VI.—*Age of properties involved in complaints*

Borough	Manhattan	Brooklyn	Bronx	Queens	Richmond	Total
Date of construction:						
Prior to 1900.....	29	3	1	2	0	35
1900-09.....	11	3	1	0	0	15
1910-19.....	7	2	2	0	0	11
1920-29.....	10	6	11	1	0	28
1930-39.....	0	1	1	0	0	2
1940-49.....	5	1	1	5	0	12
1950 or later.....	1	1	2	7	0	11
No information ¹	13	5	5	1	0	24
Total.....	76	22	24	16	0	138

¹ Includes 3 cases involving no specific properties: 2 of these are against real estate agencies, 1 is against a relocation agency.

TABLE VII.—*Monthly rent ¹ per room for dwelling units involved in complaints by boroughs*

Borough	Manhattan	Brooklyn	Bronx	Queens	Richmond	Total
Rent per room:						
Under \$15.....	9	2	2	0	0	13
\$15-\$19.99.....	7	3	4	0	0	14
\$20-\$24.99.....	5	2	7	3	0	17
\$25-\$29.99.....	4	2	0	5	0	11
\$30-\$39.99.....	13	6	5	4	0	28
\$40-\$49.99.....	5	0	0	3	0	8
\$50-\$59.99.....	2	0	0	0	0	2
\$60-\$69.99.....	7	0	0	0	0	7
\$70-\$79.99.....	2	0	0	0	0	2
\$80 and over.....	1	0	0	0	0	1
No data.....	21	7	6	1	0	35
Total ²	76	22	24	16	0	138

¹ Rent here includes monthly maintenance in cooperative buildings.

² No specific properties were identified in 4 cases.

TABLE VIII.—Rents per room, by age of building of dwelling units involved in complaints

Date of construction	Prior to 1900	1900-1909	1910-19	1920-29	1930-39	1940-49	1950 and later	Unknown	Total
Rent per room:									
Under \$15.....	5	6	0	1	0	0	0	1	13
\$15-\$19.99.....	6	1	2	4	0	0	0	1	14
\$20-\$24.99.....	2	1	2	7	0	2	0	3	17
\$25-\$29.99.....	1	0	1	2	0	3	2	2	11
\$30-\$39.99.....	6	1	3	6	0	1	7	4	28
\$40-\$49.99.....	3	1	0	0	0	1	2	1	8
\$50-\$59.99.....	1	0	0	0	0	0	0	1	2
\$60-\$69.99.....	1	1	1	1	0	2	0	1	7
\$70-\$79.99.....	1	0	0	0	0	1	0	0	2
\$80 and over.....	1	0	0	0	0	0	0	0	1
No data.....	8	4	2	7	2	2	0	10	35
Total.....	35	15	11	28	2	12	11	24	138

TABLE IX.—Nativity, age, and sex of complainants¹

A. Place of birth:		
New York City.....		44
Southern United States.....		37
Other mainland United States.....		36
Puerto Rico.....		6
Other countries.....		13
Unknown.....		2
Total.....		138
B. Age:		
Under 30 years.....		69
30 to 39 years.....		42
40 to 49 years.....		13
50 years and over.....		7
No data.....		7
Total.....		138
C. Sex:		
Male.....		76
Female.....		62
Total.....		138

TABLE X.—Characteristics of families represented by complainant,¹ size of families, ages of children, numbers of wage earners

A. Size of family:		
1 person in family.....		30
2 persons in family.....		63
3 persons in family.....		28
4 persons in family.....		8
5 or more persons in family.....		5
No information.....		4
Total.....		138

¹ Complainant refers to the member of the family who filed the complaint. In nearly all cases the complainant is identical to the head of the household. In the case of the complaint filed jointly by the husband and wife, characteristics of the former are reported.

TABLE X.—*Characteristics of families represented by complainant,¹ size of families, ages of children, numbers of wage earners*—Continued

B. Family composition:	
Number of families composed of adults only.....	114
Number of families having children.....	24
Of preschool age..... ²	22
Of school age..... ²	7
Total	138
C. Employed persons in family:	
Number of families having 3 or more wage earners.....	3
Number of families having 2 wage earners.....	55
Number of families having 1 wage earner.....	68
Number of families having 0 wage earners (includes 2 persons having independent income).....	6
No information.....	6
Total	138

¹ Complainant refers to the member of the family who filed the complaint. In nearly all cases the complainant is identical to the head of the household. In the case of a complaint filed jointly by the husband and wife characteristics of the former are reported.

² Families have children in both age groups.

TABLE XI.—*Complainant responses to—*

A. Through what sources ¹ did you learn about the fair housing practices law?	
Community agencies.....	55
Newspapers.....	42
Radio.....	4
Informal sources (friends, relatives, etc.).....	10
Subway posters.....	5
Other sources.....	7
No data.....	* 30
Total	153

¹ 4 complainants identified more than 1 source.

* Includes cases referred by the State Commission Against Discrimination in the initial interview for which this question was not included.

B. Through what sources did you learn about the dwelling unit you sought?

Newspaper advertisements.....	70
New York Times.....	45
Other newspapers.....	25
Friends or relatives.....	16
Observation of vacancy.....	14
Real estate broker.....	6
Other ^a	9
No data.....	11
Question not applicable.....	12
Total	138

^a Superintendent, "grapevine," response to own advertisement, bulletin board, school placement service.

TABLE XII.—*Nature of the alleged discrimination, complainant responses to—*

A. Who was the active discriminator? ¹	
Owner of the unit.....	49
Superintendent of the building.....	39
Real estate agent or broker.....	42
Building manager.....	22
Tenant in possession.....	3
Builder.....	1
Relocation company.....	1
Identity unknown.....	2
Total	¹159
¹ 20 complainants identified more than 1 active discriminator.	
B. At what stage of the application was discrimination first encountered?	
During or immediately following first personal contact with the active discriminator.....	52
During or immediately after telephone conversation or written application.....	28
Following inspection of the dwelling unit.....	25
After deposit on dwelling unit.....	16
Question not applicable.....	17
Total	138

I. DEFINITIONS

Case

In this report, the term "case" refers to transactions involving (a) allegations of housing discriminatory actions in which a respondent (or respondents), designated by name or role, is charged, or (b) situations calling for the provision of program services designed to deal with specific incidences or to resolve specific problems in which factfinding is usually involved. Settlement of issues or resolution of the problem is a potential end product and a definite terminal point may be anticipated. A case embraces an operation which may be formally "opened," classified for processing, and "closed." "Cases" comprise both verified and unverified allegations.

A. The term "verified" denotes that a complaint has been subscribed to and sworn to before a notary public.

B. A verified allegation, in this report, is referred to as a "verified complaint."⁴³ It is a housing complaint filed under the Rules Governing Procedures and Practices in Relation to Complaints Alleging Discrimination in Housing, promulgated March 25, 1958, by the New York City Commission on Intergroup Relations.

C. An unverified allegation is a case alleging a housing discriminatory action which would be subject to classification as a housing complaint if it were filed according to the procedures of the Commission's Rules and Regulations.

Fair Housing Practices Law

The term "fair housing practices law" is used to designate an amendment to the Administrative Code of the City of New York which became a local law December 30, 1957, pursuant to the provisions of City Home Rule Law Section 22, and is technically identified as: Local Law No. 80 of 1957, Council Ind. No. 733, Print Nos. 864-959. After enactment, it was inserted as Title X, Section X 41-1.0 of the Administrative Code of the City of New York. It is also referred to as the Sharkey-Brown-Isaacs law of 1957.

II. HIGHLIGHTS OF PROCEDURE FOR HANDLING COMPLAINTS ALLEGING DISCRIMINATION IN HOUSING

1. Those believing themselves to be discriminated against in connection with housing may file a complaint at the office of the Commission of Intergroup Relations within 90 days after the occurrence of the incident about which the complaint is made.

⁴³ All complaints are verified. It should be noted that the New York City Commission on Intergroup Relations is empowered by its organic legislation (Local Law 55 of the City of New York) to handle complaints in categories additional to housing discrimination.

2. Those who file a complaint will be assisted in preparing it by a commission interviewer. The complaint will be notarized without charge.

3. Bringing in information needed for the complaint speeds handling it. This information is the name and address of the owner or other charged with the discriminatory actions, the name and address of the property at issue, the date of the incident, and a description of what happened. The complaint will be accepted without all of the needed information but missing facts will have to be provided later.

4. Under exceptional circumstances, the executive director may waive the rule requiring that the complaint be filed at the commission office.

5. Those filing the complaint do not have to know what law applies to the situation nor whether the State Commission Against Discrimination or the Commission on Intergroup Relations is responsible for handling the case. If a complaint taken by one agency must be referred to the other, the staff will make this determination and transfer the complaint as quickly as possible, and the complainant will be notified immediately. This has been arranged by cooperative agreements between the two agencies.

6. Complaints may be amended by the complainant or the commission under certain circumstances. Complaints may be withdrawn only upon consent of commissioners.

7. After a complaint has been filed and is found to be covered by the Commission on Intergroup Relations, it will be investigated to find out if there is evidence to support the charge of discrimination.

8. This investigation is directed not only to finding the fact but also to an immediate attempt to eliminate any discriminatory practice found to exist.

9. When the report of the investigation and its results is made to the executive director and the charges have been supported by this investigation, the executive director may formally find a "reasonable cause" and certify the case for further conciliation.

10. At this stage, every feasible effort will be made to eliminate any discriminatory practice found by conference, persuasion, mediation, or conciliation. In this process, the commission also will offer services to assist in resolving any problems which might be involved.

11. The complainant will have the opportunity to decide whether to accept the "terms of conciliation."

12. If the investigation does not reveal evidence in support of the charges, the complaint will be dismissed.

13. The complainant may apply to the commission for reconsideration of dismissal of the complaint or any other disposition of the case made without his consent within 15 days after notification of the commission's action.

14. If the effort to conciliate fails, a hearing tribunal, composed of three commissioners, may be established for examination of the evidence and decision concerning the charges. This is the beginning of the "formal" stage in handling a complaint.

15. In this stage, notice of hearing and a copy of the complaint are served upon the persons charged with the discriminatory practice and they are required to answer in writing. All charges not denied according to the rules are deemed to be admitted.

16. The hearing tribunal is empowered to compel the attendance of witnesses or to require the production of any records, documents, or evidence needed.

17. The commission may consolidate two or more proceedings.

18. Findings and recommendations of the hearing tribunal are submitted to the commission, on basis of which a formal decision is made.

19. If the commission decision does not support the charges, the complaint is dismissed.

20. If the commission's decision supports the charges, those against whom the decision is made are notified and, at the same time, invited to appear before the commission for a final attempt to conciliate.

21. If conciliation attempted at this stage fails, the case is referred to a Fair Housing Practices Board appointed by the mayor of the city of New York for its action upon the commission's findings and recommendations.

22. The Fair Housing Practices Board may if it so finds, refer the case to the corporation counsel for equitable proceedings, in the name of the city, before the Supreme Court.

III. COIR-SCAD COOPERATION AGREEMENT, MAY 15, 1958

The following cooperation agreement is hereby executed by the New York City Commission on Intergroup Relations and the New York State Commission Against Discrimination, in order to afford the people of the city of New York the greatest possible facility in the filing and processing of complaints charging discrimination in housing accommodations in accordance with the rights granted them under State and city legislation applicable to discrimination in housing accommodations because of race, creed, color, or national origin or ancestry.

Under this agreement, any person believing himself to be aggrieved is spared the burden of ascertaining whether the discrimination he alleges comes within the enforcement jurisdiction of the State laws or the city laws, and the delay and inconvenience of going from one agency to the other in order to obtain relief. Therefore, the verified complaint will be taken by either agency to which the prospective complainant goes. The agency taking the complaint will thereupon inform the complainant that a determination of appropriate jurisdiction will be made at the earliest possible moment and that the complaint will be processed by the agency having jurisdiction. A standard form will be used by both agencies, which will constitute authorization for the complainant for the referral and processing of his complaint by the appropriate agency as determined through this procedure. If a complaint taken in one agency is referred to the other, the complainant will be immediately notified.

A complaint referred by one agency to the other will be accompanied by all collateral information and documents pertaining to the alleged discrimination and filed by the complainant with the original agency.

In order to expedite the referral of cases from SCAD to COIR, complaints filed with SCAD will not be assigned by the chairman to an investigating commissioner until the jurisdiction issue has been resolved. Where the SCAD chairman determines that the State agency does not have enforcement jurisdiction, he will dismiss the case on that basis and will then refer it to COIR.

All housing cases in New York City which are not under the enforcement jurisdiction of State laws, will be referred by SCAD to COIR, and all cases which are under the enforcement jurisdiction of SCAD by State laws will be referred by COIR to SCAD.

Jurisdictional determinations will be made by the following procedure: The agency taking the complaint will immediately thereupon advise the other agency of the name and address of the respondent and the address of the property in question. COIR will at the earliest possible moment ascertain from the New York City Department of Buildings information necessary for initiating jurisdictional determinations, and where indicated, will secure supplementary information from the New York City Tax Department or other departments; the State Commission Against Discrimination will at the earliest possible moment ascertain from the appropriate State and Federal agencies the information necessary to complete the determination of the jurisdiction.

In the event that changes or additions in this agreement are indicated as a result of experience with operations under this procedure, it is understood that the cooperation agreement is subject to such revision as may be approved by both commissions.

(S) CHARLES ABRAMS,
State Commission Against Discrimination.

(S) ALFRED J. MARROW,
Commission on Intergroup Relations.

IV. NEW YORK STATE AND CITY ANTIDISCRIMINATION LAWS AFFECTING HOUSING AND URBAN REDEVELOPMENT

(prior to enactment of fair housing practices law)

A. *New York City*

1. Sharkey law (1948) prohibiting discrimination in urban redevelopment projects.

2. Brown-Isaacs (1951) prohibiting discrimination in public and publicly assisted housing (including Stuyvesant Town).

3. Sharkey-Brown-Isaacs (1954) prohibiting discrimination in multiple dwellings receiving Government mortgage insurance after July 1, 1954.

4. New York City Multiple Dwelling Code (1955) provides tax abatement and exemption for owners who install central heating, hot water, and other kinds

of rehabilitation and prohibits discrimination in any property that receives this kind of exemption or abatement.

B. New York State

1. Public Housing Law Section 223 (1938) prohibits discrimination in all housing built under the State's public housing laws.

2. Wicks-Austin (1950) prohibits discrimination in all public and publicly assisted housing. Defines publicly assisted housing broadly to include title I, housing developed through use of public condemnation powers, tax exemption or abatement, and public housing. Defines segregation as discrimination.

3. Metcalf-Baker (1954), No. 1, prohibits discrimination in multiple dwellings with Government insurance or mortgage guarantees (FHA and VA) for developments of 10 or more homes after July 1955.

4. Metcalf-Baker (1954), No. 2, empowers State Committee Against Discrimination to enforce Public Housing Law Section 223 (1938) and Wicks-Austin (1950).

5. Metcalf-Baker (1955) empowers State Committee Against Discrimination to enforce Metcalf-Baker (1954), No. 1 (FHA and VA).

V. ANNOTATED LIST OF COIR HOUSING LITERATURE

1. "Blueprint for Open City" (English and Spanish). A pamphlet describing the program and functions of the Commission on Intergroup Relations.

2. "Fair Play in Housing for Everyone" (English and Spanish). A pamphlet supplying answers to frequently raised questions: Designed as a citizen's guide to understanding the fair housing practices law.

3. "Rules Governing Procedure and Practice in Relation to Complaints Alleging Discrimination in Housing." Official rules promulgated by the Commission March 25, 1958: A technical document primarily for use of attorneys and others concerned with legal processing of complaints.

4. "Highlights of Procedures for Handling Complaints Alleging Discrimination in Housing." A brief description of the rules and procedures particularly useful to agencies, organizations, and individuals interested in method of filing complaints and generally information concerning case processing.

5. "General Policy Concerning Administration of Fair Housing Practices Law." Statement of the policy of the Commission on Intergroup Relations setting forth program objectives and administrative philosophy.

6. "A Statement on Housing Policy," by Robert F. Wagner, mayor of the city of New York. Reprint of an address by the mayor, October 12, 1956, in which he officially announced the public policy of achieving an open city in which all families may bargain competitively for housing available in the total supply.

7. "The Fair Housing Practices Law" (Local Law 80 of 1957; English and Spanish). Full text of the amendment to the Administrative Code of the City of New York, in relation to discrimination and segregation in housing.

8. "A Local Law No. 55" (Local Law 55 of 1955; English and Spanish). Full text of the amendment to the Administrative Code of the City of New York establishing the Commission on Intergroup Relations and defining its functions and duties.

9. Reprints of articles and copies of speeches and other miscellaneous materials dealing with subject relevant to discrimination in housing, the "open city" concept, and the fair housing practices law.

REPORT SUBMITTED BY THE CITY OF NEW YORK COMMISSION ON INTERGROUP RELATIONS TO THE HEARING OF THE FEDERAL COMMISSION ON CIVIL RIGHTS

The Commission on Intergroup Relations of the City of New York is pleased to join the Governor, the mayor, and other State and city officials in welcoming the Commission on Civil Rights to New York City for the purpose of conducting a hearing on discrimination in housing.

In the light of your interest in appraising the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution, we believe it very significant that you have chosen this city for the conduct of a hearing focused not only upon the nature of racial residential discrimination but also upon the role of public policy and law in combating this form of discrimination.

New York is large. Four of its five boroughs, if split off from Greater New York, would have ranked, individually, among the largest cities in the United States. The heterogeneous population of this city represents every part of

the world, every place in the Nation: Every race, creed, and culture of mankind. New York's 8 million residents include roughly 10 percent who are categorized as "nonwhites" (most of these are American-born Negroes): 23 percent classified as "foreign-born white;" another 6½ to 7½ percent of Puerto Rican birth or parentage. Over two-thirds of its residents are reported to be affiliated with some religious body; of this number two out of every five are Roman Catholic; almost the same number are Jewish; slightly less than one out of every five is Protestant, and the remainder are affiliates of a variety of "other religious bodies."

This heterogeneous population has sometimes produced intergroup problems, conflicts, and tensions but the most distinctive feature of intergroup relations in this city is the fact that the citizenry as a whole and the force and influence of its leadership have consistently encouraged and sustained a public policy directed toward elimination of prejudice and discrimination based upon race, color, religion, national origin, or ancestry.

The most dramatic evidence of this is, of course, our body of civil rights legislation—most of which this city has pioneered. As a city comprising a constellation of "minorities," New York traditionally has stood up for civil rights.

The Commission on Intergroup Relations itself, which was established by the City Council, July 1, 1955, with a broad charge to eliminate prejudice and all its byproducts and to encourage harmonious relationships among various groups living in the city, symbolizes the city's realism and idealism with respect to intergroup relations.

Moreover, this commission, and the policies and laws it administers, reflect the willingness of this city to take responsibility to the fullest extent of its powers and resources for a burden it shares with the whole Nation.

Whether we are considering causes or cure, New York City's housing problems are affected by many powers and influences, existing outside of the city itself. These problems involve the metropolitan region which crosses the boundaries of two other States; they are directly touched by the New York State government; and they are most crucially affected by the manner in which the Federal Government functions in all areas affecting housing, not only within the city itself but throughout the Nation.

In the past, Federal policy has helped to vest the concept of residential homogeneity with "respectability," and contributed to the development of written or unwritten racial restrictive covenants.

But it is very significant, however, that today the combination of Federal, State, and local policy, as it is beginning to operate positively in New York City in the direction of removing racial restrictions from the housing market, is increasingly revealed to be the crucial factor in breaking these restrictions.

Because we have in this city tragic evidence of the impact of housing discrimination, reflecting the failure of government to recognize housing as a basic civil right; and because we have here also dramatic evidence of effective governmental action in breaching barriers to an open housing market, your appraisal of our experience may be important to all of us.

Many significant events lie behind the emergence of New York's present open-city policy. There is, of course, New York's long tradition as a guardian of civil rights in every field. New York also pioneered in housing reforms based upon recognition of the damaging effect of substandard living conditions upon the health and welfare of the city and all of its inhabitants. The exploding metropolis played an important role, as the housing market area of the city reached beyond its boundaries for some 50 miles into New York State and into Connecticut and New Jersey. As the city accepted the challenge of rebuilding, renewal, and redevelopment with the essential emphasis upon slum clearance, it was faced with the fact of a racially discriminated housing market thwarting it at every turn. Historically these restrictions have served to create clear residential patterns for the city's minority groups.

The basic residential patterns of these groups have formed clusters. In 1940, for example, 45 percent of the total Negro population of New York City was found in nine health areas⁴ in Manhattan in each of which Negroes comprised two-thirds or more of its total population. By 1957, pressures of a growing Negro population (from over 450,000 in 1940 to approximately 950,000 17 years later) had served to create 3 additional "centers of Negro settlement" in which were to be found roughly 80 percent of the city's Negro homes.

⁴ Health areas are aggregations of contiguous census tracts, created to form population units of about 25,000.

The restricted housing market could not accommodate the rapid shifts in the ethnic composition of the housing demands. Exploitation of the minority need for housing, particularly that of newcomers to the city, set in motion a slum creation process in some sectors of the housing supply which outstripped the city's efforts to enforce codes, conserve, and rebuild.

There were, in 1950, 352 health areas in New York City. In 42 of these, nonwhites constituted 35 percent or more of the total population. The data reveal a heavy incidence of overcrowding within these 42 areas, thus supporting the general knowledge that a restricted housing market produces overcrowding of those minorities who do not have free access to the total housing supply. Further analysis of the data reveals that majority of the health areas which had a high proportion of nonwhites were also high in proportions of dilapidation; and that by and large minorities have been disproportionately limited to "old" buildings (those built prior to 1920).

On the positive side, was the dramatic demonstration of increasing flexibility in the housing supply, carrying with it the beginnings of an open, competitive market and a variety of conditions under which minorities acquired and occupied standard housing. The first big impetus to this change came from the Supreme Court decision outlawing racial restrictive covenants in 1948. The 1940 census—eight years before that decision—showed that roughly 1½ percent of all owner-occupied homes in New York City were occupied by nonwhites. By 1950, 2 years after that decision, this proportion had risen to 3½ percent, with the 2 percent difference representing upward of 10,000 nonwhites homeowners. While the Court decision may not have been the sole influence, its impact upon the situation seems undeniable, particularly in view of the fact that a high proportion of these nonwhite purchasers bought homes in areas from which they had been excluded in previous years. Not an unmixed blessing, this newly opened supply of minority housing was usually—though not always—sold in a racially discriminated housing market at premium prices, while the combined restrictions of real estate and lending practices spearheaded the formation of new "polished" ghettos. The new patterns, however, were not so rigid as the old ones and even this costly process made for a more fluid market and established many new areas of relatively stable interracial occupancy which demonstrated anew the readiness and capacities of families with common interests and aspirations—regardless of color—to live in proximity. The new situation served also to provide for the rapidly expanding upper and middle income minorities at least a "break" into the competitive market for decent housing.

Public and publicly assisted housing also exerted an important influence upon the changing scene as city and state laws were enacted, and policies implemented, requiring nondiscrimination in developments constructed with any form of governmental aid. The movement of numbers of New York's minorities from the central ghetto areas to new geographical location within the same, or other boroughs has been accomplished in great measure through the public housing project. In three boroughs—Manhattan, the Bronx, and Brooklyn—public housing accounts for a significant portion of this movement.

Less well known than the role of Federal, State, and city-aided public housing programs is New York's experience with the so-called publicly assisted private developments. Attracting residents from the middle-income market, these developments have provided a continuing series of open-occupancy "demonstrations" and have served to dispel many myths about the consequence of interracial occupancy, as well as to move some minority families from the confines of involuntary segregation. Thirty of the publicly assisted developments which are under the jurisdiction of New York State's antidiscrimination housing laws, administered by the State Commission Against Discrimination, are known to be occupied interracially. It is estimated that, approximately, 70,000 people live in these developments. While detailed racial occupancy data are not available, it is known that all except three have preponderant white tenancy. These publicly assisted developments join the public housing projects in aiding the dispersion of minority groups. Combined, the two serve to dramatize the potential effectiveness of sound, positive public policy working toward the democratic goal of the open housing market. The problem in New York City has been that these programs affect only a small sector of the city's more than 2½ million dwelling units.

The role of the privately controlled supply in the maintenance of a racially restricted market has been documented many times. Its New York story has not been completely negative, however. Some of the controllers of that supply have worked in accordance with the "open city" concept in housing. Outstand-

ing here have been the sponsoring organizations of most of the city's nonprofit cooperative housing developments, most of which are in the "publicly assisted" category. The vast majority of these have been integrated through the voluntary open-occupancy policies of their sponsors. Fifteen of these developments, with about 11,000 dwelling units, under the sponsorship and management of the United Housing Foundation, comprise the largest aggregation of private housing ever developed under a voluntary open occupancy policy. Some 40,000 New Yorkers, representing every race, color, and creed are integrated in these developments, with the proportions of nonwhite occupancy varying from about 3 to 20 percent. The significance of this experience in documenting the readiness of numbers of New York's families to live in integrated settings is heightened by the fact that the sponsors cannot begin to accommodate the tremendous demand for apartments in these developments, which are known throughout the community to be open-occupancy, and which required investment of equity financing comparable to the downpayment for homeownership.

Other private property owners have voluntarily instituted open-occupancy policies in neighborhoods outside the traditional areas of minority concentration. Their contribution to open-occupancy is illustrated by statistics showing that in 1950 there were more than 10 percent of the city's health areas in which nonwhite occupancy was less than 40 percent which were heavily (40 percent or more) composed of rental apartments of good quality. (Less than 3 percent of the units were substandard.) These were areas in which public or publicly assisted housing could not be considered the major source of the minority population.

The present housing picture for minorities in New York City is not all of one pattern. It is composed of many different forces and factors. In some areas, there is strong evidence that the degree of segregation has been increasing; in others there is definite evidence of increased dispersion. For example, 1957 figures indicate that slightly over 50 percent of the city's Negroes live in areas in which they constitute 65 percent or more of the population. At the same time, 1957 figures also show that 14 percent of the Negro population (about 133,000) was distributed among 253 different health areas in which they constituted less than 10 percent of the total population of the area. These health areas were located in all boroughs.

Other factors affecting the varied minority housing pattern are the continuing migration into the city of new citizens, with considerable numbers coming from the Southern States and from Puerto Rico, and at the same time the movement between the city and suburbs. While the suburban migration has been often pictured as primarily composed of white families, it is notable that the nonwhite population of the suburbs has also been increasing steadily in recent years.

Changing income status is also contributing to changing occupancy patterns in the city. While nonwhite families have generally been found to have median incomes below those of white families, the 1956 New York State Study of Low Incomes found that 28 percent of the nonwhites reported incomes of \$5,000 or more, and nearly one-third of these reported incomes of \$7,000 or more.

The present hearings find New York City in a transitional period from the old restrictive market to the new, open market. It is inevitable that in such a period, there emerge currents and crosscurrents which affect the tides of interracial relations throughout the city.

Prior to April 1958, when the city's fair housing practices law went into effect, the competition of disadvantaged minorities for privately controlled housing within the restricted supply was a repetitive process. The only significant changes were in the identities of some of the participating groups. Successively, newcomers to the city have been regarded as disturbing residential stability through their "influx" into residential areas, which were not prepared to receive them in numbers.

The negative process was disturbingly constant:

The displacement of one minority group by another, with attendant resistance and hostilities;

The creation of negative stereotypes of the minorities, as a cumulative result of their relegation to deteriorating housing and residential areas;

The ensuing support of prejudice, intolerance, and hostility;

The destructive effect on institutions of the communities—segregation in schools, places of worship, and public and private neighborhood services;

The strengthening of negative forces in the neighborhoods who seek to preserve the status quo, to insure the maintenance of restrictive practices;

The psychological effects on the individuals and families who must endure the constant pressures of rejection and exclusion.

In 1956, shortly after the Commission on Intergroup Relations was first established, it conducted a series of comprehensive meetings with informed leadership and professional organizations throughout the city, to seek solutions to this vicious circle of housing discrimination and its attendant effects upon the health of the city.

It was the unanimous agreement of these leaders and organizations that only legislation and the full force of public policy could arrest this process.

Accordingly, on April 1, 1958, the city of New York became the first city in the Nation to enact a fair housing practices law which bans discrimination in private multiple dwellings and in single and two-family homes built in developments of 10 or more contiguous units.⁴⁵

The fair housing practices law and the "open city" policy represent a simple application of our free enterprise tradition. The law asserts the right of every citizen, regardless of his race, religion, or ethnic origin, to compete for housing on an equal basis according to his income, desires, and ability to meet any occupancy requirements other than those involving ethnic characteristics.

THE FAIR HOUSING PRACTICES LAW

After the first 9 months of operation, the effects of the fair housing practices law already can be seen in several important directions:

The essential groundwork has been established—the policy, the law, the administrative machinery, and the implementation procedure.

Successful negotiations have been completed with a number of city agencies and departments which assure that their policies and practices are now in accordance with the law.⁴⁶

You will be particularly interested in the result of our negotiations with two Federal agencies whose functions directly affect compliance with the municipal law.

A program directed toward owners of FHA-insured developments in the city was approved by Norman Mason while he was still Commissioner of the Federal Housing Administration. Some 75,000 dwelling units under jurisdiction of the city law will be affected by this program. All applications for FHA-insured mortgages in New York City carry a "rider" informing applicants of their responsibility to comply with State and municipal antidiscrimination laws. Moreover, all owners of existing FHA-aided multiple dwellings will be notified of the provisions of the municipal law and the local insuring offices will cooperate with the Commission's conciliation and compliance service programs.

In this endeavor, FHA's intergroup relations adviser, specializing in serving localities with antidiscrimination housing legislation, is currently assigned to spend most of his time in New York to facilitate FHA's efforts to "develop a positive guideline for (its) own efforts in this area."

The Urban Renewal Administration has conditionally approved the request of the city's Committee on Slum Clearance to waive the requirements for reporting racial characteristics of title I site occupants, a provision generally designed to protect minorities from being rehoused in a restricted market. The conditions for granting the waiver that URA will review operating experience to determine whether the fair housing practices law is in fact implemented in such way as to assure compliance with Federal statutory requirements are respecting relocation as provided in section 105(c) of the Housing Act of 1949 and other relevant contractual obligations. They also required descriptions of the "administrative arrangements" for assuring enforcement and of "supervisory controls established within the Committee on Slum Clearance, Bureau of Real Estate, and other governmental agencies concerned. * * *

The approach of these Federal agencies exemplifies the vital interaction of Federal and local policy and the responsible use of administrative devices to reinforce antidiscrimination policy.

In administering this law, the commission has placed heavy emphasis upon programs through which compliance could be effected in large sectors of the housing supply. The importance, for example, of the FHA-insured properties or the relocation programs, which involve thousands of units, is obvious.

⁴⁵ See accompanying "Research Report on Aspects of Administration and Enforcement of the Fair Housing Practices Law," pp. 1 and 2.

⁴⁶ See attached "Summary of Activity Relating to the Fair Housing Practices Law."

The effective processing of individual complaints alleging discrimination in violation of the law, however, provides the firm undergirding of the entire compliance program. Here lies the crucial test of the ultimate efficacy of the law and even of its potency to induce voluntary compliance.

The enforcement procedure begins with an interview with the complainant. While no case is rejected, a constructive discussion of merits and issues by the interviewer has implicit educational effects. Investigations are conducted by intergroup relations officers trained not only in factfinding methods but also in techniques of case adjustment and conciliation. Investigation reports provide the basis of preliminary appraisal and case screening. When findings of reasonable cause are made, conciliation conferences are conducted by commissioners. Failure to achieve satisfactory adjustment in this process moves the case on to a formal hearing. If the commission supports the allegations, and further conciliation endeavors fails, the complaint is referred to the Fair Housing Practices Panel—an independent body, and if its procedure sustains the commission's decision, the case moves on to the corporation counsel's office for equitable proceedings on behalf of the city, in the State Supreme Court.

In all of these cases, commission procedures focus upon gaining acceptance of the law. In this it is as concerned with the total holdings or operations of the respondent as with the individual dwelling involved in the immediate complaint.

The job in our city has only begun. We believe it has great promise of success. Success, however, would be greatly accelerated by enactment of pending State legislation, which would broaden coverage and include much needed prohibitions against all types of discriminatory practices by real estate brokers and salesmen. Indeed, the commission is increasingly confronting the need for more extensive coverage of the municipal law, which still leaves it without adequate powers to deal with discriminatory practices affecting some 400,000 1- and 2-family units.

Above all, however, the commission would urge the Federal Government to use fully its powers—Executive and administrative—to vitalize the century-old law of this Nation which declares that "All citizens in the United States shall have the same right in every State and Territory as is enjoyed by the white citizens thereof to inherit, purchase, lease, sell, hold, and convey real and personal property." (Revised Statutes, U.S.C. 42.)

COMMISSION ON INTERGROUP RELATIONS

RULES GOVERNING PROCEDURE AND PRACTICE IN RELATION TO COMPLAINTS ALLEGING DISCRIMINATION IN HOUSING

RULE 1. DEFINITIONS

When used in these rules

a. The term "fair housing practices law (1957)" shall mean title X, chapter 41, of the Administrative Code of the City of New York.

b. The term "FHP law" shall be synonymous with "fair housing practices law (1957)."

c. The term "local law 55 (1955)" shall mean chapter 1, title B, section B 1-5.0 of the Administrative Code of the City of New York.

d. The term "commission" shall mean the Commission on Intergroup Relations.

e. The term "State Commission" shall mean the State Commission Against Discrimination.

f. The term "chairman" shall mean the duly appointed chairman of the Commission on Intergroup Relations.

g. The term "executive director" shall mean the executive director of the Commission on Intergroup Relations.

h. The term "Hearing Tribunal" shall mean any group of three or more members of the commission when so authorized in writing by the commission.

i. The term "Fair Housing Practices Panel" shall mean the body appointed by the mayor pursuant to chapter 41, title X, section 41.1.0, of the Administrative Code of the City of New York.

j. The term "interviewer" shall mean an official representative of the commission assigned to interview a person filing a complaint with that commission.

k. The term "unlawful discriminatory practice," shall mean only those unlawful discriminatory practices specified in chapter 41, title X, section X41-1.0, subdivision b.(1) of the Administrative Code of the City of New York. (The fair housing practices law.)

l. The term "exempt housing accommodation," for the purposes of these rules, shall mean any housing accommodation for which exception is specified in chapter 41, title X, section X, 1-1.0, subdivision b, paragraph (2).

m. The term "other discriminatory practices" shall mean discriminatory practices affecting housing which is not covered either by article XV of the executive law of the State or the fair housing practices law.

n. The term "housing accommodation," for the purposes of these rules, shall mean a housing accommodation which is located in a multiple dwelling, as defined in section 4 of the multiple dwelling law, or which is offered for sale by a person who owns or otherwise controls the sale of 10 or more one- and two-family houses located on land that is contiguous (exclusive of public streets).

o. The term "complainant" shall mean any person or group of persons claiming to be aggrieved by a violation of chapter 41, title X, section X41-1.0, subdivision b, of the Administrative Code of the City of New York.

p. The term "respondent" shall mean those persons specified in chapter 41, title X, section X41-1.0, subdivision b.(1) of the Administrative Code of the City of New York.

q. The term "party" or "parties" shall mean the complainant and/or the respondent.

r. The term "complaint" shall mean a verified complaint filed on the form provided for this purpose by the commission.

s. The term "commission complaint" shall mean a complaint initiated by the Commission on its own motion.

t. The term "informational memorandum" shall mean the memorandum prepared by the interviewer to supplement the complaint.

u. A business day shall be deemed to mean a day when the commission's office is open for business.

v. The term "conciliation" shall mean all activities directed toward adjusting the issues at question, including but not limited to mediation.

RULE 2. COMPLAINT

a. *Who may file*

Any person or group of persons claiming to be aggrieved by an alleged unlawful discriminatory practice, may make, sign, and file with the commission, on a form provided by the commission, a complaint in writing. The commission may, on its own motion initiate a complaint whenever it has reason to believe that any owner or other person has committed an unlawful discriminatory practice.

b. *Form*

The complaint shall be in writing, on a form provided by the commission, the original being signed and verified before a notary public or other person duly authorized by law to administer oaths and take acknowledgements. Notarial service shall be furnished without charge by the commission offices. A complaint filed by a group of persons shall be signed by each person of such group. A commission complaint shall be prepared on a form provided for this purpose which need not be notarized. It shall be signed by the chairman or by any member of the commission designated by him.

c. *Contents*

A complaint shall contain the following:

(1) The full name and address of the person or persons making the complaint (hereinafter referred to as the "complainant" or "complainants").

(2) The full name and address of the owner or other person alleged to have committed the unlawful discriminatory practice complained of (hereinafter referred to as the "respondent").

(3) The name and/or address of the housing accommodation which is the subject of the alleged unlawful discriminatory practice.

(4) The alleged unlawful discriminatory practice and a statement of the particulars thereof.

(5) The date or dates of the alleged unlawful discriminatory practice, and if the alleged unlawful discriminatory practice is of a continuing nature, the dates between which said continuing acts of discrimination are alleged to have occurred.

(6) A statement as to any other action, civil, criminal, or administrative instituted in any other form or agency based on the same unlawful discriminatory practice as is alleged in the complaint, together with a statement as to the status or disposition of such other action.

A commission complaint shall contain all items enumerated in section c. of this rule with the exception of items (1) and (6) thereof; in lieu of which the name of the commission shall be used.

d. Place of filing

A complaint shall be filed with the Commission on Intergroup Relations at its office with exception of instances in which the executive director authorizes completion and verification of a complaint in the presence of a commission interviewer outside of the commission office after the same complaint has been filed with the State Commission Against Discrimination. This rule may be waived at the discretion of the executive director for good cause shown. In the latter event the complaint shall be deemed to have been filed with the commission when it has been so completed and so verified.

e. Time of filing

The complaint shall be filed within 90 days from the date of occurrence of the alleged unlawful discriminatory practice. However, this shall not prevent the commission from accepting a complaint thereafter for due cause shown. If the alleged unlawful discriminatory practice is of a continuing nature, the date of the occurrence of said alleged unlawful practice shall be deemed to be any date subsequent to the commencement of the alleged unlawful practice up to and including the date upon which the alleged unlawful practice has ceased.

f. Informational memorandum

An informational memorandum shall be prepared by the interviewer. A copy of this memorandum shall be attached to each copy of the complaint. The form and content of this memorandum shall be specified in instructions issued by the executive director.

g. Jurisdictional determination

While the complaint interview is in process, a determination of jurisdiction shall be made if feasible. If information for this determination is not available during the interview, such determination shall be initiated within 1 business day after the end of the business day on which the complaint is filed or as soon thereafter as possible.

The following alternative jurisdictional determinations may be found :

(1) Housing accommodation is under the jurisdiction of the Commission on Intergroup Relations by virtue of the provisions of the fair housing practices law.

(2) Housing accommodation is under jurisdiction of the State Commission Against Discrimination by virtue of the provisions of article XV of the executive law of the State and the exclusion of the Commission on Intergroup Relations, under the provisions of local law 55 (1955), from cases within the jurisdiction of the State Commission.

(3) Housing accommodation may be considered under the jurisdiction of the Commission on Intergroup Relations, although it is not covered by either the executive law of the State or the fair housing practices law, because the discriminatory practice alleged in relation to as is specified in local law 55 (1955).

h. Jurisdictional referral

Whenever the jurisdiction of a complaint is determined to reside in the State Commission, referral shall be made to that commission within 1 business day after the end of the business day on which such determination is made or as soon thereafter as possible. Referral shall consist of transmitting a copy of the complaint and of the informational memorandum by messenger or registered or certified mail, special delivery, to the State Commission.

The complaint shall be advised when filing the complaint of the possibility that jurisdiction may reside in the State Commission Against Discrimination. If referral of the complaint is ultimately made to the State Commission, the complainant shall be so notified in writing at the same time that such referral is made.

i. Amendment

The commission or the complainant shall have the power reasonably and fairly to amend the complaint. The Commission's power to amend the complaint may be exercised, prior to the issuance of a notice of hearing, by authorization of the chairman or any member or members of the commission designated by him and by the Hearing Tribunal after its appointment.

j. Withdrawal

A complaint, or any part thereof, prior to notice for hearing, may be withdrawn only on written consent of the chairman or any member or members of the commission designated by him, upon such conditions as shall be deemed proper under all the circumstances. If the request for withdraw is made after the case has been noticed for hearing, the consent of two members of the Hearing Tribunal shall be obtained.

k. Dismissal

If after investigation of the complaint, no reasonable cause for the complaint is found, a report in writing shall be made, stating reasons for the dismissal of the complaint, to the executive director. If the executive director concurs in the recommendation for dismissal, he shall transmit this recommendation to the chairman or any member or members of the commission designated by him. If there is concurrence in the recommendations for dismissal, the executive director will be so notified and he shall then notify the party or parties by registered mail, return receipt requested. In addition, the complainant shall be notified of the right to apply to the commission for reconsideration of such dismissal in accordance with rule 5. When a recommendation for dismissal is rejected, the complaint shall be ordered back into the procedure under these rules without prejudice to the parties.

l. Closing by referral

When a complaint is referred to the State Commission Against Discrimination under rule 2.h. the executive director shall certify the complaint as "closed by referral."

RULE 3. COMMISSION COMPLAINT**a. Initiation**

Wherever the commission has information whereby it has reason to believe that an owner or other person has committed an unlawful discriminatory practice in housing, such commission may, at a regular or special meeting, on its own motion, as provided in the bylaws of the commission, initiate a complaint.

b. Form and content

A commission complaint shall be prepared on a form which shall not require notarization, shall be signed by the chairman, and shall include the contents set forth in rule 2.c.

RULE 4. INVESTIGATION AND CONCILIATION**a. Investigation**

After the filing of a complaint and the determination that it falls under the jurisdiction of the commission, the executive director shall order prompt investigation of the allegations of the complaint.

b. Conciliation

If the executive director finds that reasonable cause exists for crediting the allegations of the complaint, he shall certify the case for conciliation to eliminate any discriminatory practice found to exist.

c. Nondisclosure of facts

With exception of the conditions specified under rule 12, the members of the commission and its staff shall not disclose what has transpired in the course of endeavors to conciliate.

d. Terms of conciliation

If the endeavors of the commission and/or its staff to conciliate succeed, the executive director shall notify the party or parties by registered mail, return receipt requested, of the terms of conciliation. When there is a complainant, such complainant shall be notified of the right to apply to the commission for reconsideration of such terms of conciliation in accordance with rule 5.

RULE 5. RECONSIDERATION BY THE COMMISSION

The complainant may apply to the commission for a reconsideration of the dismissal of his complaint or of any other disposition made of the case without his consent. Such application must be in writing, state specifically the grounds upon which it is based and be filed within 15 days from the date of the mailing of the notice of disposition in the office of the commission.

RULE 6. NOTICE OF HEARING

After a finding of reasonable cause to credit the allegations of complaint and in case of failure to eliminate the alleged unlawful discriminatory practice by conciliation or in advance thereof if so recommended by the commission, the chairman or any member of the commission designated by him shall cause to be issued and served in the name of the commission a written notice of hearing, together with a copy of the verified complaint, as the same may have been amended. The notice shall state the time and place of hearing, inform the respondent that he may file a written answer to the complaint, and that a failure to answer shall be deemed an admission of the allegations of the complaint. The notice of hearing and verified complaint, as the same may have been amended, shall be served by registered mail, return receipt requested, or by personal service on all parties at least 15 days before the date of the hearing. If any attorney has previously appeared on behalf of the respondent (and has not been withdrawn), a copy of the notice of hearing and complaint, as the same may have been amended, shall be furnished to said attorney.

RULE 7. ANSWER

a. Time of filing

The party against whom a verified complaint, as the same may have been amended, is filed and on whom a notice of hearing and copy of such complaint has been served, may file a written verified answer in person or through an attorney within 10 days from the date of service of such complaint.

b. Place and manner of filing

The answer must be filed in duplicate at the office of the commission. The filing shall be by personal delivery or by registered mail.

c. Extension of time for filing

Upon application, the executive director may for good cause shown extend the time within which the answer may be filed.

d. Form

The answer shall be in writing, the original being signed and verified by the respondent. The answer shall contain the address of the respondent and if he is represented by an attorney, the name and address of said attorney. The answer shall contain a general or specific denial which may be made on information and belief, of each and every allegation of the complaint controverted by the respondent, or a denial of any knowledge or information thereof sufficient to form a belief and a statement of any matter constituting a defense.

Any allegation in the complaint which is not denied or admitted in the answer, unless the respondent shall state in the answer that he is without knowledge or information sufficient to form a belief shall be deemed admitted.

e. Amendment

The respondent shall have the power reasonably and fairly to amend his answer.

The respondent's power to amend his answer may be exercised as a matter of right at any time not later than 7 days before the date scheduled for the first hearing and, thereafter, in the discretion of the Hearing Tribunal, on application duly made therefor.

Duplicate copies of an amended answer must be filed with the commission.

f. Open default

Upon application, the executive director may for good cause shown open a default in answering.

g. Service

The commission, with reasonable promptness after the receipt of an answer or amended answer, shall send a copy thereof by registered mail, return receipt requested, to the complainant, at his last known place of residence. This rule shall not apply to commission complaints.

h. Answer warranting conference

If the respondent's answer is deemed to warrant further endeavors to conciliate, the executive director shall arrange a conference with the respondent.

RULE 8. HEARINGS

a. Hearing Tribunal

In the event that the foregoing procedure fails to conciliate the matter and eliminate any discriminatory practice found to exist, the chairman or any member of the commission designated by him may thereupon appoint a Hearing Tribunal consisting of three or more members of the commission whom the commission shall authorize in writing to hear such complaint. The chairman shall designate one of the members of the Hearing Tribunal as the presiding member.

b. Conduct of hearings

(1) *Power and duties of the Hearing Tribunal.*—The Hearing Tribunal shall have full authority to control the procedure of all hearings, to rule upon all motions and objections, and to admit or exclude testimony or other evidence and shall not be bound by the strict rules of evidence or the procedure in court. The Hearing Tribunal may issue subpoenas and subpoenas duces tecum, at its own instance, or upon written application, at the instance of any party to the proceeding, whenever necessary to compel attendance of witnesses or to require the production for examination of any books, personnel records, correspondence, documents, papers, or any other evidence relating to any matter under investigation or in question before the commission, and introduce the same into the record of the proceedings. The issuance of such subpoenas and subpoenas duces tecum at the instance of a party to the proceeding shall depend upon the showing of the necessity therefor.

(2) *Written transcript of the record.*—The written transcript of the record upon the hearing before the commission shall consist of the notice of hearing, the verified complaint or the commission complaint, as the same may have been amended, the verified answer, as the same may have been amended, the stenographic transcript of the testimony taken at the hearings, the exhibits and depositions in evidence, written applications, orders, stipulations, and the findings of the Hearing Tribunal.

(3) *Nondisclosure.*—Members of the Hearing Tribunal and any members of the commission staff present at the hearings or in possession of records or any information concerning the proceedings shall not disclose any such records or information, with exception of official referral under rule 12.

(4) *Rights of parties at hearings.*—All parties to a hearing may call, examine, and cross-examine witnesses. All parties may offer papers, documents or other evidence for inclusion in the record of the proceedings. The admissibility of all matter presented to the tribunal shall be subject to the ruling of the Hearing Tribunal.

(5) *Joinder of proceedings.*—The commission may consolidate two or more proceedings.

(6) *Acceleration of hearing.*—The party or parties to the proceedings may consent by written stipulation to a hearing within less than 15 days after the service of the complaint, with the approval of the commission.

(7) *Evidence of endeavors to conciliate.*—No testimony or evidence concerning endeavors to conciliate an alleged discrimination complained of shall be given or receive at any hearing.

(8) *Motions and objections at hearings.*—All motions other than those made during a hearing shall be in writing stating briefly the order or relief applied for, and the grounds upon which, such a motion is based. Copies of the motion shall be made in triplicate and filed with the commission, within 3 business days after service thereof has been made on all parties, unless otherwise directed by the Hearing Tribunal. All motions shall be decided by the Hearing Tribunal without oral argument thereon unless the Hearing Tribunal shall determine to hear oral argument or take testimony, in which event the Hearing Tribunal shall notify the parties of such fact and of the time and place for such argument or for the taking of such testimony. All motions after hearing shall be made within 10 days after conclusion of the hearing.

(9) *Oral arguments.*—The Hearing Tribunal shall permit the parties to submit oral arguments and to file briefs in support of such oral arguments within such time limits as the Hearing Tribunal may determine. Oral arguments shall not be included in the stenographic report unless the Hearing Tribunal shall so direct.

(10) *Waiver of objections.*—Any objections not duly urged before the Hearing Tribunal shall be deemed waived unless the failure or neglect to urge such objection shall be excused for cause by the Hearing Tribunal.

(11) *Continuation of hearing.*—At the discretion of the Hearing Tribunal, hearings may be continued from day to day, or adjourned to a later date or to a different place by announcement thereof at the hearing or by appropriate notice.

(12) *Depositions.*—The Chairman or any member of the commission designated by him, whenever he or his designee deems it necessary and on such terms and conditions as either may determine, shall take or cause to be taken depositions of witnesses residing within or without the State.

c. Findings of the Hearing Tribunal

(1) *Issuance.*—If, upon all the evidence, the Hearing Tribunal shall find that a respondent has engaged in the alleged discrimination complained of, it shall so state in its findings of fact, and shall issue and file the same with the commission. If the Hearing Tribunal shall make a finding of “no cause” in favor of the respondent, it shall so state in its findings of fact, and shall issue and file with the commission recommendation for dismissal of the complaint.

(2) *Findings by Hearing Tribunal.*—The findings and recommendations of the Hearing Tribunal shall be by majority vote. Any Hearing Tribunal member may, in his discretion, file a concurring or dissenting opinion.

RULE 9. COMMISSIONER'S DECISION

a. Decision

Upon receipt of the findings and recommendations of the Hearing Tribunal, the commission shall make a decision by a majority vote, which decision shall be based upon the finding of facts made by the Hearing Tribunal.

b. Notification

The commission's decision shall be sent by registered mail, return receipt requested, to the complainant, if any, and respondent. This notice shall also contain a statement that either party may, for good cause, apply for a reconsideration of such decision.

RULE 10. RECONSIDERATION OF COMMISSION DECISION

The commission, on its own motion, may reopen any matter previously closed by it. A complainant or respondent may, for good cause, apply for the reopening of a previously closed proceeding. In either instance, all parties shall be given notice of such reopening. Where a decision has been rendered upon the default of a party affected thereby, and upon application duly made, the commission, at its discretion, may reopen any matter previously closed. In all such cases the commission shall determine the action to be taken thereafter.

RULE 11. COMMISSION CONCILIATION

If the commission's decision states that the respondent has engaged in the alleged discrimination complained of, the commission shall accompany copy of such decision transmitted to the respondent with an invitation to appear before it for the purpose of negotiating conciliation of the matter with a view to elimination of the discriminatory practice. If the commission shall succeed in its endeavors to conciliate at this stage, it shall certify the case accordingly and notify the parties by registered mail, return receipt requested, of the terms of conciliation and of the complainant's right to apply to the commission for reconsideration of such terms of conciliation in accordance with rule 5.

If the commission shall fail in its endeavors to conciliate at this stage, it shall refer the case to the Fair Housing Practices Panel in accordance with rule 12.

RULE 12. REFERRAL TO THE HOUSING PRACTICE PANEL

a. Notification to the mayor

In case of the failure of the commission to conciliate and eliminate a practice which it has found to be discrimination or segregation in violation of the fair housing practices law, it shall so notify the mayor, identifying the case by the names of the complainant, if any, and respondent and its case number, and state that it is prepared to refer the case to the Fair Housing Practices Panel.

b. Referral

Upon receipt of instructions from the mayor, the commission shall refer to the Fair Housing Practices Panel designated a file of the case including the written transcript of the record of the hearings, the findings of the Hearing Tribunal and the commission's decision.

c. Recommendations

The commission shall state in making this referral whether or not it recommends referral of the case for court action.

d. Time limitation

The commission shall refer the case to the Fair Housing Practices Panel within 2 business days after receipt of the instructions from the mayor or as soon thereafter as possible.

RULE 13. RULES

a. Amendment

New rules may be adopted and any rule may be amended or rescinded by the commission at a regular or special meeting, provided that a quorum under the commission's bylaws are present and notice of the proposed adoption, amendment, or rescission has been given to all members of the commission at least 3 business days before the meeting at which the action is to be taken.

b. Availability

The rules of the commission shall be available to the public.

c. Construction

These rules shall be liberally construed to accomplish the purposes of the law and the policies of the commission.

RULE 14. COUNSEL

The commission may request the corporation counsel to assign counsel to assist in the conduct of investigations and hearings of the commission or any Hearing Tribunal thereof.

Commissioner HESBURGH.

We are now 5 minutes overtime, but I would like to take just a few minutes to open for questions from the various Commissioners, and I would like to begin with only one question, which I would address to either one of you, whoever prefers to answer it: You have spoken at great length of your educational work, the fact that the very existence of your commission and the work you are doing educates people, the makers and the users of homes. Do you think it is essential to your work that there be on record some city, State, or Federal ordinance that gives you a public policy toward which you can educate or a standard toward which your education is directed? Is this a necessity for the kind of education that you have been doing?

Dr. MARROW. Yes; I do, Reverend. I feel without a statute supporting the work of the agency that our educational efforts would bog down. There is a tendency on the part of all people to compartmentalize their attitudes and not have them disturbed, and it is only some force stronger than custom that can persuade or motivate individuals to rethink some of their attitudes and then to reframe their practices in accordance with possibly a change in their attitudes; but they can change their practices, which is what we are most concerned with, because that will lead sooner to a change in attitude than if the practice were to continue unchanged.

Dr. HORNE. I might supplement this way, from operational experience: Those commissions that have tried what is generally called education without being applied to an interpretation and carrying out of the city policy or law have always indicated the lack of real success and have always moved to get the matter translated into policy

or law, but in the field of housing it goes even further, in that the great forces that I call the trade have, themselves, by their operation, established a policy, a private policy, of just who should buy what and who should be rented what and where, and at what times, that has privately set a pattern of race in our communities.

So, it would be difficult enough to educate if you hadn't had this done to you for years, but here you are unwinding, reorienting, re-adjusting a powerful practice that has the buttressing of the most powerful interests that operate in our economy, so that policy is primary; then education to policy. It's almost like having a compulsory education law to get kids into the school so they can be educated properly.

Commissioner HESBURGH. Do you find generally the Federal Government in its principles and practices regarding housing has been indifferent to an overall policy?

Dr. HORNE. I see some of my friends smiling a little bit because I did operate in the Federal Government for a number of years, partly on this principle of seeing that there wasn't a type of operation, that even where the Federal policies were weak on this accord administrators have said to us, "Well, you go as far as you can." Part of it gets into the trouble of getting money for your program.

If you really want to know the problem as far as the Federal Government is concerned, and when the Federal Government starts talking about nondiscriminatory practices, you run into the committees of the Congress, many of whom are under control, and have been for some time, of the majority Members of Congress and the chairmen thereof who come from States and localities who do not believe in this principle, and this is what the administrators will tell you and, therefore, they cannot take the kind of moves, even administratively, they would like to take because they run into this kind of problem.

I would say there are people in the governmental agencies—as I pointed out, there are sectors in it—which are operating in this direction, but I think the real sin has been that the great weight and power of the Federal Government has been thrown on the side of the segregated mind, on the side of the restricted mind, by the very processes that Mr. Schwulst and his committee have described.

Commissioner HESBURGH. Do the other Commissioners wish to ask any questions?

Thank you very much.

Mr. Tiffany, may we have the next witness?

Mr. TIFFANY. The next witness is Mr. James Felt, chairman of the New York City Planning Commission. For over 20 years Mr. Felt was president of one of the largest real estate firms in this city, James

Felt & Co. He is a director or trustee of various lending, insurance, and building institutions. Until recently he was chairman of the Urban Renewal Board of New York City. He is also a member of New York City's Slum Clearance Committee. So, Mr. Felt has been and is at the heart of New York City planning and administration of housing programs here.

Mr. Felt.

Commissioner HESBURGH. Go ahead, Mr. Felt.

STATEMENT OF JAMES FELT, CHAIRMAN, NEW YORK CITY PLANNING COMMISSION AND MEMBER, NEW YORK CITY SLUM CLEARANCE COMMITTEE

Mr. FELT. I am James Felt, the chairman of the New York City Planning Commission. I have been invited to appear before this Commission presumably because it has been recognized that discrimination in housing invariably affects the otherwise complex considerations of urban planning. I do not pretend to appear before this body as an expert on problems of discrimination. However, I shall attempt to set before you some of the urban planning considerations which we are grappling with in New York City so that you may place them within the context of your inquiry.

New York City, like all urban centers in the Nation, has experienced a large and rapid immigration of new residents during the past two decades. The national trend toward urbanization had accelerated to a point where 66 percent of all Americans now live in cities. Further, reliable estimates indicate that in the next 20 years our urban areas must make room for 72 million more people, and they must be provided with the housing, the schools, the hospitals, and all the other facilities and services we expect in our great cities. Turning specifically to New York City, we find that a large segment of this immigration is comprised of minority families. They have come here to seek greater economic advantage in a setting which traditionally, through law and policy, has sought to provide full guarantees of equal opportunity to all, regardless of racial, religious, or ethnic considerations.

Between 1940 and 1957—during that 17-year period—more than 650,000 nonwhites and Puerto Ricans migrated to this city. The vast majority of this number represented people of rural background, in the low economic strata, whose adjustment and assimilation to life in the city have created social and fiscal problems. The most serious problem, however—race or ethnic background of the newcomers notwithstanding—lies in the fact that New York had, and still has, a serious housing deficiency. The impact of mushrooming numbers of low-income newcomers on a city already handicapped by a tight

housing inventory results inevitably in various forms of exploitation, deterioration of standards, and the spread of blight and slums. I repeat that race and nationality are not necessary ingredients in a housing stew; witness the similar social and housing problems created in Cincinnati and Detroit by the large influx of southern whites to these urban centers.

The dilemma of New York City's housing deficiency is the old story of supply and demand. In the past 10 years less than 350,000 dwelling units have been completed to meet the swelling postwar demand for housing. The last 5 years have seen an average of some 27,000 new units completed a year—and, of this figure, only about 20 percent, representing for the most part public housing, could be considered housing within the low or lower middle income range. May I cite, for example, a survey of private, unaided rental units completed during the first quarter of 1958. In checking the distribution by monthly rent, we found that only 16 percent of new units in Manhattan and less than 12 percent of units in the other boroughs of the city were in a rent range of under \$125 per month. The least expensive unit listed in the survey was a two-room apartment renting for \$81.25 a month.

By way of comparison, apartments in cooperative projects, which accounted for some 21 percent of completed units during the period, averaged \$650 per room down payment and a carrying charge of \$23.38 monthly. These figures exclude, of course, Manhattan's luxury cooperatives.

The problems of housing become inextricably intertwined with other planning problems. Rapid population increases and wholesale population shifts call for the extension of city services beyond our present means to finance these services. An examination of our 1959 capital budget and the proposed 1960 to 1964 capital program points up the overwhelming fiscal needs even to partially satisfy the expansion of necessary educational, health, and transit facilities.

I would like to return, however, to the core problem confronting us today—finding ways and means to increase the supply of safe and standard housing. Slum housing is not a new phenomenon in this city or any city. When Jacob Riis turned the spotlight of publicity on the horrid slums of our city near the turn of the century, our slum dwellers then had different colored skins and spoke different tongues than today's minorities. The waves of immigration in the old days dwarfed the current immigration, but the big difference was the enormous areas of accessible vacant land.

During the past few years we have recognized in all our urban centers an outmigration of middle-income families to suburban areas ringing the metropolitan center. Some people have tried to attribute

racial implications to this outmigration, but the universality of the trend—even in cities where these racial and ethnic factors are nonexistent—points up the more apparent cause: That cities have been unable to provide in quantity and quality the type of standard housing sought by the growing number of middle-income families.

Today New York City is bending every effort to provide impetus for the construction of desirable housing. One key to this goal is found in the urban renewal program. Here we seek out the deteriorating spots of the city and attempt to reverse the downward trend so that they have again an appropriate and useful function.

At this very moment we are engaged in an exciting and challenging urban renewal project covering a 20-block area in Manhattan's West Side. This project is the result of a special study carried out through the combined efforts of the Federal demonstration grant, some 27 different city agencies, and an enlightened group of private agencies and local citizens. There are many interesting aspects to this project, many of which have relevance to this hearing today.

This is an area which has felt the impact of a large number of minority newcomers on its housing facilities, schools, and social services and, yet, our studies show that, despite a net immigration of nonwhites and Puerto Ricans, more than half of the families coming into this area during the past 6 years were white. The seeming paradox can be answered by the fact that the latter are gross figures and that the minority families, on the average, are larger than the white families in the area. Further, the white families immigrating to the area during this period appear to be in the higher middle-income brackets. It seems apparent that an area such as this, which has many desirable facilities and a good location, is attractive to people regardless of their racial or ethnic backgrounds—and this will prove more so when the deteriorating housing standards in some of its sections are improved.

In addition, Federal, State, and local legislation have developed various forms of assistance to builders to attract the construction of residential properties. There are currently 237,000 units in publicly owned and publicly aided housing projects in New York City either completed, under construction, or in planning. These units are made available under the following programs: First, the Federal and State low-rent public housing; second, New York City no-cash-subsidy public housing; the New York State housing companies law; the New York State limited profit housing companies law; the Federal title I program; and the New York State redevelopment companies law.

All of these programs have been covered for some time by various State and city laws barring discrimination in the rental or sale of units on the basis of race, religion, or national origin. The existence since last April 1 of the fair housing practices law now extends the

nondiscrimination concept to the private multiple-dwelling supply. This new law should serve as a significant factor not only in making more housing available on an open-occupancy basis, but in relocating minority families who live on proposed housing sites to decent homes in the general supply.

During the postwar period the concentration of minority families in certain sections of the city gave rise to the term "slum ghetto" and, yet, even with these concentrations building up, many of us lose sight of an equally insistent pattern of dispersion developing—and that was referred to by Dr. Horne in pointing out the charts. In 1957 we found Negroes living in 187 census tracts where there were no Negroes living in 1950. In 207 other tracts we found an appreciable increase in the number of Negro residents where 7 years earlier there had been negligible numbers. May I add, also, that 72 percent of these tracts had a housing inventory which was superior to standards of the city housing as a whole. This erosion of the so-called restricted neighborhood is already being felt in the constant expansion in the number of dwelling units available to minority families in process of relocation. During the year ending March 31, 1958, almost 10,000 families, many of them minorities, were relocated to new homes.

The concern expressed officially in New York City in regard to housing discrimination stems from an understanding that such practices affect the well-being of the entire city. While most of us condemn discrimination on moral grounds, many of us are too slow to recognize the very practical issues at stake. We must plan for the future or face chaos. We must plan with the resources available and for the people who live here. We must plan wisely and prudently, and this can be accomplished best in a housing market where people have maximum mobility to live according to their desires and according to their incomes. A similar responsibility confronts the Federal Government. Urban renewal is a national expression of new-found vitality. As Dr. Luther Gulick, who is our former city administrator, recently pointed out—and I quote:

Metropolitan reconstruction has now become the foundation of our national power. By this token, it is from now on a necessary and inescapable interest of the Federal Government. To keep America where she belongs, at the forefront of the industrial, commercial, and cultural world, we need urban renewal not just here and there where local people can raise the money and have the leadership for action; we need it everywhere as a national policy.

We have noted that the cities of the Nation are attracting larger and larger proportions of our population. It is logical, therefore, that Federal concern should also center upon the growing problems of urban areas, and, in this case, upon the whole complex we call New York City.

If we are to do a job here in urban renewal, we must be assured an increased and sustained flow of renewal funds. Sporadic allocations

of funds are wasteful and prohibit sound planning. Can we count on an adequate reservation of funds for a 10-year program to rebuild our city?

New York's public housing program, long a pioneer in breaking barriers of discrimination, must get more Federal support. Can we count on greater flexibility in determining income and rent standards to assure more balanced occupancy. Can we count on cost limits per dwelling unit which recognize realistically the high cost of slum clearance in our city?

The urban renewal concept embraces more than housing units. It involves all the facilities that accompany normal urban living. Can we count on Federal assistance to provide more schools?

And, perhaps most important, is Government's responsibility to spur private enterprise. We see increasing evidence that the private developer is ready and willing to provide housing on an open-occupancy basis. This is the builder's legal and moral responsibility to his community. Can he count on more liberalized FHA mortgage terms so that he, in turn, may build open-occupancy housing? Can he expect larger Federal National Mortgage Association special assistance for apartment mortgages?

Can he expect direct low-interest loans to develop cooperative projects?

These are questions we, in New York City, sincerely hope can be answered by the Federal Government. I do not expect that any of these recommendations for Federal action will singly or in combination solve the problem of discrimination in housing; but, with the help of responsible local officials and businessmen who recognize that equal rights are more than mere legalisms, we can help put discrimination on the run—and keep it on the run.

Thank you.

Commissioner HESBURGH. Thank you very much, Mr. Felt.

I would like to ask if the other Commissioners have any questions they would like to address to Mr. Felt.

Dr. Hannah.

Chairman HANNAH. I have none.

Commissioner HESBURGH. I would like to ask you, Mr. Felt: In your opinion, is the urban renewal program, as it is being administered right now, doing all it can to protect equally the various minority groups involved in our large cities?

Mr. FELT. The urban renewal program?

Commissioner HESBURGH. That is right.

Mr. FELT. I believe it is.

Commissioner HESBURGH. One other point I think may be more persuasive to—

Mr. FELT. May I say this: I think we require an expansion of our urban renewal program. The urban renewal program, within the limits of its operation, is doing all that it can, but I think if it were expanded, if it were doubled, if it were tripled, we could do very much more.

Commissioner HESBURGH. I get the impression in hearing you talk and in other things that I read that this is an explosive program, an explosive problem that is coming upon us like a tidal wave. We speak of it a great deal in regards to schools and education. It seems to me in the cities, where the whole complex and living habits of our population are moving toward city and urban communities, it is coming on us so quickly that unless there is a great deal of planning on a nationwide basis we are going to be in real trouble in a few years.

Mr. FELT. That's correct.

Commissioner HESBURGH. Is that a fair statement?

Mr. FELT. Yes.

Commissioner HESBURGH. One other thing I was wondering about: I am sure this came up in various groups that you have been on in your life. Is it not true that the city will find, in its disbursement of tax funds, the most costly areas are those where we have the poor housing, in terms of fire, police, health protection, and so forth, and that actually, while it amounts to a great capital outlay to clear slums and rehabilitate housing, this in the long run may be a great saving on the total tax picture of the services confronting a large city?

Mr. FELT. That is correct, because continual dispersion of our people to outer areas will not only require the development of needed facilities in those outer areas, but would leave unutilized the cities already developed in the core areas.

Commissioner HESBURGH. And, Mr. Felt, finally, do you have any reaction to the suggestion that was made by Mr. Schwulst and reiterated by our last two speakers, Dr. Marrow and Dr. Horne, regarding the advisability of some kind of a Federal study group to look at this total program and to plan some kind of gradual progress?

Mr. FELT. I concur completely.

Commissioner HESBURGH. Thank you very much, Mr. Felt, and all the others who have helped us here this morning.

By some minor miracle, we are closing this session exactly on time.

I would like to suggest, before we adjourn, that the members of the New York Advisory Committee of the Civil Rights Commission and any members of the committees from Rhode Island, Kentucky, Vermont, and Alaska who are present in this room come forward and make yourselves known because, all of a sudden, the Commission

would like to say hello to you and thank you for your help in this matter.

If there are other delegates from other States, from other advisory committees, we would appreciate it very much if they would likewise come forward.

The meeting is now adjourned until 2 o'clock.

(Whereupon, at 12:14 p.m., the hearing was recessed, to reconvene at 2 p.m., of the same day.)

UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
NEW YORK, N.Y.

February 2, 1959, Afternoon Session

COMMISSION ON CIVIL RIGHTS

MONDAY AFTERNOON SESSION, FEBRUARY 2, 1959

The hearing reconvened at 2:02 p.m., Commissioner Hesburgh presiding.

Commissioner HESBURGH. Mr. Tiffany, will you kindly introduce our next speaker?

Mr. TIFFANY. The next witnesses are the chairman and members of the New York Housing Authority. Their statement will be presented by the chairman, Mr. William Reid, who has held many posts in the government of the city of New York, including chairman of the Board of Transportation and a period as deputy mayor of the city.

The other two members of the New York Housing Authority who are here with Mr. Reid and may participate in the questioning are Mr. Francis Madigan, former regional counsel of the Housing and Home Finance Agency, and Mr. Ira Robbins, a true veteran in the field of housing in this country. Mr. Robbins was acting commissioner of housing and deputy commissioner of housing in New York State during the war and has been president and chairman of the Board of the National Housing Conference.

Mr. Reid.

Commissioner HESBURGH. Would all three of you please step up? Go right ahead, Mr. Reid.

STATEMENT OF WILLIAM REID, CHAIRMAN, NEW YORK CITY HOUSING AUTHORITY, ACCOMPANIED BY FRANCIS V. MADIGAN, VICE CHAIRMAN, NEW YORK CITY HOUSING AUTHORITY AND IRA S. ROBBINS, MEMBER, NEW YORK CITY HOUSING AUTHORITY

Mr. REID. Mr. Chairman and members of the Commission: I have come up with a terrible throat in the last couple of days. So, I hope you will forgive me. If you can't make out what I am saying, let me know.

My name is William Reid. I am chairman of the New York City Housing Authority. The other members of the authority are also present, as you may note. They are Mr. Francis V. Madigan, vice chairman, and Ira S. Robbins, the third member of the authority. On

May 1, 1958, we three were appointed by Mayor Wagner to direct the operations of the New York City Housing Authority.

I appreciate your invitation to appear before you today to tell you something about the authority's operations, particularly as they relate to the problem of integration. I will outline our approach to this problem, our successes and failures to date, and the goals we are striving to achieve.

The New York City Housing Authority began its activities as a public agency in 1934. It is today the largest single operator of residential accommodations in the Nation. We currently have approximately 102,000 completed apartments which are occupied by low-income families for whom the private real estate industry has been unable to provide quarters at rentals these families can afford. When the program now underway is completed, we shall have 150,000 apartments for persons and families of low income. Our large-scale program has been made possible by the fact that both the State and the city have, in our case, been willing to undertake responsibility for low-income housing over and above that provided by the program of the Federal Government. Subsidies provided by the Public Housing Administration account for 38,000 of the apartments which we now have in operation. State loans and State and city subsidies have made possible another 38,000 apartments which are today in operation. In addition, we have 26,000 apartments in developments, with no cash subsidy, which were constructed with the assistance of the city of New York through partial tax abatement and through the guarantee of authority bonds by the municipality.

In 1939 the State of New York adopted its public housing law. That law forbids discrimination on the basis of race, creed, color, or national origin for all public housing purposes. Since the initiation of its program, this authority has had a large excess of applications for the apartments provided in public housing developments. The selection of tenants generally has been on a citywide basis, with priority given to those families who demonstrated the most urgent need for housing.

The ban against discrimination, together with tenant-selection policies, resulted in a successful pattern of integration in most housing developments. Families of various racial, ethnic, and religious backgrounds who, for the most part, had formerly lived in the segregated sections of the city moved into housing projects to live as neighbors in the same buildings and on the same floors. Only three housing developments built in concentrated minority-group areas failed to establish a good pattern of integration.

The operation of New York City's public housing developments on a completely integrated basis was eminently successful until after the end of World War II. The program won national recognition as

a model for the demonstration of racial integration and as a guide to feasible techniques and methods. The racial occupancy of the developments remained stable. The rate of removal was extremely low, demonstrating the willingness of families of various racial, religious, and nationality groups to live next door to each other. The acceptance of integration went beyond mere residence. In their community activities and in their tenant organizations the occupants of the developments acted on a fully integrated basis. Several developments in New York City were among those studied by Morton Deutsch and Mary Evans Collins. Their report, "Interracial Housing," published in 1951, showed that good intergroup relations were enhanced when various ethnic groups lived in public housing as neighbors. I quote:

The integrated interracial projects in comparison with the segregated biracial projects were characterized by—

1. Many more instances of friendly, neighborly contacts between members of the different races.
2. A social atmosphere more favorable to friendly interracial associations.
3. A more closely knit project community.
4. More favorable attitudes toward the Negro people in the project and also toward Negro people in general.
5. More favorable attitudes also toward the Chinese, although here the differences between the two types of projects were smaller.
6. More favorable attitudes toward living in an interracial project.

After the close of World War II, the authority witnessed a gradual growth of problems. Some of the developments became occupied predominantly by Negro and Puerto Rican families. The policies which had proved so successful in advancing integration prior to 1947 were found inadequate to cope with the problem.

We have given very careful consideration to the factors and circumstances which have brought about this change. We find that they are numerous and complex. They reflect the influx into New York City since the end of the war of many hundreds of thousands of Puerto Rican families and of Negro families who have migrated from the South. The extent of occupancy of substandard and slum apartments in the city by nonwhites has increased. The factors reflect also the results of clearance activities in connection with title I, public housing and other public improvements such as schools, hospitals, bridge and tunnel approaches, which in the past few years have resulted in the displacement of very large numbers of minority families. Nonwhite families constitute almost half of the families who have been displaced to make way for title I developments and slightly more than half of those who have been displaced for public housing.

The difficulty of the displaced nonwhite family in finding private housing has increased the proportion of nonwhite applications for housing in our developments. Under the law every family in a federally aided public housing development must pay at least one-fifth of its income for rent. We find that as incomes rise many white

families prefer to move rather than to pay that substantial proportion of their income for rent. On the other hand, many minority-group families, knowing that they cannot find adequate accommodations in private housing, remain and pay the one-fifth required by the law. Due to the Housing Authority's policy of assigning apartments on the basis of need for housing, the large number of nonwhite tenants being displaced by public improvements has increased the proportion of nonwhite tenants in a number of the authority's projects. Where this occurred on such a substantial scale, white families began to move and, conversely, only a small proportion of white families would accept placement in those developments. This authority now is housing approximately 40,000 Negro and 17,000 Puerto Rican families. They constitute about 57 percent of the 102,000 families living in our developments. They are not well distributed throughout the 87 operating developments—instead they constitute the majority of tenants in 49 of them—and the once well-integrated character of the communities has been lost.

One of the first acts of the three new members of the authority after appointment on May 1, 1958, was to examine the integration situation. It appointed a consultant on race relations to assist in the development of a program to restore and preserve integrated occupancy. With the assistance of our race relations consultant, we are developing approaches which we believe will ameliorate the problem in existing developments and will help achieve and maintain well-integrated developments in the future. We shall be aided considerably by a State law passed in 1957 which gives a priority to those persons and applicants who reside within a mile radius of a development.

I would like to comment briefly on the approach we are taking. In the matter of planning and site selection it is important that housing be placed in areas which are conducive to integration. It is our feeling that open land sites, away from minority and ethnic concentrations, offer the best possible opportunity for integration. Sites in fringe and peripheral areas also lend themselves to this purpose. However, the housing in congested and slum areas with high minority concentration has deteriorated to such an extent that it will not be ignored, nor will such areas be excluded from our program.

In choosing sites we are endeavoring to ascertain, through studies of the surrounding area, those aspects relating to community facilities, educational institutions, and income levels of the residents of the area which would indicate that a successful integrated development could be accomplished. Further, the authority is emphasizing the development of smaller projects which will better lend themselves to becoming a part of the surrounding community.

We would like to see a better balanced distribution of all racial and economic ethnic groups in each area. Toward that end we have

recently made major decisions affecting two areas of the city. On the lower east side of Manhattan, an area of the city which has had extensive redevelopment with subsidized public housing, we have decided to build two medium-rent developments in place of two developments requiring cash subsidies originally authorized for the sites. Similarly, in a section of the east Bronx, which has had considerable new subsidized public housing in recent years, we have established higher rents for the newest developments which will open in several months. Since one of the community benefits of economic diversification is racial and ethnic diversification as well, we expect these changes to aid integration in all the developments of each area.

Much of the success of achieving such a goal depends on active, interested community participation and support for the public housing program. A community relations program under the direction of our race relations consultant is being established for several areas of the city. The program involves working through established organizations on a broadly representative community basis. It is expected that these organizations will serve as a means of communication between the Housing Authority and the community and provide for our developments a higher degree of community acceptance. By far the greatest number of developments are in areas reflecting broad racial and ethnic population distributions. An active interest on the part of the people in these areas in our developments, we feel, will result in a broader and more representative tenancy.

Tenant relations have, for the most part, been excellent in our housing program. Some situations have been brought to the attention of the Racial Relations Department, and I am happy to state they have been solved and have not given any indication of the existence in developments of serious racial or religious friction.

Perhaps the most vital part of our intergroup relations program is evidenced by the role of the Housing Authority in the community. Not only do we work actively with most of the local community groups, but also in close association with the Commission on Intergroup Relations, Board of Education, Youth Board, and the City Planning Commission. This area of operation, I feel, will become the focal point for a realistic and strong program, and one which will go far in assuring the city of New York that its public housing program will be representative not only of the city's interest in integration, but will demonstrate how such interest can be translated into reality.

The public housing program has provided 67 community centers which are serving as a focus of neighborhood recreation for children and adults. They are all operated by private or public social agencies on an interracial basis and have provided one means of advancing intergroup relations. Similarly, the 62 children's centers,

through parents' groups, serve as an adjunct to the intergroup relations program.

The authority has for some time operated an intraining program for members of its staff. While in the past these courses have embraced instruction and discussion of human and racial relations, we have started more intensive intraining activities on these two points. As time goes on, this instruction will become still more intensified and further delineated so that all segments of the authority's personnel will benefit from it. Persons expert in these fields, both in public and private agencies and institutions, will be called on to share their experiences with our staff.

I have reviewed with you a brief history of the large-scale operation of the New York City Housing Authority. Based on our experience, the following conclusions are drawn: We must have an adequate housing program. In large part, the problem of discrimination and imbalance of racial groups stems from pressures caused by the dislocation of many thousands of families by all sorts of private and governmental activities, such as highways, schools, urban renewal, and slum clearance. At the same time, these necessary redevelopment programs must be continued. We, therefore, endorse Mayor Wagner's proposal to the Senate Banking and Currency Committee last week of increased Federal aid to housing, including restoration of the low-rent public housing program authorized in 1949. In addition, greater flexibility must be given local authorities to set income limits at levels adequate to meet the needs of all ethnic and economic groups in the lower-income category.

We have accumulated material on the ethnic background of the people living on the sites of future developments and of the tenants of our developments. We would be happy to furnish any of our data that the commission considers might be useful to them.

The Housing Authority has been one of the most active and effective agencies in implementing New York City's policy of nondiscrimination in residential housing.

Study of the authority's record will show that integrated housing is both feasible and practical. We believe that, in the course of time, this demonstration of the possibilities of racial amity may prove to be one of our most significant achievements.

Thank you, gentlemen.

Commissioner HESBURGH. Thank you, Mr. Reid.

I would like to ask you a few questions, and I would like to preface my questions this afternoon by saying if I appear to be the advocatus diaboli, the devil's advocate, I am not doing this because of any personal conviction on the side of the question I am asking, but because I think it is important we speak frankly of the problem

you people have faced frankly and have met with great success, I think.

We hear that a great bottleneck in decent housing in any large city is the question of providing housing for low-income groups, and we have also heard that when low-income groups are moved into a housing project the thing tends to deteriorate very quickly. Is this true in your experience or is it not?

Mr. REM. I don't think the low-income people per se are the cause of any disintegration. You must realize, I think, that in the low-income families there is an average of four children in the family. As a general rule, we have eight apartments on a floor. That's 32 children on a floor. Any number of the apartments have 10 floors, which gives you 320 children. Some of them go to 20 floors, giving you 600 children in one building. Now, you multiply that by 10 or 15 buildings in 1 development and that will give you some idea of the number of children we have in these projects; and, children being children, why, you get into all the various phases of—well, little quirks of all kinds that sometimes cause trouble and sometimes are no different than you find in the large apartments where the people are paying \$50 or \$75 a month and they have four or five children. We do endeavor to have playgrounds for them.

There's one thing you can't possibly furnish. You can't have comfort stations, for example, enough on the ground, to take care of all of these children and, kids being kids, when they want to, when they have to go someplace, they wait until the last minute and then they run like the devil and, if they manage to get on the elevator at all, by this time they have waited so long they either have to wet their pants or wet the floor of the elevator.

Now, some people call this disintegration in projects. There are all kinds of problems that enter into this thing, and there are all kinds of things we're trying to do to see how we can improve them. We could only answer your question, I think, by inviting you out to some of these projects so you could see them and see what's going on, and that's how we're finding out about all these jobs and all these problems.

As I indicated in the testimony, we have some 87 jobs that are actually fully occupied. So far we have visited over 50 of them in our approximately 9 months in this job, and we just don't go and say hello to the manager and hello to the superintendent; we go from the heating plant right on up to the roof and, in the process, we generally make it our business to visit some of the tenants, particularly those whom we've received letters from, and in this way we are learning a great deal, and it is only in this way can anyone really appreciate what a tremendous chore this is.

Remember, while we have 102,000 apartments, these 102,000 apartments contain approximately 450,000 people and that is about 5½ percent of the population of the city of New York. Now, I don't know whether I have answered your question, Father, or not.

Commissioner HESBURGH. No. You have done very well. As a matter of fact, you have done magnificently considering the way we've had you talk so long with your voice giving you trouble. Maybe we ought to pass on to the gentlemen to your right or left and give you a rest for a moment.

Mr. REID. All right.

Commissioner HESBURGH. We are very grateful to you for your discussion so far.

Mr. REID. Thank you.

Commissioner HESBURGH. Mr. Madigan, could I ask you a question?

Mr. MADIGAN. Yes.

Commissioner HESBURGH. Do these housing units tend to become nonwhite? Is this the general tendency or is there such a tendency?

Mr. MADIGAN. I would say there is a tendency in some areas; but I wouldn't draw a general conclusion. You see, we have the difficult problem of not only trying to locate or relocate the tenants from our own sites, where we have come in and cleared a slum area, but we also cooperate with the city and the Board of Education—the city is fighting one program, the Board of Education the school program—or if there is a highway program, so that we get a cross section, I would say, of the entire population of the city of New York who are applying for apartments in our developments; but I would not draw that general conclusion.

It is true that some of our developments have more minority families than others, but that, in and of itself, does not make that development any less desirable.

Commissioner HESBURGH. Let me put it another way: Is there a tendency for the white occupants to leave after the nonwhite occupancy gets to a certain level?

Mr. MADIGAN. I would say that would be so——

Commissioner HESBURGH. What would be the normal——

Mr. MADIGAN. In many instances.

Commissioner HESBURGH. What would be the breakoff point there?

Mr. MADIGAN. Well, the breakoff point we have been trying to decide for ourselves, and we would say that when the nonwhite or, rather, the white occupancy gets below 60 percent then you have a marked increase in the moveout of the whites.

Commissioner HESBURGH. Do you adopt anything like a quota system?

Mr. MADIGAN. No; we do not.

Commissioner HESBURGH. You don't favor this?

Mr. MADIGAN. No; we don't favor the quota system as such.

Chairman HANNAH. Are these whites that move out of one of your establishments permitted to move into another one somewhere else or do they have to get themselves out of your housing entirely?

Mr. MADIGAN. No. We have a policy under which we will not move a family from one project to another unless they have been in residence at least 1 year.

Now, it may be that some of these families who have moved out have moved out because they require more room and we can accommodate them in another one of our developments.

Commissioner HESBURGH. I would like to ask Mr. Robbins a question, if I might. Mr. Robbins, would it come under your authority, the authority of your group, to try to do something about—you mentioned the possibility of doing something about—Harlem, for example. How would one begin in that sort of problem? Don't you get awfully discouraged just at the thought of moving in? And, yet, all of us would, I think, agree that here is something that really needs help. How would you approach that? What is the jugular vein of this problem?

Mr. ROBBINS. I don't think we can solve the problem of Harlem remaining an area of predominantly Negroes unless we do a job of city planning on a very large scale and replanning Harlem in its entirety. The mere placing of a housing development here and there, even at frequent intervals, is not going to change the segregated pattern of living.

It seems to me that Harlem, which was one of the fine residential areas of this city when it was not overcrowded, can only again become a fine and attractive residential area and not overcrowded and integrated if it gets a number of things besides good housing developments.

It will need more schools, more libraries, more parks. A Lincoln Square cultural center could do a great deal for Harlem. Theaters, all the things that go to make up a good residential neighborhood, that attract people, are needed in Harlem besides housing developments.

We cannot, in the light of the deterioration of structures in Harlem and with Harlem overcrowded, ignore those conditions and say we will not put housing developments there. We would much prefer, however, to place our housing developments on vacant land so that we can draw people out of Harlem, relieve some of the overcrowding, establish an integrated pattern outside of Harlem, and then reduce some of the exorbitant prices that owners can get because of the overcrowding, acquire land for many public purposes in Harlem and strive toward an integrated community.

This, I am unhappy to say, is a very long-range program and approach.

Commissioner HESBURGH. Is there work being done in this program at present?

Mr. ROBBINS. I believe this is one of the items on the agenda of the City Planning Commission. It obviously is not the function of the Housing Authority, which, of course, cooperates with the City Planning Commission; but, in the light of the fact that I have made the point that many, many public improvements are needed and in light of the fact the City Planning Commission is the agency that proposes the capital budget for the city, I think that, in the first instance, it's one of the functions of the City Planning Commission to plan for the revitalization of this and many other communities and neighborhoods in the city.

I think Mr. Reid would like to add to that.

Commissioner HESBURGH. Yes, sir.

Mr. REID. I would just like to say to this, Mr. Chairman and gentlemen, I was up at a meeting last Thursday in Harlem. The borough president of Manhattan has the borough divided into planning districts, and Planning District No. 10 is in Harlem, and the meeting in Harlem on Thursday was just along the lines that we are discussing here today, and the discussion that Mr. Robbins indicated would be required to carry out any sort of a program up there was just this sort of thing they were talking about. Most of the people there were Negroes, and they're very, very interested in seeing this area rehabilitated. They realize it is a long pull. It is just going to be perhaps a little longer than some of the things that this city has seen for the past 120 years.

First, we had a great influx of the Irish, and they all settled in one or two or three areas of the city, just because they knew somebody there and they knew no one else in the city. They were followed by the Germans, and we still have German sections in the city of New York today. Then the Italians came along, and we had tremendous Italian areas. Then the Jewish people came in. They're all mixed in now. They're all over the city. This is going to be a long, long pull, but I'm firmly convinced that you're going to see the Negro and the Puerto Rican population integrated all through the city. It's going to take many years, but I'm convinced it's going to come about just as the others have all mixed in.

Commissioner HESBURGH. Thank you very much, Mr. Reid. I think Dean Storey would like to ask a question.

Vice Chairman STOREY. Go ahead.

Commissioner HESBURGH. No. You go ahead.

Vice Chairman STOREY. Mr. Reid, I notice in your statement you referred to the fact that the problem had become enlarged by the great

influx from the South, that is, Negroes from the South, and the Puerto Ricans from Puerto Rico since World War II. Have many of the Puerto Ricans settled in Harlem, while we are talking about Harlem?

Mr. REID. They are in some sections of Harlem; yes. In fact, they are throughout all the sections of the city—all sections of the city. I wouldn't say there are too many of them in Harlem; not to my knowledge, anyway.

Vice Chairman STOREY. It is not a problem as to numbers in Harlem, then?

Mr. REID. That's right.

Vice Chairman STOREY. Then you made a statement, I believe, that out of all this development, which is very worthy, only three problems existed or three problem areas. Do you mind telling us what those were? You referred to three problem areas.

Mr. REID. They referred to the jobs that were done prior to the war.

Vice Chairman STOREY. Oh, prior to World War II?

Mr. REID. That's right.

Vice Chairman STOREY. They have been corrected since then?

Mr. REID. No; no. They're just the same as they were then.

Vice Chairman STOREY. What are they, if you might—

Mr. REID. They're Negro, mostly.

Vice Chairman STOREY. Mostly Negro?

Mr. REID. That's right.

Vice Chairman STOREY. And what kind of problems arise? Is it a question of discrimination or what?

Mr. REID. No. It is, just as Mr. Madigan pointed out, the fact you can't keep the white people, when you get more than 40 percent of the Negro population—

Vice Chairman STOREY. I see.

Mr. REID. In these projects.

Vice Chairman STOREY. I see. Thank you.

Commissioner HESBURGH. I would like to ask one more question. Mr. Madigan, do you think the conditions in public housing could generally be improved if there were certain services and supervisions provided possibly in the Federal Housing Authority or incorporated in their total program that are not normally provided by private landlords?

Mr. MADIGAN. Well, I don't know of any private landlord—and I live in an apartment—who supplies the tenants of our public housing developments or any public landlord that would supply, rather, the tenants of our public housing developments the services that they get.

It isn't from lack of services, as far as that is concerned. We may be restricted occasionally by tight budgets and maybe a few rules and regulations which, in the planning stage, might cause complications by

reason of economy in the operation stage, so that your maintenance might be a little bit more than it normally would be by reason of the economy in the development cost of any particular development.

Is that—

Commissioner HESBURGH. Yes.

Mr. ROBBINS. May I—

Commissioner HESBURGH. I think Mr. Robbins wants to add to that, too.

Mr. ROBBINS. I am not sure whether your question referred merely to physical services or such things as social services.

Commissioner HESBURGH. I was thinking more of—

Mr. ROBBINS. There is no question in my mind that the low-income families in this city and in every city of the United States require much more than good housing in order to assist them to live a satisfactory and healthy life.

There are families who are not accustomed to the complexities of urban living. They require education and advice and counseling on good housekeeping. They need advice as to the community agencies which can help them, the clinics and the hospitals. They need people who can speak their language. That's especially true of the Spanish-speaking population in public housing. Some of the material which we furnish to them in the way of instructions and memoranda should be in Spanish.

That type of service is needed, and I think that the Housing Authority should not become—and we are all agreed—a caseworking agency, but it must have staff which can be a liaison with the social service and educational and health agencies of the city; and, to have a completely satisfactory community in a public housing development, which often houses many thousands of people, we must bring all the resources of a community, whether they're public or private, to these families, and for that reason I believe we are the first housing authority in the country that is setting up a social consultation unit, in which we will have, in addition to our long-existing community center program, caseworkers who will be assigned to the authority.

One caseworker will be assigned to our Tenant Selection Unit so that in examination of the application the background of the caseworker can be brought to bear on the question of whether or not the family will present any problems of a health or behavior nature. We will have a caseworker on our Tenant Review Board, which deals with the more difficult applications and with cases where tenants have been recommended for eviction by the manager. In some cases the background or experience of a social worker can prevent an eviction by bringing a social agency into the picture. We will have social workers on the sites which we clear to help some of these families get into public housing where, for some technicality, they may not be eli-

gible or to help them relocate in a private housing. We will have caseworkers in some of our so-called rehabilitated buildings, which are old tenements, which the authority modernized some years ago in order to relocate families who were technically ineligible for public housing.

In addition to that, we have announced that we will have some intensive work done in two of our largest developments where we will put caseworkers on more or less a permanent basis to work with families that have problems. We have broken families. We have families with health problems, both physical and mental. We have families who have problems due to unemployment and have difficulty in balancing their budget. We have families who are reluctant to go to the Department of Welfare for relief, even though they're entitled to it, because it's a matter of pride with them that for years they have not had to apply to a public agency for assistance.

In addition, we hope to have enough social workers who can be sent out on more or less roving assignments.

Of course, I would like to take this opportunity to say that the great majority of our developments are most satisfactory places in which to live and there are very few of the so-called problem families. Problem families make news. Happy, harmonious living is not newsworthy. That's why we would like the members of the Commission to visit some of our developments to see what they are like.

I would like to also point out the fact that the developments which are considered problem developments—and they are in a minority—are very often so because of their location, because of the neighborhood in which they are placed, and the conditions in those neighborhoods, and they are subject to forays by gangs and others who are not tenants in the developments, but who find that our play spaces, our halls, our rooms are very attractive places for them to engage in extra-curricular activities.

So, in my long answer to your very short question, we believe that we should bring to the families that need the services that are available in the community and that this is one way in which the slur which has been cast upon public housing in the press over a period of years—and which had its good effects, which brought public attention to some of the conditions—will be removed.

I would like this opportunity to tell you that of our 102,000 families our study has shown that perhaps 3 percent present some serious problems, and of that 3 percent the largest categories are rent delinquents, chronic rent delinquents, and poor housekeepers, and those two categories, in our opinion, are the ones that can be dealt with most easily by our own staff and by community agencies.

Commissioner HESBURGH. That was a very fine answer. I appreciate it very much, Mr. Robbins, and Mr. Madigan, too, for yours,

because I think the problem we spoke about this morning was that the totality of this problem is not simply a problem of getting a roof over people's heads. It is a problem of economic opportunity; it is a problem of social and cultural development, and unless these three things go hand in hand the roof over the head doesn't solve the problem. People are not making the kind of adequate adjustment to the normal level of good community living.

Chairman HANNAH. This is not a very significant question, but, Mr. Reid, you indicated in your housing you required a certain percentage of the family income for rent. Is there no top limit on this?

Mr. REID. No. I didn't say we required. I said the Federal statute required it. It is at least 20 percent of the income.

Chairman HANNAH. And no matter how high the income becomes it is still 20 percent?

Mr. REID. No. There is a ceiling. There is a ceiling.

Chairman HANNAH. I thought there was a ceiling. That is what I wanted brought out.

Mr. ROBBINS. Under the State law and under the Federal regulations a family may remain in occupancy until its income reaches 50 percent above the admission limits for that family. If the maximum income for a family in order to be eligible for public housing development is \$3,000, it may remain in until its income is \$4,500 provided it pays an increased rent. In the federally aided project the rents are based upon one-fifth of its income, at least, whatever it may be, but \$4,500 would be the maximum in that program.

Commissioner HESBURGH. Dean Storey.

Vice Chairman STOREY. One other question: Mr. Robbins, you were talking about some of these problems which have come from the community in which these housing units are located, and you mentioned the gang and the juvenile delinquency, et cetera. Within the housing units, themselves, among the occupants, do you have much juvenile delinquency or much so-called gang warfare in these problem areas or is it principally from the outside?

Mr. ROBBINS. The gang warfare is not in the housing developments. There is delinquency. I have tried to indicate that it would be a very small proportion of our tenancy, but we find that our developments may in areas where there are warring gangs on the outside. There has been no indication—and we receive very careful reports of everything that occurs in the neighborhood—

Vice Chairman STOREY. In other words, generated from the outside?

Mr. ROBBINS. That is correct, sir.

Vice Chairman STOREY. Thank you.

Commissioner HESBURGH. I think our time is about up, but I want to thank Mr. Reid and Mr. Madigan and Mr. Robbins for this very en-

lightening presentation and I am sure you brought a lot of light to some of our problems.

Thank you very much.

Mr. REID. Thank you for the opportunity of being here.

Commissioner HESBURGH. Mr. Tiffany, will you introduce the next witness.

Mr. TIFFANY. Mr. Charles Abrams, chairman of the New York State Commission Against Discrimination. Mr. Abrams was appointed to the Slum Clearance Commission by Mayor LaGuardia in 1934 and has been active in the field of housing ever since. He has served as counsel of the New York Housing Authority and as consultant with the Federal Public Housing Authority. He has been chairman of the Mayor's Advisory Council Subcommittee on Housing and Redevelopment and has authored several books and many other writings on the field of discrimination in housing.

Mr. Abrams submitted his resignation from the State Commission last week, to become effective February 9. You have already heard from his successor, Mr. Elmer Carter, who read the message from Governor Rockefeller this morning.

Mr. Abrams.

STATEMENT OF CHARLES ABRAMS, CHAIRMAN, NEW YORK STATE COMMISSION AGAINST DISCRIMINATION

Mr. ABRAMS. I am a member of the New York State Commission Against Discrimination until the 9th of February. The commission is an agency created by the State legislature, exists in the executive department, for the purpose of preventing and taking action against discrimination in public employment and also in public accommodations and in publicly assisted housing and FHA housing. It was organized in 1945.

Chief among the victims of the housing famine in New York State are nonwhites, particularly American Negroes. Persons of Puerto Rican origin are also affected and, in some cases, persons of the Jewish faith.

In 1957—and I am going to try to answer questions, the factual questions, which your Commission has requested of the State Commission Against Discrimination—on the basis of partial census returns, we estimated there were 1,260,000 nonwhites in New York State, and 981,000 of these were located in New York City, another 114,000 in the 4 suburban counties of the metropolitan area. In upstate areas the nonwhite population aggregated about 165,000, by far the largest number of which, 76,000, were in the Buffalo metropolitan area.

Persons of Puerto Rican origin are rapidly approaching Negroes in number in the State. About January 1958 the Puerto Rican Depart-

ment of Labor estimated that there were 618,000 persons of Puerto Rican origin in New York City, and the immigration ranges anywhere from 35,000 to 50,000 net per annum. By "net," I mean that's the net residuum as a result of immigrations and outmigrations from New York. Most of the Puerto Rican influx comes to New York City.

Persons of the Jewish faith are estimated by the American Jewish Committee to number about 2,400,000 in the State, and slightly over 2 million of these are in New York City. There are also sizable Jewish communities upstate—in Buffalo 22,000, in Rochester 20,000 and in Syracuse 11,000.

The persons who are most subject to discriminatory practices are the nonwhites.

The pattern in New York at one time was for nonwhites to live in the same areas as whites. You had them in almost every census tract. They had to serve the people whom they worked for and had to live near the mansions or the better areas, and there was no loss of social status, no loss of prestige, no threatened loss to monetary values as a result of their living nearby—and you can find the same pattern in areas of the South and in other parts of the country; but when the Negro migration accelerated, after about 1914, you began to have an accent upon social status and fear of loss of neighborhood associations, fear of loss of real estate values, and, partly because this was accelerated by Federal policy from 1935 to about 1950, when the Federal Government actually, through its manuals in FHA and in other departments, advocated racial restrictions in new subdivisions, we had a whole generation virtually of people brought up on the basis of these fears, and racial-restrictive covenants began to move with epidemic speed in almost every section, every suburban section, of the State and in other parts of the Nation. The result is that there is fear now of any Negro movement into any white area, and this is one of the problems which has sparked all sorts of discriminatory and exclusionary activities, which is part of the problem facing New York State and other States.

The nonwhites are becoming, partly due to these restrictions, increasingly concentrated in the older central areas of the cities, and there has been a sharp extension of these older Negro ghettos, so that they are now of substantial size. For example, an area of Syracuse which was about one-fifth Negro in 1940 had become almost two-thirds Negro by 1957. Areas in Brooklyn which were partly Negro are now very substantially Negro.

Partly because of the fact that the minorities are concentrated in these areas, they are deprived of free movement, free movement which is one of the great rights in America, because I don't think you can have freedom of movement, freedom to move to areas of opportunity, freedom to raise your family, freedom to live a normal life, unless

there is freedom of movement, and implicit in freedom of movement is the right to live in housing of your choice and in areas of your choice. That virtually doesn't exist for minorities in New York State and, I venture to say, in other areas of the country; and, so, the housing problem, itself, has become the base of the whole discrimination problem in the United States.

Simply outlawing the right of a landlord to refuse housing, while it would be helpful, is not going to solve the problem unless you increase the housing supply and make it available to all people on the basis of their ability to pay, and this, basically, is the main discrimination, that is, the failure of public authorities to provide housing for people who are not accommodated by the private market.

Part of the process of this exclusion, and part of its result, is the fact that overcrowding has increased among these families. In the last census it was demonstrated that Negroes are four times as overcrowded as whites, and that has increased sharply since then. We find that in areas of Buffalo, which we have surveyed, where there were 250 or more nonwhites in 1950, occupancy of more than 1 person per room was reported in almost 18 percent of Negro dwellings compared to 11 percent of white dwellings. So, overcrowding has increased.

Then over 50 percent of all dwellings in these areas lacked a private bath or flush toilet or were located in a structure needing major repairs.

When you get overconcentration, compulsory concentration, caused and accelerated by social and economic and, in some cases, political restrictions, naturally even if the Negro can pay the market price of housing he finds that he has to live in substandard housing; and while over 50 percent of all dwellings lacked the private bath or flush toilet in an area like Syracuse, which we sampled, the comparable figure for the city as a whole was 13.5 percent. Forty-two percent of the units in this city lacked central heating. Less than 10 percent of dwellings in the city as a whole lacked this feature, which has come to be regarded as normal in American homes. Over a quarter lacked hot water. The comparable figure for the city as a whole was less than 6 percent. Now, I have seen dwellings in New York City, on tours that I have made, in which you find 6 or 7 persons living in a single room, where there is only 1 toilet for 25 families living in 1 house.

No matter how you correct the violation—and there has been a great deal of talk about correcting violations and putting landlords in jail, all of which has fine tonal quality, but in my opinion the real problem hasn't been faced in New York City. It hasn't been faced by the Federal Government. The real problem we are facing today is an increasing amount of overcrowding, and you are not going to ease

this overcrowding by continued slum clearance, by urban renewal, by outlawing discrimination in a legal sense. You can only solve the problem by meeting it head-on as a housing problem.

Now, you've got to anticipate that when people are living under conditions of that sort juvenile delinquency must be the byproduct, that all sorts of the social distortions must be the result.

There is no place in which to raise a family decently when people are overcrowded in one room, when as much as 40 percent of their income goes for rent—and I might say that on a per room basis the highest rents that are being paid in the city are by the poorest families, by the Negro families. Seventeen to twenty dollars per week is not unusual in Harlem per room per month—\$80 a room—and that's the cost of a new room for a white family in the private market.

You find the same situations in Buffalo. In Buffalo non-white-occupied housing in tracts with 250 or more nonwhite families lack running water twice as often as the homes of their white neighbors and, yet, Negro families that we surveyed do not pay appreciably less than the neighboring white families for rent. There is a difference of only 68 cents per month in the median rentals paid by the two groups.

Now, one of these problems of many nonwhite families is, of course, income. In the New England States nonwhite income is only about 65 percent of that of whites, and they are always the families who feel the brunt of depression first. In the recent recession you had twice as many nonwhites unemployed as whites, and the problem of housing for many of these families is related to the problem of incomes.

Virtually the only housing that is available to them is either housing in which they can concentrate in reduced housing, that is, housing of reduced size, or in public housing, either live in one room or two rooms, paying excessive rents, or they must have public housing which is subsidized. Those virtually are the only choices that are left to them.

Now, we made a study, for example, which I am going to leave with you, called "In Search of Housing"—it was just completed—in five up-state cities, and we examined the experiences of professionally and technically trained Negroes who received higher incomes, incomes comparable to whites, in relatively good jobs, and I'll just skim over these findings briefly.

In recent years, as a result of advances made in the struggle against employment discrimination, many of the most important industries in New York State have been recruiting Negroes with professional training in such fields as engineering, chemistry, physics, accounting and medicine. I think the New York State Commission Against Discrimination in New York State has made tremendous strides under the law against discrimination in breaking down barriers to employment. It

was incredible 7 or 8 years ago that a Negro could enter a hotel. Today he can enter into almost any hotel. He is seen often in restaurants. The Negro was not seen as a salesman or salesmen in department stores. They were never seen in clerical operations and in banking and insurance. Today those barriers have been broken and we find that we are now opening the gates to better jobs for nonwhites; and, yet, we're not making many gains in housing, itself.

Many of these persons who have been recruited by such firms as IBM have been recruited for jobs in upstate New York communities from colleges that are hundreds of miles away. Now, in our research study we found that the most important requirement that these people wanted was a good neighborhood, defined in terms of safety, quiet, good schools, adequate play space for children, good property maintenance and congenial neighbors, and they were willing to pay the market price and able to pay it. Well, we found that virtually all of them encountered many obstacles in finding housing which met their requirements. At the time they were interviewed, averaging two and a half years after their arrival, more than half were still living in inadequate housing. There was no doubt that racial discrimination was the chief cause of their difficulties.

On no basis other than race could these well-mannered, well-dressed, well-speaking persons, all of whom were in the upper 14 percent of the U.S. population with respect to education, be considered undesirable neighbors and, yet, on innumerable occasions they would make an appointment to inspect a home over the phone, where their color was at least not visible, and told that the apartment was available, only to find on their arrival a few minutes later that the place had been taken or that it wasn't available. Sometimes they were told that the owner, himself, had no objection to their race, but that neighbors or other tenants did.

Many of these persons paid prices they could ill afford for temporary, makeshift accommodations. Some bought or took leases at astronomical levels, and a number spent considerable sums trying to make inadequate apartments more livable, that is, actually improve the apartments, themselves, though they had tenure of only a year, and this was the only way in which they could find a decent place in which their families could live.

I might tell you one experience. For instance, IBM recruited four engineers for its plant in Syracuse and they were promised housing. When they got up there they found that they couldn't get housing and three of the four asked for a retransfer, and they actually had to be retransferred because of the absence of housing.

What I am afraid of is this: Here in New York City the opportunities have been increasingly open, but what we may face in our cities and in this State is a situation in which the leaders, those who

can guide and inspire Negro youth, are not going to come into the city because of the absence of housing—we're beginning to see that—whereas those who might develop as leaders within the communities leave it because of the inability to obtain decent housing, so that you will get in these cities communities of Negroes, of Negro children, without the proper aspirations, without leadership, without inspiration, without guidance, with these communities developing into a kind of social and economic limbo, from which there will be no escape, and the prize of equal opportunity and the right to advance on the basis of one's merits may become sterile for the first time in American history as the result of this limbo that we're threatened with in American cities because of discrimination and the absence of housing.

Now, we have laws in New York in housing. We have probably the best catalog of laws in the country. I wouldn't say "probably." We have. We have outlawed discrimination in urban renewal; we outlawed discrimination in public housing; we outlawed discrimination—the first State to outlaw discrimination—in VA and FHA housing, but laws, themselves, while they are helpful, while they are symbolic, while they set the pattern for a moral approach to housing, cannot, in themselves, solve the problem. It's got to be a dual approach in which the housing supply has got to be increased.

I favor unequivocally a bill which we call the Metcalf-Baker bill, which would outlaw discrimination in private housing. I believe a statute like this is implicit, at least in principle, in the Federal Civil Rights Act, that is, the right to buy and sell real estate without discrimination; but this has never been implemented, and I would say one of the most constructive recommendations which your Commission can make is to implement the Bill of Rights, which has been on the statute books for almost a hundred years, at the Federal level.

Now, let me not underestimate the importance of these laws. They're slow, but gradually they prove something and over a period of years I think they open up opportunities for those who can afford to pay the price of housing. For example, the New York State Commission Against Discrimination has been enforcing a law against discrimination in FHA- and VA-aided housing for some 3 or 4 years, and we find that in Queens, in Westchester, in Nassau County, and in New York City we have actually been able to have the private owners of these developments accept Negroes into their all-white projects. There are three Negroes living in New Rochelle, for instance, as a result of action of the commission. It hasn't caused any great disturbance.

At first, of course, all of these fears were present; but then, because the law was passed, because the law set a new ethical level, and because it also had teeth in it, the Negroes were accepted and there has been

no outflux of tenants from these communities despite the fact that they're all-white projects, and this has happened in other communities.

In some cases upstate we made a study and found that private builders have begun to accept Negroes into some of their private undertakings. In some cases these private undertakings were planned for all Negroes, and then whites came in because the projects were a bargain. In still other cases they were planned for whites and sold to Negroes.

Where you do not have the fear of a mass inundation of Negroes, where you don't have the threat of a change in the composition of a community, the mere presence of a group of different color or background will not challenge the social status or mores of that particular community.

It's only where people fear that the infiltration will be followed by a mass influx that you get this resistance, and the only way you can prevent a mass influx in the cities is by increasing the housing supply in the region because the cities, I find, are becoming increasingly circumscribed; they're experiencing shortages of land, and unless we can find a way of crashing through these barriers of an older day, these barriers today, which are artificial and illogical, which are leading to the formation of Negro concentrations and minority concentrations of other kinds in the cities and of all lily-white neighborhoods on the outskirts, you will not have a socially healthy pattern and one of the greatest assets of American life, freedom to move, will be lastingly impaired.

Now, I won't go through the law against discrimination and how it works on housing except briefly. I think it will shed some light on how we function. We use the compulsive powers very little. A verified complaint is filed, let's say, in housing, and the complaint is investigated. Then both parties are interviewed. An effort is made to determine whether there is discrimination, and if there is no discrimination the case is dismissed. If there is discrimination, a case of probable cause may be found to sustain the predicate of the complaint. If that finding is made, the law automatically compels a confidential conciliation; and in most cases we find we have been able to effect a gain through conciliatory methods, through the media of persuasion and settlement, and only in rare cases, perhaps four a year, normally—we've had more, three times as many, this year—do you go to the next step, which is a public hearing, at which three commissioners who didn't hear the case then hear the case anew and either dismiss it or enter a cease and desist order compelling compliance.

Of course, one of the problems that we face is that we haven't the right to initiate regulatory action, and this is difficult for us in hous-

ing because in most cases before you can go through the process your project is rented and you can't afford the complainant the relief; and I have consistently asked, and so has the Commission on Race and Housing in its report asked, for the right to initiate regulatory action, to give the commission that right.

Now, in our law, which gives us the right to curb discrimination in FHA- and VA-aided housing, we have received the cooperation of Mr. Norman Mason, who has made an agreement with us—and other States have followed along the lines of similar agreements—to the effect that if we find any owner guilty of discrimination, the Federal agency, the VA or the FHA, will bar him from future aid; but, of course, this doesn't do the whole trick because, in my opinion, I believe the FHA and the VA are the dominant agencies in the creation and in the influence of racial patterns in the United States.

By approving projects of builders and by approving the conduct of these projects and the conditions under which insurance is granted, occupancy can be influenced and I think the Federal Government has not assumed the responsibility that it should have in effecting a more rational distribution of opportunities and of housing.

Now, in public housing considerable progress has been made. There is integration in public housing. Unfortunately, however, because of the income limitations which the Federal Government has imposed upon the local housing authorities, you are finding an increase in the occupancy of Negro and Puerto Rican groups and I believe that if those income limits continue that housing will very soon be occupied very exclusively by these minorities, that is, public housing.

I don't think that is a healthy trend because it means automatically that you have segregation in neighborhoods for the low-income group and for the moderate-income group, for whom the Housing Authority also provides, and which is less subject to this ghetto pattern; but if you do not solve the problem of ghettoization in public housing projects you'll automatically bring about school segregation, which is the very evil which the Supreme Court condemned, and something has to be done to alleviate that problem, and one of the best ways of doing it is to not only increase the housing supply, but to give opportunities to everybody to move wherever he pleases.

The frontier of minority groups must not be the concentrated ghettos of the city, but must be the areas around the city as well.

In 1934, when I was counsel for the Housing Authority, I helped draw the New York City housing authority law on a local basis. We never anticipated at that time that you'd have this pattern in public housing. If I had to do it again, I would say that I would not create local housing authorities, but I would create regional housing authorities because of the artificial barriers that are now preventing people

from moving where they choose; and, while there has been a lot of talk about regional planning, I don't think you can think about regional planning without thinking about population distribution and you've got to face up to the fact that land is being kept from the groups who need access to land most.

This is a trend which is taking place not only in the United States but everywhere. The hinterlander is moving into the cities of the world and he is being met by all sorts of resistance because he is different.

In our case we were once able to cope with people of different backgrounds and origins and status because, as they learned the American language and as they took an American haircut, they were able to move from the status of immigrancy to the presidency of General Motors in a single generation; but today the Negro or the Mexican or the dark Puerto Rican can no longer conceal his color. His increased visibility, the increased emphasis upon his identifiability, makes him permanently subject to social restrictions, and unless we can remove these restrictions by opening up housing to him we are denying to him all of the other essential liberties which are implicit in the Bill of Rights.

Now, we have received cooperation from the banks in New York City. I might say that I proposed the Mortgage Facilities Corporation just a couple of years ago under Governor Harriman's administration, and I hope that this will help to break the logjam which exists in mortgage financing, which is one of the main problems in increasing the supply of housing. Mortgage financing in public housing, in publicly aided private housing, in urban renewal projects, which are private, though aided by writedowns in land cost—there is no problem of financing there despite the fact that we have laws against discrimination. New York State is far ahead in the investments made in these projects despite the fact that all of them are subject to laws against discrimination. They have not retarded investment. They have not retarded the financial soundness of these projects.

More than \$2 billion of private investment has been made subject to these laws, and anyone who says the mere existence of an antidiscrimination law, which, as I say, is part of this whole pattern of breaking down discrimination—I think it's essential, as a part of it, as well as the supply of housing—I would say that the presence of these laws does not in any way impair the investments of private investors.

Now, I think I might summarize, in the 10 minutes I have left, by saying that our cities have got to take an entirely new approach to this housing situation. In the first place, I think that this city and other cities are moving fast toward an irreducible slum core. Slum clearance is slowing up due to the increasing inability of relocating the population that is being displaced by clearance oper-

ations. I think we have got to live with the slums and we have got to live with the overcrowding, although we must, in some way, ease this overcrowding if we possibly can.

Second, this slum core is being broken up into smaller and smaller spaces, and as slum clearance and urban renewal and private demolition are proceeding apace the slum core is receiving an increasing proportion of the city's low-income population. Overcrowding and absence of privacy have become the two most serious aspects of life today, and if you have slum clearance without providing equivalent accommodations for these people first you will accomplish nothing, but simply emphasize the overcrowding. There is nothing which slum clearance, itself, can do that can't be accomplished more efficiently by an earthquake. Other characteristics of this slum life are high rent and bonuses that are being paid for apartments and the breakdown of family life and family morale.

Third, the slum core is being occupied increasingly by Negro and Puerto Rican families, and in the Southwest by Mexicans. These families are spreading out to adjoining areas and enlarging the core somewhat as the immigration proceeds and as the demolition continues.

Fourth, the intense competition for one-room dwellings has caused a major exodus of families of higher income groups from our cities. Former occupants of rooming houses and apartments are leaving and their places are being taken by the newer migrants, the Negroes and the Puerto Ricans. New housing operations are providing little housing for the so-called nonaverage family, and the Negro and the Puerto Rican and the large families are among the nonaverage families.

The average housing that has been produced and is being produced under Federal programs is for the so-called mythical average family that presupposes a family with not more than two children, both of the same sex and everlastingly compatible.

Sixth, I would say, considering the average production of 6,000 units by the New York City Housing Authority, which is the largest housing authority in the country, against the needs of some 12,000 to 17,000 Puerto Rican immigrants alone on an annual basis, that is, you are getting these families, all of whom are candidates, just among the Puerto Rican groups, that public housing is not going to be an answer.

Not all of these 6,000 projects are on vacant land, incidentally. Many of these projects, when originally built, displaced families.

Public housing improves the city, but public housing is not easing the housing shortage in New York City, in New York State, or in the United States, and more breaking up of existing units, deterior-

ation and substandardization of housing is inevitable unless we do something more constructive than we have done to date.

Seventh, I think large-scale rehabilitation is essential, and it will help, but it will not add to the housing supply because it, too, will increase the rents sharply, and in many cases requires displacement.

Eighth, I believe the available land supply for housing in cities is diminishing and, while there is still some open land in some areas, we have to break these bottlenecks that are preventing the free movement of the population.

Ninth, I believe that the housing program is geared to the situation in 1930-40, when you had many vacancies and when slum clearance could be undertaken, but it's not geared to the situation in 1959, 1969, and thereafter, and that the whole program has to be reexamined and recast.

Tenth, the present program is geared to one of tenancy rather than to ownership, and it's manifest that many low-income families have a desire for ownership. I might say, in this connection, that I have submitted to the Senate Committee on Banking and Currency a program which I would like to submit to you which calls for a law of this sort; that is, you can provide home ownership for families of low income rather than relegate them to tenancy. Many of the persons displaced were homeowners, although of humble homes, and the answer to this lies mainly in reducing the interest rate.

I am going to submit to you the calculations which indicates that, instead of having tenant projects, as you have today, with annual subsidies, with lesser subsidies, encompassed in a lower interest rate, you could meet the needs of persons with incomes of \$3,120 a year or thereabouts. For example, if you gave a no-interest loan, instead of a subsidy, to a family for 45 years, he can pay the resultant payment that he has to make for his home of \$65 a month, and that qualifies a person who earns an income of \$3,120 a year, and he can be the homeowner, and I have proposed here a flexible interest rate with a means test, that is, if his income goes up then the interest rises, and when the interest rises to a market level then the mortgage is sold, because I do believe in desocialization of enterprise rather than in public housing, which will ultimately—though I favor public housing as a transitional reform and have always favored it, nevertheless, I do not believe that it can constitute the only form of housing for the poor; that is, you cannot have exclusively, in a complete public housing program in New York City, solely a Government landlord for the poor. They must have access to housing they can own as well.. They should have a right to tenancy, and access to tenancy, but it must not be the exclusive or the only program. I think that's one recommendation.

Another recommendation is to strengthen Federal effort to end racial inequities in training and in employment. I think you can't separate opportunities in employment from the ability to pay for housing. The other way, of course, is to subsidize the housing, but I believe that you must break the bottlenecks to employment in industry.

I do not believe the President's Committee on Government Contracts has done its job. The number of complaints filed with the President's Committee on Government Contracts since its inception in 1953 is not more than the number of complaints filed with the State Commission Against Discrimination in a single year. The fact is that the Federal Government, with all the prestige and power that it commands, certainly can eliminate discrimination in employment, and it must eliminate discrimination in housing, because they must go hand in hand, and I do not think it has risen to the occasion or assumed the responsibility which it should, and I hope that your Commission will address itself to that problem.

I believe there should be an executive policy prohibiting discrimination in housing receiving Federal subsidies or mortgage guarantees or benefiting from the exercise of Federal power.

I think it should be a basic tenet of American life that where public aid is extended—and I believe the courts have set this down as one of the great ethical values in our society—that where the Government extends its aid in the form of insurance or subsidies—that the benefits of that aid or subsidization should inure to the whole population and not simply to a single class; and, so, I think the President should enter an Executive order outlawing discrimination in all FHA- and VA-aided housing.

When President Truman did that after the restrictive covenant decisions, the restrictive covenant disappeared from American life; and I believe a firm policy by President Eisenhower to outlaw discrimination in all federally aided undertakings and to improve the operations of the President's Committee on Government Contracts could go a long way toward breaking the barriers to equal opportunity in American life.

I think there should be a Federal commission against discrimination and racial relations advisers in almost all departments that deal with the racial problem like the housing agencies and the Army and the other agencies.

I believe there should be an enlarged public housing program—and by public housing I mean not only rented housing, but I mean owned housing as well.

I think there should be a deemphasis on slum clearance, although it is important, and a greater emphasis on vacant land operations.

There must be expansion of land for minorities beyond the city boundaries, and this can be accomplished by regional land authorities,

and the Governors who talk about regional planning on an interstate basis, in my opinion, must first assume regional planning on an intrastate basis; otherwise, I do not believe their promises are realistic.

There should be a commission on migratory labor, because migrations are at the core of this problem, and migrations certainly are within the Federal domain.

Every family that moves into a city involves an outlay by someone, whether it is a private entrepreneur or public entrepreneur, of some \$14,000 in capital investment, and that single decision, if it is a poor family, means that it becomes incumbent upon the State to make that investment if it is to solve the problem, and since migrations are a Federal function I think that the Federal Government has to rise to the occasion and meet the housing problem for these migrating groups as part of its responsibility.

Now, I think that discrimination in housing is not segregation only. When the Federal Government has assumed responsibility for housing, as it has, the denial of housing to minorities, in itself, is a form of discrimination. However the courts may strike at segregation in housing, I do not believe that you will relieve segregation or discrimination unless a realistic program is produced.

I might close, since my time is about up, by saying that I, for some years, headed housing missions for the United Nations to Ghana and the Philippines, and to Pakistan and Turkey, and to Jamaica and Puerto Rico, and I find in every part of the world there is emerging a similarity of symptoms affecting neighborhoods—slums, migration of the underprivileged to the cities, overcrowding, a growing disparity between wages and rents, squatting, social disruption of family life, and increasing insecurity of tenure.

The most recent phase of the industrial revolution is marked by a movement of nonwhites in Asia, Africa, America, and even in some parts of England and the Continent. Simultaneously there has appeared an increasing emphasis upon discrimination and homogeneity in many of the world's neighborhoods, and I have seen it in almost every country I have been to. I might say the United States has done pretty well in comparison to other nations. Only a few years ago, because of religious discrimination, a million people lost their lives in Pakistan and in India.

To meet problems of industrialization and housing famine, an extensive expansion has also occurred in the role of government everywhere, and with housing one of the key issues in the world's political stage there are some forces working toward a democratic dispensation of the benefits of public power and subsidies which are explicit in this vast expansion of the Government powerplant; but, with a rising fear of people who are different, people from the hinterlands, other forces

are simultaneously seeking to harness this expanded public power on the side of segregation and racial and social and religious discrimination.

The United States, in my opinion, can't afford to lag behind in the solution of this problem. It must demonstrate the leadership and supply the example, and I know that if you give the facts to the Congress and if it realizes the urgency of the problem we will not falter.

Commissioner HESBURGH. Mr. Abrams, you have given us such an eloquent and forceful statement I feel like clapping, although I guess that would be undignified at this point, but if the audience wants to they are perfectly free to do so. [Applause.]

I would just like to ask you two brief questions, and I am somewhat going overtime in doing this, but I think you have given us so many things to think about.

My first question is possibly just holding up a target to you, but it is asked by many people, especially in the southern part of the United States, and I think it should be asked here because it is a real problem for anybody like our own Commission, which is involved in national policy, and the question runs like this: Would not the adoption of a single Federal policy requiring open occupancy in housing set back the present housing programs and thus hurt most the very minority groups who most need better housing?

Mr. ABRAMS. When you say "open occupancy," you mean allow anybody to enter into the project?

Commissioner HESBURGH. Yes.

Mr. ABRAMS. Without restrictions as to race?

Commissioner HESBURGH. Yes, exactly what I think you meant when you said it should be open or available to all who can afford it; in other words, nondiscriminatory housing.

Mr. ABRAMS. Well, if you opened up housing and made housing available at rents or prices the people could afford, that is not segregation. That is the point you are making?

Commissioner HESBURGH. Yes.

Mr. ABRAMS. I could illustrate that in this way: Before this law was passed against discrimination one of the hotels in New York decided to accept Negroes, decided voluntarily to become nondiscriminatory, and it was soon threatened with becoming an all-Negro hotel, and it had to stop, but then the law was passed. In other words, when we established open occupancy in hotels, there was a distribution of the people, so that there was no concentration of one group, and that is the same situation in restaurants. If one restaurant had accepted Negroes instead of all being compelled to do it, you would have had concentration in that one restaurant. In other words, when I emphasized the supply repeatedly, I felt that was the real answer.

Commissioner HESBURGH. It seemed to me you were trying to break down slums not by spreading people outward as much as by success drawing them outward to other housing, which is better.

Mr. ABRAMS. That is correct, and you can only draw them out if you draw them out outside the city, itself—

Commissioner HESBURGH. That is right.

Mr. ABRAMS. And they can't go out because they can't afford the new housing in the suburbs. When I was rent administrator, I made a study of the number of families who can afford new housing in the suburban areas and found that not more than 13,000 families in the whole city, or less than 7 percent of the Negro population, could afford new housing, new FHA-aided housing. If you are going to spread the population, you have to have housing at very low interest rates, at costs they can afford. You can't concentrate them in just a few ghettos.

Commissioner HESBURGH. If I were to put that question around the other way, would you answer it the same?

Let me put it this way: Might a strong Federal antidiscrimination policy jeopardize the whole Federal housing program because of the strong opposition that would arise from the areas supporting segregation? We have to recognize there are such areas and it is a real problem in this country. What would happen?

Mr. ABRAMS. Well, my answer to that would be this: That you don't need a statute, that what it needs is a very wise administration and a very timely administration. In other words, I have never believed that statutes, themselves, can always accomplish what you seek to accomplish. It is in the administrative vehicle and in the executive function that you can accomplish these gains.

Why challenge through law what is an established ethic in principle? In other words, if the Federal Government extends aid, then automatically its agencies must try to extend that equally and to open up opportunities; and the responsibility for that is in the administrative agencies, and if they handled it wisely there would be no challenge.

I believe that an executive policy, for example, that the President—had he taken leadership after the Supreme Court decision, you would not have faced the tremendous conflicts or the situation that exists today in the United States of a conflict between adversaries, that is, between the NAACP and the State of Alabama or between the Attorney General of the United States and the State of Arkansas.

The President and the administrative agencies are endowed with considerable prestige, with funds, with earmarking powers, with insurance powers, under FHA, and if they have been given a direction by the Executive—that the United States, after all, when it extends aid must extend it to the benefit of all people alike, that a proper administration can achieve this without necessarily having to face the bitter defeat that would be encountered by a statute.

Commissioner HESBURGH. Thank you.

Dean Storey, would you like to ask a question? Governor Carlton.

Commissioner CARLTON. No.

Commissioner HESBURGH. That is very fine. Thank you very much, Mr. Abrams.

PREPARED STATEMENT OF CHARLES ABRAMS

My name is Charles Abrams. I am the outgoing chairman of the New York State Commission Against Discrimination, popularly known as SCAD. The commission is an agency of the executive department of the State of New York, charged with enforcing the State's law against discrimination. It has principal offices at 270 Broadway, New York City, and regional offices also in Albany, Buffalo, and Syracuse.

The commission has an interest in the problem of housing discrimination for two reasons. First, the legislature has enacted into the law SCAD enforces prohibitions against discrimination in housing which receives various types of public assistance, ranging from subsidies and tax exemption to FHA and VA insurance. Second, SCAD has a general mandate in the law to "promote goodwill and minimize or eliminate discrimination" throughout New York State through research and educational efforts. A copy of the law against discrimination is appended to this testimony.

THE PERSONS AFFECTED BY DISCRIMINATION

The law prohibits discrimination on account of race, creed, color, or national origin, without limitation to specific ethnic groups. Every citizen of the State thus comes under its protection. But we know from experience that members of certain groups suffer far more frequently than others from discriminatory practices.

Chief among the victims are nonwhites, particularly American Negroes. Persons of Puerto Rican origin are also affected, particularly when identifiable by accent or skin color. Persons of the Jewish faith meet discrimination in housing occasionally, though their position is by no means comparable to that of nonwhites and Puerto Ricans.

Many citizens of the State are members of these three groups. In 1957, on the basis of partial census returns and data from the New York State Department of Health, SCAD estimated that there were 1,260,000 nonwhites in New York State; 981,000 of these were located in New York City, and another 114,000 in the 4 suburban counties of the metropolitan area. In upstate New York there were an estimated 165,000 nonwhites, of whom by far the largest number (76,000) were in the Buffalo metropolitan area. Several other major cities upstate had significant concentrations, however. Rochester had 16,000, Syracuse 11,000, and the Albany-Schenectady-Troy area about 14,000. In some of those upstate areas the nonwhite population has grown very rapidly in recent years, proportionally far faster than in New York City.

Persons of Puerto Rican origin are rapidly approaching Negroes in number in the State. About January 1958, the Puerto Rican Department of Labor estimated that there were 618,000 persons of Puerto Rican origin in New York City. This was roughly a threefold increase since 1950. Most of the Puerto Rican influx has come to New York City, with relatively few persons entering the other major cities of the State. At a generous guess there may be 650,000 Puerto Ricans in the State as a whole.

Persons of the Jewish faith are estimated by the American Jewish Committee to number about 2,400,000 in the State. Slightly over 2 million of these are in New York City. There are also sizable Jewish communities in such cities as Buffalo (22,000), Rochester (20,000), and Syracuse (11,000).

As you can see, SCAD's "constituency" is a large one; and, obviously, although the major concentrations of minority groups in the State occur in New York City, SCAD's concern must extend throughout the State. In recent years, SCAD has devoted increasing emphasis to the upstate communities where significant minority concentrations reside. With the help of a foundation grant, we were recently able to conduct studies of race relation in five major upstate cities. We are now completing a study of housing conditions for nonwhites in Buffalo. On the basis of the findings, we are in a position to make definitive statements about the housing situation of minorities, particularly nonwhites,

throughout the State. I am appending copies of several relevant research reports to my testimony, plus a number of tables specially prepared for the use of your Commission.

RESIDENTIAL SEGREGATION IN NEW YORK STATE

Wherever they reside in New York State, nonwhites will be found concentrated mainly in the central areas of the cities. Negroes have not participated in the vast migration which has permitted millions of white families to buy homes with green lawns and picture windows in the burgeoning suburbs. At the 1950 census, the percent of nonwhites in each major metropolitan area of the State who lived outside the cities was small. In metropolitan Buffalo, for example, a scant 7 percent of all nonwhites in the area lived in the suburbs. In Rochester, the proportion was even lower, 5 percent representing barely 100 Negro families. Scattered data for 1957 or 1958 generally indicate some increase in the Negro population of the suburbs. But they do not indicate that Negroes as yet are taking part in the move to the suburbs at nearly as rapid a rate as whites (table 1).

On the other hand, nonwhites are becoming increasingly concentrated in the older central areas of the cities where they have traditionally lived. In many of the upstate cities, even the areas most heavily inhabited by Negroes have until recently had a majority of whites. Although nonwhites resided predominantly in the same areas as other people with low incomes, whites and Negroes lived side by side in these neighborhoods. Segregation though it existed, was more economic than racial. Today, for the first time in their histories, some of these upstate cities are developing heavily concentrative Negro "ghettos" of substantial size. An area of Syracuse which was about one-fifth Negro in 1940 had become almost two-thirds Negro by 1957. By 1970 it will probably be almost 100 percent Negro. Similar increasing concentrations are evident in Buffalo, Rochester, and several other cities in the State (tables 2 and 3).

Obviously, powerful causes must create such increasing concentrations of Negro population in the face of the general mobility of American society and the rapid expansion of the boundaries of our metropolitan areas in recent years. I shall talk more of these causes in a few minutes; but first, I would like to review some of the conditions that invariably accompany racial segregation in New York State as elsewhere in the Nation.

OVERCROWDING IN NEGRO RESIDENTIAL AREAS

When people move in large numbers into an area which is limited in size and totally built up, they are accommodated in only two ways—either by tearing down and rebuilding or by subdividing present dwellings into smaller and smaller units, regardless of the size of the families who are arriving to occupy them. Overcrowding is an invariable characteristic of the areas in which Negroes live. To cite statistics from the 1950 census, severe overcrowding in tracts where Negroes live was more than twice as frequent as the average for the city in Buffalo and Niagara Falls. It was almost three times as great as the city average in Rochester, Syracuse, and Schenectady.

Even where white and nonwhites live side by side, overcrowding is far more common in dwellings occupied by Negroes than in the homes of their white neighbors. In areas of Buffalo, N.Y., with 250 or more nonwhites, in 1950, occupancy of more than one person per room was reported in almost 18 percent of Negro dwellings, compared to 11 percent of white dwellings.

HOUSING QUALITY IN NEGRO AREAS

In the areas where nonwhites chiefly live, the housing is usually old and well past its prime. In fact, these are usually the oldest areas of the city, left to nonwhites only when whites find them no longer attractive to live in. For example, the 1950 census indicated that in the six tracts of highest Negro concentration in Rochester, only five dwelling units had been built since 1930. Age combines with overcrowding and with illegal subdivision, to make living conditions in Negro residential areas generally far worse than in the areas inhabited exclusively by whites.

A report by the New York State Division of Housing in 1954, analyzing homes in a redevelopment area which contains most of Syracuse's Negro families states:

Over 50 percent of all dwellings lacked a private bath or flush toilet or were located in a structure needing major repairs. The comparable figure for the city as a whole was 13.5 percent.

Forty-two percent of the units lacked central heating. Less than 10 percent of dwellings in the city as a whole lacked this feature which has come to be regarded as normal in American homes.

Over one-quarter lacked running hot water. The comparable figure for the city as a whole was less than 6 percent.

Syracuse is by no means unique in this respect. These are the kind of homes which the majority of Negro citizens of New York State inhabit and it is the same elsewhere in the Nation. The startlingly high disease, death, and crime rates common to these areas represent the social cost we pay for them.

In Buffalo, non-white-occupied dwellings in tracts with 250 or more non-white families lack running water twice as often as the homes of their white neighbors. Yet, Negro families do not pay appreciably less than the neighboring whites for rent. There is a difference of only 68 cents per month in the median rentals paid by the two groups.

CAUSES OF SEGREGATION AND POOR HOUSING CONDITIONS

One of the causes for the great and growing concentration of minority families, in limited areas of New York State cities is their low incomes. According to figures recently released by the New York State Interdepartmental Committee on Low Incomes, median nonwhite income in this State in 1956 was almost double that for nonwhites in the Nation as a whole. Still the earnings of nonwhites in New York State average about one-third less than whites.

Several of the causes for this disparity are set forth in a recently completed study by this commission, which represented the first attempt to explore the relationship between low incomes and discrimination. I have attached a copy to this testimony. One of the causes of low incomes among nonwhites turned out to be employment discrimination here in New York State. This is a problem which SCAD has been granted powers to attack, and against which it has already made substantial progress. But there were other causes. One of the most important of these was in adequate job preparation. A great deal of this stemmed from discrimination suffered not in New York State, but in the South, from which many of New York's nonwhite citizens originally came. More than half of them who complain to us of discrimination in employment are southern born.

Low incomes limit the housing opportunities of many nonwhite families by restricting them to areas where housing is available at prices they can afford. Often these are the worst areas of the city, with the oldest and the most decrepit housing. We will not completely solve the problem of nonwhite concentrations in slum areas until we have solved the problem of low incomes, which now threatens to place many nonwhites in a permanently impoverished status. This is a vast problem demanding action on a nationwide scale, and I shall speak more about it when I come to my recommendations.

But low incomes are not the only cause of housing disadvantages suffered by nonwhites, nor even the most important cause. There is some very interesting evidence on this point in a small study by the Rochester Rehabilitation Commission, cited in SCAD's analysis of race relations in upstate cities. In an area of Rochester scheduled for renewal, where the housing was among the worst in the city, the Rehabilitation Commission found that 42 percent of nonwhite residents made \$350 per month or more. This was certainly enough money to enable these families to afford housing in much more desirable areas of the city.

In another study, SCAD examined the experiences of professionally and technically trained Negroes who sought housing in accord with their educational status and ability to pay. The findings of this study are summarized in the pamphlet "In Search of Housing," attached to this testimony. I shall skim briefly over them now.

In recent years, as a result of advances made in the struggle against employment discrimination, many of the most important industries in New York State have been recruiting Negroes with professional training in such fields as engineering, chemistry, physics, accounting, and medicine. Many of these persons have been recruited for jobs in upstate New York communities from jobs or colleges hundreds of miles away. The commission sent a research team to various cities in the State to interrogate such persons about their experiences in seeking housing. It found that their most important requirement was a "good

neighborhood," defined in terms of safety, quiet, good schools, adequate play space for children, good property maintenance, and congenial neighbors.

The study found that these persons encountered many obstacles in finding housing which met their requirements. At the time they were interviewed, averaging 2½ years after their arrival, more than half were still living in housing they considered inadequate. There was no doubt that racial discrimination was the chief cause of their difficulties. On no basis other than race could these well-dressed and well-mannered persons, all of whom were in the upper 14 percent of the U.S. population with respect to education, be considered undesirable neighbors. Yet, on innumerable occasions they would make an appointment to inspect a home over the phone, where their color was not visible, only to be told on their arrival a few minutes later that the place had been taken. Sometimes they were told that the owner himself had no objection to their race, but that neighbors or other tenants did. Many of those persons paid prices they could ill afford for temporary, makeshift accommodations. Some bought or took leases at levels which seemed exorbitant. A number spent considerable sums trying to make inadequate apartments more livable, even though they knew that the benefits of their efforts would go mainly to the landlord, because these were the only places they could get. The experiences of these highly qualified persons demonstrated that discrimination is the controlling factor preventing Negroes, regardless of economic or social qualifications, from exercising freedom of choice in the housing market.

NEW YORK STATE LAWS AGAINST HOUSING DISCRIMINATION

New York is in the forefront with regard to assuring equal rights to citizens. As far back as 1939 the public housing law forbade discrimination in all housing coming under the law. Since then, the legislature has successively widened the jurisdiction of antidiscrimination provisions, until today they cover all housing receiving any form of Government assistance.

In 1950, the Austin-Wicks law extended the prohibition of discrimination to cover housing receiving types of public assistance. This included direct financial subsidy, tax-exemption, writedown of land cost, and acquisition of land through condemnation. Urban renewal projects constructed under title I of the U.S. Housing Act of 1949, as amended, were covered under the Wicks-Austin law. In addition, the law defined segregation as a form of discrimination, and thus outlawed so-called "separate but equal" accommodations. In 1955, the first Metcalf-Baker law was passed by the legislature, extending the jurisdiction of the State Commission Against Discrimination to include public and publicly assisted housing accommodations which in effect placed under SCAD's jurisdiction the Austin-Wicks law of 1950, for which no administrative machinery had previously been created. In the same year, 1955, a second Metcalf-Baker law passed prohibiting discrimination in housing accommodations acquired, constructed, rehabilitated, repaired, or maintained with FHA- or VA-guaranteed mortgages after its effective date. This law went into effect July 1, 1955, and the following year a third Metcalf-Baker law placed it under the jurisdiction of the State Commission Against Discrimination, effective July 1, 1956.

Other laws passed by the New York State Legislature in recent years have facilitated construction of housing accommodations for low and middle income families. They include the redevelopment company's law and the laws which created limited dividend and limited profit housing. This housing, because it receives Government aid, automatically comes under the provisions of the law barring discrimination. Thus, these housing laws have added to the quantity of dwellings freely available to all citizens of this State regardless of race, creed, color, or national origin.

The general policy of the State of New York in matters of discrimination is expressed in the law against discrimination under the section setting forth the purposes of the article. This statement says that the legislature "finds and declares that practices of discrimination against any of its inhabitants because of race, creed, color, or national origin, are a matter of State concern, that such discrimination threatens not only the rights and proper privileges of its inhabitants but menaces the institutions and foundation of a free democratic State."

THE COVERAGE OF THE LAWS

With all these laws on the books, it may seem strange that New York still has, so much housing discrimination. I must make clear at this point that

the present laws cover only a very small percentage of all dwellings in the State, and that much of what housing is included has not been covered for very long. We estimate that in all, about 250,000 units are covered by all existing antidiscrimination provisions or only about 5 percent of the total of almost 5 million dwellings in New York State. Almost half of the 250,000 are in public housing, including some 44,000 units in State aided projects, another 50,000 units in Federal projects, and about 26,000 units in projects subsidized by the city of New York.

A much higher proportion of all new housing constructed today comes under the law, however. We estimate that about half of all new construction in the State today is subject to one or another banning discrimination. It is important to note, nevertheless, that new sales housing built under FHA and VA guarantees is covered only on initial sale. On resale it is not. Thus, the vast bulk of it escapes the law's jurisdiction almost immediately.

There are many inequities in the housing supply made available under existing laws. For example, except perhaps in New York City, almost no rental housing above the extremely low rental levels provided by public housing is covered. This means that Negro families in these cities who are above the limits for public housing, but cannot afford or are not in a position to buy FHA or VA housing, are excluded from the benefits of the law. They are restricted to whatever housing they can obtain on a rental or sales basis in the limited and often undesirable areas of the cities usually available to Negroes. The professionally and technically trained homeseekers of whom I spoke a few minutes ago are among these people. Newly arrived in a strange city, few of them wanted to buy or were in a position to buy immediately. Thus, they were unable to take advantage of the protections of the law. There are many more persons below the professional level holding good mechanical or clerical jobs who wish to buy housing but cannot afford the price levels available on new FHA and VA housing at currently high construction costs. These families would be good candidates for older but still desirable housing in many middle class neighborhoods. Because of their race, however, they are excluded from such housing and permitted to buy only in the worst areas.

Proud as we are of New York's leadership in outlawing discrimination in housing, we must, therefore, recognize that the existing laws leave serious gaps and hardships which prevent their benefits from being utilized by many whom they were designed to aid. We cannot be satisfied until coverage of the law extends to all kinds of housing in all neighborhoods throughout the State. I am confident that this day is not far away.

SCAD'S ENFORCEMENT PROGRAM

In enforcing the law, SCAD uses the same procedures as in cases of discrimination in employment or public accommodations. A verified complaint is filed by the complainant. A commissioner is assigned to the case and investigates with the aid of the commission's representatives. The commissioner may find that probable cause exists to sustain the allegation of the complaint; or he may find that the evidence is inadequate. If probable cause is found, the commissioner attempts to adjust the situation through a process of confidential conference, conciliation, and persuasion as required by the law. If this fails, the chairman orders a public hearing by three other commissioners. Less than 1 percent of all the commission's cases ever reach the stage of a public hearing, apparently because few persons in New York State are willing to have the fact that they discriminate publicly known. If, however, the respondent elects to go to a public hearing and the commission then finds against him, it is empowered to enforce its decision through the courts of the State. Few respondents have ever elected to appeal such a decision through the courts, and in every case to date, the commission has been upheld in its findings.

Let me give, by way of illustration, an account of a housing case in which virtually all of the commission's enforcement machinery had to be utilized before the situation could be adjusted. It is the only 1 of the over 200 housing complaints filed to date in which this has been necessary.

The complaint was filed by Norris G. Shervington, a Negro, whose employer transferred him from Chicago to its New York City office. Shervington preceded his family to New York and sought appropriate housing accommodations for himself and his family. He looked at several projects which were under construction in New Rochelle, N.Y., and filed an application with one in a

project known as Rochelle Arms. Shervington was denied the apartment because of his race and filed a complaint with the commission.

After a careful investigation, the commission sought to adjust the matter through informal conference, conciliation, and persuasion. In another project simultaneously built, the commission had been able to induce owners to accept a Negro family and still another Negro had been accepted by another owner of a new project. But the respondent remained adamant. Numerous conferences were held by the investigating commissioner with the respondent but he would not accept conciliation and the case was set for a public hearing. The hearing commissioners found that discrimination existed and ordered the respondent to "cease and desist," in his discriminatory practices. The respondent did not deny that there had been discrimination but challenged the constitutionality of the law and the commission's jurisdiction. Supreme Court Justice Samuel Eager upheld the law and ordered the respondent to comply with the commission's order. The respondent filed an appeal and so did some tenants. After the cases had been taken through the courts, the issue was resolved by the respondent saying he was willing to comply with the commission's order. The apartment which Mr. Shervington had sought had, in the interim, been occupied, but he was offered the first available, apartment. Mr. Shervington had meanwhile obtained suitable accommodations in a publicly assisted housing development in the Borough of Manhattan and therefore declined the apartment offered in Rochelle Arms. The respondent thereupon agreed to offer the first available apartment to any Negro family that might apply and qualify.

A very useful adjunct to the commission's own enforcement procedures has been the cooperation of Federal agencies which have some function in providing insurance, guarantees, or subsidies to various types of housing. In 1957, the State Commission Against Discrimination entered into an agreement with the Federal Housing Administration through Commissioner Norman P. Mason. Under the terms of that agreement, the Federal Housing Administration attaches a rider to all applications for mortgage insurance in New York State which points out the existence of the Law Against Discrimination in publicly assisted housing. Furthermore, the Federal Housing Administration, through its field offices in New York State, sends to the State Commission's Housing Division each month the list of the builders who have been issued FHA commitments. Upon receipt of those listings, the Housing Division writes to the builders who have been issued commitments, summarizing the provisions of the law, pointing up their obligations to comply, and describing the commission's role in administering the law.

Whenever a verified complaint is received charging discrimination in a housing development which has been assisted by FHA mortgage insurance, SCAD notifies the appropriate field office of FHA that such a complaint has been filed. The commission keeps the FHA apprised of the developments in the processing of the complaint and invites it to send a representative to the public hearing, if any. Whenever a determination has been made that probable cause exists to credit the allegations of the complaint, the Federal Housing Administration informs the builder, that should he fail to comply with the commission's orders, future FHA assistance will be withheld from him for as long as he continues with his discriminatory practices. The Federal Housing Administration has assigned a representative to serve as liaison officer with the State Commission against Discrimination and other State and municipal agencies enforcing similar laws.

In 1958, a similar agreement was entered into with the Veterans' Administration. Under the terms of this agreement, the Veterans' Administration sends to the commissions' Housing Division a notice of issue of master certificates of reasonable value to builders in the State. The State Commission, upon receipt of these listings, notifies the builders through correspondence of the provisions of the law, of the builder's obligation under it, and of the role of the State Commission in administering the law. Whenever a complaint is received charging discrimination against a builder who has received VA assistance, the commission notifies the appropriate regional office of the Veterans' Administration and keeps that office apprised of all developments. Upon a valid determination that probable cause exists to credit the allegations of the complaint, the Veterans' Administration notifies the builder that if he persists in his discriminatory practices and fails to comply with the commissions' orders, future requests for assistance from the Veterans' Administration will not be honored.

In the Shervington case mentioned above, the respondent builders' determination not to appeal to the U.S. Supreme Court was no doubt influenced by the inter-

cession of the Federal Housing Administration through its New York City field office. FHA told the respondent that should he fail to comply with the orders of the commission and the New York State Supreme Court within a specific time, it could be expected that future applications for FHA assistance would be denied. It was shortly after this notification that the builder announced his willingness to comply with the law. In another case in Poughkeepsie, N.Y., involving complaints by two Negro engineers against a developer using VA insurance, similar action by the Veterans' Administration was followed by compliance. In this case, however, no court appeal was undertaken.

Late in 1958, the State Commission Against Discrimination entered into conferences with the Federal Urban Administration to work out an agreement by which the Commission will be kept up to date on developments in the Urban Renewal Program in New York State. Thus, the commission will be enabled to take steps at early stages to insure an absolute minimum of racial discrimination. It is expected that this agreement will be further expanded and revised so that even more valuable cooperation between the Urban Renewal Administration and the State Commission Against Discrimination will result.

SCAD for the past 2- or 3 years has had an informal agreement with the Federal Public Housing Authority in the New York area. The two agencies consult freely and frequently, and discuss plans for construction of low rent federally aided public housing projects throughout New York State. This mutual discussion and consultation has aided in avoiding mistakes in the selection of sites.

In addition to its enforcement powers, SCAD, is charged with the responsibility to conduct educational programs to gain voluntary compliance and to develop positive public attitudes and behavior with respect to race relations. The very existence of the provisions of law barring discrimination in housing has been of immense help in this educational process. Most people are law abiding and have no wish to indulge in behavior which is contrary to the law's prohibitions. Indeed, they are usually eager to understand the law and to take positive steps to comply with it. Thus, the Commission has found ready access to builders' associations and to associations of lending institutions and realtors. It maintains wholesome relations with such associations and often receives invitations to meet with them to interpret and discuss the problem.

The commission has been greatly aided in this educational process by its Housing Advisory Council, a group of approximately 45 men and women who are outstanding in the fields of banking, real estate, homebuilding, and general civic leadership throughout the State. They assist in its educational programs and give invaluable advice on techniques to reach the housing industry and the community in general. In June of last year, the State Commission's Housing Division and Housing Advisory Council, working in cooperation, sponsored a conference and luncheon at the Hotel Biltmore here in New York. It was attended by approximately 200 leaders in the housing, real estate, and home-financing industries. This was the first known occasion when representatives of all elements of the housing industry sat down together with officials of a commission administering a law against discrimination, to talk frankly about the problem and about the steps that might be undertaken cooperatively to meet it. The reaction of the conferences was almost universally enthusiastic and as a consequence, followup conferences on a smaller scale are now being planned throughout major communities of the State.

The commission is presently undertaking two further steps in its continuing educational program. One is the distribution on a wide scale of the findings of an objective study of discrimination against Negroes of high professional, economic, and social status. Over 10,000 copies of this study, which I summarized earlier in my testimony, have been sent to representatives of the housing and of church and civic groups. The reaction has been so encouraging that a second printing has been ordered.

PROGRESS UNDER THE LAW

In public housing, which has been covered by the law for a longer period of time than any other type, there is integration in virtually every community throughout the State. Only one upstate city appears still to be resisting desegregation, and efforts are now underway to adjust this situation. This compares far more with the situation in Pennsylvania where more than half of all communities in the State with federally subsidized public housing projects maintain complete segregation.

Integration is proceeding at a steady pace in private housing covered by the law as well. While progress may sometimes seem slow when viewed from a short

range, it is most satisfactory when one recognizes that publicly assisted housing has come under the jurisdiction of the law only since 1950, and FHA- and VA-insured housing only since 1955. At the present time, Negroes and other non-white persons are living in every title I project in New York City as well as in many of the FHA 207 and 213 projects. Many more Negro and other nonwhite families are also living in housing constructed under the State limited dividend, limited profit, and redevelopment companies laws. It is conservatively estimated that more than 3,000 Negro families are living today in publicly assisted housing accommodations in the New York City metropolitan area. There are also large numbers of families in sales developments built with FHA and VA guarantees which, while occupied predominantly by Negroes, are nevertheless subject to the antidiscrimination laws, and therefore open to any eligible applicants.

Progress in upstate communities has been slower largely because almost no publicly assisted multiple dwelling rental projects have been constructed there in recent years, and because the Negro market for FHA and VA sales developments is limited. Where we have had valid complaints, as in Poughkeepsie, we have been able to effect admission.

None of the indices commonly used to evaluate housing activities indicate that the law has had any adverse effect upon residential construction. There has been a greater volume of construction of title I projects in New York than in any of five other major States for which comparable figures are available: California, Michigan, Pennsylvania, Illinois, and Ohio. The State with the next largest volume of title I construction is Pennsylvania whose urban redevelopment law also contains a prohibition against racial discrimination.

The volume of FHA-aided housing construction in New York State is exceeded by two of the other five States, California and Michigan; but New York exceeds Pennsylvania, Illinois, and Ohio. None of these three have legislation against discrimination in housing. Although residential construction in New York State, as elsewhere in the Nation, was adversely effected by the recession which began in 1957. In recent months it has been on the increase.

Many thousands of units of State-aided limited-dividend and limited-profit housing have been built in recent years, all of which are subject to the law and most of which now house both Negro and white residents. In all, it is estimated conservatively that \$2 billion have been invested in publicly assisted housing accommodations built by private enterprise. In short, the facts indicate that antidiscrimination laws do not act as a serious deterrent to private construction of, or investment in, housing accommodations to which all citizens have the right of access.

Acceptance by both builders and neighboring residents have been good despite the fears expressed by many at the time the laws were first passed. In no publicly assisted development into which Negroes and other nonwhites have moved, has there been any major difficulty or an appreciable overt hostility. Growing instances of successful integration in New York State provide the best possible examples for the Nation that people of different groups can live together in harmony.

Although some builders have resisted the commission's decisions that they must integrate, it is encouraging that most who have admitted qualified Negro and other nonwhite families, either voluntarily or as a result of complaints, now express pride in the fact and indicate that they have not experienced the ill effects they might have feared.

RECOMMENDATIONS TO THE COMMISSION

On the basis of New York State's experience, I feel that the following recommendations are justified:

1. *A strengthened Federal effort to end racial inequities in training and employment.*—The record of New York State demonstrates that government action can be effective in these areas. But New York, like every other State in the North, is powerless by itself to correct the deficiencies of education and skill suffered by Negro newcomers who have grown up under the crushing handicaps imposed by the South. These people will remain disadvantaged as long as they live, and their generally low incomes will continue to hamper them in seeking better housing. So we will not entirely solve the housing problems of nonwhites in the North as long as employment and educational discrimination remain in the South.

This is an area in which only the Federal Government can act effectively. Therefore I recommend first a more realistic enforcement by the executive

department of the Supreme Court's decision outlawing segregated schools. Second, I recommend, as I have frequently urged before, the strengthening of the President's Committee on Government Contracts. The effectiveness of an antidiscrimination agency, we are finding, is reflected in the number of complaints it receives. Minority members will not appeal for help to an agency which they believe powerless or unwilling to aid them. It is an odd commentary that more complaints were filed with SCAD in the year 1958 alone than received by the President's Committee since its inception.

2. *An executive policy prohibiting discrimination in housing receiving Federal subsidies or mortgage guarantees, or benefitting from the exercise of Federal power.*—A large proportion of all housing constructed since World War II has come under these classifications. It includes all federally subsidized public housing, all housing receiving FHA and/or VA mortgage guarantees, and all housing built under title I of the National Housing Act.

The experience of New York State demonstrates that requirements for non-discrimination in all these types of housing can be enforced, and will result in harmonious integration rather than in the conflict often feared. And there is certainly no excuse for a Federal agency, receiving taxpayers' funds and responsible equally to all citizens, dispensing its benefits unequally to the disadvantage of a whole group of these citizens. Federal agencies in fact have an affirmative duty to advance the welfare of all citizens and promote harmony between them.

It is true that Federal policy has recently improved to the point where FHA, VA, and other Federal agencies cooperate where SCAD has made a finding of discrimination. We are grateful for this cooperation. But it is somewhat pathetic to see a Federal agency following the lead of the States and cities in areas clearly under its jurisdiction, refusing to act affirmatively until they give the word. There is something basically incongruous about a situation in which a State must pass legislation to guarantee equality to its citizens under a Federal program which should itself be extending the protections in the first place.

3. *A Federal Commission Against Discrimination.*—This Commission should impose affirmative responsibility for improving racial understanding on the Federal Government and its agencies. It should work closely with racial relations services of the various Federal departments, help disseminate information among Federal agencies, and keep local and State racial commissions abreast of research and effective techniques in the development of which the Commission should assist. It should intervene in areas of tension and recommend intercession by appropriate Federal agencies where needed. The Federal Commission should study various aspects of racial problems as a continuing function and should organize and conduct educational program activities toward modifying discriminatory attitudes and practices by the industry and the general public.

4. *A Federal low-interest mortgage program for low income families.*—In a memorandum recently submitted at the request of the Senate Committee on Banking and Currency, I outlined a program by which the Federal Government could aid in solving the housing problems of low-income families by means other than subsidized public housing. The proposal involves reducing carrying charges on sales housing by lowering the interest rates which make up a very large proportion of those charges. This, of course, requires direct financing by agencies of the Federal Government. Such direct financing for low income families is not new. It is the policy in Scandinavian countries and in New York State and New York City. Public credits have facilitated low interest loans under these programs. Yet there are also ample precedents for low-interest direct lending in Federal loan programs to institutions of higher learning and farm tenants. It has however not been the usual policy in Federal housing programs.

I am appending a copy of the proposed program for your consideration. Since nonwhite families are heavily represented in the low-income groups of this Nation, and will be for many years to come, such a program would be of immense aid to the general improvement of the conditions of minorities.

The present emphasis on slum clearance and urban renewal is of small benefit to minorities, if at all. The programs are evicting minorities from their homes and offering them little alternative. The present Federal public housing program is miniscule while the urban renewal program is only depriving these families of homes while the new private homes and projects erected on the cleared sites are far out of the financial reach of most of these families. We are heading toward a pattern of all white suburbs and all-Negro concen-

trations in our cities and must bring the trend to a halt. Use of vacant sites and the inclusion of homes in the suburban areas of our cities at costs these families can afford are indispensable.

Discrimination in housing is not segregation only. When the Federal Government has assumed responsibility for housing, as it has, the denial of ample housing to minorities is itself a form of discrimination. As long as housing discrimination exists, other fundamental rights are violated—not only the right to a home, but to work, to privacy, to the equal protections and privileges of the laws, to due process, to freedom from fear and to security in one's home and possessions. The right to move, to recreation and to life and health will all be impaired as long as racial restrictions limit housing and free movement. However, the courts may strike at segregation in schools, such segregation will continue when there is segregation in neighborhoods—in fact, the latter has even become the new vehicle for achieving indirectly the school segregation which the courts have outlawed directly.

I have for some years headed housing missions for the United Nations to Ghana, the Philippines, Pakistan, and Turkey. I find that in every part of the world there is emerging a similarity of symptoms affecting neighborhoods—slums, migration of the underprivileged to the cities, overcrowding, a growing disparity between wages and rents, squatting, social disruption of family life, and increasing insecurity of tenure. The most recent phase of the industrial revolution is marked by a movement of nonwhites in Asia, Africa, America, and even in some parts of England and the Continent. Simultaneously there has appeared an increasing emphasis upon discrimination and homogeneity in many of the world's neighborhoods. These symptoms are exhibiting themselves in developed and in underdeveloped countries alike.

To meet problems of industrialization and housing famine, an extensive expansion has also occurred in the role of government everywhere. With housing one of the key issues on the world's political stage, there are some forces working toward a democratic dispensation of the benefits of public power and subsidies. But with a rising fear of people from the hinterlands who are "different," other forces are simultaneously seeking to harness public power on the side of segregation and racial, social, or religious discrimination.

The United States cannot afford to lag behind in the solution of this problem. It must demonstrate the leadership and supply the example and I know that given the facts and realizing the urgency of the problem, we will not falter.

The following memorandum was incorporated in Mr. Abrams' testimony:

U.S. HOUSING: A NEW PROGRAM, BY CHARLES ABRAMS

Twelve years after the war and 23 years after the Federal Government first stepped into the housing picture, America is no nearer to solving its housing problem than when it began. Despite billions in Federal commitments, we are still a nation of home-hungry people: a nation of the great unhoused, mishoused or dishoused, yearning to be rehoused.

Worse still, the housing shortage is growing more critical. Building costs rose another 3 percent in 1957. A house costing \$8,000 in 1941 is priced at \$20,000 today. Rising housing costs and interest rates, coupled with a dearth of mortgage funds, have frustrated the hopes of moderate-income families. New rental housing is virtually at a standstill. Slums persist as our slum dwellings are being cut up into single rooms into which whole families are herded. The millions of Negroes and other minorities pouring into our cities are being forced to pay the highest rents for the shabbiest dwellings, and the competition for housing is increasing neighborhood tensions in a growing number of areas.

In such a crisis, one would expect the Federal Government to be planning a housing program of major proportions. Instead, its policies seem directed toward reducing the dwelling supply and intensifying the shortage. The Government's tight-money policy continues to stifle the mortgage market and has made interest rates zoom. Its urban-renewal policy is evicting tens of thousands of poor families. A public-housing program which in 1937 promised to eliminate every slum in the United States has been virtually abandoned—last

year, only 35,000 units were authorized for the whole country; and of these only 1,610 had been placed under contract by June. The federally inspired "housing boom" has all but collapsed. We need 2 million houses, a year but are building less than a million. Of those being built, most are in speculative, scattered developments that sprawl on the city fringes, the traffic-snarled slums of tomorrow. Thanks to Government policy, building starts in 1957 ran 400,000 below 1955, a year in which we built only 1,328,000 dwellings. In 1957, FHA-VA programs designed for the middle-income family were off by more than 50 percent as compared to 1955. Almost none of the housing, whether or not built with Government aid, is available to migrants, minorities, low-income families, the elderly and the millions of others who need housing most.

This is the depressing picture in American housing today, and it is time we took a fresh look at what we have done, what we are doing, why we have failed, and what we can do about it.

Up to the 1930's, the building of homes was a private undertaking—like selling clothes or vegetables. The building entrepreneur supplied the equity money and borrowed the mortgage money he needed to finance his job. He took the risk until a buyer came along or his apartments were rented. Private lending institutions took their risks, too, and lent no more than two-thirds of the house value to make sure their mortgages were secure. To finance the rest, the builder or owner would borrow from individual lenders on second mortgage at a higher interest rate commensurate with the risk. Families in the lower-income groups could no more afford new housing than they can today, and they dwelt in slums. Because of rising building costs, many in the middle-income group could no longer afford new housing and lived in used dwellings.

When the depression came, the building industry went into the doldrums and foreclosures were wiping out homeowners at the rate of 1,000 a day. In 1935, the Federal Government therefore stepped into the housing and mortgage pictures to help prime an economic upturn. There was no coherent long-term plan to solve the housing problem but a series of experiments, demonstrations, and innovations. These aimed at putting liquid funds into the hands of the lending institutions by buying up their sour mortgages, and at encouraging them to lend more freely, by insuring their new mortgages against loss. A Home Bank Loan System enabled them to borrow on their mortgages, which gave them greater liquidity. The Government also insured deposits to encourage greater deposits of savings into the mortgage-lending institutions. A public-housing program was set up to help the slumdweller and simultaneously encourage more building and thereby speed recovery.

In time, however, the whole program was recast. Some parts disappeared; some took forms like urban renewal; some like public housing, are slowly withering away; some, like the Federal National Mortgage Association and the Veterans' Administration mortgage program, are recent innovations whose main aim was to help out the big lending institutions; some, like the FHA and the Home Loan Bank, expanded beyond the dreams of the sponsors. By the 1950's, the infant housing mongrel of the New Deal had grown into a many-headed, full-blown brute, no more resembling the general welfare that spawned her than Hydra resembles The Mona Lisa.

What had happened was that a lobby composed of builders and lenders had reshaped the program to suit their own interests. In the process, a silent revolution was effected in housing and mortgage financing in which stake and risk were removed from the venture. The private-enterprise formula, as we once knew it, no longer functioned in this section of our economy.

The Federal Government was now taking over the mortgage risk, permitting builders to bail out without investment, and supplying a happy dumping ground for all mortgages that soured. We now had socialization of mortgage insurance with the FHA-VA systems, socialization of losses by the FNMA, and socialization of credit aid by the Home Loan Bank System. While the symbols of private enterprise were maintained, it was no more like 19th-century capitalism than Karl Marx was like Groucho.

The 10-percent stake of the home buyer was now the sole remnant of risktaking. Since the home buyer was the only participant not represented in Washington, it should have been no surprise that his share of the operation alone remained speculative and uninsured.

The new dispensation proffered socialism for the banks and private enterprise for the proletariat, a full plate for those who needed help least and the offscourings for those who needed it most. A lobby campaign scuttled public housing as

"socialism" and turned slum clearance into a scheme for evicting the Negro, the migrant, and the poor from their footholds. Alternative housing for the evicted was all but forgotten.

Not that the housing program achieved no gains at all, but each gain had its offset. The home buyer was enabled to acquire title for a smaller downpayment and with a single mortgage—but he had contracted a debt for life. We tore down slums—but intensified overcrowding and its unhealthy byproducts. We built some housing for the middle class—but, as costs continued going up, we simply lowered the standards so that many houses were worse than those built in the 19th century. We increased the proportion of homeownership—but spiraled the price and the debt.

The most constructive blessing the homeowner received was the unanticipated gift of inflation. This cut mortgages in half, vindicated the FHA guarantees and ratified the dream that homeownership was sound. Inflation became the great blanket for our blunders and the cover for our deceptions.

As we now face a deflation of our hopes, it becomes plain that, even if the Eisenhower administration came to realize that cutting down housing starts means a spiraling of rents and home prices and even if we saw building zooming and mortgage money plentiful, the families who need housing most would not be getting it. The formulas set up for home construction and lending are simply not set up for the lower-income family, the middle-income family, the large family, the migrant, the slumdweller, the elderly—in fact, for any of the folk who need housing most.

Since the present policy is geared to the welfare of the greater pressures instead of the greater number, it seems clear that we need a reexamination of our basic aims and a program to achieve them. These aims should be:

1. *A housing program within the framework of our institutions.*—We are fundamentally a nation of private entrepreneurs accustomed to risk and stake, not bounties or paternalism. A housing program designed to benefit lenders and builders primarily and the American people only incidentally should be as repugnant to our ideals as if we built schools primarily for the benefit of the contractors rather than the children.

2. *A sound homeownership structure.*—Every family should have access to sound ownership on reasonable terms.

3. *A sound mortgage structure.*—This means a competitive market for those who can pay the going interest rates and, for others, mortgage funds on terms within their means.

4. *A housing inventory offering reasonable freedom of choice.*—This requires housing for nonaverage as well as average families under a varied system of tenures including tenancy and cooperatives as well as ownership.

5. *A more effective building industry.*—This calls for widening the market for private builders so as to include low- and moderate-income families, a high and stable level of construction, and an improved product.

6. *Effective city planning.*—This means planning that will define its goals, salvage our cities, nourish neighborhood growth in cities and regions, and make our cities and suburbs more interesting to live in.

7. *A realistic slum-clearance program.*—Instead of wholesale demolition of shelter and mass eviction of the occupants, there should be enough new construction to make the slums obsolete in the long run.

8. *A socially sound public-housing program.*—This means an end to the institutionalized approach and the building of homes in neighborhoods—homes the occupants can take pride in and look upon as their own.

9. *A stabilized real-estate pattern.*—This implies a nation of socially sound communities in place of the homogeneous formations with their tensions and threats to neighborhood stability.

10. *Freedom of movement.*—This means an end to social isolation in neighborhoods, of housing famine, of arbitrary zoning laws and other restrictions that check free access to areas of better opportunity.

These 10 aims should dominate our thinking in housing and condition our commitments. But the trouble with all generalizations, including these, is that they can too easily be corrupted when translated into legislation. Housing particularly lends itself to such corruption because of the complexity of its financing formulae. Yet, if housing funds are to be used for those who need them most, the public must learn to assess these dull formulae as well as the eloquent promises. It must learn to distinguish between the preamble of a law and its content, between promise and fact, between its friends like the National Housing Conference and its foes like the real-estate lobby.

In short, there must be concrete proposals which the public must take the trouble to analyze or every new program will end up as a handout to the pressure groups just as before. These proposals must therefore include:

A reorientation of the housing and Home Finance Agency

The Administrator of this superagency must assume control over his numerous subagencies instead of being their common figurehead. All the resources of the agencies must be harnessed to common objectives instead of operating in separate compartments, each of which is the puppet of a particular pressure group. The Administrator must prepare a program in harmony with the general welfare, believe in it and fight for it in Congress against the vested interests to which his agencies are now lashed and by which he is himself enthralled.

Revision of the HHFA and FHA system to embrace lower-income families

The most critical issue in housing today is the misuse of Federal credit. Diversion of the FHA credit mechanisms to the exclusive benefit of institutions has limited competition in the mortgage market, pegged interest rates at high levels and frozen out a large segment of the people. The HHFA should be provided with an initial appropriation of \$2 billion for direct loans to low-income families at interest rates ranging from zero to the market rate, depending on family income. A 45-year amortization and a nominal interest rate would enable poorer families to buy in cities or suburbs. Family income under such a plan would be reexamined every 3 years and the interest rate adjusted accordingly. Resale of the house would be subject to Government approval during the low-interest period. When the family pays the market interest rate, the Government would sell the mortgage on the private market, thereby effecting a mortgage desocialization.

The houses would be built by both private builders and local housing authorities. Private builders receiving FHA assistance would be required to include a specified number of such Federally financed low-interest dwellings in each development. If the builder proposed only low-interest houses, he would be required to include some higher-cost houses to make a balanced development. Loans could be serviced by local banks for a small premium or by local housing authorities.

This program would enable a large part of the low-income population to become solvent owners, would create a vast new market for builders, would open suburban land to all families and drain urban slums, and would provide jobs in the event of a major recession, a possibility now by no means remote.

Revision of the FHA financing scheme by creating a federally aided second-mortgage market

The FHA insurance system was justified in the 1930's as a primer of mortgage funds. Its case today can rest only on the argument that it is essential to insure lenders to induce them to lend at reasonable rates. Only a third of the mortgages made today are Government-insured, while the rest are conventional, nor is there any proof that FHA insurance has reduced interest rates; in fact, the rates on uninsured first mortgages have often been no higher than the insured rate and sometimes they are even lower. A vast potential market exists for homes on reasonable terms for the growing number of new families, for replacements due to demolition by public works, for migrants into the cities and for overcrowded families. The only market being tapped is the higher income group. Mortgages at reasonable terms would engage the larger market.

It is argued that second mortgages are an unsound form of financing. But second mortgages are unsound only when they involve extortionate bonuses, not because they are second mortgages. VA-insured mortgages are second mortgages, and the FHA itself insures modernization loans on houses subject to first mortgages.

We should therefore speed a return to the uninsured first-mortgage market supported by a new second-mortgage market made possible by Government financing. The proposal would work as follows: Any owner would borrow what he could on a conventional first mortgage, which would be uninsured. The FHA's as well as the VA's current role of insurer would ultimately be limited to areas or projects for which first-mortgage money was not available at reasonable rates. The Government would lend money on second mortgage directly to home buyers at very low interest rates.

Thus, the private mortgage market would make first-mortgage loans at 50 to 80 percent of value (as it has done in the past and often does now). These

would not be insured by the Government. Direct Federal loans would be needed only to supplement the conventional loans so that owners could continue to buy with small downpayments. A Federal second-mortgage fund would be set up to provide money for these second mortgages. Loans would be made to the owner from funds borrowed at or near Government rates. For example, a \$10,000 house with an uninsured \$6,000 first mortgage at 5 percent would have a second mortgage of \$3,000 at 3 percent. This would be equivalent to a 90-percent first mortgage at just under 4½ percent. Such a formula would reduce carrying charges, including premium costs, widen the market for houses, release the Federal Government from a mortgage activity that has been and should be strictly private, and cut down the Federal involvement in guarantees.

If we accept the fundamental principle that the Government should not underwrite risks which the private market will assume, we can find any number of ways to implement the proposal. One would be to set up a Government mortgage bank with the same discount facilities as national banks. The bank could also borrow in the open market on short term and repay part of the loan through speeded amortization payments or through receipt of mortgage principal. Middle-income families unable to pay the going rate would be aided by a reduced rate for second mortgages.

The HHFA should also explore the possibility of an equity-insurance formula under which owners for a premium could be insured against the risk of foreclosure through unemployment, illness or other prescribed hazards. Today, an owner who fails to meet a single payment loses his home. If defaults become widespread, the Government- or FHA-insured loans would undoubtedly be used to bail out the mortgage lenders to the extent of billions. A proper equity-insurance formula would not only avoid this but also help the homeowner through his temporary difficulties. This type of scheme would be a proper use of the Federal insurance function and would make both the ownership and mortgage structures more sound.

Rental housing for lower-income families

Government-aided rental housing is now available only for those who benefit from the FHA rental-housing program and for the tiny fraction served by the public-housing program. Rental housing should be an important part of the housing inventory, serving those unprepared or unwilling to buy.

To make this possible, a supplemental rental subsidy should be given to stimulate the building of rental housing and reduce the cost to the tenant. The plan would work as follows: Any eligible low-income family would qualify for tenancy in any new or substantially rehabilitated building which had been approved as to rental and standards. The family would receive an annual subsidy based upon its capacity to pay. The subsidy would consist of a municipal subsidy equal to the property tax on the house or apartment, plus a cash Federal subsidy. Thus, if the market rent for a new apartment were \$30 a room, the city would issue a tax warrant to the family for, say, \$7 a room (representing the property tax per room), which the family would turn over to the landlord as part payment (the landlord could use it to pay his taxes). The Federal subsidy would vary with the family's requirements and would represent the major portion of the subsidy to the family. Some States might join in the contribution and expand the range of eligible applicants, as New York State now supplements the Federal low-rent housing program.

The FHA would stimulate the builder to earmark a portion of his project for rental units for this program. Families eligible for the subsidy could, however, apply also in approved buildings which have conventional financing. Applications for the subsidies would be processed by local housing authorities or other public agencies. The subsidies would be reduced or discontinued as family incomes increased, and examinations into income would be made no more often than every 3 years.

The subsidy should not be payable on old buildings, because a primary aim would be to encourage more and better construction of new houses.

Families displaced by "urban renewal," i.e., subsidized slum clearance by private builders, would be eligible for the subsidy and would now have access to private rather than institutional public-housing projects in economically balanced communities.

Cooperative housing

Cooperative housing has lagged in the United States because no experienced, well-financed cooperatives have ever been set up to assemble the cooperators, buy the land, and build the housing. Organization has too often depended upon

the spontaneous germination of a small group, usually disparate folk with conflicting ideas, hopes, and wives. They are equipped to manage but not to plan, organize, and build.

To fulfill a cooperative venture, someone must have the initial capital, the experience, and the final say. The transfiguration of the old building-and-loan associations into the current crop of savings-and-loan associations which shun building has deprived the Nation of an important source of cooperative housing. Capitalism has produced mutual nonprofit organizations like the mutual insurance company and the savings bank. But, except for the New York cooperatives, no similar instruments exist for building cooperative housing.

Federal encouragement is needed to stimulate such a program. The Home Loan Bank System could, for example, charter building-and-loan cooperatives that would accept deposits and build cooperative ventures as European cooperatives do. Another way is for the Government to charter State cooperative corporations with directors initially appointed by the Governors. In either event, the Federal Government would have to supply capital for working funds and mortgage loans at reasonable rates. One good formula is the Swedish one, providing for construction by the experienced "mother cooperative" and disposition to the "daughter cooperatives." Projects could include multiple housing as well as freestanding houses. Although Government aid at the start would be essential, the cooperatives should plan to become self-supporting.

Housing for special groups

The current housing program is geared to a mythical average family of husband, wife, and two children. It makes no provision for such nonmythical and nonaverage types as transients, elderly persons, single persons, working mothers, workers at home, widowers with small children, and large families. The supply of old larger houses which could be altered to accommodate some of these families has long since given out.

There are more nonaverage families today than average ones. Many a working mother spends a good part of her earnings for a maid; others go on relief because it doesn't pay to work. Housing with special facilities for child care and housecleaning would save many working mothers from despair—and save many cities from unnecessary relief costs.

Housing for the elderly is still in embryo. We have no real knowledge of their numbers, their requirements, their distribution.

Above all is the unsettled question of segregation. Is placement of the aging in public housing unsegregated, or is it really nonsegregated living in a project which is segregated by income? Is it segregation to provide small supervised projects of 30 to 50 units which are occupied entirely by the elderly when they are located in a varied neighborhood? Or should we provide the older people with the widest possible choice of patterns and climates? We should lean toward the last.

We know little of community facilities. We provide separate retreats for the child, the mother, and the father, rather than for the family as a unit. Mother needs bridge, father needs poker, baby needs a sitter. London's Old Peckham Center experiment with a community center serving the entire family has been unheard of here. One thing is certain: We are not meeting our requirements by filling the country with four- and five-room houses. A nation of too many standard houses will become a nation of too many substandard houses.

Revision of public housing

Public housing was spawned when vacancies were plentiful and the main aim was to prime us out of depression. While the reformer made a target of the slum, the real-estate lobby made a target of public housing. Both linked crime, disease, and delinquency to the condition of the old buildings and insisted on tearing them down. But no sooner had slum clearance gotten underway than recovery set in, bringing a great migration of Negroes, Puerto Ricans, and Mexicans to the cities. The only homes available to them were the very slums scheduled for demolition. As housing famine supplanted surplus, the migration should have made slum demolition obsolete as a cure for housing ills. But there is a Newton's law in politics as in physics, and a reform set in motion continues in motion.

The slum-clearance and public-housing formulas had been borrowed from England, a tenant country with a more static working class. The American program incorporated some of the British myths and added a few of our own, e.g., that the poor will continue poor, that the poor will always be tenants, that the poor deserve only minimum accommodations.

In practice, the poor—at least the white poor—have shown an extraordinary tendency to move up. Many want to be owners instead of tenants; many want new houses close to the ground, not 13-story tenements. Like other mortals, they prefer privacy to constant scrutiny of their earnings and living habits. A program emphasizing demolition in a time of shortage and predicated on the existence of a permanently poor class to be relegated to an institutional environment was foreign to the American scene.

Many of our swelling cities have been facing these conditions:

An Irreducible slum core, as slum clearance was slowed by the increasing difficulty of relocating displaced families.

More overcrowding and less privacy in the slum core as low-income families kept pouring in.

An increased percentage of Negroes, Mexicans, or Puerto Ricans in the slum core.

A new emphasis on the neighborhood as the certificate of rank and dignity, as the ascending white masses now found a permanently identifiable class from which they could be distinguished and above which they could rise in the social estimates of themselves and their neighbors.

A heavier concentration of nonwhite families in public housing because of low incomes and displacement in slum clearance.

Increased scarcity of low-cost housing and more partitioning of private dwellings into one-room family units because of the curtailment in public-housing construction.

More social distortions resulting from overcrowding than from physical conditions as overcrowding has become the main index of slum life.

We have reached the point where the housing problem involves much more than public housing. It is involved with obsolete boundaries, regional and interstate needs, suburban sprawl, migrations, fiscal difficulties, social status, minority tensions and the whole complex of urban and suburban life today. The human stakes and the vast social and economic stakes are too great to be tackled piecemeal or with antiquated theories.

This does not mean that the public-housing program should be scrapped. Conceived as a demonstration, the program made many demonstrations. It showed that the underprivileged will pay rent and live as decently as other citizens, that they will raise their standards as well as their children, that they prefer security and freedom in neighborhoods of their choice to institutionalization, that people of different races can live in harmony, that ghetto housing projects are as bad in some respects as ghetto slums.

The program also proved that a municipal agency could acquire large areas of land within a city and operate with little or no graft, that housing for the underprivileged and replanning of neighborhoods are public purposes, that housing-authority bonds are salable at very low interest rates, that our ulcerated urban terrains can be regenerated if the legal powers are defined and translated into workable legislation.

These are no mean accomplishments. A recast public-housing program can find a vital place. The program should be viewed as only one approach to the low-income housing problem, and it should be modified in these respects:

1. The uncertainties of tenure must be eliminated. When a family improves its income, it should not be penalized by being forced to pull the children out of school, give up neighborhood associations and move back to a slum. The tenant who earns more money should pay a higher rent and cease to be subsidized. Every tenant should be looked upon as a prospect for a nonsubsidized apartment, not a permanent charity case whose ascent from poverty would be a violation of the bond. Projects should be built not as almshouses but as attractive additions to the urban scene, fit for families of improved income. The misassumption of public housing has been that there will always be a stratified class in the United States and that stratified projects must be their permanent habitat.

2. The emphasis of the program should be shifted from clearing slums to increasing the housing inventory. There is nothing a mass clearance policy can accomplish that cannot be accomplished just as well by an earthquake. A slum-clearance policy is untenable in a period of shortage. The need is for vacant land operations and for the better use of underdeveloped land near the centers of population.

3. The aim should be not for continuous public ownership but for sale of the apartments to cooperative corporations as and when the tenants improve their income. Families in public housing require hope, not charity; faith, not futility; pride of ownership, not fear of dispossession. Each city tenant who establishes

himself economically should have the right to buy his apartment by making a small downpayment and giving back a mortgage on his individual apartment with an agreement to pay his proportion of the operating costs. Thus, some families in the same project would be tenants, some established cooperators. This arrangement works smoothly in private New York City cooperatives in a single multiple dwelling. Moreover, with individual mortgages on each apartment rather than a blanket mortgage on the building, each cooperator could feel secure in the ownership of his apartment without facing foreclosure when his neighbors default.

When a certain percentage—say, 80 percent—of the building becomes cooperative, tenants who have not bought their apartments could be rehoused in another section of the project. The cooperative corporations should be directed at first by public-spirited citizens and ultimately by the cooperators themselves.

Meanwhile, more and more public housing should be built so that we can simultaneously expand the housing supply and desocialize the ownership. State or county authorities should be formed that can buy land outside cities. Within cities, the local housing authorities should build smaller projects that blend with existing neighborhood patterns. The present socialization, institutionalization and homogeneity are debasing the public-housing program in the estimation of the public and the tenants.

Minorities and integration

No problem has beleaguered the housing program more than the minority question. Unless it is resolved, public housing and urban renewal will be blocked and neighborhood stability will continue to be threatened. These established facts bear restatement:

Before the great migrations, Negroes lived in the same areas and often in the same blocks with whites. Many still do without challenging the social status of their neighbors.

Many public projects have integrated Negroes and whites successfully. In very recent years, the proportion of Negro tenants has risen sharply due to (1) the low and rigid income limitations which qualified more Negroes than whites, (2) the mass displacement of Negroes by urban renewal, public works, and other projects, (3) the continued migration of Negroes to the cities, and (4) the failure of the private market to supply housing.

Concentrated minority occupancy has increased resistance to sound site acquisition for public housing, discouraged applications by whites, and created ghetto neighborhoods and their concomitant, segregated schools. The problem must be dealt with if public housing is not to degenerate into a medium for neighborhood and school segregation.

While color blindness has always been a fundamental principle in public undertakings, the Supreme Court's decisions in the school-segregation cases have reopened the issue of color identification. If integration of neighborhoods, schools, and public undertakings is to be attained "with deliberate speed," there must be attention to the evolving occupancy pattern. This poses a new dilemma, both horns of which have been dodged by the public and by civic agencies.

Most civic and civil-rights groups have opposed the "quota system" as a device for effecting integration, and with good reason. The quota system originated as part of an immigration policy to exclude certain minorities, not include them. Although this system could achieve an integrated pattern in housing and schools, it would give a public agency power to bar one group or another after the prescribed percentage had been reached.

Motive, however, is as important in race relations as in civil rights. Those who loosely inveigh against public housing and against school authorities who are honestly trying to achieve balanced integration are doing the cause of civil rights a disservice. The time is not distant when the courts and responsible community leaders must further define "integration" with "deliberate speed" and work out lawful means for effecting it. Until then, it is wrong to condemn any well-motivated effort to keep public housing or a public school from becoming all white or all Negro.

There are general techniques to effect integration without fixing percentages. For example, site selection and clearance in concentrated Negro areas cements segregation. Curtailment of slum-clearance and urban-renewal operations in such Negro sections would reduce the heavy backlog of displaced Negro families who must turn to public housing. Improved educational and informational work would stimulate more applications from white families. Above all, an enlarged public and private housing program would reduce the pressure of Negro applications for public housing.

The racial problem varies according to the proportion of Negro population. In communities with a small Negro population, there should be no problem unless fear and hostility invite it by compelling Negroes to live in prescribed areas.

The focus of the racial issue has been almost exclusively at the legislative and judicial levels. Yet, a real potential for settlement lies in the executive and administrative areas, where leadership, research, and demonstration could yield spectacular gains. Race-relations experts should be hired not only in the housing agencies but also in every Federal agency concerned with minorities.

New York State enacted a law in 1956 barring FHA- and VA-aided projects from discriminating. Private builders have sold or rented thousands of dwellings to Negroes and whites without any serious problems. Elsewhere in the Nation, Negroes have sold houses to whites and whites to Negroes. A major problem in private projects is not so much the fear of Negro occupancy as the lack of know-how by public officials and the relatively small number of Negroes who are financially able to apply for new housing.

Financing of minority housing continues to be a main barrier. The barrier can be broken by direct Federal loans and by Federal action to stimulate construction of housing for which minorities can qualify.

An increase in Negro income is indispensable. This means a more intensive program by State and local antidiscrimination commissions aimed at educating personnel managers, union officials, and guidance counsellors, improving apprenticeship-training programs and educational opportunities in skills. The President's Committee on Government Contracts holds a key to Negro improvement but has hardly emerged from its initial lethargy.

Urban renewal, city and regional planning

Few cities in the United States were built under a plan. No city can ever adhere to a plan as made. Mutation is part of the price we pay for freedom of movement, and no city can hang onto the past in the face of mass migration. The best plans are those geared to goals which can be timed, implemented, and adjusted to change as well as possible.

Within the last 20 years, a revolution has occurred in planning and housing; its implications have been underestimated. The public's power to buy land for "public use" has been expanded from "use by the public" to "public benefit," which means that its acquisition powers are almost limitless. Condemnation of slums, building of public housing for middle-income families, resale of land for private construction, subsidies to private enterprises, and zoning for esthetic uses have all been upheld. The Federal function, once limited to the enumerated powers, has been broadened by the courts to embrace almost anything thought to be in the "general welfare." The Government now insures risks, condemns land for many uses, and spends money for an infinite number of purposes, good and bad.

Yet, a planning movement has failed to keep pace with the vast expansion of the power to plan. Theoretical thinking has been isolated among foundations, universities, and a few professionals and their trade journals. To most of them, the idea of legislative or political action has been taboo. A dichotomy has thus been created between planning in theory and planning in action. The planning "movement" that is desperately needed in the present chaos is at best a spasm, too often expressed in local zoning activities, in policies rigged up by the local private-pressure groups, and in idealistic intramural elocution that rarely echoes through to those responsible for putting the improvements into effect.

The tendency is to ignore social aspects. The racial problem has been treated as if it did not exist. In the rush to destroy and rebuild, little effort has been made to salvage the deeply rooted values of some urban neighborhoods. Thinking is often confined to local needs and sectional preferences without regard to the surrounding area. Little suburban governments rule tyrannically over the region and, though speaking for a few thousand in their locality, bar the expansion of cities involved with the destinies of millions.

There has been increasing disregard for the rights or benefits which should accrue to the mass of the people. Among the current manifestations are suburban zoning ordinances designed to protect the status quo, wholesale evictions in cities with inadequate compensation, extension of Federal benefits to the more vocal in the economy, and perversions of granted powers and funds by local governments (e.g., zoning into racial zoning, slum clearance into Negro clearance, urban renewal into Negro removal, and police powers over housing into devices for keeping out "undesirables").

The cities are plagued today by overconcentration of low-income families, critical traffic problems, heavy financial burdens, shortage of land for expansion, and an actual or threatened obsolescence. Simultaneously, the outlying areas have been beset with vexations in the form of unplanned growth, financial embarrassments, school shortages, inability to pay for needed utilities, and an ever-lengthening journey to work for their residents.

Regional rationalization for the benefit of both city and outlying areas is long overdue. A little headway might be made by education, but more will be achieved by the use of inducements or law. A greater obligation for intercity planning may have to be assumed by the State and for interstate planning by the Federal Government.

Unfortunately, neither the States nor the Federal Government have shown responsibility. There is not a single State planning law that is workable; most are eloquent in preamble and silent in specification. The FHA and HHFA could be potent forces if they made aid conditional upon meaningful local plans. But they don't.

Effective action need not be arbitrary. The main potentials for planning are not in general planning laws that separate planning from function, or in planning commissions—rather, they are corollaries of physical improvements and of the agencies that make them. The regional planning potential lies in roads, public works and utilities, publicly aided housing, water, schools, and urban renewal. Each of the agencies administering the programs must be alerted to the responsibility for relating its function to the larger plan. Effective planning agencies in the executive departments of the National and State Governments could coordinate plans and relate them to goals.

Roads and public works are financed by State or Federal authorities. In the next 20 years, the highways built under the Highway Act of 1956 will have a mammoth effect on our metropolitan areas. By 1975, according to John T. Howard, the built-up parts of our metropolitan areas will cover almost twice as much land as they do now—almost 10,000 square miles that are now rural or vacant. Yet, speculative housing projects will continue to mushroom without benefit of planning, gas stations and supermarkets will go where their proprietors wish, and reservations for park and school purposes will be skimpy or nonexistent.

Much could be done administratively if the State and Federal agencies that initiate construction were more aware of their opportunities. When a highway is planned, for example, extra land can be acquired for future housing and commercial developments at the exit openings or at other strategic places. Not only could the subsequent developments then be planned along with the road improvement but the public instead of the land speculator could cash in on the increment in value. When U.S. Steel decided to build a new plant in Pennsylvania or the St. Lawrence Seaway went ahead, the effects on the surrounding area could have been planned and the necessary land acquired and improved or sold in accordance with a prepared plan of development. Funds and staffs for planning should therefore be urged upon the public-works, urban-renewal, housing, and other agencies. Coordination by the planning agencies would then be more meaningful. A planning division with ample staff and powers should also be set up by the HHFA Administrator. A Federal Department of Urban Affairs with Cabinet rank is long overdue.

State land-renewal agencies

One of the most formidable prospects for regional planning lies in urban renewal. Though now the bread and butter of the planners, it was once part of the housing movement. Urban renewal unfortunately has so far followed the public-housing formula and confined itself within urban boundaries. The formula should be modified.

State land-renewal agencies should be organized for the main function of acquiring vacant land outside city boundaries. The State agency would have power to acquire large areas, improve them with streets and utilities, and resell them for private development according to a prearranged plan. Land essential for schools, parks, and other public uses would be preserved. The State and Federal Governments would contribute the essential subsidies for acquisition and improvement, and the land would be resold at market value.

This operation could produce a British-type "new towns" movement in the United States. It would insure better use of the thousands of square miles

scheduled for development. Amendment of the Federal urban-renewal law to authorize subsidies for the State agencies would lead to enactment of State laws and spur this vital planning program throughout the Nation. Ultimately, there would be interstate agencies as well. Meanwhile, the Urban Renewal Administration can push for more vacant land development within the cities and the use of underdeveloped land for more intensive improvements.

Despite the imperative need for planning, no group speaks for it in Washington today. The builders want as few restraints as possible; the lenders are concerned with Government insurance and interest rates; the cities are busy with too many other problems; the suburbs are bent on protecting their little vested interests; too many of the civic groups are more concerned about retaining their tax-exemption status than doing a better job.

Since the housing movement has been responsible for major planning operations as a byproduct of its own work, and since housing and planning are interrelated, the housing movement must push city and regional planning as one of its chief functions. It must demand legislation, deal with congressional committees, and encourage the public-works agencies to take more responsibility for planning. The National Housing Conference, which is the spokesman of the movement, must recruit all of the groups concerned with better cities and better neighborhoods. If it can raise the necessary support and rise to the task, the housing movement can become the spokesman for the better-city movement in the United States. If we continue as we are, our cities will decay.

We should have learned in the last 40 years that a sound housing program is vital irrespective of emergency, whether it be depression, defense, war, or reconstruction. Housing can no more be curtailed than food or clothing. It is time, therefore, that a program was planned for the long range and fulfilled irrespective of private pressures and vested interests. It is also time we realized that, despite our technological superiority in other respects, we remain an underdeveloped Nation in housing. The poorest village in India or Africa has at least the advantages of ownership, a more clement climate, trees and a community; an African mud hut is far superior to a one-room Harlem flat into which a whole family has been herded.

As the Duchess told Alice, "Everything's got a moral if you only can find it," and perhaps Gibbon the historian suggested that moral when he said, "All that's human must retrograde if it does not advance." In the pivotal areas of shelter, community, and family life, we have not advanced but have fallen back.

LAW AGAINST DISCRIMINATION

Enacted as article 12, sections 125-136 of New York State Executive Law by Laws of 1945, chapter 118, on March 12, 1945, effective July 1, 1945, to eliminate and prevent practices of discrimination in employment because of race, creed, color, or national origin; renumbered, without substantive change, to article 15, sections 290-301, by laws of 1951, chapter 800, on April 13, 1951, effective July 1, 1951; amended by laws of 1952, chapter 285, on March 27, 1952, effective July 1, 1952, to eliminate and prevent practices of discrimination in places of public accommodation, resort, or amusement because of race, creed, color, or national origin, including for this purpose the amendment and renumbering of the subdivisions of section 296; amended by laws of 1952, chapter 284, on March 27, 1952, effective July 1, 1952, in relation to exemption of religious or denominational institutions from the application of provisions relating to discrimination in places of public accommodation, resort, or amusement; amended by laws of 1953, chapter 891, on July 2, 1953, effective September 1, 1953, in relation to authority to confer immunity from prosecution; amended by laws of 1954, chapter 311, on March 30, 1954, effective April 1, 1954, in relation to the compensation of members of the commission; amended by laws of 1955, chapter 340, on April 15, 1955, effective July 1, 1955, to eliminate and prevent practices of discrimination in publicly assisted housing because of race, creed, color, or national origin; amended by laws of 1956, chapter 563, on April 13, 1956, effective July 1, 1956, to eliminate and prevent practices of discrimination, because of race, creed, color, or national origin, in housing accommodations receiving publicly insured financing; and further amended by laws of 1958, chapter 738, on April 14, 1958, effective July 1, 1958, to add age to race, creed, color, and national origin as a basis for unlawful discriminatory practices in employment.

ARTICLE 15

STATE COMMISSION AGAINST DISCRIMINATION

Section

- 290. Purposes of article.
- 291. Opportunity for employment without discrimination a civil right.
- 292. Definitions.
- 293. State Commission Against Discrimination.
- 294. General policies of commission.
- 295. General powers and duties of commission.
- 296. Unlawful discriminatory practices.
- 297. Procedure.
- 298. Judicial review and enforcement.
- 299. Penal provision.
- 300. Construction.
- 301. Separability.

SEC. 290. *Purposes of article.*—This article shall be known as the “Law Against Discrimination.” It shall be deemed an exercise of the police power of the State for the protection of the public welfare, health, and peace of the people of this State, and in fulfillment of the provisions of the constitution of this State concerning civil rights; and the legislature hereby finds and declares that practices of discrimination against any of its inhabitants because of race, creed, color, or national origin are a matter of State concern, that such discrimination threatens not only the rights and proper privileges of its inhabitants but menaces the institutions and foundation of a free democratic State. A State agency is hereby created with power to eliminate and prevent discrimination in employment, in places of public accommodation, resort, or amusement and in publicly assisted housing accommodations because of race, creed, color, or national origin, and to take other actions against discrimination because of race, creed, color, or national origin, as herein provided; and the commission established hereunder is hereby given general jurisdiction and power for such purposes.

SEC. 291. *Opportunity for employment without discrimination a civil right.*—The opportunity to obtain employment without discrimination because of race, creed, color, or national origin is hereby recognized as and declared to be a civil right.

SEC. 292. *Definitions.*—When used in this article:

1. The term “person” includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

2. The term “employment agency” includes any person undertaking to procure employees or opportunities to work.

3. The term “labor organization” includes any organization which exists and is constituted for the purpose, in whole or in part, of collective bargaining or of dealing with employers concerning grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment.

4. The term “unlawful discriminatory practice” includes only those practices specified in section 296 of this article.

5. The term “employer” does not include a club exclusively social, or a fraternal, charitable, educational, or religious association or corporation, if such club, association, or corporation is not organized for private profit, nor does it include any employer with fewer than six persons in his employ.

6. The term “employee” and this article do not include any individual employed by his parents, spouse, or child, or in the domestic service of any person.

7. The term “commission” unless a different meaning clearly appears from the context, means the State Commission Against Discrimination created by this article.

8. The term “national origin” shall, for the purposes of this article, include “ancestry.”

9. The term “place of public accommodation, resort, or amusement” shall include, except as hereinafter specified, all places included in the meaning of such term as it appears in section 40 of the civil rights law,¹ and it is intended hereby to limit the procedures and jurisdiction of the commission to such places. Such term shall not include public libraries, kindergartens, primary and secondary schools, high schools, academies, colleges and universities, extension courses, and all educational institutions under the supervision of the regents of the State of New York; any such public library, kindergarten, primary and secondary school, academy, college, university, professional school, extension course, or other educational facility, supported in whole or in part by public funds or by con-

¹ See p. 11 for sec. 40 of the Civil Rights Law.

tributions solicited from the general public; or any institution, club, or place of accommodation which is in its nature distinctly private.

10. The term "housing accommodation" includes any building, structure, or portion thereof which is used or occupied or is intended, arranged, or designed to be used or occupied, as the home, residence, or sleeping place of one or more human beings.

11. The term "publicly assisted housing accommodations" shall include all housing accommodations within the State of New York in—

(a) public housing,

(b) housing operated by housing companies under the supervision of the commissioner of housing,

(c) housing constructed after July 1, 1950, within the State of New York—

(1) which is exempt in whole or in part, from taxes levied by the State or any of its political subdivisions.

(2) which is constructed on land sold below cost by the State or any of its political subdivisions or any agency thereof, pursuant to the Federal housing act of 1949,

(3) which is constructed in whole or in part on property acquired or assembled by the State or any of its political subdivisions or any agency thereof through the power of condemnation or otherwise for the purpose of such construction, or

(4) for the acquisition, construction, repair, or maintenance of which the State or any of its political subdivisions or any agency thereof supplies funds or other financial assistance,

(d) housing which is located in a multiple dwelling, the acquisition, construction, rehabilitation, repair, or maintenance of which is, after July 1, 1955, financed in whole or in part by a loan, whether or not secured by a mortgage, the repayment of which is guaranteed or insured by the Federal Government or any agency thereof, or the State or any of its political subdivisions or any agency thereof, provided that such a housing accommodation shall be deemed to be publicly assisted only during the life of such loan and such guaranty or insurance; and

(e) housing which is offered for sale by a person who owns or otherwise controls the sale of 10 or more housing accommodations located on land that is contiguous (exclusive of public streets), if (1) the acquisition, construction, rehabilitation, repair, or maintenance of such housing accommodations is, after July 1, 1955, financed in whole or in part by a loan, whether or not secured by a mortgage, the repayment of which is guaranteed or insured by the Federal Government or any agency thereof, or the State or any of its political subdivisions or any agency thereof, provided that such a housing accommodation shall be deemed to be publicly assisted only during the life of such loan and guaranty or insurance, or (2) a commitment, issued by a Government agency after July 1, 1955, is outstanding that acquisition of such housing accommodations may be financed in whole or in part by a loan, whether or not secured by a mortgage, the repayment of which is guaranteed or insured by the Federal Government or any agency thereof, or the State or any of its political subdivisions or any agency thereof.

12. The term "multiple dwelling," as herein used, means a dwelling which is occupied, as a rule, for permanent residence purposes and which is either rented, leased, let, or hired out, to be occupied as the residence or home of three or more families living independently of each other. A "multiple dwelling" shall not be deemed to include a hospital, convent, monastery, asylum, or public institution, or a fireproof building used wholly for commercial purposes except for not more than one janitor's apartment and not more than one penthouse occupied by not more than two families. The term "family," as used herein, means either a person occupying a dwelling and maintaining a household, with not more than four boarders, roomers, or lodgers, or two or more persons occupying a dwelling, living together and maintaining a common household, with not more than four boarders, roomers, or lodgers. A "boarder," "roomer," or "lodger" residing with a family means a person living within the household who pays a consideration for such residence and does not occupy such space within the household as an incident of employment therein.

SEC. 293. *State Commission Against Discrimination.*—There is hereby created in the executive department a State Commission Against Discrimination. Such commission shall consist of five members, to be known as commissioners, who shall be appointed by the Governor, by and with the advice and consent of the senate, and one of whom shall be designated as chairman by the Governor. The

term of office of each member of the commission shall be for 5 years, provided, however, that of the commissioners first appointed, one shall be appointed for a term of 1 year, one for a term of 2 years, one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years.

Any member chosen to fill a vacancy occurring otherwise than by expiration of term shall be appointed for the unexpired term of the member whom he is to succeed. Three members of the commission shall constitute a quorum for the purpose of conducting the business thereof. A vacancy in the commission shall not impair the right of the remaining members to exercise all the powers of the commission.

Each member of the commission shall receive a salary of \$13,700 a year² and shall also be entitled to his expenses actually and necessarily incurred by him in the performance of his duties.

Any member of the commission may be removed by the Governor for inefficiency, neglect of duty, misconduct, or malfeasance in office, after being given a written statement of the charges and an opportunity to be heard thereon.

Sec. 294. General policies of commission.—The commission shall formulate policies to effectuate the purposes of this article and may make recommendations to agencies and officers of the State or local subdivisions of government in aid of such policies and purposes.

Sec. 295. General powers and duties of commission.—The commission shall have the following functions, powers, and duties:

1. To establish and maintain its principal office in the city of Albany, and such other offices within the State as it may deem necessary.

2. To meet and function at any place within the State.

3. To appoint such attorneys, clerks, and other employees and agents as it may deem necessary, fix their compensation within the limitations provided by law, and prescribe their duties.

4. To obtain upon request and utilize the services of all governmental departments and agencies.

5. To adopt, promulgate, amend, and rescind suitable rules and regulations to carry out the provisions of this article, and the policies and practice of the commission in connection therewith.

6. To receive, investigate, and pass upon complaints alleging violations of this article.

7. To hold hearings, subpoena witnesses, compel their attendance, administer oaths, take the testimony of any person under oath, and in connection therewith, to require the production for examination of any books or papers relating to any matter under investigation or in question before the commission. The commission may make rules as to the issuance of subpoenas by individual commissioners. In any such investigation or hearing, the commission, or individual commissioner, or an officer duly designated by the commission to conduct such investigation or hearing, may confer immunity in accordance with the provisions of section 2447 of the penal law.³

8. To create such advisory agencies and conciliation councils, local, regional or statewide, as in its judgment will aid in effectuating the purposes of this article and of section 11 of article 1 of the constitution of this State, and the commission may empower them to study the problems of discrimination in all or specific fields of human relationships or in specific instances of discrimination because of race, creed, color, or national origin, and to foster through community effort or otherwise good will, cooperation, and conciliation among the groups and elements of the population of the State, and make recommendations to the commission for the development of policies and procedures in general and in specific instances, and for programs of formal and informal education which the commission may recommend to the appropriate State agency. Such advisory agencies and conciliation councils shall be composed of representative citizens, serving without pay, but with reimbursements for actual and necessary traveling expenses; and the commission may make provision for technical and clerical assistance to such agencies and councils and for the expenses of such assistance.

9. To issue such publications and such results of investigations and research as in its judgment will tend to promote good will and minimize or eliminate discrimination because of race, creed, color, or national origin.

² An act making appropriations for the support of government, laws of 1958, ch. 215, provides for a salary of \$16,000 for the chairman and \$15,200 for the other commissioners.

³ See p. 13 for sec. 2447 of the penal law.

10. To render each year to the Governor and to the legislature a full written report of all its activities and of its recommendations.

11. To adopt an official seal.

SEC. 296. Unlawful discriminatory practices.—1. It shall be an unlawful discriminatory practice—

(a) For an employer, because of the age, race, creed, color, or national origin of any individual, to refuse to hire or employ or to bar or to discharge from employment such individual or to discriminate against such individual in compensation or in terms, conditions, or privileges of employment.

(b) For a labor organization, because of the age, race, creed, color, or national origin of any individual, to exclude or to expel from its membership such individual or to discriminate in any way against any of its members or against any employer or any individual employed by an employer.

(c) For any employer or employment agency to print or circulate or cause to be printed or circulated any statement, advertisement, or publication, or to use any form of application for employment or to make any inquiry in connection with prospective employment, which expresses, directly or indirectly, any limitation, specification, or discrimination as to age, race, creed, color, or national origin, or any intent to make any such limitation, specification, or discrimination, unless based upon a bona fide occupational qualification.

(d) For any employer, labor organization, or employment agency to discharge, expel, or otherwise discriminate against any person because he has opposed any practices forbidden under this article or because he has filed a complaint, testified, or assisted in any proceeding under this article.

2. It shall be an unlawful discriminatory practice for any person, being the owner, lessee, proprietor, manager, superintendent, agent, or employee of any place of public accommodation, resort, or amusement, because of the race, creed, color, or national origin of any person, directly or indirectly, to refuse, withhold from, or deny to such person any of the accommodations, advantages, facilities, or privileges thereof, or, directly or indirectly, to publish, circulate, issue, display, post, or mail any written or printed communication, notice, or advertisement, to the effect that any of the accommodations, advantages, facilities, and privileges of any such place shall be refused, withheld from, or denied to any person on account of race, creed, color, or national origin, or that the patronage or custom thereof of any person belonging to or purporting to be of any particular race, creed, color, or national origin is unwelcome, objectionable, or not acceptable, desired, or solicited. Nothing herein contained shall be construed to bar any religious or denominational institution or organization, or any organization operated for charitable or educational purposes, which is operated, supervised, or controlled by or in connection with a religious organization, from limiting admission to or giving preference to persons of the same religion or denomination or from making such selection as is calculated by such organization to promote the religious principles for which it is established or maintained.

3. It shall be an unlawful discriminatory practice for the owner, lessee, sublessee, assignee, or managing agent of publicly assisted housing accommodations or other person having the right ownership or possession of or the right to rent or lease such accommodations—

(a) To refuse to rent or lease or otherwise to deny to or withhold from any person or group of persons such housing accommodations because of the race, creed, color, or national origin of such person or persons.

(b) To discriminate against any person because of his race, creed, color, or national origin in the terms, conditions, or privileges of any public-assisted housing accommodations or in the furnishing of facilities or services in connection therewith.

(c) To cause to be made any written or oral inquiry or record concerning the race, creed, color, or national origin of a person seeking to rent or lease any publicly assisted housing accommodation.

(d) Nothing herein contained shall be construed to bar any religious or denominational institution or organization, or any organization operated for charitable or educational purposes, which is operated, supervised, or controlled by or in connection with a religious organization, from limiting admission to or giving preference to persons of the same religion or denomination or from making such selection as is calculated by such organization to promote the religious principles for which it is established or maintained.

3-a. It shall be an unlawful discriminatory practice—

(a) For an employer or licensing agency, because an individual is between the ages of 45 and 65, to refuse to hire or employ or license or to bar or to terminate from employment such individual, or to discriminate against such individual in promotion, compensation, or in terms, conditions, or privileges of employment.

(b) For any employer, licensing agency, or employment agency to print or circulate or cause to be printed or circulated any statement, advertisement of publication, or to use any form of application for employment or to make any inquiry in connection with prospective employment, which expresses, directly or indirectly, any limitation, specification, or discrimination respecting individuals between the ages of 45 and 65, or any intent to make any such limitation, specification, or discrimination.

(c) For any employer, licensing agency, or employment agency to discharge or otherwise discriminate against any person because he has opposed any practices forbidden under this article or because he has filed a complaint, testified, or assisted in any proceeding under this article.

But nothing contained in this subdivision or in subdivision 1 of this section shall be construed to prevent the termination of the employment of any person who is physically unable to perform his duties or to affect the retirement policy or system of any employer where such policy or system is not merely a subterfuge to evade the purposes of this subdivision; nor shall anything in said subdivisions be deemed to preclude the varying of insurance coverages according to an employee's age.

4. It shall be an unlawful discriminatory practice for any person to aid, abet, incite, compel, or coerce the doing of any of the acts forbidden under this article, or to attempt to do so.

SEC. 297. *Procedure.*—Any person claiming to be aggrieved by an unlawful discriminatory practice may, by himself or his attorney at law, make, sign, and file with the commission a verified complaint in writing which shall state the name and address of the person, employer, labor organization, or employment agency alleged to have committed the unlawful discriminatory practice complained of and which shall set forth the particulars thereof and contain such other information as may be required by the commission. The industrial commissioner or attorney general may, in like manner, make, sign, and file such complaint. Any employer whose employees, or some of them refuse or threaten to refuse to cooperate with the provisions of this article, may file with the commission a verified complaint asking for assistance by conciliation or other remedial action.

After the filing of any complaint, the chairman of the commission shall designate one of the commissioners to make, with the assistance of the commission's staff, prompt investigation in connection therewith; and if such commissioner shall determine after such investigation that probable cause exists for crediting the allegations of the complaint, he shall immediately endeavor to eliminate the unlawful discriminatory practice complained of by conference, conciliation, and persuasion. The members of the commission and its staff shall not disclose what has transpired in the course of such endeavors. In case of failure so to eliminate such practice, or in advance thereof if in his judgment circumstances so warrant, he shall cause to be issued and served in the name of the commission, a written notice, together with a copy of such complaint, as the same may have been amended, requiring the person, employer, labor organization, or employment agency named in such complaint, hereinafter referred to as respondent, to answer the charges of such complaint at a hearing before three members of the commission, sitting as the commission, at a time and place to be specified in such notice. The place of any such hearing shall be the office of the commission or such other place as may be designated by it. The case in support of the complaint shall be presented before the commission by one of its attorneys or agents, and the commissioner who shall have previously made the investigation and caused the notice to be issued shall not participate in the hearing except as a witness, nor shall he participate in the deliberation of the commission in such case; and the aforesaid endeavors at conciliation shall not be received in evidence. The respondent may file a written verified answer to the complaint and appear at such hearing in person or otherwise, with or without counsel, and submit testimony. In the discretion of the commission, the complainant may be allowed to intervene and present testimony in person or by counsel. The commission or the complainant shall have the power reasonably and fairly to amend any complaint, and the respondent shall have like power to amend his answer. The commission shall not be

bound by the strict rules of evidence prevailing in courts of law or equity. The testimony taken at the hearing shall be under oath and be transcribed. If, upon all the evidence at the hearing the commission shall find that a respondent has engaged in any unlawful discriminatory practice as defined in this article, the commission shall state its findings of fact and shall issue and cause to be served on such respondent an order requiring such respondent to cease and desist from such unlawful discriminatory practice and to take such affirmative action, including (but not limited to) hiring, reinstatement, or upgrading of employees, with or without back pay, restoration to membership in any respondent labor organization, or the extension of full, equal, and unsegregated accommodations, advantages, facilities, and privileges to all persons, as, in the judgment of the commission, will effectuate the purposes of this article, and including a requirement for report of the manner of compliance. If, upon all the evidence, the commission shall find that a respondent has not engaged in any such unlawful discriminatory practice, the commission shall state its findings of fact and shall issue and cause to be served on the complainant an order dismissing the said complaint as to such respondent. A copy of its order shall be delivered in all such cases to the industrial commissioner, the attorney general, and such other public officers as the commission deems proper. The commission shall establish rules of practice to govern, expedite, and effectuate the foregoing procedure and its own actions thereunder. Any complaint filed pursuant to this section must be so filed within 90 days after the alleged act of discrimination.

SEC. 298. *Judicial review and enforcement.*—Any complainant, respondent, or other person aggrieved by such order of the commission may obtain judicial review thereof, and the commission may obtain an order of court for its enforcement, in a proceeding as provided in this section. Such proceeding shall be brought in the supreme court of the State within any county wherein the unlawful discriminatory practice which is the subject of the commission's order occurs or wherein any person required in the order to cease and desist from an unlawful discriminatory practice or to take other affirmative action resides or transacts business. Such proceeding shall be initiated by the filing of a petition in such court, together with a written transcript of the record upon the hearing before the commission, and the issuance and service of a notice of motion returnable at a special term of such court. Thereupon the court shall have jurisdiction of the proceeding and of the questions determined therein, and shall have power to grant such temporary relief or restraining order as it deems just and proper, and to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript an order enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order of the commission. No objection that has not been urged before the commission shall be considered by the court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances. Any party may move the court to remit the case to the commission in the interests of justice for the purpose of adducing additional specified and material evidence and seeking findings thereon, provided he shows reasonable grounds for the failure to adduce such evidence before the commission. The findings of the commission as to the facts shall be conclusive if supported by sufficient evidence on the record considered as a whole. All such proceedings shall be heard and determined by the court and by any appellate court as expeditiously as possible and with lawful precedence over other matters. The jurisdiction of the supreme court shall be exclusive and its judgment and order shall be final, subject to review by the appellate division of the supreme court and the court of appeals in the same manner and form and with the same effect as provided in the civil practice act for appeals from a final order in a special proceeding. The commission's copy of the testimony shall be available at all reasonable times to all parties for examination without cost and for the purposes of judicial review of the order by the commission. The appeal shall be heard on the record without requirement of printing. The commission may appear in court by one of its attorneys. A proceeding under this section when instituted by any complainant, respondent, or other person aggrieved must be instituted within 30 days after the service of the order of the commission.

SEC. 299. *Penal provision.*—Any person, employer, labor organization, or employment agency, who or which shall willfully resist, prevent, impede, or interfere with the commission or any of its members or representatives in the performance of duty under this article, or shall willfully violate an order of the commission, shall be guilty of a misdemeanor and be punishable by imprison-

ment in a penitentiary, or county jail, for not more than 1 year, or by a fine of not more than \$500, or by both; but procedure for the review of the order shall not be deemed to be such willful conduct.

Sec. 300. *Construction*.—The provisions of this article shall be construed liberally for the accomplishment of the purposes thereof. Nothing contained in this article shall be deemed to repeal any of the provisions of the civil rights law or any other law of this State relating to discrimination because of race, creed, color, or national origin; but, as to acts declared unlawful by section 296 of this article, the procedure herein provided shall, while pending, be exclusive; and the final determination therein shall exclude any other action, civil or criminal, based on the same grievance of the individual concerned. If such individual institutes any action based on such grievance without resorting to the procedure provided in this article, he may not subsequently resort to the procedure herein.

Sec. 301. *Separability*.—If any clause, sentence, paragraph, or part of this article or the application thereof to any person or circumstances, shall, for any reason, be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of this article.

* * * * *

CIVIL RIGHTS LAW

Sec. 40. *Equal rights in places of public accommodation, resort or amusement*.—All persons within the jurisdiction of this State shall be entitled to the full and equal accommodations, advantages, facilities, and privileges of any places of public accommodations, resort or amusement, subject only to the conditions and limitations established by law and applicable alike to all persons. No person, being the owner, lessee, proprietor, manager, superintendent, agent or employee of any such place shall directly or indirectly refuse, withhold from, or deny to any person any of the accommodations, advantages, facilities, or privileges thereof, or directly or indirectly publish, circulate, issue, display, post or mail any written or printed communication, notice or advertisement to the effect that any of the accommodations, advantages, facilities, and privileges, of any such place shall be refused, withheld from or denied to any person on account of race, creed, color, or national origin, or that the patronage or custom thereof, of any person belonging to or purporting to be of any particular race, creed, color, or national origin is unwelcome, objectionable, or not acceptable, desired, or solicited. The production of any such written or printed communication, notice or advertisement, purporting to relate to any such place and to be made by any person being the owner, lessee, proprietor, superintendent, or manager thereof, shall be presumptive evidence in any civil or criminal action that the same was authorized by such person. A place of public accommodation, resort or amusement within the meaning of this article,⁴ shall be deemed to include inns, taverns, roadhouses, hotels, whether conducted for the entertainment of transient guests or for the accommodation of those seeking health, recreation, or rest, or restaurants, or eating houses, or any place where food is sold for consumption on the premises; buffets, saloons, barrooms, or any store, park, or enclosure where spirituous or malt liquors are sold; ice cream parlors, confectionaries, soda fountains, and all stores where ice cream, ice and fruit preparations or their derivatives, or where beverages of any kind or retailed for consumption on the premises; retail stores and establishments, dispensaries,

⁴ As defined here (civil rights law, sec. 40) a "place of public accommodation, resort or amusement", includes among other things: "public libraries, kindergartens, primary and secondary schools, high schools, academies, colleges, and universities, extension courses, and all educational institutions under the supervision of the regents of the State of New York; any such public library, kindergarten, primary and secondary school, academy, college, university, professional school, extension course, or other educational facility supported in whole or in part by public funds or by contributions solicited from the general public".

These facilities are excluded from the definition of a "place of public accommodation, resort or amusement" as used in the law against discrimination (sec. 292.9).

It is to be noted, however, that the New York State Education Practices Act, which relates to complaints against educational institutions for alleged discrimination in the admission of applicants, covers "any educational institution of postsecondary grade subject to the visitation, examination, or inspection by the State board of regents or the State commissioner of education and any business or trade school in the State," except a religious or denominational educational institution which is "operated, supervised, or controlled by a religious or denominational organization and which has certified to the State commissioner of education that it is a religious or denominational educational institution." (Education law, sec. 313(2) (a), (b).) The New York State Education Practices Act is administered by the New York State Commissioner of Education.

clinics, hospitals, bathhouses, barbershops, beauty parlors, theaters, motion picture houses, airdromes, roof gardens, music halls, race courses, skating rinks, amusement and recreation parks, fairs, bowling alleys, golf courses, gymnasiums, shooting galleries, billiard and pool parlors, public libraries, kindergartens, primary and secondary schools, high schools, academies, colleges and universities, extension courses, and all educational institutions under the supervision of the regents of the State of New York; and any such public library, kindergarten, primary and secondary school, academy, college, university, professional school, extension course, or other educational facility, supported in whole or in part by public funds or by contributions solicited from the general public; garages, all public conveyances operated on land or water, as well as the stations and terminals thereof; public halls and public elevators of buildings and structures occupied by two or more tenants, or by the owner and one or more tenants. With regard to institutions for the care of neglected and/or delinquent children supported directly or indirectly, in whole or in part, by public funds, no accommodations, advantages, facilities, and privileges of such institutions shall be refused, withheld from or denied to any person on account of race or color. Nothing herein contained shall be construed to modify or supersede any of the provisions of the children's court act, the social welfare law or the domestic relations court act of New York city in regard to religion of custodial persons or agencies or to include any institution, club, or place of accommodation which is in its nature distinctly private, or to prohibit the mailing of a private communication in writing sent in response to a specific written inquiry.

No institution, club, organization, or place of accommodation which sponsors or conducts any amateur athletic contest or sparring exhibition and advertises or bills such contest or exhibition as a New York State championship contest or uses the words "New York State" in its announcements shall be deemed a private exhibition within the meaning of this section.

PENAL LAW

Sec. 2447. *Witnesses' immunity.*

1. In any investigation or proceeding where, by express provision of statute, a competent authority is authorized to confer immunity, if a person refuses to answer a question or produce evidence of any other kind on the ground that he may be incriminated thereby, and, notwithstanding such refusal, an order is made by such competent authority that such person answer the question or produce the evidence, such person shall comply with the order. If such person complies with the order, and if, but for this section, he would have been privileged to withhold the answer given or the evidence produced by him, then immunity shall be conferred upon him, as provided for herein.

2. "Immunity" as used in this section means that such person shall not be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which, in accordance with the order by competent authority, he gave answer or produced evidence, and that no such answer given or evidence produced shall be received against him upon any criminal proceeding. But he may nevertheless be prosecuted or subjected to penalty or forfeiture for any perjury or contempt committed in answering, or failing to answer, or in producing or failing to produce evidence, in accordance with the order, and any such answer given or evidence produced shall be admissible against him upon any criminal proceeding concerning such perjury or contempt.

3. "Competent authority" as used in this section means:—

(a) The court or magistrate before whom a person is called to answer questions or produce evidence in a criminal proceeding other than a proceeding before a grand jury, when such court or magistrate is expressly requested by the prosecuting attorney to order such person to give answer or produce evidence; or

(b) The court before whom a person is called to answer questions or produce evidence in a civil proceeding to which the State or a political subdivision thereof, or a department or agency of the State or of such political subdivision, or an officer of any of them in his official capacity, is a party when such court is expressly requested by the attorney general of the State of New York to order such person to give answer or produce evidence; or

(c) The grand jury before which a person is called to answer questions or produce evidence, when such grand jury is expressly requested by the

prosecuting attorney to order such person to give answer or produce evidence; or

(d) A legislative committee or temporary State commission before which a person is called to answer questions or produce evidence in an inquiry or investigation, upon 24 hours prior written notice to the attorney general of the State of New York and to the appropriate district attorney having an official interest therein; provided that a majority of the full membership of such committee or commission concur therein; or

(e) The head of a State department or other State agency, a commissioner, deputy, or other officer before whom a person is called to answer questions in an inquiry or investigation, upon 24 hours' prior written notice to the attorney general of the State of New York and to the appropriate district attorney having an official interest therein.

Provided, however, that no such authority shall be deemed a competent authority within the meaning of this section unless expressly authorized by statute to confer immunity.

4. Immunity shall not be conferred upon any person except in accordance with the provisions of this section.

5. If, after compliance with the provisions of this section, or any other similar provision of law, a person is ordered to answer a question or produce evidence of any other kind and complies with such order, and it is thereafter determined that the appropriate district attorney having an official interest therein was not notified, such failure or neglect shall not deprive such person of any immunity otherwise properly conferred upon him.

FEDERAL, STATE, AND CITY LEGISLATION ON HOUSING AND DISCRIMINATION ¹

I

A. FEDERAL LEGISLATION

1. *Housing Act of 1937 as amended by Housing Act of 1949.*—Provides Federal financial assistance to local public agencies for slum clearance and construction of low-rent, public housing units for every unit demolished.

2. *Housing Act of 1949.*—Title I authorizes Federal Government loans and grants to localities to assemble land, clear slums, and make the property available for redevelopment by private enterprise along lines best suited to the needs of the area and of the whole community. The loans are for acquiring, clearing, and preparing the area for reuse and the grants are to pay up to two-thirds of the net cost incurred. The financial aid may not be used for construction. Cities applying for Federal loans and grants under title I are required to prepare solid plans for temporary accommodations, where needed, and for permanent relocation in decent quarters of people who are compelled to leave slum areas because of clearance operations. Title III of the act authorizes Federal aid to local public agencies for construction of additional low-rent public projects, in substantially the same manner as did the Housing Act of 1937.

3. *Housing Act of 1954.*—Expands provisions of title I of the Housing Act of 1949 to authorize Federal assistance to local communities not only in the clearance and redevelopment of slum areas, as originally provided by title I, but also to help them in preventing the spread of slums through the rehabilitation and conservation of blighted areas. Loans and grants are provided for plans for voluntary repairs and rehabilitation of buildings and for clearance of deteriorated structures, reconstruction of streets and other necessary improvements. New contracts for Federal assistance under title I cannot be entered into, unless the local community has presented and the Housing Administrator has approved a workable program for eliminating and preventing slums and urban blight. The act also provides for:—

a. A new section 220 program authorizing FHA mortgage insurance for the rehabilitation of existing dwellings as well as for the construction of new dwellings in slum clearance and urban renewal areas where Federal aid to slum clearance or urban renewal was extended under title I of the Housing Act of 1949.

b. A new section 221 program providing FHA insurance for low-cost housing for displaced families in a community undertaking a slum clear-

¹ The word "discrimination" as used in this summary means discrimination by reason of race, creed, color, or national origin.

ance and urban redevelopment project or an urban renewal project under title I of the Housing Act of 1949.

c. Authority to the Public Housing Commissioner to enter into new contracts to provide assistance for additional low rent public housing units. The community in which the project is to be built must be carrying out a slum clearance and urban redevelopment or urban renewal project with assistance under title I of the Housing Act of 1949 and must certify that the low rent public housing project is needed to assist in meeting the relocation requirements of title I by providing housing for persons displaced by the slum clearance operations.

B. AGENCIES ADMINISTERING FEDERAL LEGISLATION

1. *Housing and Home Finance Agency*.—This is the top Federal agency responsible for the principal housing programs and functions of the Federal Government. It consists of various constituent units and agencies among which are the Urban Renewal Administration, the Public Housing Administration, and the Federal Housing Administration.

a. *Urban Renewal Administration*.—Administers the slum clearance, urban redevelopment, and renewal programs.

b. *Public Housing Administration*.—Administers the low rent public housing and the liquidating emergency housing programs.

c. *Federal Housing Administration*.—Insures mortgages for construction or repair of single or multiple family dwellings, rental or cooperative; for rehabilitation of existing housing and construction of new housing in slum clearance and urban renewal areas; and for construction of low-cost housing for families displaced by reason of governmental action. The FHA does not make loans and does not build housing.

II

A. NEW YORK STATE LEGISLATION

1. *Limited dividend housing company law of 1926*.—Authorized the creation of public and private limited dividend housing companies entitled to exemption from State taxes and fees and from local taxes on increased value in return for a limitation on rents and restriction of dividends to 6 percent. Examples of projects constructed under this law are Hillside Homes, Knickerbocker Village, and Electchester, located in New York City.

2. *Public housing law of 1939*.—Covers the State's low-rent public housing and private housing built under the State limited dividend law. The law also contains provisions with respect to organization and scope of jurisdiction of municipal housing authorities. Section 223 forbids discrimination in all types of housing covered by the public housing law.

3. *Urban Redevelopment Corporations law of 1941*.—Authorizes the Redevelopment Corporation to condemn property if it had already acquired 51 percent of the site otherwise, and permits a 10 year local tax exemption on any increase in value which might be created. No housing has been built under this law.

4. *Redevelopment companies law of 1943*.—Encourages banks, insurance companies, and other sponsors to construct housing on land assembled at reduced costs by condemnation, and to receive tax exemption on increased value for not more than 25 years. Permits return of up to 6 percent on investments. An example of housing constructed under this law is Stuyvesant Town.

5. *Austin-Wicks law of 1950*.—Prohibits discrimination in publicly assisted housing accommodations. Defines segregation as a form of discrimination and covers specific types of public assistance granted after July 1, 1950, such as funds or financial assistance, tax exemptions, writedown of land costs, and acquisition through condemnation, including projects constructed under title I of the U.S. Housing Act of 1949, as amended.

6. *First Metcalf-Baker law of 1955*.—Extends jurisdiction of State Commission Against Discrimination to cover publicly assisted housing accommodations in the State of New York, including:

a. All types of public housing.

b. Housing companies under jurisdiction of State commissioner of housing.

c. Housing constructed after July 1, 1950, where (1) tax exemption applies or (2) land was sold below cost pursuant to title I of U.S. Housing Act of 1949, or (3) property was acquired by condemnation, or (4) the State or municipality supplies financial assistance.

7. *Second Metcalf-Baker law of 1955 (FHA law)*.—Extends coverage provisions of Austin-Wicks law of 1950 and prohibits discrimination in any housing accommodation within the State of New York which is—

a. Located in a multiple dwelling, the acquisition, construction, rehabilitation, repair, or maintenance of which is, after July 1, 1955, financed in whole or in part by an FHA- or VA-guaranteed loan or by a loan guaranteed by the State or any of its subdivisions or any agency thereof; or

b. Offered for sale by a person who owns 10 or more housing accommodations located on land that is contiguous, if (1) the acquisition, construction, rehabilitation, repair, or maintenance of such housing accommodations is, after July 1, 1955, financed in whole or in part by an FHA- or VA-guaranteed loan or by a loan guaranteed by the State or by any of its subdivisions or any agency thereof; or (2) a commitment, issued after July 1, 1955, is outstanding that acquisition of such housing accommodations may be financed in whole or in part by an FHA- or VA-guaranteed loan or by a loan guaranteed by the State or any of its subdivisions or any agency thereof.

8. *Limited-profit housing companies law of 1955 (Mitchell-Lama law)*.—Added a new article XII to the public housing law, authorizing creation of limited-profit housing companies to construct rental or cooperative housing, under supervision of State Division of Housing, with loans up to 90 percent of construction costs available from Division of Housing or municipality, and tax exemptions not to exceed 30 years on (a) 50 percent of a project's total value or (b) the increase in value, whichever is less.

9. *Metcalf-Baker law of 1956*.—Further extends jurisdiction of State Commission Against Discrimination to cover publicly insured housing. This covers housing accommodations within the State of New York which are—

a. Located in a multiple dwelling, the acquisition, construction, rehabilitation, repair, or maintenance of which is, after July 1, 1955, financed in whole or in part by an FHA- or VA-guaranteed loan or by a loan guaranteed by the State or any of its subdivisions or any agency thereof; or

b. Offered for sale by a person who owns 10 or more housing accommodations located on land that is contiguous if (1) the acquisition, construction, rehabilitation, repair, or maintenance of such housing accommodations is, after July 1, 1955, financed in whole or in part by an FHA- or VA-guaranteed loan or by a loan guaranteed by the State or any of its subdivisions or any agency thereof; or (2) a commitment, issued after July 1, 1955, is outstanding that acquisition of such housing accommodations may be financed in whole or in part by an FHA- or VA-guaranteed loan or by a loan guaranteed by the State or any of its subdivisions or any agency thereof.

10. *Limited-profit housing companies law of 1956 (second Mitchell-Lama law)*.—Amends article XII of Public Housing Law, enacted in 1955, to include among other things: Grant of extensive powers of regulation and supervision to comptroller of city of New York as to projects receiving municipal loans, modification of income limitations on tenants residing within the project, provision for income debentures and allowance for 3 percent working capital in determining capital structure of project and provision for voluntary dissolution.

11. *Mortgage Facilities Corporation law of 1956*.—Creates a corporation to be jointly owned, financed, and operated by banking organizations, insurance companies, and surety companies, to make first mortgage loans more readily available on properties located in standard urban areas. The corporation may grant loans up to 80 percent of the appraised value of property, and in excess thereof if the loan granted is issued by the Federal Government.

B. ADMINISTRATION OF STATE LEGISLATION

1. The New York State Division of Housing supervises State-aided low-rent projects, limited dividend and limited profit housing projects.

2. Up to 1955 none of the State laws relating to discrimination provided for any type of administrative enforcement machinery. The State Division of Housing has, however, supervised the enforcement of the laws with respect to the projects under its jurisdiction.

3. The first Metcalf-Baker law of 1955 and the Metcalf-Baker law of 1956 regarding public housing, publicly assisted private housing and housing accommodations receiving publicly insured financing placed all such housing under the enforcement jurisdiction of the State Commission Against Discrimination. The

coverage provisions of these Metcalf-Baker laws are summarized above in sections A.6 and A.9.

III

A. NEW YORK CITY LEGISLATION

1. *Local law of 1944*.—Provides that housing companies, insurance companies, or redevelopment companies contracting for projects after July 3, 1944, which shall discriminate in any of their dwelling or business accommodations, shall not be granted tax exemption.

2. *Local law of 1949*.—Provides that every deed or lease made by city for conveyance, lease, or disposal of real property for purpose of housing construction pursuant to section 72-k of the general municipal law shall state that no person seeking dwelling accommodations in any such property shall be discriminated against.

3. *Brown-Isaacs law of 1951*.—Forbids discrimination in all of New York City's publicly assisted housing and provides that violation is a misdemeanor and subject to court injunction.

4. *Sharkey-Brown-Isaacs law of 1954*.—Forbids discrimination in all multiple family housing, the acquisition, construction, rehabilitation, or repair of which is after July 6, 1954, financed in whole or in part by a FHA or VA guaranteed loan or by a loan guaranteed by the State or New York City or any agency thereof.

5. *Sharkey-Brown-Isaacs law of 1957*.—Local law 80, effective April 1, 1958, which makes unlawful discrimination based on race, religion, color, national origin, or ancestry in rentals of multiple dwellings (apartment houses of three or more units) and in sales of 1- and 2-family homes in developments of 10 or more. Complaints can be filed with the City Commission on Intergroup Relations, 150 Nassau Street, New York City.

B. AGENCIES ADMINISTERING MUNICIPAL LEGISLATION

New York City legislation relating to discrimination in housing creates no administrative agencies for enforcement. The New York City Housing Authority has, however, supervised the enforcement of the laws with respect to the housing projects under its jurisdiction. The City Commission on Intergroup Relations, established by city ordinance in 1955, is empowered to receive and investigate complaints and initiate its own investigations of discrimination whether practiced by private persons or corporations or by city officials or agencies. This embraces discrimination in private or publicly assisted housing except where the State Commission Against Discrimination has jurisdiction. The administrative agency now having specific enforcement jurisdiction over all New York City publicly assisted housing accommodations in the New York State Commission Against Discrimination, which, by virtue of the Metcalf-Baker laws of 1955 and 1956, is empowered with statewide jurisdiction.

A. DEFINITIONS

Definitions of types of housing subject to the jurisdiction of the New York State Commission Against Discrimination:

1. *Public low-rent projects*.—Housing constructed for low-income families with Federal, State or municipal funds.

2. *Public middle-income projects*.—Housing constructed for middle-income families with city funds with no cash subsidy.

3. *Limited dividend rental projects*.—Rental projects constructed by limited dividend companies with exemption from State taxes and fees and local tax exemption on increased value for not more than 50 years in return for a limitation on rents and restriction on dividends to 6 percent.

4. *Limited profit rental projects*.—Rental projects constructed by private limited profit companies with State or municipal loans of up to 90 percent and possible tax exemption for 30 years on one-half a project's total value or the increase in value, whichever is less. Return on equity investment may not exceed 6 percent. Under the supervision of State Division of Housing.

5. *Cooperative projects*.—Nonprofit, tenant-owned projects constructed by private corporations on land assembled through provisions of title I, or under provisions of State limited dividend or limited profit laws or redevelopment companies law, or with Government insured or guaranteed loans.

6. *Title I projects.*—Projects constructed on land assembled and cleared under provisions of title I of U.S. Housing Acts of 1949 and 1954, including projects constructed under sections 220 and 221 with FHA insured loans, or housing rehabilitated under title I of Housing Act of 1954.

7. *Redevelopment companies law projects.*—Projects constructed by private corporations, such as banks or insurance companies, on land assembled at reduced cost by condemnation, receiving tax exemption on increased value for not more than 25 years and whose returns on investments are limited to 6 percent.

8. *Privately owned housing having Government insured loans.*—All housing accommodations which are:—

a. Located in a multiple dwelling, the acquisition, construction, rehabilitation, repair, or maintenance of which is, after July 1, 1955, financed in whole or in part by an FHA- or VA- guaranteed loan or by a loan guaranteed by the State or any of its subdivisions or any agency thereof; or

b. Offered for sale by a person who owns 10 or more housing accommodations located on land that is contiguous if (1) the acquisition, construction, rehabilitation, repair, or maintenance of such housing accommodations is, after July 1, 1955, financed in whole or in part by an FHA- or VA- guaranteed loan or by a loan guaranteed by the State or any of its subdivisions or any agency thereof; or (2) a commitment, issued after July 1, 1955, is outstanding that acquisition of such housing accommodations may be financed in whole or in part by an FHA- or VA- guaranteed loan or by a loan guaranteed by the State or any of its subdivisions or any agency thereof.

STATE OF NEW YORK

AVERELL HARRIMAN, GOVERNOR

EXECUTIVE DEPARTMENT—STATE COMMISSION AGAINST DISCRIMINATION

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WARD B. ARBURY, *commissioner*
ELMER A. CARTER, *commissioner*

J. EDWARD CONWAY, *commissioner*
NICHOLAS H. PINTO, *commissioner*

CHARLES LIVERMORE, *executive secretary*
EDWARD RUTLEDGE, *housing director*
HENRY SPITZ, *general counsel*
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Mrs. Marian Perry Yankauer

(Supplemental information submitted by Mr. Abrams.)

PRIVATE CAPITAL INVESTMENT IN PUBLICLY ASSISTED HOUSING COVERED BY
NEW YORK STATE LAW AGAINST DISCRIMINATION

Investment by private capital has continued unabated in publicly assisted housing covered by the New York State Law Against Discrimination. Almost \$2 billion have been invested in this type of publicly assisted housing during the last 3 years (July 1, 1955-July 1, 1958) that the antidiscrimination housing laws have been under SCAD's jurisdiction.

TYPE OF PROGRAM

Private capital investment, by type of program, is set forth as follows:

Title I.—There are 13 title I urban renewal housing developments under contract in New York City. Three of these projects are completed, with the remaining 10 in various stages of renting, construction, and relocation. They contain 22,000 apartments. Investments, including land by private capital in these 13 projects amount to \$423 million.

Limited profit.—Although a fund of \$50 million has been set aside for the State Division of Housing to develop its limited profit housing program for middle income families, applications for \$300 million have been made of the State Division of Housing. Of these applications all \$50 million have been committed or promised for 23 projects in New York State; 8 of these in New York City, and 15 in upstate areas. Several of these projects are occupied, with the others in various stages of renting, construction, or planning. These developments contain 3,726 dwelling units. In addition five developments are in the process of construction or planning under the State Mitchell-Lama law with loans made by the city of New York. These developments contain 1,488 dwelling units, with a total investment of \$19,701,000.

Limited dividend.—There are 21 limited dividend housing projects in New York State. All of them are located in New York City, 10 in Queens, 4 in Manhattan, 4 in the Bronx, and 3 in Brooklyn. Projects range in size from 44 dwelling units to 1,584 dwelling units. There are 11,145 dwelling units in all the projects. The total investment in these projects is approximately \$70 million (\$50 million of this investment received mortgage financing with the remaining \$20 million representing loans from union pension funds). These projects have been refinanced through the years to the amount of \$23,250,930.

FHA- and VA-aided housing.—Housing accommodations in New York State receiving assistance from FHA and VA and covered by SCAD's housing jurisdiction since July 1, 1955, are estimated to consist of over 150,000 dwelling units for rent and for sale throughout the State. It is estimated that \$1,350,763,022 were loaned by mortgage lending institutions during the last 3 years on FHA- and VA-aided housing.

PARTICIPATION BY FINANCIAL INSTITUTIONS

All major mortgage lending institutions including banks, insurance companies, title guarantee companies, have participated in mortgage financing of the various categories of housing noted above. A partial list of the names of lending institutions in the New York metropolitan area which have closed or committed mortgage financing for FHA housing during the last 3 years is attached.

*Private Capital Investment in Publicly Assisted Housing in New York State—
July 1, 1955—July 1, 1958*

	Number of dwelling units	Capital investment
Limited dividend.....	11, 145	\$70, 000, 000
Limited profit:		
State aided.....	3, 726	50, 000, 000
City aided.....	1, 488	19, 701, 000
Title I.....	22, 000	423, 000, 000
FHA and VA.....	113, 321	1, 350, 763, 022
Total.....	151, 680	1, 913, 466, 022

FUTURE INVESTMENT

It is estimated that the total title I program in New York City, Albany, Buffalo, North Tarrytown, Rochester, Schenectady, and Yonkers in various stages of planning will amount to well over a half-billion dollars in private capital investment in the construction of rental and cooperative housing developments. Likewise with the liberalized VA and FHA terms there are now hundreds more housing developments under consideration some of which have already received commitments for immediate assistance by VA and FHA. We therefore anticipate at least another \$2 billion worth of investment within the next few years in publicly assisted housing covered by the law against discrimination in New York State.

A list of banks assisting FHA developments in more than 1 county in the New York metropolitan area

Bank	Address	Counties	Units per county	units
Chase Manhattan Bank.....	18 Pine St., New York City....	Kings.....	552	
		New York.....	67	
		Westchester.....	155	774
Community Funding Corp.....	89-48 164 St., Jamaica, N.Y.....	Bronx.....	597	
		Kings.....	267	
		New York.....	752	
		Queens.....	1,284	
		Westchester.....	62	2,962
County Trust Co.....	64 (N.) Broadway, Tarrytown N.Y.	Kings.....	84	
		Queens.....	441	
		Rockland.....	121	
		Westchester.....	370	996
Dime Savings Bank.....	9 DeKalb Ave., Brooklyn, N.Y.	Kings.....	121	
		Nassau.....	604	
		Queens.....	88	
		Suffolk.....	541	
		Westchester.....	72	1,426
Franklin National Bank.....	Franklin Sq. N.Y.....	Nassau.....	65	
		Queens.....	160	
		Suffolk.....	742	967
Guaranteed Title & Mortgage Co...	80 Jamaica Ave., Jamaica, Long Island.	Kings.....	120	
		New York.....	22	
		Queens.....	288	430
Home Title Guaranty Co.....	180 Fulton St., New York City..	Bronx.....	169	
		Kings.....	103	
		Nassau.....	66	
		New York.....	861	
		Queens.....	361	
		Richmond.....	65	
		Suffolk.....	47	
		Westchester.....	326	1,998
Intercounty Title Guaranty & Mortgage Co.	111 Broadway, New York City..	Kings.....	287	
		Nassau.....	14	
		Suffolk.....	48	349
Jamaica Savings Bank.....	161-02 Jamaica Ave., Jamaica, N.Y.	Kings.....	124	
		Nassau.....	25	
		Queens.....	159	
		Suffolk.....	185	493
Lincoln Savings Bank.....	531 Broadway, Brooklyn, N.Y..	Bronx.....	169	
		Queens.....	718	887
The Bank for Savings.....	280 4th Ave., New York City...	Kings.....	287	
		New York.....	286	573
Title Guaranty & Trust Co.....	176 Broadway, New York City..	Kings.....	184	
		New York.....	859	
		Westchester.....	132	1,175
Triboro Funding Corp.....	250 West 57th St., New York City.	Bronx.....	110	
		Kings.....	55	165
United Mortgage Servicing & Capital Corp.	25 West 43d St., New York City.	New York.....	202	
		Rockland.....	112	
		Suffolk.....	46	360
Williamsburg Savings Bank.....	1 Hanson Pl., Brooklyn, N.Y....	Nassau.....	296	
		Queens.....	207	
		Suffolk.....	647	1,150

*Other key lending institutions in the New York metropolitan area assisting
FHA developments*

Bank	Address	Number of units
Bowery Savings Bank.....	110 East 42d St. New York City.....	257
Meadowbrook National Bank.....	60 Hempstead Ave., West Hempstead, N. Y.....	244
Federal Bank & Trust Co.....	Columbus Circle, New York City.....	359
United Title & Mortgage Guaranty Co.....	25 West 43d St., New York City.....	1,006
Royal State Bank of New York.....	326 East 149th St., Bronx, N. Y.....	190

Source: Figures supplied to SCAD by the Federal Housing Administration.

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TABLE 1.—*Nonwhite populations of metropolitan areas in New York State,
1950 and 1957*

	1950	1957	Increase	
			Number	Percent
New York-northeast New Jersey (New York portion).....	850,189	1,096,012	245,823	29
New York City.....	775,516	981,251	205,735	26
Bronx.....	99,615	137,298	37,683	38
Brooklyn.....	213,057	311,780	98,723	46
Manhattan.....	403,502	402,857	-645	-0.2
Queens.....	53,723	120,669	66,946	125
Richmond.....	5,619	8,647	3,028	54
Four suburban counties.....	74,673	114,761	40,088	54
Nassau.....	17,757	¹ 29,805	12,048	68
Rockland.....	4,608	5,676	1,068	23
Suffolk.....	13,592	27,900	14,308	105
Westchester.....	38,716	51,380	12,664	33
Albany-Schenectady-Troy.....	9,081	² 14,000	5,000	55
Binghamton.....	899	² 1,000	100	10
Buffalo-Niagara Falls.....	47,786	² 76,000	28,000	60
Rochester.....	8,247	² 16,000	8,000	95
Syracuse.....	6,275	10,975	4,700	75
Utica-Rome.....	2,275	² 4,000	1,400	50
Remainder of State.....	33,025	² 44,000	11,000	33
New York State totals.....	958,097	1,261,987	303,890	32

¹ No special census was taken in Long Beach in 1957; April 1956 census count used.

² Estimated from birth data furnished by New York State Department of Health. All such figures are rounded to nearest thousand.

NOTE.—Unless otherwise noted, all data are from U.S. census counts.

TABLE 2.—White and nonwhite population distribution by city and suburbs, 1950 upstate metropolitan areas

Area	Total population		Percent in cities of 10,000 or more		Percent in rest of metropolitan area	
	White	Nonwhite	White	Nonwhite	White	Nonwhite
Albany-Schenectady-Troy.....	505,400	9,081	Percent 67	Percent 95	Percent 33	Percent 5
Binghamton.....	183,799	899	65	96	35	4
Buffalo.....	1,041,444	47,786	69	93	31	7
Rochester.....	479,385	8,247	68	95	32	5
Syracuse.....	335,444	6,275	64	1 80	36	1 20
Utica-Rome.....	281,667	2,595	50	88	50	12

¹ Three-fourths of the suburban nonwhite population of Syracuse resided in 1950 on the Onondaga Indian Reservation to the south of the city. Were it not for the reservation, the percentage for Syracuse would approximate that of other areas.

Source: U.S. Bureau of the Census. "U.S. Census of Population: 1950." Vol. II, "Characteristics of the Population." Pt. 32, New York. U.S. Government Printing Office, Washington, D.C., 1952. Table 34.

TABLE 3.—Nonwhite dwelling units in major cities outside New York City, 1950 census

	Total number dwelling units	Total number nonwhite dwelling units	Percent non-white dwelling units are of total
New York State.....	4,325,139	233,230	5.4
Albany.....	42,444	1,537	3.6
Binghamton.....	23,834	189	.8
Buffalo.....	166,743	8,393	5.0
Mount Vernon.....	20,976	1,868	8.9
New Rochelle.....	16,426	1,625	9.9
Niagara Falls.....	26,202	773	3.0
Rochester.....	101,231	1,828	1.8
Schenectady.....	28,816	379	1.3
Syracuse.....	64,459	1,050	1.6
Troy.....	21,013	258	1.2
Utica.....	30,408	382	1.3
Yonkers.....	44,909	1,209	2.7

Source: U.S. Bureau of the Census. "U.S. Census of Housing: 1950." Vol. V, "Block Statistics." U.S. Government Printing Office, Washington, D.C., 1952.

TABLE 4.—Population composition of wards or tracts containing 75 percent or more of the city's nonwhites

10 NEW YORK CITIES, 1950

Ward or tracts	Percent of city's nonwhite population contained in ward or tract	Population composition of ward or tract	
		Whites	Nonwhites
Albany (19 wards):	Percent	Percent	Percent
3.....	17	74	26
6.....	16	84	16
6.....	8	85	15
7.....	28	71	29
8.....	9	86	14
12.....	7	92	8
Total (6 wards).....	85		
Binghamton (13 wards):			
1.....	13	99	1
7.....	58	92	8
11.....	9	99	1
Total (3 wards).....	80		

TABLE 4.—Population composition of wards or tracts containing 75 percent or more of the city's nonwhites—Continued

Ward or tracts	Percent of city's nonwhite population contained in ward or tract	Population composition of ward or tract	
		Whites	Nonwhites
Buffalo (72 tracts):			
13.....	7	75	25
14.....	34	10	90
15.....	17	53	47
25.....	12	73	27
32.....	14	72	28
Total (5 tracts).....	84		
Mount Vernon (21 tracts):			
26.....	6	77	23
27.....	11	65	35
28.....	17	29	71
29.....	34	31	69
32.....	9	62	38
33.....	6	80	20
Total (6 tracts).....	83		
New Rochelle (13 tracts):			
60.....	8	83	17
61.....	7	82	18
62.....	7	87	13
63.....	18	67	33
64.....	37	41	59
65.....	12	82	18
Total (6 tracts).....	89		
Rochester (88 tracts):			
3.....	17	60	40
4.....	8	89	11
11.....	8	62	38
12.....	21	51	49
13.....	13	79	21
27.....	8	85	15
Total (6 tracts).....	75		
Syracuse (61 tracts):			
32.....	36	58	42
33.....	31	73	27
34.....	6	93	7
42.....	16	87	13
Total (4 tracts).....	89		
Utica (29 tracts):			
1.....	7	80	20
2.....	61	68	32
3.....	7	96	4
5.....	13	86	14
Total (4 tracts).....	88		
White Plains-Greenburgh (24 tracts):			
88.....	6	86	14
90.....	10	68	32
92.....	6	89	11
93.....	21	53	47
109.....	30	66	34
115.....	5	90	10
Total (6 tracts).....	78		
Yonkers (24 tracts):			
1.....	7	96	4
3.....	21	79	21
4.....	28	87	13
5.....	8	84	6
18.....	19	21	79
Total (5 tracts).....	83		

Sources: U.S. Bureau of the Census: "U.S. Census of Population," 1950. Vol. III, "Census Tract Statistics." U.S. Bureau of the Census: "U.S. Census of Housing," 1950. Vol. V, "Block Statistics."

TABLE 5.—*Characteristics of housing*

8 UPSTATE NEW YORK CITIES, 1950

	All dwelling units	All dwelling units in wards or census tracts containing 100 or more non-white households
ALBANY		
Condition and plumbing facilities:		
Number reporting.....	41,323	7,936
No private bath or dilapidated..... percent..	17.0	38.5
No running water or dilapidated..... do.....	6.6	19.9
Persons per room:		
Number reporting.....	40,948	7,830
1.51 or more..... percent..	2.3	3.7
BINGHAMTON		
Condition and plumbing facilities:		
Number reporting.....	23,306	1,425
No private bath or dilapidated..... percent..	10.0	22.9
No running water or dilapidated..... do.....	3.8	8.7
Persons per room:		
Number reporting.....	23,106	1,420
1.51 or more..... percent..	2.2	4.2
BUFFALO		
Condition and plumbing facilities:		
Number reporting.....	163,174	34,111
No private bath or dilapidated..... percent..	12.5	23.5
No running water or dilapidated..... do.....	5.0	13.3
Persons per room:		
Number reporting.....	163,957	34,100
1.51 or more..... percent..	1.4	2.6
NIAGARA FALLS		
Condition and plumbing facilities:		
Number reporting.....	25,860	3,314
No private bath or dilapidated..... percent..	11.8	19.0
No running water or dilapidated..... do.....	3.3	5.7
Persons per room:		
Number reporting.....	25,582	3,292
1.51 or more..... percent..	2.2	5.4
ROCHESTER		
Condition and plumbing facilities:		
Number reporting.....	98,362	6,881
No private bath or dilapidated..... percent..	9.2	25.5
No running water or dilapidated..... do.....	3.5	13.7
Persons per room:		
Number reporting.....	98,074	6,884
1.51 or more..... percent..	1.5	4.1
SCHENECTADY		
Condition and plumbing facilities:		
Number reporting.....	28,136	842
No private bath or dilapidated..... percent..	9.1	35.6
No running water or dilapidated..... do.....	3.7	28.4
Persons per room:		
Number reporting.....	28,101	851
1.51 persons..... percent..	1.1	2.8
SYRACUSE		
Condition and plumbing facilities:		
Number reporting.....	63,075	4,408
No private bath or dilapidated..... percent..	15.6	30.3
No running water or dilapidated..... do.....	6.3	17.4
Persons per room:		
Number reporting.....	62,415	4,330
1.51 or more..... percent..	1.5	4.3
UTICA		
Condition and plumbing facilities:		
Number reporting.....	29,919	
No private bath or dilapidated..... percent..	16.3	
No running water or dilapidated..... do.....	3.9	

TABLE 5.—Characteristics of housing—Continued

	All dwelling units	All dwelling units in wards or census tracts containing 100 or more non-white households
UTICA—CON.		
Persons per room:		
Number reporting.....		
1.51 or more.....percent.....		

Source: U.S. Bureau of the Census. "U.S. Census of Housing: 1950." Vol. V, "Block Statistics." U.S. Government Printing Office, Washington, D.C., 1952.

TABLE 6.—Characteristics of dwelling units in census tracts with 250 or more nonwhites

BUFFALO, N.Y., 1950 CENSUS

	Total dwelling units	Nonwhite dwelling units
Condition and plumbing facilities:		
Number reporting.....	34,574	7,882
No private bath or dilapidated.....percent.....	23.3	35.8
No running water or dilapidated.....do.....	13.3	27.5
Persons per room:		
Number reporting.....	34,563	7,961
1.01 persons or more.....percent.....	10.7	17.7
Contract monthly rent:		
Number reporting.....	24,193	6,123
Less than \$10.....percent.....	0.4	0.3
\$10 to \$19.....do.....	20.1	20.4
\$20 to \$29.....do.....	41.1	45.0
\$30 to \$39.....do.....	19.6	19.8
\$40 to \$49.....do.....	12.2	9.8
\$50 to \$74.....do.....	5.6	3.5
\$75 or more.....do.....	0.9	1.1
Median.....	\$27.18	\$26.50
Value of one-dwelling unit structures:		
Number reporting.....	3,122	490
Less than \$3,000.....percent.....	7.0	11.6
\$3,000 to \$3,999.....do.....	13.9	21.4
\$4,000 to \$4,999.....do.....	14.8	15.7
\$5,000 to \$9,999.....do.....	53.0	43.7
\$10,000 to \$14,999.....do.....	8.8	5.5
\$15,000 or more.....do.....	2.5	1.2
Median.....	\$6,350	\$5,150

Source: U.S. Bureau of the Census. "U.S. Census of Population: 1950." Vol. III, Census Tract Statistics, ch. 8. U.S. Government Printing Office, Washington, D.C., 1952. Tables 3 and 5.

TABLE 7.—Characteristics of dwelling units in 33 census tracts with 250 or more nonwhites

WESTCHESTER COUNTY, 1950 CENSUS

	Total dwelling units	Nonwhite dwelling units
Condition and plumbing facilities:		
Number reporting.....	47,738	6,566
No private bath or dilapidated.....percent.....	14.0	33.8
No running water or dilapidated.....do.....	6.2	19.9
Persons per room:		
Number reporting.....	47,144	6,713
1.01 persons or more.....percent.....	16.7	25.7
Type of occupancy:		
Number occupied.....	47,940	6,885
Owner occupied.....percent.....	30.4	19.7
Renter occupied.....do.....	69.6	80.3

Median monthly rental of renter occupied units

Census tract number and location	Total median	Nonwhite median	Difference
60, New Rochelle.....	\$48.81	\$29.75	\$19.06
116, North Tarrytown.....	38.64	24.43	14.21
4, Yonkers.....	44.29	31.91	13.62
48, Tuckahoe.....	40.98	28.47	12.51
80, Port Chester.....	37.68	26.61	11.07
133, Ossining.....	39.17	28.19	10.98
73, Mamaroneck.....	42.90	32.60	10.30
62, New Rochelle.....	37.56	27.27	10.29
27, Mount Vernon.....	48.34	39.98	8.36
109, Greenburgh.....	49.46	41.13	8.33
64, New Rochelle.....	46.80	39.62	7.18
143, Peekskill.....	33.88	27.80	6.08
93, White Plains.....	44.77	39.21	5.56
90, White Plains.....	36.16	31.01	5.15
3, Yonkers.....	27.51	22.86	4.66
32, Mount Vernon.....	45.46	40.98	4.48
61, New Rochelle.....	44.44	40.31	4.13
29, Mount Vernon.....	35.81	33.87	1.94
18, Yonkers.....	39.93	38.62	1.41
63, New Rochelle.....	46.78	45.88	1.10
28, Mount Vernon.....	41.56	40.90	.66

Source: U.S. Bureau of the Census. "U.S. Census of Population: 1950." Vol. III, Census Tract Statistics, ch. 60. U.S. Government Printing Office, Washington, D.O., 1962. Tables 3 and 5.

Mr. Tiffany, would you introduce the next witness?

Mr. TIFFANY. The next witness is Justice Polier, judge of the Children's Court of New York City. Justice Polier has been justice of the Domestic Relations Court of the City of New York since 1935. She has also served as counsel to the Emergency Relief Bureau of New York. She is a member of the New York City Foster Care Commission.

She is here to speak about the human effects of the housing problem as she has seen it evidenced from year to year in the Children's Court.

**STATEMENT OF HON. JUSTINE WISE POLIER, JUSTICE OF THE
DOMESTIC RELATIONS COURT, CITY OF NEW YORK**

Justice POLIER. Thank you.

Mr. Chairman, members of the Commission, as Mr. Tiffany has just stated, I have been invited to testify today on the effects of inadequate housing and segregated housing on the families of minority groups and inevitably, therefore, on the general community and the life of the city itself. It has been suggested that it might be particularly helpful if I could share with you some observations, study, and experiences that have grown out of my work as a justice serving in the Children's Court and Family Court of the city for the past 23 years. I have been asked to testify particularly on the consequences of inadequate and segregated housing on crime, on juvenile delinquency, on interracial relations, and on public education.

I am going, for a moment, to move away from the housing picture and then come back to it because I think there are certain basic things that one has to say in regard to this field.

Certainly every competent study of delinquency and crime has added to the overwhelming weight of evidence that there is an extremely close relationship between the family background and family experience of children and their subsequent misconduct. Some years ago I did a study myself of a cross section of 500 children as they came into our court or were brought into our court, and there I found that two-thirds of these children came from families who were either dependent on public assistance or whose family had no regular source of income. Only one out of four of this same group of children were living in a home with both of their natural parents and, so, inevitably, a majority of these children were likewise living in those areas of the city and in those buildings within such areas that would be described in housing terms as either unsatisfactory or, more likely, deplorable. So, burdened both by economic and emotional instability in their own homes, they were also subjected to the high incidence of delinquency, crime, and disease, characteristic of our urban slum areas.

I think we must realize that when, in addition to these factors, the families of minority groups are subjected to prejudice and discrimination which, therefore, forces the greatest concentration of families with problems into the most overcrowded housing in the least desirable neighborhoods, and at rentals higher than those paid by members of the majority groups for the same housing, the children are further disadvantaged in many ways—both obvious and subtle.

I can remember that when I served as counsel during the LaGuardia administration for our Emergency Relief Bureau we were very troubled by the fact that the rental allowance given to minority groups was so inadequate that we found many of these families having to use the very limited food budget allowed at that time to make up the difference between what should have been paid and what had to be paid for rent by minority families.

Now, before discussing some of the more obvious and perhaps also some of the subtle consequences of inadequate segregated housing, I would like to add one more word about children and the courts, and that is that one certainly rarely sees a child or young person brought before the court who comes from a home in which both parents care for the child, for one another, and where the parents have either a sense of purpose or achievement.

Among the children or young people brought before the court, one finds over and over again a great deal of fear of the real world,

an awareness of low family status, beyond anything that people who do not meet with these children may realize, little sense of personal worth and terrible discouragement as to their own future. In concluding a study of young people who had engaged in lawbreaking or withdrawn from the real world either through mental illness or the use of narcotics, Professor Chein of New York University a few years ago reported that they were all saying in one way or another, "I don't know what to do; I'm no good; I can't succeed."

So, it is surely not strange when, in addition to all the disabilities resulting from poverty and inadequate family life, a child or a young person belonging to a minority group experiences prejudice or discrimination and uncertainty that he's needed or wanted in the community that he should become more vulnerable to antisocial conduct.

I was particularly happy to hear the Chairman of the Commission bring out in his questioning a few moments ago the relationships, as he saw it, of housing to other problems because one of the things that one finds over and over again with young people, particularly for minority groups who face discrimination, is a sense of hopelessness about what education can mean when they go to work, and whether the things they are trying to work for are real possibilities.

The constant hurts, the uncertainties as to one's acceptance as well as objective discrimination violate a child's sense of justice, certainly his respect for himself, and also—and this is so important to the larger community—the ability of a child or a young person to reach out and function up to his capacity more effectively, therefore, in the larger world.

I think some of the recent articles in the Washington Post on the change in the ability of children to function in school where not only segregation was ended, but where there was emphasis on teachers having not the duty, but the right to teach wherever they were most needed is an indication of what happens in a community to children when they sense a different atmosphere as well as different opportunities. The extent to which such hurts leave lasting scars is exposed in a few words of Countee Cullen far better than what I can do when he wrote that beautiful verse and moving verse :

Once riding in old Baltimore,
 Heart filled, head filled with glee;
 I saw a Baltimorean keep looking
 Straight at me.
 Now I was eight and very small
 And he was no whit bigger;
 And so I smiled but he poked out
 His tongue and called me 'Nigger.'
 I saw the whole of Baltimore,
 From May until December;
 Of all the things that happened there,
 That's all that I remember.

To see the problems of the children of ethnic minorities in this city in perspective, it may be worthwhile, as Commissioner Reid did in a way, to look back at what has happened to the succeeding immigrant groups that have built this city.

Commissioner Reid spoke of the fact that they had settled in groups where they knew one another and spoke one another's language and, so, felt at home, but I would like to also point out, because I think it is important, that we remember that, as each new immigrant group came to New York, one finds a history of a period of high delinquency and crime within that new immigrant group. It was true of the poor Irish driven to this country by the potato famine; it was true with the turn of the century when the Italian mass immigration came and people seeking a livelihood, and it was true of the large Jewish immigration escaping from the programs of Eastern Europe. All these groups at first lived in highly concentrated areas in New York; but, as they got work, as their children came to speak English, as they became integrated in the community, they moved from the ghettos, and one found rather rapidly a sharp drop in both delinquency and crime.

These people, then, found not only the opportunity to earn a living, but to move into parts of the community consistent with their ability and their free choice; and, in sharp contrast, members of the Negro community and, to a similar extent, the Puerto Rican community, have not had, as you have heard over and over again, the same opportunity for mobility.

Members of ethnic minorities pay, as I mentioned before, substantially more for the same poor housing compared to white citizens and, as generally throughout the United States, which has been brought out in that excellent report which I think you heard this morning from the chairman of the Commission on Race and Housing, these people have to live in homes far below the general standard of living for the community. They are increasingly becoming the only large groups remaining in our city slum areas, and this means that they and their children are subjected, as no other groups, to the fire hazards, the dirt, the ugliness and the sordid influences characteristic of slum areas.

I think there's one thing more that we've got to realize that may seem subtle, but to me is equally significant, and that is that these children and young people are surrounded by people who have failed or seemed to fail in terms of our competitive society and whose failure and the often resulting defeatist attitudes toward life are impressed on the children of these areas.

A few weeks ago I saw a very interesting study, a comparative study of students in several high schools in New York City, and it showed that the IQ's—a questionable scientific way of determining

ability, but of some value, certainly—indicated that the tests ran higher in certain white schools than predominantly nonwhite schools. At the same time it showed that the girls in the nonwhite group were doing better than the boys, and further tests indicated that when the boys were asked in the nonwhite group what they hoped to do there was a terrible vagueness and “I don’t know.” Among the girls in the nonwhite group were many more answers of: “I want to be a teacher. I want to be a nurse.”

One of the problems that we face in this whole picture of a changing society is that at this moment there seem to be more opportunities that are realizable, that constitute realizable goals, for our nonwhite girls than our nonwhite boys, and if it seems the case this means that there is more reason to work, more reason to learn, because there’s more reason to hope; and one sees that reflected even in academic achievement in so-called IQ tests.

I think it throws a good deal of light and a pretty serious responsibility on all of us who see young people so early in life become so discouraged as to their own futures.

The absence of tradition, certainly, of strong or stable family relations that exists in underprivileged areas is thus augmented by all the pressures in our slum areas and the daily irritations that contribute to family conflicts and the broken home, and I think that, while we may believe, as I do, that things and material success do not make a good home, we’ve also got to be honest enough to face the fact that poverty, that overcrowding, that slumdwelling, that a sense of low social status or failure and the constant discouragement of surrounding sordid conditions can do much to undermine even what might have been or what might be an ideal home. When even a degree of material success in the form, let’s say, of increased income does not escape from such conditions, certainly the impulse to secure immediate satisfactions outside of the home, whether it be through an expensive car or drinking or other forms of conspicuous display of what we call success, is inevitable. The solid satisfaction of securing or making a better home for one’s children in a good neighborhood being denied, the motivation for sacrificing immediate pleasures to achieve more meaningful satisfactions is surely often undermined, if not destroyed. This is one of the areas where our inadequate and segregated housing plays an important part.

I think there are additional serious and tragic consequences that follow inevitably from the segregated housing pattern for minority groups in a large city such as this.

I don’t think you were here, but you may have noted that recently there was a very dramatic story that hit some of our front pages that told of a Puerto Rican family of 12 driven from a tenement that had been found so dangerous that it had to be closed, only to be placed in

a single room because no decent housing could be found even with the help of the Department of Welfare in the city of New York for this large family. Well, we see a story like that one day, and we forget it, and I must say that I am afraid that, for the most part, the white community is unfamiliar with the conditions under which a large proportion of nonwhite citizens are forced to live out there lives. I think it was Disraeli who once said that there was hardly a woman in England who would not be more disturbed by the smashing of the joint of her small finger in a carriage door than by hearing that a million children had died of famine the preceding week in China. I don't think it is that we are inhuman. I think it is, rather, that we rarely have enough imagination to understand or to be moved by the suffering of others that we either do not see or know about directly, and in large urban areas such as this and many other cities throughout the Nation the whole concept of neighborliness, of neighborhoods, has really become quite meaningless.

Certainly over and over again in our complex world of urban areas one finds the child who has been suffering deprivation and hurt for years not known to or not noticed by neighbors, teacher, or minister until finally the child turns upon and acts against some other person or against the community by which he has so long been neglected.

This situation, together with the inadequate and segregated housing for nonwhite citizens, and, I must add in all candor, a lack of sufficient sense of responsibility on the part of both private and public agencies have led to far less adequate preventive and treatment services for the children of nonwhite families, even though their needs are among the greatest. Let me go back for one moment to the study done by Dr. Sophia Robinson in 1936 under the title "Can Delinquency Be Measured?" She pointed out, after a thorough study at that time, the comparative figures on delinquency of white and Negro children taken from all courts' records could not be regarded as valid since, as she states in this, her conclusion—and I quote the words: "The Negro child is known almost exclusively to the Children's Court and other official agencies." This means that while voluntary charitable and religious agencies were handling the problems of many white children similar to those of Negro children in the absence of similar and equal services, even on this basis, for Negro children they had to be brought directly to the court or some other official agency.

The police knew—other people knew—that there was no intermediate step. I know that I was deeply moved when I first went on the bench. The probation officer stood before me one day and said a little boy who had gotten into difficulty, found sleeping on a roof, ran away from an impossible family situation, had been stealing at the age of 10, would have to be left where he was and kept on probation until

he either committed a felony or reached the age of 12 when he could be sent to the State school, and the only reason was because he was a Negro child.

Now, that is 23 years ago, and I am happy to be able to report to you—and I think it is not unrelated to some of the things you have been asking about—that since 1936 we did achieve a local law that prohibited any child-caring agency which received public funds from discriminating in the acceptance of a child on the basis of race or color.

I am even happier to be able to report that, just as that law reflected the awakening conscience of the community, social agencies have, to an increasing extent, begun to face their responsibility to the children and families without regard to race.

If I may, I would like to say parenthetically here that I would somewhat disagree with Mr. Abrams on his evaluation of the meaning of legislation. I think legislation is not just a statute. I don't think it is just symbolic. I think legislation that reflects the conscience of a community creates a standard of morality which makes it harder for people to deviate from, and easier for those who wish to abide by it, to abide by it. I also think that, even though the conflict in securing legislation may be tough, though it may arouse passion and anger, in the long run it is an educational process through which the American community learns and is better able to function.

Now, I think that when I go back to what I was trying to say I would like to add that in this field of child care, too, still much remains to be done in New York, and I don't want to paint a dishonest or too rosy picture, but we have begun to realize the invalidity and the danger of certain old assumptions based on ignorance and prejudice, such as that good foster homes could not be secured for Negro children, that adoption was not possible for the nonwhite child, though he would never have a home in any other way, or the child-caring agencies could not fulfill their mission if they accepted nonwhite children or more than token representatives from such groups; and certainly, as professional opportunities for young Negro men and women have been opened and as the exclusion of children from child care programs on the basis of race has diminished, we have learned how much talent this community formerly failed to develop and how many children can be salvaged if the bars of prejudice and resulting discrimination are lowered.

Here again I would like to go back to housing because the inadequate and segregated housing strikes right at the heart of any adequate child care program. We have in New York today, in this great city, over 1,600 children almost on every night known to be in need of placement outside of their own homes, for whom we have not got

adequate foster home care. A large proportion of these children are Negro children, Puerto Rican children—not, now, because the social agencies are not concerned, but because we cannot find sufficient good homes in which Negro families can accept an additional child because they can't meet the minimal requirements of adequate housing, although they're good people and could give good homes to children; and, so, here again this inadequacy in segregated housing not only hurts the families who are living in it, but prevents children who are left in utterly woeful family situations, in shelters, month after month and year after year, and even in well baby wards and hospitals, from really having their childhood experiences in a happy family which are so essential to their growing up and becoming normal human beings.

Again and of great significance, I believe, is the effect on education of our inadequate and discriminatory or segregated housing pattern. Surely the segregation de facto in our housing picture has led to the growth of far too many schools that are either predominantly composed of white children or of nonwhite children. We're happy to report, as you know, that there is no legislative authority for it, and we're happy to report that for the most part it does not create any great social or communal problem.

The fact is that the residential segregation has resulted, in the junior high school picture, which I have been studying recently, in our now having 16 junior high schools where 85 percent or more of the children are nonwhite and 52 of our junior high schools where 85 percent of the children or more are white, in many cases 98, 99 percent, so that we don't even have a way, unless we are going to do some far more imaginative districting and busing out and a lot of other things, to really have a proper and sound distribution so that children can learn to study together, to work together and to play together as equals.

That the nonwhite child, for the most part, lives in the most undesirable localities has, of course, caused many teachers to prefer schools in other areas. Teachers aren't likely to live in these undesirable areas. So, apart from any attitudes of prejudice that may or may not exist, or even the additional teaching problems that accompany working in underprivileged areas, they prefer, naturally, to avoid unnecessary travel; and, so, again the separation or ghettoization of a segment of the community dulls the knowledge and concern of not only a majority of citizens, but a majority of teachers and people of the teaching profession concerning the inadequacies in education, as in child care or as, indeed, in housing, itself.

I'm sure that in the course of the hearings today and tomorrow something has been said and more will be said about the problems of hard-core families who have caused serious problems to the city housing authorities and have, to some extent, brought the name of

public housing into disrepute. You know, as a person who has worked in the field of juvenile delinquency for a long time, I'm very aware of the excitement that has been prevalent in the last couple of years about juvenile delinquency and the recurrent swings from indifference to concern. I am also aware that at times our press and even some public officials have seemed to become somewhat hysterical and act as if the whole generation in the United States were going to the dogs. America has had to be reminded many times in recent years of the fact that 97 percent of our young people do not get into conflict with the law and that we need to seriously seek and provide better ways for coping with and truly helping the 3 percent who are disturbing and generally disturbed children or young people. I have also noticed that often those least concerned with facing the real problems and, I may add, least ready to meet the costs of good services have shouted the most.

I mention this because it seems to me that a similar attitude has become prevalent in regard to the development of more adequate and nondiscriminatory public housing in our large urban areas. Certainly it's true that as the only large source of good housing at low rentals is provided through public housing a disproportionate number of broken families, of families in which physical or emotional problems have made public assistance the only steady income, will find housing only through the public authority. However, despite these facts, I quote a recent study of one of our public housing projects, which was predominantly tenanted by nonwhites in an underprivileged area, which showed that 109 out of 1,526 families—that's 7 percent—represented the bulk of the problem families in the project; and today I was happy to hear from Commissioner Robbins, for whom I have the greatest respect as an expert in the field, that the latest study of a cross section placed the figure only at 3 percent, not very different from the figure of juvenile delinquency or young people getting into conflict with the law.

Now, I don't want to bespeak policy and shout about this or seek to underestimate what problems either 3 percent of our youth who come into conflict with the law or 3 or 4 or 5 or 6 or 7 percent of our public housing tenants can create, but I would urge, instead of being overwhelmed by such problems, we face the problems, plan wisely and plan well, and try to meet the challenge that our new urban communities are really presenting.

I think in doing so we must recognize the complex and difficult problems now arising as a result of the changing pattern of our urban development require that we find a way through which America can provide decent low-cost housing for all its citizens who need it; and here I would certainly agree with Commissioner Abrams that the quantity and the adequate rate of the extension of public housing is

absolutely essential to diminishing those slum areas which are breeding all the problems that we know are hurtful to this country.

The quality of such housing, its acceptance by the normal family, the way of life that becomes associated with it in the minds and the hearts of the community will depend, however, not only on whether it is sufficient in quantity, but whether we are prepared, as a Nation, through Federal legislation, through State legislation, and local legislation, to end the economic and racial stratification that has undermined its value not only for its inhabitants or tenants, if you will, but for the entire community.

I would like to, for a moment, say that one of the things that is immediately reflected in the lives and welfare of children and young people is the fact that, because of regulations, as family income goes up rents must go up a certain fixed rate. There are cases in which young men waiting to go into the service can't go to work because if they did the family would have just enough to exclude them from public housing, or a girl goes to work and is about to get married. It's a temporary new income. Certainly there has not been sufficient flexibility to encourage young people to work within housing projects and to remain part of their family life when it is in the best interest of both the child and the family that they do so.

I think we've also not realized, just as the public housing program had to be created in a period when we were first faced with a terrible depression, that now the changes that are coming about in our urban areas and our slum areas require that we think through the role of public housing and what must be done to encourage and keep the good family who is doing better within our public housing so that they can become the natural leaders of a community that is known as the public housing community. Instead of that, we have endless devices that drive them out and then we wonder why the community is without local and national leaders. This again is something we've got to rethink.

In closing, I would only like to add that I believe it is good that you have begun your hearings on housing in New York City. I think this city can properly pride itself on being the leader in the United States to date to use the democratic process of law to end the discriminatory housing authorized or tolerated—and I say this regretfully—by Federal, State, and local governments, which have all contributed in the past to the discriminatory pattern in housing. However, no one concerned with the American ideal of equality can be fatuous enough to expect the most ideal model laws alone to eradicate those elements in the city's life which have accumulated over the years as a result of the nationwide pattern of discrimination and the farflung attitudes of prejudice against ethnic minorities.

In a very real sense, the new laws have created and are steadily creating more healthy opportunities for living for more members of ethnic minorities in this city; but here again I would like to emphasize what Mr. Abrams said a moment ago, and that is the importance of the pattern of housing in the suburban areas or the areas around large cities.

As a member of a board of an interracial school that cares for emotionally disturbed children, I recently ran into an experience which, in a way, I think, symbolizes for me what is wrong in this field. We tried to get a new piece of land near New York so we could get better service and better treatment for our children. We found the local community quickly seeking to enact a new zoning rule which would bar children under the supervision of the Department of Social Welfare or the Department of Mental Hygiene and which would also bar factories dealing with fissionable material, and it seemed to me in a way it expressed the two fears of our world—the fear of our children and the fear of the atomic age.

Seriously, I must remind you, as you probably already know, that New York City, despite part of it being on an island, is not an island unto itself, that as the waves of newcomers arrive many bring with them the burdens and the hurts that discrimination and prejudice have placed upon them in the communities from which they have come, and it is only, therefore, as the national pattern of discrimination in voting, in education, in housing, is lessened by a full commitment to the American ideal of equality that the tragic consequences of inadequate and segregated housing on every aspect of the city's life will be ended here and in other parts of the country.

Commissioner HESBURGH. Thank you very, very much, Justice Polier. We, I think, have all been inspired by your wonderful and your compassionate statement. I use the word "compassionate" advisedly because, while we deal so much in these matters in the legislative context, I think we all agree in our hearts we have here a human problem which requires, first of all, compassion or sobriety before we can make an approach to the solution. Perhaps the problem is complicated by the emotional statements of prejudice and other things that enter into it, and perhaps it is only by counter-emotional statements of compassion that we come to some fruitful approach to the answer.

I thought the thing you mentioned that struck me the most at heart was the utter hopelessness of people who lack the one thing that America stands for, which is opportunity, and housing is one aspect of this opportunity. To that housing is linked family life, the conduct of youngsters, the neighborhood aspirations, the inspirations and the things that make good American citizens.

By way of question, I had a thought passing through my mind I would like to address first, and that is the question of New York's special problem of constant migrations of other people and all of their problems into this city almost like in a cul-de-sac or a dead-end street. While there are so many agencies which are trying to deal today with the problems of low and middle-income housing, have any of these agencies, to your knowledge, tried to do something about controlling this migration? It so happens that New York is not the only city in the United States that might bring some relief to people who want to migrate, and I don't know if there is any possibility of diffusing this migration somewhat throughout the country. I know it is still a large country. Do you have any thoughts on this matter?

Justice POLIER. I would like to say I don't regard New York City as a cul-de-sac. I think that has been thought many times after each wave, and I think the greatness of New York and one of its contributions to American life is that it has been able to absorb, to give many human beings who were looked upon as liabilities an opportunity to become assets in American life; and, to me, as I tried to indicate, one of the most exciting things in the past 20 years is to see the difference in the quality and quantity of leadership within ethnic minorities in New York City.

Let me give you an example. Some 20 years ago we began to recognize the relationship between emotional problems in children and their inability to learn. We did a study on three schools in the Harlem area, and we wanted to develop some clinical services for children who needed help. There were plenty of bright and able young Negro psychologists who had M.A.'s and even Ph. D.'s, but we couldn't find one who had been allowed clinical experience or had had it. So, we had to set about to find a way in which a young Negro psychologist could get clinical experience. I cite this only as one example.

The thing that has happened in the last 20 years is to see, as New York's own feelings and awareness have changed and its methods of meeting the problems, not just laws that prohibit, but the opening up of new opportunities and the eagerness with which those opportunities have been seized and have been used not only to the advantage of the individual, but really to the benefit of the community, and I think that we're a strong enough people and have such resources within ourselves—I'm not frightened by new people coming. I'm only frightened by the lack of the kind of integrity and readiness to meet problems that was always necessary to doing so and is perhaps a little more necessary in view of the speed with which our world is changing.

Commissioner HESBURGH. Justice Polier, there is another question I had, which may seem to get theoretical but I think has rather important implications to many things we have talked about today, and that is: You spoke of law as having an educative force, and I know we have had many discussions on this. I used to teach a class on the philosophy of jurisprudence and this came up at about every seminar we had, and the objection to this always is that sometimes the law gets out ahead of the people and their own aspirations and their own ethical level, if you will, and then it becomes a force for hardening opinions against the law.

I'm wondering if, in your experience dealing with youngsters who run a fowl of the law or with grownups who don't appreciate the purposes of the law in many cases, you think that, in a matter like this whole racial problem in regards to discrimination in housing and in regard to equal opportunity, in regard to all of the things that represent what you might call an open-end America, where everyone has equal opportunity, we are at a point today where we can promulgate laws that are certainly educative, but would these laws be too far out ahead of our own aspirations and our own ethical level?

Justice POLIER. Well, as a teacher of jurisprudence, you know that is a very difficult question to answer, but I would like to try.

Commissioner HESBURGH. It is a very loaded question.

Justice POLIER. Yes. I think that one thing we must recognize is that we're living in a country in which law has a particular role in our society, and I cannot see, if we believe in the democratic process of government, that we can say we don't want to go through the process of getting legislation now; it will cause conflict and difficulties and so forth; let's expect the Executive, through administrative procedures, to work out these problems or let's expect the judiciary to do it because of a provision in the Constitution of the United States. I think we've got to understand the role of the legislature, the Executive, and the judicial in a more profound way.

Certainly it is the responsibility of the Executive to exercise moral leadership in matters that reflect the welfare of the community and the aspirations of the community. The more he does so, the more he fulfills his role as the Executive or the Chief Executive.

Certainly the process of change in legislation, which affects mores and customs, prohibits some, permits others, is an undergoing process which changes as the people's sense of responsibility for certain things that they feel are wrong or are in conflict with the ideals of American society change, and only as these things are discussed, thoughtfully, hopefully not too often in such deep feeling as has been done in recent times, but still willing to feel the indictment, and lead to debate, discussion, and the enactment of law can you have a healthy society.

Certainly the concealing, the pretense these problems don't exist, the festering of them, the growing sense of discrimination on the part of an important part of our community is not solving the problem in the field of legislation any more than it is to hide one's realities concerning the atomic era or the spread of any physical disease such as infantile paralysis for the lack of any such serum at the time it is needed.

I don't think we have a right to expect either the Executive or the judiciary to carry this role alone. I think the roles have been very well set forth, and I think each area of Government has its full responsibility, and in this case the legislative branch of the Government has the greatest.

Commissioner HESBURGH. Thank you very much. Dr. Hannah, do you have any questions?

Chairman HANNAH. No.

Commissioner HESBURGH. Dean Storey.

Vice Chairman STOREY. Justice Polier, you have made a great impression, I think, here and given us some facts to think about, and particularly appealing to me is this problem of juvenile delinquency, and you have outlined many causes and many reasons, one of which is the influx or the great influx of the population, and particularly the Negroes and the Puerto Ricans, since World War II. Naturally, we are not only interested in collecting the facts, but to have suggestions about what might be recommended as remedial measures.

I understand in New York the Puerto Rican Government has a Bureau of Migration whose responsibility it is to assist Puerto Ricans, those who have just arrived, to be located in housing and jobs, et cetera. Would you kindly tell us something about that, if you know, and whether or not it is effective and whether or not there is any other similar agency engaged in such a work, say, for example, for the Negroes coming from the South?

Justice POLIER. Well, I will be very glad to try to answer your question, but I would not want what I said misunderstood. I spoke of the fact that every new immigrant group as it came to New York seeking to find its place in a complicated society always had shown a high incidence of social problems, including delinquency and crime, at the beginning of its coming into this area. I did not select either the Puerto Rican or Negro group as unique, but tried to point out they were not unique.

Now, certainly, in view of our segregated and inadequate housing facilities, many people coming to New York, hoping to make a living, hoping to find better opportunities for their children, hoping to see the end of prejudice and discrimination against their children, come to New York with high hopes that are not fulfilled, certainly not at

first, and one of the things that has often troubled me most was to see young people who came to New York thinking or being led to feel they were coming to a promised land of complete freedom and then finding the burdens that are inevitably attached because of this long tradition of segregation and inadequate housing and lack of other opportunities, and my feeling is that when a child is aware that his parents are not treated as others are, the same opportunities are still not open to him as other children, that he has to live in a certain part of town or go to a school that is older than the school of the children who may not be of the same color or race, certain things happen that are destructive.

I think if we have children of our own, as I do, one is certainly aware that the person who is quickest to sense the difference between what a parent says and what he does is a child, to sense any sham in one's moral teachings, to be aware of the difference between protestations and actual action; and I've often wondered, therefore, in a community in which children are brought up in which we have talked a great deal, whether it be here or in the South or any other part of the country, about freedom, equality, the human dignity, the fact that man is made in the image of God, which the rabbi once said is certainly the first declaration of civil rights in the world, what happens to the inner values of the child which constantly sees this conflict, this process, this vast gap. I can't believe it helps to have a child's sense of moral and social values grow and be healthy. So, I think there is a very great hurt every time there is disparity between what we teach and what we do, between what we say and what we live.

You ask me what is happening. I would say the Puerto Rican committee of which you spoke has done two things: They have worked in Puerto Rico to try and raise standards there and to help get the kind of training that will prepare people more wisely so that they will not come to New York unprepared for what they're going to face, which is a realistic approach, and have also tried to work in regard to the employment opportunities here. I don't know of any specific work they've done in housing, but that may be my ignorance.

I think, however, there has been a very unjust myth spread about the Puerto Ricans. I have seen stories about the very high proportion among welfare and a lot of other stories. I think, actually, people who work closely with them find that, while their traditions and customs are different from our own, there is a very great warm relationship usually between mother and children, a good deal of happiness and gaiety in the home and a very real desire to work, that there is not a disproportionate number dependent upon public assistance. I think they are a very hard-working community and I think they have been quite maligned in that regard.

When you say, "Is anyone doing anything similar in the South?" I have heard of nothing except the very unhappy suggestion that was in the press a few days ago that a bonus would be paid to American citizens who happened to be Negro so that they would leave their homes in the South and come up North, which didn't seem to me like an offer of aid, but rather as an insult.

I think certainly there are groups in New York, such as the Urban League, which is an interracial and nonsectarian group of citizens, who have been working here as they have in other communities to improve economic opportunities, secure job openings, try to help develop better standards in our schools and to work on social facilities which are needed in the Negro community; but these efforts have been interracial in New York and they have been nonsectarian. There have also been sectarian agencies that have sought to do the same sort of thing—the work in Harlem under the Catholic and Protestant auspices; things of that kind. The community settlements, which have made a great contribution in New York, and our neighborhood houses, facing the changing neighborhoods, have tried to get to families and tried to help them meet the problems as they find them in the city.

Vice Chairman STOREY. Thank you.

Commissioner HESBURGH. Governor Carlton.

Thank you very much, Justice Polier. We appreciate your coming and your fine contribution.

Justice POLIER. Thank you. [Applause.]

Commissioner HESBURGH. Mr. Tiffany, would you introduce the final group?

Mr. TIFFANY. The last witnesses today are private citizens from the Springfield Gardens section of Queens, where a community is in racial transition. With the cooperation of the City Commission on Intergroup Relations, we have arranged to have the story of what happens in such a situation discussed with us by the three witnesses who have been community leaders in facing this problem. Mrs. Evelyn Klavens, who will speak first, is chairman of the Block Organization of the Neighborhood Relations Committee of the Tri-Community Council, which comprises the areas of Springfield Gardens, Rosedale, and Laurelton in Queens. She is also a member of the Board and Chairman of the Community Relations Committee of the Parent-Teachers' Association of Public School No. 37. She will speak first. Also here to add to her statement or join in the questioning are Mr. Bernard Berly, an attorney, who is chairman of the Neighborhood Relations Committee, and—this is a substitute, Father Hesburgh—Rev. David VerNooy in place of the Rev. David Sheldon. Reverend

VerNooy is cochairman of the Block Organization Committee and is minister of the Springfield Gardens Methodist Church.

Mrs. Klavens.

Commissioner HESBURGH. Will all three of you come up, please?

STATEMENT OF EVELYN KLAVENS, COCHAIRMAN OF THE BLOCK ORGANIZATION COMMITTEE OF THE NEIGHBORHOOD RELATIONS COMMITTEE OF THE TRI-COMMUNITY COUNCIL, SPRINGFIELD GARDENS, ROSEDALE, AND LAURELTON, QUEENS, N.Y.

Mrs. KLAVENS. Gentlemen, we're here to tell you what happened in Springfield Gardens when a group of unscrupulous real estate dealers began a blockbusting campaign.

Let me tell you first a little bit about our community, about the affected area of our community, because this does not take in all of Springfield Gardens at this point. We're a community of one- and two-family homes, by and large, ranging in age from 11 to 30 years—not a new community. For a number of years there have been Negro people living in the area, scattered throughout. This did not cause any undue turmoil. There were a few people who, as Negro people moved in, did move out, but it wasn't an exodus kind of thing. There wasn't a mass kind of turmoil. The schools had done a good bit in the area to kind of cement relations—and you will hear more in relation to what the clergy had done to cement relations and help people learn to live as neighbors on a block.

What had happened was within, I would say, the last year we began to notice much more activity in terms of moving, and it seemed to be preceded by a kind of doorbellringing, car-pool delegation. It was really called to our attention—you see, we had not gotten the broad picture in the community as a whole, so that we did not know too much of what was happening on all of the blocks. The thing that really crystallized the situation for us and began to get us moving a bit was in an area around my immediate block.

The block behind me had its first Negro family move in this past summer and within, I would say, or almost at the same time the family's moving van moved away a small group of real estate interests moved in with them, in a very literal sense. The telephones began to ring from 9 in the morning until 10 at night not only on that particular block, but all the blocks in the area. I guess there was something of a telephone map or something that they were able to secure to know whom to call and where.

At the same time there were car pools that would pull up—we would see them—at the beginning of the block and six and seven real estate dealers would get out and kind of fan out in the area, geographically dividing up the houses amongst them. It was enough to create

a panic just to watch this kind of thing going on, and you couldn't miss it, you see, and the kind of things that were spread were only things that would cause racial tensions.

You know, whenever a community begins to change, whether it is an ethnic or a religious, but primarily a racial, there are great fears and anxieties. They are based on all kinds of reasons. Our community, since it is not a community of new houses, has had changes in the past. First, there was the ethnic change, and then the religious, and then at this point the racial. Of course, the racial brought on many more fears for the reasons that we're all aware of; but, as I say, there was a business of people feeling—well, if it stayed in a certain pattern, if it wasn't an overwhelming thing, it was something we were ready to live with.

What happened along with it—as I say, these men fomented the worst kind of racial tensions by bringing out the worst fears, things that people had perhaps thought of back in their mind, but they were not a problem at this point, so that there was all kind of things going around. In addition to the racial tensions, there were untruths about the number of houses that were on the market. It got to a point where in the block behind me—there were approximately 24 to 25 houses—supposedly 17 to 20 were up for sale at one point.

Now, it will interest you to know that this whole activity was gotten moving by housewives. Housewives, as you know, can be a very effective group. We're the people who live in the neighborhood, and we're going to decide what's going to happen. We're home. The husbands just come home in the evening, but we're there. The housewives got up a bit in arms. They had their fears; they had their prejudices, but they felt, by gosh, nobody was going to tell them what to do; if they were going to do it, they were going to do it of their own volition—and this kind of got their backs up a little bit, and the feeling was not knowing where to go or what to do, but that something must be done.

Now, I was one of the persons appealed to because I am on the executive board of the PTA, and perhaps I can speak a little more fluidly and a little louder than perhaps a lot of other people. So, they came to me and said, "Well, now, you put that to use and see if you can find out what we can do and where we can go."

So, we did begin by going into our PTA board and discussing this problem, and feeling that the first place for us to take the situation was into our Tri-Community Council. Now, we are very fortunate in having such a group. Our Tri-Community Council is a coordinating group of three areas, of Rosedale, Laurelton, and Springfield Gardens. It coordinates the activities, the schools, the churches and the community organizations in the area. They are, fortunately, not a group that puts its head in the ground as an ostrich and says,

“Well, now, this problem doesn’t confront us.” They were aware that our community, as well as any other eventually, is going to have to handle this situation, so that for years—I would say anywhere from six to eight—there has been a human relation workshop going on in the area, in the schools and in other areas of the community, which kind of laid a basis perhaps for the neighbors to get their backs up. Let’s put it that way.

In addition, as I mentioned—and you will hear more from Reverend VerNooy—the clergy in the area have been doing just a fabulous job—we can’t praise them enough—in terms of trying to maintain a balance, of easing people’s passions and feelings in this situation.

The other very extenuating situation is the wonderful desirability of our community, because people have said, “How come such a project could get going in your community and perhaps not in another? Is your community so unusual?” And, believe me, when I say—perhaps I would like to say we are, but we aren’t; we are just average New York citizens, like any other community you could find anywhere, with a mixture of all kinds of people in terms of economic levels and religious levels, and in terms of the racial levels now, too, but when I say desirable I mean it in this sense: We are a lovely community, and geographically we’re wonderfully located. You know, you hear the constant battle of urbia versus suburbia. Well, we kind of feel we have combined both. We are a residential area reasonably far out in the suburbs, but close enough to be able to be a part of the city. We are in Queens, in the five boroughs. We are close enough to city transportation to make it convenient for our husbands to get to work and for us to make use of the wonderful facilities of the city. Our schooling is excellent. We’re close to shopping. If you have seen our clergy’s statement, which you will hear more about later, you know we’re close to all kinds of churches and religious institutions. The feeling is we want to stay here, and this is the thing, I think, that was the real extenuating factor in being able to get such a project moving. We want to stay because it’s a convenient community, because we like it, and then there’s another very extenuating circumstance in New York. There is a Brown-Sharkey-Isaacs law which has become the law of the land as of April 1958.

Now, I don’t have to acquaint you gentlemen with the facts of what this law states, because I don’t know it that well myself, except in the very broad terminology, but my understanding of it is that, as a result of it, in any development of at least 10 houses there can be no restrictive covenants. My neighbors are very much aware of this, and the feeling is: Well, we may as well stay here and learn to live with our neighbors on a block because this is something we’re going to have to learn, no matter where we go. Here it’s economical and convenient for us. We have our roots in this community. We

like it. We have lived here for years. Our stakes are here. So, using this kind of basis, we were able to go into our tricommunity group with the wonderful basis that was set for us by them—it's a kind of an interwoven thing—and get something moving.

Now, as a result of taking this problem into our Tri-Community Council, they were able to call on this just wonderful commission—as I say, I am at a loss for words in some of this—the mayor's Commission on Intergroup Relations, which came into our area, proposed a committee and a way of work that has begun to bear fruits, and it really has.

I can say the very first block that we worked on was the block in my immediate area, which was panicking and no one knew who was selling and what was happening. We used the technique recommended to us by the Commission on Intergroup Relations, and that was to call a block meeting of the people concerned, gathering them together as neighbors in another neighbor's house, pointing out the situation in a realistic way and asking them how they felt, and it was just an amazing and wonderfully fruitful experience to hear them say, "What is all the fuss and fury about? Are you selling? Are you selling? We're all staying put."

As I say, out of this came something—not free of fear, not free of anxiety, not Utopia. There are still the prejudices and the fears and the problems, but we're ready to sit down as grownup, mature people and try to work it out because, in addition to this Brown-Sharkey-Isaacs law, we live in a world now where the boundaries are coming closer, and we feel that we have got to start applying this to our own community in learning to live as neighbors on a block. Now, we have started there on a block basis. It has extended at this point to a large committee, which is solidly backed by our community. I think it is a wonderful thing, and we can say it. There are individual differences, and that's democracy, you know, within our committee; but, by and large, in the overall focus of what we want to do there is a real unity and a real desire to work together.

We have set up a very broad committee which has at this point three different facets. One is our Block Organization Committee; one is a Real Estate Committee, and then we have what we call a Public Information Committee. Now, my specific job is, with Reverend VerNooy, to cochair the Block Organization Committee. We are quite loose in our parliamentary procedure. We're working with neighbors, you know, and we don't worry too much about protocol, but our overall purpose is to keep ourselves alerted to panic in the area, to do an overall, very broad educational job. We're not going to foist anything onto anyone. We're in business, as we put it, because the community wants us to be. They were the ones that got

this started. We didn't. They asked us to do something, and we are doing something.

We have at this point, I might say—how successful we'll be with the future there's no saying, you know; the future we'll have to work with and see, but at this point I can say—we have stopped the blockbusting, and I think real estate agents, unless they are called, are afraid to come into the area.

We don't want to hurt anyone's business, but we don't want them to tell us what to do. If we want to sell, we will call upon them, not let them come in and tell us we must sell, that we cannot live this way, you see, and we have averted that aspect. They are not hounding us. We are getting circulars in the mail, which is their right, but they are not hounding us; they are not calling us on the telephone.

We have averted the panic to this extent, in that we are saying to neighbors: "All right; if you have a legitimate reason for moving, invite all the neighbors and let them know." We are not just telling people "Don't sell" outright. There are many reasons why people must sell, but what we are saying to them is: "If you are selling because you think you are not going to like your neighbor, just stop and wait and see first. If you really don't like him, no one is going to say you can't move; but give him the same chance you would give any other neighbor moving onto a block. Use a bit of discretion; calm down your passions a bit and see, because we're all affected. We want to stay and stay because it's a wonderful community to be in in terms of its location and all the things it has to offer." On this very simple, very broad base we are meeting with success.

We have at this point, in our block organization setup at least, I'd say between 45 and 50 people on that many different blocks that keep us alerted from a stuffed sewer, you know, which is something that perhaps could provoke people to want to move out of an area, to something much more serious, perhaps a disagreement among neighbors, and we try to work within, you know, choosing what is our responsibility and what people must handle themselves, because we don't set ourselves up as a committee that can handle everything; but the thing is the wonderful response we have gotten from the people in the area. This is not just a two-or three-man job. This is a community that is trying to do a job, and we feel that we have a good chance of doing something different.

Now, I just want to kind of end on a few points. I am going to say just a bit more and then turn it over to the different people who are working with me.

As far as our really being successful in what we are doing, we feel that the only way that we can really be successful is if other areas

which will be coming into similar situations pick up and work in a similar manner, because we cannot be a little group surrounded by other groups that are panicking. If other areas, as I say, as people move in and as communities begin to be in transition, pick up what we're doing and try to work in the same kind of compassionate way and very broad understanding way and really just trying to look at each other and see that they're all fellow human beings in an area, we can really be successful, not only in our area, but all over the city. We would really like, as I say, to kind of give out that kind of thing here, for what it's worth, to be picked up as a way of approaching this particular problem, not only in Springfield, not only in Queens, not just in New York, but it must be a way throughout the country. With all the problems involved, this is the only answer because, as some of our neighbors jokingly say, it's either this or taking a rowboat and rowing off Montauk Point, and then who knows someone else might not get the same point and you might meet a fish you don't like even.

So, as I say, if you try to see it in this way, as we have tried, and adding a touch of humor here and there, and even, you know, perhaps pointing it up, exaggerated a bit, we feel we can be successful ourselves and the success we are beginning to have can be insured by communities in a large area picking up.

Now, I'll just introduce you now to Mr. Berlly, who not only is cochairman of our overall Neighborhood Relations Committee, but has been doing a wonderful job in relation to the real estate and mortgage aspects, which should interest you gentlemen very much, too.

Commissioner HESBURGH. Thank you very much, Mrs. Klavens.

STATEMENT OF BERNARD BERLly, COCHAIRMAN, NEIGHBORHOOD RELATIONS COMMITTEE OF THE TRI-COMMUNITY COUNCIL, SPRINGFIELD GARDENS, ROSEDALE, AND LAURELTON, QUEENS, N.Y.

Mr. BERLly. Mrs. Klavens gave quite a broad picture of the entire area. Now I want you to realize what our area is. It is not a complete integrated area in any sense. The tricommunities are basically a white area at this time. One section of Springfield Gardens, which closely borders onto St. Albans—if you know the area, you start at Jamaica, and Jamaica is pretty well all Negro at this time. Some years back, and as close as 6 years ago, this transition moved out to St. Albans and stopped at a given point. Now, within the past, while this given point, this imaginary line, has been spreading, and though it is presently in Springfield Gardens, or a section of Springfield Gardens, I don't believe that this imaginary point can stay at that point for any length of time. I think that it must necessarily move onward, and

we in the three communities feel that we must be prepared for this situation. We have quite a job to do. We feel so. We have, among other things, a tremendous educational job.

When we're through with everything else, all our basics, we have to first step into the educational field, where we can go to the various organizations within the community and explain the problem to them, prepare the problem, prepare the people within these organizations for what we feel may be inevitable in our area.

Now, with regards to the specific problems of real estate—let's take that first—Mrs. Klavens has explained to you just the manner in which the real estate brokers operated. We tried to formulate a program which would put a stop to this type of activity. We have no professionals in our group, and we tried to formulate this program with just our own laymen in the area. It fell into quite a few points. The first thing was the actual statement from the clergy of what we believe is ethical real estate practice, and we felt we would circulate that not only to the newspapers, because it is my feeling that a little bit of publicity is good for a committee such as ours; we would also circulate it to the real estate brokers, to the real estate agencies or boards in the area, and there are several large real estate boards in the area. We would then try to set up an appointment with these various boards and tell them just what we feel they should do with regards to this matter—sort of self-disciplining, going to their own members and telling them, "Look, this isn't the right procedure. If you want to sell a house, fine and dandy; but don't go romping in and knocking off a neighborhood." That was step 1.

Step 2: We had a list of offending real estate brokers. We felt that we would send our committee to visit these real estate brokers, to talk to them, to try to convince them of what was good practice and that if they would cooperate with us we, too, would cooperate with them, to the extent that we would not release names; we would not attempt to slur them in any way; we would allow them to carry on their normal business. There are several other steps along the way.

Feeling that we have wiped the slate clean with the real estate brokers at that point, we would start anew and any other violations of what we consider ethical practice would then be dealt with slightly more harshly. We would attempt to get Government agencies to work with us on this. We would attempt to see legislators. We would attempt to go to such organizations as SCAD and see what we could do to stop such practice. We would also go to the State licensing boards and see whether they, in any way, were violating their license as real estate brokers. We would not take what we consider the ultimate step of bringing legal action. We felt that was proceeding a little too harshly and we probably would leave that in the hands of others.

Now, that is the basic program as far as the real estate problem is concerned, but the bank problem creates still another problem, a new problem. It is generally the theory that a Negro family moving into an area has great difficulty securing a mortgage. This may be true as to the initial Negro family moving in, but when we speak of the second or third the mortgages begin to come easier and easier and the difficulty comes from the other side of the fence where the white family has the difficulty securing the mortgage in the area, and if you go to a bank they give you the two basic qualifications for a mortgage: (1) How does this piece of property rate out? What is its actual value? (2) What is the financial statement of the person applying for the mortgage?

Now, this, as you well realize, can be watered in any way. A person can't meet the financial requirement of a given mortgage, but if he moves five blocks over his requirements are pretty good; and, so, the banks can pretty well control this entire picture with these two narrow qualifications, and it becomes our job to try to visit all the banks in the area and loosen up this mortgage policy so that we can keep a normal changeover in the area, if we don't want all Negro families moving in. We want this area open for white families who may be coming into this area, and we can't do it unless the banks cooperate with us. So, we are visiting the banks in the area and trying to get them to commit themselves in some way.

We also would very much like for the legislators, both national and statewide, to put in some sort of legislation both on the real estate problem and the banking problem which would ease this mortgage problem.

I see we are a little short of time. So, I would rather stop at this point and move over to the clergy, which, as Mrs. Klavens has mentioned, has been doing a wonderful job in the area.

Reverend VerNooy.

Commissioner HESBURGH. Thank you, Mr. Berly, and thank you for getting me off the hook because the last thing I want to do today is discriminate against the Methodist clergy. [Laughter.]

STATEMENT OF REV. DAVID P. VERNOOY, MINISTER, FIRST METHODIST CHURCH OF SPRINGFIELD GARDENS AND COCHAIRMAN, BLOCK ORGANIZATION COMMITTEE OF THE TRI-COMMUNITY COUNCIL, SPRINGFIELD GARDENS, ROSEDALE AND LAURELTON, QUEENS, N.Y.

Reverend VERNOOY. As has been announced earlier, I am substituting for a brother clergyman, who has just successfully undergone the strain of becoming a grandfather and whose parochial duties keep him elsewhere.

The clergymen in the area have worked along six avenues. The first is a clergy statement which, as you have been told, was circulated among the real estate brokers. I understand you have copies of the clergy statement. Would you want me to read it or will that not be necessary?

Commissioner HESBURGH. Go ahead, if you would like to.

Reverend VERNOOY:

The Springfield Gardens area is a pleasant residential section. It is our experience that most residents, regardless of their backgrounds, have moved here because they seek a pleasant neighborhood. We have always welcomed new neighbors when they have moved in, but we resent tactics which turn blocks rapidly and completely from one group to another. We believe that the practices of some real estate offices in some sections of this area are harmful. They promote panic selling and a too rapid turnover of homes. Such instability can only be harmful to community life.

We believe this rapid turnover is not spontaneous, but occurs as a result of high-pressure real estate selling: Constant solicitation—door to door, by direct mail, and by telephone—of homeowners who have expressed no interest in selling. Some real estate men also use unethical arguments, rumors, and misrepresentation of facts, as well as derogatory references to the racial, religious, or national origin of new residents.

In the long run everyone will suffer if practices which foster panic persist. A stable neighborhood, which can be sold on its attractions, community facilities, and community spirit, regardless of race, religion, or nationality, will benefit the real estate men as well as the homeowner.

We urge you to eliminate the practices we have cited and to work out some plan whereby all real estate people licensed to practice must live up to standards which rule out high pressure selling methods so disastrous to any community, and which we know the realty boards have censured and the larger group of real estate men do not use. We of the clergy of Springfield Gardens pledge that we will cooperate with every proper step to insure that these unethical activities shall prove to be unprofitable.

In drafting this statement and in agreeing upon it, the clergymen of nine churches met—and I think one of the inspiring things to me was not that we simply agreed upon a statement, but that the fellowship among the representatives of the three faiths ran far deeper than just simple agreement on a statement.

Secondly, the ministers and rabbis of the area, priests, have not hesitated to proclaim the ethical implications of panic from the pulpit.

Thirdly, the facilities of the churches have been available to the meetings of the Tri-Community Council and the Neighborhood Relations Committee.

Fourthly, all of the churches in the area are, in various degrees, integrated churches, and I think that within the walls of the churches and synagogues of the area there is opportunity for friendship which breaks or can break down racial barriers.

Fifthly, on various occasions, when members of our parish have indicated an intention to move, we have made direct appeals in person and in the person of various members of our parish asking our parishioners not to move if such a move would be simply out of fear and prejudice.

Lastly, all of the churches and congregations have contributed personnel to the Block Committee, which, of course, as a cochairman, I consider most important, and also to the other committees of the Neighborhood Relations Committee of the Tri-Community Council.

Commissioner HESBURGH. Thank you very much, Reverend VerNooy. I think that this last session that we have had at the end of this rather long day has perhaps brought the problem down to perhaps a more or less molecular or cellular level, being in a cosmic realm most of the day. I think you have restored to all of us a great faith in democracy by what you have done.

It seems to me, as you said, Mrs. Klavens, this problem ultimately has to be solved by individuals in spite of all the laws that have been made, and I think you folks have certainly demonstrated to all of us, and I hope the country, that this can be done by good people using their own resources.

I don't know if any of the other Commissioners would like to ask any questions.

Chairman HANNAH. I would like to ask one question. What do you do to welcome new people into the community of one of the minority races when they do come in? Do you have some program to make them feel they are wanted and a part of the community?

Mr. BERLLY. Well, we have taken several steps along that line, and one of the steps is, first of all, to set up a complete tabulation of all the facilities available in the area, that is, churches, schools, libraries, et cetera, and also to let the people know just how we keep our area and that they are welcome.

To give you a simple illustration, one house recently was sold to a Negro family. It happens it is just under contract, but in having a block meeting one of the people stood up and said, "Well, I will be the first one to welcome these people in with a box of cake in my hand." And another one said, "Oh, no, you won't be the first one. You'll be the second." And still a third said, "Let's go together."

These are among the things that we hope to accomplish throughout the area in welcoming in new residents.

Commissioner HESBURGH. That is very fine.

Chairman HANNAH. Very encouraging.

Mrs. KLAVENS. May I add just one thing? I want to make it clear our committee is an interracial committee, that when we work in our block some of our block captains are Negro people, and when we work on a committee in formulating our plans we have invited our new neighbors to be a part of this, because the education is not just a one-sided job. Many of our Negro neighbors have told us the feeling is a two-sided one. There are some people who do not want to live with white people. We think it is just the other way around, but we're not so welcome either, I mean, as far as that is concerned. So, we are

working quite cooperatively in this thing, and the welcome is extending out in terms of getting people to be active with us also.

Chairman HANNAH. Is this sign that you have here something that was developed in your neighborhood or is that sign used in your neighborhood?

Mrs. KLAUVENS. I am glad you brought that up because I was going to.

This sign, "Not For Sale; We Believe In Democracy," came out of the very first block meeting we had as a result of the panic and people not knowing what was going on, whether houses were for sale or not, and being harassed, our doorbells being rung constantly, the feeling was we should formulate a sign, which, incidentally, was printed free of charge by one of the neighbors in as large a quantity as we wanted. This is his contribution. What we did was put that in all our windows, and, believe me, it was effective. No doorbell was rung the day after that appeared, and it also had the solidifying effect of letting the neighbors know where the other neighbors stood.

We did not just want to put up a sign "Not For Sale" because we thought the new neighbors would feel that it was directed toward them. So, therefore, the bottom sign, "We Believe In Democracy," let the new neighbors know they were welcome, that we were not holding them responsible for panic, but it was all the doorbell ringing that was creating the chaos and the confusion—and, as I say, it has been an effective device.



Commissioner HESBURGH. Governor Carlton.

Dean Storey.

I would like, on behalf of the Commission, to thank you good people, and also the people who have come here today to participate actively in the hearings or to listen and give us their moral support. I think we have had so many good contributions today that I find it difficult to single out any particular one.

We are going to adjourn for today and we are going to meet tomorrow morning at 9 o'clock. We hope to conclude tomorrow afternoon about 4:40.

The first speaker tomorrow morning will be Senator Javits, who is involved in the Senate Banking and Currency Committee, which was referred to several times today. He is, of course, the Senator from New York State.

I think that just about takes care of our business today.

Thank you all for your patience.

(Whereupon, at 5:09 p.m., the hearing was recessed, to reconvene at 9 a.m., Tuesday, February 3, 1959.)

UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
NEW YORK, N.Y.

February 3, 1959, Morning Session

COMMISSION ON CIVIL RIGHTS

TUESDAY MORNING SESSION, FEBRUARY 3, 1959

The Commission met in the East Ballroom of the Commodore Hotel, New York, N.Y., at 9:03 a.m., Tuesday, February 3, 1959, Mr. Robert G. Storey, Vice Chairman of the Commission, presiding.

Present: Robert G. Storey, Vice Chairman; Doyle E. Carlton, Commissioner; Rev. Theodore M. Hesburgh, Commissioner;

Also present: Gordon M. Tiffany, Staff Director; Mrs. Carol R. Arth, Executive Secretary; George M. Johnson, Director, Office of Laws, Plans, and Research; Harris L. Wofford, Jr., legal assistant to Commissioner Hesburgh; Eugene R. Jackson, legal assistant to the late Commissioner J. Ernest Wilkins; Berl I. Bernhard, staff general attorney; Thomas W. Young, information officer; Robert Amidon, housing team attorney.

PROCEEDINGS

Vice Chairman STOREY. Ladies and gentlemen, it is time to begin.

Our chairman, Dr. Hannah, found it necessary to leave early this morning because of a previous engagement and, hence, I turn the chair over to Father Hesburgh to conduct the hearing today.

Father Hesburgh.

(Commissioner Hesburgh assumed the chair at this point.)

Commissioner HESBURGH. Thank you, Dean Storey.

I would like to ask Mr. Tiffany to introduce our first speaker this morning. We had intended to have Senator Javits first this morning; but since he is not here and since our schedule is quite tight we have decided to begin with General Andrews.

Mr. Tiffany.

Mr. TIFFANY. Gen. James Andrews, representing the Real Estate Board of the City of New York, will be the first witness. General Andrews is vice president in charge of the mortgage department of Nehring Bros., Inc. He is chairman of the General Meetings Committee of the Real Estate Board of New York and director of the sales brokers' division of that board.

General Andrews.

STATEMENT OF GEN. JAMES ANDREWS, VICE PRESIDENT IN CHARGE OF THE MORTGAGE DEPARTMENT OF NEHRING BROS., INC., AND CHAIRMAN OF THE GENERAL MEETINGS COMMITTEE OF THE REAL ESTATE BOARD OF NEW YORK

General ANDREWS. Good morning, gentlemen.

The Real Estate Board of New York appreciates very much, I should like to say at the outset, the opportunity of presenting its view to this Commission.

The first observation that I should like to make is that I think that the city of New York has throughout all of its history given an example to the entire world of tolerance, good will, and generosity in race relations. We feel that this is the result of people living together with each other and understanding each other without the force of law. We believe that that is a most important object lesson.

We want everyone to realize—we have often said—that we do not support the principle of segregation in anything, in housing or in anything else. We do look forward to integration in everything as time passes. We believe that the process cannot be hurried unduly, and the principal reason is, in connection with housing, that the tenants are the decisive factor in the problem.

We don't know how to make the tenants stay where they don't want to stay, and it has been the history, we think, of all of housing that the whites have a tendency to move out when the other groups move in. This constitutes, we think, the nub of the problem. People have a marked tendency, in any case, to live among their own kind, to withdraw from other groups, if necessary, and no one can stop that. We have in the city of New York sections that are prevailingly Irish, Italian, German, Jewish, Negro. All sorts of peoples live in the city of New York and, although they are found everywhere to a degree, they do have a tendency to gather into certain locations. They seek the warmth, the comfort, the mutual understanding that comes from the same background. This no one can stop.

The Real Estate Board of New York does subscribe enthusiastically to the principle that any governmentally aided financing, whether it is public housing or FHA or VA or any other governmentally assisted housing, whether by actual Government money or the lending of the Government's credit, should be available to all on a first-come, first-served basis. We believe that where Government money or credit is concerned the housing should be open to all citizens just as they come.

Now, the tenants overwhelmingly prefer to live among people of their own kind, as I have said before. They, the tenants, are the ones who are really opposed to integration—and I am speaking, of course, of the majority of the tenants. There is no question that one could find tenants whose beliefs vary from that of the norm. No one can

force them to accept integration against their will. This, we think, was amply demonstrated by the fact that during the fight on the so-called Sharkey-Brown-Isaacs bill in the city of New York a year or so ago the tenants of the city of New York—I say the tenants—wrote letters to the mayor that were three to one in opposition to the proposed law.

Now, the Real Estate Board of New York advertised, but so did our opponents—everybody did the best they could—to arouse sentiment, which is the proper thing, of course, the democratic method, and the fact is the overwhelming majority, by all indications, were opposed to the passage of a law that would provide that in privately owned housing, which does not receive any governmental assistance whatsoever, people should live where they wished and the landlord, the owner, should have the freedom of selecting his own tenants.

We urged a referendum on the bill. Our opponents were opposed to a referendum and no referendum was held, and we think the conclusion is obvious.

The fact is, gentlemen, we think that the tenants are the ones with the greatest objection to integration. The average owner—and, of course, again there may be variations, but generally the average owner—is rather indifferent as to the color of the skin or the attributes or the racial background of the person from whom he collects his money. He's generally interested only in operating his property, collecting his rent, paying his bills, and earning a profit. It is the tenants who resist this, and they resist it not by violence, but by moving away. We believe that any sumptuary legislation—and we consider that legislation that forces people to live together if they do not wish so to do—is doomed to failure, and the Nation has had a splendid example of that in the prohibition law.

To show how broad the objections are, how many people do object, I should like to point to a speech made by Commissioner Moses, certainly a man who has given this a great deal of study, up at Cornell a few days ago, in which he gave his formula for clearing the slum conditions in the city of New York, and among other things he said that he would limit drastically immigration from the South and from Puerto Rico. Now, we're not attempting to subscribe to what Commissioner Moses said. He speaks for himself. I think it is significant only because if Commissioner Moses feels that way there must be a great many people who feel that way, and if they feel that way there is no way of forcing them to do what they do not wish to do.

The Chicago branch of the National Association for the Advancement of Colored People on November 30 in 1957 said, among other things:

In housing all experience and studies show plainly that as the Negro moves he merely extends the Negro ghetto.

That is furthered by the fact that I think everyone concedes that experience has shown that public housing is becoming to a greater and greater degree nonwhite. Now, many of the proponents of public housing say that is because there is no other place for the Negro and Puerto Rican to live, but that does not explain the fact that whites keep moving out; and, unfortunately, the fact is that many whites move out of this brand-new public housing, with all the latest facilities, to move back into the slums from which they came.

It is rather significant, we think, that Dr. Horne, the executive director of the Commission on Intergroup Relations of the city of New York, said:

In the city of New York there are more people who are whites who actually live in substandard housing than there are nonwhites in substandard housing.

Actually, public housing is suffering from all the ills it set out to cure.

Many of the problems arise from a shortage of housing, and this is so acute that the city is powerless actually to enforce many of the provisions of occupancy and other regulations involving housing simply because to do so would put people out into the streets where they would have no shelter whatsoever.

Incidentally, just in passing, it's rather noticeable that, despite the fact the city of New York made an appropriation, I think, of some \$200,000 for the operation of the Commission on Intergroup Relations, they report thus far, I believe, a total number of 170 alleged violations of the so-called Sharkey-Brown-Isaacs bill. The mountains certainly have labored thus far and produced a ridiculous mouse.

We feel that compulsion in these matters where people must live together does a disservice to racial relations rather than helps them, and we feel that racial feeling is aroused, antagonisms are aroused, where really conditions were improving. Councilman Brown, one of the sponsors of the so-called Sharkey-Brown-Isaacs bill, in one of his columns, even made the observation a few months ago that there has been increased feeling against Negroes in recent months. We don't favor that, and must make that clear. We're trying to be objective about this matter.

We feel that what might have been a much better argument than forcing this Sharkey-Brown-Isaacs bill on the real estate people of the city of New York would have been if some of the wealthy proponents of the measure—and some of them are quite wealthy, indeed—had bought or built housing and integrated it and seen how it worked. That would be the proof of the pudding.

Now, we do feel, also, and we're very serious about the idea, that owners of private housing must accept tenants that they feel would be disadvantageous to their interests and tenants who would conflict

with the wishes of the other tenants. To show you how some of the proponents of that measure talk, I asked in a debate one time: "If there were a house with a hundred apartments in it and there was 1 vacancy and a poll were taken of the remaining 99 tenants and the 99 tenants voted against the acceptance of a certain new tenant, should that new tenant be forced on them?" The reply was: "Yes." Pretty hard to operate things that way.

We feel that the individual traditionally, under all of our laws, our Constitution, under everything that we have known as the proper American system, has the right to operate his property in accordance with what seems wise to him, provided, of course, that he doesn't use it for violence or for criminal measures or anything of that sort—and I would say parenthetically that I believe that no members of the Real Estate Board of New York have been attacked for the way they have operated their houses. I mean from the standpoint of maintenance and so forth.

We urge that private housing, privately owned housing, is not a public utility and that even the rent laws, the drastic rent laws, of this State are passed only as a so-called emergency measure. They probably would not stand up in court if they were made a permanent part of the economic fabric of the State.

Now, I should like to advert also to the situation with respect to mortgage financing, and on that I am an expert. It is a very dangerous thing to force a man to accept any tenant who, in his judgment, would be dangerous to his mortgage financing; and I can tell you gentlemen definitely that, unfortunately, where we have Negro occupancy mortgages are not in as good demand. I would say, as a fair general rule, that one will have difficulty borrowing one-half as much against a given amount of rent row and will have to pay the highest mortgage rates—I mean 6 percent interest—in today's market in order to get a mortgage loan on Negro or Puerto Rican properties. Why should a man be faced with that danger? The danger is very definite. You gentlemen may be told by some of those who appear here that that is not true.

Now, I stated that as a matter of fact, and it would be a perfectly simple matter for this Commission or any other governmental body to secure all the applications that arrive in, say, 10 lending institutions of the city of New York on any given day and simply tabulate what happens to them. It would be as simple as that. It would also be very simple to inspect the appraisals on, say, 50 properties located in one section of the city, 50 located in another, and just match them and see what one finds. The results will prove conclusively that what I say is true. As further evidence of that, the State of New York a short time ago, couple of years, I think, chartered the Mort-

gage Facilities Corporation for the express purpose of making loans in the so-called depressed areas. They didn't find it necessary to do such a thing in the ordinary areas of the city.

It is a very dangerous matter, and we are not trying to be philosophers about this. We're businessmen. We're just trying to look at it objectively.

Another threat—and this is a very real one—and on this matter I am not an expert; I just mention it in passing—is that where one has the so-called minority occupancy one runs the very grave danger of having the fire and casualty companies refuse to carry the risk any longer, and then one is faced with considerable difficulty in getting adequate coverage, insurance coverage—a very grave matter—and, by a strange anomaly, with respect to mortgage financing, the Government, itself, makes it possible—the Federal Government I mean, of course—through FHA and VA, for lenders to find loans which will not be criticized outside the city of New York.

There is one bank I could mention that has 85 percent of its mortgage portfolio invested in Government insured mortgages—85 out of every hundred dollars of their mortgage portfolio invested in the insured Government loans—and I could tell you, as a matter of general practice, that the overwhelming majority of Government-insured loans are outside the city of New York and the overwhelming majority of the so-called conventional loans are in the city of New York. So, the institutions of the city of New York, the lending institutions, are not forced to make loans in the city. All of these things constitute a very grave threat.

Now, there is one other thing that I think we all can concede: The great threat posed by the rent laws of this State. The rent laws have really, in my judgment, maintained the housing shortage. There are people living a few blocks up here on Park Avenue where there are only just a couple, say a man and a wife—and they don't expect any children either—and they may be living in 10 rooms. Why? Because it costs them no more for the 10 rooms than it would for the three or four which they really should take; and I, myself, gentlemen, am living in an apartment larger than I need because it's cheaper than living elsewhere. There must be thousands and thousands and thousands of rooms in the city of New York which, if they were in a free market, would help in meeting the shortage. Now, this is not a matter of ethics or anything of that kind. This is a matter of just plain, common, simple business.

We do not want to be in the position of criticizing all of these things because many of these laws have been passed at the behest of people who mean well; but, gentlemen, to sum up, we feel that racial relations have been impaired and not helped by the so-called

Sharkey-Brown-Isaacs bill, which provides that the owners of private housing must accept tenants not of their own choosing, nor satisfactory to the tenants in the house, and we feel that rent laws and other legislation of that kind have been carried far beyond any necessity for their being and that real estate in the city of New York is under a severe handicap as a result.

Thank you, gentlemen.

Commissioner HESBURGH. Thank you very much, General Andrews.

I would like to check on a few points here. We are trying to appraise Federal housing laws and policies. Would you give us your opinion of the Federal programs regarding slum clearance, urban renewal, and loan programs?

General ANDREWS. Of course, that is a very difficult problem, and the Real Estate Board of the city of New York has always supported improvement in housing.

Of course, every bureaucrat who would be helped by any of this building of public housing and the other things is, of course, all for it. They are all empire builders, as a class, and they want to see more billions spent, and, of course, if you spend enough billions I suppose the problem can be cured.

My own opinion is that it has been overdone from the standpoint of public housing, that to extend public housing further would be a very dangerous procedure, because of the great expense, and I would say that if we could eliminate the rent laws that hamper the proper and fullest and most economical use of real estate, after that were done, then we could decide what to do.

I think they are putting the cart before the horse.

Commissioner HESBURGH. Thank you, General Andrews.

Governor Carlton, do you have any questions?

Commissioner CARLTON. No.

Commissioner HESBURGH. Dean Storey.

Vice Chairman STOREY. Does the Governor have any questions?

Commissioner HESBURGH. No.

Vice Chairman STOREY. General, let me ask you two or three questions. As I understand, you are the executive officer of the Real Estate Board of New York?

General ANDREWS. No, sir.

Vice Chairman STOREY. You are head of the mortgage department?

General ANDREWS. No.

Vice Chairman STOREY. Let me get it clear.

General ANDREWS. Well, I'll try to make it very clear. I'll go over my status. I am a real estate broker. I practice in the city of New York. I specialize in mortgage financing. I am a mortgage broker.

I am in charge of the mortgage department of the firm with which I am associated, and we negotiate mortgage loans for the borrowers. That is my business. I earn my living that way.

As far as the Real Estate Board of New York is concerned, I am director of the sales brokers' division and Chairman of the General Meetings Committee. I do not hold any executive office in the Real Estate Board. I have been—

Vice Chairman STOREY. But you are a member?

General ANDREWS. I am a member of the Real Estate Board and have been for many years; yes, sir.

Vice Chairman STOREY. But devote all of your time to private interests?

General ANDREWS. Yes, sir.

Vice Chairman STOREY. You commented on the Federal laws. I presume you know that, among other responsibilities, we have the responsibility to ascertain legal developments that may be tantamount to the denial of equal protection under the Constitution by virtue of race, color, creed, religion, or national origin.

General ANDREWS. Yes, sir.

Vice Chairman STOREY. We construe that to include State laws and municipal ordinances, et cetera.

General ANDREWS. Yes, sir.

Vice Chairman STOREY. In other words, to ascertain the legal developments.

Now, as I understand your comments, you are very opposed to the compulsory rent laws of the State of New York?

General ANDREWS. Yes, sir.

Vice Chairman STOREY. Speaking from a private viewpoint?

General ANDREWS. Yes, sir.

Vice Chairman STOREY. For the reasons as indicated?

General ANDREWS. Yes, sir.

Vice Chairman STOREY. You further said that if the colored or nonwhite people were forced to go in there the result is that the whites move out first. Do you have any statistics on new housing as to actual facts with reference to that condition? What I mean is: If a big multiple apartment is finished and the nonwhites go in there—and the exodus starts, I believe you said, first from the whites; is that correct?

General ANDREWS. Yes; the whites move out. That is right.

Vice Chairman STOREY. Have you any statistics on actual instances that would help us in factfinding on this?

General ANDREWS. Well, the big evidence of that, of course, has occurred in public housing. I think it is fair to say that if a man builds an apartment house in the city of New York today the costs

are extremely high and that in many cases, in general, the minority elements are unable to afford to live there and that up to now the owners of the buildings have resisted their entry.

It is quite evident, though—and those figures can be adduced; if you wish to take the time, I can get them right out of some of the folders I have here, but it is a matter of public record—that in public housing, which is, on the whole, the most highly integrated in the city, the percentage of white occupancy has gone down continuously. That is a matter of public record and is available to this Commission.

Vice Chairman STOREY. Has it gone to such extent in certain instances that the income will not amortize?

General ANDREWS. Well, of course, public housing doesn't have to worry about that.

Vice Chairman STOREY. I understand; but, on the other hand, publicly sponsored housing has to pay for it some way.

General ANDREWS. I am inclined to think—I have no figures on it; this is just an impression that I have through the years—that on a square-foot basis housing occupied by the minorities pays about as much as white housing does. I believe that it is fair to say it is more closely occupied, more heavily tenanted, in general, and that the income is spread over a larger number of people—and, of course, there is what they call the warm-bed situation, where one group moves out and another group moves in. All of that, of course, we abhor; we don't favor it, but it exists—and the income may be there; but, even if it is, the institutions do not wish to make those loans.

Vice Chairman STOREY. And, therefore, the interest rate is higher?

General ANDREWS. The interest rate is higher, and that is a matter of fact, sir, and can easily be ascertained just by examination of the public records. The interest rates are higher and, what is more important, it is extremely difficult to place those loans. You will find heavy resistance on the part of the institutions. They have their own reasons.

I want to make it clear we're not criticizing anybody for exercising independent judgment because these gentlemen are entrusted with public money, money deposited by the people, and they have to administer it as it seems best to them. The fact that the income alone is sufficient is immaterial.

I can give an exact example. Only a few days ago I was called up by a prominent real estate broker who said he was selling a building for around \$200,000 and that he has assured his client that they could get a hundred-thousand-dollar mortgage without any difficulty, that the building rented for some \$37,000 a year and that the existing mortgage was \$68,000, and he asked me if I didn't agree that that mortgage could easily be replaced in the amount of a hundred thousand dollars, and I told him, "No." And we're

not driving business away. We would like to place as many loans as possible.

Vice Chairman STOREY. Just one other question: Do I understand that under this State rental law all rentals are controlled, from top to bottom?

General ANDREWS. It was just modified—I don't remember now, at the moment, whether by regulation or by the action of the State legislature, but recently it was changed—to provide, I think, that apartments that rent for around \$425 or \$450 a month or more might be decontrolled, and the number affected by that change was in the very small numbers, two or three hundred, or something like that, in the entire city. It has no effect at all.

Vice Chairman STOREY. Thank you, General.

Commissioner HESBURGH. General, I just had one last question.

General ANDREWS. Yes, Father.

Commissioner HESBURGH. We had a group of people here yesterday talking about real estate agents coming into their neighborhood and trying to force them out because of a panic on some Negroes entering the neighborhood. I believe they call it blockbusting. Is this considered unethical by the—

General ANDREWS. Is this—what?

Commissioner HESBURGH. Is this considered unethical by the Real Estate Board?

General ANDREWS. Yes, sir. It absolutely is; yes, sir, and I think it might be well to point out, in this Commission's deliberations, conditions of that kind are more likely to occur in suburban areas and in small cities.

Commissioner HESBURGH. That is right.

General ANDREWS. If you take a square block in the city of New York with several hundred or even several thousand people living in it as tenants, that condition doesn't occur because it isn't a matter that each man is selling an individual house. I would say in private-house areas that does occur, but it doesn't occur in the Borough of Manhattan especially. It is important to appreciate, I think, that the city of New York constitutes a problem all by itself because it is a city of apartments.

Commissioner HESBURGH. General, we have appreciated your coming here this morning and giving us this frank appraisal of the situation as you see it.

We feel, for the purposes of our hearing, we have to get every point of view represented, and I think you have brought a new point of view to this hearing, and we appreciate your frankness and cooperation in coming here and giving it to us.

If you have any further statistics or studies that would be helpful to the hearing, we would be very happy to include them in the record.

General ANDREWS. Thank you very much, Father.
 Commissioner HESBURGH. Thank you, General.
 General ANDREWS. Thank you.

THE REAL ESTATE BOARD OF NEW YORK, INC.,
New York 17, N. Y., January 23, 1959.

MR. GORDON M. TIFFANY,
*Staff Director,
 Commission on Civil Rights,
 Washington 25, D.C.*

DEAR MR. TIFFANY: Since I was designated by President Robert S. Curtiss of this board, upon authorization of our board of governors, to be the spokesman of the board on such matters as that covered in your kind letter of December 5, 1958, I have been given the honor of replying to that letter. Accordingly I am to inform you that we are pleased to accept your invitation to appear on February 3, 1959, at a hearing to be conducted by your Commission in New York City. We shall give our views without equivocation and try to be of assistance to the Commission.

It is interesting to see, in the penultimate sentence of the sixth paragraph of your letter, that the Commission has not received any complaints of discrimination in housing in New York. This may be due to a lack of knowledge among the public that your Commission is interested in discrimination in housing in New York City, or it may be due to unwillingness of individuals to invite attention to themselves by alleging discrimination. In any event we believe that there is no discrimination whatever in public housing, or in publicly supported housing, since the New York State law expressly forbids it, and our officials usually are zealous to enforce such a law. However, we understand that there have been complaints to the New York City Commission on Intergroup Relations by individuals asserting that they have undergone discrimination in seeking to be tenants in privately owned and operated housing, which also is forbidden in this city by the Sharkey-Brown Isaacs law, enacted in 1958. We believe, however, that these complaints are very few, but the Commission mentioned above is obviously the best source of information on this point, as the Commission also must be on the validity of such complaints as have been filed.

I am informed that in a discussion over the radio in December, Dr. Frank S. Horne, the executive director of the New York City Commission on Intergroup Relations, said that 170 complaints were received in the months during which the Commission operated last year. This of course is not very many in a city having more than 2 million apartments, 10 percent of which are vacated on the average every year.

We do believe, however, that discrimination in all its forms is less acute in New York City than anywhere else in the world. This is due, no doubt, to the attitude of general good will the people of New York City have toward one another, and, indeed, toward mankind. The people of this city have a long record of mutual tolerance, mutual cooperation, mutual respect, and mutual generosity. This is not to be wondered at, for this city is unique. As the principal port of entry for immigrants since immigrants began coming to this side of the world 350 years ago, peoples of all races and nations and colors and religions have lived and worshipped and worked here side by side, as they have no place else on earth. In this city we are a congeries of minorities.

The history of the city shows that as ethnic groups, religious groups and nationality groups came here they tended to congregate among themselves. This was only natural. It happens in all great world cities, except among the very cosmopolitan, very wealthy and sophisticated individuals. Poor immigrants, even fairly well to do immigrants, often require the association of one another, and most of them wish to preserve their traditions, and in preserving them to add to the American melting pot. It enables them to succeed in business, in the professions, in politics and in social affairs.

When we tore down the Third Avenue "El" several years ago we had a parade in celebration and to give color to the festivities the city government called upon the racial groups along the route and invited them to appear in costume and show how variegated and how unified our city was. I forget the number of different groups that appeared, but over a length of 3 or 4 miles there were 30 or 40 groups. And these were groups, not of the first generation, nor merely of the second generation, but of old time New York families, including, of course, the newer immigrants, who for purely voluntary reasons had established

themselves in their own communities and continued to live primarily in these respective communities.

Those of us who rarely travel abroad forget how important to any man is his native food, prepared as it was by his mother, and certainly, by skilled cooks who know the culinary traditions of his native country, or the country native to his ancestors. People are apt to prefer the idiom of their familiar music and, indeed, all their own folkways. In this city daily papers are published in 48 languages. Nearly all of the readers are American citizens, who participate fully in our civic and social and economic life. But they hold on to their original language where they can and to their traditions, with the language. Come some time and see our Italian parades and festivals, our Spanish fiestas, our Chinese new year celebration, our Polish parades, and so on.

Today large areas of the city are known by their predominant kind of inhabitant. While Roman Catholics and Jews live all over the city, of course, there are large areas that are predominantly inhabited by people of Irish origin, and other areas inhabited by people of the Jewish faith, and others by people of Italian origin and German origin and Czech origin and Polish origin and Armenian origin and Chinese origin, and so on, ad infinitum.

Depending upon a great many variable factors the residents of these neighborhoods prefer people like themselves as neighbors.

Uninformed people speak of Harlem as a giant ghetto of Negroes, and as one of its sections as a ghetto of Puerto Ricans. But I can show you hundreds of Negro communities, and almost as many Puerto Rican communities, in our five boroughs, and single, or few, Negro and Puerto Rican families in thousands of different areas. And to be sure, the Italian communities and the German communities are located in a dozen geographic areas. There are a dozen "Little Italys" in New York, each predominantly, but not solely, Italian.

All of this is important to point out, I think, because it reveals that kind, decent people—people who are good citizens—often tend to segregate themselves and to congregate together for good, healthy motives, sometimes for convenience and comfort, sometimes for mutual warmth, and often because they want to preserve the human values they inherited when they were born.

It is an axiom of anthropologists that primitive peoples tend to kill strangers, either primitive or "civilized" as we say, because they are strange. It requires quite a lot of sophistication for people of strongly marked national, or racial, or religious individually to live intimately even when they work together. We have achieved more of that in New York City than any place I know, and despite what I have said about our many communities, I suggest that you examine the residential list of almost any apartment house in the city and you will find admixtures of races and religions and national origins, that show how far we have carried our ability to live together.

It is also historically true that each new wave of immigration here has aroused some animosity. For all their fine qualities the people of New York are as human as all others. When the immigration bars were down during the 19th century, and even during the first quarter of this one, there was always annoyance in a neighborhood when a group of unrelated immigrants came in. This was quite natural. As I said, previous groups had established communities of their own and sought to make them integral. A few newcomers of different origin did not matter, but the incursions of large new groups meant a dilution of the neighborhood. Politics, of course, played a large part, too, for a man could rise to power and wealth by becoming politically the champion of whatever neighborhood he found himself in, or whatever faith he professed.

Today novelists and social historians find abundant material in these communities, in the individuals who remain in them, in the individuals who emerge from them. To the New Yorker this is part of the everyday scene and experience. He observes that while many of these communities continue to exist as such there is also a continuing amalgamation of race.

Now we come to the heart of the matter, because we are all aware that our Negro citizens especially, and some of the low income Puerto-Rican newcomers, find they have difficulty when they wish to get out of their traditional communities, or, if coming here for the first time today, when they wish to avoid residing in the communities of those closest to them in origin.

There is no doubt that there is difficulty for those Negroes of high income and professional prestige who wish to live in fine neighborhoods inhabited predominantly by white people of any racial origin. We grant that this is the fact, but we deny that it is the property owner's fault. The property owner in New York is primarily a businessman, not a social reformer. Usually real estate

is his sole occupation. Real estate in New York is a huge industry, probably our largest industry. The usual owner of real estate is no more concerned with the color of his tenant than the baker is with the color of the person who consumes his bread.

But the owner of real estate has the attitude of his tenants and his mortgagee to take into consideration, and, concomitantly, the effect of these attitudes upon the value of his investment. If his tenants were indifferent to the color of their neighbors so would he be, and so would the mortgagee. I say this, realizing that there are many thousands of New Yorkers who genuinely are indifferent to the color of their neighbors, and would even welcome Negroes into the apartment houses in which they reside. But it must be conceded that they are in a minority. The result is that there is slow progress in black-and-white racial integration in privately owned housing.

Such integrated housing does exist, usually in low-rent and sometimes in medium-rent localities, or in an apartment house or two. But the record will show that after a few Negro families move in the white families tend to move out. The owner then feels compelled to seek tenants among Negroes, and soon the whole apartment house is inhabited solely by Negroes.

And in this respect, let me suggest that you call upon the City Housing Authority and find out what happens in public housing when a large percentage of Negroes moves in among predominant white tenants. Even at these low rents in favored physical conditions the white families tend to move out into housing that is physically worse. But neither the city nor the welfare workers can prevent it.

The Real Estate Board of New York is powerless to influence tenants of either public or private housing in their course, and we believe the Government is likewise unable to accomplish anything by force. We opposed the enactment into law of the Sharkey-Brown-Isaacs bill because we disbelieve most thoroughly in the right of any branch of the government, municipal, State or Federal, to compel a property owner to accept a tenant, who, his business judgment tells him, would prove detrimental to his investment, and influence his present tenants to move away.

At hearings before the city authorities we repeatedly pointed out when this bill was under discussion that however high minded and noble our mortgage institutions were they did not as a matter of practice grant mortgages in the same amount and at as low a rate of interest on Negro-inhabited property, or integrated property, as they did on similar white-inhabited property. And perhaps they had the supervision of the banking authorities in mind when they made their mortgages. In any event, these matters are determined in the field of business judgment, and concern the disposal of money by trustees whose first duty is to be prudent and protect the funds entrusted to them. It must always be remembered that for practical purposes the holder of the mortgage, who can refuse to renew it, is the property owner's business partner.

But we confess that with all their mutual tolerance our white people are not as enthusiastic as they might be about living with Negroes. We think that most Negroes are equally unenthusiastic about this, and perhaps feel the same way. They are proud of their own race and its great accomplishments under the most severe handicaps, and they are anxious to promote Negro culture and its traditions. But for the Negro with ample means who prefers integration this is a severe hardship. We wish this hardship could be mitigated, and in the ways open to private citizens we recommend that all of us do what we can to stop discrimination. But as citizens we oppose in the same field the compulsion of government, not only because it violates a fundamental property right and eats at the vitals of our basic freedoms, but because it will harm racial relations instead of improve them.

The Real Estate Board of New York, which numbers among its members all colors and races and religions, has not contested the constitutionality of the Sharkey-Brown-Isaacs law because the board owns no property and is therefore not subject to the operation of the law. However, should a well-intentioned and responsible property owner resist the law on constitutional grounds we would be bound to consider whether we should associate the board with the property owner's defense.

In common with most Americans we look forward to the day when none of us will consider race, or color, or religion, as a factor in our ordinary relations with our fellow human beings. But we must confront reality as we find it, and allow our people in their private lives to continue to live as they have in the

past, and to preserve their "unalienable rights," including those to "life, liberty, and the pursuit of happiness" without governmental interference.

Yours sincerely,

JAMES ANDREWS.

ANSWERS TO QUESTIONS ON HOUSING

1. What is the factual situation with respect to the quantity and quality of housing at present occupied by or available to racial, national, or religious minority groups? How does this differ, if at all, from the housing situation of others?

This question can be answered only in a general way because no one to our knowledge has sought to divide the city into racial, national, or religious minority groups in any statistical way. New York City is a congeries of minority groups which for the most part live in an intermingled way, despite the fact that dozens of racial, religious, and national groups reside in communities dominantly composed of any one of them.

I am informed that in his radio discussion last December, Dr. Frank S. Horne, executive director of the New York City Commission on Intergroup Relations, pointed out a fact that we all know, which is that "in the city of New York there are more people who are white who actually live in substandard housing than there are nonwhites in substandard housing."

There is an enormous amount of housing in New York in poor condition, and it is increasing daily, with many violations filed against the ownership for failure to maintain the buildings properly. Some of these violations are due to the carelessness, negligence, or downright sabotage of tenants, many of whom are new to modern sanitation and to multifamily living.

A considerable amount of our housing is not being properly, maintained because this is the only State still to have wartime residential rent controls. As businessmen, owners of controlled properties naturally cut down on maintenance, since the law and its administrators in recent years have taken inadequate notice of the owner's financial requirements. Another factor is the entry into the real estate field of speculative owners new to the business to whom responsible owners sell because they cannot abide the difficulties of the control system and control bureaucracy. Many of the new owners confessedly take all they can out of the properties and give a very minimum of maintenance. To answer this question there is also lacking a satisfactory definition of adequacy, which certainly is variable. Accordingly, we believe that except in a very broad sense it is impossible to answer this question.

2. What difficulties, if any, are encountered by minority groups in finding decent, safe, and sanitary housing? What accounts for any such difficulties?

Negroes and low-income Puerto Ricans, or in some instances, virtually penniless Puerto Ricans, encounter difficulty in finding housing because there is an insufficient supply of housing that they can afford. Even if higher grade housing were abundant many of them do not have the financial means to afford even controlled housing. Others pay unwarranted high rates for inferior housing. The supply of low-rent privately owned housing diminishes every year because thousands of old tenements are demolished, principally for public improvements, and for new public housing. It is impossible for the city to supply enough new low-rent housing for all these newcomers. There is not enough money, and if there were there are not enough workmen to construct the housing, for the more low-rent publicly supported housing that is built, the greater is the inflow of low-income families into the city. Accordingly, those who come here are moved into housing already occupied, so that there is a constant extension of slums. The faster we tear down old slums and replace them with good housing the faster do good neighborhoods deteriorate, as on the west side of Manhattan, and as in various areas of the other boroughs, especially Brooklyn. There is a turnover of 10 percent of all housing owned by members of the Real Estate Board, both old housing and that newly constructed. This must be true of most housing. So vacancies constantly arise, but are quickly snapped up. We have built 40,000 new privately owned apartments in Manhattan since World War II, which must rent at high rates because of the high costs. These are rented about as fast as they are placed on the market. New buildings are largely rented before they are even finished, unless the owner is testing for a higher rent level. Accordingly, since newly arrived Negroes and Puerto Ricans generally must move into already occupied quarters, their housing is often indecent, sometimes unsafe, and frequently unsanitary. Even Park Avenue and Fifth Avenue could be turned into slums if each room in each apartment was inhabited by a single family of

meager familiarity with modern living. Naturally, this makes a field day for property owners who violate the occupancy laws, but we know of none of these among our membership. The city has seemed powerless to enforce the occupancy provision of the law, because it would mean that thousands of families would have to be housed in the public streets, or in the parks in tents. Despite the conditions they find here for themselves these families seem to prefer to live here than to return to their places of origin, though, to be sure, many Puerto Ricans do return.

Some of the problems, of course, arise because, on the whole, these groups are poor and earn low incomes. The evils that follow poverty become manifest in their housing. This condition was noted in Rome by the Emperor Diocletian and it has appeared in all subsequent civilizations where low-income minorities had the freedom to move about. It is a continuing problem. We can mitigate it, but not eliminate it at this time.

3. To what extent, if at all, do patterns of residential segregation by racial, national, or religious groups exist, and what is the cause?

Patterns of residential segregation by racial, national, or religious groups exist primarily because they are natural. Many immigrants do not learn English easily and find difficulty in adjusting themselves quickly to our folkways. Historically all except the rich and sophisticated ones—who, of course, are at home everywhere—prefer to live among their own kind; many streets in New York are inhabited by people from the same European, Middle Eastern, or Asiatic village. In many U.S. cities the student will find that most of the older Greek, or Italians, for instance, emigrated from the same village. Some of their descendants prefer to continue living in this community way—they would not call it segregated because it isn't segregated since other varieties of individuals live among them.

One can observe in the South and the Southwest communities built up almost entirely of people living on pensions because they desire to live together. Point or origin also has a play here. Some Florida towns, for instance, attract people from a certain city in Michigan; they tell their friends about it, and soon you have a transplanted community from Michigan. To call this segregation is going too far, but it is a species of residential pattern.

These population patterns have a tendency to persist through centuries, just as, in the depths of Russia, the descendants of the Teutonic Knights still have, or had until recently, completely Germanic civilizations, almost 1,000 years after they were established. There will always be, we believe, segregation of one sort or another. People want it that way. Some people want to live together. Other people want to live apart from other groups. This can be stopped only by a dictatorship of the most ruthless kind. We believe the American people are not receptive to such a dictatorship; we believe they never will be.

4. What are the effects of either inadequate housing for minority groups or segregated housing, in terms of crime, juvenile delinquency, disease, interracial relations, public education, property values, the municipal tax base, and the general standards of city life?

It is quite evident that inadequate housing of any kind is bad for the body politic. How much inadequate housing contributes to crime, juvenile delinquency, disease, and other undesirable matters is a question for sociologists who have the carefully ascertained and proven facts. We have more criminals from the low income groups than from the high income groups, and we also get more great men from the low income groups than from the high income groups, and in each instance this is because there are more poor people than rich. Some of our city's finest citizens came from overcrowded homes on the east side. These were homes, of course, where there was family integration and family discipline. We venture to say that the broken home, whether the housing is adequate or not, is the greatest single source of antisocial behavior. Inadequate housing does drive youngsters into the streets, and it requires very able parents to overcome the influence of bad companionship upon the young and impressionable, whether the family is rich or poor.

One may go through large areas of Brooklyn, for example, where the houses are from 50 to 75 years of age, and they are in splendid condition and are not slums. This is a matter of fact, and definite instances can be cited, if your Commission so desires. Some of the most expensive and luxurious portions of the East side of Manhattan are tenanted most intensively. Definite instances of this kind can be cited also.

5. What State and local laws, policies, and programs have been adopted to accomplish equal opportunity to adequate housing on a nondiscriminatory basis? What has been the experience under these laws, policies, and programs?

The State of New York has provided, by law, that there may be no discrimination of any kind in any housing built with public money, or where public credit has been afforded to such housing. This legislation has had the complete support of the Real Estate Board of New York, Inc. We feel that, in any matters involving public money, one person is exactly like another, and that people who live in such buildings have only "Hobson's choice." We believe that the effect of these laws has been relatively slight, principally because the so-called minority groups do not have the earning power to live in newly constructed housing, even that built with federally insured funds, and because of the marked tendency of the white elements of the population to leave any housing in which Negroes or Puerto Ricans enter to any marked degree. No law can stop this. In the city of New York, legislation—the Sharkey-Brown-Isaacs law—was passed shortly over a year ago, which purports to enable the so-called minority groups to live in integrated housing. We believe that this law has remained largely a dead letter. We know of little effect upon the population pattern because of the passage of this law. We feel that it was a most ill-advised piece of legislation. We said so then, we say so now. If the law is enforced to any important degree, we believe that it will cause marked racial friction. If it is allowed to wither on the branch, we believe that it will be just another law of the so-called "blue law" variety. We consider that forcing a mode of private life upon people, before they are ready to accept it, leads only to trouble. We offer for your consideration the experience of the Nation under the 18th amendment to the Federal Constitution, which proved to be so unsatisfactory that, after many years of trial and error, it was completely revoked. We definitely believe that legislation which forces people to do things which they do not wish to do is bound to fail. We urge constant indoctrination by the philosophical and ethical leaders of the Nation, pointed in the direction of understanding and good will. We concede that this will be a slow process, but we believe that no other is possible. President Garfield once said "Growth is better than permanence; permanent growth is best of all." Social status is one of those things which everyone understands, but no one can define, and which comes about only through acceptance and not through legislation. If people listed in the "social register" wish to live together and apart from others, we know of no way to stop them.

6. What is the effect of Federal housing laws, policies, and programs on the housing patterns and problems of minority groups and on the State and local housing programs? Particularly, what are the practices and effects in this respect of the three constituent agencies of the Federal Housing and Home Finance Agency—the Public Housing Administration, the Federal Housing Administration, and the Urban Renewal Administration?

In Manhattan and in the city of New York overall, most of the Federal housing and federally assisted housing has been of the public housing type. There is a supply of money, sufficient thus far to provide for the construction of conventional housing in the city of New York without resort to FHA, VA, or other Government props. Hence, most of the Federal housing, and public housing, and publicly assisted housing has been of a nature such that people living therein do not enjoy great prestige. This does not apply to title I housing, which is really just getting underway here.

7. What proposals should this Commission consider in appraising Federal housing laws and policies and in making its recommendations to the President and the Congress?

In the field of public housing the Federal Government should not extend its aid where there is discrimination on racial, religious, or national-origins grounds, since all American citizens are equal and each contributes equally to the support of the Government, relative to his income and financial means. In the field of private housing we believe that the Federal Government should abstain from any action or occupancy, since each of us should be allowed under law to lead his life as he chooses, as always has been true under our Constitution. To introduce compulsory integration into private housing seems to us monstrous. It would be in contradiction to our fundamental rights and could become the first step toward the demolition of all our private rights. When private housing is treated as a public utility regulated as to occupancy by law and by bureaucrats, freedom will have ended in the United States. The comparison with Communist doctrine and practice is too obvious for emphasis.

There are many good people who believe that private housing can be integrated racially today. To those among them who have the financial means we suggest that they translate their conviction into action and construct housing for integrated occupancy. Perhaps we all will learn something. But let them undertake the experiment with their money and not the investments of others. And let them not intimidate legislators into enacting laws to compel others to do what they will not do themselves.

We must remember that the minority also can be a tyrant, especially since we observe that well organized and directed minorities often triumph over the unorganized and unled majority.

Commissioner HESBURGH. Ladies and gentlemen, we now have the pleasure of presenting to you Senator Javits, who has come from Washington at a considerable effort in time as he has to return this morning.

Good morning, Senator.

Senator Javits, as you know, is on the Senate Banking and Currency Committee, which reported out an omnibus housing bill yesterday, and we think it very pertinent to the purposes of this hearing that we should hear from Senator Javits this morning since he is involved in something that is very close to the center of all of our considerations here.

Senator Javits, we are very happy to have you with us, sir.

STATEMENT OF HON. JACOB K. JAVITS, U.S. SENATOR FROM THE STATE OF NEW YORK

Senator JAVITS. Thank you, Father Hesburgh, and Dean Storey and Governor Carlton; really, my appearance is not strictly a New York City appearance, which is, I gather, the subject of these hearings, but this is my native place. I am very proud of it. I am very pleased, therefore, to join with the other officials of our city and State in welcoming the Commission and consider this a particularly solicitous frame of reference in which to develop my views.

I think the Commission has a very difficult task, but I know of no task in domestic or foreign policy which could be more rewarding and more useful to the country; and I think we are all in the Congress grateful to the Commission, whatever may be our views on this subject, for the judicious way in which it has undertaken its inquiries and I also think for the willingness of members of pronounced views on both sides of this question to sit together as a commission.

I am not unaware of the fact that members of the Commission from areas traditionally identified with segregation on grounds of race risk considerable personal inconvenience and perhaps problems in their own communities by serving, and I would consider myself remiss in my duty if I didn't express appreciation for that.

Also, I would like to add again, personally, that no one in the Congress doubts less than I do the sincerity of the views which are

contrary to my own, and I have only asked my southern colleagues to have as much confidence in the sincerity of my views and those of the so-called northern liberals as I have in theirs, and I think I speak, because he said it so often himself, of Senator Douglas and the rest of us who are lined up on that side; and, so, in that spirit of a mutual inquiry by serious men, whose sincerity is undoubted on both sides, I address myself to this question.

It has been suggested that the hearing here is confined to housing policy, and that is entirely agreeable to me, and I shall confine my testimony to that subject. It is well known, of course, that I consider the fundamental guarantees to which our people are entitled to extend not only to home, without reference to their color or creed or their national origin, but also to an education, to a job and to personal dignity, as epitomized by their rights as citizens, which includes voting and the right to go and come wherever they please, as they please, equally with others; but I appreciate the need for specialization if the Commission's work is to be fruitful—and, so, I shall confine myself to the housing subject.

The achievement of an effective national policy of nondiscrimination in housing is heavily dependent upon action by the Congress, action by the executive department, action by the city and the State, and I emphasize action by citizens, and especially by voluntary organizations.

I hasten to point out, because I read in the newspapers the report of the testimony yesterday, that I, for one, consider the Congress to have a real responsibility, that this is not just the responsibility of the executive department; it is also the responsibility of the Congress, which has, in my opinion, in this field, a real responsibility to legislate, and I shall address myself to that subject shortly. Making decent, safe housing available to all our people, regardless of race, color, or creed, is essential to the implementation of our constitutional guarantees, with which we are all so familiar, and is also vitally important to the economic and social progress of some 27 million Americans, members of minority groups.

Now, the economic aspects of this, I am sure, will have been fully disclosed to the Commission. I remember not too many years ago when the distinguished lady who was in President Eisenhower's Cabinet, Mrs. Oveta Culp Hobby, herself a southerner, testified that our economic loss because of this problem which we face in the country was something like \$30 billion a year, representing the diminution in productive power of those who, by virtue of their status imposed upon them, because of this problem, were unable to produce their full economic potential. Now, 60 percent of the citizens, that is, of the minority group, some 27 million Americans, are now living in substandard dwellings, largely because of discrimination.

Indeed, there is no form of racial discrimination which more effectively nullifies or tends to nullify the Supreme Court's findings on desegregation in the public schools than this type of living restriction which forces minority groups into distinct geographical areas.

I am very proud of our State and I am very proud of our city on that score. Discrimination in housing was very materially barred through the passage of the first State law in 1956, the so-called Metcalf-Baker law—incidentally, passed while I was attorney general of the State and, therefore, a law with which I had something to do both in terms of its constitutionality and in terms of its enforcement—and then later by the Sharkey-Brown-Isaacs law banning bias in private housing right here in New York City. Also, I will say I strongly favor the new Metcalf-Baker bill introduced in our State legislature, which seeks to broaden to the whole State the principles which have been adopted in the municipal law in New York.

There I would like to digress a minute from my own statement to make this point: It is often thought that we, the people in the State of New York and city of New York, are very wild on this subject; it is our idea to drive all this through by force majeure, and my colleagues in the Congress who are from the South, many of them, never stop telling us that that is the case.

Now, here we are, in a perhaps somewhat calmer atmosphere, and we have an opportunity to see the facts, and I point out to this Commission that when the Sharkey-Brown-Isaacs law was first proposed it contained criminal penalties. This was found contrary to what is good practice in this field not only by others in New York City, but by me and by the chairman of the State Commission Against Discrimination. We felt, very strongly, and we said so publicly—and, indeed, our views prevailed—that the processes of mediation and conciliation and technical assistance, backed up by the civil injunctive power of the courts, was the right way in which to deal with the problem which involved so much emotion and had such deep social implications and that criminal law was the wrong way.

Now, I emphasize that because this is, in essence, the leadership which New York has given in terms of this kind of law, and it also underlines our consciousness of the difficulties and the fact that we are not bulls in a china shop upon this subject, but understand you have to deal with it in human terms far more than dealing with it in strictly legal terms, so long as you have some legal sanction, some martial opinion, in terms of the Government to back up what you're trying to do.

Now, in New York State about 80 percent of all Federal public housing projects are integrated, according to the Public Housing Administration. This, interestingly enough, compares to about the same

percentage, about 80 percent, taking them as projects—not by units, but as projects—which are segregated in the country as a whole.

Now, this gives us, I think, a rather important object lesson in the fact that legislation upon this subject of the character I have described does help in order to deal with this problem and that you don't have riots in the streets, but that you may, in some places, have your difficulties; but, on the whole, legislation does push the thing in the right direction and does have an effective result.

At the present time the average urban renewal project built in New York City has been constructed on a site cleared under the slum-clearance provisions of title I of the Housing Act, and this has presented a tremendous problem in adequately relocating displaced families, who almost invariably cannot afford middle-income rents which now run to as high as \$50 a room. In most cases minority-group families, which heavily populated the original site location, are driven into other substandard dwelling units if public housing is not immediately available.

In this respect, slum clearance can lead to slum spreading and urban renewal in one area might hasten urban decay in another, but again that depends on how well we handle it.

Now, I have the honor to report to the Commission something that was done yesterday in the Committee on Banking and Currency, contained in the Housing Act reported out last night, which I think is very helpful in that regard. My colleagues, after some consideration, decided that where public housing projects are located on the urban renewal site, be they Federal, city, or State—and in New York State this means a great deal because we have very large State programs for public housing and we have had very large municipal programs—that land which is covered by the public housing site shall be free of the requirement that the municipality must contribute one-third to the cost of the site development.

Now, this has been one of the main reasons why there has been off-the-site location of public housing and, yet, we know from our practical experience that on-the-site location of public housing gives the greatest opportunity for a balanced community. The best example of that, in a case history well worth studying on the part of the Commission, is contained in a project called Morningside Heights, located at 125th Street and Broadway, in that surrounding area, contiguous to the great educational and religious institutions on Morningside Heights, which include Columbia University and the Juilliard School of Music and the Union Theological Seminary and the Riverside Church, and a number of others. There the public housing development—and I had a great deal to do with that because I represented that district in Congress at the time it was put

on the site—is one of the most magnificently interesting community developments—I won't use the word "integrated"; I think that begs the question, but it is one of the most beautifully developed community localities—that we have in the city.

And, so, the Banking and Currency Committee yesterday, I think, has really tried, through the adoption of this provision, to help in this respect.

Now, I heard—I couldn't help but hear—your previous witness refer to the heavy population in public housing of Negroes and Puerto Ricans; and, of course, this only emphasizes what we all know to be the fact, and that is the real disparity in income as between these groups and the general average of American income. Only about one-third of all the nonwhite families in the United States in the last year for which we had figures, 1955, had incomes of \$5,000 or above annually and, therefore, it is these groups who are the most dependent on some form of publicly assisted housing.

To avoid perpetuating racial segregation, even unconsciously, under these circumstances which I have described, public housing projects should be carefully integrated into housing projects which will attract higher income families—and I have already given the example of Morningside Heights, which is a very interesting aspect of our life in New York City.

I have a few additional facts which I gathered together yesterday in Washington which might be of interest to the Commission, and I am sure the Commission is aware of them, but I would like to restate them: In the first place, there are 12 States which already have some form of legislation against racial discrimination in housing. New York, New Jersey, Massachusetts, Oregon, and Washington have such legislation against discrimination in governmentally assisted housing, that is, the traditional FHA and VA-assisted housing. Connecticut, the sixth State, has administrative regulations to that effect. Then there is legislation against discrimination in public and redevelopment housing in Minnesota, Pennsylvania, and Wisconsin. That is not private housing, but public and redevelopment housing. There is legislation solely against discrimination in public housing in Michigan and Rhode Island. That makes 11 States and, finally, there is legislation against discrimination in redevelopment in Indiana, making the 12th State. Those are the 12 States.

Now, I tried to get a rundown also yesterday on the latest attitude of the governmental agencies which deal with housing, and I would like to give the Commission a report on what I have found.

In the Federal Housing Administration apparently the Federal Housing Administration will endeavor to cooperate with State laws against discrimination in housing, notably the laws of the 12 States which I have mentioned, but they will do so passively, that is, they

will not seek to enforce the law. They will take cognizance of the law and, if the matter is called to their attention, will seek to have their own activities comply with that law. When I was attorney general, for example, in New York, the FHA agreed to put a legend on all its applications calling the attention of the developer to the fact that he would be violating the laws of the State of New York if he ran a segregated project or discriminated in his project. So that's the FHA.

Now, the Public Housing Administration leaves administration and policy on admitting the races up to local authorities.

The Urban Renewal Administration, however, has the most definite policies upon this subject. Their policies are definitely against segregation and provide that segregation cannot be called for in covenants, nor be written in in the future, nor can sites be selected for purposes of segregation, and they apply this to all States, that is, States which have these laws as well as States which do not.

That, as I see it, gentlemen, is the situation from the national point of view, and I would now like to tell you what I think ought to be the recommendations which I can make to you.

First, the supply of housing is a very critical element in everything which is done, and, of course, I am very proud to report that yesterday the Banking and Currency Committee, though it didn't do all that people like myself desired, did advance this objective to a very interesting and, I think, substantial extent: \$2,100 million was supplied for urban renewal in a 6-year program at \$350 million a year and 35,000 public housing units were provided as well as a reauthorization of the 16,000 which had been unused up to now, together 51,000 units, which will be adequate to take up the backlog, as we estimate it, in respect of public housing to give us a balanced housing picture.

There is no question about the fact that the Congress has a real responsibility in this field, and it has as much of a responsibility in this field as it had in respect to voting rights, with respect to which it passed the Civil Rights Act of 1957.

Now, Congress, as is well known to the Commission, has not seen fit to really implement the desegregation decision of the U.S. Supreme Court with respect to the public schools, and it signalized the unwillingness to do that by the defeat in the Senate of the so-called part III of the Civil Rights Act of 1957, which would have given the Attorney General independent authority to move into those situations.

I believe it very unlikely that the Congress would pass legislation with respect to discrimination in housing at this stage. Indeed, the subject has become very confused in the Congress in terms of utilizing the housing laws designed to serve one particular national objective in order to serve yet another national objective, the objective of non-

discrimination and nonsegregation in housing, and many congressmen who would otherwise support nondiscrimination legislation in respect of housing will fail to support it in housing laws because they believe it will interfere with the housing objective.

I don't think they are right and I think it is as much our duty to deal with segregation and discrimination in housing as it is to supply housing, itself, but I am stating an actuality to the Commission and not a theory and that is the way the situation sits in the Congress now. As a matter of fact, antidiscrimination amendments have been tried time and again, both in the House and the Senate—I have tried them myself—and they have always been turned down for the reasons which I have described.

Now, this does not mean that the Congress will not ultimately act in this field, but I believe that the Congress will only act upon the following bases developed in the country:

First, State laws, which have worked effectively. Now, these 12 State laws which I have described are a very important prelude to any action in the Congress.

Second, the public sentiment, which is going to be developed and is being developed daily by just such elucidations of the facts as are taking place before this Commission.

I think the actual experience of people in living in nonsegregated communities, the trials and tribulations of the enforcement of laws like we have in the State of New York—all of these are serving to build a public climate which is very important in this field.

And, finally, the action of voluntary civic organizations. Incidentally, I would like to emphasize the last, and once again I think the Commission has to be very realistic. There are altogether too little public acceptance and public education and knowledge of what it means to live with a next-door neighbor who is a Negro or Puerto Rican, and there is a certain amount of reserve upon that score even in this town, even in New York City. Now, this should not be, and its being is essentially a default in the voluntary organization of citizens.

In short, one of the finest functions of civic organizations would be this kind of acquaintanceship, this kind of community relation, this kind of education of the individual family in non-self-conscious group living, and I know of no place better than New York City where this could be effected, and this would mean tremendous support both by Negroes and by those who are white of their own leadership as well as their own civic organizations. I think there is a tremendous area for the most effective kind of work in that field.

So, those are the three things—a network of State laws and the experience in their administration; a public sentiment developed by hearings and investigations of the character being conducted by this

Commission, and the work of voluntary civic organizations, working in the community relations field and acquainting people with each other and helping them to solve the day-to-day living problems and getting over their reserve or fears, which are inherent in many, many people, even in this community, in respect of this kind of living, which is, by all means, the way of the future.

Now, finally, the executive department: The executive department can do a great deal. For example, the executive department was responsible for the elimination of segregation in our Armed Forces. The executive department has been heavily responsible for the elimination of segregation in establishments which work on Government contracts. The executive department was responsible for removing the blight of segregation from the National Capital in terms of its public facilities, restaurants, movie picture theaters, hotels, et cetera.

So, the executive department can do a great deal, and it is true, as was testified yesterday, that a strong policy in the FHA and other housing agencies could make very measurable progress in this field; but again we have to understand that the same attitude which we find in the Congress is the very same attitude that we find in the executive department because it reflects the public attitude of the country and, just as we find in the Congress the reluctance to deal with this problem on grounds of self-justification that it will interfere with the housing objective, we find exactly the same attitude in the executive department. Hence, I feel that it is not so much a question of finding fault, if there is fault that lies with all of us, as it is in gearing up the organs by which our people manifest their will in order to get that will manifested both in the Congress—and I say the Congress shares fully equal responsibility—as well as in the executive department.

That, gentlemen, is my view upon the subject, and I hope it will be of some help to you.

Thank you, Mr. Chairman.

Commissioner HESBURGH. Thank you very much, Senator Javits. We appreciate very much your coming here and giving us these reflections this morning and, if possible, we would like to have the opportunity of asking you a few questions.

Senator JAVITS. Please.

Commissioner HESBURGH. Would that be agreeable to you?

Senator JAVITS. Oh, certainly.

Commissioner HESBURGH. Yesterday there were a great many depositions, if you will, from various witnesses regarding the necessity of equal opportunity in this country, and many of the witnesses said that they felt that the opportunity that America should reflect was being cut back considerably by the practice of Federal housing agencies, that in one area of the country, in the judicial area, we say

that equal opportunity and equal protection of the laws is the meaning of the Constitution and in another area, which is providing housing, we say that housing programs, federally sponsored housing programs, are only, in general, for the benefit of the white people in this country.

Mr. Schwulst, for example, who is the chairman of the Commission on Race and Housing of the Ford Foundation, made the recommendation that there be established a federal executive committee to study and make recommendations on the elimination of discrimination in Federal housing programs. I was wondering what you thought of that suggestion.

Senator JAVITS. I like it very much. I am very much for it. If there were any legislation required on the subject, I would be glad to introduce it.

I think it follows the very practical model of the commission which blazed the trail for the elimination of segregation in the armed services, and I think this is an excellent approach to the problem; and I emphasize, because I am sure Mr. Schwulst must have this in mind, that this is not a study commission. It is an action commission, a commission which will outline the ways and means by which the objective can be accomplished in a study way, and that is exactly what the commission which dealt with segregation in the armed services did so very effectively. I fully support that suggestion. I think it is an excellent way in which to get on with this business.

Father Hesburgh, if you will allow me—

Commissioner HESBURGH. Surely.

Senator JAVITS. I omitted one thing in my testimony which I would like to make very strongly to you: For a long time I have been in the foreign affairs field. I was a member of the House Foreign Affairs Committee from 1947 to 1954, and throughout my public service I have been very heavily identified with foreign affairs. I am now the chairman of the Economics Committee of the NATO Parliamentarians, and I have always been in that field. I know of no single domestic policy of the United States which has a more adverse impact on the standing of the United States in the world than our failure up to date to measurably meet and deal with the problem we are discussing this morning.

As you go around the world and you see what is being said about us—not being said against us, but what is being said about us—you constantly see emphasized the fact that we cannot, say our opponents, be entrusted with the leadership of the world, the free world, in terms of our ideals and our objectives of peace and justice until we show the moral capacity for that leadership and that we do not demonstrate this moral capacity by our failure adequately to deal with this subject

of discrimination and segregation on grounds of race in our own country.

Now, I emphasize one other thing, and again I say this because I think it is so important to those who don't take the same view that I do: There is an attitude of great reasonableness in the world on that subject. I shall never forget a series of editorials in the Indonesian papers at the time of the most distressing incidents in Little Rock, in which they said that they complimented the Government of the United States, not that it was overcoming its problems of racial segregation, but that it was trying to overcome them, and that this was very important and could be very reassuring to the colored peoples of the world.

Let us not forget, gentlemen, that in the free world—not the slave world, but in the free world—out of a billion seven-hundred million people, approximately, over 1 billion have skins which are yellow or black. This is the world with which we are going to have to deal and which we must win if we do not wish to perish.

Thank you, Mr. Chairman. I am sorry to have digressed for a minute.

Commissioner HESBURGH. No. I think it was a very interesting digression, and those of us who have been around the world in the areas where you have can second that observation.

On other point you made, Senator, impressed me very much, and I wish there were some mechanism for doing it—I realize it was thought of when the Commission on Civil Rights was created by the Congress—that is, the educative function. I think it is so terribly important that people have the opportunity to sit down in a hearing of this sort and discuss these things, to take up both sides of the question, to do it all in what I suppose Shakespeare would call sweet reasonableness rather than emotion and passion and the other things that complicate our discussion, and I thought that was a fine contribution on the educative function that must precede all these things because you can't expect more from the Government than you would have inherent in the aspirations of the people, and on that I want to compliment you, sir, because, as one involved in education, I find it is a terribly important point.

Dean Storey, did you want to ask any questions?

Vice Chairman STOREY. Just two questions.

I am sure, Senator, you believe in private enterprise and private financing and only governmental or municipal or State action where the private enterprise cannot do the job.

Now, with reference to mortgages—you heard the testimony of the previous witness, General Andrews, a moment ago—is there anything on the Federal scene or the State scene that could be done by way of

legislation or otherwise that would eliminate the question of high interest rates, as testified to by General Andrews, in the private financing field?

Senator JAVITS. I feel very unhappy about the high interest rate structure, Dean Storey.

I do believe very deeply in the private economy. If you will allow this—and I am certainly not known as a strong partisan—I will say, as a member of my party, I think our two principal claims to the support of the people are our devotion to civil rights and our devotion to the private economic system; and if there are any distinctions between the parties I have always emphasized those as very important to my party. So, I couldn't agree with you more.

Now, our national economic situation deserves lower interest rates. These higher interest rates are compelled upon us by what appears to be a tremendous effort to bid for money; in other words, various competing aspects of the bidding for money. I think in a position of this character Government should take a place and occupy a moderating influence in terms of making credit available where interest rates just get so high as to defeat their own objective or the objective of our society. Hence, in our deliberations in Washington, we have had to give some ground on this interest-rate question. This is actuality.

For example, I will give you my own personal experience. I felt very deeply persuaded last year to vote against any increase in the VA loan interest rate, and I did. Now, I think that exercised a moderating influence.

At the same time we have found that we just cannot support the secondary purchase of mortgages which results from that relatively artificial interest rate. More money is required for that than can be allocated to it. Therefore, it was necessary to allow that interest rate to move up somewhat in order to endeavor to get housing for GI's at all on some realistic basis. The thing had almost dried up within the last year; and, so, the committee yesterday reported out a bill allowing the interest rate to rise to five and a fourth percent.

Now, I point that out in order to make this fact: You can't, in terms of the whole economy, say "Stop. We will not raise this rate." At the same time you can proceed with the greatest caution, with the greatest effort, to moderate what seems to be the drive of economic forces and in the hope of stabilizing those economic forces at reasonable levels.

So, it is my disposition as a Senator, having had to absorb this inching up of the interest rate, much against my desires, now to try to back this up again with secondary mortgage purchases through what is called Fannie Mae—I am sure Dean Storey is very well acquainted with that—in order to endeavor to stabilize at this level,

notwithstanding our lack of success in stabilizing at the previous level.

In short, I believe that Government has a role which it should exercise in respect to the economy in moderating the forward drive of interest rates, and I am very hopeful that we can, by giving a little ground, which we have given—there's no question about that—stabilize our situation and perhaps again bring about lower interest rates, having stabilized at a more realistic level than we did before.

Vice Chairman STOREY. One other question, sir: You referred to our position in foreign affairs, and I realize the importance of it, and we appreciate what you have done in that field. My activity, if I might be personal, has been in the private field, and I am not a public official, except on one or two of these commissions. Like yourself, I have observed in two world wars and in many trips in other lands—just got back from one last week—and I realize, as you do, that this is a question by other people and other friendly nations. On the other hand, haven't you found, from your travels and observations and information, that many of those countries have problems equal to ours, if not more acute than our own?

In the housing field you and I know that the 800,000 Palestinian refugees are not adequately housed, and that is a festering sore, and then we get out into Asia and we find many more refugees and members of minorities in worse conditions than our own, and don't you think they are beginning to appreciate very much more our position in this whole field of civil rights than maybe 2 years ago?

Senator JAVITS. Dean Storey, I thoroughly agree with you.

I make only one point, sir: In none of these areas which you have described is there any need for leading the free world.

We don't like this role particularly, though I think as time goes on we will like it, because there's tremendous adventure and excitement and interest and purpose in it, but it is a fact, sir, that we will lead the free world morally or it will not be led right now, and perhaps the interregnum will be so great as to cause us or perhaps, what is even worse, cause the values that we hold dear to life, itself, to perish. So, the eyes of the world are fixed upon us not because we like it, Dean Storey, but because this is the march of history. We're stuck with it, as it were, and we have to do the best we humanly can. So, that is point 1. In other words, why pick on us, as it were? You are absolutely right, but this is the nature; this is what we pay for what we have and for the position in which providence has placed us.

Then, beyond that, I think it is instructive, sir, that we are appreciated because we're doing just exactly what this Commission is doing—and, if the Governor will pardon a personal reference, the

fact that the former Governor of Florida sits on this Commission is very instructive and very helpful in terms of a feeling in the world that we really want to do it, that we are conscious of our moral responsibility.

All adult people know that there are great injustices in the world and that there have been for centuries. The question isn't that we eliminate injustice, but that we're trying to eliminate it—and there I think, sir, coming back to our fundamental premise, the credit we must seek in the world is that we are genuinely and effectively trying and that we're making measurable progress.

Vice Chairman STOREY. The only point I wanted to emphasize—I realize the position of leadership and all that, but the only point I wanted to make—by this question was: Don't you think, because some of the conditions in areas such as I have mentioned, including Africa, are so acute and many of them will have to be solved by themselves, that they appreciate better now our position in dealing with this very difficult situation?

Senator JAVITS. I think that is absolutely true, and I believe, too, as we become more internationally minded, and we are, that we are calling to the attention of the world that situation.

Dean Storey, you happened to mention the situation in the Union of South Africa.

Vice Chairman STOREY. I mentioned Africa last, which is very acute, as you know—

Senator JAVITS. Yes.

Vice Chairman STOREY. One of the most acute in the world.

Senator JAVITS. Exactly; and, so, I thoroughly agree with that point, and we have a right to make that point, and we should make it in the most eloquent way.

Vice Chairman STOREY. Thank you.

Commissioner HESBURGH. Senator Javits, I want to thank you again for coming this morning and thank you for all the light you have brought to our subject.

Senator JAVITS. Thank you.

Commissioner HESBURGH. Mr. Tiffany, would you please present the next witness?

May I say that we are inevitably slipping a few minutes behind, and I would earnestly request that our witnesses try to be as brief as possible in their presentations so that we can have time for questioning, which I think has helped a great deal in these hearings.

Mr. Tiffany.

Mr. TIFFANY. The next witness is Mr. Frank C. Lowe. Mr. Lowe is vice president of the Metropolitan Life Insurance Co., in charge of the housing division. He has held many positions of management

in the real estate and brokerage business and has been involved in the Metropolitan Life Insurance Co., large-scale housing projects since 1939 and in charge of the housing division since 1951.

Mr. LOWE.

STATEMENT OF FRANK C. LOWE, VICE PRESIDENT, METROPOLITAN LIFE INSURANCE CO.

Mr. LOWE. Thank you, Mr. Tiffany.

Gentlemen of the Commission: The Metropolitan Life Insurance Co. is very happy to accept your invitation to have someone here representing them and to cooperate with this Commission, and I hope that I shall be able to contribute something of value to your study.

Father Hesburgh, this is just two and a half pages long. So, it won't—

Commissioner HESBURGH. Wonderful.

Mr. LOWE. So, it will be brief.

I should like to make it clear at the outset that my comments must necessarily be limited to my experience with Metropolitan's housing developments over approximately the past 20 years.

I have no facts or firsthand knowledge which would enable me to testify with respect to the general questions on housing which have been sent to me by the Commission.

The Metropolitan Life Insurance Co. has built, owns, and operates housing developments providing apartments for over 34,000 families and more than 100,000 people. Four of these developments are located in the city of New York. The first and largest of these, Parkchester, has been in operation since 1940, the others for somewhat shorter periods of time.

In its management of these housing developments, Metropolitan has at all times endeavored to act in the best interests of its policyholders, tenants, and the public in general. In the case of Stuyvesant Town, this involved a successful court defense of Metropolitan's right freely to select its tenants. However, in the selection of tenants Metropolitan policy is not to discriminate against any applicant because of his race, creed, color, or national origin.

We do insist that all prospective tenants meet our standards of tenant selection. For many years we have used tenant application investigation and screening methods which are designed to select responsible, decent, law-abiding citizens who are good credit risks and good housekeepers. Only in this way can we continue to protect our policyholders' funds and fulfill our obligation to our present tenants to provide them with good neighbors.

Because we make no effort to record such matters, I can only state that, on the basis of observation, many races, creeds, colors,

and nationalities are living in our housing developments. While we all have the problems of tenant relations that go with operating large housing developments, I am aware of none that have arisen as a result of the practical application of our policy of non-discrimination.

The adoption of local laws in New York City which prohibit discrimination by reason of the applicant's race, creed, color, religion, or national origin or ancestry in the selection of tenants had no impact on our situation because our own policy in this respect had already been established. I did call the enactment of the Sharkey-Brown-Isaacs law to the attention of each resident manager in New York City and told him I expected him to continue to select tenants without discrimination, as heretofore, in accordance with our established methods of tenant selection.

If success were to be measured by the demand for our apartments in New York City, I can safely say that our efforts to supply moderate rental housing in this area have been overwhelmingly successful. Our tenants apparently are satisfied. Turnover is so low that we have a most difficult problem assisting families who wish to move in. We have so many screened and approved applications on file in each of our New York City developments that the lists have been officially closed for several years.

For one thing, we consider it a disservice to arouse false hope in the mind of anyone by accepting an application when we know that, even if approved, it may be years before an apartment is available. Furthermore, the expense of processing new applications seems unjustified in view of existing conditions.

To conclude, Metropolitan, in the selection of tenants for our apartment communities, does not discriminate because of race, color, creed, national origin, or ancestry. We have residents of many faiths and nationalities, both white and nonwhite. On the basis of our experience to date, this policy of nondiscrimination has created no unusual problems, tensions, or difficulties.

Commissioner HESBURGH. Thank you very much, Mr. Lowe.

Mr. Lowe, I would like to ask you a question, again in the effort to draw out all sides of this problem. Do you think there is any danger that pressing antidiscrimination laws will backfire and cause more resistance in other people—I realise that is a very blunt question; I am not trying to put you on the spot—just from your experience in the housing industry here in the city of New York?

Mr. LOWE. Father, I might say, as far as our experience is concerned—and I must confine my remarks to our housing—such legislation as has been passed has, as I have stated in my previous remarks,

had absolutely no impact at all because our policy has always been one of nondiscrimination.

Commissioner HESBURGH. As I understand, you try to get the kind of tenant that you think will make a return on the investment that you are investing for someone else?

Mr. LOWE. Not necessarily. Of course, that is one of the elements of tenant selection, but we're just as interested in selecting families who can live congenially in communities such as we have and who are good housekeepers.

Commissioner HESBURGH. Have you had very good experience with the kinds of families, you have selected in your developments?

Mr. LOWE. We have had excellent experience.

Commissioner HESBURGH. Dean Storey, would you like to ask a question?

Vice Chairman STOREY. As I understand, in addition to your successful experience, the apartments in New York City have been profitable?

Mr. LOWE. Dean Storey, I might say this: I might say that the Metropolitan Life has indicated that it would be very happy with a reasonable return on its investment. Now, many people have many ideas as to what reasonable return is. I might say that the reasonable return that we all anticipated has not arrived up to the present moment, but we do feel that over a long period of time it will be very satisfactory.

Vice Chairman STOREY. Would you mind giving us the percentage of return thus far from your experience?

Mr. LOWE. Only to the extent, Dean Storey, that it has been less than 6 percent net yield.

Vice Chairman STOREY. Less than 6 percent net per year?

Mr. LOWE. That's correct.

Vice Chairman STOREY. Could you give us any figure? We have had brought out the issue of high interest rate in private financing as opposed to public financing. Would you care to give us, shall we say, a minimum return you have received in this field?

Mr. LOWE. Well, our minimum has been down as low as one to one and a half percent.

Vice Chairman STOREY. Could you give us the average?

Mr. LOWE. I would say over the 20 years that I am familiar with we possibly averaged slightly better than three points.

Vice Chairman STOREY. Are you talking about New York City now?

Mr. LOWE. Yes.

Vice Chairman STOREY. What about the rest of the country where you have had these projects? Is there any difference in the average return?

Mr. LOWE. There has been because, unfortunately, we built at a time when construction costs were very high and——

Vice Chairman STOREY. A great deal of this has been since World War II, I assume?

Mr. LOWE. That is correct.

Vice Chairman STOREY. Has your experience been along the same line in other cities or has it been less?

Mr. LOWE. Pretty much the same way.

Vice Chairman STOREY. Pretty much the same.

You mentioned, I believe, you thought over the long range it would be reasonable?

Mr. LOWE. I do feel that, very definitely.

Vice Chairman STOREY. At least you have had no problem with reference to occupancy?

I gather that you have even done away with your waiting list here in New York?

Mr. LOWE. We shall always keep our waiting list, Dean Storey, but——

Vice Chairman STOREY. But what I mean is you are not processing, I believe is the term, applications?

Mr. LOWE. That is correct.

Vice Chairman STOREY. Has that been a similar experience in other cities?

Mr. LOWE. Not to the extent of New York City.

Vice Chairman STOREY. Thank you, sir.

Commissioner HESBURGH. I have one more question.

Excuse me, Governor Carlton. Would you like to ask a question?

Commissioner CARLTON. Do your investments deal with the low-rent housing or the high or to what degree?

Mr. LOWE. Well, Governor, we are in what we call a moderate rental field. In other words, I would say that we appeal to the family earning between \$4,000 and up to \$10,000 average.

Commissioner CARLTON. What is the average percentage of whites and non white occupants of your building?

Mr. LOWE. Frankly, I wouldn't know, Governor, because there's nothing contained in our application form which indicates in any way any reference to this particular question.

I might mention, in passing, that one of our developments, River-ton, which is located at 135th Street and 5th Avenue in Harlem, has 1,232 apartments and most of those apartments are occupied by Negro families.

Commissioner HESBURGH. Mr. Lowe, do you think there is a good possibility of increased activity by private interests in providing

housing for a place like New York City? We have been hearing about the terrible dearth of housing here and the necessity of opening up new areas.

Mr. LOWE. Father, it is my opinion that a company such as ours, an insurance company, which primarily is interested in creating homes for families of moderate income, will be unable to do very much because construction costs, plus operating expenses and taxes, have risen to a point where it is just no longer possible to build for the family of moderate income.

As a clear example of that, I would like to state that in 1940 we built 12,272 apartments at Parkchester. Our average rent was \$14.25 per room, including gas and electricity. If we were to build that development today, to exactly the same standards of fireproof construction, my construction engineer tells me we would have to get \$45.50 a room per month.

Commissioner CARLTON. Pretty expensive.

Mr. LOWE. Yes, sir.

Commissioner HESBURGH. I suppose this all part of inflation.

Mr. LOWE. It is a very important part of inflation.

Commissioner HESBURGH. Does rent control keep you at \$14.25 per month in these rooms?

Mr. LOWE. Well, I must say since the inception of rent control we have had one mandatory increase of 15 percent; we have had several voluntary increases, and I am happy to state between 92 and 100 percent of the families went along with the voluntary increases, so that today we do average about \$18.50 per room, including gas and electricity. However, that is too low to give a satisfactory return even on that investment.

Commissioner HESBURGH. Mr. Lowe, one other question: This long waiting list, I presume, will be closed for some years, so that this new law won't have any appreciable effect on your operation?

Mr. LOWE. No.

Commissioner HESBURGH. You say you don't know, offhand, whether there are Negroes on this list or not?

Mr. LOWE. No.

Commissioner HESBURGH. The other thing I wanted to ask: Would you give us an opinion on the Federal programs for housing?

Again we are trying to approach this question of the dearth of housing in a place like New York with great immigration. We were told yesterday that even the number of public housing units each year are probably only a sixth of the number of families coming in to be housed, and on top of that there is increasing concentration of fami-

lies in areas of housing where you have many, many people in a single room. What would you think would be the answer?

Is Federal housing a part of the answer?

Mr. LOWE. I am sorry, Father. What would I think—

Commissioner HESBURGH. Is Federal housing a part of the answer to get more rooms, more areas, in a city like New York City that is constantly being inflated with population?

Mr. LOWE. Very frankly, I would not like to comment—

Commissioner HESBURGH. Surely.

Mr. LOWE. On any part of the Federal program.

Commissioner HESBURGH. Surely.

Commissioner CARLTON. Are you doing any more new building now to provide for the present needs?

Mr. LOWE. No, sir; we are not.

Commissioner HESBURGH. Any more questions, Dean Storey?

Commissioner CARLTON. Why?

Mr. LOWE. For the very reasons I mentioned just a minute ago—the terrific cost of construction, plus operating expenses and taxes.

Vice Chairman STOREY. Limitation of returns has something to do with that, too, does it not?

Mr. LOWE. Some, Dean Storey, but that will improve and, as I say, over a long period of time we'll be all right.

Commissioner HESBURGH. Mr. Lowe, we appreciate your coming this morning and thank you very much for your coming and being with us.

Mr. LOWE. Thank you, Father.

Commissioner HESBURGH. Mr. Tiffany, will you please present the next witness?

Mr. TIFFANY. Father Hesburgh, the schedule has been slightly changed. The next witness will be Mr. Jackie Robinson. Mr. Robinson is here today as a director of the Modern Community Developers, Inc., a new development company seeking to promote integrated housing. He is vice president of the Chock Full O'Nuts Corp., but he is here to discuss the rather unique work of Modern Community Developers, Inc.

With him today and available to answer any specific questions are two other officers of that company, Mr. Morris Milgram, the president, a Philadelphia builder, and Mr. Frank Montero, the vice president, who is former associate executive director of the National Urban League.

Mr. Robinson is recognized at this time, Mr. Chairman, because of another pressing engagement.

Commissioner HESBURGH. Will you please be seated, Mr. Robinson? If Mr. Milgram and Mr. Montero would like to sit with you, they are welcome.

Mr. ROBINSON. It is not necessary. If they are here, it is all right.

STATEMENT OF JACKIE ROBINSON, VICE PRESIDENT IN CHARGE OF PERSONNEL, CHOCK FULL O'NUTS CORP., AND DIRECTOR, MODERN COMMUNITY DEVELOPERS, INC.

Mr. ROBINSON. Mr. Chairman and members of the Commission on Civil Rights: I want to say, first of all, I deeply appreciate the fact that the Commission is looking into discrimination in housing and, knowing the great work you do, Father Hesburgh—I don't happen to know the work of the other two gentlemen as well as I know your great work—I am very positive that something good and concrete will develop from this meeting here.

As you know, discrimination in housing deeply affects millions of Americans here in New York and elsewhere in the United States. I speak as a personnel executive of a company with some 1,000 employees and as a director of a building company and as an American Negro.

I read in a page 1 story of the New York Times on January the 28th that—and I quote: "The Commission has received no complaints from New York about housing bias." Well, I am sure you learned members of the Commission are not naive, and I am sure you are aware that directly and indirectly discrimination in renting or purchasing apartments and homes does exist in New York, and I guarantee you, gentlemen, that beanballs are still being thrown in the housing field as well as on the ballfield.

As vice president of the Chock Full O'Nuts, in charge of personnel for our 1,000 employees, I'm interested in their overall welfare. Because most of them are Negroes, housing conditions for minority groups continue to give my employer, Mr. William Black, the President, and me a great deal of concern. We're concerned that large numbers of our employees cannot obtain suitable apartments for their families. Now, we discussed many aspects of the problem, and one day we started exploration of a monumental job—starting a nonprofit housing project for Chock Full O'Nuts' workers. Mr. Black felt it would have a dual purpose—that it would perhaps inspire other companies to think about and perform similar services for their employees, especially those in minority groups. Well, we checked with housing officials, and they were certainly sympathetic, but the roadblocks seemed to be tax relief. We would need tax

relief in the city, and the consensus was that such relief was unavailable and that it would make the city a target for other requests along similar lines. At this point Mr. Black and I hope to find some other means of helping our employees.

I have related this for a few reasons. One is to show that Mr. Black, striving to improve his employees' welfare and knowing about discrimination in housing, just didn't merely say to himself, "Isn't it a shame?" He really got excited about it, and we talked about it to find out what we could do. At least we tried.

There are hundreds of other companies in comparable circumstances. When they are stimulated, when an increasing public opinion rallies to the support of human rights and when the Commission suggests legislation to weed out discrimination and segregation, the winner will then be the individual, his community, and our great Nation.

I can cite examples wherein I, personally, encountered discrimination in housing. About 10 years ago a group of associates and I tried to launch an open occupancy housing project for some 1,300 families to be built in Brooklyn. We weren't going to displace or relocate anybody. We sought to build on available ground and then move people out of slums into our project. The authorities said we couldn't build because the ground wasn't suitable or not sufficiently firm. Although our technical men submitted plans showing how we would overcome this, we got nowhere. Today there are apartment houses on that site, but they are not open-occupancy apartments. They're for whites only.

When my wife and I decided to move from St. Albans, Long Island, we were put through the usual bag of tricks right in this State. At first we were told the house we were interested in had been sold just before we inquired, or we would be invited to make an offer, a sort of a sealed bid, and then we'd be told that offers higher than ours had been turned down. Then we tried buying houses on the spot for whatever price was asked. They handled this by telling us the house had been taken off the market. Once we met a broker who told us he would like to help us find a home, but his clients were against selling to Negroes. Whether or not we got a story with the refusal, the results were always the same. Because of these tactics, we began to look in Connecticut; and we finally were able to settle in Stamford due to the strong efforts of some very wonderful people there.

Now, this leads to a basic truth about ending segregation in housing, as in any other phase of our life: That is, Government regulations alone are not enough. Public housing operated on an open-occupancy

basis by itself is not enough. True, we need both of these; but we also need positive action by individuals to spur bias-free, privately built housing.

I went to Washington about 10 times in recent years to confer with officials, seeking action which would grant Negroes some progress toward equal rights in housing. The officials have been very polite to me but, regardless of the reason, nothing has been done.

In the 25 years that the FHA has been in existence a grand total of some 200,000 dwelling units available to Negroes have been built with FHA assistance. Meanwhile, builders have constructed a million units a year or better for quite a while. Now, 200,000 units may sound like quite a bit of housing, but it is a tiny fraction compared with the 25-year total of housing built with FHA aid. FHA is not necessarily at fault. It is just that hardly anyone has built private housing open to Negroes until very recently.

We use such words as "discrimination" and "equality," but they don't tell the story.

There is a builder in New York whose conscience was troubled about housing discrimination against Negroes. Nevertheless, he was afraid that if he would let just one Negro buy a home it would spoil his business success. So, with a guilty conscience, he stalled a Negro buyer for just about a year and a half. Things came to a head when the Negro broke into tears in the builders' office and left. The builder said, "If he had waited just another minute, I would have sold him the house." The builder now sells to Negroes, but he had to first feel some measure of the harm that he was working on another human being.

We know that for many charity begins at home. So do hate, hostility, and delinquency, especially when the home environment is a slum, lacking adequate space, lacking facilities, but not lacking for high rentals, while infested with insects and rodents.

These conditions exist now, today. They exist for many thousands of minority-group citizens, and they exist right here in the Nation's biggest city. New York is not unique in this situation. Practically every major city in this country has these problems.

It is ironic that these pitiful conditions, born of discrimination in housing and employment, exist as our country enjoys its healthiest economic periods and progressively higher living standards. It is time we made greater progress in our value standards.

Because of discrimination in housing, the end result for many is mental and physical suffering, oftentimes personal tragedy, domestic difficulties, discouragement, a waste of human potential, and, finally, an abundance of community problems.

I am here also as a member of the Modern Community Developers, Inc. We have been formed to help builders get into the integrated housing field. By integrated housing we mean just that, not housing theoretically available to all when, in fact, it is another racial ghetto. I am happy to serve on the interracial board of this firm because it is concentrating on privately built housing. This is a frontier we must open up to secure equal housing opportunity for all.

I say to you gentlemen of the Commission: I am sure you will accomplish much toward halting discrimination in housing, and when the goal is reached human misery will be reduced and our citizens will be happier and more productive.

Commissioner HESBURGH. Thank you very much, Jackie. We appreciate your coming here today.

I would like to ask you a question that may be somewhat personal, but to check it against something that was said yesterday. We were told by some of the witnesses yesterday that there is really a dual market for housing in the United States—there is one market for whites and another for nonwhites—and that a dollar in the hand of a non-white person will only buy about half as much housing as a dollar in the hand of a white person and that the solution to this was to have an open market on housing where a person who had the money would be allowed to buy a reasonable amount of housing for that money. What is your reaction to this in your own personal life?

What I am thinking of is this: You are a college graduate. You are a person of national distinction, and you are not poor, I don't think. You have mentioned something about difficulties in finding housing. Do you think this generally true of Negroes throughout the United States?

Mr. ROBINSON. Well, Father, I would have to say that, in my experience, I have found that this is generally true and the housing that the nonwhite person is able to buy in most cases does not live up to the standards even though they pay a higher price for it or even in the rentals. Their rentals are higher, and in many cases where they are cold-water flats.

Commissioner HESBURGH. I suppose the immediate problem is decent and more adequate housing for everyone, and this is something you are trying to do with Community Developers; is that right?

Mr. ROBINSON. That is very true, sir.

We have looked into this problem, and I was invited to be a member of the board, I think, because of my past experiences and activities in this field; and, in talking to Mr. Milgram and Mr. Montero and other members of the board, our purpose is to provide integrated housing, and more of it, because we feel that, whether people like it

or not, people of all races and creeds in the immediate future are going to vie for opportunities according to abilities, and we feel if our children have an opportunity to know people of all races and creeds at a very early age, their opportunities later in life will be greater, and that also of the white individuals. If they get the opportunity of knowing and understanding people of all races and creeds, they won't have the problem later in life of having to learn to understand while they are vying for jobs, which would make it much more difficult for the Negro as well as the white person.

Commissioner HESBURGH. Thank you, Jackie.

Do you have a question, Dean Storey?

Vice Chairman STOREY. Mr. Robinson, I didn't get your place of residence now. Do you live in New York now?

Mr. ROBINSON. No, sir. I work here in New York, but I reside in Stamford, Conn.

Vice Chairman STOREY. That is your permanent residence?

Mr. ROBINSON. Yes, sir.

Vice Chairman STOREY. Would you tell us, just briefly, how your organization that you are trying to assist in promoting integrated housing works? Is yours just an encouraging organization or do you take part in it or just what does your organization do?

Mr. ROBINSON. We take an active part in it, sir. For instance, if a builder would like to build an integrated project, we will give him advice, counseling, and also lend him money, if it is necessary. We don't just go into a project to encourage them to build without backing them up with finances. We are trying to raise the moneys today to go all out in this field by helping with moneys, advice, and actually we'll take over management, if it is necessary, to insure a successful housing project.

Vice Chairman STOREY. Up to date, have you financed an entire individual project?

Mr. ROBINSON. There have been two in New Jersey, and they have been very successful. We are looking at many others.

I don't have the exact numbers of houses that have been sold to Negroes and to whites, but we do know that they have been opened up; and we insist that in the houses there be a percentage of Negroes, a percentage of whites, and in our contract we insist that they cannot sell to other people to break this percentage down so that later on it will be an all-Negro housing project or an all-white project. This is something that we stick to all along—this pattern of percentage—so that we can have a truly integrated setup.

Vice Chairman STOREY. So, you are beginning to be in the operation field, are you not?

Mr. ROBINSON: Oh, yes. We have been from the start.

Vice Chairman STOREY. Have those enterprises been profitable financially?

Mr. ROBINSON. I would have to say yes.

Mr. Montero just informed me we have had 6 percent return on the investments.

Vice Chairman STOREY. 6 percent return?

Mr. ROBINSON. Yes.

Vice Chairman STOREY. As a whole?

Mr. MONTERO. On two projects.

Mr. ROBINSON. On the two projects in New Jersey.

Vice Chairman STOREY. On the two projects?

Mr. ROBINSON. Yes.

Vice Chairman STOREY. And you expect to expand it in the commercial field?

Mr. MONTERO. We are.

Mr. ROBINSON. We are.

We expect to expand it in the commercial field. As a matter of fact, we have had meetings with people all over this country who are tremendously interested in our organization and seeking our help and guidance.

Vice Chairman STOREY. This is not a nonprofit organization?

Mr. ROBINSON. No, sir; it is not.

Commissioner HESBURGH. Governor Carlton.

Jackie, we thank you very much for coming today, and I think the things you have had to say about housing and our general situation have been very helpful, and I know all of us want to thank you for being here with us, Mr. Montero, too, and also your associate, Mr. Milgram.

Thank you very much.

Mr. ROBINSON. Thank you, sir.

Commissioner HESBURGH. The next witness will be Mr. Emil Keen. Mr. Keen is here representing the New York State Home Builders Association, of which he was the president at the time this hearing was arranged.

The 1959 president, Mr. Victor Sullivan of Albany, was also invited, but has informed us that he is unable to attend, and joins in and is in full accord with the statement Mr. Keen will make today.

Mr. Keen is presently the chairman of the past presidents' council and chairman of the long-range planning committee of the New York State Home Builders Association. He is not only a homebuilder, but is a director of the Security National Bank in Babylon.

Mr. Keen.

STATEMENT OF EMIL M. KEEN, CHAIRMAN OF THE PAST PRESIDENTS' COUNCIL AND CHAIRMAN OF THE LONG-RANGE PLANNING COMMITTEE, NEW YORK STATE HOME BUILDERS ASSOCIATION AND DIRECTOR AND VICE PRESIDENT IN CHARGE OF THE PLANNING AND CONSTRUCTION DIVISION, SECURITY NATIONAL BANK OF LONG ISLAND

Mr. KEEN. Good morning, gentlemen.

I find it very interesting to have the opportunity to report to the Commission, but I feel that the political aspects of housing integration and the social aspects of housing integration have been well presented by Senator Javits and Jackie Robinson. I would like to devote my time allotment to a discussion of the economic considerations revolving around this problem of housing integration.

I deem it an honor and I find it a pleasure to be able to present for your consideration my views on this subject of the smooth functioning of a free housing market for all American citizens.

Since my major experience has been as a homebuilder, it is in this capacity that I present to you the views which I now hold and which have been developed over the almost three decades which I have spent in this industry. I have always considered myself fortunate to be a homebuilder since our industry is, by its very nature, a creative and progressive function in our industrial society. The rewards of a homebuilder are more than merely financial. The psychic benefit derived by participating in the process which turns raw land into living American communities can never be underestimated.

An industry such as ours can function only in a free enterprise system and, so, we, as homebuilders, must be dutybound to uphold the basic principle of such a free enterprise system. Essentially, this means that unless we offer our product to all persons who can afford to pay for it on the terms in which it is being offered we violate one of the cardinal principles necessary for the survival of free enterprise. As a homebuilder, I feel that I and all of my fellow homebuilders are pledged to produce the best possible homes for all Americans without exception. We, I feel, have made excellent progress toward fulfilling this pledge except in one area—that of providing homes for members of minority groups. Real progress toward our goal of producing homes for all Americans as it relates to minority groups has been obscured by the enormous problems arising from deep-seated emotional convictions or, perhaps better, prejudices, which the homebuilding industry did not create and certainly does not, as an industry, share. I know that my fellow homebuilders earnestly join me in the hope that within the foreseeable future education and understanding will lessen, and eventually remove, the community attitudes which beset this portion of the homebuilding market. Until

this happens, I believe that we fall short of our stated goal in this industry.

The fact that many of the problems in this area arise from causes outside of the homebuilding industry does not, in my opinion, mean that we, as homebuilders, can ignore our obligations to find solutions to these problems which will enable us to achieve our goal.

I have reviewed carefully the conclusions reached by the Commission on Race and Housing, as set forth in its 1958 publication, "Where Shall We Live?" and, as far as the homebuilding industry is concerned, I can find little quarrel with the findings of fact or the conclusions of the Commission in terms of my own experience. The broad representative composition of this Commission adds stature to the findings which it reports and I am personally gratified that those of us who are aware of the existence of this problem can now rely on the broad factual studies on which the Commission based its conclusions.

For the homebuilding industry, the Commission set forth what amounts basically to three recommendations:

First, that builders conform to the principle of a free housing market and study the experience of financially successful interracial housing developments for helpful guidance.

Second, that builders act in a given housing market area in concert to open all housing developments to qualified buyers or tenants without regard to race, ethnic descent, or religion.

Third, that associations of homebuilders drop color bars to membership and admit any qualified businessman without distinction of race, color, or creed.

It is to these three recommendations that I should like now to address my attention.

Since the first and second recommendations are, in my opinion, closely tied together, I should like first to dispose of the third.

As long as I can remember, the Long Island Home Builders Institute and the New York State Home Builders Association have been open to membership of all qualified businessmen without distinction as to race, creed, or national origin. Since membership in the National Association of Home Builders derives from membership in local or State associations, this problem can only be met on a local basis; and for our own area, which is Long Island and New York State, no problem exists since there are no color bars to membership.

I mentioned before that I believe that the first and second recommendations of the committee are closely tied together. A concerted industrywide policy for open occupancy, which the Commission urges national and local associations to take the lead in effecting, can result only from conviction on the part of builders that such a path

is, if not in their obvious economic self-interest, surely not to their economic detriment. It is, therefore, very important that the home-building industry study the experience of financially successful interracial housing developments. As the Commission states, such study is in the economic interest of the housing industry to broaden the market for housing and remove impediments to its functioning. I am pleased, therefore, to take this opportunity to announce publicly that I am requesting the New York State Home Builders Association, in conjunction with its 16 constituent local associations, to launch such a study at the earliest possible date. I further suggest that such a study in New York State be guided by a builders' committee selected from each local association and from the top leadership of the New York State Home Builders Association.

I would be less than frank, however, if I failed to inform you that from my experience I believe there are relatively few examples of financially successful interracial housing developments in our market area. Without such examples, the study would be meaningless and the committee's second recommendation that builders in a market area act in concert to promote open-occupancy housing will be extremely difficult of achievement.

In light of this, and seeking a positive approach, I couple my recommendations for a study with a suggestion that the President of the United States release and set aside \$250 million of available Federal National Mortgage Association or what is commonly called Fannie Mae special assistance authorization for the purchase of mortgages at par on homes to be offered for open occupancy.

The reason for this is quite simple. The commission's report recognizes that builders alone cannot successfully create open-occupancy developments. At the very least, mortgage lenders must be similarly inclined and encouraged. Since such lenders normally and correctly view themselves as fiduciaries for their depositors or policyholders, they are loathe to enter a field which they feel may be fraught with more than normal risk. Logical debate and study without broad and practical successful experience behind it will result in only endless prolongation of discussion. The purchase by Fannie Mae at par of open-occupancy development mortgages will encourage builders to experiment in this relatively untried field. Only from such experimentation can we hope to succeed in reaching the broad practical answers from which the solution to this problem must stem.

For one, I cannot accept and must reject in advance as un-factual and perhaps hypocritical the suggestion that for the Federal Government to encourage such open-occupancy development is un-American and class legislation. I believe such arguments are spurious and completely unjustifiable in light of the public policy with regard to

housing which, for many years, has been given preference in financing through VA to Armed Forces veterans, has been given preference in financing terms through FHA to moderate-income families, has been given preference in housing accommodations through public housing to low-income families and has been aimed at decent, safe, and sanitary housing accommodations for all American families.

The release by the President of such funds, which have already been authorized, would do much to take this entire matter out of the realm of theory and put it into the realm of practice.

As a builder, I am not a theorist but a practical businessman. I am sure that my fellow builders regard themselves likewise. We have in the past faced and conquered many difficult problems in the realm of housing the American people. Given the tools, we know we can do any job. Here we ask only that we be given a fair chance to have the tools that are necessary to do this job initially. The tool of Fannie Mae authorization will provide a basis for meaningful study and practical policy statement and implementation.

Gentlemen, I wish to thank you very much for your invitation and your consideration of the recommendations herein presented. I look forward with great hope to a practical, workable solution to the many problems that beset the entire complex of integration in housing.

Commissioner HESBURGH. Thank you very much, Mr. Keen.

Mr. Keen, I understand the National Association of Home Builders has encouraged their members for several years to produce some buildings for minority groups. I wonder if there has been any progress along these lines specifically.

Mr. KEEN. I don't think I quite understood your question, Father.

Commissioner HESBURGH. I understood the National Association of Home Builders has, for some years now, encouraged their constituency to do some building for minority groups. I am wondering if there has been any specific action along these lines.

Mr. KEEN. The national association has maintained for a period of years a minority housing committee, and then it became sort of merged into an urban renewal committee, which was initially designed to study and prepare the way for providing housing accommodations for minorities. The practical results of this committee's activities have dotted themselves in certain small areas around the country. They haven't had enough volume to represent a real practical movement, but they are going in the right direction.

Commissioner HESBURGH. This would be stimulated by your suggestion of getting more help from the Fannie Mae arrangement?

Mr. KEEN. We believe the availability of Fannie Mae special assistance would take one of the biggest roadblocks out of the path of open-occupancy development.

This may not apply so much in our New York market area as it would in other areas of the country where builders are presently paying discounts of 4, 5, 6, 8, and 10 points for VA mortgage loans in white communities. Therefore, the difference in availability of the funds through a special assistance arrangement would make the experimenting with this problem well worth while for many builders throughout the Nation.

Commissioner HESBURGH. I gather you are very much in favor of this experimentation as almost an educative force in the industry, itself; in other words, to see whether or not, in fact, it will work out?

Mr. KEEN. Father, we believe it will work, but we aren't the political or the social conscience of the community.

Commissioner HESBURGH. That's right.

Mr. KEEN. We are the business element.

Commissioner HESBURGH. That's right.

Mr. KEEN. As the business element, if we are given the tools to work with, we'll provide the manufactured products.

We think it can be done.

Commissioner HESBURGH. Mr. Keen, we have had a lot of questions raised in the past 2 days regarding the difference between public and private initiative in these areas and the advisability of public assistance as over and against private enterprise in this business.

Many of the things we have heard and many of the papers we have studied have seemed to lead to one continuing solution—that the Federal Government particularly should take the initiative in most of these matters through FHA, VA, urban renewal, and so forth, and the question arises in my mind time and time again that in every other area of American life, in the production of automobiles, for example, or other consumer goods, we have somehow, through great business corporations, enterprise, been able to put out a product that is competitive and at a decent price and at some quality, and we have been able to do this mainly through private initiative and make it a businesslike venture as well as a good thing for the American people generally.

I am wondering why this can work in so many other areas and cannot work in the housing area. Is it perhaps because of the problems you mentioned and the problems generated by social pressure outside your industry?

Is this housing thing so close to people's personal life it causes special problems?

Is there any hope for private initiative, somehow in planning initiative and imagination, in providing a breakthrough here?

Mr. KEEN. Well, I think you have developed a multiplicity of questions there, Father.

Commissioner HESBURGH. I certainly have. Let me simplify it.

Is there any hope for private industry breaking this logjam of the housing problem of our country or must the initiative come only from or mainly from the Federal Government and its financing sources?

Mr. KEEN. We believe the problem is an integrated problem, just as we are referring to integration in housing. The industry is a technical component of the economy. It doesn't have funds. This is the banking industry's problem. It doesn't have Government direction. This is the leadership problem of communities.

So, the building industry, the business component of our society, of our economic society, can solve the problems that you refer to, provided that the same tools are made available to it as have been in the past made available to other industries.

Special tax considerations to the oil industry have developed a tremendous private oil industry in our country, and special other considerations to other forms of industrial development in the country have also provided the means by which these industries pull themselves up by their bootstraps and become full-fledged, independently operating industrial giants. We think that the housing industry needs this kind of implementation to get out in the clear and provide the housing accommodations for American people.

Commissioner HESBURGH. Let me try one more question, Mr. Keen, and this one I will probably find difficulty in formulating, but perhaps I can come close to what has been going through my mind.

There has been much talk about integrated housing versus segregated housing. There has been talk on another angle of a dual housing market versus an open housing market to all available customers who have the means to buy the commodity, if you will. What I am wondering is: Perhaps the problem is complicated by immediately introducing integration-segregation as though this were the prime purpose rather than the prime purpose being to get good housing available to everyone at a decent price, without having a dual market, but having an open market.

Do you think we can make progress in this, to get down to the question part, by clarifying this basic principle, the basic principle being we want to make more housing available to more people across the board, rather than to complicate this by inserting the problem of segregation-integration?

Mr. KEEN. Father, I believe we have already made progress. Progress is evidenced by the fact that these hearings are taking place, that Jackie Robinson represents a community developers' corporation which is interested in working with this problem, the fact that legislation will ultimately come forth. This indicates progress.

I'm not a soothsayer. I don't know what the rate will be, but the fact it can be accomplished I believe in, and we in the building indus-

try feel that the problem is to provide adequate housing for all Americans—period. We do not make the social and political rules that guide other elements that may be a part of this problem. We do not run away from them either. We recognize, as members of communities, we are part of the total problem. However, we feel that the fact that we can discuss this situation unemotionally and objectively is going to lead to an understanding on the part of many, many more people in this country of the existence of what we're trying to accomplish, what your Commission is trying to accomplish.

Commissioner HESBURGH. We certainly appreciate the forthright stand you have taken on all of these things.

Governor Carlton.

Commissioner CARLTON. Have your experiments in interracial building been successful or unsuccessful?

Mr. KEEN. Are you referring to personal experiments, Governor?

Commissioner CARLTON. Yes. I understood you to make some statement on that point a moment ago, and I didn't quite understand it.

Mr. KEEN. I think the statement was in reference to the fact that if we were to study, factually study, the application of open-occupancy developments as they have existed in our market area for their economic success we do not have a sufficient number of such developments to examine to develop a state of facts that would give us guidance, other than which we feel is the proper thing to do.

Commissioner CARLTON. Have you done any building of that sort?

Mr. KEEN. In the form of open-occupancy developments, sir?

Commissioner CARLTON. Yes.

Mr. KEEN. No, sir.

Commissioner CARLTON. Why haven't you?

Mr. KEEN. It hasn't been economically prudent for me to so do.

Commissioner CARLTON. You mean that you have considered it unwise, risky, from an economic standpoint?

Mr. KEEN. I wouldn't want to put it that way, Governor. I would say that up until 1955 in New York State we did not have any legislation that made it mandatory to sell to any applicant that was acceptable. Since that time—and that legislation brought that entire problem to the top of the kettle—there have been a few cases where people have obtained homes in developments, but these are of such minor percentages that they can be considered insignificant.

Commissioner CARLTON. Do you think a law would be necessary in order to accomplish that purpose?

Mr. KEEN. We believe a law would be helpful. We believe the present law could be broadened to be more encompassing. We also believe that, in addition to the law, the climate of leadership and the climate of the population must be favorable.

Commissioner CARLTON. Do you think without such a law that the builders would embark on such an experiment?

Mr. KEEN. With the availability of mortgage purchasing at par and no problem in getting lenders to make mortgage loans, I think the builders would launch such experiments.

Commissioner CARLTON. Would you anticipate any problem on getting such loans?

Mr. KEEN. At the present time, sir?

Commissioner CARLTON. Yes.

Mr. KEEN. Unquestionably.

Commissioner CARLTON. That is all.

Vice Chairman STOREY. Just one other question: As I understand, you believe, first, that private industry, represented by you and others in a similar situation, can do the job and do it effectively, but at the present time, in the second place, it is unprofitable if you have to compete with public housing with their advantage; is that correct? Does that summarize it pretty well?

Mr. KEEN. Well, we take the point of view, sir, that we would like to provide all the housing accommodations that we are able to provide, that we have the techniques and the know-how. We do admit, however, that in certain areas, where we have failed to provide, public housing has a place, and we feel that if given the same implementation that public housing gets we could provide the same type or form of accommodations.

Vice Chairman STOREY. You mean by way of special legislation or special Government regulations, of which you have named one specifically?

Mr. KEEN. Yes, sir.

Vice Chairman STOREY. To extend Fannie Mae, so that you could sell mortgages at par to the U.S. Government?

Mr. KEEN. Well, Dean Storey, if you will permit me, sir, the President presently sits with approximately half a billion dollars of special assistance funds which have already been allocated previously. That is not something new—

Vice Chairman STOREY. All it requires is Executive action?

Mr. KEEN. Yes, sir.

Vice Chairman STOREY. Is that correct, sir?

Mr. KEEN. And it would, we believe, definitely spark a movement to the creation of open-occupancy housing in various sections of the country.

Vice Chairman STOREY. And you think if that one specific thing were done by Executive order then it would be a great incentive for private industry to do the job?

Mr. KEEN. Yes, sir; we do.

Vice Chairman STOREY. At least it would start it?

Mr. KEEN. It would overcome the initial inertia.

Vice Chairman STOREY. So, it gets down to a question of a place to sell your mortgages, doesn't it? If you can sell your mortgages, then you can do the job?

Mr. KEEN. I wouldn't like to make it that simple, sir, but I would say and admit that primary problems in the past has been the availability of mortgage loans for such type of development.

Vice Chairman STOREY. That is a great barrier at the present time, to say the least of it is it not?

Mr. KEEN. Yes, sir; it is.

Vice Chairman STOREY. And you think the first barrier would be broken if these funds were available to purchase your mortgages at par and not through a substantial discount?

Mr. KEEN. We think that this would be a means of opening the floodgates, and whether we would have a flood or a trickle after that point we're not sure.

Vice Chairman STOREY. Thank you, sir.

Mr. KEEN. Thank you, sir.

Commissioner HESBURGH. Thank you very much, Mr. Keen.

Mr. KEEN. Thank you very much, sir.

Commissioner HESBURGH. Mr. Tiffany.

Mr. TIFFANY. Mr. James Scheuer is the next witness, Mr. Chairman.

Mr. Scheuer is a private real estate builder and redeveloper, who is engaged in title I redevelopment projects in San Juan, Washington, D.C., Cleveland, St. Louis, Kansas City, Sacramento, and San Francisco. He is also president of the Citizens Housing and Planning Council of New York City and is first vice president of the National Housing Conference. He is chairman of the Housing Advisory Council of the New York State Commission Against Discrimination and was recently appointed by Governor Rockefeller as a member of the Task Force on Moderate Income Housing.

Mr. Scheuer.

STATEMENT OF JAMES H. SCHEUER, PRESIDENT, CITIZENS HOUSING AND PLANNING COUNCIL OF NEW YORK CITY AND CHAIRMAN, HOUSING ADVISORY COUNCIL OF THE NEW YORK STATE COMMISSION AGAINST DISCRIMINATION AND FIRST VICE PRESIDENT, NATIONAL HOUSING CONFERENCE

Mr. SCHEUER. It is a great pleasure and honor to be invited to join the list of distinguished citizens who have preceded me here.

Because a good deal of their testimony, in one fashion or another, has stated some of the ideas I have prepared in my testimony, with your

indulgence, I would like to make my testimony a part of the record and then simply speak informally, omitting such portions of my prepared testimony as have already been treated in one fashion or another. I would like to speak as Emil Keen did in his excellent and stimulating testimony on the business and financial implications of residential discrimination and segregation.

Being active in the slum clearance program, as I am, in a number of cities, and having a certain amount of cumulative and identical experience in these cities, I am convinced that the present patterns of discrimination and segregation in housing threaten the financial as well as the political and social feasibility of the entire slum clearance program.

Now, I don't think I have to dwell on the importance of the slum clearance program to the America of today. Business leaders, city officials, mayors, Governors, Senators, are all concerned with the fact that our central cores, cities, are becoming increasingly unattractive, unpleasant, inconvenient, and uneconomical places in which to live, to go about one's business, to pursue entertainment, recreation, and culture, and we have devised this remarkable harnessing of the energies and abilities of the free private enterprise community with certain Government aids—the Federal Government, State and city government—to gear into the problem of renewing our cities, and I think this partnership over the years to come can be a tremendously productive machine in renewing our cities and making them the stimulating and attractive places they should be in which to live and work; but I think this program, as I said before, is basically threatened by patterns of segregation and discrimination in housing.

First of all, in our efforts to clear the slums, we are finding in every city that existing patterns of segregation are breeding slums faster than we can conceivably clear them. When the nonwhite groups are confined to a certain portion of town, they must, by definition, overcrowd. Overcrowding, itself, brings disorder and human misery in its wake and is itself a breeder of slum conditions. Likewise, when the owners find they have a captive group who can move nowhere else, from the point of view of business, economics, they are not under a competitive requirement to maintain their dwellings properly and there is almost understandably considerable tendency to milk these properties, to not keep them up to contemporary standards of other properties in maintenance and repairs, health and sanitation. It is a prolific cycle. The landlords milk these properties and neglect their maintenance and repair; the tenants who live in slum quarters have very little inspiration to take pride in their care or upkeep, to identify themselves with their shelter as homeowners or people who are living in decent shelter, and they, in turn, also tend to abuse and

mistreat their dwelling quarters; and then, of course, the city, itself, in a situation where owners aren't maintaining, where tenants aren't maintaining, tends to throw up its hands and write off that section and provide it with inadequate facilities of street cleaning, sanitation, police, and so forth. So, the pattern of discrimination and segregation itself is a breeder of slums.

Now, this has important economic effects on the slum clearance project, itself. The sponsor, of course, invests his money in his project, his equity investment, and to the extent that these slum clearance projects, many of them, if not a majority of them are in central core areas of our cities, and these central core areas being, as they are in the main, areas of dense minority concentration, to the extent that the private sponsor of these projects is faced with increased slum conditions around the periphery of that project, it endangers the economic feasibility and the long-term attractiveness of that project as an investment.

Again, from the point of view of the cities, there are considerable public moneys involved in this program and the use of public powers.

The presumption is that when you have a large slum clearance project that is going to have an impact on the slum. If, because of existing patterns of discrimination and segregation, the former tenants of that slum clearance area, having no other available housing open to them, are forced to overcrowd and, in a sense, further stimulate deterioration of the immediately surrounding areas of the project, in a sense the public investment in that project is nowhere nearly as productive as it should be in clearing slums and in improving neighborhoods.

Now, one final fashion in which these patterns of discrimination and segregation are endangering the slum clearance program: The people being cleared out of slums today are, in the main, nonwhite Americans of Mexican, Puerto Rican, and Negro ancestry. They have very little or no housing available to them.

Now, the highway program, together with the slum clearance program, is displacing several hundred thousand families a year. The highway program makes no mention of the requirement of finding alternate shelter for the displacees. The slum clearance program does. It has a legal requirement of providing decent, safe, and sanitary housing for every displaced family.

Now, in many cities intelligent and sincere efforts are being made to comply with this Federal standard of public policy. In all too many cases, however, it is beyond the power of the public officials concerned to do an effective job in this connection—first, because there is a wholly inadequate supply of moderately priced housing available, Father Hesburgh, as you pointed out just a few minutes

ago, and, secondly, because the supply of decent, safe and sanitary, moderately priced housing is not available to the displacees who are marked by their complexions as not being of majority citizens.

So, the minority groups are finding, in city after city, the slum clearance program offers to them only hardship, dislocation, anguish, a tearing up of roots. They haven't the business, financial, and emotional impact of the program. They enjoy none of its fruits, firstly because much of the housing resulting from the slum clearance program in some communities is priced out of their reach and, bearing the brunt of the program, the inconvenience of the program, they have no place to go.

Now, there has been an increasing welling up of frustration, resentment, and despair among minority groups in this country against the slum clearance program. I have heard it frequently referred to as the Negro clearance program, and I believe it is only due to the extraordinary leadership and patience and understanding and forbearance that has been shown by the leadership of the minority groups, the NAACP and the Urban League, that has prevented this welling up of frustration from stopping or radically cutting down the size and scope and progress of the slum clearance program.

Consider, if you will, from the point of view of sheer practical politics, that the major portion of our slum clearance is in the northern urban centers where elections regularly go by 1 percent of less of the total vote, where minority groups, who are becoming increasingly articulate and effective defenders of their own interest, constitute anywhere from 5 to 10 percent of the vote; consider, if you will, that if these groups ever make up their minds that this slum clearance program offers them nothing but continued frustration, hardship, and despair, that the housing is not available to them, nor is other adequate housing available to them—I think, from the point of view of the political implications of this, the slum clearance program simply is going to wither on the vine unless it can meet the problem that present patterns of residential discrimination and segregation present.

Now, being active in many communities across the country, there are two questions that are invariably asked me in public, and in somewhat embarrassing fashion, as I appear before mayors, city councils, boards of estimates, citizens' groups, business groups, civic groups, and religious and labor groups.

Both of these questions are founded on the fundamental understanding of plain and ordinary citizens everywhere that a slum clearance sponsor is, in effect, a dispenser of public benefits.

The most lowly tenant in a slum clearance project knows that the public powers of condemnation and eminent domain have been used to move him out of that project and to move out his business, if he is a business person.

They likewise know there are public moneys invested in the price writedown on the fair reuse value of the land; they know in some States there are public moneys invested in direct loans to these projects, and they likewise know that the Federal powers are involved in the insuring program under the FHA, and it is quite clear to these citizens that a private enterprise sponsor, in addition to being an energizer in his own right of construction, is a dispenser of public benefits, and they don't need any constitutional lawyer to tell them that, in all equity, there should be equal availability to the benefits for which the private sponsor serves as a mere conduit.

So, I have been frequently asked two questions:

First of all, "Will this housing be available to us, the folks who are living here?"

The answer in most of the northern urban centers is: "Yes"; theoretically it will be, because about two-thirds of the urban renewal in this country is covered by a requirement of nondiscrimination, but from the practical point of view only an infinitesimal percentage of the tenants living in slum clearance projects can afford the rents which are produced by the cost of construction and the cost of financing in the urban renewal program.

Now, I believe, without a question of a doubt, that the housing product of the slum clearance program should be available equally to all Americans and, while 25 or more cities and villages and towns have declared this their standard of public policy in about a dozen States, as you have heard, I believe the Federal Government should declare itself unequivocally on this score.

I believe Senator Javits' testimony may have been somewhat misleading. It is quite true that the FHA has cooperated fully in recognizing locally declared standards of public policy, and when I was working with Tom Finletter immediately after the Metcalf-Baker law was passed, in association then with Attorney General Javits, we did work out with the FHA in Washington an effective program by which if an agency of a State or city found a private enterprise sponsor was not obeying the standard of local policy the FHA would no longer deal with him in providing mortgage insurance. It is not quite true that the URA has worked effectively in this field. It is true they prohibit the inclusion of restrictive covenants in the forms of contract. It is not true they have particularly taken any effective measure or made any public declaration of public policy in their requirement of nondiscrimination, and I think it is an indispensable condition of the slum clearance program for its continued existence for the product of slum clearance to be equally available to all Americans.

Now, as I said, the slum clearance product is basically upper-middle-income and frequently luxury housing, and I am not entirely

sure this may not be a good thing. One of the problems with our central cities has been, for a quarter of a century, middle-income and upper-income families have been streaming in quantity to suburbia, long before there was a problem of minorities, long before there was a visible migration of Negroes or Puerto Ricans to the central core of New York City. People were going to suburbia for wholly unconnected reasons. I think it would be an excellent thing for the financial health of our cities for many of these upper-income families to come back to the center of our town, and attractive and upper-middle-income and a good deal of luxury housing in slum clearance can achieve this; but the fact remains, even if this housing is made equally available to all Americans, most of the relocatees from slum clearance areas cannot afford this housing. So, to them it is a somewhat meaningless opportunity.

So, I believe we must do considerably more than we have done to provide relocation housing outside of slum clearance areas, and this housing, I believe, should be of two types: First of all, we need a much more adequate flow of public housing. I believe the public housing today, the federally assisted public housing program today, should be scaled to take care of relocatees from slum clearance and highway programs and other public improvement programs who are eligible for public housing and that the cost of that public housing should be considered an overall cost to the community of having these public improvement programs which displace so many of our low-income nonwhite citizens.

By definition, that public housing must be available to all and preferably located on the periphery of our cities where integrated communities can result; but we need to go far beyond that, and I don't believe we should look upon public housing as the only answer to our housing problems.

I agree with Emil Keen in his most interesting testimony that private enterprise and private initiative can do the job, but it can't do the job for moderately circumstance families at today's cost of construction and financing.

Now, you heard some most interesting testimony this morning from Frank Lowe of the Metropolitan Life and you heard how the houses he produced some years ago for \$13 and \$14 a room now produce rentals of \$40 to \$45 a room. Not only have the costs of construction gone up radically, but the cost of financing has gone up substantially. Now, I don't think there are going to be great opportunities in America to reduce the cost of construction. We're a unionized country. We're not going to cut labor rates substantially. I don't believe that offers a very fruitful avenue of approach. I believe the only avenue of approach that will produce important benefits is in the area of reducing the cost of financing.

Now, we have such programs already in existence. The Federal college housing program provides cheap money at substantially the Government rate of borrowing such money. In New York State we have the Mitchell-Lama program, which permits either the State or the city to loan private enterprise sponsors mortgage funds at substantially the State or the city cost of borrowing those funds. It is approximately 3 percent interest, less than 1 percent of amortization, on a 50-year mortgage loan, and no insuring fee simply because they are direct loans.

Now, I don't want to get into the technicalities of this, but the results are absolutely amazing and I would like to cite you one example to give a little body to these rather dull and uninteresting statistics.

I just finished an FHA slum clearance job in Cleveland, Ohio, a garden apartment project designed for worker families, many of them minority families. A two-bedroom garden apartment cost me approximately \$12,350. Under the regular FHA financing rates of 5 percent interest, 2 percent amortization and one-half percent FHA insuring fee, the rent for that two-bedroom apartment came out at \$119.

Now, I was able to enjoy what Mr. Emil Keen referred to as the Fannie Mae special assistance fund moneys, for which he has requested, you will remember, the \$250 million. That reduced interest from 5 percent to 4¼ percent. It reduced the amortization from 2 percent to 1½ percent, and there was the same ½-percent insuring fee. That brought the rents down from \$119 to \$107.

Now, if we could have had the benefit of the Mitchell-Lama financing of the New York State provisions, we would have brought the interest down from 4¼ percent to 3 percent; we would have brought the amortization down from 1½ percent to 0.87 percent on a 50-year loan, and we would have avoided the insuring fee, and that rent of \$107 would have come down to \$79. In other words, we would have reduced our rent substantially from \$119 to substantially under \$80, a reduction of one-third in the rent, due only to making financing available at substantially the Government cost of borrowing those funds from the citizens.

I believe that only with such a program of direct loans by the Federal Government to private builders can we achieve a program of relocation housing that really hits the broad gauge of American worker families. I believe that such a program would substantially answer the problem of middle-income housing, and I believe as a started we should have such a program designed to rehouse that proportion of the American families displaced each year by public improvement programs of all types which are not eligible for public housing.

Lastly, I would like to consider the present inventory of Government-assisted housing.

If all of the suggestions that I have made as to an accelerated federally assisted public housing program, as to a program of direct loans for middle-income housing—if both of these suggestions were adopted, it would be a considerable period of time before a noticeable impact would be made on the current housing inventory. Generally the housing supply that is created in any one year is never in excess of 2 or 3 percentage points of the total housing supply. We have an average life of homes of 50 or 60 years, and in any one year it is very difficult substantially to increase the available housing supply.

There is an inventory of half a million homes enjoying some kind of Government benefits, most of them FHA mortgage insurance, and I believe that these apartments—I am speaking now only of garden apartments or elevator apartments—which have been built under very much cheaper construction costs over the past decade or two and which enjoyed much cheaper financing costs and, therefore, have very moderate rents—I believe that this inventory, this pool of existing Government-assisted, privately built, multiple-dwelling houses—should be made available equally to all Americans.

I believe that would make an enormous current, immediate contribution to the problem of displaces from slum clearance areas, and I believe if the problem of the displaces from slum clearance areas cannot be solved promptly that it will radically endanger the political acceptability and support of the slum clearance program.

I would like to say, lastly, I don't think the fears that have been enunciated as to the requirement of nondiscrimination have, in any sense been borne out by the facts. The fears basically have been fourfold: First, that with these requirements white communities will be inundated and the property values will decline; second, there will be a rapid exodus of white families from the central core areas of our city; third, new construction will cease because builders will be unable to take the risk of creating housing which must be available to all; and fourth, that lending institutions will cease lending.

Now, we have had quite a history in New York State of housing built with various types of Government assistance, and these fears simply have not materialized.

We know that the very purpose of nondiscrimination legislation is to prevent inundation, that inundation is a factor of pressures and segregation, and that when you open up a slum area, a block or two, those areas must, by definition, be inundated, and that the effect of nondiscrimination legislation is to scatterize nonwhite housing demands so it has no impact on any one community or any one project, and that, indeed, has been the effect of such legislation in New York State.

No community, no village, or town in this State has suffered inundation because of our legislation, and I know of no instance—and I don't believe the Foundation for Race and Housing has found an instance—of a community that has suffered a decline in property values due solely to the fact of entry of a nonwhite into a theretofore white community.

As to the problem of the exodus, we have heard this for quite some years now. Various real estate groups have opposed the body of legislation which we developed in New York State for over a number of years. We have had absolutely no indication that exodus results from this legislation.

This same body of testimony was presented before the passage of the Sharkey-Brown-Isaacs legislation. I have never heard any evidence adduced that there has been an accelerated exodus from New York because of the passage of such legislation.

Now, as to the question of new construction, I almost wish that this were true—that builders wouldn't want to compete for title I projects because of the requirement of integration. The fact is it is the very communities across the country in the northern urban centers where integration is required where there is the most intense competition for these projects.

The fact is builders build when two conditions are met—when there is a proper financing available and when there is a market for their product—and they seem totally undismayed by the requirement of integration and, in fact, there is about \$2 billion worth of title I construction going on in New York and the most intense kind of competition among builders for these projects.

Likewise, the lenders lend when the risk seems minimal and the return adequate, and there have been no instances of lenders refusing to lend or being reluctant to lend on proper housing with minimal risk and attractive return because that housing is required to be open occupancy.

I think from the point of view of the business community it would be well to face the fact they must accommodate themselves to a great degree of scatteration of nonwhite families. Over the next several decades to come our standard metropolitan areas will enjoy a 50 percent increase in their population across the country; about 70 million new Americans will be living in our standard metropolitan areas, and a large proportion of these will be nonwhite. Unless we are to have a continually festering, unpleasant and unhealthy social situation in our cities, we have got to accommodate ourselves with these long-range population trends.

I am convinced the construction industry and the building industry that has shown such a remarkable degree of courage and dynamism and resourcefulness in creating this fantastic flow of houses we have

had in this country over the last quarter of a century, that these same parties of leadership and insight and courage can be brought to bear in facing up to the social problems of housing in the next quarter of a century.

Thank you very much.

Commissioner HESBURGH. Mr. Scheuer, you have given us a very complete and very cogent statement here, and I know we are going to find it most helpful in answering many of the questions you have anticipated and answered in advance.

I did want to ask you one question that seems to go to the nub of the problem. In your opinion, why has the housing industry opposed open occupancy of building developments?

Mr. SCHEUER. I wish I could answer that.

Certainly there has been nothing on the record to indicate they have been hurt in any way. The fact is if the program is proper for other good and sufficient reasons builders and lenders go into it eagerly. I think there has been some improper analysis. I believe the Real Estate Board representative this morning is somewhat confused. He kept comparing values in one area with values in another area, with the clear implication or the clear statement that, because the properties in one area had some nonwhites living in them, the reduction in value or the difficulty of financing, getting mortgage financing for that project, was due to the fact of nonwhites.

I quite agree with him that a good property in Harlem is much more difficult to finance than a good property in Larchmont. The fact is the lending institutions, and very properly so, in my opinion, do take into consideration the conditions around a home, the conditions of the neighborhood and whether that neighborhood is stable and attractive, and it is on those grounds that it is difficult to finance housing in areas of dense minority concentration because those areas are slums and no prudent banker would invest his money in a slum.

I think what we have on the part of the business community is gradual accommodation to these ground rules that the community sets, and I think a perfect example of that is the endorsement made by the representative of the Real Estate Board this morning of non discrimination legislation covering Government-assisted housing.

Now, I have been interested and active in this field for a number of years, and I have helped draft the legislation in New York City and New York State, and consistently the Real Estate Board has opposed legislation requiring open occupancy.

This is the first time, in my recollection, that they have endorsed the proposition that where Government aids are involved the products of those benefits should be equally available to all, and I would like to take this opportunity of congratulating the Real Estate Board

for this extremely significant departure of the past views and for what I think is an enlightened and statesmanlike point of view.

I think this is the type of pattern we have seen in the past.

If you recall, in the early 1930's, when we passed the Securities and Exchange Act, with its requirements of full disclosure, the securities industry bitterly fought these new ground rules; the banking industry fought bitterly the establishment of the Federal Deposit Insurance Corporation as a socialistic encroachment on their prerogatives; the manufacturing industry, through the NAM, bitterly fought such ground rules as the wages' and hours' legislation, minimum wage and hours, old age retirement, social security—yet today, if you suggested doing away with the full-disclosure rules, the securities industry would be up in arms because it is the basis for the morals and ethics of the industry, quite totally accepted by all members; the savings banks advertise every day on the radio that their deposits are covered by FDIC, and American industry has grown and prospered not because of a few wealthy families in this country, but because of the mass purchasing power that was created by this total, broad pattern of New Deal legislation which they, themselves, so bitterly fought.

So, I think it is quite clear that businessmen have, with all of their courage and energy and resourcefulness in their own businesses, never been the most accurate judges of what was best either for society or, indeed, what was in their own enlightened best interests.

I can go a little further than the New Deal and talk about New York State. In 1945, when we were considering fair employment practices legislation in this State, virtually every business leader in the State and a number of our public officials said if we had this kind of legislation it would create racial tensions and hatreds where none had existed before, that it would set class against class and creed against creed, and that, indeed, business would leave the State, no new businesses would come here and the businesses here already would leave the State. Now, of course, that hasn't happened.

When we were considering placing under the jurisdiction of SCAD the provisions in the Constitution requiring equal accessibility to public accommodations in this State—and this was only a few years ago, in 1953, and this would prohibit discrimination in theaters and moviehouses, hotels, restaurants, nightclubs, public swimming pools, and the like—we were told by the Restaurant Association, the Hotel Association, and the theater owners that if nonwhites could use these facilities people would stop coming to New York; the tourists from abroad and other parts of the country wouldn't come here to see our shows and enjoy the fabulous sights and sounds and smells of this city.

Well, that never happened, of course, and, of course, in this area of housing legislation we have heard that the builders wouldn't build, the lenders wouldn't lend, the white families would disappear. This problem of the disappearing lender, the disappearing builder, the disappearing white family—we've heard this many times, and it simply hasn't happened.

The encouraging thing is, after the ground rules are passed, the business community, having in its midst fine leadership, has accommodated itself to the ground rules that society, over its opposition, has established; and I think the position that the Real Estate Board took this morning, endorsing open-occupancy legislation on Government-assisted housing, is a classic example of that.

So, I feel, while there may be some opposition to this type of requirement while it is pending and businessmen aren't generally a great deal interested in these social matters, and it's somewhat strange and alien to them, we can rely on the fact that, once these measures are passed, they will accommodate themselves to the stated standard of public policy. They are fine men, who believe in doing what is right, and once the standard, the ethical standard, has been set they accommodate themselves very rapidly; and I think that should give us all great hope for the future.

Commissioner HESBURGH. I think it is an indication of great progress.

Mr. Scheuer, one last question: One of our witnesses this morning said that antidiscrimination laws should have awaited the experience of owners with integrated policy. I know you have built a lot of this type of housing in many parts of this country, and how has it worked out in your properties?

Mr. SCHEUER. Well, a good deal of housing is still on the drawing boards. I have completed one project and I have another one underway. I have been connected with the integration of several thousand units of moderately priced housing in New York City, and our experience has been exactly identical with Frank Lowe's of the Metropolitan Life Insurance Co. It hasn't hurt us. It hasn't helped us. It happened that our housing was a good buy, as the Met's housing has been. It apparently had no impact whatsoever on the desirability of that housing.

We are doing exactly now as we were doing before, and I might say I have no doubt whatsoever the housing I am involved in across the country will be attractive housing and will rent, and I would be utterly irresponsible, as a businessman, in investing my money and the money of many other people in these projects, if I thought the open-occupancy provision would prevent them from renting. After all, perhaps the Government can make a mistake, but a businessman must

survive economically from project to project, and I have great faith—and my judgment is reinforced by the number of tough, competent, hardheaded businessmen who are involved in this program from coast to coast, who are laboring under the same requirement of nondiscrimination under which I labor, and apparently in their considered, practical judgment—this will not be an impediment to the financial feasibility and the long-term investment quality of their investment.

So, I think, from the cold, hardheaded cash analysis of the businessman, these projects, if they are well planned, well executed, in decent locations, will be excellent long-term investments, and that, in my mind, is what is responsible for the intense competition for the title I projects, most of which now involve nondiscrimination requirements.

Commissioner HESBURGH. Thank you very much, Mr. Scheuer. You have been very helpful, very articulate, and I think very clear, and we appreciate very much your coming.

Mr. SCHEUER. It has been a great privilege for me to appear here, and I thank you for the invitation.

PREPARED STATEMENT OF JAMES H. SCHEUER

My name is James H. Scheuer. I live in New York City. I am a private enterprise developer of residential urban renewal project with construction underway or planned in six major urban centers across the country; Washington, D.C., Cleveland, Ohio, St. Louis, Mo., San Juan, P.R., and Sacramento and San Francisco, Calif. These projects when completed will involve an investment of nearly \$100 million. I have also been associated with companies owning and managing many thousands of apartment units in New York City.

I am an attorney. I serve as president of the Citizens Housing and Planning Council of New York, and as chairman of the Housing Advisory Council of the New York State Commission Against Discrimination. I am first vice president of the National Housing Conference, and am a member of the Task Force on Moderate Income housing recently appointed by Governor Rockefeller.

As a businessman, I believe that discrimination is bad business. While I also happen to believe that it is morally wrong, I shall leave the moral argument to others. My argument rests on the dollars and cents impact of discrimination upon the cities and business community of America.

SLUMS AND OUR ECONOMY

Perhaps no domestic problem of our time is causing as much deep concern to Government and business leaders as the condition of our major urban centers across the country. The capital plant and equipment of our central cities is in deplorable shape, and is getting worse by the day. The rapid spread of blight in our central cities is placing an intolerable financial burden upon city administrations and business communities alike, and is making our cities increasingly unattractive, inconvenient, unpleasant, and expensive places in which to live, work, or seek entertainment, recreation, or culture.

I believe that the issue of discrimination and segregation in housing cannot be separated from the great slum problems of our cities.

First, residential discrimination and segregation are important factors in the formation of slums and blighted areas.

Second, residential discrimination and segregation lessen the constructive influence that a slum clearance project should have on the surrounding area, by intensifying slum conditions in that area. In addition, the project itself, built, owned, and operated by free enterprise, is put at an economic disadvantage, and the substantial public contribution required to bring the project into being does not produce results commensurate with that contribution.

Third, unless the problem of equal availability of Government assisted housing is solved promptly and equitably, the slum clearance program may wither for lack of urgently needed public and political support.

It is common knowledge among students of the urban process that slums are caused primarily by three factors: Overcrowding by tenants, undermaintenance by owners, and inadequate provision of city facilities and services. It is clear, I think, that rigid patterns of segregation, and the resultant ghetto communities, tend to aggravate these three conditions.

When the Negro and other minority groups are restricted to a few sharply limited areas in the total metropolitan complex, it is axiomatic that, having no other place to go, they will tend to populate undesirable and deteriorating sections which white families have begun to leave because of unsatisfactory living conditions. In as much as the neighborhood is generally on the downgrade before minority families are accepted, apartment-house owners have probably already begun to "milk" their properties; maintenance and repairs are neglected; heat, hot water, and janitorial service usually become inadequate. Tenants, knowing that apartment owners are permitting their properties to fall into a grave state of disrepair, frequently are guilty themselves of abusing and mistreating their quarters. For there is little in the average slum tenement to inspire a feeling of personal pride in care or upkeep on the part of tenants. With the increase in minority group population, caused by migration and a high birth rate, the normal overcrowding resulting from confinement is brought to crisis proportions. Overcrowding itself brings disorder and human degradation in its wake.

As conditions deteriorate, neither the owner nor the city apparently have much interest in improving matters. The owner has a captive and increasing tenantry, which because of the unavailability of other shelter has no choice but to stay put. And the city finds the problems of adequate street cleaning, sanitation, police, fire, health, and social services a burden on both staff and budget.

Inseparable from this vicious circle of overcrowding, undermaintenance, and inadequate city services, is the pattern of segregation which forces minority citizens to live in the slum area, insures tenement owners of capacity or over-capacity occupancy, and compels city officials to throw up their hands in despair and write off the neighborhood.

We now have achieved a partnership of Federal, State, and city government and free enterprise which is waging a broad-scale attack on the national slum inventory. This fusion of the energies and abilities of the business community and Government can, in time, renew the cities of America. But the success of this program is jeopardized by the existing patterns of discrimination and segregation in housing.

Several questions are repeatedly asked me by civic, religious, labor, and business groups, in the various cities where I am developing slum clearance sites.

The first question is: Will the product of the slum clearance program—the fine, attractive, new urban communities—be equally available to all qualified tenants? It is quite apparent to these citizens that a private enterprise slum clearance sponsor enjoys a wide variety of Government benefits. These include the use of the power of eminent domain to acquire the slum land; the use of public funds to provide the price writedown on the fair reuse value of the land; tax abatement on some or all of the value of the improvement; and federally insured financing of 90 percent or more of the total cost of the slum clearance project. Without this multiple assistance from Government these projects could not be built. It appears anomalous to many that a private businessman, whose product is thus subsidized with public funds, and who, in effect, is an agent of Government in dispensing public benefits, should not be required to make the product of those benefits available to all qualified citizens.

Accordingly, we must have a national declaration of policy that all urban renewal housing in which Government is a partner, should be available equally to all qualified renters.

At present there are at least 12 States and 15 cities with such legislation. But there is no national policy. A forthright statement of Federal public policy is urgently needed to insure the success of the slum clearance program.

Today, because of the high cost of construction and financing, urban renewal housing is primarily for upper-middle-income professional and business people. This situation may well have certain merits. There is a pressing economic and social need to attract once more to downtown central city living the upper-income families which for a quarter of a century have been finding their way to the

suburbs. However, to the extent that nonwhite professional and business families can afford upper-income urban renewal housing, they should not be barred from it.

The second question which I hear repeatedly in city after city is: Where are the dislocated site tenants of the slum clearance project going to live?

At present, the urban renewal and highway programs together are dislocating several hundred thousand American families in the course of a few years—primarily low income nonwhite families. While Federal highway legislation is silent on the matter, the Federal slum clearance legislation requires that each dislocated family be rehoused in “decent, safe, and sanitary” housing. In many cities an effort has been made to comply with this Federal standard of public policy. But there is a wholly inadequate supply of public housing and moderately priced new private housing coming on to the market available to nonwhite families. And a substantial portion of the existing “decent, safe, and sanitary” housing outside areas of minority concentration is likewise close to nonwhite apartment seekers.

Accordingly, we must stimulate a far greater supply of inexpensive new housing, available for relocation purposes. Two types of new housing are needed. First, the present level of production of federally assisted public housing should be substantially expanded. This program should be large enough to absorb those families dislocated by desirable public improvement programs. This housing should be built in neighborhoods outside ghetto areas, and tenanted on an open-occupancy basis.

Second, we must create a national housing program designed to produce moderate-priced private housing available to relocatees who are not eligible for public housing. Land and construction costs of such housing cannot be cut. The only important variable is the cost of financing. If direct Government loans for 50-year terms and at substantially the Government cost of borrowing money were available to finance moderate-priced housing built, owned, and operated by free enterprise, rents could be cut one-quarter to one-third below the current rent levels of urban renewal housing.

New York State has such a program in its Mitchell-Lama law. Here is how the law operates. The State or the city lends 90 percent of the cost of a development at approximately 3 percent interest, the cost of the money repayable over 50 years. Rents resulting from this financing method present a startling comparison with those produced by traditional financing.

I have just completed a small urban renewal project in Cleveland. Under present FHA urban renewal financing, monthly rent for a two-bedroom garden apartment which cost \$12,350 to build, would have been \$119. Because Federal National Mortgage Association (Fannie Mae) special assistance funds were then available, at $4\frac{1}{4}$ percent interest instead of 5 percent, and $1\frac{1}{2}$ percent amortization instead of 2 percent, these units came on the market at \$107 per month. If New York State Mitchell-Lama financing had been available, at 3 percent interest and 0.87 percent amortization, and no insuring fee, this very same apartment would have rented for \$79.

In order to make this housing available to dislocatees from slum clearance areas whose income levels make them ineligible for public housing but who can afford moderate-income rentals, it must by definition be tenanted on an open-occupancy basis.

These two programs are desirable and appropriate in a Nation which is expanding in population and in its productive energy and capacity. But it will be some years before such programs of new housing can make a measurable impact on the housing supply. Traditionally, new housing coming on to the market each year is never more than 3 or 4 percent of the total housing supply. Thus, it is virtually impossible, in a short period of time to expand substantially the total housing inventory.

However, a large supply of recently constructed, attractive, moderate-rental housing stands readily available, and could easily absorb a significant portion of the families across the country requiring relocation housing. There are well over 500,000 units of Government-insured housing built since World War II under the so-called 608 and 207 FHA programs, of which less than 1 percent is open to nonwhite residents.

In order to use the existing inventory of Government-assisted housing for relocation purposes, the Federal Government should declare as a matter of public policy, that any owner operating housing which continues to enjoy the benefit of Government-insured mortgages must make such housing equally available to all qualified renters.

The program which I have suggested would be good business for our cities, for the Federal Government, and for the business community. Our slums are costly luxuries. The expense of servicing them has skyrocketed. Their tax yield is a fraction of that produced by nonslum residential neighborhoods of comparable size. For example, a slum site which I am redeveloping in St. Louis presently costs the city \$200,000 annually to service. It pays \$300,000 in taxes. After redevelopment, the cost of servicing will drop to \$100,000 and taxes will jump to \$2,500,000. The city's contribution to the land writedown is \$10 million. Any businessman worthy of the name would leap to renew his capital plant and equipment and bring it to a competitive level of efficiency, if he could anticipate a 4-year return of his cash investment. The arithmetic of slums is irrefutable.

If we eliminate racial discrimination in Government-assisted housing, we will slow down markedly the continuing growth of our slum inventory. We will immeasurably enhance the curative effect of a slum clearance project on a community, making it a more stable long-term investment for the private builder; and a better investment, too, of the public funds involved. Finally, we will stem a tide of bitterness, resentment, and frustration among those nonwhite, American families who are forced to endure in overwhelming disproportion to their number the chaos inherent in the slum clearance program, while they are denied the fruits of the program itself.

POLITICAL CONSEQUENCE OF DISCRIMINATION

Thus far the argument against discrimination has been primarily economic. One cannot, however, overlook the political consequences of discrimination in Government-assisted housing. Failure of the Federal Government to deal courageously with this problem is creating a growing body of disaffected non-white voters. These include the professional and business families who are excluded from urban renewal housing, as well as the low-income families displaced by the bulldozer, for whom the promise of "decent, safe, and sanitary" relocation housing is illusory.

In many northern, primarily urban States, elections hinge on 1 percent of the electorate; for example, New York, New Jersey, Pennsylvania, Massachusetts, Illinois, California. Nonwhite families, which constitute between 5 and 10 percent of the population of these States, are becoming increasingly articulate and effective proponents of their group interests. Already because of the multiple effects of discrimination in housing, there is visible evidence of a mounting opposition to urban renewal among minority citizens. Only the extraordinary statesmanship and patience shown by Negro leadership groups has prevented this feeling of frustration and disappointment from breaking out into solid group opposition to urban renewal and slum clearance. I believe that unless the Federal Government acts promptly to make open occupancy the law in Government-assisted housing, the success of our urban renewal and slum clearance programs is gravely endangered.

INTEGRATION AND THE BUSINESS COMMUNITY

Traditionally, opponents of open occupancy requirements have criticized such proposals on four grounds:

- (1) White communities will be inundated and property values will rapidly decline.
- (2) There will be a rapid exodus of whites from such communities, particularly from the central city to the suburbs.
- (3) New construction under federally assisted programs will be discouraged, since builders will be unwilling to expose themselves to the financial hazard of creating open occupancy housing projects.
- (4) The great lending institutions—the life insurance companies and savings banks—will refuse to finance housing which is equally available to all American citizens.

There is no evidence whatever to support these allegations. The Commission on Race and Housing, in its monumental \$250,000 study of integrated housing across the Nation, found no substantial evidence that the entrance of a non-white into a theretofore white community had any effect for better or for worse on property values. It was other, totally unrelated, phenomena, such as the general desirability of a neighborhood, the degree to which owners and tenants alike kept up their dwellings, the extent to which the cities properly serviced

the area, and the provision by the cities of protection against the encroachments of nonconforming uses—third-rate bars, grills, automobile repair shops and hot-dog stands—which determined whether a neighborhood was on the upgrade, was stable, or was destined to become a slum.

The existence of open occupancy legislation has never resulted in inundation of any one neighborhood. In fact, the very purpose of such legislation is to "scatterize" nonwhite demand for housing over all available housing and thereby prevent any one block from being inundated, as is the case when a ghetto area explodes block by block under irresistible expansion pressures.

Over the past year, the New York City Commission on Intergroup Relations has had a hundred or so complaints from nonwhites who felt that they had been discriminated against in the availability of shelter. It is interesting to note that there was no one area which these people as a group were attempting to penetrate.

Second, there seems to be no evidence that the requirement of open occupancy stimulates flight by whites to areas not covered by such provisions. There is no evidence whatever that the passage of the Sharkey-Brown-Isaacs law in New York City has stimulated an increase in the exodus of upper-middle-income white families from central New York City to the suburbs of Westchester, Long Island, and New Jersey.

Third, there is no evidence that builders have slackened their construction activities because of the existence of such requirements. In actual fact, builders build when there is a demand for their product and when that product can be easily financed. When financing and market conditions are right, builders seem totally undismayed by the prospect of making their housing available equally to all.

At the present time in New York City more than \$1 billion of urban renewal housing is being erected, most of it rather expensive elevator apartment housing, which must by New York State and City law be made available equally to all qualified tenants. There is no indication whatever that the successful, experienced practical builders who are undertaking these projects have been deterred by local and State legislation or feel that it will have any adverse effect on rental operations.

Fourth, there is as little tangible proof that the lending institutions will withdraw credit simply because of the fact that housing must be made available on an equal basis. All of the urban renewal housing in New York City is being financed by private lending institutions. They are making these federally insured loans because the projects are sound on their merits as real estate investments, because the rate is competitive, and the risk negligible.

Spokesmen for such institutions as the Bowery Savings Bank, the largest savings institution in the world, have repeatedly announced their policy of making loans whenever the housing constitutes a good housing "buy"—and when the community in which such housing is to be established is stable and attractive.

I have personally been associated with the integration of projects involving several thousand units of housing. My experience has at no time indicated that white families found this housing a less desirable place in which to live because of the presence of some nonwhite families.

The first problem of a private enterprise sponsor is sheer economic and financial survival. If I did not think that a policy of nondiscrimination was good business as well as good morals, I could not possibly invest, for myself and others, large sums of money in such a program.

All the available facts indicate that housing competes in the market for tenants and buyers on its merits as attractive stable shelter. To what, then, are we to ascribe the consistent opposition of private business leadership to open occupancy legislation?

The fact is that the spokesmen for the business community, and in particular, professional spokesmen for business organizations, have not been notably successful in predicting what is good for society or indeed, what is good for business. Over the past quarter of a century society has progressively established "ground rules" which cover an increasing proportion of business activity. Professional spokesmen for the business community, presuming to speak for the entire business community, have continuously and bitterly fought such regulations even though they have on the whole turned out to be in the best interests of the business community itself and have on the whole been accepted by the vast majority of the responsible members of the business community.

Apparently, there is a vast reservoir of acceptance and of ready accommoda-

tion in the business community to the changing ground rules. Most businessmen, in my opinion, are ready to accept any reasonable change in these rules provided that the change applies to all of the businessmen competing with each other. Understandably enough, most of these businessmen hesitate to speak out for the change. Thus, during the period when a change is being considered and debated, one can easily be misled by what superficially appears to be unanimous business opposition but what in fact is merely professional spokesmen articulating the intransigent views of a small hard core minority.

During the early days of the New Deal, professional spokesmen for the securities industry opposed the Securities and Exchange Act and its "full disclosure" provisions; public leaders of the banking industry opposed the establishment of the Federal Deposit Insurance Corporation as a socialistic encroachment on prerogatives in private banking; the National Association of Manufacturers, presuming to speak for the manufacturing community, opposed the establishment of fair bargaining procedures, minimum wage requirements, limitations on working hours, retirement provisions, and the social security systems.

Yet, history has shown that the ground rules have proved highly beneficial to the business community concerned. Leaders in the securities business today would consider unthinkable any tampering with the "fair disclosure" provisions; they now constitute the accepted professional ethic and business practice of the securities industry. Savings banks across the country now compete with each other in advertising that all savings accounts are insured by the FDIC. And the manufacturing industry has as its market today not just the upper crust of wealthy American families, but the millions of moderately circumstanced families who owe their purchasing power to the existence of collective bargaining, minimum wages, old age and retirement payments, unemployment insurance payments—the ground rules of a sound industrial society established a quarter of a century ago.

In the years since World War II we have seen the same business aversion to the setting of ground rules in the field of civil rights. In New York State, when legislation to prohibit discrimination in employment was under consideration in 1945, leaders of business, industry, and Government itself, testified that such legislation, if passed, would breed interracial tension, hatred, and strife where none had existed before, would prevent new industry from coming into the State, and would drive existing industry out of the State. Demonstrably, New York's economy has not suffered since the passage of the Fair Employment Practices Act in 1945.

In 1953 when legislation was passed vesting in the New York State Commission Against Discrimination, responsibility for prohibiting discrimination in the availability of public facilities, such as motion picture houses, legitimate theaters, restaurants, nightclubs, hotels, public golf courses and swimming pools, the restaurant, hotel, and nightclub industries claimed that tourists—American as well as foreign—would hesitate to come to New York if they had to stay in the same hotels or eat in the same restaurants or sit in the same motion picture theaters with nonwhite Americans. It was alleged that New York would lose its position as a center of tourism, entertainment, recreation, and culture. Of course, history has proven such fears to be groundless.

In short, a long, hard look at America's slums indicates that open occupancy in housing would be good business and sound economics for our cities. If we do not institute an open occupancy policy in housing, there is good reason to believe that the desperately needed programs for revitalizing and restoring our cities will fail.

By 1975, some 90 percent of our population will live in our 168 standard metropolitan areas. The population of these areas will be about 50 percent greater than it is today. Inevitably, minority groups will contribute substantially to this increase.

If the problem of urban decay and inadequate housing is a crushing one today, it will be infinitely more so in a decade or two.

Our Government throughout its history has shown the vision and boldness demanded by various crises which have confronted our country from time to time. Our business community customarily brings resourcefulness, courage, and imagination to the management of its affairs and the resolution of its problems. Surely both our Government and our business leaders will meet the challenge and will take bold and forthright steps to rescue our urban society.

Thank you for inviting me to present my views to this distinguished Commission.

Commissioner HESBURGH. Mr. Tiffany.

Mr. TIFFANY. Mr. Edward S. Lewis.

Mr. Lewis is executive director of the Urban League of Greater New York. He has been in charge of the many activities of the Urban League of New York since 1943 and before that was with the Baltimore Urban League, in close touch with the problems of slum living.

With Mr. Lewis today, and sharing this presentation with a supplementary statement, is Mr. Reginald A. Johnson, director of field services and housing coordinator of the National Urban League. Mr. Johnson has worked for the Urban League on these many problems in St. Louis and Atlanta as a field secretary.

Mr. Lewis will speak first.

**STATEMENT OF EDWARD S. LEWIS, EXECUTIVE DIRECTOR OF THE
URBAN LEAGUE OF GREATER NEW YORK**

Mr. LEWIS. Thank you very much.

Gentlemen of the Commission on Civil Rights, I am very happy to participate in this very important hearing on the importance and the influence of legislation, Federal legislation, legislation at all levels, for that matter, with reference to discrimination in the field of housing.

As was indicated in the introduction, I have had 30 years of experience as an Urban League executive in Kansas City, Baltimore, and in New York City, and in each of these instances I would want to affirm the fact that legislation is a very positive adjunct to our work in carrying out equality of opportunity in fields of housing, education, and in employment.

Since I am sharing this with my colleague from the National Urban League, I shall not read entirely my whole statement, but will quote a few brief portions.

Segregated housing and substandard conditions are interrelated. The first breeds interracial tensions and imbeds discriminatory attitudes and patterns in all aspects of community life, including the details of our educational system and the emotional development of our children. Because it limits the size and availability of the housing supply open to Negroes and Puerto Ricans, segregation becomes a principal factor in the growth of overcrowding and slums. The latter, of course, intensifies existing problems in the area of interracial understanding and harmony.

I made a reference in my testimony to the problems of education since that is also within the purview of this Commission. I am sure the gentlemen of the Commission recognize that educational inequities, the problems of de facto segregation, which we have in New York

City, are not identical with the problems which are making the headlines in our newspapers today. We have segregation not by law, but by fact, and I should like to say for the record that I think in New York City we have one of the best plans for integrating the schools. Those plans have been worked out by a Commission on Integration appointed by the Board of Education. Now, we've had some problems with reference to the implementation of the Commission on Integration reports. One of the persons who appeared and testified here, Judge Polier, has just rendered a decision on the inequities in some of our Harlem schools and its implications for the Commission on Integration reports. It seems to me important to point that we are making headway in the implementation of the Commission on Integration reports and that New York City can set a pattern for the rest of the Nation with regards to this issue.

There has been some testimony given here with regard to the growth of slums, and I should just like to point out, according to the census, 118,000 dwelling units are so overcrowded in New York City and so violate the city's health, sanitary, or occupancy standards as to warrant their inclusion in any kind of slum count.

Where are these overcrowded areas? Over 70 percent of the city's Negroes live in 4.7 percent of the census tracts. In 74.4 percent of the census tracts in the city there are either no Negroes at all or fewer than one in a hundred. These congested areas can be found by looking for the neighborhoods that report the highest rates of tuberculosis and infant mortality, the greater incidence of fires and a disproportionately high ratio of juvenile delinquency problems.

I should also like to reaffirm the high cost of these slums and blighted areas to the total community of New York City, but also indicate that this is not confined to New York City. These same conditions mar 20 percent of our Nation's cities, and it is this 20 percent of the Nation's urban centers that contain 33 percent of the population and account for 45 percent of the major crimes, 55 percent of the juvenile crimes, 35 percent of the fires, and 45 percent of the total city costs, including the health and welfare services. Parenthetically, these areas yield only 6 percent of the tax revenues from real estate.

This, I think, is very cogent evidence on the high cost of slums in the country.

Again I would like to refer here to our experience with regards to the importance of community planning in regard to antibias legislation. This involves educating individuals about the problems of different ethnic groups as well as working together in committees or organizations. Segregation further prevents the effective use of the legislative process by limiting the number of and influence of elected representatives in the legislatures and in the courts. As a result, the viewpoint of minorities is often unheard and unheeded.

Many individuals express hostilities created by segregation by refusing to participate in the civic life or to exercise their right to vote. With limited voting strength, minorities often find their interests dismissed by practical politicians.

Finally, we should like to point out that integrated housing is not impossible. There are some 150,000 families that are living peacefully together under interracial conditions in public, private, and cooperative apartment housing in New York City. Our 10 months of experience with New York's fair housing practices law would indicate it has not been marred by undue racial tensions or by any unusual resistance on the part of either landlords or white tenants.

It is true we do not have a truly open housing market in New York City, as evidenced by our segregated slums and the overcrowding endured by minority families. On the other hand, we believe that this law has created new opportunities for Negroes, Puerto Ricans, and others to live in more decent environments. The law also demonstrates that people of all races, religions, and national origins can live in peace, harmony, and understanding with their neighbors.

I should just like to say, in conclusion, that I feel that this Commission can make a real contribution to our understanding of many of the problems we have been presenting in these hearings.

I had the opportunity to participate in the total investigation by Congress on the problems of migration when I was working in Baltimore. I remember as a direct outcome of the exposure of the facts of discrimination against Negro workers in the defense industries that opportunities were opened, especially in the airline industry, for them for the first time.

I feel equally so about this hearing which is being held in New York City, that you can open up the area of public opinion for really attacking this most important problem.

Commissioner HESBURGH. Thank you, Mr. Lewis.

Mr. Johnson, will you give us your statement?

And then we will yield to questions.

STATEMENT OF REGINALD A. JOHNSON, DIRECTOR OF HOUSING ACTIVITIES, NATIONAL URBAN LEAGUE

Mr. JOHNSON. Mr. Chairman, members of the Commission, I want to just briefly give you a few observations from a national point of view, and I am going to confine my observations to the practices within the Government's housing agencies, and which I think are important.

I hope I do not duplicate anything that has been said or was said yesterday. I am sorry I am not here to know that.

The Federal Government began its housing program in the early 1930's with an administratively developed policy which used racially restrictive covenants, developed racially segregated public housing projects in all cities, rejected interracial occupied developments and adopted a principle which related the admission of racial groups in all-white areas as a deteriorating influence. Today, as a direct result of court decisions, nondiscriminatory legislation, and hard work by many people within the Federal Government structure, within the housing industry, itself, and those associated with private public interest service organizations, a considerable part of the foregoing pattern has been changed. However, there still remain areas within the Federal Government's practices and procedures which need intensive administrative consideration in order that these agencies may adequately serve all people within their area of competence and responsibility.

I may add that in the 1930's the insuring manual of the FHA contained sample restrictive covenants and contained many of the observations which are still repeated by some parts of the housing industry, which more or less questions interracial occupancy and the occupancy of apartments by Negroes.

Keep in mind that the Federal Government has an overall agency known as the Housing and Home Finance Agency and that under it are several agencies that are sort of semi-independent, but are coordinated and administered by the FHA, such as, for instance, the PHA, the VHMCP, the Urban Renewal Administration, the Community Facilities Administration, and the Federal National Mortgage Association. Several of these agencies have pursued their own concept of adjusting their program to local racial problems. Some of these adjustments have created conflict between the various housing agencies and some of them have been in conflict with recent Supreme Court decisions. This certainly indicates that there has not been developed an overall racial relations policy and, I may say, an overall coordination which at all has been helpful as far as the housing activities are concerned or some sort of a program which would serve as an umbrella under which all those agencies could work more closely together.

Here are a few examples of these instances of interagency conflicts which—though they are within the agencies, these conflicts, themselves, have been handicaps which have limited the supply of housing and have limited the activities of these agencies:

For example, we have two agencies, the Federal National Mortgage Association and FHA, which have a different procedure for deal-

ing with properties that have racial-restrictive covenants. As the Commission knows, there are extensive properties throughout the Nation that still have restrictive covenants, and though they are not legally enforced, nonetheless, they are there, and there are many Negro families that have purchased properties that have racially restrictive covenants, that own them, occupy them and frequently try to obtain mortgages, and with the differences in the applications of the two agencies it has frequently handicapped these families from getting mortgages because of the situation.

Another situation, which I think is very serious, comes from the records of the Urban Renewal Administration. For instance, according to their July 1958 report, 138,000 families were involved in their relocation program and approximately 80,000 of this number, according to the records filed with the URA, were eligible for low-rent housing. More than 50 per cent of these families are nonwhite. Many of these families will not be eligible for relocation into the 108,000 dwelling units, privately constructed dwelling units, that are proposed in the plans. This is due to two factors: A part of the proposed housing supply will be too expensive for the families displaced and a goodly percentage of this supply will prohibit occupancy because of race.

In addition to this, only 7,612 units of public housing have been approved. Now, keep in mind 80,000 families were indicated as being eligible for low-rent housing; 7,600 units were approved, in spite of the fact that the Public Housing Administration has available some 70,000 or 80,000 units of housing, meaning the failure to approve housing filed and requested by local communities through the regular Urban Renewal Administration efforts to rehouse families. That, as you can see, is a serious factor which has handicapped many families.

Another little item here—I am going to skip a bit—is that in a tabulation of 42,000 families made in December 1957 by the Urban Renewal Administration—of the number that they had actually relocated, 30,000 were nonwhite, or 71 per cent; 2,000 or 6 per cent, of the nonwhite families were relocated back into substandard housing because of limited market and other factors which have been presented to you; 16 per cent, or 5,000, were lost in the relocation program, with no record available as to the type of housing they were able to move into.

The Community Facilities Administration makes loans to communities for the purpose of planning schools and the various other facilities needed for housing development. According to a recent statement made public by the Administrator of the Housing and Home Finance Agency, who recently resigned—he said specifically

that the Community Facilities Administration continues to make loans to plan segregated schools in spite of this procedure being in conflict with recent Supreme Court decisions and procedures adopted by the Health, Education, and Welfare Department, which does not do that.

In other words, I am saying the failure of overall coordination and the failure of the establishment of an overall racial policy that can sort of govern the whole agency and place it in gear with the activities of the White House and the Congress and the various administrative agencies—that the Housing and Home Finance Agency and its constituent agencies need to be looked at by your Commission and others to sort of meet some of these problems.

In conclusion, the Housing and Home Finance Agency and its constituent organizations have a tremendous responsibility for the housing needs of the lower income and nonwhite families. This need is not being adequately met because of the failure on the part of the overall Agency to adopt a basic racial relations policy which will permit this organization to not only reduce conflicts between the constituent agencies, but also to relate the organization's procedures to the actual needs throughout the Nation and to the basic policies which have been enunciated by the courts, the White House, the Department of Justice, and other agencies in the Federal Government.

Without this type of basic policy, this lack of overall planning will continue to cause racial discrimination and racial disadvantage in the housing field.

Commissioner HESBURGH. Thank you, Mr. Johnson.

Mr. JOHNSON, do you think this Federal executive committee that has been suggested by the Commission on Race and Housing would be an answer to this problem of coordination?

Mr. JOHNSON. You mean the one proposed by the Commission on Race and Housing?

Commissioner HESBURGH. Yes.

Mr. JOHNSON. I think it would be helpful; very definitely helpful.

Commissioner HESBURGH. Would that be the proper mechanism, in your opinion, to suggest?

Mr. JOHNSON. Well, as I said before, I think the administrative practices of the agencies need to be looked at. I think some of them have grown quite old.

I think Mr. Scheuer brought out some of the activities where some of them adopt adaptations to their activities that no longer need to be considered.

If such type of commission, or whatever you call it, has the authority not only to review the practices and procedures, but also to make recommendations for adjustment—in other words, real operating, active decisions—I think it could be of tremendous value.

Commissioner HESBURGH. Thank you very much.

I would like to ask another question, of Mr. Lewis this time, if I might.

Mr. LEWIS. Yes.

Commissioner HESBURGH. You mentioned working in migration work, and I think this is perhaps central to many of the problems we have found in this locality. Would there any value, in your opinion, to having some kind of a group working on the direction of migration?

I think particularly of migration of, say, Negroes from the South up into New York City or this particular area.

Mr. LEWIS. Yes, Father. I think there would be a real advantage in having an agency that would concern itself with these problems.

I think the Office of Labor and Migration, under the sponsorship of the Government of Puerto Rico, is testifying in these hearings. We have had very close contact with that Office, and I think they have set up branch offices in other sections of the country besides New York and, as I have watched the work in this Office of Labor and Migration, it seems to me they keep a very close tab on what is actually happening to the Puerto Rican migrants and what kind of treatment they're getting in the work which they receive. They are also working in problems of housing discrimination.

I feel the Office of Labor and Migration, which I think is unique—it is the only office of its type that I know of—has made a very important contribution in distributing the population rather than having them concentrate. It has had very close contact with the Government of Puerto Rico and the Government of the United States, and I feel if this is good for the Puerto Rican migrants then many of the migrants coming from other sections could use these services as well. So, I would think this would be a real contribution to our working people in this area.

Commissioner HESBURGH. I am glad to hear you say that because our last witness, Mr. Scheuer, mentioned the fact that open housing means that scatteration is obtained and scatteration means a dilution of the intense problems that come from minority groups in overcrowded housing. The same thing is true as to the matter of employment opportunity. There are better jobs available in some parts of the country. This is not a standard thing. It moves within industry and it moves without economic opportunity at given times. There are also certain differences in housing opportunities in various parts of the country.

It would seem to me if some group would take the responsibility for this kind of advice and make it generally available it might avoid part of the problem that one sees here from this high concentration, everybody funneled into one precise area.

Mr. LEWIS. Yes. I think this is quite possible. If we can get more specialization in this area, it would be enormously helpful.

Commissioner HESBURGH. That is right.

Mr. LEWIS. I know there are some fears on the part of representatives of minority groups that there would be controlled migration, that legislation would be introduced in the Central Government to control migration, and this, I think, would be a fatality.

Certainly after all the investigation of the total Commission they came up, fortunately, I'm glad to say, with no restrictions on migration; but this does not take away from the possibility of having more specialized help in this area.

I think in New York City we are very much concerned in studying what is going to be the prospects of our open-city policy which we have on paper and is now in the process of being implemented. We feel that scattering the population, moving them out of these highly congested areas, is quite feasible and that this new legislation, the Sharkey-Brown-Isaacs bill, makes this possible.

We've seen movement indicated here in that direction, and I think if we had it on a national scale we ought to get the same kind of movement out of the highly concentrated areas.

Commissioner HESBURGH. That would seem reasonable.

Dean Storey, do you have a question?

Governor Carlton.

Mr. Lewis and Mr. Johnson, thank you very much for your fine contribution.

Mr. JOHNSON. Thank you.

PREPARED STATEMENT OF EDWARD S. LEWIS, EXECUTIVE DIRECTOR OF THE URBAN LEAGUE OF GREATER NEW YORK

The Urban League of Greater New York, an interracial social service agency that has actively promoted equal opportunities for Negroes and interracial understanding, for the past 49 years, is deeply concerned with the impact of segregated and inferior housing on the entire community—Negro and white.

Segregated housing and substandard conditions are interrelated. The first breeds interracial tensions and imbeds discriminatory attitudes and patterns in all aspects of community life, including the details of our educational system and the emotional development of our children. Because it limits the size and availability of the housing supply open to Negroes and Puerto Ricans, segregation becomes a principal factor in the growth of overcrowding and slums. The latter, of course, intensifies existing problems in the area of interracial understanding and harmony.

The Supreme Court clearly stated in its historic decision on school segregation on May 17, 1954, that "to separate them (Negro children) from others of similar age and qualification solely because of their race generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone."

If this is true in regard to education, then how much more true is it in terms of all the hours outside the classrooms when our children live, play, and worship in neighborhoods isolated from the rest of the community. They have no sense of belonging and they learn to feel rejected, unwanted, and inferior. Small wonder that deep feelings of frustration develop in our children that affect their ambitions as well as their feelings toward the school and the community.

The emotional development of white children is also distorted by the disparities they see in the living conditions and status accorded in our society to Negroes. Conditioned reactions are learned in childhood that remain to affect the attitudes and relationships of adulthood. Lack of familiarity breeds contempt, and we cannot expect interracial understanding to develop easily when, during their entire lives, nonwhites are separated from whites by high walls of segregation.

Discrimination in renting policies is also largely responsible for the great drain on community resources and the waste of human potential represented by slums. Race as such is not always the principal ingredient of slums. In cities like Detroit, Chicago, and Cincinnati, the most substandard housing and congested neighborhoods are occupied by newcomers of Anglo-Saxon stock from the Mid-south. This phenomenon stems from postwar immigrations that are in numbers too large to be readily accommodated by existing low-rent housing.

In New York City, and in other cities that have experienced large influxes of Negroes, Puerto Ricans, or Mexicans, the growth of slums, and the problems incident to slums, are accelerated by the fact that discrimination bars these groups from large portions of the existing low-rent housing market.

Thousands of Negro and Puerto Rican families have been coming into New York City every year since the end of World War II. Where do they go? There has been some expansion of the segregated neighborhoods and many Puerto Ricans of lighter skin have been able to move into some of the low-rent housing areas. But discrimination, generally, has forced both Negroes and Puerto Ricans into an unprecedented degree of congestion.

Approximately 118,000 dwelling units are so overcrowded, according to the Bureau of the Census and the New York City Department of City Planning, and so violate the city's health, sanitary, or occupancy standards as to warrant their inclusion in any slum count.

Where are these overcrowded areas? Over 70 percent of the city's Negroes live in 4.7 percent of the census tracts. In 74.4 percent of the census tracts in the city there are either no Negroes at all or fewer than one in a hundred. These congested areas can be found by looking for the neighborhoods that report the highest rates of tuberculosis and infant mortality, greater incidence of fires and a disproportionately high ratio of juvenile delinquency problems.

Tuberculosis is a disease whose incidence is directly related to environmental conditions, including housing. Documented studies demonstrate that tuberculosis is not inherently a "Negro" disease, but one which affects this group most seriously in New York. The tuberculosis death rate here in 1949, largely because of congestion in segregated areas, was only 20 per 100,000 whites, but 91 per 100,000 for nonwhites.

The high cost of slums and blighted areas to the total community is not limited to New York City. These same conditions mark 20 percent of our Nation's cities. And it is this 20 percent of the Nation's urban centers that contain 33 percent of the population and account for 45 percent of the major crime, 55 percent of the juvenile crime, 35 percent of the fires, and 45 percent of the total city costs, including health and welfare services. Parenthetically, these areas yield only 6 percent of the tax revenues from real estate.

We have all been long familiar with the statistics of slum blight and the contributions made by discrimination to the growth and intensification of our slum problems. Let us examine some of the social implications.

Residential segregation of minority groups effectively prevents direct communication between the minority and majority groups. In whatever direction they may attempt to move in order to secure an integrated social structure, the community groups find that lines of communication are tenuous or non-existent. Without these opportunities for continuing face-to-face contacts, proposals for eliminating segregation have little chance for success, whether they include cooperative planning for the elimination of discriminatory practices, educational activities to disseminate accurate information about individuals in diverse ethnic groups, community efforts to secure the adoption of constructive legislation or, simply, the development of sound interpersonal relationships.

Cooperative planning to eliminate discriminatory practices can best be accomplished when leaders of majority and minority groups work together for the common good. Segregation patterns in employment, housing, and education hinder the process by crippling potential leaders within the minority group. In addition, much time is lost while each group seeks to identify leaders in other groups, and while the leaders, themselves, become accustomed to working together in an atmosphere of mutual trust and respect.

The process of education about different ethnic groups is also disrupted by segregation in housing, employment, and education. Inferior educational backgrounds, acquired in segregated schools, limit the ability to absorb accurate information, despite the best of intentions. Furthermore, feelings of resentment or superiority often stifle the natural curiosity of one group of human beings about another.

Community planning to secure antibias legislation involves educating individuals about the problems of different ethnic groups, as well as working together in committees or organizations. Segregation further prevents the effective use of the legislative process by limiting the number and influence of elected representatives in the legislatures and in the courts. As a result, the viewpoint of minorities is often unheard and unheeded. Many individuals express hostilities created by segregation by refusing to participate in civic life or to exercise their right to vote. With limited voting strength, minorities often find their interests dismissed by "practical" politicians.

Discrimination in housing is a major cause, therefore, of social blight, as well as the deterioration in living conditions we call slums.

Integrated housing is not impossible. Some 150,000 families are living peacefully together under interracial conditions in public, private, and cooperative apartment housing in New York City. Our 10 months of experience with New York's fair housing practices law has not been marred by undue racial tensions or by unusual resistance on the part of either landlords or white tenants.

It is true that we do not yet have a truly open housing market in New York City, as evidenced by our segregated slums and the overcrowding endured by minority families. On the other hand, we believe that this law has created new opportunities for Negroes, Puerto Ricans, and others to live in more decent environments. The law also demonstrates that people of all races, religions, and national origins can live in peace, harmony, and understanding with their neighbors.

PREPARED STATEMENT OF REGINALD A. JOHNSON, DIRECTOR OF HOUSING ACTIVITIES,
NATIONAL URBAN LEAGUE

The Federal Government began its housing program in the early thirties with an administratively developed policy which used racially restrictive covenants, developed racially segregated public housing projects in all cities, rejected interracially occupied developments, and adopted a principle which related the admission of racial groups in all-white areas as a deteriorating influence. Today, as a direct result of court decisions, nondiscriminatory legislation, and hard work by many people within the Federal Government structure, within the housing industry itself, and those associated with private/public interest service organizations, a considerable part of the foregoing pattern has been changed. However, there still remain areas within the Federal Government's practices and procedures which need intensive administrative consideration in order that these agencies may adequately serve all people within their area of competence and responsibility.

The Housing and Home Finance Agency is the overall coordinating housing agency which is administratively responsible for tying together the work of the Federal Housing Administration, Public Housing Administration, Voluntary Home Mortgage Credit Program, Urban Renewal Administration, Community Facilities Administration, and the Federal National Mortgage Association. Several of these agencies have pursued their own concept of adjusting their program to local racial problems. Some of these "adjustments" have created conflict between the various housing agencies and some of them have even been in conflict with recent Supreme Court decisions. This certainly indicates that there has not been developed an overall racial relations policy which would be applicable to the entire housing program and serve as an umbrella under which each constituent agency can realistically and adequately administer its program.

Here are a few examples of these interagency conflicts which have unnecessarily produced this confusion:

1. The United States Supreme Court outlawed racial restrictive covenants in 1948. There still remain extensive properties throughout the Nation which continue to use racial restrictive covenants. Many of these covenants have a reverter clause which requires that property revert to its previous owner if there

is conflict with its racial restrictive objectives. The Federal National Mortgage Association and the Federal Housing Administration each have their own procedure for considering property mortgages which are covered by these illegal racial restrictive covenants. These procedures are in conflict when these agencies jointly operate in areas of nonwhite occupancy.

2. According to a July 1958 Urban Renewal bulletin of that agency's records of 138,171 families involved in their relocation program, approximately 80,000 are eligible for low-rent public housing. More than 50 percent of these families are nonwhite. Many of these families will not be eligible for relocation into the 108,489 dwelling units proposed in the plans. This is due to two factors. A part of the proposed housing supply will be too expensive for the families displaced, and a goodly percentage of this supply will prohibit occupancy because of race. In addition to this only 7,612 units of public housing have been approved.

The foregoing information indicates a number of conflicts within the agencies of the Housing and Home Finance Agency as well as in the Administrator's Office itself. Ten times more public housing is needed than has been approved, and the Public Housing Administration has authority to approve many thousands more of public housing units. Not only has the Public Housing Administration restricted the supply of housing which it has authority to approve, but the Urban Renewal Administration has indicated a need for more public housing than has been approved. This means that the public housing needs of the local communities which have been submitted to the Urban Renewal Administration have not been accepted by the Public Housing Administration and have not been recognized by the Administrator's Office. Many lower income families and many thousands of nonwhite families are being disadvantaged because of this lack of realistic coordination and planning within the housing agencies. Many communities are destroying more shelter units than they are supplying, and many of the new units are not within the income limitations of the families displaced. Local relocation planning has definitely displaced many thousands of nonwhite families who are not being rehoused within the regulations of the legislation which provides for an urban renewal program. In fact, another report of the Urban Renewal Administration dated December 1957 tabulated 42,998 families who were relocated under the urban renewal program. Of this number 30,372 were nonwhite, or 71 percent; 2,066 or 6.8 percent of the nonwhite families were relocated back into substandard housing, and 16.6 percent or 5,050 were lost in the relocation program with no record available as to the type of housing they had moved into.

The foregoing brief summary of the rehousing of displaced families gives some idea of the failure of the Housing and Home Finance Agency to coordinate and administer the program of its constituent agencies in such a manner that the families involved are not inconvenienced, or suffer because of race or income.

3. The Community Facilities Administration makes loans to communities for the purpose of planning schools. According to the Housing and Home Finance Agency, this constituent organization continues to make loans to plan segregated schools in spite of this procedure being in conflict with recent Supreme Court decisions, and procedures adopted by the Health, Education, and Welfare Department.

4. The Administrator's Office of the Housing and Home Finance Agency has a Racial Relations Service which is not only understaffed, but as it is now staffed is not capable of advising and counseling on the racial problems of housing involved. This office is not used by the Administrator's Office and it carries on no activities which can aid that Office with its responsibilities involving the racial component in the housing field. In contrast to this, some of the other agencies—the Public Housing Administration and the Urban Renewal Administration in particular—do have adequate racial relations staffs which are invaluable in assisting these agencies in their work. Again the lack of an overall policy, procedure, and program in the racial relations field handicap these agencies from extending their plans and recommendations into an overall housing setup as would be needed in order to adequately meet many of the racial problems in housing.

The Housing and Home Finance Agency and its constituent organizations have a tremendous responsibility for the housing needs of the lower income and nonwhite families. This need is not being adequately met because of the failure on the part of the overall Agency to adopt a basic racial relations policy which will permit this organization to not only reduce conflicts between the constituent

agencies, but also to relate the organizations' procedures to the actual needs throughout the Nation, and to the basic policies which have been enunciated by the courts, the White House, the Department of Justice, and other agencies in the Federal Government. Without this type of basic policy, this lack of overall planning will continue to cause racial discrimination and racial disadvantage in the housing field.

Commissioner HESBURGH. Mr. Tiffany, will you introduce your last witness for this morning?

Mr. TIFFANY. The last witness this morning will be Mr. Harry Van Arsdale, President of the New York City Central Labor Council of the AFL-CIO and business manager of Local 3, International Brotherhood of Electrical Workers. Mr. Van Arsdale is also a member of the board of the United Housing Foundation, which has played a very large role in planning cooperative housing on an open-occupancy basis in this city.

Mr. Van Arsdale.

STATEMENT OF HARRY VAN ARSDALE, JR., PRESIDENT, NEW YORK CITY CENTRAL LABOR COUNCIL, AFL-CIO, BUSINESS MANAGER OF LOCAL 3, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AND MEMBER OF THE BOARD, UNITED HOUSING FOUNDATION, ACCOMPANIED BY ROGER SCHAFER, SECRETARY, UNITED HOUSING FOUNDATION

Mr. VAN ARSDALE. I have here Mr. Roger Schafer, Secretary of the United Housing Foundation, who interviewed the various people that moved into these projects, and you may want to ask him some questions. I want to thank the Commission for its kindness in inviting us folks of organized labor in this city to discuss this tremendously important issue.

I think I can say for the trade union movement in our city that we have been in the forefront of the struggle against racial and religious prejudice, and I feel certain that with the merger of the AFL and CIO unions in this city, which recently took effect, this battle will be expanded and fought even more vigorously.

In this part of my statement I want to emphasize one factor which is very germane to the issue before us. It is my firm opinion that before we can solve the problem of discrimination in housing we must first solve the problem of discrimination against housing.

Perhaps it is stating the obvious, and if I am I would only quote to you the words of the late Mr. Justice Holmes, who once said that, "Sometimes it is more important to emphasize the obvious than to elucidate the obscure."

What I mean is simple. Until we undertake a housing program which would enlist the resources of Government, the resources of private initiative, the resources of the trade union movement—in short,

until we undertake a housing program which embraces the resources of the American community—I am afraid we will be a long time in solving the ugly problem of discrimination in housing. After all, we have been talking about the housing problem for decades and we are still as far away from a solution as we have ever been. Our efforts have been feeble, indeed, in comparison with our wealth and our capabilities. I want to state, with all the conviction at my command, that until we break through the barriers which prevent a genuine housing construction program we will be unable to break down the barriers of racial prejudice in housing.

We know that discrimination policies in employment were dented when we reached full employment in America. We know that unemployment makes job discrimination easier. Similarly with housing. When we reach a point in this country when there will be enough housing to go around, we will be able, with greater certainty and less oratory, to achieve the democratic goals we have set before ourselves. However, I do not suggest that until that far-off day of sufficient housing arrives that we wait and do nothing to remove this stain which blights American democracy.

In New York we have been trying to do something on our own, and we have been doing something. I am referring to the work accomplished under the aegis of the United Housing Foundation in the field of nonprofit cooperative housing. As you know, a cooperative is an apartment house owned by the families which live in it. Cooperatives sponsored by nonprofit groups, such as trade unions, civic and business groups, or cooperative organizations, have had an outstanding impact in meeting the discrimination problem. Today more families live under open-occupancy conditions in the nonprofit sponsored cooperatives than in all other types of private housing combined.

The United Housing Foundation is a federation of such cooperative housing projects and other nonprofit groups, such as unions, churches, and settlement houses, which seek to encourage more housing on a cooperative basis for the middle-income family, those families with a median income of about \$5,400 or, roughly, in the \$4,700 bracket. There are today 16 nonprofit, cooperative-sponsored housing projects in this city housing 10,660 families. Monthly charges run from about \$70 to \$100 a month, including utilities, for a 2-bedroom, 4½-room apartment. The downpayment ranges from \$1,200 to \$2,800.

I would strongly suggest that the Commission devote part of its resources and manpower to studying this cooperative housing movement.

I do not hold this idea before you as a panacea for all discriminatory housing problems. I suggest that this idea is a serious and successful approach, one which has worked in our city and could well

work out in other cities. I do not believe it is a panacea because cooperative housing calls for a substantial downpayment by a family, and we know that while the median income of white families in New York City in 1956 was \$5,685 the median income of nonwhite families was \$3,740. To raise wages and incomes for the low paid is a must if we are to succeed in erasing discrimination in housing. To this task of raising wages and living standards, our trade union movement is most enthusiastically dedicated.

One other thought: We know the importance of requiring our children to attend school, to learn to read and write. In mixed communities your Commission might give some study to the advisability of requiring adults to study racial relations.

Our situation in the world is such that this problem we have before us should already have been solved. What we need is a little more sincerity.

Thank you.

Commissioner HESBURGH. Thank you very much, Mr. Van Arsdale.

I would like to ask Mr. Schafer if he would like to say a word or two about the folks he interviewed in the nonprofit co-ops.

Mr. SCHAFFER. Thank you, Father.

I really only wish to comment that we have processed thousands upon thousands of applicants. When they came into the offices, frequently there were groups of varying racial backgrounds in the office and, yet, this did not prevent us from filling the cooperative and developing waiting lists which amount to about 1½ times the 10,600 apartments that exist today.

Commissioner HESBURGH. Thank you, Mr. Schafer.

Mr. Van Arsdale, we have been asking the business community if there isn't something it could do with all its accumulation of capital and experience and ingenuity to solve this terrible housing problem, the great lack of housing, especially for low- and median-income families. I was wondering if maybe the trade unions, especially those in the building trades, might be able to bring some new thoughts to the solution of this problem. Certainly many of your trade-union people in the trade-union movement are faced with the problem.

Mr. VAN ARSDALE. Yes. The trade unions already have made a considerable stride. They are investing their money in projects, middle-income housing projects, of a nonprofit type at less than they would receive for their money in the open market.

Commissioner HESBURGH. I think that is a very fine development.

Mr. VAN ARSDALE. Six of the unions have joined with two of the savings banks in financing the Seward Park housing, which is removing one of the worst slums in lower Manhattan.

Commissioner HESBURGH. I think we have all been impressed—we on the Commission, listening to the various testimonies that have come before us, have been impressed—with the necessity of bringing about a total solution and bringing all the segments in American society to bear upon the solution of this problem, and I think it is a helpful thing to know the trade unions, themselves, are bringing their resources to bear upon this problem.

Dean Storey, would you like to ask a question?

Mr. VAN ARSDALE. I would like to say everybody likes to place the blame with everyone else. Our experience is—and it's our feeling—that there's more responsibility with the leaders in our communities than there is with the people, because when the people understand the situation they go in the right direction.

Commissioner HESBURGH. Thank you, Mr. Van Arsdale.

Governor Carlton.

Thank you very much, Mr. Van Arsdale and Mr. Schafer.

This concludes our witnesses for this morning.

This afternoon we are going to begin promptly at 1:45, and our first speaker this afternoon will be Cardinal Spellman.

The meeting is adjourned for this morning.

(Whereupon, at 12:25 p.m., the hearing was recessed, to reconvene at 1:45 p.m., of the same day.)

UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
NEW YORK, N.Y.

February 3, 1959, Afternoon Session

COMMISSION ON CIVIL RIGHTS

TUESDAY AFTERNOON SESSION, FEBRUARY 3, 1959

(The hearing reconvened at 1:45 p.m., Commissioner Hesburgh presiding.)

Commissioner HESBURGH. The final session of our hearing will now please come to order.

We are very happy this afternoon to have as our first speaker His Eminence, Cardinal Spellman of New York City, who I am sure needs no introduction to this audience.

Your Eminence, we are delighted to have you with us this afternoon and very happy that you could come and make a statement.

STATEMENT OF HIS EMINENCE, FRANCIS CARDINAL SPELLMAN, ARCHDIOCESE OF NEW YORK

Cardinal SPELLMAN. Father Hesburgh, Governor Carlton, Dean Storey, and my fellow Americans, I come before you today at the invitation of the Commission on Civil Rights to express my opinion on racial discrimination. I have come to give testimony to the fact that no loyal American, whatever his own particular racial background, his creed, or color, will himself enact or countenance any act of bigotry or prejudice against any other American that would deny, impede, or impair the equal rights and privileges granted to him under the Constitution of the United States. I accepted the Commission's invitation willingly, with one qualification: That my participation be not alone on housing problems, but rather upon the large, overall and vital issue of justice and equal rights for the minorities in America, our land of God-given material and spiritual wealth.

A Catholic American, I am here to voice my position based upon the immutable teachings of my precious faith and the unalterable love for my priceless American citizenship. I give my testimony regarding moral, not political issues, for, as a priest of God, spiritual and moral issues alone are my province and my interest.

Familiar to most of us from our carefree schooldays to the present chaotic days of crisis is the quotation from our Declaration of Independence:

* * * that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness.

Then there follows this seldom quoted sentence:

That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

It is this statement which to me is the key to the serious, crucial problems which I prayerfully hope may not be only discussed, but also resolved. Once more I revert to the Declaration of Independence. This time it is the very last sentence, without which the whole document would be purposeless. It reads:

And for the support of this declaration, with a firm reliance on the protection of Divine Providence, we mutually pledge to each other our lives, our fortunes and our sacred honor.

Fifty-six loyal and wise Americans based this sacred avowal upon the greatest declaration of all time, the words of Christ, Himself, who commanded:

Thou shalt love the Lord thy God with the love of thy whole heart, and thy whole soul, and thy whole strength, and thy whole mind, and thy neighbor as thyself.

Upon these declarations—one, the birth certificate of Christianity; the other, the birth certificate of our own United States, America's Declaration of Independence—I could rest my own personal participation in this conference today, since it is upon these unchallengeable, changeless truths that are founded my own immutable love of my faith and my country, and in them as well are based the answers to this Commission's quests, queries, and quandries.

If what I say repeats in essence what the Catholic bishops of the United States stated at their last meeting in Washington in November 1958, it is because that is what the church has always and must always believe and teach; and, by the same token, if what I say today some of you have heard me say before, it is because it is, in principle, what I have said or written over the decades, since my credo regarding color, racial, or religious discrimination has ever been and ever will be the same. Yes, many times in many different places and on many different occasions I have discussed discrimination, but always with the same incontestable meaning—that injustice or prejudices perpetrated against any race, color, or creed is a fatal disease which brings misery and heartaches not only to those who are the victims of this ugly, irreligious, and unconstitutional practice, but also brings dishonor and disaster upon the entire country.

Discrimination, racial or religious, can become the hangman of any free nation, and it is monstrous and terrifying that man can mistakenly believe that they can villify or violate other men's rights

without victimizing themselves and the great and noble nation to which men of all racial origins and religious beliefs have given so much of themselves to build. Malice toward none, justice to all should forever stand as the basic American formula and practice. No true American would nurture, promote, or incite anti-Semitic, anti-Negro, anti-Catholic, anti any group of fellow law-abiding American citizens.

When Abraham Lincoln's divinely inspired pleadings for understanding and charity proved unavailing to many, he wrote:

Our progress in degeneracy appears to me to be pretty rapid. As a nation we began declaring "All men are created equal." We now practically read it, "All men are created equal except Negroes." When the Know-Nothings get control, it will read, "All men are created equal, except Negroes, foreigners and Catholics." When it comes to this, I shall prefer emigrating to some country where they make no pretense of loving liberty.

Today in the United States there are approximately 18 million Negroes, but even if there were only 1,800 or 18 they, like all American citizens, must be free to exercise the rights given to them in our Constitution—and when they have these rights in fact as well as in law they will nurture and treasure their national heritage and not be influenced by agitators whose aims are to destroy our free American way of life. Bigotry's source and bigotry's force is hatred, and the bigot is a promoter and protector of the cult of hatred, and it is the duty of all fair-minded Americans to oppose bigotry not only from a sense of justice but also from a sense of safety, for, if tolerated, it can be directed at any race or religion only to rebound against us all. Those who incite, participate, propagate, or connive against their fellow citizens through race or religious hatred are disloyal Americans, traitors to our valiant forefathers and heroic sons, loved and lost on the altar of liberty in order that Americans today might enjoy the freedoms and privileges promised in our country's Declaration of Independence.

Yearning, working, and praying to promote a better spirit of mutual understanding and forbearance among my fellow countrymen and the realization of America's ideals and hopes for unity, liberty, and charity, I deplore with all my heart the bigotries and prejudices penetrating American life, denying America's constitutional rights to any of her citizens. Discrimination for any reason and disguised in any form is in violation of God's commandments and the Constitution upon which our free Nation was built. Despite guarantees of racial and religious freedom, bigotry has existed down through the years of our history to the detriment of our country and to the regret and shame of all fairminded Americans.

If America continues to promote bigotry by protecting those who conspire to keep minorities from enjoying their civil rights guaranteed to them under the Declaration of Independence and the Con-

stitution, then we must confess that democracy has failed. Americans who unconstitutionally discriminate against their fellow Americans because of color, race, or creed, unjustly denying to them any one of their civil rights, are weakening the democratic structure of this great and glorious Government.

By temperament and grace I am an optimist. I believe in America and in her high destiny to stand before the peoples of the earth as a shining example of justice and unselfish devotion to the ideals that have made us a great nation. For this America hundreds of thousands of our precious youth have sealed their love of country with the sacrifice of their lives. Will we, the living, with malice aforethought, be faithless to our sons who lie coffinless beneath the seas or sacked in graves in the soil of alien lands? Will we, countermending the commandments of God and the Constitution of America, continue to betray our fellow men who fought and bore the terrors of war and the agonies of death?

I have traveled the face of the earth. I talked and prayed with America's sons who from out of a million homes were called to meet the challenge of brute force and keep America, their home, safe for us; and every boy who, in the flaming faith of freedom, rode the crest of death on the sea, in the sky, or on the earth, was inspired unto heroic giving of himself to protect America and all Americans.

Over the span of war years, as we drank our cup of grief, we prayed and promised to serve and love God, our country, and our fellow men. We thanked God for the measure of our victory won by our martyred dead, our soldiers' blood, our country's tears. Again we prayed: Oh God of justice, make us an instrument of light, defending all men's rights, Thy rights, given unto each babe aborning. Help us, we pray Thee, to make us worthy of Thy trust, each man humbly, honestly living in love and service to Thee and to his neighbor.

In the War of Independence, the War Between the States, and both world wars bigotry was abated, if not abolished. It would be a pity and a sin if it be the truth that only in war are persons of different races and religious sects cooperative and respectful of one another.

Ladies and gentlemen, we are Americans all. We have lived, grown, and prospered as a group and as individuals under the Constitution of the United States. Our glorious flag is still a symbol of liberty, cherished, bought, and paid for by the blood of our brothers, fathers, and grandfathers, many of whom came from out far and foreign lands. It is a flag of a democracy founded essentially upon justice, a democracy which calls for laws, fair and equitable, enforced for the protection and benefit of all peoples living within its boundaries.

It is my prayer today, as it has been every day of my priestly life, that every American will loyally help to preserve our God-blessed American democracy by faithfully working together to safeguard her freedoms, constantly conquering prejudices by conscientiously obeying our Constitution and observing God's commandment of love—that love which, above all, means justice for all our fellow men.

Thank you very much.

Commissioner HESBURGH. Your Eminence, I speak for the other members of the Commission when I thank you very much for that very fine statement.

Cardinal SPELLMAN. Thank you, Father.

Commissioner HESBURGH. Mr. Tiffany, will you kindly announce the next speaker?

Mr. TIFFANY. Dr. Gardner C. Taylor.

Dr. Taylor is President of the Protestant Council of the City of New York and Pastor of the Calvary Baptist Church of Christ in Brooklyn. He is a member of the Board of Education of New York City. I might add that he is a native of Baton Rouge, La. So, he can tell us about the connections between migration, education, and housing.

Dr. Taylor.

STATEMENT OF DR. GARDNER C. TAYLOR, PRESIDENT OF THE PROTESTANT COUNCIL OF THE CITY OF NEW YORK AND PASTOR OF THE CALVARY BAPTIST CHURCH OF CHRIST, BROOKLYN, N.Y.

Dr. TAYLOR. Thank you.

Gentlemen of the Commission, I am pleased to speak today in the name of the Protestant community of the city of New York, many of whom are of those minorities that feel most sharply and most brutally discrimination because of housing and other forms of discrimination.

The very fact that in this greatest city in our Nation I, the titular leader of one of its three great religious faiths, could be a member of a racial minority, and the most disadvantaged national minority historically, augurs, it seems to me, bright promise for the fulfillment in this country of the purposes for which this Commission has been established and for the early resolution of the problems of segregation and discrimination throughout our land.

The home is the basic unit of our society, and in New York City some 600,000 families, or 2 million citizens, occupy dwelling units which are below standard for wholesome and healthy living. These substandard and overcrowded dwelling units are occupied, to a marked degree, by Negro and Puerto Rican families, and, to a less extent, by Jewish families.

All of the reasons why these minorities occupy a disproportionate amount of the substandard dwelling units are not traceable to racial or religious discrimination, but discrimination by race or religion does form entirely too much of the reason. It is a known fact that these racial and religious minorities, easily discernible by color or accent or religious practices, find the greatest difficulty, because of irrational prejudices in escaping the ghettos in their quest for better living conditions. Also, the oldest housing falls to those least able to pay for better housing, and those least able to pay, because of economic discrimination, are Negroes and Puerto Ricans. Thus, great, dark, depressed, seething geographical and psychological ghettos scar the city and the Nation.

Those outside the slum area fear the alien monolith represented by the ghetto and libel and label as inferior or dirty or violent all who live on the racial or religious reservation; but this is only one side. The residents of the ghetto, on the other hand, develop angry and bitter and often irrational resentments toward those who live beyond their ragged, rundown borders, all of whom they feel are somehow responsible for the conditions under which they must live and rear their children.

There as those who say that the people who inhabit the ghettos of this city and others are dirty people who depress property values wherever they live. It is an open secret, however, among minorities that the suppliers of private housing in our cities, the real estate interests, keep the supply of housing available to minorities at a trickle, while the demand remains enormous, in order to keep the price exorbitant. Thus an area, block by block, and sometimes house by house, is made available to minorities.

The great rush for the thin supply inevitably means that overcrowding and excessive purchase price doom the area to blight, if it is not already blighted by the time the minority families secure occupancy. In such an area, crime increases at a frightening rate. A few years ago the New York Academy of Medicine reported that the 2½ million people living in substandard areas, and comprising 20 percent of the metropolitan residential area, accounted for 45 percent of our crimes, 55 percent of our juvenile delinquency, and 60 percent of our disease. An overcrowded living condition inevitably strains family life, induces frustration, encourages immorality, breeds violence and cripples the minds and bodies of growing children. This, indeed, is a form of infanticide.

In junior high schools whose population is composed of minority groups it has been established the percentage of substitute teachers is 30 percent higher as compared to areas whose school population is not drawn from minority groups. The facilities are often the

oldest, the background of the children the poorest, the learning motivation the weakest, the teaching the least efficient; and, thus, because of these overcrowded housing conditions and the derivative evil of inferior schools, children who are already disadvantaged from the beginning have laid upon their future and their hearts the insuperable burden of the evils of inferior schools, derived from inferior housing and from ghettos—and I submit to you today that the Nation can ill afford the loss of this potential.

A certain gasp and shiver rightly went through the entire Nation the other month or year when our missile was not able to get off the launching pad for so long at Canaveral. I submit to you that we might have got our missile in the air much earlier if the loss-expended portion of our population denied adequate housing, adequate schooling, had had those advantages. That extra percentage of our Nation's potential might have been the difference in a much earlier launching.

The city of New York is aware of the problems. Under the leadership of Robert Wagner and the City Council, this city has begun an honest, forthright, war on discrimination in housing. The Brown-Sharkey-Isaacs bill has put the city solidly on the side of integrated housing, so that the full strength and authority of the city administrations now stands behind the cause of integrating the housing of this city. The full impact of this legislation cannot yet be measured, but its effect is bound to change the face of New York in housing in time. The Baker-Metcalf bills in State housing promise a far brighter housing picture for all of New York State.

The Federal Government must not only continue but increase its housing programs for low-income and middle-income dwellings if we are to win the battle for good housing for all our citizens; better, more equitable plans for relocation of tenants in slum areas must be devised.

Almost invariably the slum-clearance area is unbelievably overcrowded. Often there have not been dwelling units available for those who are compelled to move. By throwing a number of evicted people into an already inadequate housing market larger than the number for whom housing in the cleared area is provided, the problem's solution becomes a part of the problem itself. Also, many persons operating small businesses have lost their locations without adequate compensation. There is a question in many minds as to whether the Federal and State and local governments have been as solicitous as they might have been in the equal preservation of the churches and synagogues of the major faiths which are located in housing developments.

The Federal Government needs—and needs desperately—to supply the moral and technical leadership in the matter of integrating the

dwelling patterns wherever it, the Federal Government, participates in housing developments. Indeed, the great moral strength of our U.S. Government, together with provisions for employment of an adequate staff of experts in human relations on a nationwide basis, ought to be committed with vigor and vision to the solution of our paramount domestic problem—segregation and discrimination.

The need for federally aided middle-income housing is very great. Since middle-income families are ineligible for low-income publicly supported housing, they have been driven to increase the number of slum dwellers or move to the suburbs, thus depriving the city of their great strength, perhaps the chief financial and moral strength of any city. The housing provisions that have been made for these middle-income families are far from adequate.

Gentlemen, the great unsolved internal riddle of our democracy is the problem of discrimination because of race or religion. This is the dangerous disease in our body politic. The symptoms may vary in intensity in different parts of the body, but the malady is throughout the republic. The Nation's moral health depends so much on decisively cleansing our Nation of the guilt and shame of segregation and discrimination. In all likelihood, this Nation's permanent appointment with history may well depend on whether or not we free ourselves—and that right early—of these destructive divisions and enmities of color and creed and origin. A fair and freely integrated housing pattern in this city, and all cities, will go far, very far, toward solving America's greatest problem—that of discrimination.

Thank you.

Commissioner HESBURGH. Dr. Taylor, it is certainly very nice for you to come today. We appreciate it very much, and that is a very fine statement you have given us.

Dr. Taylor—

Dr. TAYLOR. Yes.

Commissioner HESBURGH. I think Dean Storey did want to—I thought we didn't have any questions. Excuse me.

Vice Chairman STOREY. Dr. Taylor, you have referred to the term "ghetto," and I have heard it a great deal during this hearing here. Some of us heard about the ghettos during the last war, and particularly those of us who had something to do with the Warsaw ghetto.

Would you kindly tell us what is your concept of the term "ghetto" as applied to housing areas in this city?

Dr. TAYLOR. Yes. I take the term "ghetto"—at least in my thinking—to be an area that is sharply rung around by restrictions of movement, of dwelling on the part of those who live within that area where the housing is blighted, has already served its usefulness, where the streets are dirtiest and where children, cramped in overcrowded

living conditions, suffer a form, as I said, of infanticide because they do not have the freedom of movement or the facilities of other areas. I think any ghetto has about it a quality of the execution of all who live in it, especially its young.

Vice Chairman STOREY. Could you give us an estimate, from a factual standpoint, of how many such ghettos, such as you describe, are in the greater New York area?

Dr. TAYLOR. I would not want to risk—The Director of our Protestant Council's Christian Social Relations Department is here, who could give you a much more factual answer.

Vice Chairman STOREY. Well, we can ask other witnesses of that.

Dr. TAYLOR. I would say it is five or more in each borough.

Vice Chairman STOREY. A second question: You referred to the fact that these places breed crime and violence. Some of us have read a good deal about the juvenile delinquency and even gang warfare and clashes between minorities, referring to the Negroes and the Puerto Ricans. Do you have knowledge of such instances occurring and, if so, are they in the so-called ghettos that you describe?

Dr. TAYLOR. Yes. I think I ought to say right away they're not only in these ghettos, but they are sharply in them and they result because there is an atmosphere of violence.

There is, first, overcrowding. There is the sense of futility, of frustration, of hopelessness. There is anger, rightly or wrongly, at the rest of the community who is held responsible by ghetto dwellers, rightly or wrongly, for the fact that they cannot escape these ghettos because of covenants, written and unwritten, in dwelling areas.

Vice Chairman STOREY. Thank you. That is all.

Commissioner HESBURGH. Dr. Taylor, we would appreciate it very much if you could say a word about the effects of the ghetto on education, especially the effects on the education of the youngsters.

Dr. TAYLOR. It has been established in the city of New York that children in these areas are two and a half years behind other children in reading. Now, in our kind of society, he who cannot read can hardly survive.

All of it is not due to the schools, themselves, nor would I say it. It's due, first, to these overcrowded conditions, to the limited backgrounds the parents have had themselves, to inadequate public facilities, to culture for cultural improvement; but, in addition to that, as I said before, to these burdens, is added the almost unbearable burden of inadequate schools.

Teachers do not want to go into these areas because the children have not had the advantages of other children—and, so, the children who have not had the advantages of other children are doomed to

continue to be disadvantaged because they have not had the advantages.

It's this kind of vicious circle which is established.

Commissioner HESBURGH. Would you say that this is one of the really great and necessary things that faces us, to somehow get rid of these ghettos?

Dr. TAYLOR. Sir, I am profoundly convinced of that. All of our other community institutions reflect the pattern of housing, and it's hard for me to describe it. It is indescribable, the amount of frustration and bitterness, sometimes carefully shielded, but the anger and resentment in these areas can scarcely be overestimated and can hardly be described; and this kind of bitterness is bound to seep, as it has already seeped, but increasingly, into our whole body politic. I can think of nothing that is more dangerous to the Nation's health, moral health as well as physical health, than the matter of these ghettos.

Commissioner HESBURGH. Thank you very, very much.

Governor Carlton, did you have a question?

Commissioner CARLTON. No; no question. Thank you.

Commissioner HESBURGH. You have helped us a great deal, Dr. Taylor.

STATEMENT OF THE PROTESTANT COUNCIL OF THE CITY OF NEW YORK, BASED UPON THE SEVEN QUESTIONS ON HOUSING

Rev. Gardner C. Taylor, *president*

Rev. Dan M. Potter, *executive director*

Department of Christian Social Relations

Arthur A. Atha, *chairman*

Rev. Paul W. Rishell, *executive secretary*

I. THE QUANTITY AND QUALITY OF HOUSING NOW OCCUPIED OR AVAILABLE TO MINORITY GROUPS

New housing developments during the past 20 years, especially public housing for low income families, have provided good living quarters for a substantial segment of minority groups in New York City. However, there still remain a sizable percentage of our minority group population occupying substandard housing or living in slum areas.

This condition is due to two primary facts. First, there is still a shortage of proper housing accommodations in the city; and second, the fact of discrimination.

The housing shortage

With respect to the housing shortage, the figure given by the Department of City Planning is 430,000 dwelling units. Of this number, 280,000 families occupy substandard housing; and 100,000 families live in overcrowded dwelling units. That is, 380,000 families (more than 1 million persons) are inadequately housed, due to substandard crowded conditions. In addition, 50,000 dwelling units are required as a vacancy surplus to provide an adequate supply of housing for our highly mobile population.

It would appear that this 430,000 dwelling-unit shortage is a conservative figure. There are, for example, at present in this city 400,000 dwelling units in "old law" tenements, many of which were constructed long before 1901, the dividing date between "old law" and "new law" tenement buildings. These may not be regarded as 100 percent substandard; but certainly all are obso-

lete and far below the standard suitable for family welfare and neighborhood stability. In addition, there is a large number of "new law" tenements which are far advanced in the process of obsolescence, if not actually substandard in quality. Therefore, it would seem that 500,000 is a more realistic figure for the substandard dwelling units in this city. Accordingly, adding the 100,000 families living under crowded conditions, there are at least 600,000 families (approximately 2 million persons) occupying dwelling units which are below the standard for wholesome and healthy living.

The fact of discrimination

These substandard and overcrowded dwelling units are occupied to a very marked degree by persons belonging to minority groups. This might be stated in a different way: Minority groups have found their living quarters and established their homes to a very marked degree in areas of substandard and overcrowded housing. Such concentration of the families of minority groups can be attributed primarily to discrimination. This is particularly true, at least today, of families of the Negro race and of Puerto Rican background.

This segregation of Negroes and Puerto Ricans into slum areas and substandard housing differs from others in that the latter have found it easier to move out from poor housing and declining areas into better housing or new developments according to their economic means. Originally, of course, all minority groups were segregated to a large degree by choice. This was particularly true of the Europeans migrating to this country during the latter part of the 19th century. They settled in communities of their own making, and many parts of New York City are known today in terms of these 19th and early 20th century segregation patterns. But as the economic status of these newcomers rose, they scattered into different parts of the city and outlying suburbs, and have become quite largely integrated into the life of their several communities and of the city as a whole.

Discrimination, however, has retarded this process of assimilation and integration for Negroes, and more lately for Puerto Ricans. This is probably also true to a lesser degree of some Jewish people. Families of these groups (Negroes and Puerto Ricans) irrespective of economic status, have either "stuck it out," living on in a continuing deteriorating community; or they have moved into some other area of steadily declining housing conditions. The result has been a disproportionate concentration of Negroes and Puerto Ricans in the housing that is now substandard and in areas that are woefully blighted.

II. DIFFICULTIES ENCOUNTERED BY MINORITY GROUPS IN FINDING DECENT, SAFE, AND SANITARY HOUSING

These difficulties stem primarily from the housing shortage. This inadequate supply of housing has made it possible for landlords and real estate agencies to choose their tenants and clients on the basis of race and national origin. Perhaps it would be more proper to say that due to the housing shortage, the new and better housing has been in great demand, and in the renting and selling of this more desirable housing, minority group families have been compelled to turn to the less desirable housing for their living quarters.

The economic factor also plays a major part in minority groups finding decent, safe, and sanitary housing. Families of minority groups quite generally are on the lower income levels. Accordingly their economic status does not permit them to buy or rent the better housing that may be available. And since there is not sufficient good low income housing to meet the demand, the only recourse is for a sizable number of low income families to live wherever a dwelling unit can be found, in substandard housing and/or slum areas.

This suggests that there is an "economic minority" to be added to the meaning of minority groups. We have been accustomed to think of minority groups in terms of race, national origin, religious affiliation. Just as real is the minority group created by low incomes, members of which find it as difficult to obtain proper housing as do the more generally recognized minority groups. Furthermore, this economic minority cuts across racial, credal, and national origin lines, and constitutes an important aspect of our segregation problem.

III. THE EXTENT TO WHICH PATTERNS OF RESIDENTIAL SEGREGATION BY RACIAL, NATIONAL, AND RELIGIOUS GROUPS EXIST; AND THEIR CAUSE

(This information is covered under I and II.)

IV. THE EFFECTS OF INADEQUATE OR SEGREGATED HOUSING IN TERMS OF CRIME, JUVENILE DELINQUENCY, DISEASE, INTERRACIAL RELATIONS, PUBLIC EDUCATION, PROPERTY VALUES, THE MUNICIPAL TAX BASE, AND THE GENERAL STANDARDS OF CITY LIFE

Our comments will be confined to the effects of inadequate and segregated housing upon the moral standards of city life; particularly crime, juvenile delinquency, disease, interracial relations, and public education.

It is a well established fact that areas of high delinquency among juveniles coincide with areas of substandard housing and slum conditions. A few years ago, the New York Academy of Medicine reported that the 2½ million people living in substandard areas, and comprising 20 percent of the metropolitan residential area, account for 45 percent of our crimes, 55 percent of our juvenile delinquency, and 60 percent of our disease.

It is also an established fact that segregated neighborhoods produce segregated schools. This fact was recently confirmed by a report of the Board of Education to the Domestic Relations Court of New York. According to this report, 16 of the 127 junior high schools in New York City have a Negro and Puerto Rican population of 85 percent or more; while 52 of these junior high schools have an other-than-Negro and Puerto Rican population of 85 percent or more. Moreover, 2 of these junior high schools have a population that is 100 percent Negro and Puerto Rican (98.4 and 98.5 percent Negro); 77 have a student population with more than 95 percent Negro and Puerto Rican; and 40 are more than 95 percent white.

The Domestic Relations Court justice, in commenting on these figures, recognized that segregation in these junior high schools is a product of residential segregation. It is quite probable that in the grade schools, which draw students even more strictly from the neighborhoods than do the junior high schools, that segregation is even more pronounced.

The point to be made here is that these segregated schools, reflecting segregated neighborhoods which are the product of inadequate and segregated housing, not only inflict a terrible injustice upon the youth of these minority groups, but unbalance and impair the effectiveness of our public school system. At least, that is the judgment of our Board of Education, as stated December 23, 1954, when a resolution was adopted directing the establishment of a Commission to study the matter of integration in our public schools. Said the statement:

"The Supreme Court of the United States (in *Brown v. Board of Education*, 347 U.S. 483) reminds us that modern psychological knowledge indicates clearly that segregated, racially homogenous schools damage the personality of minority group children. These schools decrease their motivation and thus impair their ability to learn. White children are also damaged. Public education in a racially homogenous setting is locally unrealistic and blocks the attainment of the goals of democratic education, whether segregation occurs by law or by fact."

Furthermore, the above mentioned Commission on Integration, in a report submitted June 13, 1958, said:

"Whether school segregation is the effect of law and custom, as in the South, or has roots in residential segregation, as in New York City, its defects are inherent and incurable. In education there can be no such thing as separate, but equal. Educationally as well as morally and socially, the only remedy for the segregated school is its desegregation."

Our judgment is: If public schools are to be desegregated, neighborhoods must be integrated; and integration cannot be accomplished until families of minority groups are free to move, unrestricted by inadequate housing and/or discriminatory policies, into any section of the city their economic means permit and their cultural attainments direct.

Certainly the segregation of families according to race and national origin, compelling them to live in slum areas and substandard housing, creates a physical and psychological situation that is inimical to wholesome interracial relations. In addition to setting one group apart from another, segregation, due to discrimination or any other cause, deprives a community and a city of the coordinated, or collective mind which intergroup living and association can produce. A city of segregated communities is a divided city. Furthermore, these divisions are the breeding ground for intergroup tensions and strife; impeding the progress of mutual interest and understanding which a democratic way of life requires, and in its place creating competitive interests and suspicion.

The ultimate and most tragic casualty of segregation is the individual personality and the home. Here is the final test of the standards of a city's life. For it is a basic principle of our American life that the moral fiber and spiritual well-being of our people depend largely upon the quality of our homes. For in the home dwells the family which is the foundation of our complex American life. It is from the family circle that the members of a community go out to take their places in our workaday world. And, likewise, it is this central unit, the home, that at the end of the workday these members of a community return. But when homes are located in slums and blighted areas, where people are compelled to live because of a housing shortage and discrimination, the basic function of family life is impaired. It is no wonder that the result so often is thwarted lives and broken homes.

V. (A) STATE AND LOCAL LAWS, POLICIES, AND PROGRAMS, WHICH HAVE BEEN ADOPTED TO MAKE POSSIBLE EQUAL OPPORTUNITY TO RENT OR BUY ADEQUATE HOUSING ON A NONDISCRIMINATORY BASIS; (B) EXPERIENCES UNDER THESE LAWS, POLICIES, AND PROGRAMS

(A) The New York State Legislature has enacted antidiscrimination laws which prohibits discrimination in the following types of housing:

1. All housing built under the State's housing laws (1938);
2. All public and publicly assisted housing (Wicks-Austin, 1950). Publicly assisted housing includes title I projects; housing developments resulting from the use of public housing.
3. Multiple dwellings with Government insurance or mortgage guarantees (FHA and VA) for the development of 10 or more homes (Metcalf-Baker, 1954, effective after July 1955).

New York City has enacted similar legislation prohibiting discrimination as follows:

1. In urban redevelopment projects (1948);
2. In public and publicly assisted housing (1951);
3. In multiple dwellings receiving Government mortgage insurance after July 1, 1954 (1954);
4. Any property which received tax abatement and exemption for the installation of central heating, hot water, or other kinds of rehabilitation (1955);
5. In the renting of apartments in all multiple dwellings (three or more families), and the selling of private homes in developments of 10 or more houses (1957).

(B) The experience under these laws has been varied.

1. Public housing projects, especially those subsidized with Federal, State, and city funds, and under the control of the New York City Housing Authority, have not turned out to be either racially integrated or desegregated. On the contrary, they have become strikingly segregated.

For example, according to an analysis made in 1957 of 36 low income housing projects of the Federal program, the racial distribution of the total population changed, from the initial occupancy to 1957, from 60 percent white, 29 percent Negro, 11 others (almost exclusively Puerto Ricans) to 40½ percent white, 42 percent Negro, and 17½ percent others (mostly Puerto Ricans).

One project, originally occupied in 1939 with 98.7 percent white families, had in 1957, 35 percent white, 48 percent Negro, and 17 percent others (mostly Puerto Ricans); a total of 65 percent nonwhite. Another, originally occupied in 1940 with 30 percent white families, had a population in 1957 of 90 percent nonwhite (88.6 percent Negro). Still another Federal project originally occupied in 1949 with 91.3 percent white families, contained in 1957, 48 percent nonwhite (20.8 percent Negro and 27.1 percent others, mostly Puerto Ricans).

The point is that in this type of housing, the antidiscrimination laws have not accomplished the desirable results—a balanced and integrated population. Economics undoubtedly have played a major part in this shifted racial distribution. The important conclusion, however, is that neither integration nor desegregation has been achieved.

2. Cooperative housing, providing living accommodation for middle income families, have demonstrated that multiple dwelling units cannot only be operated on an open-occupancy (nondiscriminatory) basis, but can achieve integration. Many families of minority groups, living in projects where equal opportunity to rent and buy has gone hand in hand with economic status, have become integrated as a part of the total population.

3. Under the recently enacted fair housing practices law, the city of New York is making it possible for families of minority groups to buy and rent dwelling quarters in all sections of the city. It is too early to assess the results but it is hoped it can be conjectured that there is now going forward in this city a process of desegregation in those areas where the economic status of minority groups permit them to buy or rent living quarters.

4. Major factors in the positive results of these laws and programs have been the constructive policy of education and the understanding manner of handling complaints. On the State level this educational program and understanding to consider all complaints have been carried on by the State commission against discrimination (SCAD). On the city level, this same process is under the guidance of the mayor's Committee on Intergroup Relations. The promising element in these programs is the item of persuasion and education rather than the attitude of coercion and vindictiveness. We wish to commend both these agencies for their constructive part in promoting better race relations.

VI. THE EFFECT OF FEDERAL HOUSING LAWS, POLICIES, AND PROGRAMS ON THE HOUSING PATTERNS AND PROBLEMS OF MINORITY GROUPS AND ON THE STATE AND LOCAL HOUSING PROGRAMS

Particular reference is made to the three constituent agencies of the Federal Housing and Home Finance Agency:

- a. The Public Housing Administration.
- b. The Federal Housing Administration.
- c. The Urban Renewal Administration.

The Federal housing laws, policies, and programs have in general been a necessary and welcome compliment to the State and local housing programs. However, there have been certain inequities in the operation of the Federal housing laws.

One of the major problems has been that of relocating tenants from areas scheduled for slum clearance and rebuilding. In the first place, due to the fact of the housing shortage, there have not been dwelling units available for persons who have been compelled to move. Another reason is that the city of New York has followed a special relocation policy which has made it possible for some builders to escape their relocation responsibilities. Also, with particular reference to title I projects, many persons operating small businesses have lost their locations without adequate compensation.

Another inequity in the operation of the Federal housing laws has been its failure to provide for the middle income family. As a matter of fact, adequate housing for middle income families has been called "the no man's land of housing."

Middle income families, whose income range from \$5,000 to \$9,000 are not eligible for publicly supported housing for low income families, and cannot afford to rent dwelling units in those projects constructed by private capital. The result is that families in the middle income category have been compelled to live in slum areas and substandard housing, or with relatives under crowded conditions, or move to the suburbs. The trend during the past decade has been the third alternative, resulting in an alarming exodus of middle income families from the city.

These families include white collar employees, skilled and semiskilled industrial workers; teachers, police, firemen, and other civil employees; small shopkeepers, etc. These family groups, it is obvious, constitutes the backbone of a city's life. Despite this fact, however, they have been given the least consideration in housing planning. It is true there has been some effort to provide by special legislation for these middle income families. However, the resulting construction is far from adequate.

In an annual report to Governor Harriman on January 26, 1956, Joseph P. McMurray, commissioner of housing, stated as follows:

"The shortage of new housing available to middle income families is, of course, receiving increasing attention. Various studies have pointed out the gap between public housing income and rent levels on the one hand, and the lowest rents at which any significant supply of ordinary private housing is being built, on the other. In New York City, no significant supply of new rental units is available at below \$35 per room per month, or approximately \$120 for one-bedroom units and \$150 for two bedrooms, gas and electricity included. If it is assumed that a family can spend 20 per cent of its income for rent, this means that families would need minimum incomes of \$7,200 to

\$9,000 respectively, to be able to afford such housing; if the more prevalent six-to-one income-re-rent ratio is taken, the respective incomes would be \$8,640 and \$10,800. This places it well above the paying capacity of even the upper limit of the middle-income group as defined above \$5,800 in New York City and \$5,900 in New York State."

VII. PROPOSALS WHICH THE COMMISSION ON CIVIL RIGHTS SHOULD CONSIDER IN APPRAISING HOUSING LAWS AND POLICIES AND IN MAKING RECOMMENDATIONS TO THE PRESIDENT AND THE CONGRESS

Public housing for low income families should be continued as a part of the Federal housing program. In order to replace substandard housing and rebuild slum areas at a rate designed to promote the well-being of family life and the stability of communities, the present rate of construction must be considerably accelerated. For example, the present rate of replacing worn out, obsolete, substandard housing is 6,250 dwelling units per year (Department of City Planning, Newsletter, October 1958). According to this rate the total replacement of more than 400,000 slum substandard or overcrowded dwelling units will require 65 years. Obviously, unless the rate of new dwelling construction is greatly accelerated, the problem of overcrowding, slum conditions, obsolescence, and the evils resulting therefrom will become more and more acute.

2. Provision should be made in the Federal housing laws for a larger proportion of housing for middle income families.

3. The Federal housing laws should be rewritten to provide for a better balance of the population within the projects so as to overcome the present tendency to racial and economic segregation.

4. Provisions should be made for a housing program in any given neighborhood to be more comprehensive. That is, the plans for a single project should be geared to the plans of the neighborhood so that a sense of architectural and service balance is achieved, as well as racial and economic balance.

Mr. Tiffany, would you introduce the next witness?

Mr. TIFFANY. Mr. Roy Wilkins, executive secretary of the National Association for the Advancement of Colored People.

Mr. Wilkins has been an officer of the NAACP since 1931. He was for 15 years editor of the Crisis Magazine.

Mr. Wilkins.

STATEMENT OF ROY WILKINS, EXECUTIVE SECRETARY, NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE

Mr. WILKINS. Mr. Chairman and members of the Commission, my name is Roy Wilkins, and I am the executive secretary of the National Association for the Advancement of Colored People.

I should like, first of all, to express our thanks to the Civil Rights Commission for the opportunity to appear here and to express the views of our association on the important topic of housing and the Federal Government's relation thereto.

We are pleased that the Civil Rights Commission, in exercising its responsibility to appraise the laws and policies of the Federal Government with respect to equal protection under the Constitution, has undertaken an examination of the field of housing. We believe that it is upon the attainment of freedom of residential choice and occupancy that the ultimate and complete measure of American democracy will depend.

During the past two decades there has been consistent progress in the commitment of the American people to the guarantee of basic human rights, and in particular to the removal of the prevailing inequalities in opportunity based upon race.

The courts have firmly established the unconstitutionality of segregation in education and, both directly and by extension, in numerous other areas of living.

The Congress of the United States, in the creation of this Commission, has reaffirmed the Nation's concern for equal protection of the law under the Constitution.

American industry, in its increasing acceptance of the need to utilize all human resources, has sped the process and has broadened its capacity to serve the Nation.

American labor has revised its policies dealing with the color line and is striving to make their democratic implications a reality.

Church bodies of the three great faiths, professional societies, and other organized groups of citizens have taken forthright stands against segregation and other forms of racial discrimination.

Our Government has a firm policy of nonsegregation in its armed services and in its vast employment program.

A growing number of States and cities has enacted corrective legislation in this area.

Discrimination in housing, then, is the final barrier to a nationwide emergence of a wholesome and democratic way of life in America.

Restricted choice and movement in residence impedes the realization and implementation of other aspects of social progress, such as, for example, desegregation of the public schools.

Segregated housing perpetuates the ghetto. It is a constant impediment to the professional and cultural communication upon which our national unity depends.

During the last decade the inequities of residency patterns and restricted housing opportunities have come under serious study by units of Government, by interested community groups and by organizations of experts.

It is fitting, therefore, that the widespread existence of discrimination in housing, affecting millions of minority American citizens, be reviewed by a commission established by the Congress.

The Federal Government is now the most active single participant in the Nation's housing program and the range and character of its activity have received special congressional direction in the National Housing Act.

But the national responsibility implied in this legislation has not been met. Indeed, conflict and inconsistency of the Federal housing policy may be said to have contributed more to continued segregation in housing than any other single factor.

Let us consider the policies and procedures variously administered by the arms of the Housing and Home Finance Agency.

The Public Housing Administration, despite pronouncements that integration in its projects is in the national interest, still follows a laissez faire policy which allows local authorities to enforce segregation. The weakness of this policy recently placed the PHA in the paradoxical position of being a codefendant with the Housing Authority of Savannah, Ga., in the case of *Cohen v. PIA, et al.* This instance of PHA defending the local merit of segregated housing is incompatible with the spirit of Federal law and is inconsistent with the PHA policy administered in other areas of the Nation.

The Federal Housing Administration, which in its formative years openly endorsed and financed segregated housing, has now revised its thinking to conform with the national interest. Whereas it formerly circulated model restrictive covenants so as to insure housing developments against racial infiltration, it now fully supports and promotes the principle of open occupancy; but the old philosophy has left its scars and, for want of statutory support of its open-occupancy policy, the FHA program lacks direction and uniform effectiveness. In many areas of the Nation FHA facilities and resources are still being used by private builders to create vast new communities restricted to white people only.

Now, in the State of New York, where an enlightened citizenry has filled the void of Federal action with the Metcalf-Baker laws, the regional FHA, in contrast to the national agency, is able to make its open-occupancy policy effective by coordinating its program with the New York statutes. Builders and developers are put on strict notice regarding compliance with State laws on nondiscrimination. FHA funds and facilities are properly withheld upon evidence of the violation of State law.

In this effective implementation of State law by a Federal agency, there is still something less than a genuine Federal-State partnership. It is, rather, an example of a Federal agency having to rely on State law to effect its own program.

Was it the intent of the Congress in its declaration of national housing policy that the goal—and I quote—“of a decent home and a suitable living environment for every American family” is to be secured exclusively by State action? We do not think so.

A brief review of upper court rulings on cases directly concerned with residential segregation reveals a consistent opinion that Government may not abet the practice of discrimination and segregation in housing. This pattern is illustrated over a broad time range by cases negating municipal racial zoning ordinances and the enforcement of restrictive residential covenants—and I cite only a few: *Buchanan v. Warley*; *Shelley v. Kraemer*; *Hurd v. Hodge*; and *Bar-*

rows. v. Jackson. Each of these decisions affirmed the applicability to the housing field of the constitutional guarantees of due process and equal protection of the laws.

In the recent case of *Ming v. Horgan*, involving the refusal of a private developer to sell FHA and GI mortgage-insured homes to Negroes, the Superior Court of California in a Sacramento litigation ruled against the legality of such discrimination.

Now, gentlemen, notwithstanding this judicial spirit, the executive arm of the Federal Government, through its Housing and Home Finance Agency, continues to approve, to participate in and to finance the construction, operation, and maintenance of racially segregated housing developments.

In addition to the PHA and the FHA, it is now apparent that the Urban Renewal Administration, for want of statutory direction, also contributes to the furtherance of racial segregation. The URA, a relatively new member of the Federal housing family, channels Federal assistance to the vast slum clearance and redevelopment programs which have been initiated in approximately 600 municipalities throughout the Nation. This agency now directs programs in 40 States and the District of Columbia and has certified programs in Alaska, in Puerto Rico, and in Hawaii.

Through Federal subsidy to compensate for losses incurred because of condemnation and through mortgage assistance and tax benefits to the building industry, the URA may soon become the largest single factor in the national housing scheme. Its facelifting efforts are nationwide. The displacement and mass local migration it effects are gigantic.

Yet the social and physical changes that this program is bringing about have, thus far, aroused little official concern. Families forced by discrimination to reside in slum and blighted areas are being relocated en masse in other restricted areas which are, themselves, invariably on the verge of deterioration. This accelerates the growth of new slums, creates new ghettos and tends to undermine whatever progress the community has been able to achieve in intergroup relations.

The many court decisions, municipal ordinances, and State statutes suggest that a very substantial segment of the whole people wishes to progress toward the ideal of unrestricted housing. The adoption of nondiscriminatory housing laws on local and State levels has, in each instance, reflected the desire of citizens to act in an area where the Federal Government has been indecisive. The effort of communities and of State and National groups to establish fair housing practices is spreading. In various parts of the country interested citizens are working toward the goal of open occupancy.

A number of genuine, plainly advertised, and sold open-occupancy private home developments have been undertaken successfully by private builders. One eastern company is presently engaged in soliciting capital for such enterprises and is finding a gratifying response.

Private middle-income cooperative apartment developments here in New York City and elsewhere have had success with open-occupancy policies.

In detached residence communities it is slowly dawning upon white and Negro citizens that much of the resistance and tension has been stimulated by unscrupulous Negro and white real estate firms. These often work in semisecret collaboration to change the racial complexion of whole neighborhoods in the interest of profits and bonuses. In some localities—New York and Cincinnati have received recent publicity—citizens have banded together to combat racist sales methods and the resultant panic selling by welcoming and working for stable interracial neighborhoods.

Now, sirs, in connection with these evidences of movement indicating willingness to change old patterns, it may be pertinent to note that many localities in the South have had a pattern of interracial neighborhoods for years and years. While it is certainly true that the dominant living pattern in the South is one of racial residential segregation, it is also true that in a score or more of southern cities Negro and white citizens live not only in the same neighborhoods, but often side by side on the same streets. This is true in some spots in Virginia, North Carolina, South Carolina, Texas, Arkansas, and Oklahoma, and perhaps in other States not surveyed on this particular development.

Despite the example of laws and court decisions, the leadership of State and municipal governments, the inspiration of expert committees and of thinking individuals, most Americans await moral leadership and guidance in the admittedly difficult field of housing.

That leadership properly should be provided by the various Federal housing agencies under legislation clearly incorporating the national policy against discrimination because of race. The continued failure of the Federal Government to provide this leadership and guidance is tantamount to sanction of whatever policies and concepts private interests choose to promote.

These policies to date have made decent housing the only commodity that 17 million American citizens may not buy freely on the open market.

Now, thus far I have dealt largely upon the human relations aspects of housing discrimination and on the violence it does to constitutional and moral principles, but there is another and critically im-

portant aspect involving the economic and fiscal well-being of American cities, the centers in which the Nation's financial and industrial destinies are worked out.

Because of the restrictions on minority access to housing, our cities are increasingly characterized by broad belts of blighted housing occupied solely by low-income minorities, unable to expand despite their tremendous need. Beyond these belts are suburban and other areas largely or wholly closed to minorities and constituting a barrier to their movement. If this trend continues, the cities may eventually become the living area solely of the underprivileged, whose incomes cannot conceivably sustain the tax and service structure essential to the city's viability.

What then becomes of the property and business values, the capital investment and the equities from which depend the very jobs of the suburbanites, themselves? Unless all parts of the metropolis are accessible to everyone able to pay for them, the future of the cities may be a dismal one. I need not add that this is in no sense a regional problem, nor is it conditioned by the parallel issues of school and other desegregation, as so often erroneously claimed. Charleston, S.C., Atlanta, and Dallas are as affected by this trend as are Philadelphia, Cleveland, and New York.

Economic welfare, then, no less than social and moral welfare, thus dictates a national policy of open occupancy in housing.

In the interest of achieving a free market in housing as a basic principle of American democracy, many expert commissions and groups have submitted recommendations. Much of this effort represents the study and research of professional leaders in the housing industry. Groups such as the National Committee Against Discrimination in Housing and the Commission on Race and Housing have contributed invaluable services in this respect.

The NAACP offers the following recommendations as among those most urgently in need of Federal action:

First, to guarantee, by Federal law, that wherever housing is assisted by the Federal Government there shall be free and unrestricted access for all citizens otherwise qualified regardless of race, religion, or national ancestry.

Second, equip the Urban Renewal Administration with the statutory and administrative capacity to police its contract terms relating to adequate provision for displaced families. Stiffer penalties should be provided for noncompliance or for failure to meet reasonably stringent relocation standards, and the standards, themselves, should have constant reappraisal to insure that the operations of the agency not lead to slum and ghetto renewal instead of sound urban renewal. Serious consideration should also be given to the wider use of pre-

dominantly open land when this is clearly in the interest of the proper achievement of the renewal objectives.

Third, and last, to promote, through Federal housing programs, the construction of more middle- and low-income housing and to take steps through Federal lending and mortgage agencies to increase substantially the volume of private industry participation at this level. Although segregation in housing is not restricted to middle- and low-income families, the availability of adequate facilities for all families will promote greater community stability.

Thank you.

Commissioner HESBURGH. Thank you, Mr. Wilkins.

Mr. Wilkins, we had some remarks this morning by Senator Javits, in which he addressed himself to this problem which I think you were thinking of when you talked about statutory direction within the Federal housing agencies, and he said he thought it would not be passed by way of legislation because he felt that too many people in the Congress are of the opinion that if they mix up the problem of discrimination with civil rights and the problem of housing they may lose the housing in the process, and there is a great need for housing today on all sides.

Some others that we have talked to have spoken of the possibility of Federal action on this level, the same way the Federal Government cleared up the problem of discrimination in the Armed Forces, and I suppose without statutory action you could still clear up discrimination in public housing and all federally sponsored housing.

I was wondering of these two methods, approach through the executive or approach through the legislative, which one you favor.

Mr. WILKINS. Well, Father Hesburgh, it is desirable, of course, that the Federal Government act in whatever way proves to be the most effective, and it could act without legislation if it had a firm and affirmative policy on this in the executive branch and if it would move to execute that policy, recognizing, as we all do—you must, of course—that this is a difficult field in which to operate; but if the Federal Government—and I hope this will not be taken as an aspersion on any other activity—the executive branch, contents itself merely with the kind of activity that has gone on, let us say, with respect to the President's Committee on Government Contracts, where over a period of years, under both administrations, under both parties, little progress has been made, then I would say that this is a dangerous thing.

Now, with respect to legislation—I would like to be very frank on this—

Commissioner HESBURGH. I wish you would.

Mr. WILKINS. While recognizing that the problem Senator Javits outlined exists—namely, that a good many members do not want to

mix the housing legislation with civil rights—nevertheless, the Negro citizens of this country look with a good deal of resentment and frustration on the spectacle of hundreds of millions of dollars of the public tax money being made available for housing, public housing developments, and they receiving under that program the same, old segregated housing that they have been trying to get away from all these many years, and this accounts for their insistence in many instances upon provisions in housing legislation against segregation.

Now, the housing people rightly say, "Well, this is a very dangerous provision; we don't like to have it in here," but we who have to live in the ghettos and we who feel that our tax money, along with the rest of the tax money, ought not to be used to build housing from which we are excluded or in which we are segregated feel that if the Federal Government chooses the legislative road it must run the risk, and those who believe in housing and civil rights, like Senator Javits, will have to make a choice.

Commissioner HESBURGH. He mentioned that he had tried on occasion to write into these bills some clause which would cover discrimination, and in almost every case he had—

Mr. WILKINS. It hasn't been successful.

Commissioner HESBURGH. Yes.

I think Governor Carlton has to leave to get back to Florida, and I think he might have a question.

Commissioner CARLTON. I don't have any question, but I appreciate very much your statement. I am sorry I have to leave so suddenly, but I am behind in catching my plane now. I appreciate very much your statement.

Mr. WILKINS. Thank you, Governor.

Commissioner HESBURGH. Mr. Wilkins, we have a few more minutes and I'd like to express an idea that has been evolving in my mind during the past 2 days. The tremendous, basic problem that has become apparent in these hearings is the need for more housing, especially for low-income and middle-income people. This means drawing people out of what have been called ghettos into better housing in other sections.

Some have referred to this as a matter of scatteration, distributing the people in a ghetto throughout the other areas in a city. You and I know that the emotional response to this approach might easily impede a solution. It might be far better to cast the solution in terms of open housing, open opportunity for all Americans, rather than in terms of integration or segregation. Other commodity markets are open—why not housing?

This sort of approach—open market, open opportunity to compete on equal economic terms with other, especially in regard to housing

supported with public funds—might work much faster in providing a solution to the basic problem of more housing.

Mr. WILKINS. Father Hesburgh, I think I understand what you are saying, and I think I agree with you.

I don't think there is anything in the contention of our association or any person dedicated to this problem or to a solution of it which says that a policy must be adopted which snatches or scatters or deliberately enforces the infiltration or the mixing, the salt-and-pepper pattern, and so forth.

We have stressed always open-occupancy housing, because it must be remembered that many members of minority groups, either racial or religious or ethnic, or what have you, choose to remain together. We have here in New York City pockets in Yorkville of people of German ancestry. We have on the lower east side members of the Jewish faith who have chosen to remain there despite the fact they have access to housing in a good many places—not all—in other parts of New York City. We have colored people in Harlem who wouldn't move out of Harlem if you gave them a gold-plated apartment. They just like Harlem, and that's their American privilege to stay where they like.

All we're saying is there ought not to be any barriers to such people leaving Harlem or leaving lower east side—

Commissioner HESBURGH. That's right.

Mr. WILKINS. Or leaving Yorkville, if they choose to do so—

Commissioner HESBURGH. Yes.

Mr. WILKINS. And this open occupancy is the answer to it—not open occupancy with strings on it or with boobytraps in it or with a higher interest rate or with stricter judgment of mortgage eligibility or with the real estate dealer saying, "I don't think you belong in this neighborhood; otherwise you qualify; yes, you could carry this mortgage"—not with any boobytraps, but with strict open occupancy I think we would find that eventually the housing problem would solve itself.

Commissioner HESBURGH. That is what I am thinking. The pattern would establish itself if the opportunities were there, and no one could be said then to be imposing this or that pattern.

Mr. WILKINS. We have here, for example, if you will indulge me for just 30 seconds more—

Commissioner HESBURGH. Yes.

Mr. WILKINS. A popular misconception about school desegregation in what the Supreme Court said. The Supreme Court did not say, "You have to mix every school in every neighborhood in every city." The Supreme Court said, "You shall not have any racially segregated school systems in which the children and the teachers are handled on a racial basis."

The same thing goes for housing. If we had an open-occupancy housing, it wouldn't say that every apartment house or every neighborhood had to have this many Negroes or that many Negroes, and so forth, but it simply means there will be no barriers to them in schooling, going to whatever schools they want to go to or can go to, or in housing or buying the houses they want to buy.

Commissioner HESBURGH. I think we are perfectly agreed on the expression in this. The only thing is: In the past couple days at times there have been expressions that if a person were approaching this from A or B it would be said, "You are not trying to solve a housing problem; you are trying to solve segregation"—I don't mean you—

Mr. WILKINS. Yes; surely.

Commissioner HESBURGH. And the thought occurred to me this other approach, the approach of equal opportunity for all Americans, the approach for equal housing for anyone who has the price of getting housing, the idea of letting the pattern establish itself, provided everybody starts out equal, would be a much more attractive way of putting the whole problem.

Mr. WILKINS. Of course, you realize the one method is practically as difficult as the other.

Commissioner HESBURGH. I can see that.

Mr. WILKINS. So, we ought to be under no illusions as to which is the easiest. In one you have to create the climate of opinion and the pressure on dealers and all handlers of real estate to carry out the policy and in the other you have to enact legislation.

Commissioner HESBURGH. That is right.

Mr. WILKINS. It is six in one hand and half a dozen in the other as far as the difficulties are concerned.

Commissioner HESBURGH. Dean Storey.

Vice Chairman STOREY. Mr. Wilkins, as we lawyers say, laying a predicate for some questions, we have had some testimony here for nearly 2 days about conditions particularly in New York, and, as I understand, by virtue of your experience and your position, you are acquainted with conditions in other areas of the United States, if not the world.

As I understand, you have been with the NAACP since about 1930 or 1931, have you not?

Mr. WILKINS. That's right.

Vice Chairman STOREY. And you have been with it continuously since that time?

Mr. WILKINS. Yes.

Vice Chairman STOREY. Giving your full time and energies to it?

Mr. WILKINS. That's right.

Vice Chairman STOREY. And, as such, you are familiar with all areas of the United States; is that correct?

Mr. WILKINS. That's true.

Vice Chairman STOREY. That's correct, isn't it?

Mr. WILKINS. Yes.

Vice Chairman STOREY. Now, there have been a good many references to ghettos here in New York, and you have mentioned the word "ghetto." Do you know about how many there are in the Greater New York area, numerically, and about how many you would classify in that category?

Mr. WILKINS. No, Dean Storey.

You mean by racial or religious or nationality groups?

Vice Chairman STOREY. No.

Mr. WILKINS. Or do you mean just with respect to the Negro?

Vice Chairman STOREY. No. I mean the ghettos. It has been a common term here.

Mr. WILKINS. Well—

Vice Chairman STOREY. It has been defined in various ways. Would you attempt to define what you mean by a "ghetto?"

Mr. WILKINS. No. I would assume the general definition of the word "ghetto," and while New York, with 8 million residents, or Chicago with 4 million, and so forth, might seem to be the handiest targets for ghetto pointing I think, reverting to your observation that I have been all over the country, that the ghettos are by no means confined to the large cities, New York notably.

Vice Chairman STOREY. That is what I am getting at.

Mr. WILKINS. Yes.

Vice Chairman STOREY. But I would like to take it one at a time, if I may.

First—

Mr. WILKINS. I have no way of counting ghettos in New York.

Vice Chairman STOREY. One of the previous—

Mr. WILKINS. And, of course, we don't call them that officially. That's what they are.

Vice Chairman STOREY. I know, but it is a common term.

Mr. WILKINS. Yes.

Vice Chairman STOREY. At least most all of the witnesses, including yourself—

Mr. WILKINS. Yes.

Vice Chairman STOREY. Have used that term.

Mr. WILKINS. Yes.

Vice Chairman STOREY. But there are several you would so classify in Greater New York?

Mr. WILKINS. Oh, there are several in Greater New York and there are several elsewhere.

Vice Chairman STOREY. You mentioned Chicago. Are there any there?

Mr. WILKINS. I would say yes; definitely.

Vice Chairman STOREY. All right. Tell us some of the other cities in the Nation where you found similar conditions that you would describe and define as ghettos.

Mr. WILKINS. Oh, I found them in South Carolina and I found them in Texas. I found them in Dallas.

Vice Chairman STOREY. I was going to get to that, because you mentioned it awhile ago.

Mr. WILKINS. Yes.

Vice Chairman STOREY. But, if you don't mind, in South Carolina would you mind telling us where they are and about how many?

Mr. WILKINS. Some of the larger cities.

Now, I have been to Columbia and I have been to Charleston, and I've been to Sumter. Incidentally, it is in Sumter where they have Negroes and whites living side by side, or did when I was there several years ago, and Negroes and whites are living in all friendliness side by side there, whereas they're not living in all friendliness side by side in Long Island.

Vice Chairman STOREY. Now, as we lawyers say, let's stay with the ghettos until we finish that, and we'll be glad to come to the other.

Mr. WILKINS. Yes.

Vice Chairman STOREY. You mentioned some seven or eight in South Carolina.

Mr. WILKINS. I mentioned the towns where I had seen these housing—

Vice Chairman STOREY. Yes. Those towns you indicated. Now, going along with the geography in that area, are there any others you know of before you get over to southwestern Dallas in my home city?

Mr. WILKINS. There is, of course, the industrial city of Birmingham.

Vice Chairman STOREY. You wouldn't designate the entire city as a ghetto, would you?

Mr. WILKINS. No; no. I am saying only the cities in which they exist.

Vice Chairman STOREY. I see.

Mr. WILKINS. No. I wouldn't be able to go to Birmingham and say, "From here over to here, in that block, is a ghetto, and from this block to that block is a ghetto."

Vice Chairman STOREY. All I am trying to do—I am not being facetious—is pinpoint this because, as I mentioned to the previous witness, some of us have seen ghettos on the other side, particularly the Warsaw ghetto, and I want to see your interpretation.

How many are there in Birmingham, for example?

Mr. WILKINS. Well, there are a number of areas in Birmingham. I haven't been to Birmingham for a long while, but my recollection there and the reports I had—we once had a regional office located in Birmingham, and we have rather good information on the city, and they do have there a number of areas, as they do in any large industrial city, where the housing—not only the quality of the housing, but the restrictions which keep the people in a certain area—may be said to create a ghetto.

Vice Chairman STOREY. In other words, the ghetto has the connotation that they can't break out, that they are in effect doomed by present conditions?

Mr. WILKINS. If they could break out, as I have tried to indicate here, they simply jump over into another ghetto.

Vice Chairman STOREY. Yes, sir. From there, and going on toward Dallas, are there any in the intervening area?

Mr. WILKINS. Well, sir, I'm not certain now. I've been to Oklahoma City, and I have been to——

Vice Chairman STOREY. That is right north of Dallas.

Mr. WILKINS. Yes.

Vice Chairman STOREY. Any between Birmingham and Dallas?

Mr. WILKINS. I don't know of any——

Vice Chairman STOREY. Tell us about those in Dallas that you know.

Mr. WILKINS. Well, Dallas, of course, is not a city of multiple dwellings. It's a one-family-dwelling city, except in the downtown areas and the new areas. So, in Dallas the Negroes will be found—and these are the only ghettos I know of in Dallas, those housing minority groups; there may be some for Latin Americans—I'm not certain, but they'll be found in certain areas in Dallas, and here the axiom holds true as elsewhere since the removal of restrictive covenants. If they move from these areas, they move to similar areas, or they spread, and some of the area in which they live, both by the quality or the lack of quality of the housing and by the fact they aren't able to escape from it, qualifies as ghettos.

Vice Chairman STOREY. Just so we can pinpoint it and so I may understand it——

Mr. WILKINS. Yes.

Vice Chairman STOREY. What areas in Dallas would you say are the ghetto areas?

Mr. WILKINS. My geography is such I can't recall street names. I am trying to recall now. I think of only a number off—in fact, I can't remember—I remember Dowling in Dallas. Isn't there a street named Dowling in Dallas?

Vice Chairman STOREY. I think so, but I don't identify it myself.

Mr. WILKINS. Sir, if you, who live there, can't remember the streets, how about me?

Vice Chairman STOREY. I am not talking about the streets. I am talking about the areas, whether in northeast Dallas or downtown Dallas. I am trying to locate them.

Mr. WILKINS. Oh, now, I'm glad you mentioned the areas. There is an area in Dallas where you cross the viaduct and come by the Cotton Bowl on the way from, I think, South Dallas, back over—

Vice Chairman STOREY. That is the Fairgrounds area.

Mr. WILKINS. Right in there.

Vice Chairman STOREY. Yes, sir.

Mr. WILKINS. Well, sir, there's some housing there for a space of—my guess, my recollection, is—8 to 10 square blocks, in the bottoms, right off the viaduct, which qualify in anybody's language as a ghetto or as undesirable housing.

Vice Chairman STOREY. I don't want to labor the details; but, of course, right beyond that is a very fine housing development—

Mr. WILKINS. That's right, in south Dallas.

Vice Chairman STOREY. Where they are breaking out—

Mr. WILKINS. Yes.

Vice Chairman STOREY. And there used to be one up in northeast Dallas, and there is a very fine housing unit there that has replaced that; isn't that true?

Mr. WILKINS. Yes; that's right.

Vice Chairman STOREY. And as to the Mexicans, of course, there is what is known as Little Mexico that replaced one of these areas you told about near downtown?

Mr. WILKINS. This would be, then, a rebuilt ghetto? [Laughter.]

Vice Chairman STOREY. I want to see if you define it as a rebuilt ghetto. The people seem to be very happy there in Little Mexico. They have a garden area. They take part in civic matters. The white people and the Mexicans and the Negroes all have community projects.

Now, you wouldn't define that as a ghetto, even though it is rebuilt, would you?

Mr. WILKINS. Well, Dean Storey, as I also attempted to indicate here, no; I believe there are a good many people in the so-called racial or nationality groups who like to be together and would be together if they were free to move anywhere.

Vice Chairman STOREY. That is the point I make.

Mr. WILKINS. Now, if they—

Vice Chairman STOREY. In other words, they are not doomed by their own decision, are they, Mr. Wilkins?

Mr. WILKINS. It becomes a question as to why they are there. Now, it may very well be that a good many of them, say 50 percent, are there of their own free choice and wouldn't change, but there may be as many as 50 or as few as 5 percent who want to get out and who can't.

Now, so long as the condition exists, Dean Storey, which prevents their leaving, then I feel the term "ghetto," with its implications of ringing in, applies.

If it is a voluntary settlement, I have nothing to do with it and I wouldn't want you to have anything to do with it either.

Vice Chairman STOREY. You mentioned some of the colored people wouldn't move away from Harlem regardless of the changes.

Mr. WILKINS. That's true.

Vice Chairman STOREY. Do you designate all of Harlem in this great New York area as a ghetto by virtue of that fact?

Mr. WILKINS. Well, Harlem, of course, extends in very definite limits. It runs from about 110th Street to about 160th Street or 170th Street and from the river to about 8th Avenue. So, this is Harlem.

Vice Chairman STOREY. Well, you wouldn't call your German community you mentioned a ghetto, would you, where they want to live there?

Mr. WILKINS. I didn't refer to it as a ghetto, but merely as a settlement where people of German origin had settled and remain. They are not all there, now. There are some others there now along with the Germans.

Vice Chairman STOREY. We could talk about that all afternoon, but I want to jump to another question.

Mr. WILKINS. Yes.

Vice Chairman STOREY. It has been indicated with reference to the Puerto Rican migration, there has been a voluntary organization which helps the immigrants who come from the island to New York City and to various parts of the country, and apparently it has had a good effect. Has your organization or any organization in behalf of the Negroes, particularly those immigrating from the South to the North, done anything along the same line that the Puerto Rican group has done?

Mr. WILKINS. Our particular organization has not. This has not been, up until now, one of our declared functions. We were not set up for that.

Vice Chairman STOREY. Do you know of any among your race, sir?

Mr. WILKINS. I believe the National Urban League and the New

York Urban League more properly, the one that functions here in the five boroughs, renders some such service.

Of course, Dean Storey, since we don't have a language barrier with respect to those who come from the South to New York, our established social agencies here, which function without regard to race or religion, are able to answer and meet a good many of the problems of those who come.

Vice Chairman STOREY. But what I am getting at—I am not criticizing.

Mr. WILKINS. Yes.

Vice Chairman STOREY. I am just asking for information.

Mr. WILKINS. Yes. I know. I appreciate that.

Vice Chairman STOREY. Is there any organization giving special attention to that? For example, in the Federal Government people have been talking about civil rights a long time, and until they came along and drafted some of us I don't believe anybody was giving specific attention to the general problem.

Is there any organization that you know of giving its, shall we say, exclusive—

Mr. WILKINS. Exclusive attention?

Vice Chairman STOREY. Attention to this problem?

Mr. WILKINS. Not that I know of. That includes the Puerto Rican organization. That is not exclusive attention on their part.

Vice Chairman STOREY. I understand, but it is looking after—

Mr. WILKINS. Yes; that's right.

Vice Chairman STOREY. The immigrants primarily—

Mr. WILKINS. That's true.

Vice Chairman STOREY. That is what I am getting at— assisting in location, housing, understanding, the transition, and all of those problems.

Mr. WILKINS. Very true.

Vice Chairman STOREY. With the large exodus from the South, and especially to the urban centers, even from some of the northern areas, that is a very worthy project, wouldn't you think?

Mr. WILKINS. Indeed it is.

Vice Chairman STOREY. I believe that is all.

We could ask a lot more questions, but thank you very much.

Mr. WILKINS. Thank you, sir.

Commissioner HESBURGH. Thank you very much, Mr. Wilkins.

Mr. WILKINS. Thank you, sir.

Commissioner HESBURGH. Mr. Tiffany, will you introduce the next witness?

Mr. TIFFANY. Mr. Algernon D. Black.

Mr. Black is here as the chairman and the spokesman for the New York State Committee on Discrimination in Housing, which coordi-

nates the housing activities of some 39 civic organizations in this State. Mr. Black is also acting chairman of the National Committee Against Discrimination in Housing, which is the national coordinating committee of many of the groups interested in this problem.

He is a religious leader of the New York Association for Ethical Culture. He is on the Housing Advisory Council of the New York State Commission Against Discrimination.

With him today is the chairman of the Legal Committee of the New York State Committee on Discrimination in Housing, Mr. Joseph B. Robison, who also happens to be the assistant director of the Commission on Law and Social Action of the American Jewish Congress.

Mr. Black and Mr. Robison.

STATEMENT OF ALGERNON D. BLACK, CHAIRMAN, NEW YORK STATE COMMITTEE ON DISCRIMINATION IN HOUSING AND ACTING CHAIRMAN OF THE NATIONAL COMMITTEE AGAINST DISCRIMINATION IN HOUSING, ACCOMPANIED BY JOSEPH B. ROBISON, CHAIRMAN OF THE LEGAL COMMITTEE, NEW YORK STATE COMMITTEE ON DISCRIMINATION IN HOUSING AND DIRECTOR, COMMISSION ON LAW AND SOCIAL ACTION, AMERICAN JEWISH CONGRESS

Mr. BLACK. I am very happy to appear here as chairman of the New York State Committee on Discrimination in Housing and acting chairman for the national committee.

The New York State Committee on Discrimination in Housing represents 39 organizations cooperating throughout the State. This group, it may interest you to know, represents religious, labor, civic, welfare, many different kinds of agencies. Those in civil rights particularly are joined by those for whom civil rights is not a central issue, but who have found in their work on housing, on city planning, on child welfare—in other words, on other issues—that they couldn't help but become involved with the problem of discrimination-segregation. So, I am pointing out that the NAACP, the Urban League, the Jewish committees, the Puerto Rican groups are right in this, but with them are groups for whom this issue is fringed, but they are inevitably drawn into it.

This group dates from right after the war, and it may interest you to know that we were formed as a State committee because we felt that, with the increase in population after the war, the migration to the cities, and the fact that much housing had become obsolescent and that there was no new housing being built during the war, there would be a housing shortage and, foreseeing that in the postwar period in the construction of housing the Government would have to play a major part, we felt it was important that the Government play

a constructive part and not perpetuate the segregation and discrimination of the past.

I might also say that our group would be united in the thought that, no matter how much you educate people out of their prejudices or attempt to, nor how much you attempt to educate them for better intergroup relations, you cannot really succeed if the Government, itself, if the law of the land, legislation and administrative policies, every day give children and people generally the experience of living separately and unequally. Thus, for us, legislation became an important instrument to supplement and support whatever educational work that was being done.

Our first efforts were very local. Some of us have worked on these problems for many years in relation, let us say, to Harlem, itself, or in relation to the metropolitan project called Stuyvesant Town, but we found we couldn't get anywhere unless we had a city approach. The more we worked on the city problem, the more we saw we had to have a State approach; and some of you know—and I think it has been reported by a number of witnesses—that we in New York State have made very constructive gains in legislation—not only on public housing administration without discrimination throughout the State, but also on all forms of public assistance.

The Wicks-Austin law, the Metcalf-Baker law, the FHA-VA laws, as well as the city law of last year outlawing discrimination in private housing was actually the work of these groups working together with the best housing and legal talent, people concerned, and with the push of tremendous numbers of people of large consistency in the State.

We found, however, no matter what we do, if the Federal policy isn't strong in this matter we are not going to get anywhere, even in a good State, and this is why I am testifying today not only for the New York State Committee, but for the National Committee, and we are particularly concerned about the Federal policy and we have some strong things to say about it. I am sorry if they repeat what other people said, because I know you have listened a good deal about that.

If I may read it, though, part of it, the New York State Committee on Discrimination in Housing is concerned that Federal authority and funds and powers must not be used to further discrimination and segregation. The Government has, through legislation and administrative policy, recognized such responsibility with regard to voting, employment and the Armed Forces. It has not, however, accepted such responsibility in its varied housing activities.

The Federal Government should not be party to any arrangement which gives sanction to discrimination in any private or non-Federal governmental program; that is, we are concerned not only for programs of the Government, itself, but where the Government touches the industry and its policies.

We do not believe that private prejudice should become public policy. In a democracy you will have many private prejudices, but it should never be the policy of the Government, itself.

I would like to call your attention to a quote which I think no one else here has given and which is probably unknown to most of the people of America, and maybe even to the Congress, itself. On April 9, 1866, the Civil Rights Act read :

All citizens of the United States shall have the same right in every State and Territory as is enjoyed by white citizens thereof to inherit, purchase, lease, sell, hold, and convey real estate and personal property.

This would mean it is actually the law of the land that there shall be no such discrimination in the holding, et cetera of property.

Regardless of constitutional provisions, guarantees of law, pronouncements of the Executive and administrative officials over many decades, it is an inescapable fact that the Federal Government, through its farflung housing operations, is today supporting and reinforcing the spread of residential segregation. Urban renewal developments, which include plans for new segregated housing, continue to receive Federal approval and funds. In Federal public housing the majority of the projects are segregated. FHA and VA continue to underwrite racially exclusive suburbs. In the matter of FHA, FHA has continued to insure loans with the full knowledge that builders and developers were excluding racial and religious minorities.

Whole new cities—the Levittowns of Long Island, Pennsylvania, and New Jersey; Lakewood, near Los Angeles; Park Forest, near Chicago—and the myriads of all-white suburbs that ring our cities and towns bear eloquent witness that FHA's hands-off attitude, in fact, fosters and subsidizes the construction of segregated housing. Less than 2 percent of the total number of new homes insured by FHA since 1946 have been available to minorities.

FHA has concluded cooperative agreements with the five States which have passed legislation barring discrimination in FHA housing, but the construction of the latest Levittown in New Jersey, on a segregated basis, bears witness to the fact that this cooperation is ineffective to prevent FHA-sponsored all-white cities even in States which rule it out by legislation.

As for urban renewal, far from helping the housing plight of minority families, this program is actually hurting them. It is resulting in both the curtailment of living space available to minority families and in increasing segregation. Entire Negro neighborhoods are being cleared to make room for housing restricted to whites only. Even some presently integrated areas are being renewed on a segregated basis. The Urban Renewal Administration apparently takes no responsibility whatever for the racial occupancy or helping to solve the race problem.

In New York City, where discrimination is barred by State and city law in renewal housing, the prohibitively high rentals for these accommodations have, in effect, restricted their occupancy by any significant number of minority families. In our town the majority of housing provided under urban renewal is in the luxury class of \$50 a room per month and, so, out of reach also.

I might also speak of the public housing, itself. I believe that 80 percent of the public housing of this country is segregated housing.

Well, these are just a few of the facts. You have had them repeated by many people.

Our concern is that you, as Commissioners, give this country, if you possibly can, in clear conscience, the kind of policy, the kind of sense of direction that we believe came out of the last Civil Rights Commission with regard to certain matters involved with civil rights—the tremendous impulse, the tremendous movement and faith as regards interest in voting, employment, contracts by the Government, Armed Forces. Your recommendations will count, we believe, tremendously, and I think you will have the support—I believe and I think we believe—of the overwhelming majority of the people.

When you analyze—and I know it is difficult—what the community of America believes about race and about equality, you might say at one end are—

What would you say?—5, 10, 20 percent of those who are people of good will, who are secure enough and outgoing enough to live with all kinds of people and even to treasure differences; at the other end you might have the same percentage who are prejudiced, indoctrinated, conditioned, and who have not outgrown their prejudices and have all kinds of fears and myths, but in between is the great body of people who need education, who need direction, who believe in what is decent, who believe in the idea of democracy, who believe in the democratic tradition, who understand we are living in a historical, political period where the survival of this Nation depends on how we solve our own domestic problems of human relations.

The fact that 5 States have passed these laws, 12 States in other ways have passed laws against discrimination by the FHA and VA, dozens of cities have been concerned and acted administratively and legislatively on this; the fact that 9 States have this month introduced legislation outlawing discrimination in FHA and VA housing, and Rhode Island covering all housing, the fact that New York City, itself, passed a law outlawing discrimination in private housing, of all things, which we never would have dreamed of certainly 10 years or 20 years ago, and now Pittsburgh has followed the example; the fact that even in the South when it came to the showdown between having a hospital or no hospital and having that hospital on an integrated basis they've taken the hospital, and the same for the airport;

the fact that when we were confronted with the conflict in Korea, despite all the fears and prejudices with which we have all been brought up, the troops were integrated with a minimum of friction or trouble is part of what we mean by the readiness.

We think there is a rapid change in the climate of American opinion. We think America is ready to live more than it ever was before on an integrated basis.

We think the educational work, the legislative work is important, but we think that whatever we do at the grassroots level—and I might say to you our New York State Committee became a national committee not because it was a group of very aggressive, trouble-making people, but the New York State Committee received so much mail, so many requests for literature, for guidance by communities all over the country that we began to serve as a national committee, and that is why the National Committee was formed, and now there is a New Jersey State Committee, and we believe that committees of this sort will arise in many communities by other names possibly, but this is all a part of what we mean by the evidence of the readiness.

I would like to close by listing particularly our specific recommendations.

We urge, as has been said here before, that the President of the United States immediately issue an Executive order setting forth a policy of nondiscrimination and nonsegregation through all Federal housing programs; that the President establish a committee to eliminate discrimination in all Federal housing programs, the functions of such committee to be similar to those of the Committee on Equality of Treatment and Opportunity in the Armed Forces; that, as called for in the report of the Commission on Race and Housing, this committee present to the President its recommendations for a complete program and a time schedule looking toward the elimination of discrimination in the Federal housing programs and the withdrawal of the Federal Government, if necessary, where it cannot get that kind of cooperation.

We believe the Racial Relations Service should be restored in all of the arms of the Housing and Home Finance Agency so that there can be a racial check, as you might say, on all programs to be certain that the Federal authority and Federal funds are not party to what we consider basically an undemocratic practice and, in a sense, a danger to the future of the Nation.

Thank you.

Commissioner HESBURGH. Thank you very much, Mr. Black.

Mr. Black, I would like to ask you a question that has been coming up here on occasion and has been voiced several times in the past. The question has been asked: If there were such an Executive order or if this were written into congressional legislation on all Federal

housing programs, if this were passed, would this mean the end of all housing programs in the Southern States, which would, one would assume, refuse the open-housing arrangement and thereby also deprive minority groups there of housing, which they may now be obtaining, although I admit it may be a small amount?

Mr. BLACK. I am glad to have that question, sir.

I was, in a sense, trying to talk to that point when I spoke of readiness, and I know there are different degrees of readiness in different parts of the country and in different communities, but I believe there is more readiness even in the southern communities than we have been given evidence of.

I don't think the papers and the events that are in the headlines really reflect that middle group who would go along, as I say, in the Armed Forces or in relation to hospitals or airports.

I think, also, that if any small—and I believe small—group of die-hard, racist, segregationist people, made it impossible for us to have housing for the people, housing for the low-income people and housing which would use the Federal authority on a democratic basis, if that is what the Nation is—well, then, let's know it, and face it, and maybe go down with it, but then let it be known who did it.

I don't think it's right to blame or hold responsible the people who stand for the basic principles of this Nation for the frustration of a program. It's the people who frustrate that program that should be held responsible for it.

I don't believe that the people of good will and the moderate people will permit that; and, if I may put it not even on a moral basis—and I do believe in people and believe they can be helped to stand for what they, inside themselves, know is decent and right, but I also believe, on a cold cash basis, as Mr. Scheuer indicated, as Jackie Robinson indicated and as the real estate man speaking today indicated, which many of us would not believe he would stand up and say after what last year represented a tough battle against the outlawing of discrimination in private housing, that the housing industry of this country today cannot afford to permit the defeat of a housing program—it has too much at stake, too much profit at stake—and I think even in the southern communities that the housing industry might well come to the rescue of the principles of nondiscrimination to save the housing program from the segregationists.

Now, that is a view, and it is hard to prove, but I believe that is so and I should think that would give you and give us reassurance that it would not mean the death of the housing program.

Mr. ROBINSON. May I add just two things to what Mr. Black has said?

Commissioner HESBURGH. Yes, Mr. Robinson.

Mr. ROBINSON. First, I think today is particularly an appropriate day to make this point that we think these things can be accepted, even though there is some resistance. After what happened—after what the newspapers report today as to what happened—in the Virginia schools, I think all of us can take a great deal more courage as to what is possible in this fight for equality.

I just want to mention one other point in connection with the need of the building industry for the Federal housing program. Mr. William Levitt, who is a rather well-known builder, who I believe was invited to come up to this hearing, testified at a Senate committee hearing not too long ago and he said, in so many words: "We are 100 percent dependent on the Federal Government." Those were his exact words.

I think there is hardly any question the housing industry would itself provide the strongest drive for maintaining a Federal housing program regardless of what qualifications were put into it.

Mr. BLACK. Could I add a word?

Commissioner HESBURGH. Go ahead.

Mr. BLACK. This may not seem realistic, but I think some people would hold it, and I would think that possibly a developer or an investor might hold it—that your property values can be more secure if built on the actual reality of diversity in the community than they are if they are built on homogeneity, which every night you would have to worry about who was going to break it up. I think the future property values, as well as good human relations, depend more on recognizing the diversity than trying to fight it.

Commissioner HESBURGH. You mentioned Mr. Levitt and his operation in New Jersey. It was said earlier here in some other depositions that if a person did not cooperate with FHA and the local laws FHA would no longer deal with him. Is this true in the case of Mr. Levitt?

Mr. ROBINSON. The FHA's policy is if a State agency finds that a builder has violated the law it will withhold its benefits.

A complaint has been filed against Mr. Levitt. It has been tied up in the courts. There has not yet been an official finding by a State agency, but I presume when that finding comes they will so act.

Commissioner HESBURGH. Thank you very much. We appreciate very much, Mr. Black and Mr. Robison, your coming here today.

Mr. BLACK. Thank you.

Commissioner HESBURGH. Mr. Tiffany.

PREPARED STATEMENT OF ALGERNON D. BLACK, CHAIRMAN, NEW YORK STATE
COMMITTEE ON DISCRIMINATION IN HOUSING

The New York State Committee on Discrimination in Housing is the agency through which 39 civic, housing, civil rights, and labor organizations have co-operated during the past 10 years. On particular issues the number of organizations joining in united action has been even greater and has represented a substantial constituent of the people of the State.

The NYCDH is not concerned for any one group or any vested interest. It is concerned that equal treatment and opportunity be accorded to all individuals and groups who make up the American community, so that discrimination and segregation may be eliminated from American life. Its particular interest is that fair housing practices be brought about through education, legislation, and responsible democratic administration of governmental and nongovernmental institutions and agencies. This means freedom of residence for the individual and family. It means free access to the general housing market. It means enforcement of civil rights in the sale, purchase, the lease and rental of all forms of housing.

The NYCDH is concerned that Federal authority, funds, and powers not be used to further discrimination. The Government has, through legislation and administrative policy, recognized such a responsibility with regard to voting, employment, and the Armed Forces. It has not, however, accepted such responsibility in its varied housing activities.

Under our Constitution, the Federal Government should never practice racial or religious discrimination in any facility it offers—whether to those working on Government projects, military installations, atomic plants, or point 4 projects. So the Federal Government should not be party to any arrangement which gives sanction to discrimination in any private or non-Federal governmental program. Indeed, the Federal Government has a positive responsibility to use its authority against discrimination, and in the direction of integration.

The evils of discrimination in housing have been fully described and documented in the recent report of the Commission on Race and Housing, "Where Shall We Live?" That report underlines what civil rights groups have long known and said: That segregation in housing is the most pervasive of all forms of bias based on race, religion, or national origin. It necessarily brings in its train segregation and discrimination in schools, employment, playgrounds, and other places of public resort. Indeed, it shapes and distorts almost every aspect of our daily lives.

In New York, as elsewhere, segregated living patterns are apparent. In most urban areas the nonwhite population is increasing more rapidly than the white. The new suburbs surrounding our cities are generally restricted for occupancy by whites only. Housing opportunities available to nonwhites are largely in the old, already overcrowded ghetto areas or in transition neighborhoods. For example, the New York-Northern New Jersey metropolitan area experienced a 50-percent increase in nonwhite households from 1950 to 1956. This increase was accommodated by the transfer of 100,000 old dwelling units to nonwhite occupancy. Only 12,000 nonwhite families found new homes in other than public housing—out of a total of 737,000 new homes built in this area.

One of New York's major failures has been supply. There is general agreement that in New York City we need at least an annual construction rate of between 45,000 to 50,000 new accommodations to even make a start at eliminating slums and taking care of immigration, new family formations, etc. But our current gross new building is between 20,000 and 25,000 units annually. The net gain to our city's housing supply is much lower. During the 8 month period, January through August 1958, exactly 2,045 housing units were added to the city's supply. The demolitions are largely low rent. Yet, the new housing, with the exception of public housing, is in the luxury class.

There is no city official or agency responsible for establishing a relationship between supply and need in the housing field. Urban renewal is destroying low-rent housing and putting up high-rent housing. Relocation of families displaced by Government operations is handled by a multiplicity of competing public and private agencies. By displacing more families than they are rehousing, by destroying low-price accommodations to make way for luxury suites and cultural centers, it may well be that Federal urban renewal programs in New York City are creating more blight than they are eliminating.

New York, however, has taken legislative steps to open housing opportunities to all. Its antidiscrimination laws have served as a model for the Nation.

It would be unrealistic to expect these laws to be fully effective as yet. Twenty-five years of Government-sponsored segregation and the continued support and sanctioning of housing segregation by the Federal Government have left their mark. There is an important role for State and local legislation—to bar discrimination in private housing—but this must be accompanied by non-discrimination by the Federal Government. We have prepared a supplementary memorandum on the role of State and local legislation which accompanies this statement.

The Federal Government has become the single most important factor in the country's housing picture. Government policies have had, and continue to have, tremendous influence on community planning and residential patterns in every section of the Nation. Yet the Federal Government, in the administration of its tremendous housing programs, has been both the architect and enforcer of segregated communities. Through the years, a host of organizations and individuals have urged that the benefits of Federal housing programs which are supported by the tax moneys of all citizens be dispensed without discrimination based on race, religion, and national origin.

Testimony has been presented to congressional committees; letters have been written to the President; meetings and discussions have been held with various Government housing officials. Each year, we are forced to say once more that we are appalled by the fact that racial discrimination continues in federally aided housing programs. This has been so despite the fact that the guarantee of equal opportunity for all citizens is an established policy of this Nation. From the drafting of the Constitution down to the present time, this basic doctrine has been restated by the National Congress, by the courts, and by the Executive. In the field of housing, as far back as 1866, the Civil Rights Act of April 9 declared: "All citizens of the United States shall have the same right, in every State and Territory, as is enjoyed by white citizens thereof to inherit, purchase, lease, sell, hold, and convey real estate and personal property."

More recently, President Eisenhower in his 1954 housing message to Congress stated: " * * * the administrative policies governing the operations of the several housing agencies must be, and they will be materially strengthened and augmented in order to assure equal opportunity for all of our citizens to acquire within their means, good and well-located homes."

In February 1954, the then HHFA Administrator Albert Cole promised that procedures would be tightened "to make doubly sure that all citizens, regardless of race, are given an even break."

In a press release dated May 22, 1958, FHA Commissioner Norman P. Mason said in part, "Whenever a Government agency is concerned with the public welfare, it is its responsibility to see that no elements in the population are excluded from its program and, indeed, to make sure that all elements have the same chance of inclusion."

However, regardless of constitutional provisions, guarantees of law, pronouncements of the Executive and administrative officials over many decades, it is an inescapable fact that the Federal Government, through its farflung housing operations, is today supporting and reinforcing the spread of residential segregation. Urban renewal developments which include plans for new segregated housing continue to receive Federal approval and funds. In Federal public housing, the majority of the projects are segregated. FHA and VA continue to underwrite racially exclusive suburbs. According to the New York Times of November 14, 1958, HHFA Administrator Albert Cole justified this position by stating: "It is not incumbent upon the Federal Government to impose integration in any form of Federal housing that receives Government aid."

This is the general situation; a more detailed view of the various Federal housing programs indicates the extent and results of this policy.

The Federal Housing Administration began its career by requiring imposition of restrictive covenants as a prerequisite for mortgage insurance. Literally thousands of communities were developed across the Nation, restricted against occupancy by all types of "undesirables"—American Indians, Syrians, Jews, Negroes, etc. FHA, in its underwriting manual, had a model restrictive covenant that it suggested be included in all deeds. It stressed the importance of excluding "incompatible racial and social groups" from new subdivisions. It stimulated the blanketing of large areas with race restrictive covenants. The Supreme Court action in the *Shelley v. Kraemer* case in 1948, prohibiting the judicial enforcement of race restrictive covenants, brought about a change in FHA policy. In 1949, it announced that thereafter it would not insure loans on property which had a racial covenant recorded after February 15, 1950. In addition, FHA removed all racial considerations from its valuation procedures and has moved to a stated policy of encouragement of open occupancy.

But these changes have left the major problem untouched. FHA has continued to insure loans with the full knowledge that builders and developers were excluding racial or religious minorities. Whole new cities—the Levittowns of Long Island, Pennsylvania, and New Jersey; Lakewood, near Los Angeles; Park Forest, near Chicago—and the myriads of all-white suburbs

that ring our cities and towns bear eloquent witness that FHA's hands-off attitude in fact fosters and subsidizes the construction of segregated housing.

Even as far as production of segregated homes for minority families is concerned, FHA's record is a sorry one. Less than 2 percent of the total number of new homes insured by FHA since 1946 have been available to minorities. The vast majority of these are in all-Negro developments in the South.

The official attitude has been that Government is powerless to control the racial policies of builders and developers who avail themselves of the advantages of its mortgage insurance system. Yet, last year, a California court ruled that the degree of Government involvement is so great in the case of FHA and VA housing that the builder is not free to refuse to sell or rent such housing for racial reasons. FHA has taken no cognizance of this decision.

FHA has concluded cooperation agreements with the five States which have passed legislation barring discrimination in FHA housing. But the construction of the latest Levittown in New Jersey, on a segregated basis, bears witness to the fact that this cooperation is ineffective to prevent FHA-sponsored all-white cities even in a State with such an antibias statute.

Urban renewal is today the most emphasized of the Federal housing programs. This is a program of partnership among the Federal Government, local governments, and private industry, in an attempt to renew and revitalize our cities. But, far from helping the housing plight of minority families, this program is actually hurting them. It is resulting in both the curtailment of living space available to minority families and in increasing segregation. Entire Negro neighborhoods are being cleared to make room for housing restricted to whites only. Even some presently integrated areas are being "renewed" on a segregated basis. The Urban Renewal Administration takes no responsibility whatsoever for the racial occupancy of new urban renewal housing.

In New York City, where discrimination is barred by State and city law in renewal housing, the prohibitively high rentals for these accommodations have in effect restricted their occupancy by any significant number of minority families. In our town, the majority of housing provided under urban renewal is in the luxury class. Most of these apartments in New York City are renting at \$50 a room and more.

The nationwide impact of this program on minority families is revealed by the latest urban renewal reports, which show that 55 percent of the families displaced are nonwhite and that the program has decreased the Nation's housing supply by 66,191 homes.

It has been pointed out that the Urban Renewal Administration requires special assurance that minority families displaced by urban renewal activities be relocated in housing of good standards, and that the overall housing opportunities of minority families are not lessened by the urban renewal programs in the community. We believe enforcement of these safeguards is impossible as the program is now being operated. Urban renewal is reducing the supply of low-rent housing at a time when there is a critical shortage of this kind of shelter; a majority of those displaced by urban renewal are nonwhite; a restricted housing market forces a large percentage of these families to seek shelter in already overcrowded ghettos, extending their fringes and automatically creating new slums. There is evidence that even in New York City, with its nondiscrimination laws, urban renewal—because of the philosophy on which it is operated, the type of housing provided, and the haphazard and competing administration of relocation operations—is creating more slums than it is eliminating, with its most deleterious effect on Negroes and Puerto Ricans.

Urban renewal has become the keystone of Federal housing activities. But as the program has expanded, its race relations staff has decreased from five specialists to one. There is no race relations expert on the Administrator's staff nor in the regional offices.

Before a city is eligible for urban renewal assistance it must present a "workable program" for the control of blight and for carrying out all its statutory responsibilities, including that of relocation of all families to decent, safe, and sanitary houses at prices which they can afford.

The HHFA Administrator has the sole responsibility for certifying workable programs and yet, despite the important race relations questions involved in urban renewal, no race relations staff is attached to the Administrator's office to advise him in this area. The lack of careful race relations review of workable programs, and the unsupported acceptance of the cities' claims is resulting in intensifying racial segregation and slum conditions. We do not believe, for example, that New York City is enforcing a plan to control blight, nor is it fully

carrying out its responsibilities to displaced families. Although some questions have been raised by the regional urban renewal director, no changes have been instituted, our workable program certification continues, and we receive funds for additional projects.

The opportunity for development of good housing and sound human relations under this program is a continuing challenge. If the opportunity is to be realized, the Urban Renewal Administration must prohibit all racial restrictions in the program; realistic site selection policies must be followed, including use of open and predominantly open land; and there must be thorough race relations review of all workable programs and all plans for renewal projects. Further, there should be a requirement that the price range of the housing provided bears a relationship to the needs of the community.

The Public Housing Administration's record is probably the most shocking. In federally sponsored low-rent public housing there can be no question of the Federal Government's involvement and responsibility. Since the Supreme Court's antisegregation decisions of 1954, the courts have uniformly held that segregation in public housing is unconstitutional. Yet, PHA continues to disperse Federal funds for segregated housing.

It is true that public housing, where the locality has established an open occupancy policy, has been almost the only source of nonsegregated new housing. But 80 percent of all projects remain segregated. New segregated projects continue to be planned, approved, and constructed. In addition, the displacement by slum clearance, the use of a high percentage of slum sites, the restrictions in the private housing market, and low incomes are resulting in a heavy concentration of nonwhite families in public housing, which threatens integration where it presently exists.

There is no question but that the needs of minority families cry out for a full-scale public housing program, but the emphasis should be shifted from clearing slums to increasing the housing inventory. There is need for more open and predominantly open land developments. Further, there is a clear moral and constitutional mandate for prohibition by PHA of the use of its funds for segregated projects.

Recommendations

The New York State Committee on Discrimination in Housing respectfully submits that the time is long past due for the Government of these United States to assume responsibility for the manner in which its own housing programs are carried out. We further submit that the record of Government partnership in the extension and perpetuation of segregated housing negates our Nation's most basic principles of freedom and equality, and makes our democratic declarations suspect throughout the world.

We offer the following basic and minimum recommendations to bring the operation of the Federal housing programs in line with constitutional requirements:

That the President of the United States immediately issue an Executive order setting forth a policy of nondiscrimination and nonsegregation for all Federal housing programs.

That the President establish a committee on the elimination of discrimination in all Federal housing programs. The functions of such a committee should be similar to those of the Committee on Equality of Treatment and Opportunity in the Armed Forces, which brought about integration in our Military Establishment.

As called for in the recent report of the Commission on Race and Housing, this Presidential committee "should present to the President its recommendations for a complete program and time schedule looking toward the elimination of discrimination in the distribution of Federal housing benefits at the earliest time practicable."

That the Racial Relations Service in the Federal housing agencies immediately be revitalized and strengthened.

Concomitant with such action by the Federal Government, there is need for legislation by State and cities to bar discrimination in private housing, and thus open the entire housing market.

STATEMENT ON LEGISLATION, SUBMITTED WITH THE TESTIMONY OF THE NEW YORK STATE COMMITTEE ON DISCRIMINATION IN HOUSING

Law has been used for over 50 years to bar practices of racial discrimination. The civil rights laws of the 19th century dealt chiefly with hotels, railroads, theaters, and other places of public accommodation. The laws adopted since 1945 in more than a dozen States and a larger number of cities have extended the principles of equal rights to new fields; notably, employment, education, and housing. Housing has been the latest field to be brought under antidiscrimination laws, but at least a beginning has now been made in the use of legislation to level this major barrier to the realization of full civil rights for all.

Of course, even in the absence of any specific statute, public housing and other housing assisted by the Federal Government is subject to the requirements of the 14th amendment to the U.S. Constitution, which prohibits discrimination in Government enterprises. The Federal housing agencies, however, have not acted to carry out this principle.

The States and cities have now begun to implement and supplement this constitutional prohibition of discrimination. Up to the present time, 12 States have legislated against discrimination in some kinds of housing. Connecticut, Massachusetts, New Jersey, New York, Oregon, and Washington bar discrimination in publicly assisted housing, including housing assisted by FHA and VA. Minnesota, Pennsylvania, and Wisconsin cover public and redevelopment housing. Michigan and Rhode Island ban discrimination only in public housing; Indiana, only in redevelopment housing.

Most of the legislation enacted before 1950 dealt only with special forms of discrimination, such as restrictive covenants, racial zoning, and planning. Laws specifically barring discrimination in the occupancy of housing accommodations dealt chiefly with public housing. Starting in 1950, however, the trend has been toward broadening the area of coverage, beginning with housing that receives Government aid, usually from the Federal Government.

The drive against discrimination in publicly assisted housing received great impetus from the furor aroused by the announcement that the vast Stuyvesant Town redevelopment project in New York City, built with substantial assistance from the State and city, would be limited to white families. The resulting public debates focused national attention on the assistance Government was giving to private institutions to build segregated housing. The project was approved by the city in 1943 over widespread objection, but the following year the city adopted an ordinance prohibiting discrimination in future redevelopment projects.

In 1950, New York State adopted the Wicks-Austin law, the first comprehensive law barring discrimination in publicly assisted housing. It applied to housing receiving such substantial forms of public aid as tax exemption, land writedown, or exercise of the power of condemnation. In the same year, New Jersey adopted similar legislation.

The Wicks-Austin law, like the 1944 New York City ordinance, applied only prospectively; hence, Stuyvesant Town was still free to bar Negroes. In 1951, however, the city passed the Brown-Isaacs ordinance which applied to existing publicly assisted housing. Since then, Negro families have been admitted to Stuyvesant Town.

In 1953, Connecticut adopted an amendment to its general civil rights law, prohibiting discrimination in "public-assisted" housing.

By 1954 it had become increasingly evident that public and redevelopment housing that was the principal subject of these laws was only a very small portion even of the publicly assisted housing that was being constructed. It was the housing aided by the Federal Housing Administration and the Veterans' Administration that formed the great bulk of the homes going up with Government assistance. That housing accounted for the major portion of all housing constructed since the war.

In 1954, New York City adopted the Sharkey-Brown-Isaacs law, explicitly barring discrimination in new rental housing receiving FHA or VA mortgage insurance. The following year, the New York State Legislature adopted the Metcalf-Baker Law¹ which banned discrimination in new apartment houses and also in for-sale housing in projects of 10 or more, aided by Government-insured mortgages. At this time also, the Connecticut Civil Rights Commission,

¹The constitutionality of this law was upheld by a New York court.

which administers the Connecticut law barring discrimination in "publicly assisted" housing, ruled that it applied to housing receiving FHA and VA assistance.

In 1957, four additional States adopted laws prohibiting discrimination in publicly assisted housing, including FHA- and VA-assisted projects. Massachusetts adopted a law closely patterned on that of New York. An Oregon statute extended to developments of six or more houses and to buildings with at least five apartments. New Jersey and Washington adopted laws applying to all housing receiving FHA and VA assistance. An important feature of the Washington State statute prohibits discrimination by financial institutions in making loans on housing covered by the law.

Civil rights groups are fully aware that the basic problem of discrimination in housing will not be solved as long as major parts of the general housing market remain unaffected by antibias laws. Consequently, they have begun the much needed task of pressing for legislation barring discrimination in housing generally.

No State has as yet enacted such a law. However, two cities have. A little over a year ago, New York City adopted the Sharkey-Brown-Isaacs law of 1957. That law prohibits discrimination in existing as well as new multiple dwellings, that is, buildings having three or more apartments. It also applies to for-sale housing in projects of 10 or more homes. This past December, Pittsburgh adopted an ordinance prohibiting discrimination by the owner of five or more housing units or parcels of property intended for residential use. The same law prohibits discrimination by real estate brokers and by financing institutions in dealing with any housing unit.

As this commission meets, campaigns are underway in at least nine States for new legislation on housing discrimination. In Rhode Island, for example, the Democratic and Republican leaders in both houses of the legislature have sponsored a bill barring discrimination in all housing, with exemptions only for roomers and religious institutions.

The effect of this effort to deal with the problem of discrimination in housing by invoking the sanctions of law has been uniformly good. In public housing, where the laws have been on the books for the longest period of time, there can be little doubt that substantial gains have been achieved. The change from a pattern of strict segregation to effective integration has been successfully accomplished, even in such border cities as Washington, Baltimore, St. Louis, Louisville, and Wilmington.

While the laws dealing with FHA and VA housing have been in effect only a short while, many gains have already been recorded. Significant progress has also been made in redevelopment housing.

More important, enough time has elapsed to show that none of the evils feared by those who were doubtful of the success of these laws have materialized. We have heard of no instances of tension. There has been no diminution whatever in the construction of new redevelopment and FHA housing in States having laws prohibiting discrimination in such housing, as compared with States not having such laws.

Thus, in the 3 years following July 1, 1955, when the New York State Commission Against Discrimination was first given jurisdiction over publicly assisted housing, \$423 million was invested in 13 Title I urban renewal developments in New York. Almost \$20 million was invested in 21 limited dividend projects. FHA and VA housing covered by the Commission's jurisdiction built in this same period is estimated to consist of over 150,000 dwelling units on which \$1,350,763,022 was loaned by mortgage lending institutions.

It is estimated that the title I program in various cities in New York in various stages of planning will amount to well over half a billion dollars in private capital investment. With the recently liberalized FHA and VA terms, it is expected that at least another \$2 billion will be invested in the next 2 years in housing covered by the New York law against discrimination.

The use of legislation to deal with discrimination in housing was carefully considered by the Commission on Race and Housing in its recently completed study, financed by the Fund for the Republic. In its 77-page report, "Where Shall We Live?" this 17-man body, which included builders, lenders, and other persons close to the homebuilding industry from all parts of the Nation, aptly described the basis for such legislation (p. 45):

"Most contemporary students of the subject hold that law can be a potent force for changing social habits and indirectly can modify attitudes. Laws against racial discrimination, even when running counter to customary prac-

tice, are consistent with the moral and political ideals held by most Americans and may expect public support for that reason. Moreover, it is essential to note that American laws in this field, as in others, do not require any persons to hold or change any attitudes but only to refrain from certain acts (discrimination) * * *

The final recommendations of the Commission include the following (p. 66) :

"We recommend that State legislatures follow the example of the several States which have enacted legislation prohibiting discrimination in housing. Such laws should, at the minimum, apply to all housing built or financed by any form of public aid. Experience under the New York City law covering all multiple-unit and development housing should be carefully studied for guidance in the extension of State legislation."

The experience with State and local legislation dealing with discrimination in housing shows that legal sanctions can be used effectively to combat this evil. Thus, there are no practical reasons why the Federal Government should not honor its obligation to use its powers to see to it that discrimination is firmly excluded from all aspects of its own housing programs.

Respectfully submitted.

JOSEPH B. ROBISON,

Chairman, Legal Committee, New York State Committee on Discrimination in Housing.

Mr. TIFFANY. The next witness is Mr. Stanley Lowell, representing the American Jewish Congress.

Mr. Lowell is a lawyer. He is president of the Riverside Neighborhood Assembly. From 1950 to 1953 he was assistant to the president of the Borough of Manhattan. In this position he was responsible for all minority rights problems coming under the borough president's jurisdiction. He has also served as assistant to the mayor of New York and acting deputy mayor.

Mr. Lowell.

STATEMENT OF STANLEY H. LOWELL, CHAIRMAN OF THE EXECUTIVE BOARD, METROPOLITAN COUNCIL, AMERICAN JEWISH CONGRESS, AND PRESIDENT, RIVERSIDE NEIGHBORHOOD ASSEMBLY

Mr. LOWELL. Thank you very much.

Mr. Chairman and gentlemen, my responsibilities as the person who, in acting for Mayor Wagner, was responsible for the areas of minority rights and discrimination, and one of those who was very active in helping in the passage of the Sharkey-Brown-Isaacs bill, which you heard so much about during these 2 days, I am sure, were while I was assistant to the mayor and not while I was assistant to the borough president, even though the principal in both instances happened to be Robert F. Wagner.

I am chairman of the executive board of the Metropolitan Council of the American Jewish Congress. The American Jewish Congress, as you gentlemen know, is an organization committed to the principle that the destinies of all Americans are indissolubly linked and that any act that necessarily injures one group necessarily injures all. Believing, as we do, that Jewish interests are inseparable from the interests of justice, the American Jewish Congress cannot remain

silent when persecution, discrimination, or intolerance is inflicted upon any human being because of his race, religion, or national origin. In the years of our Jewish history we have learned one lesson well: Persecution of one minority may at any time extend to similar persecution of all minorities. More broadly, we have a special interest in the preservation of human rights, deriving from an immemorial tradition proclaiming the common origin and end of all mankind and affirming, under the highest sanction of faith, the common and inalienable rights of all men.

We, therefore, welcome this opportunity to testify and thank you for the invitation to speak.

Our concern with discrimination in housing is in two areas—and, if I may, gentlemen, I am going to touch on the first one briefly and then fly across the second area so that I can comment on some of the things which have been said. Much of the material which you have heard here today and yesterday, I am sure, has all been repetitious, and I have been in a position where I have had to listen to repetition and I know what it is like.

First, I say I am going to try to speak about the Jews who, in some instances, do face discrimination in housing and, second, the general public problem you are concerned with.

With respect to discrimination against Jews, our files in the American Jewish Congress do contain many instances of discrimination against Jews. It is a melancholy fact that any Jewish family seeking a home must wonder, each time they inquire about a house or an apartment, whether this is the particular time they'll receive the cold response that betrays concealed bias.

Only recently the American Jewish Congress, right here in New York City, filed a complaint with the new agency which you heard so much about yesterday, the Commission on Intergroup Relations, on behalf of one of our own employees, charging discrimination based on religion at a cooperative housing apartment in New York City. The complaint rests on explicit statements repeatedly made over the telephone that the building in question was "restricted with respect to Jews." While such open expressions of bias are rare, there can be no question that they reflect a substantial amount of hidden discrimination.

We made inquiries among the Jewish communities of a number of cities, and the responses uniformly show that discrimination against Jews is a persistent, though not a severe problem.

In Cleveland there are reports of extensive use in the suburbs of club arrangements, the gentlemen's agreement and the so-called Van Sweringen Covenant to exclude Jews from residential developments. Here, in the case of these devices, the original developer—you are

more familiar with it than I am—retains the power to veto sales of homes at a subsequent date to specific purchasers.

In San Francisco and New York, as I said before with respect to New York, there are reports of a high rate of discrimination against Jews in cooperative apartment houses. These are high-income apartment houses, gentlemen, not the type of development which is used as a device for reducing the rental per room of some of our lower income, federally aided housing and State- and city-aided housing. St. Louis reports occasional advertisements expressly limiting rental or purchase to Christians. Philadelphia tells of the refusal by developers to sell homes to Jews in at least four suburban developments.

A detailed description of the forms taken by discrimination against Jews was prepared by the Jewish Community Council of Metropolitan Boston, and some of the case histories which they have described have been submitted as an addendum to my statement here, and I won't bother with them now.

Let's turn for a moment to discrimination based on race and nationality. This means in our country, first of all, Negroes and, in some parts of the country, persons of oriental or Mexican and, here again in our area, of Puerto Rican extraction. To these groups, discrimination is far more than a social affront and an inconvenience, which it is, to a large measure, as far as the Jews are concerned in some areas. It compels these people to live in narrowly confined areas, with severe overcrowding and all of its resultant evils—and I say, Mr. Commissioner, that sentence probably defines, as best as I can, what a ghetto is, which is a question I heard you direct to several of the prior speakers.

The social damage done by racial segregation has been fully described and discussed by these people who have come before me and by a distinguished group of people fully familiar with the housing industry, the Commission on Race and Housing, whose report, "Where Shall We Live?", was so ably done and with which I am sure you are also familiar. The report, itself, presents the harm, social harm, which is done to some of the minority groups who are required to live in these narrowly restricted areas.

Let me break in at this point again to comment on what you asked, I think it was, Dr. Gardner Taylor. Either you or the Governor, one of you gentlemen or the Governor, had mentioned the fact he had read a good deal about juvenile delinquency, in the New York area, I assume, and when I was assistant to the mayor it was my task frequently to speak to groups who were New Yorkers, who assumed the same kind of thing that the questioner in this particular instance from the Commission assumed.

It is my judgment that the incidence of juvenile delinquency in the New York area is no greater than it is in many other areas or that

juvenile delinquency in some of these restricted areas and ghetto areas is not necessarily higher than it is in many other parts of the country which are not restricted areas in ghetto areas, but what we have had, unfortunately, and very unfortunately, is a situation whereby the groups have picked on this particular subject, and maybe properly so, and played it up. If you take the percentage, let's assume, in a city of a hundred thousand, if the percentage of delinquency which was committed in that city over a period of a year were four cases involving juveniles, four cases involving juveniles involved in a crime which would be either a felony or a crime involving force, and then you projected that same percentage onto the city of New York, just the city of New York, its 8 million people, not the metropolitan area of 15 million, which all these newspapers do cover, but if you took only the 8 million, and while my arithmetic may not be very good, my judgment would be, we would be entitled here to 320 incidents as the equivalent of the 4 incidents in a city of a hundred thousand; and if the newspapers are going to play up on page 1 each one of those incidents, as the newspapers perhaps in a town of a hundred thousand might play up those incidents, 1 every 3 months there, you would have one here on the front pages of the newspapers almost every single day.

So, you get the tremendously widespread impression, sent out over the country by the wire services—as Mayor Wagner said yesterday, when it happens in New York City it is news; when it happens someplace else it is not—that we have a higher incidence of juvenile delinquency.

Then, of course, as far as the whole problem of race relations is concerned, it goes a little deeper, and it is used as an expression and an explanation of the fact that these groups, minority groups, living together, create these things, these conditions, themselves, living among themselves. It is my judgment this is not so and this does not result from these people and the minority groups, themselves, but from the conditions in which they live and the slum areas in which they must be required to remain.

Now, if I can, in the next few pages of my report, cover in a great sense what you have heard from a number of organizations, I will summarize in a very few sentences.

Essentially what I say here—what we do say here—is that this is the responsibility of the Federal Government. We cite for you some of the statutes and some of the previous actions of the courts, which indicate, as far as the American Jewish Congress is concerned, that this is a responsibility of the Federal Government.

In the area of public housing we say, in one sentence, that we think the Federal Government has, in effect, encouraged segregation rather than discouraged segregation. In the area of publicly assisted

housing, again the Federal Government has failed to take on its responsibility which we think is properly theirs.

I do not agree with some of the previous speakers who implied that we would require a Federal statute in order for this Government, for our Government, to act in this particular area. It's our feeling that you have enough law on the books today, enough statements of principle on the books today, so that, as several of us have said, a committee can be established by the President of the United States which will be charged with the responsibility of inquiring into bias and discrimination in housing. The housing market needs a special, affirmative effort to protect against discrimination. Now, when the Federal Government acts, for example, in marketing or in transportation, it can much more readily not take on an affirmative responsibility in order to make sure that discrimination is not practiced; but here, in the housing market, because of the very nature of it, we think there is a special responsibility. If builders are left free to discriminate, the economics of the housing market will strongly impel them to do so.

I read in the paper this morning—and I had the privilege of debating him last year during the discussions on the Sharkey-Brown-Isaacs bill—that Mr. Andrews this morning appeared before you representing the Real Estate Board. Mr. Andrews' position is very simple, gentlemen: He says that property rights will be impinged if any action is taken by any governmental agency—he doesn't care whether it is city, State, or Federal—which would limit the right of that person owning the property to rent to whomsoever he wanted to rent, and he says it is in the interest of democracy and freedom.

This is an intelligent position which he would like to pursue—maybe intelligent in the sense it is logical—but what he does carefully do is avoid the real issue, the issue which I think is the one upon which America is based, and the reason why we are in this fight, in which we are battling against another alien philosophy, and hope to be able to succeed as against that philosophy. It is the fact that America is based, in my judgment, as the Cardinal said this afternoon, quoting the Declaration of Independence, the provisions of our own Constitution, all the legal history, on a code which says that human rights are more important than property rights, and in a given situation, conceding Mr. Andrews' argument as of this morning that the property right could, in some way, be qualified by a limitation of law, administrative or otherwise, the point that you raised before, Father, by a limitation of law, I say—and the Congress' position is—that human rights must prevail.

Now, what we propose is an Executive order establishing a President's Committee on Housing Discrimination, and we have gone a little bit beyond some of the other speakers in that we have here before you and attached to the appendix—and what I will review a few mo-

ments is—an actual proposed Executive order containing all the provisions.

We're making it a little easier for the lawyers on your staff, sir, to come up with something like this; but the essential point in this, and this is very important, because I read the New York Times' report today of what occurred yesterday, Mr. Schwulst's testimony and that of others—the New York Times indicated that Mr. Schwulst and others supporting his own commission had called for the establishment of a President's Committee on Housing Discrimination, but the Times implied that Commission was supposed to study the question. Now, the American Jewish Congress position is that the matter has been studied this time and past times and we don't need a commission in order to study it and, therefore, the first part of our order, and the first part of our order is, and the most essential part of it would be, the establishment of this committee with a firm statement of Federal policy barring discrimination in the Federal housing program.

So, section 1 of our proposed order would clearly provide that the various statutes shall be administered so as to insure equality and that this policy shall be effectuated by prohibiting discrimination by all Federal and State agencies and private concerns and corporations that receive any assistance whatsoever from the Federal Government.

Now, let me interpolate at this point just to say once again, with respect to the point that Senator Javits made and that you queried Roy Wilkins about, it is our position that this can be done without the necessity of going ahead and getting legislation on the subject, that there is enough law on the books, and that we would not want to be caught in the trap of going back to the Congress of the United States and trying to pass legislation which would follow through on this.

We think the Congress has made it perfectly clear, and, as far as the point of view that you made, sir, with respect to—I am not sure whether it was Father Hesburgh or you who made the point a few moments ago—whether or not there would be parts of the South which would not take advantage of housing which would be available to them with Government-aided funds in the event that such a position were clearly, explicitly evolved in the Federal administration of its own giving of money, I say the time has come, because we have heard this—I, myself, have heard this in this period since I left college, and it is a good almost two decades—time and again, in each instance, when we have a balancing of equities, that we should always give in on the equity which involves civil rights and freedom for the equity which involves materiality and where somebody is going to live—I can tell you, frankly, 10 years ago, in an organization which I was a member of, I supported the position we needed the housing and we should not support what then, I think, was the Powell amendment; but the time has come since then—I have reversed my own po-

sition—I am sure thousands of others who also felt the need was for housing have reversed their position—because, if we do accept this argument, 20 years from now and five decades from now we'll be faced with the same argument.

So, at this point we have to fish or cut bait, and at this instance I think we must put the responsibility on those small areas of the soul which will preserve this position. I have a brother who lives in Houston, Tex., sir. I am sure he as well as thousands of other good Texans are prepared to accept this housing on the basis of some of the other things that have been said here.

Now, section 2 would direct the Housing and Home Finance Agency and its constituent agencies, as well as the Veterans' Administration, and any other agencies affecting housing to adopt appropriate regulations to carry out the policy.

Section 3 would establish the committee with a membership, 12 members, and a chairman appointed by the President. It would be financed by the FHA, VA, the General Services Administration and others. The committee would be authorized, under section 4, to examine into the practices of all Federal housing agencies and to make recommendations for effectuating the policy of the order. It would also be empowered, under section 6, to receive and resolve complaints concerning practices inconsistent with the policy enunciated in paragraph 1; and under section 7 it would be empowered to encourage an educational program with respect to discrimination in housing.

We have also proposed for you here regulations for the elimination of discrimination. Elimination of discrimination in housing requires also that appropriate regulations be issued by the various Federal housing agencies. Separate regulations are required for each of these, and to facilitate the discussion we have drafted a sample resolution on rental housing.

Now, here those who accept from FHA the help that it makes available by way of insurance, or help in other instances from some of the agencies which insure the mortgages and the like, must certify that they will not discriminate against families because they have children. The proposed regulation which we submit here requires a similar certification that the mortgagor will not discriminate in selecting tenants on the basis of race, religion, or national origin.

Now, let me shift for a moment, because I was asked to do so by your Commission, to another position which I hold as the president of the Riverside Neighborhood Assembly. This is a local civic organization, gentlemen, on the west side of Manhattan in the area from approximately the Lincoln square development to Columbia University. We consider it one of the best integrated areas in the city of New York.

I might say parenthetically I am also chairman of the newly created Park-Hudson Urban Renewal Citizens Committee, which will function in the same geographical area, and this particular citizens' group is working in close cooperation with the Urban Renewal Board, which is administering Urban Renewal Administration funds here in the city of New York.

I would like to correct, for the record—I hope the stenographer will take this—all those who, not, I know, with intent, have, when they have discussed either Negro movement or Puerto Rican movement within the confines of the United States territorially and otherwise, used the word “immigrant.” I was an assistant U.S. attorney, and “immigrant” is a word of art and refers to people who come from outside the United States and not from other parts of the United States. We would like to say “migrant,” and we wouldn't care who said “immigrant” or “migrant” except by those——

Vice Chairman STOREY. I stand corrected.

Mr. LOWELL. Who know better.

Vice Chairman STOREY. Thank you.

Mr. LOWELL. I wasn't directing it to you necessarily, but sometimes people try to get an implication in respect to the word “immigrant,” and we think it is best to use the word “migrant” in these situations.

Now, very roughly, the ethnic or racial makeup of the area which I described before, running from Central Park to the Hudson River, is approximately 20 to 25 percent Spanish-speaking origin, 10 percent of Negro, and about 65 to 70 percent continental white. Our schools and our housing in this area have felt the impact of the influx of migrants from Puerto Rico as much as any other locality in the city and certainly, of course, in the Nation. I don't pretend that we have, in any way, completely solved the resulting problems. There has been overcrowding, both in the schools and in the housing. During the first 4 or 5 years of the influx of Puerto Ricans there was, without any question, a flight to the suburbs of a portion of the continental white population.

The Riverside Neighborhood Assembly and other community organizations here in this west side area have been working diligently during the last 10 years to halt the changeover in the population which began to snowball at the outset. I am proud to state during the last 5 or 6 years the relative percentage of the various racial groups has remained almost constant.

This has been due to a combination of circumstances, many, of course, over which we had not control. For example, the Riverside Drive-to-Central-Park area is one of the best residential localities in the city of New York. The apartments, 99 percent of them rent controlled, are hard to come by, and hence low- or middle-income families have undoubtedly had a strong incentive to stay.

These factors, however, have been reinforced by the efforts of parent association groups and a wide number of local civic and neighborhood improvement associations to maintain the standards of the community, residential, educational, recreational, and otherwise, while giving a willing welcome to the newcomers who have arrived during this time from Puerto Rico.

Recently a new low-cost governmentally aided public housing project was built in the area. It is called Frederick Douglass Houses. It is located between 100th and 103d Streets, from Amsterdam Avenue to Central Park West. The inhabitants on the land prior to public housing were at least 50 percent continental white. I am certain this Commission is aware of the factors that would normally encourage this project to be tenanted by Negroes and Puerto Ricans—you heard it yesterday from Chairman Reid and others—up to 90 percent of its capacity, perhaps even higher. However, our association, together with other community organizations, undertook an intensive campaign to stimulate interest on the part of longtime residents of the west side, who qualified financially and otherwise for this low-cost public housing, to take apartments in this public housing project, Frederick Douglass Houses. The results of this activity are now a matter of record. The percentage of families in this public housing is 25 percent continental white, 35 percent Negro, and 40 percent Puerto Rican, and while it is not perfection in any way, nor does it reflect the rest of the neighborhood, it is certainly infinitely better or much better than it would have otherwise been. These figures are especially significant in the light of the fact that there are financial limitations which are strictly enforced for tenancy in low-cost public housing.

As you are aware, the economics of our society are such that a disproportionate number of Negroes and Puerto Ricans are found in the low-income brackets which qualify for this housing. If more Government housing were available at \$22, \$24, and \$26 per room, for which the income limitation would be much higher, the percentages I just read would be better and would demonstrate more clearly that it is a myth that flight must inevitably follow upon the arrival of minority groups in new neighborhoods.

In conclusion, let me say the American Jewish Congress believes that discrimination in housing can and must be ended. I tried to include a paragraph in here about the importance of this on a purely pragmatic level—I am sure others have done it—which the professionals from the American Jewish Congress insisted I take out, about the importance of all this to us in the battle which we have with the Kremlin and about what it means as far as Africa and Asia are concerned for Americans, and what it means for our foreign policy.

Since they made me take it out, I am saying it this way. I am sure you understand the point I am trying to make. The obstacles which we face are real and substantial, but far from insuperable. Many of the apparent difficulties prove, on examination, to rest on myths, such as the one I described before, that have long gone unchallenged.

We are submitting with this statement our recent publication, "The Myths of Racial Integration." It analyzes such misconceptions as the belief that property values go down when Negroes move into a restricted neighborhood; that Negroes do not maintain their property in good condition; that it is somehow desirable for neighborhoods to be homogeneous; that there is a loss of prestige when Negroes move into a neighborhood and that such move-ins cause an increase in crime and delinquency.

We believe this hearing can help dispel these misconceptions and thus aid in lowering the walls that shut minority groups off from full participation in their communities.

It is our fervent hope, gentlemen, that these hearings will help to educate and reeducate our fellow Americans, in the North as well as in the South, to the meaning of equality and that they will also assist this Commission in arriving at recommendations to the President and to the Congress on effective means of leveling—and here it comes again, sir—the ghetto walls that still disfigure our country.

Thank you very much.

Commissioner HESBURGH. Thank you very much, Mr. Lowell. We appreciate your statement with all its detail. It will all be included in our record. We are running terribly far behind in time——

Mr. LOWELL. That is all right.

PREPARED STATEMENT OF STANLEY H. LOWELL ON BEHALF OF AMERICAN JEWISH CONGRESS

The American Jewish Congress is an organization committed to the principle that the destinies of all Americans are indissolubly linked and that any act that unjustly injures one group necessarily injures all. Believing as we do that Jewish interests are inseparable from the interests of justice, the American Jewish Congress cannot remain silent when persecution, discrimination, or humiliation is inflicted upon any human being because of his race, religion, or national origin. In the thousands of years of our history we have learned one lesson well: Persecution of one minority may at any time extend to similar persecution of all minorities. More broadly, we have a special interest in the preservation of human rights, deriving from an immemorial tradition proclaiming the common origin and end of all mankind and affirming, under the highest sanction of faith, the common and inalienable rights of all men.

We therefore welcome this opportunity to appear before this Commission and express our appreciation for the invitation extended to us.

Our concern with discrimination in housing is twofold. First, we speak as members of a minority group, Jews, who themselves face discrimination in housing. Second, we speak as members of the general public concerning with the evils of discrimination against all minority groups.

Discrimination against Jews

Our files contain many instances of discrimination against Jews. It is a melancholy fact that any Jewish family seeking a home must wonder, each time

they inquire about a house or an apartment, whether this is the time they will receive the cold response that betrays concealed bias.

Only recently, the American Jewish Congress filed a complaint with the New York City Commission on Intergroup Relations in behalf of one of our employees, charging discrimination based on religion at a cooperative housing apartment in New York City. The complaint rests on explicit statements repeatedly made over the telephone that the building in question was "restricted with respect to Jews." While such open expressions of bias are rare, there can be no question that they reflect a substantial amount of hidden discrimination.

In the preparation of this statement, we made inquiries among the Jewish communities of a number of cities. The responses uniformly show that discrimination against Jews is a persistent though not a severe problem.

Thus, Cleveland reports extensive use in the suburbs of club arrangements, "gentlemen's agreement" and the so-called "Van Sweringen covenant" to exclude Jews from residential developments. The "Van Sweringen covenant" gives the original developer power to veto sales of homes to specific purchasers. It has been used either to exclude Jews altogether or to limit them to specific quotas.

San Francisco and New York both report a high rate of discrimination against Jews in cooperative apartment houses. St. Louis reports occasional advertisements expressly limiting rental or purchase to "Christians." Philadelphia tells of the refusal by developers to sell homes to Jews in at least four suburban developments. One Philadelphia finance company is reported as asking applicants for mortgage money to state their religion.

A detailed description of the forms taken by discrimination against Jews was prepared by the Jewish Community Council of Metropolitan Boston as part of a statement submitted to a legislative committee considering legislation against discrimination in housing. We have attached hereto the case histories as they appear in that statement. We believe the Commission will find in these histories a vivid showing of the impact of this evil on individual human beings.

Discrimination based on race and nationality

The preceding paragraphs show that discrimination against Jews is sufficiently widespread to be a matter of continuing concern. Nevertheless, it must be recognized that it differs greatly in extent and, more important, in effect from that faced by other groups—particularly Negroes and, in some parts of the country, persons of Asian, Mexican, and Puerto Rican extraction. To these groups, discrimination is far more than an affront and an inconvenience. It compels them to live in narrowly confined areas, with severe overcrowding and all its resultant evils. The social damage done by racial segregation has been fully described and discussed by a distinguished group of persons fully familiar with the housing industry, the Commission on Race and Housing, whose researches were financed by the Fund for the Republic. Its recently issued Report, "Where Shall We Live?" cogently presents the harm done to majority and minority groups alike by the exclusion of families from suitable homes, solely because of their origin (see particularly 35-42).

Responsibility of the Federal Government

Other witnesses have described to this Commission the tragic role that has been played by the Federal Government in aggravating the problem of housing discrimination. In that large part of the total housing market that is affected by the various forms of Federal assistance, racial segregation has been accepted, encouraged, and fostered. This disastrous state of affairs is specifically within this Commission's area of concern as defined by Congress—appraisal of "the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution" (Civil Rights Act of 1957, 71 Stat. 634, sec. 104(a)(3)).

It is essential that the Federal Government reverse its policies and find ways of assuring that its powers are used against rather than for racial discrimination. It has an obligation to do so under what Justice Cardozo, in 1932, described as "the mandates of equality and liberty that bind officials everywhere." (*Nixon v. Condon*, 386 U.S. 73, 88.) This Commission should make that obligation plain in unequivocal recommendations to the President for prompt and effective action.

Public housing

Particularly shocking is the continued support given by the Federal Government to segregated public housing; that is, public housing subject to an express,

official State or municipal policy of racial segregation. Even under the old "separate but equal" doctrine, it was plainly unconstitutional for a State or any other governmental agency to discriminate on the basis of race in a public housing program. Thus, a State could not build public housing for whites only and make no provision for similar housing for Negroes. Recognizing this principle, public agencies for many years built segregated housing which was, in theory at least, equal.

Today, however, there can be no pretense that such segregated housing meets constitutional requirements. Since the Supreme Court's decisions of 1954 condemning racial segregation in public schools, every court to consider the question has held that any segregation in public housing is likewise unconstitutional. Moreover, the Attorney General, chief legal officer of the U.S. Government, has formally taken the position, in briefs before the Supreme Court, that all forms of official segregation are equally unconstitutional.

The Department of Justice first took that position in behalf of the U.S. Government in the brief it filed in the university and railroad dining car segregation cases of 1950 (*Sweatt v. Painter*, 339 U.S. 629; *McLaurin v. Oklahoma State Regents*, 339 U.S. 637), in which it stated flatly, "Racial segregation imposed or supported by law is *per se* unconstitutional." The principle was reiterated in the first Government brief filed in the public school segregation cases (*Brown v. Topeka*, 347 U.S. 483) in December 1952. At the reargument of those cases before the Supreme Court in December 1953, the present administration took the opportunity to make clear that it adhered to the position taken by its predecessor.

Since 1954, one city after another has abandoned segregation in its public housing program, recognizing the force of the constitutional command. In too many other cities in our land, however, particularly in the Deep South, public housing is still being constructed and operated under a formal policy of racial segregation. In applications to the Federal Government for financial assistance, specific projects in such cities are designated as "white" or "colored." On the basis of these applications, Federal money is disbursed. Thus, the Federal Government is supporting operations which it has itself condemned as illegal. It hardly needs any argument that this practice should be brought to a halt immediately.

Publicly assisted housing

Even more widespread harm has resulted from Federal policies in those areas, like urban redevelopment and the FHA and VA programs, where the Government gives various forms of assistance to the construction of housing by private interests. As this Commission has been told, particularly in the statement submitted by the New York State Committee on Discrimination in Housing, some policies of the Federal Government have actually encouraged discriminatory practices. Yet even where there is no such direct encouragement, inequality inevitably results from any policy under which Federal aid is made available to builders without regard to their policies as to race. The theory of such a policy is that assistance is available to all qualified builders who apply, whether they build for whites, Negroes, or both, and that, by following that policy, the Federal Government discharges its statutory and constitutional obligations. That theory is fallacious both in concept and in practice.

We wish to stress that the purpose of the Federal housing program is to make homes available to people, not to aid builders and lenders. The end product is not construction, but living accommodations occupied by American families. The intended beneficiaries are the occupants.

It is true that the building and financial industries benefit from the program. As William Levitt, the builder, has said, "We are 100 percent dependent on the Government. Whether this is right or wrong, it is a fact." (Testimony before House Committee on Banking and Currency, hearings on Housing Act of 1957, 85th Cong., 1st sess., p. 566.) But the express purpose of our housing statutes is "the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family," a policy that is laid down for all Federal housing programs by the Housing Act of 1949 (63 Stat. 413, sec. 2). The same declaration of policy declares that Government assistance to private industry is provided only "to enable private enterprise to serve some of the total need." Nothing in this policy statement suggests that the purpose is to aid builders.

Since it is the supply of homes that is the end product, it is at the point of distribution of homes that the Government's obligation to insure equality of

treatment takes effect. All agencies that participate in the distribution of the benefits must be held to that obligation. And those agencies, under the statutory scheme, are not only the HHFA and its constituent parts but also the builders and others that determine the flow of benefits to the ultimate consumer.

The housing market

In most Federal programs, no special efforts are needed to achieve equality in distributing benefits. If the Government supports, let us say, a marketing operation or a means of transportation, it can assume that its facilities will be available to all and that there will be no resulting discrimination. But here that assumption is contrary to the fact, largely because of the nature of the housing market.

If builders are left free to discriminate, the economics of the housing market will strongly impel them to do so. It is a simple fact today that virtually all housing is rented or sold with a racial label on it. Given a choice between building for whites and building for Negroes, a builder is virtually compelled to appeal to the larger market. Only in very unusual circumstances will he build housing specifically for Negroes. When he does, it will only be in the few areas where there is a large Negro market and the resulting housing will, of course, be strictly segregated.

This is not a matter of abstract theory. The record shows that virtually all of the new housing built under the Federal housing program has been available only to white families, with most of the remainder open to Negroes only in segregated projects.

At no time has the Federal Government or any of its agencies recognized any obligation to prevent this perversion of governmental processes. Its adherence to a laissez faire policy has meant that Federal housing, whether it be FHA, VA, redevelopment, or urban renewal, has come to be popularly associated with "jim crow" housing. It has come to mean all-white suburbs, and the ousting of non-white families to make room for expensive apartment buildings limited to whites. In Charles Abrams' phrase, slum clearance has become "Negro clearance."

This policy subverts both the principles laid down in the 1949 Housing Act and the Government's broader obligation to prevent racial segregation in its operations.¹ This conclusion was also reached by the Commission on Race and Housing when it said ("Where Shall We Live?" pp. 63-64):

"Studies carried out for this commission demonstrate that realization of these goals of national policy is seriously hampered by racial segregation and discrimination in the distribution of housing facilities and benefits provided under Federal laws. Moreover, the policies of the Federal housing agencies which encourage or permit racial distinctions in the distribution of Federal housing benefits are inconsistent with the Constitution of the United States and the spirit of the housing acts of Congress."

That commission called upon State and local governments, the housing industry, and voluntary citizen groups, to take specific steps to end housing discrimination, but warned that these steps would have little chance of success "unless the Federal Government moves to cure the ills of its own program by expeditious yet sound measures" (p. 64).

Proposed Executive order to establish President's Committee on Housing Discrimination

One of the key recommendations of the Commission on Race and Housing was that the President establish "a Committee on the Elimination of Discrimination in Federal Housing and Urban Renewal Programs" (report, p. 64). It suggested that this Committee be modeled on earlier Presidential Committees on Discrimination in Employment and in the Armed Forces.

¹ We seek to show here only the basis and justification for discretionary Executive action against discrimination rather than the kind of legal argument that might be invoked in a judicial proceeding to compel adherence to constitutional requirements. The decision last June by California Superior Court Judge Oakley in *Ming v. Horgan*, (decided June 23, 1958, not yet officially reported, 3 Race Relations Law Reporter 693) fully details the authorities for the proposition that, since "the Government is strictly prohibited by the fundamental law from doing such things [i.e., answering housing needs] upon any other than an equal basis," those persons "who operate under that law and seek and gain the advantage it confers are as much bound thereby as the administrative agencies of the Government which have functions to perform in connection therewith." The court in that case prohibited racial discrimination by builders enjoying the benefits of the FHA and VA programs. The defendants did not appeal the decision.

We strongly support this recommendation. To facilitate discussion of this proposal we have prepared a draft of such an Executive order which we are submitting to this Commission in the appendix to this statement.

The essential part of any such order would be, not the establishment of the committee, but a firm statement of a Federal policy barring discrimination in the Federal housing program. Hence, section 1 of our proposed order would declare that the various statutes providing for Federal assistance to housing shall be administered so as to insure equality and that this policy shall be effectuated by prohibiting discrimination by all Federal and State agencies and private persons and corporations that receive assistance from the Federal Government. The second section would direct the Housing and Home Finance Agency and its various agencies, as well as the VA and any other agencies affecting housing, to adopt appropriate regulations to carry out that policy. Section 3 would establish a President's Committee on Housing Discrimination to be composed of 12 members with the Chairman appointed by the President. Seven members would be appointed by the President and five would be designated as representatives of the Departments of Defense and Justice, the General Services Administration, the HHFA and the VA. The Committee would be an inter-departmental committee. It would be financed and staffed by the HHFA, the VA, the General Services Administration and the Defense Department and the Department of Justice would be directed to supply legal assistance (sec. 8).

The Committee would be authorized, under section 4, to examine into the practices of all Federal housing agencies and to make recommendations for effectuating the policy of the order. It would also be empowered under section 6, to receive and resolve complaints concerning practices inconsistent with that policy. Under section 7, it would be empowered to encourage an educational program on discrimination in housing.

Proposed regulations

Elimination of discrimination from the Federal housing program requires also that appropriate regulations be issued by the various Federal housing agencies. Separate regulations are required for each of the various programs.

Again to facilitate discussion, we have drafted a sample regulation, one which would be applicable to the FHA program on rental housing. This draft appears in the appendix to this statement. It would amend the FHA rules on rental housing insurance by adding a paragraph, to be section 232.20(d), similar to the existing section 232.20(a) which requires a prospective mortgagor to certify that he will not discriminate against families because they have children. The proposed regulation would require a similar certification that the mortgagor will not discriminate in selecting tenants on the basis of race, religion, or national origin.

West Side Story

I would like to conclude this statement by outlining to this Commission some of my experiences as president of the Riverside Neighborhood Assembly, a local civic organization which services the West Side of Manhattan in the area from the new Lincoln Square development to Columbia University. This is one of the best integrated areas in the city of New York. I might parenthetically state that I am also chairman of the newly created Park-Hudson, Urban Renewal Citizens Committee which will function in the same geographical area.

Very roughly, the ethnic or racial makeup of the area from Central Park to the Hudson River is 20 percent of Spanish-speaking origin, 10 percent Negro, and 70 percent continental white. Our schools and our housing have felt the impact of the influx of migrants from Puerto Rico as much as any other locality in the city.

I do not pretend that we have in any way completely solved the resulting problems. There have been overcrowding, both in schools and in housing. During the first 4 or 5 years of the influx of Puerto Ricans, there was unquestionably a "flight to the suburbs" of a portion of the continental white population.

The Riverside Neighborhood Assembly and other community organizations have been working diligently during the last 10 years to halt the changeover in the population which began to snowball at the outset. I am proud to state that, during the last 5 or 6 years, the relative percentages of the various racial groups has remained almost constant. This has been due to a combination of

circumstances, over many of which we had no control. For example, the Riverside Drive to Central Park area is one of the best residential localities in the city of New York. Apartments, 99 percent with controlled rents, are hard to come by; hence, the lower middle income families have undoubtedly had a strong incentive to stay. These factors, however, have been reenforced by efforts of parent association groups and a wide number of local civic and neighborhood improvement associations to maintain the standards of the community, residential, educational, recreational and otherwise, while giving a willing welcome to the newcomers who have arrived during this time.

Recently a new low-cost governmentally aided public housing project was built in the area. Called Frederick Douglass Houses, it is located between 100th and 103d Streets, from Amsterdam Avenue to Central Park West. Inhabitants on the land prior to public housing were at least 50 percent continental white. I am sure this Commission is aware of the factors that would normally have caused this project to be tenanted by Negroes and Puerto Ricans up to 90 percent of its capacity. However, our association, together with other community organizations, undertook an intensive campaign to stimulate interest on the part of long-time residents of the West Side, who qualified financially and otherwise for public housing, to take apartments in Frederick Douglass Houses. The result of this activity is now a matter of record. The percentage of families in this public housing is 25 percent continental white, 35 percent Negro, and 40 percent Puerto Rican.

These figures are especially significant in the light of the fact that there are financial limitations, which are strictly enforced, for tenancy in low-cost public housing. As you are aware, the economics of our society are such that a disproportionate number of Negroes and Puerto Ricans are found in the low income brackets which qualify for this housing. If more Government housing were available at \$22, \$24, and \$26 per room, for which the income limitation would be much higher, the percentages would demonstrate even more clearly that it is a myth that "flight" must inevitably follow upon the arrival of minority groups in new neighborhoods.

CONCLUSION

The American Jewish Congress believes that discrimination in housing can and must be ended. The obstacles we face are real and substantial but far from insuperable. Many of the apparent difficulties prove on examination to rest on myths that have long gone unchallenged.

We are submitting with this statement our recent publication, "The Myths of Racial Integration." It analyzes such misconceptions as the belief that property values go down when Negroes move into a restricted neighborhood, that Negroes do not maintain their property in good condition, that it is somehow desirable for neighborhoods to be homogeneous, that there is a loss of prestige when Negroes move into a neighborhood and that such move-ins cause an increase in crime and delinquency. We believe this hearing can help dispel these misconceptions and thus aid in lowering the walls that shut minority groups off from full participation in their communities.

It is our fervent hope that these hearings will help to educate and reeducate our fellow Americans, in the North as well as the South, to the meaning of equality and that they will also assist this Commission in arriving at recommendations to the President and to the Congress on effective means of leveling the ghetto walls that still disfigure our country.

Respectfully submitted.

STANLEY H. LOWELL,

Chairman, Executive Board, Metropolitan Council, American Jewish Congress.

JANUARY 27, 1959.

APPENDIX

PROPOSED EXECUTIVE ORDER ESTABLISHING A PRESIDENT'S COMMITTEE ON HOUSING DISCRIMINATION

Whereas the Congress in the Housing Act of 1949 declared that the purpose of the provisions contained therein for Federal assistance to housing was to achieve the goal of "a decent home and suitable living environment for every American family" as well as to bring about "the elimination of substandard and blighted areas" (Public Laws 1949, ch. 338, sec. 2, 63 Stat. 413); and

Whereas full realization of these goals is prevented by the existence of practices of discrimination based on race, religion, or national origin because those practices exclude minority group families from the benefits made available by the Federal housing laws and force them to live in circumscribed sections in substandard, unhealthful, unsanitary, and crowded living conditions; and

Whereas the segregated patterns of housing created by this discrimination result in other forms of segregation and discrimination that impair the national defense program and frustrate implementation of the constitutional command of equality; and

Whereas the national housing program seeks to achieve its goals in part by making housing available to the people through the instrumentality of persons engaged in the housing industry with the result that discrimination by such persons causes exclusion of minority groups from the benefits of the program, with corresponding frustration of the goals of the program: Now, therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States, it is

Ordered as follows:

1. In compliance with the Constitution and the stated aims of the Housing Act of 1949, the various statutes providing for Federal assistance to housing, including the National Housing Act of 1934, the United States Housing Act of 1937, the Housing Acts of 1948, 1949, 1950, 1952, 1954, 1956, and 1957, the Housing Amendments of 1953 and 1955, and the Defense Housing and Community Facilities and Services Act of 1951, all as amended, shall be administered in such a way as to insure equal opportunity for all to enjoy the benefits of the said statutes, without discrimination based on race, color, religion, national origin, or ancestry. This policy shall be effectuated by preventing such discrimination by agencies of the Federal Government, by agencies of State and local governments operating housing assisted by the Federal Government, and by private persons, corporations, and other agencies in the housing industry that receive assistance from the Federal Government, directly or indirectly, whether in the form of subsidy, mortgage insurance, commitment for mortgage insurance, advice and approval on the selection of sites and methods of construction, or otherwise.

2. The Veterans' Administration and the Housing and Home Finance Agency and its constituent agencies, including the Federal Housing Administration, the Public Housing Administration, the Urban Renewal Administration, the Community Facilities Administration, the Federal National Mortgage Association, and the Federal Flood Indemnity Administration, and any other departments or agencies of the Federal Government having powers, functions, or duties under any law pertaining to housing, shall adopt appropriate regulations to carry out this policy. Such regulations shall include provisions prohibiting discrimination on the basis of race, color, religion, national origin, or ancestry in the sale or rental of any housing receiving assistance from the Federal Government and requiring any State governmental body, private person, corporation, or other agency applying to the Federal Government for assistance or benefits under the Federal Housing program to agree that it will not engage in such discrimination in the sale or rental of any housing affected by such application. When a State governmental body makes such an application, it shall be required to agree further that it will include in any contract, deed, or other instrument transferring the affected housing to a private person, corporation, or other agency a provision prohibiting such discrimination by such agency.

3. There is hereby established the President's Committee on Housing Discrimination, hereinafter referred to as the Committee. The Committee shall be composed of 12 members, as follows:

(a) One representative of the following named agencies, to be designated by the respective heads of such agencies: The Department of Defense, the Department of Justice, the General Services Administration, the Housing and Home Finance Agency, and the Veterans' Administration.

(b) Seven other members to be appointed by the President.

The Chairman and Vice Chairman of the Committee shall be designated by the President.

4. The Committee is directed to examine the rules, procedures, and practices of all agencies of the Federal Government responsible for the Federal housing program and shall make recommendations to those agencies for effectuating the policy set forth in section 1 above and carrying out the provisions of section 2 above. All agencies of the Federal Government are directed and authorized to cooperate with the Committee and, to the extent permitted by law, to furnish

the Committee such information and assistance as it may require in the performance of its functions under this order.

5. The Committee shall establish such rules as may be necessary for the performance of its function under this order and shall make an annual report on its progress to the President and such additional interim reports as it deems appropriate.

6. The Committee may receive complaints of practices that are inconsistent with the provisions of sections 1 and 2 above. It shall investigate such complaints and bring about compliance with the policy set forth in the said sections.

7. The Committee shall foster an educational program by Federal agencies and by voluntary nongovernmental groups in order to eliminate discrimination in housing forbidden by this order.

8. The Housing and Home Finance Agency, the Department of Defense, the Veterans' Administration and the General Services Administration shall defray such necessary expenses of the Committee as may be authorized by law, including section 214 of the act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691). The General Services Administration shall provide necessary space and facilities for the Committee. The Department of Justice shall render necessary legal services.

PROPOSED AMENDMENT TO FHA RULES ON RENTAL HOUSING TO PROHIBIT
DISCRIMINATION

The FHA Administrative Rules and Regulations under section 207 of the National Housing Act, dealing with rental housing insurance, should be amended by adding a paragraph to section 232.20, to read as follows:

"(d) The mortgagor must certify under oath that, in selecting tenants for the project covered by the mortgage, the mortgagor will not discriminate against any person or group of persons because of the race, color, religion, national origin, or ancestry of such person or persons; and that, the mortgagor will not sell the project while the mortgage insurance is in effect unless the purchaser also so certifies, such certification to be filed with the Commissioner."

CASE HISTORIES OF DISCRIMINATION AGAINST JEWS IN THE BOSTON AREA, PREPARED
BY THE JEWISH COMMUNITY COUNCIL OF METROPOLITAN BOSTON

Case 1.—In November 1946, a physician not long out of military service negotiated for the purchase of a house in Newtonville. To secure his intended purchase, the physician paid down \$500. He obtained a key to the house, brought some of his books there, ordered lockers sent out and arranged to have a phone put in. At this juncture of the proceedings, the builder phoned to say that the sellers had changed their minds. The reason given was the builder "would not sell to Jews." The house bore a sign reading: "Reconversion Housing Program. During Construction and For Thirty Days After Completion This Dwelling Will Be Held For Rent or For Sale to a Veteran of World War II (Form G.A.—2673, U.S. Government Printing Office." The physician had served his country in the war but was denied Government-affected habitation because of his faith.

Case 2.—In July 1950, another World War II veteran, this one a Jewish prisoner of war who was a survivor of the Bataan Death March and had been subjected to slave labor 12 hours a day in the steel mills of Japan, sought to purchase a house in Needham. Shown a dwelling that met his family's needs, he offered to make a deposit and enter into a contract for purchase. It was clearly stated in his conversation with the builder that the house was still open for sale. However, following a brief private conversation between the real estate agent and the builder, the returned veteran was asked: "Are you Jewish?" He answered: "Yes." Thereupon the builder told the prospective purchaser that "by reason of previous commitments he had made to people in the neighborhood to whom he had sold property, it would be impossible for him to sell the house" to the veteran because he was Jewish.

Case 3.—In July 1944, a young husband, while still in the service of the U.S. Army as a lieutenant, found an apartment he wished to rent. When he gave his name to the owner, he was told: "We rent only to Christians."

Case 4.—Over a period of years, our records contained entries concerning a widely known real-estate agency in Newton with interchanges over the phone like the following: "You are a Christian family, aren't you? No, we are Jewish. Sorry, we don't handle that section." "Is your family Gentile? What difference does that make? Then the phone was hung up—Silence."

"Are you Jewish? Yes. We do not go into that part of Newton." "We try to confine ourselves to gentile clientele." "What do you mean by 'restrict'? No Jews and dogs." "Property cannot be sold to Jews."

Case 5.—In July 1951, a member of the Jewish community indicated that he had been in touch with a Brookline real-estate dealer concerning an advertisement appearing in the Boston Traveler and containing the sentence, "The owner retains the right to approve the buyer." When this prospective purchaser asked the real-estate man the meaning of the sentence, he received this reply: "The ad states plainly that the property is not for sale to Jews."

Case 6.—In West Newton, in April 1954, a woman whose house was up for sale told a prospective Jewish purchaser: "I cannot sell to Jews as there is an agreement on this street not to sell to Jews, and I might want to come back to this neighborhood sometime."

Case 7.—A Dedham property up for sale in September 1955, attracted the attention of a prospective Jewish purchaser. Inquiring about this line in the advertisement—"Owner reserves right to approve purchaser," the prospective purchaser was told that this meant the real estate agency would not sell the home to Jews.

Case 8.—A Jewish resident of Dorchester, inquiring for a Cambridge apartment, in October 1955, was asked by the landlord: "Are you Jewish?" Replying affirmatively, he was told: "Sorry, no Jews; only gentiles."

Case 9.—A Jewish resident of Wellesley, reported in November 1955, that he sought to buy a home in the Westgate area in Wellesley in company with a non-Jewish neighbor. He later stated that his neighbor was sold a house but that he was turned down because he was Jewish, adding that the developer said: "I have a half million dollars invested here."

Case 10.—Following up a complaint received in November 1955, from a member of the Greater Boston Jewish community who sought to purchase a home in Wellesley but was turned down because of her faith, a representative of the Jewish Community Council spent some time with the realtor in the case. The realtor stated that she had been urged by prospective sellers not to sell to Italians, Greeks, and Jews.

Case 11.—In May 1955, a member of the Greater Boston Jewish community approached a Lynn realty company relative to renting a summer cottage on the North Shore and was asked: "Are you Jewish or American?"

Case 12.—A Jewish resident of Cambridge reported in March 1957, that when she went to look at a model house in the Winchester Estates, Winchester, she was told by a representative of the project that Jews would not be able to purchase there.

SUPPLEMENTAL INFORMATION SUBMITTED BY AMERICAN JEWISH CONGRESS

THE MYTHS OF RACIAL INTEGRATION

Myth 1: Property values go down when Negroes or Puerto Ricans move into an all-white neighborhood

Facts.—Of all the myths concerning racial integration that have developed, none is more general or more firmly established than the belief that property values immediately decline when minority groups move into a neighborhood. Yet every scientific analysis of this problem, whether done by government officials, housing experts or even real-estate appraisers, flatly disproves this conclusion. These surveys show that the occasional decline in real-estate prices on such "move-ins" is temporarily caused by panic selling of homes by old-time residents. A writer in the "Review of the Society of Residential Appraisers" concludes:

"It is the mass exodus that temporarily glutts the market with offerings that depress prices—not the influx of the minority groups. It is like a bank run engendered by fears. The fears produce an unwarranted condition avoided if people would stay put."¹

This same analysis points out that even in areas where panic selling occurs—
 " * * * after the first hysterical selling phase passes prices become stabilized then gradually increase under pressure of Negro bidding * * * it is usually found that sales activity is greater in racially mixed areas especially in low

¹ Belden Morgan, "Values in Transition Areas," "The Review of the Society of Residential Appraisers," vol. 18, No. 3, March 1952, pp. 9-10.

and moderate price ranges and that the high effective demand among Negro buyers not only sustain price levels but often increase them."²

Many other studies substantiate this conclusion. A San Francisco study in 1951³ compared the property value of homes in a group of test areas into which nonwhites had moved with a comparable group of restricted white areas and concluded that "the prices in the neighborhoods undergoing racial change did not fall; in fact in some cases they rose." The author summarized his data as follows:

"The bulk of all sales in the test areas [areas into which nonwhites had moved] brought prices slightly above those in the white control areas * * * whether these sales were to whites or nonwhites. * * *

"These results do not show that any deterioration in market prices occurred following changes in the racial pattern."

A study on home buying in a Baltimore district came to the same conclusion:

"In other words, these homes are now being sold to Negroes for as much as 150 percent above the 1940 market value, and at least 75 percent above the present market value. Real-estate operators readily admit that they are buying homes now occupied by whites as rapidly as they become vacant to sell to Negro buyers at a much greater profit than they could obtain elsewhere."⁴

The experience of public housing authorities enforcing a mixed occupancy policy also discredits the myth that property values fall when minority groups move in. Charles Abrams, one of the Nation's leading housing experts, writes:

"Negroes have been placed in the new projects in substantial numbers. Often there was no Negro occupancy whatever before construction of the project, yet values in the surrounding areas tended to rise after project occupancy. Gen. Thomas F. Farrell, then chairman of the New York City Housing Authority, commented: 'There has been no tendency for neighborhood people to move away because of the projects * * * business in the neighborhood improves.'⁵"

This conclusion is supported by a study of the New York City Housing Authority on the effect of mixed projects on values of surrounding property. One project studied was in a densely occupied area; another on sparsely-occupied land surrounded mainly by one and two family houses. The Housing Authority concludes:

"In the instance of both types of projects, we found a definite increase in assessed valuations for a depth of about 2 blocks surrounding the project. The effect was most marked within a depth of 1 block surrounding the project where a good number of commercial establishments either had been opened or expanded because of the population introduced by the public housing project.

"The increase in valuation was smaller in the second block and there was no change in the area beyond it. From observation, the same effects were noted in projects built on vacant land, and a research committee of the National Association of Housing Officials found that 'the experience in New York City, as shown in the few studies we had made, had been duplicated in studies conducted in other cities.'⁶"

In Portland, Oreg., a study of price fluctuations around a public housing project of 400 units in which there were 20 nonwhite families showed increases in the surrounding areas of from 45 to 96 percent. Building activity spurted around the racially integrated Tasker Homes in Philadelphia and within a few years 200 houses representing more than \$1 million of new investment had been built in the adjoining section. In Atlanta, Ga., the monthly rate of private construction in the vicinity of a Negro housing project showed a gain of 500 percent, eight times the gain for the city as a whole. The land around Parkway Village in Jamaica, N.Y., trebled in value after this mixed project for United Nations personnel was built by 15 New York city savings banks.⁷ Numerous other authorities from various cities confirm these findings.

It may be concluded, therefore, that property values will not go down merely because a Negro moves into a restricted area, that only panic selling or a general flight of white residents will lower prices by flooding the market with sale offerings, that this panic selling and not the infiltration of the Negro disturbs the dictates of supply and demand, and that even the temporary falling-off caused

² Article cited above, pp. 8-9.

³ Luigi M. Laurenti, "Effects of Nonwhite Purchases on Market Prices of Residences," *The Appraisal Journal*, July 1952.

⁴ Clifton R. Jones, "Invasion and Racial Attitudes: A Study of Housing in a Border City," *Social Forces*, March 1949, p. 288.

⁵ Charles Abrams, "Forbidden Neighbors," *Harpers*, New York, 1955, p. 289.

⁶ "Forbidden Neighbors," cited above, p. 289.

⁷ "Forbidden Neighbors," cited above, p. 289.

by a panic market will gradually stabilize itself and the prices of homes in interracial areas will become firm and stable.

Conclusion.—In short, panic selling, not racial integration in housing, causes a decline in property values. An intelligent community that understands this issue—that will not be panicked or misled by fear or hysteria—has nothing to fear economically from integration in housing.

Myth 2: If one Negro or Puerto Rican moves into a neighborhood, a multitude will follow

Facts.—If residents behave normally and “stay put,” the neighborhood will not change radically. It is unfortunately true, however, that many real estate men, because of the higher prices they can get by selling to Negroes, often try to urge white persons to move. Sometimes they deliberately promote hysteria and panic selling. Some real estate agents have been known to urge homeowners individually, after one minority group family has moved in, to sell “before the bottom drops out of the market.” Repeated calls are made in which the property value myth and the undesirability of living with such families are stressed. Negro agents have frequently been hired to visit homes, offering to buy and displaying large sums of money. Negro families have been employed to inquire about sales and even to wheel baby carriages back and forth on the block. Only a little more subtle was the agent who, whenever he sold a home to a family with an obviously Jewish name, in a neighborhood occupied exclusively by non-Jews sent postcards to the other residents reading:

“DEAR NEIGHBOR: We have just sold a house at 1522 Blank Street to Mr. Joseph Cohen. We hope you will get acquainted with your neighbor. For best results and highest prices in selling your property call Chrome Realty, UN 9-9999.”⁸

As the National Community Relations Advisory Council concluded in an analysis of this incident:

“Plainly, these tactics are not resorted to out of love for the human race. The immediate effect is to promote a large number of sales, which will inevitably be made at reduced prices.”⁹

Many groups have successfully resisted such pressures. In a block in a previously all-white neighborhood near the edge of Philadelphia, old residents defended themselves against the harassment of real estate men by putting signs in their windows reading: “This house is not for sale.” Those who wished to start panic selling in the hope of buying houses cheaply and reselling them at higher prices, were not made welcome. Such a neighborhood will keep its values, economic and moral, and in the process will gain some excellent new citizens.

It is important to remember, too, that if there were a free housing market for Negroes in the United States today there would be no reason to fear wholesale invasion. Negroes represent less than 5 percent of the total population in the North today. If they were not restricted in the choice of their homes to a few ghetto areas, they could easily disperse throughout the country and there would be little reason to fear that they might inundate any single community.

Even in today's segregated housing market, the chances of Negroes invading suburban areas “en masse” are highly unlikely. Despite the increased earning capacity of Negroes today, only a tiny fraction can afford to buy homes in suburban communities. There are relatively few Negroes moreover—even affluent Negroes—that are ready today to move into a strange and hostile white community and expose their children to the difficulties of adjusting to such a community. “Like all people, he (the Negro) usually wants to move when and where he finds himself welcome. He will not gamble on embarrassing his family or risking his investment in an area where he knows he will be unwelcome or his wife and children feel discomforted.”¹⁰ The fear therefore that vast numbers of Negroes will invade any given white community en masse ignores completely the normal reluctance of people to leave the security of their “own group” and face hostile strangers.

Conclusion.—The movement of one Negro or Puerto Rican into a neighborhood will not necessarily change the neighborhood. Only hysteria and panic selling

⁸ “Guide to Changing Neighborhoods,” a manual on intergroup relations problems in neighborhoods undergoing change. Published by the National Community Relations Advisory Council, 55 West 42d St., New York 36, N.Y., 1956, p. 38.

⁹ “Guide to Changing Neighborhoods,” cited above, p. 38.

¹⁰ “Forbidden Neighbors,” cited above, p. 275.

can cause a neighborhood to radically change its face. If residents "stay put" and if they do not succumb to the high pressure tactics of some real estate promoters—their neighborhood will retain its value and status.

Myth 3: Negroes do not maintain their property

Facts.—The best way to disprove this myth is to look at those areas or housing developments that have been integrated, such as Germantown, Pa. (a wealthy suburban community); Queensview Houses (a nonprofit cooperative in Queens, N.Y.); Parkway Village, N.Y. (an interracial development primarily for UN personnel); Windermere Place, St. Louis (a street of large and comfortable homes in what was once the most fashionable section of St. Louis); Concord Park, Pa. (an interracial housing development of 139 homes in the \$12,000 to \$16,000 class); to mention just a few. In all of the areas the minority group families have kept up their property as well as or better than the oldtime residents.¹¹ The Philadelphia Human Relations Commission in discussing this problem states:

"Our most important evidence that Negro homeowners keep up their property well is right here in Germantown. We can think of many blocks where Negro homeowners have kept up their properties far better than the previous white owners."¹²

Another basic way to explode this myth is to realize that it is based on "stereotype thinking"—thinking that considers Negro occupancy as exclusively "slum occupancy" and believes that the Negro has created slum conditions. Those who are prone to such views fail to recognize that slums were not caused by the Negro but rather by the failure of landlords in slum areas to make repairs in deteriorated houses and the failure of the city to enforce its own housing and sanitary regulations to prevent the overcrowding and filth that accumulate in these areas. Usually, it is the "advancing age of the structure coupled with lack of maintenance by indifferent or greedy absentee owners who know it is not necessary to maintain the properties to hold tenants who have no other place to go that is the primary cause of slum conditions—not the dwellers. Whites observing Negroes living under these conditions are prone to blame the Negroes for it—whereas as the Negro is the victim not the cause."¹³

Where the Negro has been given the opportunity to live in decent well-kept housing projects, it has been observed frequently by housing experts that "the housing projects inhabited by Negroes are in fact outstanding for their neatness and spruceness."¹⁴

Negroes who move into suburban communities are as determined as their white neighbors to "keep up" their homes and neighborhood. They, too, have a property interest and have as much or more to gain by protecting their investment. If they can afford the price of a suburban home, moreover, they are generally of the same or higher economic class (professional or white collar) as the other residents of their community and as such have acquired the same standards of such class. To stereotype all Negroes as "maids, bootblacks, and porters"—enjoying the filth of the slums and incapable of keeping their own homes clean (there is no question that they can keep the homes of white employers clean)—is to fall prey to the worst kind of stereotyped thinking.

Conclusion.—An examination of interracial housing developments and interracial neighborhoods proves that Negroes maintain their property as well or better than their white neighbors. They, too, have a property interest in their homes and a civic interest in their neighborhoods. It is wrong to blame the Negro for the filth and poor condition of the slum areas where he is forced to live. These conditions are not caused by Negro occupancy. The Negro moves in after the area has begun to run down. He is the victim, not the cause.

Myth 4: Negroes will not be able to keep up their mortgages and thus will be forced to sell their homes at lower prices to a poorer class of people. This will eventually lower the economic standing of the neighborhood

Facts.—Census figures show that the nonwhite population is steadily advancing to better paid occupations and to greater security in jobs, as well as to higher educational levels. More and more Negroes are going through high school, col-

¹¹ "They Say, That You Say," published by the American Friends Committee, 1957, p. 9.

¹² "They Say, That You Say," cited above, p. 9.

¹³ "Values in Transition Areas," cited above, p. 6.

¹⁴ "Forbidden Neighbors," cited above, p. 268.

lege, and professional schools; more and more Negroes are entering the professions and white collar jobs. Their salaries are increasing. They are classified today as "good credit risks."¹⁵

Albert M. Cole, U.S. Housing and Home Finance Agency Administrator, wrote recently:

"Recent studies in a large number of our cities indicate a very substantial waiting market for Negro housing ranging from \$40 to \$90 in rents and from \$6,500 to \$15,000 for sales housing, with a fair number of minority families able to enter the luxury market."¹⁶

Credit experience with Negro home buyers has been excellent. The president of one of Philadelphia's biggest mortgage companies has written:

"Over the years a great segment of the Negro population has obtained the respect of lenders, simply and quietly, by paying their bills when due. Actually there is no difference in our delinquency records between white and Negro loans and we take pride in our below-average mortgage delinquency record."¹⁷

Conclusion.—The nonwhite population is advancing to better paid positions as well as to higher educational levels. Recent studies indicate that Negroes are good mortgage risks and there is no evidence of any difference in delinquency records between white and Negro loans.

Myth 5: Neighborhoods should be homogeneous with residents having the same cultural and economic background

Facts.—Educators and psychiatrists agree that neighborhoods containing persons of only one racial, religious, ethnic, or economic background are not good for children or for adults. A town of all bankers or all shop clerks or all middle income professionals is similar to a one-industry company town. People have little opportunity for cultural enrichment if they do not have the opportunity to meet people of different backgrounds and experience. Their horizons become narrow and limited by the meagerness of their experiences and associations. "A sprinkling of poor artists and frustrated poets, plus a few good restaurants run by some foreigners with culinary talent, might be a tonic relief, to a neighborhood of bank clerks and shopkeepers, though their intrusion might violate the concept of homogeneous neighborhoods."¹⁸

Homogeneous neighborhoods also breed homogeneous schools. Educators are convinced that heterogeneous schools in which children of all races, religions, and ethnic backgrounds work, study, and play, are far better for the education of a child. It is the purpose of education in a democracy to provide a child with an opportunity to associate with children of diverse backgrounds and thus stimulate aspirations not limited to those provided by his own family. If a child never associates with a Negro, a Jew, a Protestant, or a Catholic, he will be more apt to develop erroneous ideas and unfounded fears about such persons who do not belong in his real world. A child of upper middle-class parents who never associates with children living in poverty and hardship will never understand the problems of our society. The best private schools attempt by scholarships and other inducements to attract children of all backgrounds, so that the school may be truly representative of the American cultural scene.

Conclusion.—Homogeneous neighborhoods and homogeneous schools are not good for adults or children. They provide limited opportunity for broadening one's horizons and little or no opportunity for cultural enrichment.

Myth 6: If Negroes are permitted to live in the same areas as whites and go to the same schools, intermarriage will increase

Facts.—For the Jew, the problem of intermarriage has a special dimension. Jews want their children to marry within the Jewish faith so as to perpetuate the ideas of Judaism. The Jew recognizes that when he left the ghettos of Europe he naturally exposed himself to the danger of intermarriage, either racial or religious. Any time that people of different backgrounds are thrown together there is always this possibility of intermarriage. "Race mixture has been going on during the whole of recorded history."¹⁹

¹⁵ "They Say, That You Say," cited above, p. 10.

¹⁶ "Housing Without Racial Barriers," published by the Council of Social Action United Church of Christ, 1957.

¹⁷ Maurice R. Massey, president, People's Bond and Mortgage Co., "Correlator," a publication of the National Association of Home Builders, March 1954.

¹⁸ "Forbidden Neighbors," cited above, p. 282.

¹⁹ Dunn and Dobzhansky, "Hereditry, Race, and Society," 1952, p. 115.

But the Jew recognizes, too, that for him the best defense against such intermarriage is obviously not to confine people, either himself or the Negro, to the isolation of the ghetto. On the contrary, his only defense is to develop a love for and pride in the Jewish heritage among his children so that intermarriage is unlikely to occur. In other words, an affirmative program of Jewish education, not religious ghettoizing, is the only truly effective defense against intermarriage and the best means of assuring Jewish survival.

In any event, the leading psychiatrists in the country today state unequivocally that no evidence exists to prove that desegregation of the schools and the mixing of white and Negro children that occurs thereby in and of themselves leads to intermarriage.

The Group for the Advancement of Psychiatry (GAP), a society of distinguished psychiatrists, has stated:

"The expectation voiced by many people that school desegregation will result in a great rise in the rate of intermarriage seems to be an expression of their bias and fear, rather than a reliable prediction. As a matter of fact, the information on which to base predictions with regard to racial intermarriage is extremely sparse and rather confusing."²⁰

This same report concludes:

"The many factors that determine fluctuations in the rate of racial intermarriage are far from clear. In Boston, where legal school desegregation has been in effect for decades, there was a relatively high rate in the years immediately after 1900 and a marked decrease in the next decades despite a constant ratio of Negroes to the total population. In urban New York State, other than New York City, the ratio climbed between 1916 to 1924 and then dropped steadily for the next 10 years. No satisfactory explanation for this shift has been established. The facts conclude that legal school desegregation per se does not influence the rate of intermarriage in ways that are yet predictable."²¹

The Committee on School Desegregation of the Society for the Psychological Study of Social Issues, arrives at the same conclusion:

"One ungrounded fear is that intermarriage will result from desegregation. Statistics show that in parts of the United States where there has been no segregation, intermarriage is a rare thing indeed. * * * Fear of something new and different makes many otherwise reasonable people believe such myths and discount contradicting facts. * * *"²²

There are many complicated psychological and social factors that determine marital choice; for most persons, similarity of social, religious, and economic backgrounds is the determining factor in the choice of a mate. Under the social conditions of today, such similarity between Negro and white is rare. It is unrealistic to conclude, therefore, that closer association in school and neighborhood will of itself provide the similarity of background conducive to intermarriage.

Conclusion.—Intermarriage will not necessarily increase if Negroes and whites live in the same areas or go to the same schools. Leading psychologists, psychiatrists, and sociologists support this conclusion. For the Jew this problem has a special dimension. His best defense against intermarriage is an affirmative program of Jewish education, not racial or religious ghettoization.

Myth 7: Social prestige will be lost of Negroes or Puerto Ricans live in your neighborhood

Facts.—Basically, a neighborhood gains prestige from its appearance, from the stature of those who live in it and the quality of its community life. A man's stature is earned by his professional standing, his economic level, his leadership in civic activities—not from the color of his skin. When Ralph Bunche moved into Cambridge, Mass., no one doubted that the prestige of the town had been increased, rather than decreased.

Those people fearing loss of status because of the influx of the Negro are confusing cause and effect. They see social deterioration and decline in many areas where the Negro lives and incorrectly blame the Negro for this social decline and loss of neighborhood prestige. They then erroneously conclude that the purchase of a home by any Negro, even an affluent Negro, will cause the

²⁰ "Psychiatric Aspects of School Desegregation," Group for the Advancement of Psychiatry, 1957, p. 29.

²¹ "Psychiatric Aspects of School Desegregation," cited above, p. 29.

²² Jean D. Grambs, "A Guide to School Integration," a Public Affairs Pamphlet, No. 255, printed in cooperation with the Society for the Psychological Study of Social Issues, 1957, p. 4.

same decline in their own neighborhood. The Negro who is rich enough to purchase a home in the suburbs belongs to a class that will not threaten a community's status or prestige. His professional standing, his economic level, and his intellectual achievements will generally equal or surpass those of his white neighbors.

In urban areas, like the west side of Manhattan, for example, it is equally erroneous to blame the Negro for the loss of social prestige that his presence allegedly brings to a neighborhood. While this neighborhood has undoubtedly become physically less attractive during the past decade, it is important to remember that this decline began before the Negroes and Puerto Ricans began to move in. A study of this area shows that the conversion of one- and two-family town houses on the west side into rooming houses began as far back as 1930—before the Negroes and Puerto Ricans began moving in. During this same 30-year period—before the mass infiltration of the Negroes and Puerto Ricans—doorman and elevator service decreased steadily in the area, families of wealth began to move out and the telltale signs of deterioration set in. Only when an area has begun to “run down” and rents begin to fall can the bulk of Negroes and Puerto Ricans afford to move in. The American public has badly confused cause and effect. The Negroes and Puerto Ricans are blamed for causing the deterioration, but actually they inherit and do not cause this deterioration.

The way to preserve a neighborhood's appearance and status is not by barring Negroes or Puerto Ricans, but by insisting that health and housing regulations are obeyed, that zoning ordinances are enforced, that overcrowding is prohibited, that landlords keep their houses in proper repair and maintenance and that city planners strive to protect the neighborhood. Only by a widescale program of planning, enforcement and education can a neighborhood retain its attractiveness.

Conclusion.—A neighborhood's social prestige will not be lost if Negroes or Puerto Ricans move in. A neighborhood gains prestige from its appearance, from the stature of those who live in it, from the quality of its community life—not from the color of its inhabitants' skin.

Myth 8: Negro children are innately less intelligent than white children—Integrated schools therefore will result in lower educational standards and will hold back the intellectual development of white children

Facts.—The assumption that there are innate differences in the intellectual potential between Negroes and whites or between Puerto Ricans and other Americans is flatly denied by all scientists.²³ It is, however, recognized that there are differences in the educational motivation and aspiration and the levels of educational attainment of Negro and white children. Eighty years of discrimination and segregation must of necessity affect the learning capacities and motivation of a people. Culturally and economically deprived families (white, Puerto Rican, or Negro) are characteristically low in social morale and in incentive to learn, to aspire and to develop individual potentials.

The impact of segregation on minority children has done much to lower their aspiration and inhibit their learning. Segregation prevents them from sharing equally in the benefits and rewards of American society. “Without the necessary motivation and desire, they are unable to utilize and exploit the available social and cultural resources that enhance opportunities for personal development, mobility, and achievement.”²⁴

In other words, if many Negro students do tend to rank below many white students, (there are some Negro children who do better than the average white child),²⁵ it is not because of any innate biological difference but “because of lack of incentive and feelings of inferiority and because they come from homes and communities where there are few if any cultural advantages.”²⁶

It is important to recognize, too, that genuine integration of 10 helps the Negro student to make up previous educational differences. “A study, for example, of Negro migrant children in Philadelphia showed that while these youngsters were markedly inferior to white classmates when in first grade, by the time they reached the sixth grade there was no difference between the Negro and white

²³ “Social and Psychological Factors in Integration,” “The Journal of Educational Sociology,” October 1957, p. 61.

²⁴ Naomi Levine and Don Hager, “Children, Together” (1957), p. 38, a pamphlet published by the American Jewish Congress.

²⁵ “Children, Together,” cited above, p. 41.

²⁶ “A Guide to School Integration,” cited above, p. 23.

groups. It may be concluded from this that the difference between Negro and white students will be markedly decreased as integration proceeds."²⁷

Planned programs for school integration, moreover, anticipate and plan to reduce the gap likely to exist between Negro and white children. Smaller classes, improved facilities, more experienced teachers, better remedial work, more extensive guidance and motivation resources, special classes for gifted children, special classes for children with language difficulties, enriched curricula—all of these might be part of a good integration program. Thus conceived, a real integration program becomes indistinguishable from the general effort to advance the goals and promise of public education.

The program for integration proposed by the New York City Commission on Integration includes these steps and many more. In addition, the Integration Commission has asked for several million dollars to build new schools, improve the old buildings, and generally improve the physical condition of all the schools. In the long run, therefore, such an integration program will improve educational standards for all children.

In suburban communities the fear that permitting a few Negro children into the schools will lower the standards of the schools is completely fallacious. The children of Negro families able to afford suburban homes generally have the same aspirations and motivations as white children. They do not suffer from the limited educational horizons of children from economically depressed areas.

There is still another dimension to the problem of integration in education, a moral dimension, that cannot be ignored. No objective observer denies that the level of educational attainment in a segregated public school is generally not equal to that prevailing in an integrated school. Even if a segregated school were equal in the physical facilities it provides, the mere fact of "segregation" humiliates minority children—a humiliation that retards educational motivation and achievement. The fear that integration can only be achieved by lowering the quality of education for the white child is a tacit admission that segregated education (and segregated society in general) is in fact responsible for providing nonwhite children with substandard education. Otherwise there would be no need to express concern about nonwhite children holding back the educational process. Desegregating the schools has merely brought to the attention of the whole community the problems that were "safely bottled up inside the segregated school system."²⁸ It is morally indefensible to demand the best educational facilities for white children and at the same time to ignore or remain indifferent to the damage we are inflicting on Negro children by confining them to ghettoized schools. It is this ghettoization in housing and in education that helps to breed and create the maladjusted child, the delinquent and the criminal. The alternative to providing integrated schools, therefore, even at the risk of a temporary decline in the standards of a white school (a decline which need not even take place or can be quickly overcome)—is to perpetuate a system of inferior education for a tenth of our citizens. This type of racial selfishness cannot be condoned.

Conclusion.—Negro and Puerto Rican children are not biologically less intelligent than white children. Segregation and discrimination, however, have lowered their aspiration, social morale and their incentive to learn. A genuine integration program, therefore, makes provision to reduce this gap wherever it exists, by requesting smaller classes, improved facilities, more experienced teachers, better remedial work and more extensive guidance and motivation resources. Thus conceived, a real integration program improves the educational standards for all children.

Myth 9: If Negroes or Puerto Ricans move into a white neighborhood, crime and delinquency will increase

Facts.—In discussing this myth, it is important to distinguish between the movement of a few Negroes into a suburban community and the creation of "black belts" in formerly allwhite urban areas. No one believes that crime and delinquency will result from the first movement; it is the second that produces this fear. It is a justifiable fear. For, there can be no question but that slum conditions—crowded, filthy apartments, poor schools, lack of recreational facilities, dirty streets, and the inadequate home life they reflect—go hand in hand with crime and delinquency. Such slums, peopled by those who are denied educational opportunities and discriminated against in employment, do produce

²⁷ "A Guide to School Integration," cited above, p. 24.

²⁸ "A Guide to School Integration," cited above, p. 22.

criminals and delinquents. But, the way to protect a community against such crime and delinquency is not by running away from it. The criminal or delinquent cannot be confined to his slum. What stops him from traveling two blocks or 2 miles to rob or molest? To keep the Negro or Puerto Rican locked in his slum, subject to the social diseases that slums breed will not provide protection for anyone anywhere. Real protection lies in destroying this ghetto, in providing fair housing markets so that anyone can choose better places in which to raise his children, in giving him better schools and a labor market that will accept him on merit alone.

Conclusion.—There can be no question but that slum conditions do go hand in hand with crime and delinquency. The way to protect a community from these social diseases is to provide fair housing markets for all people, to give all people better education and employment opportunities and to rigidly enforce housing, health, sanitary, and police regulations so that every part of the city is conducive to decent living.

Commissioner HESBURGH. But you answered most of my questions en route.

I was going to question you about your different approach to Senator Javits, but I think you answered that very specifically.

Mr. LOWELL. Thank you.

Commissioner HESBURGH. Thank you for coming, Sir.

Mr. Tiffany, would you kindly call the next witness?

Mr. TIFFANY. Mr. Ramon Martinez.

Mr. Martinez is representing the Council of Puerto Rican and Spanish-American Organizations. Mr. Martinez was born in Puerto Rico. He taught at the University of Puerto Rico. He is a member of the Bar of the U.S. Supreme Court.

With him is Mr. Pedro Canino, who will tell about the day-to-day work of the housing clinics established by the Council of Puerto Rican and Spanish-American Organizations. Mr. Canino is also a native of Puerto Rico. He is President of the Parents Association of Public School 108.

Commissioner HESBURGH. Go right ahead, Mr. Martinez.

STATEMENT OF RAMON MARTINEZ, REPRESENTING THE COUNCIL OF PUERTO RICAN AND SPANISH-AMERICAN ORGANIZATIONS OF GREATER NEW YORK

Mr. MARTINEZ. Mr. Chairman, the Council of Puerto Rican and Spanish-American Organizations of Greater New York, representing 54 civic, social, cultural, religious, and fraternal organizations, has taken with interest and with enthusiasm this opportunity to share with the Commission on Civil Rights some of its concerns and experience in housing.

It is not a mere coincidence that there are now approximately 750,000 Puerto Ricans in the United States struggling for better housing and for better human interaction with their fellow Americans throughout the Nation.

This migration, like all migrations of people all over the world, does not occur in isolation. People from Puerto Rico, like people in

general, move to those places that afford them better economic future.

The Puerto Ricans come to New York and other areas in the United States because they are needed to fill jobs. They are part of total internal migratory movements which, according to the Census Bureau, equals 5 million persons a year, Americans who each year move their homes from one State to another in search of better economic opportunities and because they are needed to fill existing job openings in other States. This mobility is of tremendous economic importance to the country as a whole since it is by this means that the high productivity of our industrial society can be maintained.

During the past 5 years Puerto Ricans have equaled less than 1 percent of the total internal migration taking place within the United States, and they dramatically illustrate the fact that migration is directly motivated by existing job opportunities. Thus, for example, the number of Puerto Ricans migrating to the mainland during the past 3 years continues to drop as a result of the drop in job opportunities.

In the year 1956 52,315 Puerto Ricans migrated to the United States, of which 34,000 remained in the city of New York; that is to say 65 percent of the total.

In 1957 37,704, of which 22,600, or 60 percent remained in New York.

In 1958 29,400, of which 17,600 remained in New York City, that is, 60 percent.

Mr. Chairman, you will notice that the figures are diminishing with the years.

This relationship between migration and job opportunities has been recorded since 1908 as far as the Puerto Ricans are concerned and clearly demonstrates this relationship.

In this connection, we Puerto Ricans, who represent the smallest part of the total internal migration within the United States, have nonetheless, become, for many people, the personification of the problems involved in migration. We do not create slums. Like others, we may help to intensify them; but actually we are the victims of slums. The slums were here before we came, and if all the Puerto Ricans left the United States you still would have slums. The basic problem existing in New York and throughout the country is the fact that there are not sufficient dwelling units for low and lower middle-income groups, who are the very groups needed in our urban centers to provide the work force to keep our economy rolling. It would seem, therefore, necessary for the Congress or the President to have conducted a complete study of the problems involved when 5 million people move from State to State each year so that appropriate legislative measures can be taken to help both

the communities from which these citizens leave and those to which they move.

We are primarily concerned at this point, however, with the housing situation of the Puerto Rican and Spanish-speaking population of the New York area.

Our interest and concern in the field of housing has been a long-term one that stems from the very considerable number of different types of housing situations facing Puerto Ricans and Spanish-speaking people in this city.

Some of these problems we have attempted to help ameliorate through our housing clinic program. This is a program through which organizations or institutions organize housing information centers in different neighborhoods, be they churches, parent groups or civic organizations. These information centers, 20 in number, run by volunteers, have served well over 10,000 families with problems of housing violations, lack of necessary repairs and services, relocation and legal problems, in an ongoing educational program for both landlords and tenants.

Through our work in these housing clinics throughout the city, we have become very much aware of many facets of the serious housing problem that faces the city's population.

Probably the single most serious aspect of this problem is the very scarcity of housing, particularly for low and lower middle-income families. For many Puerto Rican families, there just isn't any decent place to move to.

This scarcity of housing, complicated by discriminatory rental practices toward Puerto Ricans, results in numerous evils. One is considerable overcrowding in some neighborhoods where Puerto Ricans reside, with large numbers of families forced to dwell in single-room occupancy at very high or often exorbitant rentals.

What was once a free housing market in the 1930's is today a greatly limited and disadvantageous one to a family seeking adequate dwelling. Tremendous dislocation in supply and demand in housing has brought about practices bordering at times on the unscrupulous, situations in which Puerto Rican families are often faced with the alternative of paying many hundreds of dollars in order to purchase the key for an apartment or living in crowded or undesirable one-room occupancy. All this is further complicated when the family is a large one, for whom the possibility of obtaining adequate housing is greatly reduced in public as well as in private housing.

Thus, today in New York, as in many communities, we find a young economically productive Puerto Rican group greatly limited in fulfilling its aspirations by being forced to live in increasingly deteriorating neighborhoods. The effects of this on family life, as well as on

the well-being and education of the young, are well documented in both local and national studies.

For this reason, the Council of Puerto Rican and Spanish-American Organizations of Greater New York is on record as supporting a much needed and increased public housing program, since up to now no method has been found whereby private enterprise can profitably build the very much needed low and lower middle-income housing.

We believe, however, that this very much needed public housing program has had a number of shortcomings, which while on the one hand provide necessary relief from congestion, on the other hand increase congestion, due to the fact that relocation policies and initial planning policies are not geared to adequately relocate tenants being displaced in areas to be improved.

The Council of Puerto Rican and Spanish-American Organizations has continuously felt that a program of urban renewal could never be greatly effective unless it considers the accepted principles of balanced economic and ethnic neighborhoods. This is so not only in the direction of the community which is being renewed, but in the relocation procedures implemented which affect the neighborhoods to which relocatees move.

We are concerned with the possibility of the creation of neighborhoods by urban renewal programs where only one economic group or ethnic group may eventually find itself.

Urban renewal programs affect the family, but also often adversely affects the small Puerto Rican businessman. Housing programs take their toll in considerable numbers of developing small Puerto Rican businessmen. This is important to us because it is an accepted fact that successful participation in the business life of the city by minority groups is a decided step forward toward the successful adjustment and recognition of the new group.

Too many small businesses representing the economic life investment of whole families have been dislocated or eliminated completely. Only lately have minimum facilities for a very limited number of small businessmen been provided in public housing projects. It should be recognized that the small businessman has brought stability to the neighborhood of which he is an integral part.

A community is a partnership of government and the public. In a democratic setting, each one works with the other. Residential restrictions, it is more and more being recognized, bring out tensions and misunderstandings between groups of the community.

A very significant step forward in democratic living has been taken in the city of New York with the enactment of the Fair Housing Practices Act, that is, the Sharkey-Brown-Isaacs law, which prohibits discrimination in much of the city's private dwelling. The Council

of Puerto Rican and Spanish-American Organizations, through its constituent groups, is carrying out an educational program to try to make the people aware of their rights and responsibilities in this field.

This law is important to the Puerto Ricans who are not familiar with mainland residential restrictions and discriminatory practices. The Puerto Rican has no experience in complex minority-group settings since in Puerto Rico the concept of minority groups, as known on the mainland, does not exist. On the continent Puerto Ricans encounter discrimination frequently in the manner in which minority groups are faced with these practices.

This law, therefore, is of real importance since it establishes a public policy within the city of no discrimination in private housing, as has been the case for years in public housing. There is no doubt that this law is of real value in our effort to promote a better life for our people here in the city of New York.

The Council of Puerto Rican and Spanish-American Organizations believes that New York State will follow the example of New York City and pass pending legislation to this effect in the manner in which other cities and States in the Nation are contemplating adopting similar legislation.

It is to be expected that as this process follows from city to State, so it must follow from State to Federal policy.

May I say, Mr. Chairman, before I am allowed to withdraw, I want to call attention to this Commission to two aspects of this thing that, to a great extent, have been passed up or have been eliminated by those who have spoken before.

One is the influence of the housing on neighborhood psychology. You and I know, Mr. Chairman, that if a boy—now, just looking at it objectively—from the West Sides comes over to the East Side he is liable to get rocked out of the East Side back to the West Side, and vice veras. Now, there's no question that the character of the housing determines the pattern of the neighborhood and the psychology of that neighborhood, so that where you have just one group in a neighborhood that group, because of its own special interest, develops a certain psychology which resists or refuses to accept the intrusion of any foreign element into it, so that when you eliminate discrimination in housing you also eliminate that group psychology that tends toward restriction and not toward more liberal acceptance of the foreign element.

Now, the other thing that I want to say before I withdraw is this: Much has been said here about the lack of necessity of a law because we have enough laws. The law is needed. The law is needed if for

no other purpose, as this document says, than to set the policy; but, besides the law, we need also enforcement and, much more than that, Mr. Chairman, we need leadership. I charge that the Federal Government has been very lax in taking leadership in this question of racism and discrimination in this country, and I am not referring only to the Eisenhower administration; I am referring also to the Truman administration.

Mr. Truman got elected in 1948 on a strong civil rights program or platform, got nominated in Philadelphia, and we thought after the election he was going to follow up with the type of leadership that would help to create a climate of nondiscrimination in this country, but he didn't. He failed to follow up, and the Eisenhower administration is doing the same thing.

Now, if we take a middle-of-the-road course—I am talking now about the administration—or a policy of nonaction, for fear of being charged with partisanship, we're only giving encouragement to those groups who would otherwise be afraid to be so bold as they are.

There is an inconsistency, Mr. Chairman, between the domestic policy of the administration in reference to housing, education, voting, wherever discrimination shows itself, and the foreign policy of the United States. Now, Mr. Nixon was very much abused down in South America, and we, as Puerto Ricans, are very much concerned with the foreign relations or the relationship of the United States with the Latin American countries. He was very much insulted in South America, and one of the things that stood out in the whole process of abuse that he received were the placards saying "Little Rock," "Little Rock," "Little Rock."

Now, we're going to have to take a stand. The administration should be more positive, more outspoken. That isn't partisanship. The administration would only be speaking and defending and making pronouncement on behalf of the political philosophy and the principles on which this Government rests. There is no partisanship in it. The fear of partisanship, I think, is not well-founded.

Commissioner HESBURGH. Thank you very much.

We are running very much behind time. So, if you could brief your remarks, Mr. Canino, we would appreciate it very much.

STATEMENT OF PEDRO CANINO, REPRESENTING THE COUNCIL OF PUERTO RICAN AND SPANISH-AMERICAN ORGANIZATIONS OF GREATER NEW YORK, AND PRESIDENT, PARENTS ASSOCIATION OF PUBLIC SCHOOL 108

Mr. CANINO. Thank you, Mr. Chairman.

I am grateful for the opportunity to come before you today.

I live in East Harlem, and I work in East Harlem.

My colleague on the Council of Puerto Rican and Spanish-American Organizations has painted or has referred to the overall picture. I am going to refer myself or apply myself to specifics.

I am one of the new Americans, in spite of my age and in spite of the fact that I have been 42 years an American citizen, 32 of which I served the new government of mine faithfully. I live with my problem every day, and I do not qualify as an expert, but I can cite chapter and verse of the trials and tribulations visited upon my people in the area I am going to refer to. I refer to East Harlem.

It is my happy lot to live in East Harlem, the happy hunting ground of the predatory landlord. I said "happy lot" because it affords me the unique opportunity to assess the extent of the misery visited upon the unfortunate of a circumscribed area firsthand. East Harlem is a rent jungle, where four filthy rooms and a kitchen brings the landlord the unheard of rental of \$139 a month. East Harlem is a place where 10 and 11 human beings have been crowded into 1 room. East Harlem is a place where a decontrolled apartment is subdivided into eight cubbyholes, filthy cubbyholes at that, where tenants are afraid to put their lights out at night for fear of rats, where the bathtub on the side is disconnected, where the stove has only two working burners and there is no door to the old one. The living room in this filthy den was at one time—and I am referring to a specific case—\$20 per week. Multiply \$20 by 8, if you will, and then multiply \$160 by 4, and then you get and you arrive at a criminal bleeding of a trusting, helpless minority, both Negro and Puerto Rican. East Harlem is a place where a fire of suspicious origin will get one of these fire traps vacated, renovated and subdivided into telephone booths, and then decontrolled into perpetuity, thus bringing the landlord 1,000 percent profit.

The rentals they charge will put Park Avenue rentals to shame. Property has been allowed to deteriorate to such an extent that sometimes it is risky to nail anything down. It is becoming fashionable to charge you by the individual. Do not send your son or daughter away to school because you will have to prove in court that your son is your son and not another paying boarder. East Harlem is a place where you pay one rent on the table and another rent under the table. East Harlem is a place where fire traps are managed from Yonkers, New Jersey, and Long Island. The absentee landlord is the rule; just a telephone number, known only to the janitor. In East Harlem you can buy the right to use the four walls of an empty apartment for \$400 and \$300 apiece. We have documentary evidence to prove the fact. The city of New York has in their files, you know, evidence to that effect.

The landlord throws in an old bed, two chairs and a rickety table and calls it furniture, and makes it look legal. In East Harlem you have the legal subdivided apartments, four apartments or one controlled apartment in one building. The controlled apartment the landlord holds for a year as his own and then offers it for rental at an extortionate price. So, you see, everything is legal. In East Harlem the landlord conveniently forgets all about painting for 4, 5, 6 years, when you do not know the ropes. If you press him too hard with a threat in rent reduction, he tells you his painters are busily engaged elsewhere and offers you the paint, and you fall for it. He then tells the commission that a tenant has always done his own painting. The files in the rent commissioner's office are full of unfortunate cases where an individual who barely knows how to sign his own name has signed 5 and 6 blank forms which the landlord later decorates at will. It is either a graduated lease or some other trap that can and will be made to stand in a court of law. We are paying a frightful price for our ignorance.

We know of cases where the real estate combine holds title to a residence hotel and each of the members of this combine have allocated themselves the property of one floor at a time in order to circumvent the law. We know of instances in East Harlem where now, at present, the situation is obtaining—where 5, 6 or 7 large real estate groups, you know, managed by brokers, are taking the reins of all the loose real estate and are establishing offices outside the area and controlling it to the exclusion of small groups, and this is bringing an intolerable condition into the area.

We would like teeth to be put into the legislation. We would like to have intensive planning done before our people are displaced, are made to roam not only the city of New York, with a potential of juvenile delinquency, but other cities also.

The city as well as the State are doing their best, but we need some Federal help of sorts because at the present rate, you know, we are going to despair of even obtaining, us citizens of the United States, the blessing of liberty and the benefits of a democratic state.

At present we have only qualified for segregated housing and for segregated schools for our children.

I think that a little forbearance should be shown and that steps should be directed toward bringing a more equitable distribution of the fruits of our democratic society.

Thank you.

Commissioner HESBURGH. Thank you very much, Mr. Canino.

I think Mr. Tiffany, our staff director, would like to ask you a question.

Mr. TIFFANY. Mr. Martinez, as you spoke, I considered myself as how I might act if I were in a land among strangers. I think I would

tend to find others of my race and possibly there could find some security. Do you agree this is a natural tendency, when you are a stranger in a foreign land, to find others, for company and security, of your own race?

Mr. MARTINEZ. Let me see if I understand your question. Are you speaking now of the Puerto Ricans who might come or are you speaking now of an individual who is different from the homogeneity of a certain neighborhood?

Mr. TIFFANY. I ask if a Puerto Rican coming to this country would have a tendency to join other Puerto Ricans who had preceded him in coming to this country.

Mr. MARTINEZ. Well, I possibly would answer that question this way: I don't think it is any different with the Puerto Ricans than it would be with any other nationalistic group.

They first go, just by the principle of gregariousness, to that place where they find the greatest facilities for living, and then, from there, when adjustments come, they branch out. Now, you take, for instance, Spanish Town. What we call Spanish Town is that section of New York east of say, Lenox Avenue and south of 125th Street, down toward Yorkville. You will find a lot of Puerto Ricans who first, when they first came, came there and lived there, who no longer are living there, who are living in other integrated areas of the city.

Mr. TIFFANY. This, then, would be a natural tendency on the part of most minority groups upon first coming to the country?

Mr. MARTINEZ. Well, the same thing would happen not only on first coming to the country. Of course, you have the language barrier which makes them gravitate toward that particular spot first, but you have the same situation with Negroes and other nationalistic groups.

You take, for instance, the Negroes. Mr. Wilkins just said here this afternoon that there are Negroes who wouldn't live anywhere else outside of Harlem, and naturally you would have Puerto Ricans who wouldn't live anywhere else; but the tendency is to first, until adjustments are made, unless they have families in other areas—

Mr. TIFFANY. My only point is: This is a natural tendency and a human tendency which we might find among all minorities; is that not so?

Mr. MARTINEZ. Well, I wouldn't deny it. Yes, it is. The principle of gregariousness is the first inducement to go there, but then, afterward, when they become more familiar with the environment and more adjusted, the tendency is to get away to better living, wherein they can find it.

Commissioner HESBURGH. Thank you very much, Mr. Martinez and Mr. Canino, and we hope something can be done about these conditions.

Mr. CANINO. Yes, sir.

Mr. MARTINEZ. Yes, sir.

Commissioner HESBURGH. Mr. Tiffany, would you call the next witness?

Mr. TIFFANY. Mr. Irving M. Engel, president of the American Jewish Committee.

Mr. Engel is a native of Birmingham, Ala., where he practiced law for 10 years. He has served as chairman of the policy board of the Citizens Committee on Displaced Persons and as a member of the President's Committee on Government Contract Compliance.

Mr. Leskes, director of the legal division of the American Jewish Committee, will join with the president of his committee.

Mr. Engel.

STATEMENT OF IRVING M. ENGEL, PRESIDENT, AMERICAN JEWISH COMMITTEE

Mr. ENGEL. Mr. Chairman, I am acutely aware of the lateness of the hour. I am also aware of the fact that much that I might have said if I had had the time has already been said before me and better than I could say it. So, I am going to eliminate the generalities and try to limit myself to specifics—

Commissioner HESBURGH. We would appreciate that.

Mr. ENGEL. That perhaps have not been called to your attention.

I do want to say that I sit here as the representative of the American Jewish Committee—I believe the oldest agency in the United States devoted to the furtherance of human rights—and, by a scientific study, research, by education and by strengthening and expanding legal and constitutional safeguards, we are working with men and organizations of good will of all backgrounds to bring nearer the day when no man in our country and, hopefully, elsewhere would suffer injustice, discrimination or humiliation because of the color of his skin, the blood that flows through his veins or the way he worships his God.

Now, we're here to discuss primarily today the matter of discrimination in housing.

The Committee on Race and Housing, which last year issued its report on this subject, pointed out something that is known to everyone who has considered it to any extent, and that is discrimination in housing weighs most heavily on the nonwhite element in our population. There was a time when the slums were occupied largely by recent immigrants from Europe—the Irish, the Jew, the Italian, and so on. Now the slums are occupied almost entirely by Negroes, orientals, Puerto Ricans, and Mexicans.

There have been two major contrasting movements in our country that have added to this trend: First, there has been the movement to the large cities of the north, particularly New York, by Negroes from

the South and Puerto Ricans from their islands, and at the same time there has been the movement of middle-class whites out of the cities into the suburbs; and if this trend continues our city population will consist largely of the so-called underprivileged groups which will not be able to support, by taxation, the functions that the city has to perform for its inhabitants. So, we have full realization of the fact that the principal, the primary and the major problems of discrimination in housing affect nonwhites. To the Negro or the Puerto Rican, discrimination in housing is a very substantial thing—in effect, as has been pointed out here, whether he can get decent housing for himself and his family.

To the Jew—he can get in most cases equivalent housing—there is not a physical deprivation of housing. There is, however, a great psychological effect, for these discriminatory practices have the equivalent of the denial of full equality and in the so-called exclusive communities the residents and their children have the image of the excluded minority as being inferior and those excluded, on the other hand, carry with them the brand of inferiority and they, very justifiably, feel that they are not receiving equal protection of the law.

So, I turn to the question: “Is there discrimination in housing against the Jews?” The answer, unfortunately, is: “Yes, in practically every major city in the United States and in their suburbs.”

Let’s turn to New York City, and first the city proper. Formerly, there was considerable discrimination against Jews in higher grade rental housing. Today, as has been pointed out, that has been transferred largely to the cooperatives. There are now nearly 200 cooperative apartment houses in New York, the better ones situated in one square mile on the East Side north of 59th Street. Over one-third of them are restricted by one means or another against occupancy by Jews.

If we turn to the suburbs, we find a similar pattern. In a given area you will find one community that’s fully integrated as to the Jews and next to it, the same quality of housing, the same type of land, and so on, you’ll find the community that’s fully restricted against Jews. This is accomplished by various means: Restrictive covenants; gentlemen’s agreements; certain phrases in advertising that convey to the initiated what is meant; the club device. In a community that has a beach, for example, the privileges of the beach will be made available only to members of the club; and if you buy a house and can’t join a club you are deprived of that—and that’s the way they keep Jews out. By the way, the club device is used by Westminster Ridge in Westchester County.

There is a listing device where the brokers only get listings if they have agreed to subscribe to the local code, and in that way they don’t

sell to Jews. Summit, N.J. is an example of that. Perhaps the outstanding example of all in the metropolitan area is Bronxville, a community of 7,000 in Westchester County, 15 miles from where we sit. They have a unique type of restrictive covenant that requires a prospective purchaser to get the approval of all four of the nearest neighbors to the house he would like to purchase. Also, brokers participate in this conspiracy of complete exclusion, and this policy has gone on for at least four decades, and during those four decades Bronxville has been what Hitler called "Judenrein"—free of Jews. That takes place at Westchester County, New York, United States of America. So much for New York City. What about other places? The answer is the situation is very much the same, but I want specifically to turn to Washington, our Nation's Capital.

In the statement that we filed with you we referred to six areas in and near the District of Columbia, from which it is well known Jews are excluded as owners or as occupants of dwellings, and since we have filed that statement we have learned that these practices prevail in 14 areas. Here on this map are represented those areas. Note the northwest quadrant of Washington, reported to be the most desirable residential section and also that it contains the most land available for future development. These black areas that you see are areas in which no Jew is permitted. The boundaries may be somewhat indefinite, but the districts, in general, are the following: Kenwood, Hamlet, Spring Valley, Wesley Heights, Crestwood, Sumner, Wood Acres, Springfield, Colony Hill, Beacon Hill, Berkeley, Kent, Brookdale, and Westmoreland Hills.

Now, the large ones have been numbered here. Here's Colony Hill, very close to the downtown section of Washington; No. 2 here is Wesley Heights; No. 3 is Westmoreland Hills; No. 4 is Wood Acres; No. 5 is Brookdale—all of them within 4 or 5 miles of the center of Washington. Now, in some places the present owners are complying with ancient restrictive covenants, although the Supreme Court in 1948, as you know, declared them to be unenforceable. In others there are gentlemen's agreements which act as barriers against acquisition of homes by Jews.

Then there is the old pattern of discriminatory arrangements made by brokers, and they have contrived a variety of devious methods to accomplish their purpose, and one of them is to extract an agreement on the part of the buyer of property that on any future resale this same broker will be employed. So, in that way the broker keeps the matter in his hands. We respectfully suggest the Civil Rights Commission consider taking this matter up with the Board of Commissioners of the District of Columbia, which has charge of licensing these brokers.

Now, I want to say this: Perhaps the most disquieting aspect of the current situation in the District of Columbia consists in a significant number of high officials of our Federal Government—in the executive, judicial, and legislative branches, members of both political parties—who reside in these exclusive areas. In many cases they have signed deeds accepting these restrictive covenants. Contrary to the general practice, that's done in the District of Columbia.

I am going to take the liberty of reading briefly an extract from one of these restrictive covenants:

No part of the land hereby conveyed shall ever be used or occupied by, or sold, demised, transferred, or conveyed under, to, or in trust for, leased or rented, or given to, Negroes or any person or persons of Negro blood or extraction, or to any person of the Semitic race, blood, or origin, which racial description shall be deemed to include Armenians, Jews, Hebrews, Persians, and Syrians, except that this paragraph shall not be held to exclude partial occupancy of the premises by domestic servants of the occupants thereof.

That, gentlemen, was taken from a deed executed and recorded in the District of Columbia in 1955, 7 years after the Supreme Court had condemned such covenants and declared them unenforceable. I find it shocking that in the second half of this, the 20th century, such a deed should be placed on the permanent records of the District of Columbia, and one of our recommendations is that there should be a law prohibiting the recording officer from accepting instruments containing such restrictive covenants for record. It probably is unnecessary to add that these officials who have signed or accept such deeds as officeholders in our Government are trustees of an important and precious tradition, namely, that equality of opportunity should exist in all sectors of American life regardless of religion. It is, we think, vital that a principle so hard won should also be protected by officials of our Government. They live in a community which is the very seat of our Government and which furnishes an example to the rest of the Nation. Furthermore, our National Capital is the mirror of America exposed to world public view. Therefore, while we deplore the mischievous meddling of real estate brokers in the District of Columbia in perpetuating a pattern of discrimination against American Jews, we deplore even more the fact that high Government officeholders of both political parties knowingly or unwittingly continue to inhabit these exclusionary areas and, by their silence, appear to condone such practices.

And, now, what to do—and, very briefly, in brief summary:

At the Government level we, first, favor the support, expansion, and strengthening of State and local legislation to bar racial and religious discrimination in all types of housing.

Second, we support the recommendation that has been made by the Committee on Race and Housing and by several people who appeared before me for the declaration, the clear declaration, of the

policy on the part of the Federal Government and the appointment of a committee on elimination of discrimination in Federally aided housing to implement that policy.

Outside of Government action, we favor a continuation of a program of enlightenment and education because we are convinced that many people who live in these communities are not aware of these facts; many who know vaguely of the facts do not realize their implications and their significance.

The report of the Committee on Race and Housing was an excellent move in that direction, and these very hearings that your Commission is holding will have a very salutary effect and constitute a very substantial contribution.

Commissioner HESBURGH. Thank you, very much, Mr. Engel, and if you have a longer statement you would like to include in the record we would be happy to have it.

Mr. ENGEL. Thank you, sir.

PREPARED STATEMENT OF THE AMERICAN JEWISH COMMITTEE

The American Jewish Committee, a national educational organization with 45 chapters or units and members in over 600 communities in the United States, was organized in 1906 and incorporated by special act of the Legislature of the State of New York in 1911.

For more than 50 years, it has been a fundamental tenet of the American Jewish Committee that the welfare and security of Jews are inseparably linked to the welfare of all Americans, whatever their racial, religious, or ethnic background may be. We believe that an invasion of the civil rights of any group threatens the safety and well-being of all groups in our land. On the other hand, we also believe that the extension of legal controls to safeguard and expand equality of opportunity benefits the total society as well as those whose opportunities are specifically and directly protected. Hence, we are, and over the past 52 years as an agency we have been, concerned with the preservation and expansion of constitutional and legal safeguards for all.

This is not to imply that the American Jewish Committee believes that law, as a rule of conduct enforced by State sanction, is the sole and ultimate solution to all of society's evils. Law can, and we believe has, functioned effectively to reduce and discourage discrimination based on race, color, religion, national origin, and ancestry. "Discrimination" refers to conduct which differentiates among people in situations where racial, religious, and ethnic factors should be irrelevant—such as access to housing, education, employment, public accommodations, and health and welfare service. Clearly, law has been a tried and tested means of removing artificial barriers to equality of opportunity. Thus, for example, some 22 state statutes prohibit discrimination on the basis of race, color, or religion in places of public accommodation; 14 States (including Alaska) have laws which prohibit discrimination in employment and establishment administrative and judicial machinery to enforce such prohibitions; the Federal Government requires all its contracts for materials or services to contain a clause committing the contractor and his subcontractors to provide equality of employment opportunity in connection with work performed in fulfillment of such obligations.

These various laws against discrimination are enforced through the use of several different types of sanctions. Some State statutes impose civil penalties; others make nonconforming conduct criminal and subject violators to fines or imprisonment; while still others have established administrative agencies to deal with problems of discrimination. The administrative agency technique is relatively recent and appears to hold the most promise for success. Such agencies are generally directed to conduct educational programs in addition to performing their compliance or enforcement functions. Finally, although the remedy has never been used, the Federal Government has the power to terminate its

contracts or to refuse to deal in the future with any contractor who breaches the provision not to discriminate in employment on Government contracts.

As we have said, law has been used effectively to remove artificially erected barriers to equality of opportunity. It is doubtful whether law can be used directly to combat or reduce prejudice, as distinct from discrimination. In this sense "prejudice" means a state of mind which predisposes the reaching of conclusions concerning the abilities, character, or qualities of an individual on the basis of unsubstantiated notions about the racial, religious, or ethnic group to which the individual is thought to belong. While the province of law is conduct or behavior rather than mental attitudes, social scientists are now generally agreed that in reducing and eliminating discrimination, law inevitably causes a reduction of prejudice—external behavior "influences convictions and emotions of normal men and women."¹ Most people prefer to conform to the generally accepted code of behavior rather than to flout the community "rule of conduct." Thus, legal conduct tends to become proper behavior while illegal conduct tends to become improper behavior—and human beings have a unique propensity to rationalize their behavior. Furthermore, the areas deemed "external" and hence subject to direct legal controls tend to change from time to time. Thus, for example, New York State, in 1895, first legislated to prohibit discrimination in places of public accommodation. No legislator, at that time, would have suggested a law to prohibit discrimination in private employment. But in 1945, New York became the first State to enact a fair employment practice law, which has since become the model for 13 other States that have thus far followed suit. Had anyone suggested in 1945 that housing discrimination was an appropriate subject for statutory control, very few lawyers, judges, or legislators would have been willing to go along. In 1959, however, we have clearly reached another milestone. Nine States have enacted statutes to ban discrimination or segregation in public or publicly assisted housing, defining "publicly assisted" in various ways, but including in some States housing built with loans secured by Government guarantees.² And the courts have sustained such legislation.³ In addition, two major metropolitan areas, New York City and Pittsburgh, Pa., have passed local ordinances which ban discrimination or segregation in the sale or leasing of private housing. It is quite likely that the first statewide statute prohibiting discrimination or segregation in private housing will be enacted during the next few months when 46 State legislatures will be in regular sessions.

The recent report of the Commission on Race and Housing pointed out that discrimination in housing "falls most heavily on people who are not white."⁴ In the main, Negroes, orientals, Puerto Ricans, and Mexican-Americans occupy the slums of our cities. In quality, space and value the homes occupied by nonwhites rank far below the general standard of housing in the United States. There have been two major, contrasting population movements that have served to magnify the inequality between the whites and the nonwhites in the enjoyment of housing opportunities; one has been the migration of Negroes from the South and of Puerto Ricans from the islands to the northern metropolitan areas, and largely to New York City; the second has been the movement of the middle-class white population to the suburbs. Thus, Negroes and Puerto Ricans form a rapidly increasing proportion of the population of the central city while they become a diminishing fraction of the suburban population. If these two trends continue, it is predictable that the time will soon arrive when the central city will be occupied largely by those families least capable of paying the taxes necessary to enable the city to carry on its functions. Thus, proposals have recently been made that New York City turn to additional nuisance taxes in the form of levies on automobiles for using the city highways, taxes on payrolls, on overnight parking, bank checks, taxicab rides, local bridges, off-track betting and a host of other normally tax-free activities, to raise the money necessary to meet its budget for the next fiscal year.⁵

With the clear understanding then that the principal, primary, and major problems of discrimination in housing affect the nonwhites, we would like now

¹ Berger, Morroe, *Equality by Statute*, Columbia University Press, New York, 1952, p. 172.

² Connecticut, Massachusetts, Michigan, New Jersey, New York, Oregon, Pennsylvania, Washington, and Wisconsin.

³ *New York State Commission v. Pelham Hall Apartments*, 170 N.Y. Supp. 2d 750 (N.Y. Supreme Court, Westchester County).

⁴ Where Shall We Live, University of California Press, 1958, p. 1.

⁵ *New York Times*, January 9, 1958.

to describe for the Commission several forms of discrimination practiced in some cases against Jews who may seek to rent or purchase a home.

In almost every major American city or its suburbs, neighborhoods exist in which restrictive devices are used to prevent Jews from buying homes or renting apartments. Our Nation's Capital and its suburbs, for example, have six neighborhoods where these restrictions exist.⁶

New York City and its environs are no exceptions. Within the city itself, this discrimination occurs principally in cooperative housing in the higher price brackets, although some of it carries over to middle priced housing. Formerly, there were still larger areas of rental housing in New York which excluded Jews; happily these areas have decreased substantially in recent years.

In the 1930's, apartments and homes in such outlying reaches of New York City as Jackson Heights, Forest Hills, and Bronxville explicitly described their sales or tenant policies as "restricted"; "carefully restricted." When New York newspapers in the early 1940's concluded that this kind of advertisement was not in the best taste (and perhaps illegal), the real estate brokers began to call attention in their advertisements to the fact that their housing was "near churches" without specifying the kind of church. This was clearly intended as a very broad hint that Jewish tenants or purchasers were not welcome. Only restricted housing called attention to its proximity to church facilities.

Other language of restriction, which is still in vogue, began at about the same time. A number of real-estate firms, that had previously referred to their offerings as "restricted," substituted such words as "distinguished," "conservative," or "exclusive." There is no doubt that these words imply restrictions against Jews because whenever a prospective Jewish tenant or purchaser, unfamiliar with the new jargon, seeks to acquire the particular housing advertised, he is advised by the real-estate agent that "he will not be happy there."

The large-scale conversion of many apartment buildings from rental housing to cooperatively owned buildings began in 1944 when acute housing shortages developed in New York City. Although few of the cooperatives that had been established in fashionable sections of Manhattan prior to 1930 survived the collapse of realty values during the depression, over 90 apartment buildings have been converted from rental housing to cooperative ownership since 1944.

Over one-third of the fashionable cooperatives in Manhattan exclude Jews. Most of these are located in a distinct geographical area within a square mile in New York's East Side north of 59th Street.

The discriminatory policies of buildings when they were rental housing have tended to become frozen into the new cooperative form. When converting to a cooperative, the then occupants are given first priority to purchase stock and receive a "proprietary" lease to their apartments. If they do not exercise this privilege they face ultimate eviction by the person who purchases the stock and thereby acquires the right to occupy the apartment. The selection of stock purchasers from nontenants is controlled by the real-estate management agency which promotes the conversion to cooperative ownership. Cooperative conversion does not come about spontaneously, but is professionally organized and promoted by management agencies specializing in this type of enterprise.

The exclusionary practices of the cooperative apartments become particularly pointed when an occupant decides to sell his apartment. The channels which he is required to use confine him to a restricted market. Approval of a prospective tenant by the board of directors of the cooperative is usually required under the terms of the proprietary lease as a condition precedent to resale of the apartment. And where discriminatory policies prevail, the qualifications of a prospective purchaser are irrelevant so far as the board of directors is concerned, if he happens to be Jewish.

There are several areas in the suburbs of New York City where restrictions against Jewish homeownership prevail. Although restrictive covenants based on race or religion have been unenforceable since the U.S. Supreme Court's decision in 1948,⁷ other methods have been devised to maintain restrictions. One such device is the "club plan" community in which the recreation and social center of the community has bylaws or policies which exclude Jews from becoming members. Thus, the purchase of a home by a Jewish family relegates it to a second-class status in the absence of the privilege of sharing with others the recreational facilities in the community. This, it will readily be conceded, can scarcely be described as a wholesome living situation, and consequently it ac-

⁶ These are Kenwood, Hamlet, Spring Valley, Wesley Heights, Crestwood, and Sumner.

⁷ *Shelley v. Kraemer*, 334 U.S. 1.

compleishes its intended exclusionary design. Westminster Ridge, in Westchester County, is an example of this kind of community.

The major sections of Bronxville, a village of over 7,000 population in Westchester County, about 15 miles from Grand Central Station, are covered by another type of restrictive covenant. This requires approval of a proposed sale of a home by all four of the immediate neighbors of the would-be grantor. In addition, the real-estate brokers and agents participate in a conspiracy of complete exclusion of would-be Jewish purchasers of homes in Bronxville. This has been the established policy in this community for at least the past four decades.

Real estate brokers in some suburban communities maintain restrictive neighborhoods through a listing device. In Summit, N.J. (near New York City), for example, listings of all houses for sale are distributed only to brokers who subscribe to an unwritten code, requiring the broker to maintain the restricted character of particular neighborhoods. Since brokers are dependent upon these listings to negotiate sales, the code is fully observed.

A somewhat subtler form of discrimination exists in some New York suburban areas where segregation of Jews and Christians is encouraged by real estate brokers. Prospective Jewish purchasers are shown homes only in neighborhoods where the residents are predominantly Jewish, while prospective Christian purchasers are shown homes only in predominantly Christian neighborhoods. Heterogeneous neighborhoods are discouraged by realtors who thus presume to be sociologists. While some of this segregation may be the result of self-selection in residential patterns, many Jews would prefer to live in nonsegregated neighborhoods and this wish is very often frustrated by the practices of real estate brokers.

Those restrictions in housing which we have described, which primarily affect Jews, have a somewhat different significance from that of the other types of restrictions which have been or will be called to your attention. Housing which is available to Jews, without restrictions, is the equivalent of the housing withheld from them because of restrictions. For every shaded lane in a good school district with split-level housing that is restricted, there are at least a score with the same features that are unrestricted. Nevertheless, these restricted practices must be seen as a denial of full equality. Equality cannot be less than full and still be equality. All restricted communities are necessarily peopled with residents and their children who carry with them an image of the excluded group as inferior. And those excluded from living where they may choose, solely because of their religious or ethnic identity, find the spirit, if not the letter, of equal protection of the laws something less than perfect.

It is interesting to note that the first housing complaint under the Sharkey-Brown-Isaacs ordinance (1958) that the New York City Commission on Intergroup Relations announced as satisfactorily adjusted, involved discrimination against a Jewish would-be purchaser of a cooperative housing apartment. Through the intervention of the commission, the complainant was able to purchase the apartment.⁹

The American Jewish Committee believes that even where discrimination in housing is of the type largely immune from direct legal action, laws like the Sharkey-Brown-Isaacs ordinance in New York City necessarily will have a long-range effect. Such statutes, as we said at the outset, establish the standard of proper conduct in the community and make discrimination in housing immoral even where it is outside of the reach of the ordinance. Over the years, then, the discriminatory limitations tend to be abandoned and eventually to disappear.

Legal restrictions on discriminatory practices in housing serve another, important function. The law acts as a shield to protect the real estate owners, agents, or developers who wish to make their commodity available on an open occupancy basis because it imposes the same standard of conduct on all owners, agents, and operators. Therefore, those who believe in and practice open occupancy are less likely to find themselves at an economic disadvantage because of such practice.

RECOMMENDATIONS

1. The American Jewish Committee believes that legal controls of discriminatory practices in the housing market are effective weapons against the evil intended to be corrected. Our administrative board voted on May 7, 1957, that

⁹ Press release of Commission on Intergroup Relations, May 5, 1958.

our chapters might "join other community groups supporting the principle of State and local legislation to bar racial and religious discrimination in private housing."

2. The American Jewish Committee endorses the recommendation of the Commission on Race and Housing, that the President establish a Committee on the Elimination of Discrimination in Federally Aided Housing Programs, modeled after the previously established Committee on Equality of Treatment and Opportunity in the Armed Services.⁹ This Committee would have the duty and authority to examine the rules, procedures, and practices of the Federal housing agencies and, after consultation with representatives of interested groups and the housing industry, present to the President a complete program for the elimination of discrimination in the distribution of Federal housing benefits, including the use of Federal credit to guarantee the repayment of loans. We believe that such Committee, once established, should continue to function and report from time to time to the President, until it is possible to say that Federal funds, credits, and other aids are not being used anywhere in the United States to buttress or support discriminatory practices in housing.

Respectfully submitted.

AMERICAN JEWISH COMMITTEE,
IRVING M. ENGEL, *President*.

SUPPLEMENTARY STATEMENT ON DISCRIMINATION AGAINST JEWS IN
WASHINGTON, D.C.

We have referred to six areas in and near the District of Columbia from which, it is well known, Jews are excluded as owners or as occupants of dwellings. Indeed, since we filed our statement with the Commission, we have ascertained that these practices prevail in 14 areas. (Kenwood, Hamlet, Spring Valley, Wesley Heights, Crestwood, Sumner, Wood Acres, Springfield, Colony Hill, Beacon Hill, Berkeley, Kent, Brookdale, and Westmoreland Hills.)

In some places present owners are complying with ancient restrictive covenants, though the Supreme Court in 1948 declared such covenants to be unenforceable. In other areas, "gentlemen's agreements" act as barriers against the acquisition of homes by Jews.

In still other areas, discriminatory arrangements have been established by real estate developers, and by brokers and their salesmen who are licensed by the District of Columbia. They have contrived a variety of devious methods to avoid exhibiting available dwellings to prospective Jewish purchasers in those sections from which Jews have been excluded; they resort in some instances to the device of extracting an agreement on the part of the buyer of property requiring that on a future resale, the broker shall have the option of acting for the seller—thereby insuring, to the extent possible, that the new buyer will not be a Jew. We respectfully request that the Civil Rights Commission consider taking this matter up with the Board of Commissioners of the District of Columbia.

Perhaps the most disquieting aspect of the current situation in the District of Columbia consists in the significant number of high officials of our Federal Government, in the executive, judicial, and legislative branches, who reside in these exclusionary areas. It probably is unnecessary to remark that as officeholders in our Government, they are trustees of an important and precious tradition, namely, that equality of opportunity should exist in all departments of American life, regardless of religion.

It is, we think, vital that a principle so hard won should also be protected by officials of our Government. Living in a community which is the very seat of our Government, they must so manage their private lives as to be exemplary to the rest of the Nation.

Therefore, while we deplore the mischievous meddling of real estate brokers in the District of Columbia and its environs in perpetuating a pattern of residential discrimination against American Jews, we deplore even more the fact that high Government officeholders, of both political parties, knowingly or unwittingly continue to inhabit those exclusionary areas, and by their silence appear to condone such practices.

IRVING M. ENGEL, *President*.

⁹ Executive Order No. 9881.

Commissioner HESBURGH. Mr. Tiffany, would you call the next witness?

Mr. TIFFANY. The next witness is Mr. Eugene L. Sugarman, chairman of the New York Regional Advisory Board of the Anti-Defamation League of B'nai B'rith.

Mr. Sugarman is a lawyer and Chairman of the Speakers' Bureau of the Federation of Jewish Philanthropies.

Mr. Sugarman.

STATEMENT OF EUGENE L. SUGARMAN, CHAIRMAN, NEW YORK REGIONAL ADVISORY BOARD OF THE ANTI-DEFAMATION LEAGUE OF B'NAI B'RITH AND CHAIRMAN OF THE SPEAKERS' BUREAU OF THE FEDERATION OF JEWISH PHILANTHROPIES

Mr. SUGARMAN. Mr. Chairman, I am going to make a summary of a 20-page presentation that we have already filed with your Commission.

Perhaps Mr. Engel, whose presentation was a wonderful one, I thought, has stolen some of the thunder from what I was about to say since, in large measure, a great deal of our investigation through the 27 regional offices of the Anti-Defamation League of B'nai B'rith has brought up somewhat similar information, but in addition to that some other information; and, incidentally, I might say, with respect to the age of our organization, that B'nai B'rith, of which the Anti-Defamation League is a major part, was organized in 1843 and is the oldest and largest Jewish service organization in the world, so that we speak with at least some authority for the membership of our organization.

This is my brief, overall summary of a more complete statement which I have submitted to you on behalf of the Anti-Defamation League of B'nai B'rith. In it we deal only with religious housing discrimination, without attempting to cover or equate that problem with racial housing discrimination, which is, unfortunately, a vast and major problem—and, parenthetically, I think that those who preceded me dealt very completely with the question of racial housing discrimination.

Discrimination in housing is the most persistent and unyielding expression of prejudice facing American Jews today and, in the opinion of the Anti-Defamation League of B'nai B'rith, probably the most damaging. This is our conclusion on the basis of long study of housing patterns throughout the country.

Identical patterns and devices, such as gentlemen's agreements, quota systems, and club plans, all of which were mentioned by Mr. Engel, have been developed in cities and communities thousands of miles apart to exclude those of the Jewish faith from desirable middle

and higher income housing. This has produced the anomaly of exclusively Christian islands in various areas of the country where otherwise there is a normal intermingling of Christian and Jewish populations.

In the New York area the incorporated Village of Bronxville, which is the village that Mr. Engel referred to, and some high-rental apartment and cooperative buildings in Manhattan are examples of these Christian islands. There are similar situations in Chicago, Seattle, Birmingham, Houston, Miami, Washington, D.C., and many other sections of the country. Bronxville remains a striking example of irrational religious prejudice, a judenrein preserve in the heart of an area in which Jews and Christians have lived and continue to live together amicably. I might point out that the incorporated Village of Bronxville, which is approximately 1 mile square and which has 1,500 families and approximately 6,500 residences, is an island within an area in Westchester County where there is complete housing integration from a religious standpoint, and not one block away from any portion of the incorporated village you will find Jew and non-Jew living very well together, but within the confines of this 1-mile-square incorporated village we know of no known Jew who occupies any one of those homes.

We also find that housing discrimination against Jews, once a phenomenon observed only in the cities of America, has been following the general population trend, moving to suburbs and small towns.

The property owner is a key factor in the perpetuation of discriminatory barriers, but the role played by the real estate agent cannot be overlooked. Often he is a major force behind the establishment of a restrictive community, although quite frequently he is or claims to be opposed in principle to discriminatory practices. In one survey of Detroit suburbs we found that more than 56 percent of the agents showed varying degrees of discrimination against Jews. They made the claim that "The neighbors would object if I sold to a Jew," but investigation of the area showed that an overwhelming majority of the homeowners had no opposition whatsoever to Jews in their midst. Thus, the agents were citing imaginary prejudices on the part of the people they served in order to give substance to their own real fears and prejudices.

The spread of housing bias is clearly mirrored in the case of the City of Chicago and its environs. A number of residential communities in the Chicago metropolitan district, such as Kenilworth, Lake Forest, Barrington, and Palatine, are almost completely closed to Jews. Other suburban communities of Chicago, while not entirely exclusive, have large areas where Jews are barred. Such north shore towns as Glenview, Winnetka, Northbrook, Wilmette, and Deerfield

have witnessed this growth of segregated Jewish communities. The older parts of most of these towns remain closed to Jews, while some new sections are being built up by Jewish builders, again in the periphery of the older portions.

In Chicago we found total exclusion of Jews in apartment houses located even in the middle of areas heavily populated by Jews. An even more flagrantly restrictive attitude has attended the sale of cooperative apartments in Chicago. More than half of at least 5,000 cooperative apartments in Chicago are believed to be discriminatory or to be operated on a strict quota limitation of Jews under an explicitly stated policy.

Housing discrimination against Jews is practiced in many other midwestern urban centers, though on a much smaller scale than in Chicago. In Ohio Jews are barred from some apartment houses in Cleveland, Columbus, and Cincinnati. In Michigan the suburb of Lathrop Village and other Oakland County sections have entire residential areas closed to Jews. Indiana has similar totally restricted areas in Indianapolis, Gary, Michigan City, and Evansville. Farther west, the most flagrant case of discrimination persists in the fenced-in Seattle section called Broadmoor. Other Seattle neighborhoods traditionally closed to Jews include Windermere and Highlands.

These same restrictive practices are encountered in many places throughout the Deep South and its border States—in Alabama, Georgia, South Carolina, Texas, Florida, Virginia, and Maryland—and, parenthetically, dealing specifically with one case in Florida, there is a situation which is now in the courts in Miami Beach dealing with a home on Sunset Island which was purchased by a gentleman by the name of B. J. Harris, a Jew, who has been denied admission to a club, which is one of the requisites of actually being able to live on this island, and, strangely enough, Mr. Harris was recently honored by the U.S. Government for the construction of homes for veterans. This is the type of discriminatory practices that you find spotted throughout the entire country.

Of particular significance are the restrictions in the properties in the Greater Washington, D.C. area controlled by W. C. and A. N. Miller—and they were pretty much covered by Mr. Engel in his statements. Specifically, I am referring to one of the properties, Spring Valley, where some of the Nation's top political leaders and personalities permanent in other walks of life are found; yet no Jews. The New England States, New Jersey, and Pennsylvania, are also crisscrossed by residential communities and various so-called club plan developments which, by means of restrictive covenants, gentlemen's agreements, and other devices, discriminate because of the factor of religion.

Again, parenthetically, I would call to your attention a situation which takes place right now, and is in the courts, in Candlewood Lake, which is up in Connecticut, dealing with the Birch Groves Association. Here is a situation where some Jews made the mistake—I put a quote around those words—of purchasing homes in this particular area and then found that they were refused membership in the club which had the facilities that made Candlewood Lake the place that the Jews felt it should be for the purpose of enjoying it. The club denied them membership and went so far as to attempt to cut off their water supply so that they couldn't maintain their homes within the area.

Our recommendations call for those administering Federal law to end neutrality toward religious and racial discrimination. We emphasize the important role played by the Government in both public and private housing and propose these measures by Federal and local governments:

(1) Federal housing agencies should include binding requirements on federally aided builders, preventing them from discriminating.

(2) These agencies should make it clearly understood that Federal aid will be denied to localities persisting in discrimination.

(3) Every piece of Federal legislation dealing with a Federal housing program should include, ideally, a provision reasserting that the constitutional requirement of equal treatment under the law will be observed.

(4) Every State law creating a program of publicly assisted housing should contain a provision barring discrimination by all participants in and beneficiaries of that program.

Incidentally, for your information, we have presented to this Commission a model Fair Housing Practices Act, particularly for State and local governments.

(5) A provision should also be included in such State laws barring discrimination by financial institutions in the granting of loans on housing covered by those laws.

(6) Legislation should be enacted in every State barring discrimination and segregation in private housing.

(7) Other cities should follow the leadership taken by New York City and Pittsburgh in adopting ordinances barring discrimination in private housing.

Housing, as it was so well stated by a national private group of prominent business executives and educators, the Commission on Race and Housing—

is more than physical shelter. Where a person lives bespeaks his social status, which, broadly, he shares with others who occupy the same neighborhood. The neighborhood and the house are the locale of family life and of informal, intimate social relations. To be a neighbor, therefore, is more symbolic of equal status than to be a coworker, a fellow student, or fellow organization member; but at the same time no one can be said to be really free unless he can freely choose

where he will live. The opportunity to compete for housing of one's choice is crucial to both equality and freedom.

Again, thank you very much for permitting us this time to testify.

Commissioner HESBURGH. Thank you very much, Mr. Sugarman.

May I ask a question?

Mr. SUGARMAN: Surely.

Commissioner HESBURGH: I gather you have been studying this problem for quite a long time. Do you find there is any progress in it? Is it likely to get worse or better or just about what is the status of it?

Mr. SUGARMAN: I could answer that only by saying that the enactment of legislation such as the Sharkey-Brown-Isaacs bill in New York City and the enactment of laws such as the Metcalf-Baker laws in the State of New York dealing at the present time only with publicly assisted housing and housing which is financed by FHA mortgages is an indication that there is some progress, but that some progress is minimal as compared with what can and should be done in the area of the elimination of discrimination in housing.

Commissioner HESBURGH: Do you subscribe, as I do, to the general policy that discrimination, once it starts, goes right across the board; I mean the kind of mentality that brings on discrimination is applicable to all kinds of groups, all kinds of religions, and brings out some things in mankind which are rather low?

Mr. SUGARMAN: Well, I would say this: It would appear to me—and I am very happy to note that you said you subscribe to it as you expect me to—living in a democracy, as we do, and subscribing to the tenets of our respective religions, that discrimination, as such, is violative of those tenets and, consequently, the living and active discrimination that goes on today in housing, I would say, would be a violation of those tenets as well as the tenets of democracy on which our great country is founded.

Commissioner HESBURGH: Yes.

Mr. SUGARMAN: I think when we have finally eliminated this discrimination we will have gone a long way to achieving what our forebears, both from a religious standpoint and a political standpoint, and our founding fathers meant for us to do.

Commissioner HESBURGH: Thank you very much, Mr. Sugarman. We appreciate your contribution, which has filled in one area that was called for.

Mr. SUGARMAN: Thank you very much.

STATEMENT SUBMITTED IN BEHALF OF THE ANTI-DEFAMATION LEAGUE OF B'NAI BRITH BY EUGENE L. SUGARMAN, CHAIRMAN, NEW YORK REGIONAL ADVISORY BOARD, ANTI-DEFAMATION LEAGUE

My name is Eugene L. Sugarman. I appear here in my capacity as chairman of the New York Regional Advisory Board of the Anti-Defamation League of

B'Nai B'rith in response to your kind invitation to present the Anti-Defamation League's views on a number of questions respecting discrimination in housing. In responding to your invitation, I shall offer for your consideration information dealing with the problem as it exists not only in New York City and New York State, but throughout the country.

Although discrimination against Jews in housing in the United States does not approach, in magnitude, the discrimination practiced against Negroes, anti-Jewish restrictions in housing are to be found throughout the United States.

Accordingly, it is not the design of the Anti-Defamation League of B'Nai B'rith to attempt an equation of the discrimination suffered by the Negro with that experienced by the Jews in their quests for adequate housing. Adequate housing and equality of opportunity in housing are available for most Americans of the Jewish faith in most of the Nation. Conversely, inequality, ghettoization and slums are the tragic lot of most of the 25 million Americans of the Negro race.

Nonetheless, it is an unhappy truth that islands of senseless housing discrimination against Jews still exist. The American goal of equality of housing opportunity will not be achieved until religious, as well as racial, barriers in housing have been torn down. In order to develop some measure of the extent of anti-Jewish discrimination in housing, the Anti-Defamation League has analyzed reports received from its 27 regional offices. This examination reveals that such housing discrimination, once a phenomenon observed only in the cities of America, has been following the general population trend, moving to suburbs and small towns.

Only 15 miles from the site of this hearing in New York City exists a community which might well serve as a laboratory for the study of suburban anti-Jewish discrimination. The incorporated Village of Bronxville in Westchester County has earned a reputation for admitting to its precincts as homeowners or renters only those who profess to be Christians. According to informed observers, this mile-square village, with a population of 6,500, does not have any known Jewish families residing within its boundaries. These observers point out, too, that there are no Jewish real estate brokers in Bronxville, in sharp contrast to nearby communities where brokers of all faiths serve clients on a nondiscriminatory basis. Real estate men of the Jewish faith observe that they have never received listings of Bronxville homes to be sold in an unrestricted market. Even in the apartment buildings located in Bronxville there are no known Jewish tenants.

Thus, Bronxville has become a judenrein preserve in the heart of an area in which Jews and Christians have lived and continue to live together amicably. The villages and towns surrounding Bronxville—Tuckahoe, Yonkers, Mount Vernon, Eastchester, Pelham, Crestwood, and New Rochelle, etc.—have erected no religious barriers to new residents and there have been no difficulties attending the nondiscriminatory practices in these communities. However, despite its neighbors' example, Bronxville remains a striking instance of irrational religious prejudice. It is a malignancy in the New York metropolitan area.

Almost everywhere in the United States are to be found areas and communities which follow the Bronxville pattern, in same or lesser degree.

NEW YORK

Notwithstanding New York City's progressive housing laws, an official city agency, the Commission on Intergroup Relations, found in July 1958 "there are many eminently qualified families in the city who are at a disadvantage to secure decent homes in which to live merely because of their race, religion, nationality or ancestry."

The Anti-Defamation League's findings square with the Commission's. New York City, where approximately 50 percent of the Jews of the United States reside, is not free of anti-Jewish housing discrimination.

In many cases where apartments or cooperatives are for rent or sale, Jews are bluntly told they are not wanted. Here are some typical statements made within the last 3 years to Jewish applicants for such housing accommodations:

"If you are of the Jewish faith you don't stand a chance of getting in." "Do you want a restricted or unrestricted house?" "The management has a standing rule not to sell any cooperatives to Jewish people." "Jewish people are not allowed to view the apartment."

Privately, many real estate executives, brokers, and management officials admit the existence of a practice of excluding Jews from a considerable number

of higher rental apartments. Some of the larger real estate management firms apparently segregate their properties into discriminatory and nondiscriminatory groupings. In circumstantial confirmation of the foregoing, a recent ADL survey of 175 luxury cooperative apartment buildings in Manhattan, managed by 13 of the city's leading real estate firms, revealed that approximately one-third of the buildings had no Jewish tenants.

Another recent ADL survey studied the problem from another point of view. 120 telephone calls were made in answer to 60 advertisements in the real estate section of the New York Times one Sunday. These ads offered apartments for rent or sale and gave phone numbers for reply.

In about 8 percent of the cases, the caller with the Jewish sounding name received a different response and treatment from that accorded the caller with the non-Jewish sounding name.

In addition, in half of the foregoing cases (or 4 percent of the calls) the "non-Jewish" applicant was told that the apartments were in buildings that had no Jewish tenants.

CHICAGO

The expansion of housing bias into the suburbs is mirrored clearly in the case of the city of Chicago and its environs. Housing is available to Jews in every part of the city, but at the same time many sections of the metropolis and its suburbs are infected with discriminatory practices.

A number of residential communities in the Chicago metropolitan district, such as Kenilworth, Lake Forest, Barrington, and Palatine, are almost completely closed to Jews. Of these north shore suburbs, Kenilworth is the most flagrantly restrictive. Lake Forest has kept pace with it.

Kenilworth's rejection of Jews is so well known that the community is bypassed by real estate agents when servicing Jewish prospective purchasers with property listings. Agents also discourage Jews from seeking housing in Lake Forest. Three firms specializing in Lake Forest property told the Anti-Defamation League that they acted in the belief they were serving the best interests of Jewish families.

Other suburban communities of Chicago, while not entirely exclusive, have large areas where Jews are barred. Such north shore towns as Glenview, Winnetka, Northbrook, Northfield, Wilmette, and Deerfield have witnessed this growth of segregated Jewish communities. The older parts of most of these towns remain mainly closed to Jews, while some new sections are being built up by Jewish builders and promoters.

By and large, the discrimination practiced in the north shore communities is the product of policies set down by the property owners, with the real estate firms acting as accessories.

These firms do a sizable amount of business with Jewish home buyers and feel compelled to resort to devious devices to conceal their discriminatory practices. One such device is the use in property listings of the phrase, "Owner reserves the right to refuse or reject any and all offers." The language is clear to those in the trade, meaning that no Jews are wanted. As a result, some well-motivated firms employ the phrase, "Not restricted, but owner reserves the right, etc.," to indicate those instances in which there is no intent to discriminate.

In cooperative listings of the Evanston-North Shore Real Estate Board, representing 98 real estate firms, the telltale discriminatory phrase was employed in over 20 percent of 1,400 homes advertised for sale or rent in 13 north shore communities. This percentage would be much greater if agents found it necessary in all cases to publicize the restrictive practices of an area. But in such communities as Kenilworth, Lake Forest, and Northfield, the pattern of discrimination is so widespread and so well known that real estate firms don't bother to indicate it by the use of any discriminatory language.

Comparable to the restrictions found by the Anti-Defamation League in its spot check of the Chicago suburbs are the discriminatory practices in the rental and sale of apartments in Chicago proper.

During the past 2 years the league's Chicago office has received many complaints of discrimination against Jews seeking apartments. These complaints cover all areas of the city, where pockets of discrimination exist either on a neighborhood basis or under a system of quotas. The league has found total exclusion of Jews in apartment houses located even in the middle of areas heavily populated by Jews.

Complaints against large apartment houses are often made because of discriminatory statements by the real estate companies which manage them. In

response to such complaints, the league has met with 20 of these firms. Frequently they blame the property owner for the restrictive policy and support their assertion by pointing to apartment houses managed by them which set up no barriers to Jewish tenants.

The sale of cooperative apartments in Chicago has been attended by an even more flagrant restrictive attitude. It has brought complaints from many areas of the city, but principally from three sections—the University of Chicago-south shore, the near north gold coast and the Rogers Park-Evanston area on the northern fringes of the city.

More than half of at least 5,000 cooperative apartments in Chicago are believed to be discriminatory or to be operated on a strict quota limitation of Jews, under an explicitly stated policy.

Cooperative apartment advertisements in the metropolitan newspapers often appear with the notation, "board approval," which is regarded by many Jews as notice that they are not wanted. Telephone calls were made to 15 real estate companies or owners who had placed such advertisements. In 10 of the 15 cases, the advertisers said that their buildings were closed to Jews. Some said, "Do you know what 'board approval' means? It means that only gentiles are acceptable in this building."

MIDWEST AND WEST

According to the Anti-Defamation League's spot check of housing discrimination, restrictions against Jews are practiced in many midwestern urban centers, but to a much less extent than in Chicago.

Jews are barred from some Ohio apartment houses in Cleveland, Columbus, and Cincinnati.

In Michigan, the suburb of Lathrop Village and other Oakland County sections have entire residential areas closed to Jews.

Indiana has similar totally restricted areas in Indianapolis, Gary, Michigan City, and Evansville.

In Missouri, the Kansas City suburb of Leawood has blocked Jews from purchasing new homes there. There are a number of restrictive apartment houses in Kansas City proper, and newspaper advertisements occasionally appear which indicate that "gentiles only" are wanted.

Farther west, a most flagrant case of discrimination persists in the fenced-in Seattle section called Broadmoor. The deed for the Broadmoor tract was drawn up by the Puget Mill Co. in 1928. It reads in part:

"No part of said property hereby conveyed shall ever be used or occupied by any Hebrew or by any persons of the Ethiopian, Malay, or any Asiatic race * * *"

Like Broadmoor, the Sand Point Country Club has a tract of land enclosed with a fence, and Jews have been refused the right to purchase homes there. Other Seattle neighborhoods traditionally closed to Jews include Windermere, Highlands, and Innis Arden, although one Jewish family has resided in the latter section for several years. With the development of suburban tracts in the Seattle metropolitan area surrounding the city proper, evidence of new restrictive areas is coming to light. One of those about which a number of complaints have come to the Anti-Defamation League is Mercerwood, on Mercer Island, "the second largest inland island in the country."

THE SOUTH

These same restrictive practices are encountered in many places throughout the deep South and its border States.

In Alabama, three residential sections in Birmingham—Vestavia, Rocky Ridge, and Bentley Hills—have barricaded themselves behind restrictive covenants and "gentlemen's agreements."

In Vestavia, an incorporated suburb of Birmingham consisting of several subdivisions, the deeds to the homes and lots bear a restrictive covenant providing that the original purchaser cannot sell or transfer the property without the express consent and approval of a committee appointed by the developer.

Restrictions in Rocky Ridge and the general area being developed along the short route to Florida have also been strengthened by the use of "gentlemen's agreements." In the incorporated suburb of Mountain Brook, Jews are discouraged from purchasing homes. A few Jewish families live in the Rocky Ridge section, but these originally owned the property on which they built their homes.

In Georgia, the northwest part of Atlanta, a high-priced residential section, has an old reputation for anti-Jewish restrictions. But in the past 10 years these seem to have been breaking down, and Jews have purchased or built homes in the area; opposition from individual owners and adjoining neighbors has been petering out gradually.

There are individual homeowners in Atlanta who refuse to sell to Jews and who instruct their agents not to do so. Such cases occur in all parts of the city. Most of the real estate agencies have indicated that they themselves do not have a restrictive policy, even if sometimes they are compelled to follow instructions from the individual owner not to sell to Jews.

Two sections in Columbia, South Carolina, maintain rigid bars against Jews. One is an old area known as Heathwood; the other a newer section owned and developed by M. R. Bagnal, Jr., and R. R. Rigby, Jr., under the title of Trenchholm Building Co. Its restrictive covenant states "that no part of the said lots of land shall be rented, sold or otherwise disposed of to any person or persons of Hebrew descent or to any partnership or corporation controlled by persons of Hebrew descent * * *." Several representations have been made to Mr. Bagnal, but he has remained adamant in his policy.

In Florida, entire residential areas from which members of the Jewish faith are barred include Sunset Islands Nos. 1 and 2 (Miami Beach), Bay Point, and the town of Bal Harbor, all in Dade County. The homeowners associations in these areas have blocked the purchase of property through the use of "gentlemen's agreements" and restrictive covenants.

Notorious as one of the Nation's most completely restricted communities is Florida's Delray Beach. Realtors in the area no longer even bother to advertise its bigotry; deeply imbedded, it is as much a part of the community's day-to-day life as the weather. Delray Beach was once described by one of its leading real estate firms as "the only city on the East Coast fully restricted to Gentiles, both as to buying and selling."

In Texas, four developments in the Memorial Drive area of Houston—Lakeview Addition, Willowick Addition, Huntleigh, and Creekside Manor—are completely closed to Jews. It has been the practice in these developments to parcel out choice lots to friends or associates who become "Selection Committees" empowered to approve or disapprove applicants for the purchase of homes or lots. These screening committees, it is generally understood, will not pass Jews or "other undesirables." While there are no deed restrictions *per se*, a provision stipulates that property sales can be made only with committee approval.

In Virginia, residential-area restrictions are found in Danville, Norfolk, Richmond, and Arlington; and in North Carolina, in Gastonia and Wilmington.

In the District of Columbia, entire residential sections barring Jews include Wesley Heights and Spring Valley, both developed and controlled by W. C. and A. N. Miller; and Briarcliff, opposite Spring Valley, developed by F. S. Phillips. It is generally known that in other sections in Washington Jews find it difficult to purchase property. These include Berkeley, adjacent to Wesley Heights (in Berkeley, covenants barring Jews ran out on January 1, 1957), and Kent, adjacent to Briarcliff. Small pockets in the North Cleveland Park area also exclude Jews.

In suburban Montgomery County, Md., Jews are barred from Sumner, developed and controlled by W. C. and A. N. Miller, and from Westmoreland Hills, developed and controlled by Albert W. Walker. In the Kenwood section, a "gentlemen's agreement" exists which prevents Jews from acquiring property. Difficulties are also encountered by Jews in purchasing property in the Spring Valley subsections.

Of particular significance are the Miller controlled properties in the greater Washington area. They are veritable symbols of status and prestige. Among the approximately 500 inhabitants of Spring Valley are to be found some of the Nation's top political leaders and personalities prominent in other walks of life.

ELSEWHERE

The New England States are marked by residential communities and various "club" plan developments which by means of restrictive covenants, "gentlemen's agreements" and other devices discriminate because of the factor of religion. In Massachusetts, they are to be found in Winchester, Weston, Wellesley, and Needham. Individual property owners and real-estate operators have successfully collaborated in keeping sections of Winchester, which is considered a very desirable suburban residential area, from letting down the religious bars.

Weston has also set up roadblocks to Jewish home seekers; Wellesley and Needham have followed suit.

A number of communities in the southeastern summer resort section have evidenced discrimination in their summer colonies or developments. In East Orleans the agent of a colony wrote: "Owners will not allow us to rent to Jewish clients. I recommend that you get in touch with agents in Hyannis."

Just over the Massachusetts State line, in Windham, N.H., Joseph C. Sawtelle, the developer of Corbett's Pond, makes clear to Jewish applicants that the area is restricted. Also in New Hampshire, Lake Winnepesaukee's Kona Farm advertises its restrictions against Jews thus: "Strictly private * * * sensible restrictions * * * choice clientele."

Some apartment houses in the Greater Boston area refuse to rent to Jews. The Van Eitten Construction Co. which operates the Lancaster Apartments in Cambridge, Mass., rejects Jewish applicants. Contact Service, a rental agent in Longmeadow, Mass., inquires into "nationality."

The homeseeker traveling through Connecticut, Pennsylvania, or New Jersey will find a picture of religious bias that corresponds, in whole or in part, to that which shows up in Massachusetts.

In Connecticut, Greater Hartford, Darien, Waterford, Greenwich, Stamford, Manchester, Waterbury, and Middlebury have some residential sections where Jews find it difficult to purchase homes. There are also numerous resort sections throughout the State which maintain rigid bars, such as the Stamford Yacht Club area; the Lake Besock area in Middletown; areas on Candlewood Lake, Niantic, Black Point Beach, Groton-Shennocosewits Beach; and the Belle Haven Beach Club, Indian Harbor Yacht Club, Greenwich Country Club, and Greenwich Field Club areas.

In New Jersey, restrictive communities include: Indian Lake, Lake Arrow Head, Lake Mohawk, Lake Shawnee, Sparta Hills, Summit Lake, Seneca Lake, Lake Forest, and Lake Winona.

In a number of cases in New Jersey, the code word "PATO" (purchaser agreeable to owner) has been utilized for the purpose of indicating discrimination against Jews, Italians, and Negroes in the sale of property in areas where real-estate boards carry multiple listings.

In Pennsylvania, some residential areas reportedly closed to Jews are located in Bethlehem, Butler, Erie, Lancaster, McKeesport, Uniontown, Wilkes-Barre, York, and Pittsburgh suburbs. And complaints of discrimination against Jews have come from those seeking homes in new housing developments on the outskirts of Philadelphia, notably the Main Line area.

TAKING STOCK

These findings of the Anti-Defamation League in nowise constitute a national survey of discrimination in housing against Jews. But they do represent an accumulation of sufficient information to show that the whole country is dotted by innumerable islands of religious housing bias. They reveal a pattern of discrimination which should have been discontinued even before the Supreme Court, in 1948, ruled that discriminatory restrictive covenants were legally unenforceable.

The property owner is of course a key factor in the perpetuation of discriminatory patterns. But the role played by the real-estate agent cannot be overlooked. Often, the league has found, he is a major force behind the establishment of a restrictive community although quite frequently he is, or claims to be, opposed in principle to discriminatory practices.

In a great many cases, housing discrimination stems solely from the attitudes and policies of real-estate agents. Repeatedly, agents, brokers, and salesmen have said to prospective Jewish purchasers, "Look, it is really not my fault, it's the people who live in the neighborhood who maintain these policies." In a 1958 survey of Detroit suburbs, the league found that more than 56 percent of the agents showed varying degrees of discrimination against Jews on the basis of their claim that "the neighbors would object" if they sold to a Jew. But an investigation of the area served by these agents disclosed that the overwhelming majority of homeowners had no opposition at all to having Jews in their midst. Obviously, the agents were citing imaginary prejudices on the part of the people they served in order to give substance to their own real prejudice and fears.

Behind this widespread evil of housing discrimination lies a whole mythology. Chief among the numerous myths is the belief that when minority groups move into neighborhoods, real-estate values drop, and the neighborhood promptly becomes less desirable.

This contention is often bolstered by owners of local businesses, and leaders of civic and religious groups, who have a stake in maintaining the neighborhood status quo. They argue that any change in the business, political, or religious composition of the neighborhood will injure their interests. All these groups join in efforts to keep the neighborhood as it is, and to encourage the creation of ghettos. They justify their attitude by arguing that the residents want it that way.

But these myths are really expressions of deep-seated tribal prejudices and fears. As one housing expert has pointed out, "the more insecure a person is, the more will he mind mixed neighborhoods" (Charles Abrams, "The New Gresham's Law of Neighborhoods—Fact or Fiction", the *Appraisal Journal*, July 1951).

The mere entrance of any minority group into a neighborhood does not tend to depreciate property values or create slums. If the market value of real estate drops after a minority family first moves in, it is solely due to hysterical fear and is in no way related to the true value of the real estate. If owners would not rush to sell as soon as one "undesirable" family moves in, the chain of cause and effect would not be established.

Housing, in the last analysis, really determines whether the community—the very basis of our American society—shall be democratic. The attempt to segregate citizens, to confine thousands of Americans behind the barbed wire of ghettos, has dangerous sociological, psychological, and economic repercussions. If it creates a sense of exclusiveness in one group, it creates resentment and tensions in others. Wherever it exists, it is accompanied by a Pandora's box of evils.

Happily, in most communities Jews and Christians live together amicably. What anti-Jewish discrimination exists is found in scattered pockets around the country that do not represent the whole general national picture. However, unless the growth of these islands of discrimination is checked, we may witness the spread of religious segregation and intergroup tension.

For housing, as it was so well stated by the Commission on Race and Housing, "is more than physical shelter. Where a person lives bespeaks his social status, which, broadly, he shares with others who occupy the same neighborhood. The neighborhood and the house are the locale of family life and of informal, intimate social relations. To be a neighbor, therefore, is more symbolic of equal status than to be a coworker, fellow student, or fellow organization member. But at the same time, no one can be said to be really free unless he can freely choose where he will live. The opportunity to compete for housing of one's choice is crucial to both equality and freedom * * *"

THE FEDERAL GOVERNMENT

The Federal Government has long recognized that it plays an important role in the task of insuring for every American family a decent place to live. It was to achieve this purpose that a number of laws were enacted by Congress providing for the erection of public housing built with Federal aid and establishing several programs aimed at encouraging the creation of decent housing not only by local government but also by private industry. Certainly, this Commission is thoroughly familiar with all of the Federal legislation governing this program of public housing and the assistance of the erection of private housing; we shall not summarize those laws. Rather, we shall content ourselves by noting with approval that the Federal Housing Administration is committed in principle to "equality of opportunity irrespective of race, color, creed, or national origin."

Furthermore, the housing agencies of the Federal Government have acknowledged that they, pursuant to the due process and equal protection provisions of the Federal Constitution, are bound to a national policy of nondiscrimination in the use and expenditure of Federal funds. Yet, despite these constitutional strictures, as recently as November 13, 1958, Albert M. Cole, then head of the Housing and Home Finance Agency, publicly declared that it was not up to the Federal Government to promote integration. According to the *New York Times* of November 14, 1958, he said that neither the Government nor the private real estate industry had caused segregation in housing and that it was not up to the Government to enforce integration. Mr. Cole said that where State or local laws prohibit racial discrimination in federally aided housing—as in New York State—the Housing and Home Finance Agency did not financially support housing that

violated the laws. He went on to add, however, that where segregation is purportedly required by State or local laws, the Federal agency observed those laws.

We think the time is long since past when those administering Federal laws can adopt an attitude, as did Mr. Cole, of neutrality toward racial and religious discrimination. The 5 years that have elapsed since the historic U.S. Supreme Court decision in the public school cases have demonstrated that the Federal Government, in all its arms, must take every possible action to insure equal protection of the laws for all. It is duty bound under the Constitution to insure that Federal funds and the Federal credit are not used to strengthen and entrench practices of racial or religious discrimination.

It follows from this that those responsible for the administration of the Federal housing program must forthrightly declare their acceptance of the national policy of nondiscrimination in carrying out their duties of administering the Federal housing program. They must make it clear that they will not permit this program to be used either to impress new patterns of racial segregation on housing anywhere in our country or to strengthen or maintain such existing patterns.

Thus, the Federal housing agencies should reorient their practices and their existing procedures to embody in them specific requirements that those seeking the aid of the Federal Government in connection with the production of housing must undertake a binding commitment that such housing will be made available to all those properly eligible without any discrimination based on race or creed. In this connection, we would like to point out that we are aware that the Federal housing agencies currently give the fullest support to State and municipal legislation guaranteeing equal opportunity in housing. But Federal agencies must not support existing local legislation or custom which requires discrimination or segregation.

While the Federal Government must bow to local laws barring discrimination, it must, at the same time, reject any local laws which violate national policy by requiring discrimination, segregation, or other exclusion based on race or creed. The Federal housing agencies must make it clear to localities which insist on the perpetuation of racial or religious discrimination that the price of such insistence is the denial of Federal aid to housing programs. Those who would thwart Federal policy should not expect to receive aid from Federal agencies.

In short, if those responsible for the administration of Federal housing forthrightly declare their intention to comply with the national policy of non-discrimination and then formulate practices and regulations which are consistent with that declaration of policy, they will do much to insure equality of housing opportunity for all throughout the country. If they equivocate and indicate a willingness to yield to segregationist pressure in local areas, they not only weaken national policy against racial and religious discrimination, but strengthen the hand of the bigot.

Finally, it is our view that every piece of Federal legislation dealing with a Federal housing program should include, ideally, a provision reasserting that in this program the constitutional requirement of equal treatment under the law will be observed. We recognize that the inclusion of such a provision is not essential if the Constitution is observed as living law. However, the affirmation of this principle may serve to drive home its importance and hopefully insure that it be honored in the observance, not in the breach.

STATE AND LOCAL LEGISLATION

The first State legislation dealing with housing discrimination involved public housing projects. As far back as 1939, the State of New York included in its public housing law a specific prohibition against racial and religious discrimination. In 1945, the State of Indiana included in its urban redevelopment law a provision that nothing in the law authorized the exclusion of any citizen from any zoned area because of race, creed, or national origin. When New York State adopted legislation authorizing an emergency housing program for veterans in 1946, it included in the law a ban on such discrimination. Illinois stated in its Blighted Area Redevelopment Act of 1947 that land acquired for redevelopment purposes under the statute could not lawfully include a racial or religious restrictive covenant. Earlier in 1941, an Illinois statute dealing with a redevelopment plan included a provision that such redevelopment plan could not lawfully displace the predominant racial group then inhabiting the area

to be redeveloped. New Jersey, Pennsylvania, Minnesota, Massachusetts, Connecticut, Rhode Island, and Wisconsin have in the years between 1946 and 1952 adopted legislation barring religious and racial discrimination in public housing projects.

The first legislative steps were taken toward banning discrimination in private housing via statutes establishing publicly assisted housing programs. Such programs were called "publicly assisted" because they were built under machinery created by State law and received assistance either through partial tax exemption or through the use of the State's power of eminent domain to assemble the tract. They were made subject to specific bans on discrimination in the States of New York, Connecticut, Massachusetts, New Jersey, Oregon, and Washington.

More recently, a number of States have by statute expanded the definition of publicly assisted housing to include housing built with the assistance of mortgage or other loan insurance granted by the Federal Government or the State. New York was the leader in taking this step. In 1955, it adopted the Metcalf-Baker law which amended the State's civil rights law to provide that publicly assisted housing includes housing which receives publicly insured financing. This pattern of extending the interpretation of the meaning of the term "publicly assisted" was followed in 1957 by State legislatures in Massachusetts, New Jersey, Oregon, and Washington.

The general coverage of these laws is over housing built with State or Federal aid: Housing operated under the supervision of State agencies; housing which has been granted complete or partial tax exemption; housing built on land sold by the State or any of its subdivisions to the persons erecting the housing; housing built on property which has been acquired or assembled by the State or any of its subdivisions; and housing, the acquisition, construction, repair, or maintenance of which was aided financially by the State or any of its subdivisions. Such housing must be made available, because of the use of state power, to all persons within the State without discrimination based on race or creed. The basis on which such statutes are upheld is that the receipt of Federal or State aid gives such housing a sufficient public nature to make it subject to the ban against racial and religious discrimination.

We urge this Commission to recommend that every State law creating a program of publicly assisted housing should contain a specific provision barring discrimination by all participants in, and beneficiaries of, the program.

Another State legislative approach to the problem of discrimination in housing was embodied in a statute adopted in New Jersey in 1955 which amended that State's Savings and Loan Act and its Banking Act to ban discrimination in the giving of mortgage loans. In 1957, when the Washington State Legislature adopted a law barring discrimination in publicly assisted housing, it included in the statute a provision barring discrimination by financial institutions in the granting of loans on housing covered by the law.

We urge this Commission to recommend the adoption of similar legislation in every State.

Still another approach attacks the problem head-on by the enactment of legislation to forbid discrimination in private housing. This approach follows the pattern set by legislation against discrimination in employment. Normally the latter type of legislation is applicable only to employers whose employment activities have a substantial impact on the pattern of employment in the community, while leaving untouched employers who employ such small numbers of workers that their patterns of employment have a minimal effect.

Thus, the New York City ordinance, which bars discrimination in private housing, applies only to housing facilities in multiple dwellings containing 3 or more housing units and 1- and 2-family homes built in projects of 10 or more contiguously located homes. The New York City ordinance is not applicable to 1- or 2-family homes built in units of less than 10.

More recently, late in 1958, the city of Pittsburgh followed the path created by the city of New York. It adopted a local ordinance directed against discrimination in private housing. The Pittsburgh ordinance differs somewhat from the New York one. It bars discrimination by real-estate agents and brokers, as well as by lending institutions. It bars discrimination by owners of private housing facilities only if the owner owns 5 or more housing units. If the owner does own 5 or more housing units, he is subject to the ordinance regardless of whether or not those units are contiguous.

We urge this Commission to recommend that other cities follow the constructive example established by New York City and Pittsburgh by enacting local ordinances banning discrimination in housing.

The precedent set by the cities of New York and Pittsburgh is now being considered on State levels. In Rhode Island and Massachusetts, legislation directed against discrimination in private housing has already been introduced. In Colorado, New York, Michigan, Pennsylvania, and Minnesota, such legislation either has been introduced or is soon to be introduced. The various bills seeking to bar discrimination in private housing differ in minor details from State to State. Some undertake to bar discrimination in all private housing. Others are directed against discrimination in multiple dwellings and in housing offered for sale or rent by owners of 5 or more, or of 10 or more, housing accommodations. In our view, these differences in minor detail are unimportant. Obviously, it is desirable to have the States act as governmental laboratories, in which varying approaches to the problem of housing discrimination and segregation are tested. Such differences may well be helpful in assuring the type of legislation which is best fitted for dealing with the problem in each State.

We urge that this Commission recommend the enactment of legislation in every State, barring discrimination and segregation in private housing. We believe that such legislation is important. It establishes a machinery by which each State can insure to all inhabitants of the State the equality of housing opportunity, a basic prerequisite to equality of opportunity in every other field of community life. It embodies a declaration of State policy against such discrimination. It brands the discriminator as malfactor. Finally, such statutes will aid inestimably in breaking down the wall of exclusion that have imposed on our spreading cities a pattern of racial and religious ghettoization.

May I take this opportunity, in closing, to express on behalf of the Anti-Defamation League of B'nai B'rith our gratitude to the Commission for holding public hearings on this subject, and inviting our testimony. Such hearings not only develop the kind of national discussion which must be a prerequisite for constructive treatment of the problem of housing discrimination, but also create an opportunity for community organizations to suggest approaches to the problem which may well assist in its speedy and peaceful solution.

APPENDIX TO MR. SUGARMAN'S TESTIMONY

MODEL FAIR HOUSING PRACTICES ACT

The following model State legislation was drafted by Sol Rabkin and Paul Hartman, of ADL's legal staff:

AN ACT Prohibiting practices of discrimination and segregation in housing accommodations because of race, color, religion, ancestry, or national origin; creating a Fair Housing Practices Commission; defining its functions, powers, and duties; providing for its procedure, enforcement, and judicial review; imposing penalties; making an appropriation therefor; and for other purposes

The Legislature of the State of _____ hereby enacts as follows:

SECTION 1. Findings and Declaration of Policy.—(a) Discrimination in housing because of race, color, religion, ancestry, or national origin is a matter of State concern. Such discrimination threatens not only the rights and proper privileges of the inhabitants of this State but menaces the institutions and foundations of a free democratic State and threatens the peace, health, safety, morals and general welfare of the State and its inhabitants. Practices of discrimination because of race, color, religion, ancestry, or national origin in the sale, renting or leasing of housing accommodations have resulted in the development of segregated racial areas into which members of racial minorities are forced even though this compels extreme overcrowding and deterioration of such areas. Such housing segregation brings about segregation in schools, recreational facilities, and other public services, decline of neighborhood standards, the development of intergroup fear and distrust which breeds conflicts, tension, disharmony, race riots and crime, and other antisocial practices. Hence, the practice of discrimination in housing impairs and threatens the health, safety, peace, and general welfare of the inhabitants of the State.

(b) The practice of discrimination because of race, color, religion, ancestry, or national origin, in the sale, rental, leasing, or subleasing of any housing accommodations is hereby declared to be against public policy.

(c) This act shall be deemed an exercise of the police power of this State for the protection of the public welfare, safety, prosperity, health, morals, and peace of the people of this State.

SEC. 2. Right to freedom from discrimination in housing accommodations: The opportunity to acquire and enjoy housing accommodations or to purchase, rent, or lease such accommodations or residential real property without discrimination because of race, color, religion, ancestry, or national origin is hereby recognized as and declared to be a civil right of every inhabitant of this State.

SEC. 3. Definitions: When used in this Act.—(a) The term "person" includes one or more individuals, partnerships, associations, organizations, corporations, cooperatives, legal representatives, trustees, trustees in bankruptcy, receivers, or other fiduciaries, and this State and all political subdivisions, boards, commissions, and agencies thereof.

(b) The term "housing accommodation" includes any building, structure, or portion thereof which is used or occupied, or is intended, arranged, or designed to be used or occupied, as the home, residence, or sleeping place of one or more human beings.

Nothing herein shall be deemed to prevent a religious or denominational organization from selecting exclusively as tenants or occupants of any housing accommodation operated by such organization as part of its religious or denominational activities, adherents or members of such religion or denomination, or from giving preference in such selection to such adherents or members.

(c) The term "owner" includes the lessee, sublessee, assignee, managing agent, or other person having the right to ownership or possession or the right to rent or lease housing accommodations and includes the State and any of its political subdivisions, boards, and commissions and any agency thereof.

(d) The term "real estate broker" means any person, firm, or corporation who for another and for a fee, commission, or other valuable consideration, or in expectation of a fee, commission, or other valuable consideration, lists for sale, sells at auction, or otherwise, exchanges, buys, or rents, or offers or attempts to negotiate a sale, at auction or otherwise, exchange, purchase, or rental of an estate or interest in real estate, or collects or offers or attempts to collect rent for the use of real estate, or negotiates, or offers or attempts to negotiate, a loan secured or to be secured by a mortgage or other encumbrance upon or transfer of real estate.

(e) The term "real estate salesman" means any person employed by a real estate broker to list for sale, sell or offer for sale, at auction or otherwise, to buy or offer to buy or to negotiate the purchase or sale or exchange of real estate, or to negotiate a loan on real estate, or to lease or rent or offer to lease, rent, or place for rent any real estate, or to collect, or offer to collect, or attempt to collect rent for the use of real estate for or in behalf of such real estate broker.

(f) The term "Commission" means the Fair Housing Practices Commission created by this Act.

(g) The term "discriminate" includes segregate or separate.

(h) The term "unfair housing practice" includes only those unfair housing practices specified in section 5.

SEC. 4. Exemption: This Act shall not apply to the subrenting or subleasing of any portion of an apartment or house occupied by a single family.

SEC. 5. Unfair Housing Practices: It shall be an unfair housing practice.—

(a) For the owner of any housing accommodation to refuse to sell, lease, sublease, rent, assign, or otherwise transfer the title, leasehold, or other interest in any housing accommodation to any person, or otherwise to deny or withhold any housing accommodation from any person because of race, color, religion, ancestry, or national origin ;

(b) For any real estate broker or real estate salesman to refuse to sell, lease, sublease, rent, assign, or otherwise transfer, or to refuse to negotiate for the sale, lease, sublease, rental, assignment, or other transfer, of the title, leasehold, or other interest in any housing accommodation to any person, or to represent that a housing accommodation is not available for inspection, sale, lease, sublease, rental, assignment, or other transfer when in fact it is so available, or otherwise to deny or withhold any housing accommodation from any person because of race, color, religion, ancestry, or national origin ;

(c) For any owner, real estate broker or real estate salesman to include or cause to be included in the terms, conditions, or privileges of any sale, lease, sublease, rental assignment, or other transfer of any housing accommodation, any clause, condition, or restriction, discriminating against any person in the

use or occupancy of such housing accommodation because of race, color, religion, ancestry, or national origin ;

(d) For any owner, real estate broker, or real estate salesman, to discriminate in the furnishing of any facilities or services for any housing accommodation because of race, color, religion, ancestry, or national origin ;

(e) For any owner, real estate broker, real estate salesman, or any other person to publish or circulate, or to cause to be published or circulated, any notice, statement, or advertisement, or to announce a policy, or to use any form of application for the purchase, rental, lease, or sublease of any housing accommodation, or to make any record or inquiry in connection with the prospective purchase, rental, lease, or sublease of any housing accommodation, which expresses directly or indirectly any limitation, specification, or discrimination as to race, color, religion, ancestry, or national origin, or any intent to make any such limitation, specification, or discrimination.

(f) For any person, bank, mortgage company, or other financial institution to whom application is made for financial assistance for the acquisition, construction, rehabilitation, repair, or maintenance of any housing accommodation, to make or cause to be made any written or oral inquiry concerning the race, color, religion, ancestry, or national origin of a person or group of persons seeking such financial assistance, or concerning the race, color, religion, ancestry, or national origin of prospective occupants or tenants of such housing accommodation, or to discriminate against any person or persons because of the race, color, religion, ancestry, or national origin of such person or persons, or prospective occupants or tenants, in the terms, conditions, or privileges relating to the obtaining or use of any such financial assistance ;

(g) For any person whether or not an owner or real estate broker or real estate salesman, to aid, incite, compel, coerce, or participate in the doing of any act declared to be an unlawful housing practice under this Act, or to obstruct or prevent enforcement or compliance with the provisions of this Act or any rule, regulation, or order of the Commission, or to attempt directly or indirectly to commit any act declared by this Act to be an unlawful housing practice.

Sec. 6. Fair Housing Practices Commission : There is hereby created the Fair Housing Practices Commission. Said Commission shall consist of five members, to be known as Commissioners, who shall be appointed by the Governor, by and with the advice and consent of the Senate. The Governor shall designate one of the members of the Commission to be its Chairman, who shall preside at all meetings of the Commission and perform all the duties and functions of the Chairman thereof. The Commission may designate one of its members to act as Chairman during the absence or incapacity of the Chairman and, when so acting, the member so designated shall have and perform all the powers and duties of the Chairman of the Commission, but shall not receive any additional compensation for so acting. The term of office of each member of the Commission shall be for five years, and until his successor is qualified ; *Provided, however,* That of the Commissioners first appointed, one shall be appointed for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, and one for a term of five years.

Any member chosen to fill a vacancy occurring otherwise than by expiration of term, shall be appointed for the unexpired term of the member whom he is to succeed. A majority of the then members of the Commission shall constitute a quorum for the purpose of conducting the business thereof. Vacancies in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission.

The Chairman of the Commission shall receive a salary of ----- per annum and each of the other members shall receive a salary of ----- per annum ; and each member shall also be entitled to his expenses actually and necessarily incurred by him in the performance of his duties. No member shall engage in any other business, profession, or employment during the term for which he shall have been appointed, but shall devote his full time to his duties under this Act.

Any member of the Commission may be removed by the Governor for inefficiency, neglect of duty, misconduct, or malfeasance in office, after having been given a written statement of the charges and a reasonable opportunity to be heard thereon.

Sec. 7. Powers and duties of the Commission : The Commission shall have the following functions, powers, and duties :

1. To establish and maintain its principal office in the city of -----, and such other offices elsewhere within the State as it may deem necessary.

2. To meet and function at any place within the State.
3. To appoint an executive secretary and such attorneys, clerks, and other employees and agents as it may deem necessary; to fix their compensation within the limitations provided by law and to prescribe their duties.
4. To obtain upon request and to utilize the services of all governmental departments and agencies.
5. To adopt, promulgate, amend, and rescind suitable rules and regulations to carry out the provisions of this Act, and the policies and practice of the Commission in connection therewith.
6. To receive, investigate, and pass upon complaints alleging unfair housing practices, as well as to initiate investigations and to issue complaints whenever it has reason to believe that there exists unfair housing practices.
7. To hold hearings, subpoena witnesses, compel their attendance, administer oaths, take the testimony of any person under oath, and in connection therewith, to require the production for examination of any books or papers relating to any matter under investigation or in question before the Commission. The Commission may make rules as to the issuance of subpoenas by individual Commissioners. Contumacy or refusal to obey such subpoena issued pursuant to this section shall constitute contempt punishable, upon application of the authority issuing such subpoena, by the ----- court of the county in which the hearing is held or in which the person subpoenaed resides or transacts business.
- No person shall be excused from attending and testifying or from producing records, correspondence, documents, or other evidence, in obedience to the subpoena of the Commission or of any individual Commissioner, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such person so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying. The immunity herein provided shall extend only to natural persons so compelled to testify.
8. To endeavor to eliminate prejudice among the various ethnic groups in this State and to further good will among such groups. The Commission, in cooperation with the State department of Education, shall prepare a comprehensive educational program designed for the students of the public schools of this State and for all other residents thereof, calculated to emphasize the origin of prejudice against such groups, its harmful effects, and its incompatibility with American principles of equality and fair play.
9. To create such advisory agencies and conciliation councils, local, regional, or statewide, as in its judgment will aid in effectuating the purposes of this Act, and the Commission may empower them to study the problem of discrimination in all or specific fields or instances of discrimination because of race, color, religion, ancestry, or national origin; to foster, through community effort or otherwise, good will, cooperation, and conciliation among the groups and elements of the population of this State; and to make recommendations to the Commission for the development of policies and procedures, and for programs of formal and informal education, which the Commission may recommend to the appropriate State agency. Such advisory agencies and conciliation councils shall be composed of representative citizens serving without pay, but with reimbursement for actual and necessary expenses; and the Commission may make provision for technical and clerical assistance to such agencies and councils and for the expenses of such assistance. The Commission may itself make the studies and perform the acts authorized by this paragraph. It may, by voluntary conferences with parties in interest, endeavor by conciliation and persuasion to eliminate discrimination in all the stated fields and to foster good will and cooperation among all elements of the population of the State.
10. To accept contributions from any person to assist in the effectuation of this section and to seek and enlist the cooperation of private, charitable, religious, labor, civic, and benevolent organizations for the purpose of this section.
11. To issue such publications and such results of investigation and research as in its judgment will tend to promote good will and minimize or eliminate discrimination because of race, color, religion, ancestry, or national origin.
12. To render each year to the Governor and to the legislature a full written report of all its activities and of its recommendations.
13. To adopt an official seal.

SEC. 8. Procedure: Any person claiming to be aggrieved by an alleged unfair housing practice may, by himself or by his attorney-at-law, sign and file with the Commission a verified complaint in writing which shall state the name and address of the person alleged to have committed the unfair housing practice complained of, and which shall set forth the particulars thereof and contain such other information as may be required by the Commission. The Attorney General may, in like manner, make, sign, and file such complaint. Any organization which has as one of its purposes the combating of discrimination or the promotion of equal housing opportunities may, in like manner, make, sign, and file such complaint. The Commission, whenever it has reason to believe that any person has been or is engaging in an unfair housing practice, may issue such a complaint. Any owner who is threatened by any persons so as to induce him to violate the provisions of the Act may file with the Commission a verified complaint asking for assistance by conciliation or other remedial action.

Upon its own initiative, or after the filing of any complaint, the Commission shall designate one of the Commissioners to make, with the assistance of the Commission's staff, prompt investigation of the alleged unfair housing practice.

If such Commissioner shall determine after such investigation that no probable cause exists for crediting the allegations of the complaint, he shall, within ten days from such determination, cause to be issued and served upon the complainant written notice of such determination, and the said complainant or his attorney may, within ten days after such service, file with the Commission a written request for a preliminary hearing before the Commission to determine probable cause for crediting the allegations of the complaint.

If such Commissioner after such investigation, or the Commission after such preliminary hearing, shall determine that probable cause exists for crediting the allegations of the complaint, the said Commission or such Commissioner as the Commission may designate, shall immediately endeavor to eliminate the unfair housing practice complained of, by conference, conciliation, and persuasion. The members of the Commission and its staff shall not disclose what has transpired in the course of such endeavors, provided that the Commission may publish the facts in the case of any complaint which has been dismissed and the terms of conciliation when the complaint has been adjusted.

In case of failure so to eliminate such practice, or in advance thereof, if in the judgment of the Commissioner or of the Commission circumstances so warrant, the said Commissioner or the Commission shall cause to be issued and served in the name of the Commission, a written notice, together with a copy of such complaint, as the same may have been amended, requiring the person named in such complaint, hereinafter referred to as respondent, to answer the charges of such complaint at a hearing before the Commission at a time not less than ten days after the service of said notice. The place of such hearing shall be the office of the Commission or such other place as may be designated by it.

The case in support of the complaint shall be presented before the Commission by one of its attorneys or agents, and/or by private counsel, if any, of the complainant, and the Commissioner who shall have previously made the investigation shall not participate in the hearing except as a witness, nor shall he participate in the deliberations of the Commission in such case; and the aforesaid endeavors at conciliation shall not be received in evidence.

The respondent may file a written verified answer to the complaint and appear at such hearing in person or otherwise, with or without counsel, and submit testimony. The complainant may likewise appear at such hearing in person or otherwise, with or without counsel, and submit testimony. The Commission or the complainant shall have the power reasonably and fairly to amend any complaint, and the respondent shall have like power to amend his answer. The Commission shall not be bound by the strict rules of evidence prevailing in courts of law or equity, and all relevant evidence of reasonable, probative value shall be received. Reasonable examination and cross-examination shall be permitted. All parties shall be afforded opportunity to submit briefs prior to adjudication. The testimony taken at the hearing shall be under oath and be transcribed.

If, upon all the evidence in the hearing, the Commission shall find that a respondent has engaged in, or is engaging in any unfair housing practice as defined in this Act, the Commission shall state its findings of fact and shall issue and cause to be served on such respondent an order requiring such respondent to cease and desist from such unfair housing practice and to take

such affirmative or other action as, in the judgment of the Commission, will effectuate the purposes of this Act, and including a requirement for report of the manner of compliance.

If, upon all the evidence, the Commission shall find that a respondent has not engaged in any such unfair housing practice, the Commission shall state its findings of fact and shall issue and cause to be served on the complainant an order dismissing the said complaint as to such respondent.

A copy of its order shall be delivered in all cases by the Commission to the complainant, to the respondent, to the Attorney General, and to such other public officers as the Commission may deem proper.

The Commission shall establish rules of practice to govern, expedite, and effectuate the foregoing procedure and its own actions thereunder. Said rules shall be available, upon written request, within thirty days after the date of adoption.

Any complaint filed pursuant to this act must be so filed within one year after the alleged unfair housing practice.

Sec. 9. Judicial review and enforcement: The complainant, the Attorney General, or the Commission, may secure enforcement of the order of the Commission by the court of the county where the unfair housing practice shall have occurred or where any person required in the order to cease and desist from an unfair housing practice or to take any affirmative action, resides or transacts business, through mandamus or injunction, or by suit in equity to compel the specific performance of the order. Such proceedings shall be initiated by the filing of a petition or bill of complaint in such court, together with a transcript of the record upon the hearing before the Commission, and issuance and service of a copy of said petition or bill of complaint as in proceedings in equity. The courts shall have power to grant such temporary relief or restraining order as it deems just and proper, and to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript and order or decree enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part, the order of the Commission.

The Attorney General or any person aggrieved by an order made by the Commission may obtain judicial review thereof in the said court by filing with the clerk of said Court, within thirty days from the date of service of the order, a written appeal praying that such order be modified or set aside. The appeal shall certify that notice in writing of the appeal, with a copy of the appeal, has been given to all parties who appeared before the Commission at their last known address, and to the Commission by service at the office of the Commission at ----- The evidence presented to the Commission, together with its findings and the order issued thereon, shall be certified by the Commission to said ----- court as its return. No order of the Commission shall be superseded or stayed during the proceedings on the appeal unless the ----- court shall so direct.

No objection that has not been urged before the Commission shall be considered by the court unless failure or neglect to urge such object shall be excused because of extraordinary circumstances. Any party may move the court to remit the case to the Commission in the interest of justice for the purpose of adducing additional specified and material evidence and seeking findings thereon, provided he shows reasonable grounds for the failure to adduce such evidence before the Commission.

The court shall hear the appeal without a jury on the record certified by the Commission. Said appeal shall be heard and determined by the court as expeditiously as possible and shall take precedence over all other matters before it except matters of like nature. The findings of the Commission as to facts shall be conclusive if supported by evidence on the record. After hearing, the court shall affirm the adjudication unless it shall find that the same is in violation of the constitutional rights of the aggrieved, or is not in accordance with law, or that the order was made without reasonable notice of the hearing, or without a reasonable opportunity for testimony or argument to be heard. But no order shall be set aside in whole or in part for any irregularity or informality in the proceedings of the Commission. If the adjudication by the Commission is not affirmed, the court may set aside or modify it, in whole or in part or may remand the proceedings to the Commission for further disposition in accordance with the order of the court.

The Commission's copy of the testimony shall be available at all reasonable times to all parties for examination without cost, and for the purpose of judicial

review of the order. The review shall be heard on the record without requirement of printing.

The Commission shall be deemed a party to the review of any order by the court.

The Commission may appear in court by one of its attorneys.

The jurisdiction of the ----- court of the proper county as aforesaid shall be exclusive and its final order or decree shall be subject to review by the ----- court upon appeal within thirty days of the filing of such decision. The said ----- court shall affirm the order of the ----- court unless it shall find that the same is in violation of the constitutional rights of the appellant, or is not in accordance with law, or that the appellant had been deprived of reasonable notice of hearing, or of reasonable opportunity to be heard.

Sec. 10. Penalties: Any person who shall willfully resist, prevent, impede, or interfere with the Commission or any of its members or representatives in the performance of duty under this Act, or shall willfully violate an order of the Commission, shall be guilty of a misdemeanor and be punished by imprisonment for not more than one year, or by a fine of not more than one thousand (\$1,000) dollars, or by both; but procedure for the review of the order shall not be deemed to be such willful conduct.

Sec. 11. Construction: The provisions of this Act shall be construed liberally for the accomplishment of the purposes thereof. Nothing contained in this Act shall be deemed to repeal any of the provisions of any other law of this State relating to discrimination because of race, color, religion, ancestry, or national origin.

Sec. 12. Separability: If any clause, sentence, paragraph, or part of this Act or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Act and the application thereof to other persons or circumstances but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the persons or circumstances involved. It is hereby declared to be the legislative intent that this Act would have been adopted had such provisions not been included.

Sec. 13. Appropriation: There is appropriated to the Fair Housing Practices Commission the sum of ----- for the year ending the ----- to carry out the purposes of this Act.

Sec. 14. Short Title: This Act may be cited as the Fair Housing Practices Act.

NEW YORK REGIONAL OFFICE,
ANTI-DEFAMATION LEAGUE
OF B'NAI B'RITH,
New York, N.Y., February 3, 1959.

MR. GORDON M. TIFFANY,
Staff Director, Commission on Civil Rights,
Washington, D.C.

DEAR MR. TIFFANY: May I respectfully request that the following statement be included in your record as a supplement to the statement of the Anti-Defamation League of B'nai B'rith which was sent to the Commission on Civil Rights on January 23, 1959:

As a result of the publication of our study on housing discrimination against Jews, information has come to the Anti-Defamation League indicating that the problem noted on page 7 of our statement to this Commission, in respect to Evansville, Ind., has apparently been resolved. Thus, there is no apparent reason to continue the inclusion of the city of Evansville, Ind. in our report."

Thank you for your cooperation.

Sincerely yours,

EUGENE L. SUGARMAN.

Commissioner HESBURGH. Before I call our final witness, I would just like, out of courtesy, to read a telegram that came from Mr. John Lindsay, who is a Member of the Congress from the 17th District of New York, a district, I believe, covered by much of our investigation [reads]:

I applaud the results of your first day of hearings held in New York City. It is equally as important to examine publicly areas in which personal rights are not being safeguarded in New York City as it is in areas of the South. Discrimination because of race, creed or national origin, wherever it occurs and in whatever form, weakens our moral fiber and damages our position of leadership in the world community.

I endorse the principle that the Federal Government must insist on nondiscrimination wherever public aid is given for mortgage insurance, slum clearance, and other types of housing assistance.

I wish you continued success in your heavy responsibility, and I regret that congressional duties prevent me from appearing in person to testify to the importance of your work.

[SIGNED] JOHN V. LINDSAY,
Member of Congress, 17th District of New York.

The final witness we have today is a gentleman who has spent pretty much of a lifetime in working against many of the things that we have discussed during these past 2 days.

It is with some affection I introduce him because, while we haven't been close personal friends, I have followed his work from afar and admired it.

I refer to the Reverend John La Farge, associate editor of America magazine and longtime leader and now chaplain of the Catholic Interracial Council of New York. Father La Farge has written many books and pamphlets on this problem and has worked in this field in many capacities.

I take great pleasure in introducing him as our final speaker.

STATEMENT OF REV. JOHN LA FARGE, ASSOCIATE EDITOR OF AMERICA MAGAZINE, AND CHAPLAIN OF THE CATHOLIC INTER-RACIAL COUNCIL OF NEW YORK

Reverend LA FARGE: Father Hesburgh, members of the Civil Rights Commission, and ladies and gentlemen, I thought that, coming at the end like this—you have had a long and probably very exhausting time; so, I did not prepare any written statement, and I thought—the simplest thing, being a clergyman, would be simply to say amen. So, I will say amen to some of the remarks that have been made and run them down very briefly.

Incidentally, the Catholic Interracial Council is an organization which was started 25 years ago in New York City, and has spread with independent units around the country, for the purpose of, in collaboration with people of different races, applying Christian principles, chiefly in educational matters and the problems we have been discussing today.

So, I simply, first of all, want to say amen to our Cardinal Spellman's magnificent talk and his insistence on the double aspect of the moral question from the standpoint of our Constitution and the standpoint of our religion. I know, from my long experience, that Car-

dinal Spellman, over a great many years, has always been a strong supporter of our work, and I know how sincere and how earnest his convictions are, that he means every word he says, and from the first time he arrived here in New York he has taken that position.

I was interested in the stress laid by several of the speakers on the family and the relation of the home to the family. In fact, the Puerto Rican speaker, Mr. Martinez, and Mr. Sugarman, too, and Mr. Engel, put stress on this point. I would like to note, too, that the question of the family and—it is very much in our minds now—the question of juvenile delinquency are very closely tied together.

One of our speakers—I think he was Roy Wilkins—brought out the point, which I think is a very simple, homey one, but very often forgotten in these discussions, that we don't say you must mix. It isn't a question of quota, getting different nationalities or groups of people to be somehow or other shaken in together, but it is a question of liberty. It is a question of right, a question of a person being able to get out of a ghetto. The legacy of the ghetto is in the fact that you can't get out of it and all the horrible repercussions that that makes. I have lived close to the ghetto here in New York for the last 33 years, and the thing that you constantly run up against is that fact—that, no matter what may be done in the ghetto, itself, the fact you can't leave it is the grievous thing.

I would like to call attention, too, to some positive steps that are being taken. I think some are very widely known.

For instance, over at Queens, a borough of New York City, some of the families have taken very wonderful, positive steps in stating definitely there is open occupancy, and our Catholic Interracial Council has, from the beginning, laid very great stress on neighborhood leadership, the natural leadership of our neighborhoods.

We talked a great deal about leadership this afternoon. We certainly need Federal leadership. We need the leadership of, Lord knows, our executive branch in Washington. We need it from all quarters. We need it also right at the grassroots, right in our local neighborhoods. There's a very great need of leadership which can be cultivated.

I am in favor of the idea of the President's committee—we, ourselves, have advocated that—a special committee on housing.

I would like to stress also the fact that we have to take into consideration, as mentioned by one or two of the speakers, the systematic cultivation of fear. The real-estate agents were mentioned, and I do know quite a number of instances where—and I am afraid those are much more common than we imagine in different parts of the country—real-estate agents have deliberately cultivated the attitude of fear. I know one very prominent real-estate agent in the Middle

West, a businessman, a very successful businessman, a man who has done very well and built up a large business, and his method is the cultivation of confidence, the cultivation of hope, and he has told me how foolish these people are who use this unfortunate weapon. Unfortunately, that type of person, that type of real-estate agent, is not so common.

The cultivation of fear, the fear of the Jew, the fear of the Catholic, the fear of the Negro particularly, people of other races—we know how skilfully and how subtly that can be done, and one of our problems in this matter is how to find the legal methods to use against the hate literature that is being circulated and the various devices used to create disquiet and unquiet.

Then I would like to mention also the fact that the whole problem is worldwide. It is a worldwide problem that we're dealing with, and that, I think, becomes more and more impressive on us as we live with the world. I was over in Africa this summer, north Africa, and was impressed by the curious fact that some of the problems in the State of Morocco are very much the same as those we have right here in the United States. This whole question of migration and immigration is a world problem. It is tied up with our immense mobility, vertical mobility and horizontal mobility, in our own country. Consequently, it is something we should look on, too, in our country, abroad, and also look on with the understanding that we can learn from what is done in other places; and if we would look on the world problem as a national problem as well we would not be inclined to pin all our scorn on one region.

We here certainly in the North, I feel, can help the people of the South most by settling our own problems. We certainly feel, most of us who have given our thoughts to it, that the southern people can work out and will work out their problems if they can overcome the immediate obstacles in the way of intimidation and suppression of those who wish to make free expressions of their opinions, but the greatest contribution we in this part of the country can make is that in trying to find a solution to our own questions.

Finally, I would like to stress this point that we also in our group like to stress very strongly: That we have to consider, if we are looking for legislation,—of course, this does not concern legislation, but it does concern the whole attitude, namely, continuing to come back to the fact—that the incoming of races, the advent of new people and the mixture of them is positive, good, that this is not the Puerto Rican problem, the Negro problem, the Jewish problem, or whatever problem you have, the problem of any racial group, but, on the contrary, it is a blessing and it is a benefit that we have these people; and as we look at this city here, this tremendous

metropolis we have been discussing these 2 days, this vast settlement of 8 million people, we, too, have terrible inconveniences and annoyances and all that, but, nevertheless, is there any group of people, any one of these people, you wouldn't want to have there? What would we be without them?

So, I think we can do a great deal to encourage and make people understand that our cities, our country and our greatness are built up by the coming of so many people.

I thank you very much for your patience in listening to me and for the opportunity to appear before you today.

Thank you very much.

Commissioner HESBURGH. Thank you, Father La Farge. That was a fine closing.

Ladies and gentlemen, before making my final statement, I would like to make two announcements: During the past 2 days, of course, we have heard a number of people. Some we have not been able to hear, and we have invited them to send us any statements they might have or might wish to make. These can be sent directly to the Civil Rights Commission, Washington 25, in the District of Columbia. I would also like to say publicly that any of our speakers who might wish to correct or amplify or qualify the things that they have said in view of further discussion are perfectly free to do so. We have, by discussion of the Commissioners present, decided not to allow this during the hearing because then we would never end and we would get into something in the nature of a debate rather than in the nature of a deposition we have been looking for.

The second announcement that I would like to make is that we would like to very sincerely—I would particularly like to—thank our staff. You folks who have been following this hearing and these people here for the past 2 days have no idea of the tremendous amount of staff work that goes into the preparation of one of these hearings and the devotedness that is required to keep working on this type of job, in which you are serving the whole country in one of its most basic problems, and yet it is done in a very anonymous and unselfish way, and I, personally, don't think they print enough money to recompense people who devote themselves to this kind of work.

Lastly, I would like to make a final statement, somewhat reminiscent perhaps of what I said as this hearing was opened here yesterday.

We came here to New York to learn about a problem that is vexing the whole Nation. Thanks to the variety of thoughtful views we have heard these past 2 days, we have learned a great deal. We wish

to express our thanks to the city and State officials and to all the witnesses who have given us such full cooperation.

At the end of our study of discrimination in housing—and this study will go on in all the States—we will submit our findings and recommendations to the President and to the Congress of the United States. We hope that we can find some ways that might help this country move forward and to progress in achieving the equal protection of the laws as promised by the Constitution, for, as I said at the beginning of this hearing, we are talking here about the face of America, now and in the future, and that face must have the beauty and dignity and harmony of the Constitution and not be the face of slums and discrimination and chaos or, to put it simply, equal protection of the laws, like charity, must begin at home and in the homes of all Americans.

The hearing is hereby adjourned.

(Whereupon, at 5 p.m., the hearing was adjourned.)

(The following communications were received for inclusion in the record:)

WOMEN'S CITY CLUB OF NEW YORK, INC.,
New York, N.Y., January 13, 1959.

CIVIL RIGHTS COMMISSION,
Washington, D.C.

GENTLEMEN: The Women's City Club of New York wishes to present for the record its views on the problem of discrimination in housing which is to be the subject of a 2-day hearing on February 2 and 3.

This organization has been active in support of the full antidiscrimination legislative program in New York State and city which includes laws prohibiting discrimination in public housing, publicly assisted housing and in a large part of New York City's private housing.

The need for such legislation was brought most forcefully to our attention by special studies that we made on the relocation of families from title I sites. It has become clear that the most rundown areas in our cities are likely to be those inhabited by minority groups. This is not because the minorities as such cause the deterioration but because, being discriminated against, they are forced to accept accommodations in limited areas that are usually already deteriorating. This overcrowding, coupled with inadequate maintenance, ultimately causes irreversible blight of the neighborhood. As a result, the worst areas of our cities, which are chosen for slum clearance, are areas of heavy minority concentration (nationwide about two-thirds of the families relocated from title I sites are non-white according to the Housing and Home Finance Agency).

Where have these relocated families gone? Many have had to turn to public housing with the unfortunate result that in New York City such housing has become more and more "minority housing." The rebuilding of slum areas under title I has never helped these families (either Negro, Puerto Rican, or white) to the extent that it should, because the homes built on the cleared land have turned out to be so expensive that at the outside only 5 percent of the families formerly living there could afford the new dwellings.

A vicious circle has thus emerged: we have actually been tearing down slums and blighted neighborhoods only to force many former inhabitants into overcrowding other neighborhoods and sending them on the downward spiral. To break this circle the housing market must be made generally available to all, free of discrimination. As a start, New York City passed legislation in regard to discrimination in Federal housing programs. This was followed last year by the passage of a local law prohibiting discrimination in most private housing. While experience under this bill is still limited, we know of many instances where it has worked well. It seems clear to us that an

effective attack on the problem requires that city, State, and Federal Government must each make sure that there is no discrimination in buildings for which each is responsible. The Federal Government should play a key role in this picture. With its enormous contributions to slum clearance and with its vast concern with housing and publicly insured housing, it should set the pattern for positive integration. Otherwise the whole slum clearance program is doomed to fail.

Federal law now provides that families relocated from title I sites are entitled to "decent, safe, and sanitary dwellings * * * not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within (their) financial means." It is actually impossible to enforce this law while there remains a shortage such as we now have of low and middle income housing. In order to carry out the provisions of this law we need vigorous action, in both the civil rights field and in the area of providing more housing for the entire population.

A further serious situation in our city is the de facto segregation in our schools affecting a majority of our schoolchildren. The basic cause of the situation is the residential pattern; it will not be ameliorated until housing has become truly integrated.

Sincerely yours,

(S) Katherine W. Strauss
Mrs. JEROME L. STRAUSS,
President.

(S) Mrs. Elnior G. Black
Mrs. ALGERNON D. BLACK,
Chairman, Housing and Relocation Committee.

CITIZENS' COMMITTEE FOR CHILDREN OF NEW YORK CITY, INC.,
New York, N.Y., January 15, 1959.

CIVIL RIGHTS COMMISSION,
Washington, D.C.

GENTLEMEN: We are pleased to enclose a copy of our statement issued last year in support of a fair housing practices law in New York State. This statement outlines our special interest in securing such legislation.

Discrimination in housing is today the significant civil rights problem in our State and in most areas outside of the Deep South. We believe it warrants the most serious consideration and action on the part of the Commission on Civil Rights and we would like to help in any way possible.

The Citizens' Committee for Children has been particularly concerned with the effect of discrimination in housing on low-income families. It contributes to family problems and adds to the reasons which often result in separation of children from their parents and subsequent placement in foster care. Sometimes the lack of adequate housing is the sole factor responsible in child placement. The dislocation of families caused by public improvements of all kind including urban renewal, title I projects and public housing have added to the seriousness of housing problems for minority families. For example, when the Community Service Society was called in to help in the relocation of tenants on the site of a new development, they found that all of the families belonging to minority groups believed they were unable to find housing because of racial discrimination. They reported being asked to pay more than the legal rent or to purchase dilapidated furniture or to pay for renovation of the apartment. The Community Service Society reported:

"As part of our service, we made it a practice to call landlords on behalf of individual clients, to verify facilities and rents. On 23 different occasions the landlord seemed interested and discussed the facilities, etc., until we asked whether the house was interracial. He then often became evasive and said he had already rented or promised the apartment to someone.

"While a total of 31 families, primarily through the efforts of CSS, were helped to seek and find private housing, only 16 minority families found private housing, although the minority group constituted 104, or three-quarters of our cases. This group therefore, for the most part, looked to low-rent public housing as a solution to their problems.

"Although white families constituted less than one-quarter of our total caseload, they made up almost half of the total number of families that went to private housing."¹

Case record after case record on children referred for placement highlight the problem. In another recent study of children in 100 families placed in temporary foster care, it was found that for 39 children, homemaker service could have helped keep the family intact, but the housing was either too deteriorated for a homemaker to live in, or the family was being evicted and unable to find new housing.

The very difficult problems being met by the school system in New York City regarding segregation arise primarily because there is segregation in housing. Since the schools reflect the housing pattern and since unfortunately we still have so much segregated housing, the schools in those areas continue to remain segregated. In every area in which we as a Committee for Children work—education, health, mental health, juvenile delinquency, and recreation—the effects of discrimination in housing contribute to the magnitude of the problems. Specific data in every area as to the ill effects of such discrimination are available.

New York City is now well embarked in implementing its fair housing practices law. Full compliance with the law will, of course, take much time even though the City Commission on Intergroup Relations is developing a sound educational program to accompany law enforcement. However, since the law does not apply to suburban regions, we believe that a State law is essential.

The situation here and elsewhere calls for an aggressive, purposeful policy and administration on the part of all government units, Federal, State, and city, as well as an educational program to be carried out by Federal agencies in connection with their responsibilities. Such programs must reach not only property owners and builders, but lending institutions which are so important in setting the requirements for financing of private housing.

Yours truly,

ROMA GANS,
Chairman, Board of Directors.

MEMORANDUM IN SUPPORT OF FAIR HOUSING PRACTICES BILLS

We urge you to take immediate action to pass these bills amending the executive law to prohibit racial and religious discrimination in multiple dwellings and in the sale of homes in developments of 10 or more dwellings. This State has taken important steps to assure equality of opportunity in employment and education for all, regardless of race, creed, or color. We have so far limited our concern with fair housing practices to public and publicly assisted housing. As a result, the purpose of past legislation has been defeated, for in neglecting private housing we have created new ghettos, have perpetuated the de facto discrimination in education and have reflected the segregated living pattern in some continued segregation of employment. As an organization particularly concerned with children's welfare, we would like to point out here some of the results of this forced ghetto living to children and their families.

One of the most obvious results of segregation is the squeezing of minority groups into old and deteriorated neighborhoods, into buildings that are beyond repair, and into rooms without minimum facilities for privacy and cleanliness. There is ample evidence in the last census to show the extent to which minority groups are forced to live in substandard housing and overcrowded conditions at exorbitant rentals. One example, from another source, is the fact that of 1,300 New York City public assistance families with 4 or more persons (including children) living in 1 furnished room, only 11 families were white.

As a result of such forced substandard living conditions, every part of family stability is threatened. Everyday stresses and strains are magnified and contribute to family breakup, children are thrown to the streets for unsupervised play, and the city and State pay for the social consequences. They pay not only for the loss of constructive citizens; they pay also for the expensive services needed when the family breakdown is complete. Here are two examples of what happens:

A newborn baby was left in a hospital ward for 8 months because the parents, Negroes, both recuperating from TB, could find only one furnished room for their family. The doctor would not permit this baby or the older sister, living

¹"Not Without Hope, A Report and Recommendations on Family Relocation," Committee on Housing, Community Service Society of New York, March 1958.

in a temporary foster home (at public expense), to be returned to their parents until larger and more healthful living quarters were found.

A young mother was unable to cope with the care of five children in three basement rooms while she was on convalescent care from a State mental hospital. The doctors had every hope that in resuming her responsibility and with continued clinic treatment she would be helped to final recovery. The father cut short his working hours (and income) to help. Because this was a Negro family, no other apartment which was large enough or with adequate health and sanitary facilities could be found, even through the combined efforts of five public and private social agencies. The mother's health soon broke down again and the five children were all placed in foster care at public expense.

At the same time that housing problems contribute to family breakdown, the foster homes needed for dependent children are increasingly difficult to find for the same reasons. Dwellings in areas where Negroes and Puerto Ricans are permitted to live are too often so bad that they do not meet sanitary code requirements for licensing as foster homes.

Thus the Negro and Puerto Rican children remain in temporary shelters for months—even years—while the white children are placed more rapidly. Out of 47 babies awaiting placement in city hospitals on January 1, 1957, 12 children—all Negro—had to wait over 1 year for placement.

Out of 250 children awaiting placement in Children's Center over 90 days, 222 were Negro or Puerto Rican. These are only a few examples of a situation particularly destructive for children—a situation which the Metcalf-Baker bills would help remedy.

NEW YORK, N.Y., *January 30, 1959.*

FEDERAL CIVIL RIGHTS COMMISSION,
New York, N.Y.

GENTLEMEN: A story in the January 29 issue of the New York Times reports that the Protestant Council of the City of New York proposes a large increase in public housing, thus inferring that all Protestants and all member-churches of the council favor such a socialistic program. I am not protesting the story, but I do object to the impression that such a stand represents the feelings of all members of the Protestant Council. This as far from the case.

As a Lutheran and as a member of a congregation belonging to the council, I question the authority of the Christian Social Relations Department to make such a proposal since it is not speaking for many of the members making up the council. The ownership and operating of housing by the Government can be defined in no other way than socialism, which is abhorred by the vast majority of American citizens.

Virtually every city has its destitute people and its slums and blight. However, public housing is not the answer to either of these problems.

One of the most effective ways of providing the necessity of housing for the destitute is that of rent certificates by welfare agencies, with adequate provision to make sure that the dwellings meet local laws pertaining to health, safety, and sanitation. Such a program is under way in many large cities but is oftentimes opposed at the local level because it requires more effort than to reach out to Washington for a Federal handout.

A second solution is low-cost private housing, such as that which is under way under section 221 of the Federal Housing Administration program. Nearly 200 cities are taking advantage of this private enterprise way of providing new and rehabilitated housing for low-income groups, and family units involved under section 221 had reached the total of 90,000 at the end of 1958. This program is just now getting into high gear, and many experts have predicted increasingly notable accomplishments to relocate families displaced by slum clearance of other governmental activity.

The new concept of urban renewal which is being embraced by more and more cities places emphasis on the conservation, as opposed to the bulldozer approach, in ridding cities of slums and blight. In other words, the experts are coming to realize that more families of low income can be served with the funds available by saving and rehabilitating sound buildings and destroying only those which are unsalvageable than by razing completely several blocks and then constructing expensive public housing which is rented at submarket levels to families within specified income categories without necessarily serving the destitute and lowest-income groups.

My basic point, however, is this: On such a controversial issue, I do not think the Protestant Council of the City of New York has the right to espouse an increase in socialized public housing since such a proposal does not reflect, by any means, the solution espoused by many members and member-churches of the council, all of whom are cognizant of the problems of the destitute and the slums. I make this statement so that the weight of its presentation to the Federal Civil Rights Commission will be recognized for what it is—a questionable opinion of a questionable number of members.

I am a trustee and former president of St. Paul's Evangelical Lutheran Church at Parkchester, Bronx, and have served as president of the Lutheran Society of New York.

Sincerely yours,

HENRY. G. WALTEMADE.

FEBRUARY 3, 1959.

To: Dr. John A. Hannah, Chairman, Civil Rights Commission.

From: Thomas L. Roberts, chairman, New York Committee of Racial Equality;
Gordon R. Carey, acting executive secretary, Congress of Racial Equality.

STATEMENT OF THE NEW YORK COMMITTEE OF RACIAL EQUALITY AND THE CONGRESS OF RACIAL EQUALITY TO THE U.S. CIVIL RIGHTS COMMISSION

The New York Committee of Racial Equality, otherwise known as New York CORE, an affiliate of the national Congress of Racial Equality, also known as CORE, is a local, volunteer civic organization dedicated to the elimination of racial discrimination and segregation from all phases of American life by direct, nonviolent action.

Accordingly, we welcome this opportunity to submit to the Civil Rights Commission an expression of our views on the evils of discrimination and segregation in housing.

Racial prejudice and discrimination, enforced and perpetuated by involuntary physical segregation, represent the greatest failure of American democracy. This is particularly so in the area of housing.

A recent report by a private Commission on Race and Housing, based upon a 3-year survey of the housing problems of racial and ethnic minorities, disclosed that 27 million Americans, nearly one-sixth of the United States population, were restricted in their opportunities to find housing and live in neighborhoods of their choice because of their race, color, or ethnic origin. (See the New York Times, November 10, 1958, pp. 1 and 32.) Thus one-sixth of our total population is restricted in its opportunity to satisfy the basic human need for shelter.

The need for eliminating segregation in housing has been clearly demonstrated by the accumulated literature on the subject. The New York Committee of Racial Equality and the Congress of Racial Equality call upon the Federal Government to take certain definite steps to purge our national life of this evil.

We recommend legislation as a most effective immediate instrument for achieving this goal. Such legislation is authorized by the second section of the 13th amendment to the Constitution and should be enacted by Congress to effectuate the purposes of the amendment.

To date, however, the only specific Federal legislation applicable to housing and implementing the 13th amendment was enacted in 1866.

The Federal civil rights law (originally Civil Rights Act of 1866) provides: "All citizens of the United States shall have the same right in every State and Territory, as is enjoyed by white citizens thereof to inherit, purchase, lease, sell, hold, and convey real and personal property." Act of April 9, 1866, c. 31, Sec. 1 (R.S. 1978), 8 U.S.C.A. 42 (14 Stat. 27), now 42 U.S.C.A. 1982.

This statute should be replaced by more comprehensive legislation prohibiting discrimination because of race, color, or ethnic origin in all housing—private, public, and publicly assisted.

NEW YORK, N. Y., February 3, 1959.

Dean GEORGE M. JOHNSON,
Commission on Civil Rights,
Washington, D.C.

DEAR DEAN JOHNSON: I would like to have you call to the attention of the Commission an aspect of this problem of segregated housing that I do not feel

has been adequately brought out at your two hearings in New York City and that is the responsibility of governmental programs in causing additional segregation in housing. I am referring particularly to the slum clearance program.

In New York City we have perhaps the most enlightened laws in the country with regard to the elimination of discrimination in obtaining housing accommodations. However, we do have a tremendous housing shortage particularly in the low income and low middle income category of housing and the result is that all of these laws in practice are not as good sounding as they are in principle.

We have a requirement in our title I Law to relocate families according to certain standards but the New York City standards which have been approved by the Federal Government do not in any way alleviate the problem causing segregated housing. The standards are that the buildings to which the people are relocated to must be:

1. Structurally sound.
2. Have central heating and hot water.
3. Kitchen facilities.
4. A private bath and toilet.
5. A window in each room.
6. No overcrowding.

There are no requirements with regard to decency of neighborhood or the safety or sanitary condition of the neighborhood to which people are relocated to. The result of this is that many people coming from slum sites (and I am referring primarily to Puerto Ricans and Negroes) which are in effect integrated neighborhoods, are relocated into neighborhoods of the city which are segregated areas.

The fact that we have eliminated by law last year discrimination in private housing has not meant a thing because essentially the housing market is so tight that landlords can easily find tenants coming from what he may consider more desirable groups, namely white, and so rent his apartments when they become vacant very quickly without running into any official charges of discrimination in housing.

When you grant a priority to a tenant to return to the site of the slum clearance project as the law does and he does not have the economic means to do so, you are in fact granting him nothing at all.

When you build on title I sites luxury housing with a general provision that there is to be no discrimination but the overwhelming majority of Negroes and Puerto Ricans cannot afford that housing, you get the segregated housing in the economically favored racial group without having to resort officially to discrimination.

An investigation should be made as to the racial composition of people going into title I housing in the city of New York as against the racial composition of those same areas prior to the title I project.

It is also unfortunate that even in the more enlightened urban renewal project scheduled for 87th to 97th Streets from Central Park West to Amsterdam Avenue, the bulk of the families that will be removed from that area are the economically underprivileged Puerto Ricans and Negroes. It is sad to state that many of them will undoubtedly go into segregated slum areas in no way superior if not inferior to the integrated area from whence they came.

I would, therefore, like to recommend that your Commission go on record favoring certain changes in the title I Law and I propose the following:

1. That no slum clearance project be approved unless as part and parcel of the project plan where new housing is contemplated, there be new housing built for the residents of that slum area within their economic means in a desirable location (not necessarily on the previous site).

2. That no title I slum clearance project be approved unless adequate provisions be provided to relocate the former slum dweller not only into so-called decent, safe, and sanitary houses but into areas that are decent, safe, and sanitary as well.

I have one further thought and that is that you recommend legislation which will be primarily concerned with the improvement of housing for those human beings living in slum dwellings or under slum conditions. Every governmental program is basically geared to buildings and not people. It is my opinion that a reversal of this trend is necessary so that when we approach an area which is deteriorating in nature that a planned program be entered into which would

improve the housing for the people of those areas and not just destroy the unsatisfactory housing they have without a planned program specifically to better their housing.

I would appreciate an acknowledgement of this communication from the Commission.

Very cordially yours,

HARRIS L. PRESENT,
Chairman, New York City Council on Housing Relocation Practices.

(Information on the Mortgage Facilities Corp. referred to in testimony by Mr. Charles Abrams, above:)

OFFICIAL BROCHURE OF THE MORTGAGE FACILITIES CORP.

ORIGIN OF THE MORTGAGE FACILITIES CORP.

The corporation was brought into conditional being by the legislative action, sponsored by Senator James L. Watson and Assemblyman Melville Abrams, which resulted in the passage of chapter 564 of the Public Laws of 1956, known as the Mortgage Facilities Corporation Act, which became effective on April 13, 1956.

The conditional features of the legislation were the requirements that not less than 10 banking or insurance institutions become members and that not less than \$100,000 of capital funds be realized by the sale of capital stock by the date of June 1, 1957. Failing to meet either condition, the corporation would have automatically expired; upon attaining the objectives, the corporation was endowed with life in perpetuity.

On October 17, 1956, Gov. Averell Harriman appointed a temporary board of directors consisting of the following:

Hon. Leffert Holz

(then superintendent of insurance)

Richard A. Brennan	Raymond T. O'Keefe
Norman Carpenter	James J. Rooney
Charles R. Diebold	Andrew S. Roscoe
Horace C. Flanigan	Arthur J. Smyth
Charles W. V. Meares	Robert W. Sparks
Warner H. Mendel	Hope R. Stevens

Mr. Holz was elected chairman of the temporary board, Mr. Carpenter as secretary and Mr. Flanigan as treasurer and the drive for members and capital stock subscription was under way.

On April 15, 1957, the goals of membership and capital requirement had been reached and the corporation was then legally activated.

On May 13, 1957, at the first annual meeting of the corporation, the results were made known to the members and stockholders and, at the first election of permanent directors and officers, Mr. Holz was elected chairman and president, Mr. Carpenter as secretary and Mr. Flanigan as treasurer, constituting the three officers of the corporation. They, together with the remaining 10 members of the temporary board, were unanimously elected to serve as the permanent board of directors for the ensuing year.

Counsel was officially retained and the bylaws of the corporation were developed and subsequently adopted.

On August 15, Henry A. Darius was appointed executive director and, during the period August 15 to October 14, 1957, the corporation perfected the operating procedure and equipment required to service loan applications. On the latter date, your MFC was actively in business, with \$5,353,783 of the \$25,000,000 permitted by law, pledged by 31 institutional members, available for first mortgage loans on properties located in areas in which this additional mortgage credit was so badly needed.

PURPOSE

The Mortgage Facilities Corp. was conceived to facilitate an improved flow of mortgage credit to distressed urban areas throughout the State; where blight, deterioration, or overcrowding is deemed to exist.

The corporation's primary undertaking is in the field of urban renewal, to the extent it can contribute to the fight against blight by making available mortgage funds for loan on properties which will be, or have been rehabilitated, in areas generally considered to be substandard.

Our number one target is the creation of improved and/or additional housing, either by economically sound rehabilitation or new construction, in deteriorating urban areas throughout the State.

We are equally concerned with the welfare of any responsible owner of well-maintained residential real property who is unable to secure an economically sound first mortgage loan because of the location of the property. MFC has now put to rest the thought that any owner need stand in jeopardy of losing the property, or having to resort to the unconscionable demands of a loan-shark, because of race, color, creed, or location of the real estate.

Our interest in loans for the purpose of refinancing or consolidating existing indebtedness is confined to cases wherein distress and urgency prevail. We are not a lender of convenience and, therefore, do not act favorably on applications made for the purpose of lightening charges so as to improve the return on equity.

The corporation was not created to trade position with an existing mortgagee, particularly where the maturity of the obligation is at some distant date, but rather to lend its aid, whenever possible, where loss of property could be construed to be imminent because the holder of the lien refused to extend and, after reasonable efforts had been applied, no other source could be found to refinance the loan in an economically sound amount.

Financing purchasers of residential property is also a function of MFC. Except in so-called tight money periods, it is our opinion that adequate funds are made available by existing institutional lenders to meet the needs of responsible purchasers of well-maintained residential real estate in almost all areas. However, it is possible for a prospective purchaser to encounter difficulty in obtaining financing at any time, due to a single situation, or a combination of things adversely affecting the location of the property. That is where MFC comes in. We are not in competition with the institutional funds available to you, but when such funds are not available, because of the location of the property, we will endeavor to be of help.

IS THE MFC MORTGAGE DIFFERENT FROM OTHERS?

It is in two important respects: (1) The collection monthly of an accrual for the preservation and restoration of the real property; and (2) the prohibition against creating any junior lien, charge or encumbrance affecting the real property without the prior written consent of the holder of the first mortgage.

In respect to the Reserve for Replacements, it is a fund which the owner accumulates in the custody of the mortgagee expressly for the purpose of meeting extraordinary maintenance or replacement expense, such as boiler, burner, roof, violations, etc., not for hall-painting or apartment redecoration. It can be released from time to time to meet, or help meet an emergency situation which the owner is financially unable to correct without the aid of the accumulated reserves upon application to and approval by the holder of the first mortgage.

The requirement that the prior written consent of the holder of the first mortgage be obtained in advance of creating a junior lien or encumbrance is a deterrent to purchasing for speculation, as a sale involving the taking back of a second mortgage or multiple junior liens should be revealed to us by a change in fire insurance policy endorsement and, in such a case, we would be able to take appropriate action. It is difficult to conceive of approval being withheld in the case of a bona-fide sale by an owner who, for any reason, found it necessary or expedient to sell the property and who would be damaged by our refusal to permit said owner to accept a purchase money second mortgage as part of the consideration, providing the element of speculation was clearly absent.

In several minor respects the MFC mortgage might be considered different. If you have, or had a mortgage which is payable quarterly, ours is different. Similarly, if your amortization is, or was calculated as a fixed percentage of the original principal, nonconstant, then ours is different.

Our loans are repaid on a monthly, constant-payment plan, which gives you debt-free ownership of your property at the maturity of the loan. As your constant payments are applied to decreasing principal, with interest only on the outstanding balances, amortization increases in relation to the monthly reduction in interest payments.

In addition to the monthly collection of interest and principal, we also accrue one-twelfth of the estimated annual real estate taxes, one-twelfth of the estimated annual sewer and water charges (if a lien), one-thirty-sixth of a 3-year policy of fire insurance, with extended coverage, and one-twelfth of 2 percent of the original principal disbursed as a reserve for replacements.

WHEN PAYMENTS ARE DUE

Your all-inclusive mortgage payment is due on the first day of the month. A generous grace period is provided to meet the situation of being unable to make the payment on the fixed due date, but after the 15th of the month the payment is overdue and a service, or late charge is assessed for the special handling involved. No profit accrues to the corporation from the assessment of the late charges, as the work involved in restoring such technical delinquencies to "first of the month good standing" cannot be compensated for by the 6 percent of principal payment assessment. As there is no credit reference superior to that of your mortgagee, every effort should be applied to creating a good record of making payments when due.

MAXIMUM TERM AND LOAN RATIO

We are restricted to a maximum term of repayment of twenty (20) years and, at this writing, are reserving said maximum term for complete rehabilitation, new construction or home-purchaser loans.

The law also specifies that the corporation may not grant a conventional first mortgage loan in excess of 80 percent of its appraisal and, at this writing, we are reserving said maximum ratio loan for complete rehabilitation, new construction or home-purchaser loans.

As we do not refinance existing indebtedness in excess of the outstanding balance, save only where such excess would be used in its entirety for the purpose of rehabilitation, refinancing loans have ranged from 60 percent to 70 percent of our appraisal, with term of repayment ranging from 10 to 15 years.

LOAN STANDARDS

The corporation is required to determine that—

1. Each loan is economically sound;
2. Prudent mortgage lending practices have been adhered to in the processing of the application;
3. The property under consideration has, or will have a central heating system of a type and in a condition satisfactory to the corporation;
4. The property under consideration is, or out of the loan proceeds will be in a physical condition satisfactory to the corporation; and
5. The property under consideration is free of violations of record, as of the date of closing, or that violations of record, as of said date, will be removed out of the loan proceeds.

IF YOU RECEIVE A TAX BILL

To avoid penalties imposed by the local tax authorities, it is important that you forward immediately to us any bill you receive for real estate tax, assessment or water/sewer charges. As our servicing department, or agent, makes the payments on account of all such items (other than assessments we have not been informed of) out of your escrow deposits, it is in your interest that payment of such items be made on time, in order to avoid a penalty or interest charge being imposed by the taxing authorities.

BEFORE YOUR FIRE INSURANCE EXPIRES

It is imperative that the renewal of any policy of fire or other hazard insurance, in effect or taken out at the time of the loan closing, be in the hands of our insurance department, or our servicing agent at least 15 days prior to expiration, together with your written authorization designating the broker to place such renewal coverage.

Many things can change the relationship between the broker placing, or servicing, the original insurance policy and yourself during the 3-year life of the coverage, and confusion results when the original broker automatically renews, without express authorization, and duplicate coverage is submitted by a broker subsequently engaged to place the renewal. To avoid this confusion, and the necessity of placing the insurance direct, it is most important that you give written authorization to your broker and that the same be received by us, together with the renewal policy, or policies at least 15 days prior to the expiration date.

ASSESSED VALUATION

It is likely that there are as many cases of temporary underassessment as overassessment, at any given time, in any given municipality. It, therefore, behoves a purchaser to closely examine the assessed valuation in relation to the

prior sale, in the case of existing construction, and to think in terms of the percentage increase in taxes which could result from a purchase today at a substantially higher price.

In the case of new construction and/or substantial rehabilitation, in most cases, the full assessment may not have been levied and only land, or land and part building represents the temporary assessed valuation. A year hence, the picture will have become more realistic when the full assessment has been levied and reserves will have had to be accumulated to meet such increase in taxes.

The corporation is not in a position to be of help with regard to your assessment. If you feel your assessment is excessive, you may file a protest with your local tax office.

Certain valuable concessions are granted to veterans and these should be explored with your local tax office by any former member of the Armed Forces eligible for such benefits.

HOW TO APPLY

Any owner or prospective purchaser is encouraged to apply directly to us.

The inquiries of attorneys, licensed real-estate brokers and builders are also welcomed.

Application may be made in person, or by mail and the corporation's mail address and telephone number are shown on the covers.

Inquiries made in person, or by phone permit us to acquire certain preliminary information prior to the filing of the application. In making inquiry by mail, please indicate—

(a) If you are the owner, applicant (if a purchaser) or agent (attorney or broker);

(b) Whether the property is a 1, 2, legal 3, 4, or multifamily dwelling; and

(c) Whether application is being made to refinance any junior lien created subsequent to April 12, 1956.

Following your initial inquiry, we will be pleased to forward our application form to you. On multifamily applications, a 12-month income and expense statement must accompany the completed application when the same is returned to us.

Considerable time can be lost in processing an application which has been supplied in insufficient detail. We can best help you if you will observe the request to answer all questions pertinent to the subject property, as well as those relating to your financial responsibility.

There is no charge made for our services until a loan has been approved by our board of directors. We then collect 2 percent of the approved loan as a commitment fee which is applied to the corporation's service charge, if the loan closes as approved.

To the point of commitment, the owner or applicant would encounter only one expense. The corporation requires to be furnished with an outside substantiating appraisal and, on many occasions, it is deemed advisable for the same to be supplied by the applicant prior to presenting the application to the board. The applicant pays all expenses in connection with the mortgage closing and we assure you that every effort is made to save wherever possible.

UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
ATLANTA, GA.

April 10, 1959, Morning Session

COMMISSION ON CIVIL RIGHTS

FRIDAY MORNING SESSION, APRIL 10, 1959

The Commission met in the Aldermanic Chamber of the City Hall, Atlanta, Ga., at 9 a.m., Friday, April 10, 1959, Dr. John A. Hannah, Chairman of the Commission, presiding.

Present: John A. Hannah, chairman; Robert G. Storey, vice chairman; and Doyle E. Carlton, commissioner.

Also present: Gordon M. Tiffany, staff director; George M. Johnson, director, office of Laws, Plans, and Research; Mrs. Carol R. Arth, executive secretary; Harris L. Wofford, legal assistant to Commissioner Hesburgh; Eugene R. Jackson, legal assistant to the late Commissioner J. Ernest Wilkins; Burton Stevenson, legal assistant to Commissioner Carlton; and Dr. Robert S. Rankin, consultant.

PROCEEDINGS

Chairman HANNAH. Ladies and gentlemen, this hearing will now come to order. This is a hearing by a duly constituted subcommittee of the Commission on Civil Rights. I am John Hannah, Chairman of the Commission. First I would like to introduce my colleagues. On my left is Robert Storey, Vice Chairman of the Commission, who is Dean of the Southern Methodist University Law School. On my right is Commissioner member Doyle Carlton, former Governor of Florida.

Next we have some of the members of our State Advisory Committee from Georgia who will be with us today, and we will wait until more of them come, and we will introduce them later on in the day. There may be members from other advisory committees from other States in this section of the country. Later on in the day we will present them as they arrive.

I would also like to introduce Dean George M. Johnson, who is Director of our Office of Laws, Plans, and Research, and who was recently nominated by President Eisenhower to succeed the late J. Ernest Wilkins as a member of this Commission, but who is continuing to head our legal division pending confirmation by the Senate. Dean Johnson was formerly Dean of the Law School of Howard University.

This hearing is being held as part of the Commission's nationwide study of problems of equal protection of the laws under the Con-

stitution. Early in our deliberations we decided that the three principal fields for inquiry and study would be voting rights—that is explicitly assigned to us by the legislation that creates the Commission—and then public education and housing. We are here today to study and collect information on the problem of housing. A similar hearing was held in New York City on February 2 and 3, and other housing hearings will be held later in Chicago and in Los Angeles.

In order to save time and get down to business promptly, I want to turn the chair over to Governor Carlton, who, at the request of all the members of the Commission, will conduct this hearing. Dean Storey presided at our voting hearing in Montgomery; Father Hesburgh—who will be in later today—was responsible for conducting the housing hearing in New York; and I presided over the educational hearing in Nashville, and we are asking Governor Carlton to preside over this hearing today. Governor Carlton, will you take over.

(Commissioner Carlton assumed the chair at this point.)

Commissioner CARLTON. Thank you, Dr. Hannah.

As Dr. Hannah has suggested, we are here to study a complex problem that concerns and vexes the whole country. It so happens that this Commission is the first agency ever established by Congress to think about some of the legal, human, and practical problems involved in the constitutional requirement of equal protection of the laws. As a bipartisan Commission, set up with three members from the South and three from the North, I can assure you we come with no preconceived solutions. Nor are we here in any sense to try to adjudicate any specific situation. The Commission has no power to enforce laws or to correct any individual wrong. Our assignment is to submit a report, with our findings and recommendations, to the President and the Congress by this coming September 9. So we are here to learn and to try to gain some understanding from your experience of a nationwide problem.

We have received no complaints from Atlanta. The hearing is being held not to find fault, but to assess the minority housing problem here in this great southern city—to see what measures have been helpful and successful in Atlanta and what areas are still unsolved. Let me assure you that the Commission is particularly interested in the progress to report. We hope that the facts found through these hearings will be of use to other committees concerned with the same problems. We know that the questions involved in our housing study are many and complicated. But before we can appraise Federal laws and policies on housing in terms of the constitutional objective, we must understand the actual housing situation of minority groups throughout the country. To do this the Commission has been con-

ducting field surveys in a number of cities, and it has asked the State advisory committees now established in 46 States to assist by giving it their findings and recommendations concerning the housing situation in their States. In addition, in order to get the fullest picture possible in a short time we decided to hear firsthand testimony in different parts of the country. We know the problem differs greatly in various regions. Each section has its own problem. We hope that by going to New York, Atlanta, Chicago, and Los Angeles we will begin to get an accurate and balanced picture.

We have invited testimony on a number of specific questions which are available here for any observer. We do not necessarily expect each witness to touch on all of them. We are grateful to the public officials, business and civic leaders who are cooperating in this hearing. We know that there are many other experts, leaders, and organizations concerned with this question whom time does not permit us to hear through oral testimony. We invite any others who believe they have pertinent views on the questions raised here to submit their views to us in writing.

Our procedure will be quite simple. Mr. Tiffany, over here to the right, the staff director, will present the witnesses. The oral statement of the witnesses will be followed by a period for questions. To hear everyone we will need to keep to the time schedule given to each witness. We will, as a favor to the witnesses testifying, give 2 minutes of warning before the time limit. That doesn't necessarily bind the witness, but we hope that for the sake of saving time it will be respected as far as possible.

At the conclusion there will be questions asked by various members of the Commission, and then, too, questions will be open for the Advisory Committee, such questions as the members of the Advisory Committee may see fit to ask.

Now, it is my pleasure to present to you the mayor of your city, and I wish first to express our gratitude for his courtesy in making available this fine section, his fine service, and for the hospitality already extended.

As a matter of fact, we look forward this afternoon, Mayor Hartsfield, to seeing parts of your city such as will be possible. We will be delighted to hear from you now, Mayor Hartsfield.

TESTIMONY OF MAYOR WILLIAM B. HARTSFIELD, ATLANTA, GA.

MAYOR HARTSFIELD. Mr. Chairman, first let me express to you the official welcome of the city of Atlanta to this organization and to say to you that any record that we have is at your disposal, and if the witnesses for you are not sufficient, as any other information, we stand ready to furnish it or to try to furnish it.

I think it is important that you know a little something about Atlanta and the makeup of the town. This is a great crossroads city here in the South. I think there are 4,000 branch offices in it. It is a great center of education, both white and Negro, with probably the largest number of Negro colleges and universities of any city in the country. It is a great governmental town, a little Washington, with 17,000 people here working for the Federal Government. It is a great financial center and medical center, and the sum total of those and other things similar gives us a very fine, large, well educated white collar class of people. That is said with no intentions to divide or make insidious comparison, but that is a large number of educated people, let us say, which has its effect on the conduct of the town and likewise has its effect on race relations. The race relations in Atlanta are uniformly good, and I describe it that way because race relations to me goes up with education and down with lack of education.

This city has been keenly aware for many years of the necessity of good housing for people, both white and Negro. Atlanta was one of the first cities in the Nation to build any public housing. I think it was during the Roosevelt regime when the first public housing organization was set up under Secretary Ickes, and Atlanta was one of the first, and here on Teakwood Drive is the first public housing built in the Nation, and we have been keenly aware of it.

However, we do not look on public housing as the sole answer, and we do not think it would be good to place total reliance on public housing. We have tried to encourage better housing through other means. We have tried to improve the lot of the Negro citizen. The policy of this administration has been to give all of our citizens the benefits of good service to the citizen, good paving, water, sewerage, extra lights, traffic, and all those things, zoning, planning, that go to make good housing all over the city, regardless of the color of the individual.

Now, we have made a lot of progress. Admittedly we have a long ways to go, but I think the great important thing about this whole question is good will and fairly close liaison. When you have those two things, you are going to have progress. It may be slow in one place, a little faster in another, but always there will be progress, and I have often said to my Negro citizens, the important thing is the direction in which we are moving and not always the speed with which we are moving. We must always move in the right direction. Maybe we don't move as fast as you would like, but as long as we are moving in the right direction, give us "A" for effort.

Some of you gentlemen have been interested in what is known as the West Side Mutual Development Committee. This committee was set up in what we call a tension area. Atlanta, like all other cities—

many cities in the South and many cities in the North have had racial tension. I think basically it stems out of the fact that the Negro land area is always restricted, and everywhere is available to the white citizen and not always to the Negro citizen. He is restricted mostly to the secondhand house in the old city. I think that you find that in almost any city where there is a large Negro population. If you don't do something about it or help them to move, the white man will wind up in the suburbs and the Negro will wind up in the center of the old city with the old housing, secondhand housing.

Now, some of that is true in Atlanta, and that Negro land area, restricted land area, grows, enlarges, as he must have more housing, painfully, a block at a time, across the street, up the street, with a lot of tension along with it. We have had tension here. I hope there has been less than other places, but we have had it. We have had a few cases of violence, but this was a tension area in West End.

Now, West End has several Negro universities, and out there the white citizen always feels under some kind of a threat, and I had had come to my office many committees, Negro citizens and white citizens, and I never could get anywhere. Always the white committee would say, "Just don't move in my section," and the Negro committee would say, "Well, where will we move?"

"We don't know; just don't move in our section." That was usually the end of the conference.

Finally it dawned on me two things. One was that we would have to get some sort of committee on both sides working together, and secondly, it would have to be the type of committee that lived with the problem. I early learned that you can't settle those things with a committee from the other side of town. The white man who lives in that section will instantly say, "Oh, you come from a very fine suburb out here. You don't have any trouble. Who are you to settle my problem?"

I learned it would have to be settled with people on that side of town. You have to find the best that you have in that section and put them to work in that section, not somewhere else. So the West Side Mutual Development Committee consisted of three fine, outstanding Negro citizens who lived in that side of town and three good, fine, outstanding white citizens who lived on that side of town. They went to work, and the first thing they did was to get used to each other and to acquire a little confidence in each other. Finally they began to make voluntary agreements among themselves and then it was that the white side of that committee found out something that they had never realized, that is, as long as you threaten the Negro citizen or tell him what he has to do, he isn't going to do it. I have observed that that trait follows no color line. But when they sat down and began to talk about their mutual problems, both sides found that they

could concede something, and for the first time a committee sat down that was concerned not with just "Don't move in my section," but also concerned with where they would move or could move.

So out of that committee certain agreements were made voluntarily, all on a high basis, nobody's pride was hurt, in which the Negro citizen agreed to stay out of certain sections that were tension areas. The white citizen agreed that the Negro needed more land area, and there was in this section—incidentally, I hope you see it this afternoon—a white subdivision that acted as a bottleneck to the growth, normal expansion, of Negro people. That bottleneck was eliminated. The white people in that area were asked by white people to move and get out and take that cork, you might say, out of the bottle, that enabled the Negro citizen to move.

The Negro side, through contact with their loan people and their real-estate people, made certain agreements which they have lived up to. On the white side certain agreements were made, and the city participated. A whole new section of suburbs was opened up for the Negro citizen to grow, and then the city stepped in and gave a part by putting the paving, sidewalks, water, sewerage, lights—in fact, we built a whole new disposal plant to serve very largely that area, and a very fine section has been built for not only the Negro citizen of medium price range of housing, but for first-class housing, homes in the \$50,000, \$75,000, and \$100,000 class, and I am proud to say that we have very many prosperous Negroes here who can buy and own those homes, and I would like you to see them.

That committee did a very fine job. It showed us how, when both sides get together in a spirit of cooperation and give and take, that progress can be made, agreements can be made, and they will be respected. Now, those agreements, when they were worked out, real-estate people on both sides began to get on with this committee and to respect its findings. The loan people did; before anybody would make a loan they would find out what West Side Mutual Development had agreed on. The real-estate people, all would respect them. So it did a very fine job and I think a pioneering job in this very troublesome field, housing, here in the South. As I said, there are two basic things about this housing, and about everything in the field of race relations in the South. First is good will, and second, liaison, being able to talk together.

I am rather proud of the fact that we have that close liaison here between the Government and the Negro citizen. He comes to this place, calls us, sits in on the committees. He knows that his problems will be answered, and we have the benefit of knowing his complaints, and that is very important, because in this field of race relations, like fire, sometimes a little fire can be put out and a big one can't.

Through close liaison you put out the little fires, and you hear about them first. So those two things are important, good will, willingness to do the right thing, try to, and to maintain a close liaison so you know what is the right thing.

I think you are going to find that we have not solved the problem of housing, probably through other witnesses here, and that the Negro land area is restricted. I am afraid that there have been cases where the zoning law has been used to hold down development in areas that should be developed for persons of low income.

You know, if you take a new area and restrict the frontage through zone law, you automatically restrict the size and the cost of the house that can be put in that area, and I think that in some cases that has been done, more from a desire to keep out the low-income fellow than to really do any intelligent zoning, and I am hoping that we can work that out, because if we don't work it out, all in the world we will do by restricting these land areas is just to force the taking over of existing homes.

Gentlemen, I have talked to you merely in a sketchy way. You are going to have some good witnesses here. You are going to have some people who know their business. We are very proud of the work of our planning and zoning departments, in particular of the work of our Atlanta Public Housing Authority, fine people here representing them, who know their business. There are fine people here representing the Metropolitan Planning Commission, which is a joint city, county, metropolitan-area organization, planning for the metropolitan community as a whole, and this question of race relations and housing, the different groups, has been one of their concerns, and you are going to find them very well informed, and I hope you will be impressed with them.

I am rather proud of the work that they have done. We have not ignored this problem. We have in Atlanta not stood off and made faces at anybody. We have tried to solve it. We haven't been perfect. We have our faults. But as I said, we are trying to do the right thing, and I think we are moving in the right direction.

Any questions, Mr. Chairman?

Commissioner CARLTON. Mr. Mayor, we are interested in your program of the West Side Mutual Development. Do you feel that the pattern you have established there could be used as a program for the entire city?

Mayor HARTSFIELD. Well, my opinion is it would have to be done in individual instances through people who live in that section.

Commissioner CARLTON. In other words, your program is one of cooperation between the two races.

Mayor HARTSFIELD. I have found that people on one side of town don't want the fellow on the other side of town solving their housing

problems. They are all regarded as their particular problem, both white and Negro.

Commissioner CARLTON. Is it the policy of your city to promote racially separated areas so that each race would have its own area, so long as you could do it with good will?

Mayor HARTSFIELD. Yes. We must live with public opinion, and that is the overwhelming public opinion here in the South. We have thought about that, and we notice that our friends in New York and other places advocate racially integrated housing, but I think that if you were to attempt to insist on that in the South, here is what would happen. You would lose a lot of interest in public housing. You would have more resistance through the use of the zone laws, and to the extent that you attempted to integrate by law, you would have to do it through locally owned public housing, and I am afraid that that would not be a good investment. I think you would affect the financing. I think you would affect the willingness of public officials to go into it.

I think also you affect it in the North, because I have talked to many mayors—I think I know most of them, big-city mayors, practically all of them, see them twice a year at conventions—and I have had northern mayors tell me privately, “I got my hands full with this public housing.” They all got a hot potato, and I have heard them say, “We just won’t promote any more of it.”

Commissioner CARLTON. You seem to feel then that a prohibition of segregation would deny a real housing development for the benefit of both.

Mayor HARTSFIELD. It would destroy interest in it, and I am on the hotspot myself here, and I have learned long since that people who disagree with you on race matters often find other reasons to make it hot for you when that is the real reason. You get into this field of housing, and if you would attempt to integrate, they would find other reasons for not wanting it. They never would mention race. They just wouldn’t be for public housing, and they will have plenty of help and allies. There are plenty of people in real estate, too, that don’t want public housing, and landlords don’t want any further competition, so they would all join in on other reasons, they never would mention race, but you would find they would be very effective, in my opinion, and I think the matter of financing would be rather—I think that would be affected.

Commissioner CARLTON. Does any member of the Commission have any questions? Dean Storey?

Vice Chairman STOREY. Mayor, just for the purpose of the record, what is the overall population of greater Atlanta? What do you consider it now?

MAYOR HARTSFIELD. Inside the city limits we think the population is about 515,000. Where is my metropolitan expert? And in the metropolitan area, about 840,000. Is that correct? Five counties over a million. In the metropolitan area, accepted by the Federal Government as the metropolitan area, over a million.

Vice Chairman STOREY. What percentage of the population is Negro; approximately what percentage?

MAYOR HARTSFIELD. I would say in the metropolitan area a little over a third, about 22 percent. The metropolitan area, 22 percent and a little over a third, I would say 36 percent, in the city. It is always higher in the city because that is the greatest percentage of second homes.

Vice Chairman STOREY. Mayor, we have been greatly impressed with what you have done here. You mention other cities. For example, in New York we heard a great deal about the ghettos and blockbusting. Do you have anything like a ghetto here or so designated by popular approval?

MAYOR HARTSFIELD. No, sir. We have slums. Every city in the Nation probably has slums. I don't think we have as big slums as they have in New York.

Vice Chairman STOREY. They claim, I think, in the greater area to have about 15 million people, and they identified several ghetto areas. I come from Dallas, a city of about the size of this, and we have slum areas, too.

Now, let me ask you this: Do you have any practices along the line of so-called blockbusting? Do you know what I mean by that term?

MAYOR HARTSFIELD. Yes, sir.

Vice Chairman STOREY. By the so-called unethical real estate men trying to encroach in—

MAYOR HARTSFIELD. Well, here is what happens. Sometimes it is blockbusting and sometimes it isn't. Sometimes it has a little cooperation on the other side, and it isn't quite as busting as you would think.

Vice Chairman STOREY. Have you broken up blockbusting?

MAYOR HARTSFIELD. Here is what happens when an area runs down. The Negro citizen whose land area is cruelly restricted—he can't move anywhere. We find that in our condemnation department. The Negro citizen doesn't want to give up his house. It is a tragedy to him. You can go out and condemn a white man's house, and he will just fly out somewhere; he has the whole perimeter to pick. But when you condemn a Negro's house, the thing in his mind is, "Where am I going to get another one?"

Vice Chairman STOREY. The problem of relocation is acute then.

MAYOR HARTSFIELD. So his land area is pretty well restricted. Now, he has to move painfully, a block or two at a time, and maybe in that area which we call tension areas the white man is having trouble, too.

Now his trouble is that he cannot refinance and cannot sell because the purchaser looks at that adjacent area and says, "They are going to be over here pretty soon," and he won't buy, so the white man finds himself with a piece of property that he can't sell, and that is when your trouble begins. Somebody unable to sell to another person will invite the Negro in.

Now, many times we have had people in white areas band together and mutually agree that they won't sell. Now, that is all right. It is their privilege, and they do that—in fact, we advise them to do it—but here is what finally happens there. You take a dozen people or a hundred people, and they all say they won't sell to a Negro, but wait—6 months later there is a divorce or the husband dies or maybe they are transferred to Birmingham or Nashville, Chicago. Then there is produced a situation where he must sell, and he is a little man, hasn't got any extra real estate. That guy must sell, and then bang goes the agreement and, oh, some of the tricks that are tried. Sometimes in order to avoid their neighbors they will invite the Negro to come in at midnight and look at the house, and all he wants is to get his money and get out of there. Maybe he has to go to another city. As I said, things happen that cause people to have to sell, and particularly is that true among the people of moderate means who don't have a lot of money, so some of that is not blockbusting, or if it is, it is blockbusting with a little cooperation on the other side.

No, I would not attempt to tell you that there are not instances where possibly some Negro real-estate man might figure that by getting one house he can get the balance. But it is a very human temptation. You have a restricted land area, and you have a handicap.

Vice Chairman STOREY: Thank you. One more question, Mayor. As you heard from Governor Carlton, we have assumed the responsibility for going to three areas, education, housing, and voting. You have a great many Negroes here in the city. Do most of them participate in elections and are most of them registered, or what has been your experience along that line?

MAYOR HARTSFIELD: Well, according to the Negro citizens, not enough of them register. According to the white citizens, not enough of them register. There are slightly over, if I recall, 21,000 registered Negro voters. In the city elections they run their own precincts and voting machines. We have two Negro citizens on the executive committee that conducts the elections, elected by the people in their ward. We have, as you know, a Negro member of the Atlanta School Board, elected by citywide vote. We have a Negro advisory committee on the public housing embodied here. We have several other committees on which the Negro citizen participates. I know of no trouble in the registry in voting.

Vice Chairman STOREY: You have no incidents, you have had no protests about how the voting registration is being handled, insofar as—

Mayor HARTSFIELD: The only protest I have heard is that some of them voted for me. [Laughter.]

Vice Chairman STOREY: That is a good place to quit, Mayor. Thank you.

Mayor HARTSFIELD: They call it the bloc vote. You know, I often say that a bloc vote is a vote that votes against you, and when it votes for you, it is a landslide.

Chairman HANNAH: Mayor, I would like to ask a question or two. You indicated that the population of the city of Atlanta was somewhere between a third and 36 percent colored. Do you have any guess, or do any of your assistants here, as to what percentage of the land area is available to the Negroes for housing or, put it another way, what is the relative concentration of Negroes as compared to whites? How many times as many Negroes live in about the same land area?

Mayor HARTSFIELD: I am going to suggest to you that there are witnesses coming behind me who are far more competent and who can just roll those answers right off their tongues. I see them sitting out here. They got all those answers, and I haven't. They are experts, and that question can be answered by at least five or six people I see out here, and some of them are your witnesses.

Chairman HANNAH: I will save the question.

I have no further questions.

Commissioner CARLTON. Does any member of the Advisory Committee have any questions?

Chairman HANNAH. All I should like to say, we are very grateful to you for being here this morning.

From what we have heard before we have come to Atlanta, I am sure we are going to learn a great deal here today.

Mayor HARTSFIELD. I do hope you get around and see some of the city this afternoon.

Commissioner CARLTON. Thank you very much.

Mr. Tiffany, will you call the next witness?

Mr. TIFFANY. Our next two witnesses are members of the West Side Mutual Development Committee. Each will present an oral statement, and then there will be questions to both.

First, Mr. Carroll C. Barfield. Mr. Barfield is a businessman who lives on the West Side and has been a member of the West Side Mutual Development Committee since the mayor established it in 1952. Mr. Barfield heads a printing firm. He is vice chairman of the Rotary Business Forms Manufacturing Association of the United States. He is past president of the Southwest Citizens Organization.

TESTIMONY OF MR. CARROLL C. BARFIELD, MEMBER OF THE WEST SIDE MUTUAL DEVELOPMENT COMMITTEE

Mr. BARFIELD. Gentlemen, it is always difficult to follow our mayor because he does such a thorough job in everything which he does, and he leaves little for you to say at times, so I will find myself possibly touching on some of the same points, but I hope that you will bear with me because I believe that in order to maintain continuity it might be necessary for me to do that.

I think that in considering the problem which we do have that we should acquaint ourselves with a few of the underlying causes of the problem, and in that way we might better understand just what can be done about it which would be helpful. In my own opinion—and these first things are just my own opinions—I feel that the economic side of the problem is a very big side of the problem in the South. As you know, the southern Negro has not had too many years to raise himself to a high economic standard, and the southern Negro, the average southern Negro, I would say, is not in a position at this point to afford what we call a good standard of living. Now we feel that great strides in this direction have been made in the past few years, but I would still have to make the statement today that greater strides need to be made.

Then on education we find the same set of conditions. The average southern Negro has not educated himself properly to hold his place, and of course education and economics are tied in together. There again there have been notable exceptions to this statement. We have had some outstanding Negroes in the South in the field of education. I know your commission knows these people, but in speaking of averages we would have to say it has been a difficult task to even sell education to the southern Negro. Here in Atlanta we have been more fortunate because Atlanta is an education center for Negroes, and I think that it has been one of the things which has helped us most to solve our problems here in Atlanta.

Now, in custom and public policy, it has never been the custom nor public policy for whites and Negroes to live side by side in the same community. This may sound like an odd statement if you were to drive through our city because certainly there are white areas where immediately behind the white area you will find a sizable Negro community. If you investigate, you will find that the Negroes were placed in that particular position possibly years ago, they have worked as family servants for the white community, and of course communities have a way of growing, so the Negro community grew and the white community grew. They are still there. We have areas where Negroes may live down a side street and white people live on,

say, a facing street, but from purely a custom standpoint it has not been the custom, and is not now, for them to live side by side.

For those reasons which I just mentioned we find that Negroes have had to congregate in low rental areas, and in these low rental areas the housing has not been the best. As white families would move out, as economic conditions would get better, many of our white families have moved out into suburban areas, leaving some of the urban houses which in some instances were very good houses. They have left these houses, and Negroes have been able to occupy those houses. But still this is not a satisfactory measure. It is a help, but it is not satisfactory because of course the Negroes justifiably feel that they are entitled to a home of their own if they can so afford a home of their own.

Then the only way that these Negro communities could expand was to move out and take over additional white homes. We have a word that the white family homeowners usually use. They call it "encroachment." That is probably not a very good word, but that is the term that is used to describe this. Some of the white families resent this encroachment because this particular neighborhood and these homes are the homes where they have been raised, where they have raised their children. Frankly, they do not want to move; they want to stay there. Then we have the situation of elderly people who are possibly living on pensions. They cannot afford to move. They have a fixed income, and in the home in which they now live they can live with a good standard, but on a rising real-estate market to sell that home and attempt to buy another one, they feel that it is unfair to them, and for the past years there has been very little new area available to Negroes, so the situation which I have just pointed out has been almost the only situation whereby the Negro population could expand.

In 1952, as the mayor pointed out to you, on the West Side of Atlanta we had a great deal of bitterness in one certain section because Negroes were occupying houses which had been always occupied by white people. The mayor saw fit to appoint this West Side Mutual Development Committee, which is composed of three Negro members and three white members, and all six of the members do live on the west side of Atlanta. We were given a specific task of attempting to work out an orderly development of the west side of Atlanta.

We started having meetings, and we had many meetings, and we found that problems which we thought were insurmountable problems could be solved. We found that the committee itself was a stabilizing influence because whereas before the people had no one to actually contact, now they did have a contact, and where idle rumors were being spread around, people could follow up a rumor and make a contact and find if the rumor had any foundation.

The way in which we attempted to settle these problems was to get the parties involved in the particular neighborhood to a meeting and sit around a table and discuss all of the facts involved in the problem in a straightforward manner. We have never attempted to deceive anyone with one of these problems. We have tried to give them the facts in the case. We were able to reach a great many agreements which we feel have been helpful to the west side of Atlanta and to Atlanta as a whole. We have been able to go into areas where they had actual violence, and by talking to all parties concerned we have eliminated the violence, and we have worked out a solution for that particular neighborhood. We have been able to go into areas where there was no real estate market, either Negro or white, due to the condition you could not settle on. We have been able to work out a real estate market by establishing that a portion of the area would be white or would be Negro, and so the people there could sell their homes, which is, of course, a very important phase of the work.

In another area which may be mentioned there was a completely white community which was an isolated community, but Negroes did live adjacent to the community. We felt that the thing to do was to talk to the white people and ask them if they would rather move from the community or if they would rather stay in the position in which they found themselves. We had meetings, and letters were sent to all of the homeowners in the community to explain to them with no pressure whatsoever that a vote would be taken as to their wishes. This vote was taken, and a majority of the people voted that they would rather move from the community and have an orderly transition to a completely Negro community. This transition did take place over a period of from 16 to 24 months. There was no violence, no ill will, no hard feelings on either side.

This particular area was the key to a great many acres of open land which now could be made available to Negroes for Negro development, and it was made available, and it has been developed by the Negro real estate people and financial institutions which are controlled by Negroes also. Quite a bit of development has been done in that area, and as the mayor mentioned, there are homes there now which range from \$10,000 to \$15,000 up to \$50,000 and \$75,000, completely Negro occupied.

The West Side Mutual Development Committee has put into print a proposed policy. This policy has only been adopted by the committee itself. But it is something which we feel has enough value to possibly be adopted by the city, and it has been used by the city to a degree, and I would like to read into the record just one short page from this policy proposal because it does state what we have tried to do and what we are trying to do.

This is the proposed policy under "Goal":

It shall be the objective of the city of Atlanta to establish a policy regarding the operation of the real estate market in order to further the following community goals:

1. An adequate housing supply for all citizens.
2. Improvement of neighborhoods.
3. The conservation and enhancement of property values.
4. The prevention of violence and the threat of violence to life and property.
5. The provision of readily available, accurate and authoritative information regarding housing.
6. The prevention of misinformation and misrepresentation.
7. The orderly and harmonious development of the city of Atlanta.

And then, under "Policy":

In pursuit of these goals set forth above, it shall be the policy of the City of Atlanta—

To be concerned about the housing needs of its citizens, including their special requirements, dependent upon income, race, and other considerations.

To recognize the primary role of the private real estate market in meeting these needs.

Insofar as the housing needs are unmet due to income, race, and special problems, to provide programs that aid or supplement the efforts of private development and redevelopment.

Gentlemen, to sum up, I would certainly have to say that we still have problems; we have a great many problems. We are not in a position yet to supply enough low-cost housing to hope to meet the need for low-cost, low-price housing, and we need additional open land to be made available, but I would like to say that under the conditions which we have to work in Atlanta that we feel that we have made an attempt to do a good job for all our citizens.

Thank you.

Commissioner CARLTON. To what extent does private enterprise meet the requirements for this additional housing?

Mr. BARFIELD. I would say that all of the additional housing which has been handled—not handled by West Side Mutual Development Committee, but has come under the scope of West Side Mutual Development Committee—has been private housing.

Commissioner CARLTON. Thank you very much.

Mr. Tiffany, you may call the next witness.

Mr. TIFFANY. Mr. T. M. Alexander, Sr.

Mr. Alexander has also been a member of the West Side Mutual Development Committee since its organization. Mr. Alexander has a number of businesses, an insurance agency, realty company, and a fire insurance company, and is an officer of a saving and loan association and other companies. He is chairman of the executive committee of the Empire Real Estate Board.

Mr. Chairman, I suggest that if the present witness would remain until Mr. Alexander has also finished his presentation, it might be in order for questions to be put to both of them.

TESTIMONY OF T. M. ALEXANDER, SR., WEST SIDE MUTUAL
DEVELOPMENT COMMITTEE

Mr. ALEXANDER. Mr. Chairman, gentlemen, I have been listening to our mayor and Mr. Barfield. I again must be repetitious, but I would like to preface my statement by commenting on some of the things Mr. Barfield pointed out relative to the economic standards and the educational standards of the Negro. I think the lack of proximity is one of the damnable sins of this whole problem. Lack of proximity implemented by the segregation problem leaves us in a position where we don't know exactly what is happening in some areas. Per capita income of the Negro in Atlanta is probably higher than it is in any other city of the United States, and the one difficulty that we have in housing is a lack of land, land which has been politically cleared, not legally cleared.

Up until around 25 years ago all of the expansion in housing for the minority of the city of Atlanta was by blockbusting, which was not a healthy thing for good race relations. We can name you community after community where Negroes have had to force their way into communities in order to get the services such as good paving, lighting, garbage pickup, that sort of thing. In many instances Negroes have been forced, in order to get the type of housing that they wanted, to wait until white communities were vacated and whites moved out into the suburbs in order to take the secondhand house. This was not a healthy pattern, as I said, for good race relations.

There is no shortage of land in Atlanta, as will be indicated as you get around. There are wide buffer strips between white and Negro neighborhoods which to my mind and to the minds of many of us is a useless and expensive and extravagant misuse of valuable land within the city area.

It isn't new that Negroes live in close proximity to whites throughout the South. There are sections in Atlanta where Negroes live in close proximity to whites. Immediately following slavery, because it was economically advantageous for whites to have the Negro close, within calling distance, it was a luxury which they wanted to give up very reluctantly. They provided areas close to their homes for Negro housing. But as the economics of the South grew and as their families expanded, the Negro families expanded, and so we found ourselves in Atlanta and many other southern cities bottled in on all sides, and if you leapfrog over to the suburban community, you find yourself in a secluded, exclusive white suburban community. Something had to give, and racial tensions and infringement or encroachment, as they have been referred to here today, took place.

Now, up until 25 years ago you could go through the city of Atlanta and tell immediately where the white neighborhood stopped and

the Negro community started because there were poor streets, no paving, poor lighting, and the community was generally run down. You would have to say it was the current administration. These things have been changed, and now you can hardly tell from these facilities where the Negro community begins and the white community ends.

About 7 or 8 years ago, in order to make for the equitable and peaceful expansion of housing for all citizens, the mayor appointed the West Side Mutual Development Committee. I might say that our first meetings were cold and cautious. This was a meeting where we had to get acquainted with each other and get accustomed to talking across the table with mutual respect and understanding. We had to feel our way. I am reminded here of a particular instance where most of our difficulties came from a gentleman who was transplanted from Pennsylvania into Georgia. He thought it was necessary for him to lean considerably over in the wrong direction in order to avoid being called a Damned Yankee. I remember very distinctly that one of our local friends sitting next to me punched me in a meeting and said, "This fellow is leaning further back than we are." I said, "Well, you tell him." [Laughter.] He was told, and eventually I think he crossed swords with one of our local members, and his plant transferred him to some distant place in the West.

With the coming of the urban renewal and the building of the expressways around the city of Atlanta many Negro families are being displaced. The difficulty in Atlanta on housing, as I said, for decent, safe, and sanitary housing, does not stem from the lack of land. We have some of the most beautiful land around Atlanta. The major problem is the result of a traditional pattern of segregation in housing and the separation of the two races.

For example, the 221 housing program was seriously handicapped here in Atlanta for awhile, and it is still handicapped to a certain extent, because of the desire of the Aldermanic Committee to satisfy its constituency and sustain, maintain, and buttress this conventional, traditional pattern of housing segregation. Certain wards and precincts became adversely upset in any 221 houses for whites or Negroes and rated up the land from R-1 to R-4 to prevent the building of 221 houses. This political practice threatened to destroy the whole urban renewal program in Atlanta at one time.

The major need in Atlanta today is good housing for the low income bracket minority group more able to buy homes, either second-hand housing or low-priced new housing. Many of the people who are being displaced among Negroes, like whites, are people who are elderly, who are living on pension funds. Some of them have struggled to buy duplex houses where they live on one side and rent the other, and this, supplemented with their pension, old age pension, permits them to have a fairly good living. Being displaced by urban

renewal housing and with restricted land area they find themselves in an untenable position.

Now we can truthfully say—and I don't want to take anything away from what has been accomplished in Atlanta. I think we have done better in Atlanta with a bad problem than most southern cities—but the problems that we have handled need not have existed, nor do any of the statements which we are making indicate a satisfaction on our part or any endorsement of the segregated housing pattern. We can truthfully say that we have had no difficulty with government agencies such as the Veterans' Administration, Federal Housing Administration, in giving equitable consideration to loans for Negroes. We have had to a very large extent the cooperation of the city administration when housing or areas have been politically cleared for Negro occupancy in furnishing the utilities and services to these areas occupied by minorities.

In some instances we have experienced difficulties in zoning, due largely to political pressures put on various aldermen by their communities where these communities did not wish to live even in close proximity to Negroes. There have been attempts, some successful, to set up buffer zones, even housing projects, green strips, and various other devices to separate the Negro from the white community. We concede that this practice is an extravagant misuse of land.

The unusually large amount of decent housing for Negroes in the city of Atlanta is due largely to the initiative of the Negro himself who has been able to acquire and develop homes with his own financial resources. If you have something, you can get something. In many of the southern cities where money is not as fluid as it happens to be in the city of Atlanta and where there are no Negro financial institutions there is very little housing because you can stop housing by simply stopping the making of loans.

Since we initiate our own loans from our own resources, that has not been a serious handicap. At that point we become competitive with the white market for desirable mortgages. The Negro has already proved himself to be a good mortgage risk, so the economic factor enters into and transcends all racial identifications in housing at that point. Because he is a good credit risk, he is able to supplement his resources with financial assistance from practically any financial institution in the city of Atlanta without discrimination as long as he can meet the standard qualifications for credit. The Empire Real Estate Board has cooperated in promoting and developing such housing.

One of the great dangers in the segregated housing pattern is that housing cannot be politically cleared as rapidly as is needed now under the urban renewal program and other facilities put into these communities, and thereby we increase delinquency and crime during

this transitional period. We had a fairly classic example of that in an area where a whole community was developed without the cultural advantages of schools and other necessary facilities that make up a good community, and we had a tragic incident as a result of this situation.

Notwithstanding the foregoing statements, which are more or less a summary, we can say that as far as Atlanta is concerned, we have been able through negotiations to work out more peacefully our problems than most southern cities. This is due largely to the type of city government which we have and the business relationship which exists above the confines of race.

There are still, however, instances of land available and desirable for minority group housing which political pressures make difficult, and there are also areas sparsely developed by whites, some of whom are willing to sell to Negroes but are kept from doing so by various pressures of their own communities and outside communities.

It must be borne in mind that whatever has been accomplished in Atlanta has been done within the traditional pattern of racial segregation. I might say here, due to certain state laws and attitudes, Atlanta has been handicapped from coming into its full potential on race relations. The greatest of these, I think, are certainly the disenfranchisement in the inequitable county unit system of voting. Internally the major problem is a desire of our public elected officials, with rare exceptions, to satisfy their specific duties by conforming to the traditional custom rather than to objectively appraise on an equitable basis the housing needs of all of our citizens.

Finally, the fact that we have solved these problems more peacefully does not justify segregation and discrimination which is against the Negro. The problems we have solved should not have existed and would not if segregation was not practiced in housing as it is in other areas.

I have a complete history of housing and the Mayor's West Side Mutual Development Committee and some of the things which I have mentioned very briefly here, and I would like to submit this for the record. It is too lengthy to read, but it takes in the whole history of Negro housing, and I should like to read also a more recent article that was distributed through the mail. I don't know how I happened to get it yesterday, but it came to me direct:

"This affects you. The attached agenda of a recent meeting of the Citizens Advisory Committee on Urban Renewal should open everyone's eyes to the grave danger of our fourth ward becoming a predominantly Negro ward. This handicapped committee seems determined to make our ward the dumping ground for the entire urban renewal program.

"Page No. 4, alternatives 1 and 3, plainly show that plans in answer to the rehousing program are still being put forward, which will, if we allow them to be pursued, eventually destroy everything we have attempted to build up in our community.

You can prevent this by contacting your representative in the city government and the members of the mayor's advisory committee to let them know that the people of the Fourth Ward are not going to sit still for this, and by supporting a plan whereby these people will be rehoused within the urban renewal areas.

We definitely urge you, as one of the 10,000 being presented this agenda, to call and do your part in preventing the destruction of our community.

At the bottom it says:

United we stand, divided we fall—Fourth Ward Zoning Committee.

I submit that the statement is one that might be taken more in practice than in principle.

Commissioner CARLTON. A moment ago you referred to a buffer zone. To what extent has that been effective?

Mr. ALEXANDER. Well, it has been effective to the extent that some of these areas have been able to keep the people who own these wide green strips from selling for any purpose, either by agreement or by intimidation, and we do have and we will put in, I suppose, pictures of some of these buffer zones and strips. I would like to say that Mr. Williamson who will come in this afternoon around 2 o'clock has a complete summary of all of our findings in this hearing and that will be presented on behalf of the Empire Real Estate Board and constitutes a sort of summary of the whole committee.

Commissioner CARLTON. Any questions?

Chairman HANNAH. Are these buffer zones generally privately owned, or are they city parks or publicly owned?

Mr. ALEXANDER. In most instances they are privately owned.

Chairman HANNAH. Earlier this morning the mayor, and possibly Mr. Barfield, too, and I think you made the same general observation that the success of this West Side Development project in your view is largely due to the fact that the people on the committee were residents of this area, is that correct? Is this your interpretation, too?

Mr. ALEXANDER. Yes. I should say that our success in the West Side area, but this committee has been called on any number of times to do a similar thing in other areas where tensions arose in housing. We were able—and I want to give credit to the committee—to get in around the table people who lived in the community, and in so doing they were able to find out what our problems were for the first time, and we were able to find out what their problems were for the first time. We found out that in many cases we had speculated incorrectly as to the aims and aspirations of each group so that we see that there is a decided advantage in being able to sit down and discuss the problems rather than to guess what the other person is thinking.

For instance, there was some feeling—I think Mr. Barfield will bear me out—in the beginning that there was a deliberate attempt on the part of Negroes just to infringe and encroach into white communities. Well, that wasn't true at all. There was a shortage of housing, and sometimes the economic factor was the determining

factor. Where Negroes were paying 20 and 30 percent more for housing and could take the money almost that they got for secondhand housing and go out in the suburban area when white housing was going begging and buy a brand new house for very little additional funds, that was a rather tempting situation.

The Negro was caught in an inflated market, and with the housing shortage as acute as it was, the law of demand and supply was effective. There was a short supply, and the prices were up. Many of the neighborhoods were broken by the whites themselves, as was indicated by the mayor. In one particular community the Negroes had decided that they would not move into this white community, and a white real-estate firm planted a Negro right in the center of the community, and the house was bombed, and there are still charred ruins that are mute evidence to the fact that we have not solved entirely this problem of friction, but I can say that it would have been a great deal worse had we not had men like Mr. Barfield and others on the mayor's committee who sat down and mediated these problems and brought the people together.

Chairman HANNAH. As a result of this development where someone mentioned that there had been a white development that served as a cork or bottleneck that prevented the Negro development out to the suburbs, I take it that has been taken care of. Is there now available enough land for the development of adequate Negro housing? Has the land situation been taken care of or only partially?

Mr. ALEXANDER. Only partially. To answer your first question, land is available, plenty of land, but not land which has been politically cleared in this room by the Aldermanic board and the zoning board. There is plenty of land.

Chairman HANNAH. Let me ask, you say there is plenty of land, but some of it isn't politically cleared. Is there available land now in an area that has been approved so it is immediately available for a Negro to buy and build his house on it if he wants to?

Mr. ALEXANDER. There is some land; not enough, but there is some.

Chairman HANNAH. This is just a matter of opinion, but as I understand it, the large registration of Negroes in Atlanta, the encouragement to vote, is something that has come in recent years.

Mr. ALEXANDER. Yes, and I might say that that has had this good effect. Before we were voting in larger numbers we did not get the type of cooperation from the previous city administration that we are getting now, but where you have some economic influence and some political power, you do get a little bit more consideration.

Chairman HANNAH. That was the point I was trying to make. In your opinion, with the enfranchisement of a considerable fraction of the Negro voters—as I understand it, if they want to vote in Atlanta, there is no reason why the Negro cannot vote if he wants to.

Mr. ALEXANDER. None whatever.

Chairman HANNAH. With this permission to vote there has come an awareness and willingness to be cooperative in trying to work out the housing and other problems.

Mr. ALEXANDER. That is true.

Chairman HANNAH. The voting came first. I think you said that one of the reasons that the housing problem for Negroes has been more nearly solved in Atlanta than elsewhere in the South was due to the fact that the Negroes here have Negro-controlled financial institutions that are willing to make available money for mortgages.

Mr. ALEXANDER. That is correct.

Chairman HANNAH. To what extent do the white financial institutions, banks, and mortgage houses, and so on, make available funds for Negro housing? The point I am trying to make, as you indicated, at least I interpreted you to say, you thought the problem had been resolved because there were Negro financial resources. Don't the white institutions make available any funds?

Mr. ALEXANDER. Yes, but they make them available because we have them available for ourselves, and to that extent we are competitive. So we have no difficulty in getting finances from white institutions because we first, through our own institutions, proved the Negro to be a good mortgage risk. Now we compete with them for the most desirable mortgages.

Chairman HANNAH. Perhaps Mr. Barfield—I don't care who answers the question. When we were holding the hearing in New York, the president of the Bowery Savings Bank told us that their experience had indicated that the Negroes and other racial minority groups, from their point of view, were just as desirable risks, and they were just as willing to loan money to the Negro for building a house or Puerto Rican or the Jew as to others. Is this the feeling here, too?

Mr. BARFIELD. I think you would find that same is true here—of course with an adequate credit report which any financial institution would demand. I don't feel you would find any discrimination from the financial institutions.

Mr. ALEXANDER. I might add, too, there is no discrimination on the part of the Negro financial institutions. One institution with which I am connected made a loan of a half a million dollars to a white concern.

Chairman HANNAH. Just one more question. I would like to ask the question I asked the mayor, and if you can't answer it, I will save it for the next one. Do you have any figures or statistics or notions as to the relative concentration of Negroes versus whites in Atlanta? Or to put it another way, what is the amount of space available per thousand Negroes in Atlanta as compared to a thousand whites? You may have another way to put it.

Mr. BARFIELD. If you will wait until the next man, Mr. Bob Stuart, he has the facts and figures; that is his department, if you can wait one more witness.

Chairman HANNAH. I will save the question.

Mr. BARFIELD. That is Mr. Stuart's department, and he can give you exactly what you want.

Vice Chairman STOREY. Mr. Alexander, you made a reference awhile ago, while there was substantial voting that there was—maybe I misunderstood you, but you used the term, there is still some "disenfranchisement," and some reference to the unit voting system. Would you clarify and comment on what you meant by it?

Mr. ALEXANDER. Yes. I think everyone who lives in Fulton County and Atlanta is quite aware of the county unit system which has come in for a good deal of publicity recently.

Vice Chairman STOREY. That practice is throughout Georgia, is it?

Mr. ALEXANDER. Yes.

Vice Chairman STOREY. Would you kindly explain it just for the record, as briefly as you can?

Mr. ALEXANDER. Well, we still operate on the assumption, I think, that Georgia is primarily an agricultural center. That is where the county unit system was originated, when most of the people were really staying on the farm and few of them were staying in the city, and therefore the rural counties have a large number of folks tending to negate the votes of the larger counties like Fulton, so we are literally disenfranchised because our vote is more than offset by the small rural vote of the counties.

Vice Chairman STOREY. That is statewide?

Mr. ALEXANDER. Yes.

Vice Chairman STOREY. That is what you referred to by some disenfranchisement.

Mr. ALEXANDER. That's right.

Vice Chairman STOREY. Here in the city there is general voting and no problems as relating to your group of people, the Negro.

Mr. ALEXANDER. That's right.

Vice Chairman STOREY. Thank you.

Commissioner CARLTON. Mr. Barfield, reference was made to the agreement between the Negroes and the whites on certain occasions by which each race would occupy a particular territory.

Mr. BARFIELD. Yes, sir.

Commissioner CARLTON. To what extent are those agreements kept or broken?

Mr. BARFIELD. They have been very well kept. It was agreed at the time that it would be wise for everyone concerned to make that particular agreement, and we feel that both sides have made an at-

tempt to live up to the agreement. Certainly we have had instances where the agreements were not kept, but in the majority I would say that they have been, and it has helped our relations a great deal, particularly on the west side of Atlanta.

Commissioner CARLTON. You referred to and read from your committee's policy proposal. Is that the document that you have furnished the staff?

Mr. BARFIELD. Yes. I believe copies of that proposal were sent.

Commissioner CARLTON. May we incorporate that in the record?

Mr. BARFIELD. Yes. We have no objection.

Commissioner CARLTON. Any question by any local member of the advisory committee?

Thank you very much.

POLICY PROPOSAL OF THE WEST SIDE MUTUAL DEVELOPMENT COMMITTEE REGARDING THE OPERATION OF THE REAL ESTATE MARKET WITH RESPECT TO RACE OF OCCUPANCY

I. Introduction

Purpose of policy

The policy set forth in this document is designed to help resolve the fundamental problem of race of occupancy as it affects the operation of the real estate market. The proposed policy, which grows out of the experience of the West Side Mutual Development Committee (WSMDC), is offered as a body of guiding principles applicable to the entire Atlanta metropolitan area.

WSMDC

Background.—The West Side Mutual Development Committee was originally established by the mayor of the city of Atlanta in 1952 as a means for promoting "the orderly and harmonious development of the west side of our city." The committee has continued since that time to serve this purpose by—

1. Providing channels of information to civic and other groups, Negro and white, and bringing them into fuller participation in governmental and community activities; and
2. Seeking to solve specific problems through factfinding and mediation.

Problems.—The two most frequent, time-consuming and critical problems faced by the committee since its creation have been: (1) how to handle controversy, violence, or potential violence in transition areas; and (2) how to locate vacant land areas for Negro housing expansion.

Approach.—The committee's success in solving problems of this type can be traced to a straightforward approach. Backed by the city, the committee invites all parties concerned to sit around a table, review the facts together, and exchange viewpoints until a meeting of minds is achieved. The backing of the city government has been a vital force in effectuating and maintaining the agreements reached in this way.

Citywide policy urgent

The committee finds two reasons why this approach, developed and successfully tested over a 6-year period, should be embodied in a policy applying to the city as a whole and given wide public support.

1. Atlanta area growth requires more housing than ever before. The success of vital public programs such as urban renewal and expressway development depends on a sufficient supply of dwellings available to accommodate displaced families as well as normal population growth. The committee's approach has been generally successful in dealing with controversial transition areas, and in locating vacant land areas for Negro housing.

2. The approach used by the committee has continually helped to keep lines of communication open. In recent years, particularly since the Supreme Court decision in 1954 regarding segregation, there has been a hardening of attitudes creating difficulties in providing for the housing needs of our citizens. Strong

feelings on both sides have made it increasingly difficult but increasingly important to maintain a sound middle ground.

Zoning For Race Illegal

Publication of this policy statement should also serve to clarify the WSMDC approach. Agreements arrived at in committee meetings have been criticized as both binding on property owners and therefore, unfair, and not binding and therefore, ineffectual. Both criticisms reflect a misconception that WSMDC zones for race, a practice which has long been declared illegal by the courts.

Similarly, the recommended citywide policy in no sense provides for zoning for race. Instead, like WSMDC, it would serve as a guide to advise and influence property buyers and sellers, realty and home finance firms, and city departments, but would have no power to compel involuntary compliance.

In the three sections of this document which follow, the committee has set forth: (1) The policy proposed for the city of Atlanta; (2) action recommendations to implement the policy; and (3) basic considerations underlying the policy.

II. PROPOSED POLICY

Goals

It shall be the objective of the city of Atlanta to establish a policy regarding the operation of the real estate market in order to further the following community goals:

1. An adequate housing supply for all citizens.
2. Improvement of neighborhoods.
3. The conservation and enhancement of property values.
4. The prevention of violence—and the threat of violence—to life and property.
5. The provision of readily available, accurate and authoritative information regarding housing.
6. The prevention of misinformation and misrepresentation.
7. The orderly and harmonious development of the City of Atlanta.

Policy

In pursuit of these goals set forth above, it shall be the policy of the city of Atlanta:

1. To be concerned about the housing needs of its citizens, including their special requirements, dependent upon income, race, and other considerations.
2. To recognize the primary role of the private real estate market in meeting these needs.
3. Insofar as the housing needs are unmet due to income, race, and special problems, to provide programs that aid or supplement the efforts of private development and redevelopment.

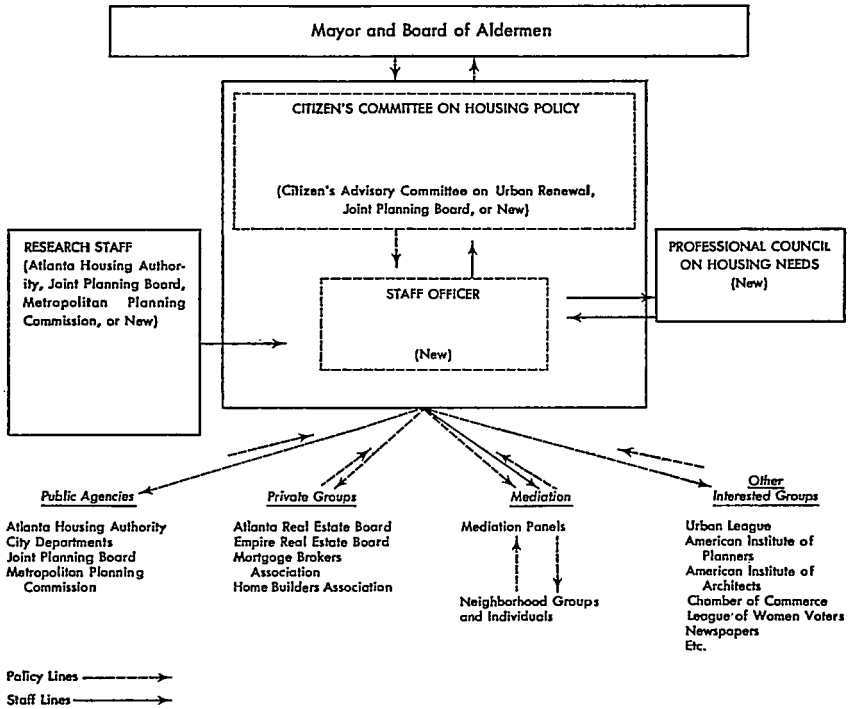
III. ACTION RECOMMENDATIONS

Summary

Recommendations of the WSMDC, to carry out the proposed policy, fall into three categories. They are (1) adopting and promoting policy, (2) determining citywide housing needs and programs to meet them, and (3) maintaining a constant communication system between policymakers and private enterprise interests—including property owners—affected by the mechanism of the real estate market. WSMDC specifically recommends:

1. Adopting and promoting citywide housing policy through an existing or newly formed citizens committee with citywide representation.
2. Staffing the committee with (a) periodic research services of an appropriate public agency to determine overall current and future housing needs as a basis for amending policy, and formulating programs to implement it, and (b) a full-time staff officer qualified to advise the committee and carry out its programs.
3. Maintaining a continuing public clearing house, in the office of the committee's staff, using maps, consultation, mediation, and other means (see below), for bringing into closer harmony private enterprise activities, public activities, and the policy objectives of the committee.

Policy and Staff Relationships Proposed in Action Recommendations



Organization chart explained

The organization chart is intended to illustrate desirable relationships within the official family, and between public and private groups for the purpose of implementing the proposed policy. The chart indicates that, under the auspices of the mayor and the board of aldermen, policy and programs adopted in the name of the city by a citizens housing committee, should be based on a periodic determination of housing needs made by a public research agency. Arrows between the committee and public, private and other agencies and groups indicate a continuing two-way communication system providing for (1) the promotion of policy and programs by the committee and its staff, and (2) advice and information to the committee on current housing market supply and demand. Thus, it is anticipated that the committee can maintain a realistic view in formulating housing programs designed to aid and supplement private enterprise efforts.

Policy adopted by a citizen's housing committee

The proposed policy, or some modification thereof, should be adopted by an appropriate citizen's housing committee after full discussion with officials and other persons concerned. After full coverage of the policy proposals in the newspapers, and opportunity for general public discussion, this function could be vested with either a group newly created for this purpose, or with an appropriate existing group such as the Citizens Advisory Committee on Urban Renewal. Thereafter, the committee should seek continued understanding and support for its policy and its effectuation, through the board of aldermen, city departments, chamber of commerce, real estate groups, various professional and civic organizations, and neighborhood improvement groups, such as the WSMDC and others, which have long sought improvement of the housing environment in local areas of the city.

Citywide representation.—It is essential that the citizens housing committee, in adopting and amending policy and formulating programs, be citywide in representation and metropolitanwide in viewpoint. While housing needs are

felt at the neighborhood level, they must be evaluated in the light of a metropolitan housing market situation.

Fixing responsibility.—The committee should be designated or created by the mayor or board of aldermen.

Professional and technical assistance.—The committee should have the advice of the Professional Council on Housing Needs, research assistance, and full-time staff as outlined below.

Staff assistance to determine housing needs and programs

The housing needs of Atlanta's citizens, including their special requirements depending on income, race, and other considerations, should be determined in light of (1) up-to-date figures on housing supply and demand, (2) professional advice from real estate and development specialists, and (3) policies of the citizens housing committee.

Research on housing supply and demand.—The periodic determination of needs, primarily a technical task, should be made the responsibility of a single, public agency, such as the Atlanta Housing Authority, Joint Planning Board, Metropolitan Planning Commission, Citizens Committee staff, or other agency with appropriate facilities for research. Needs for housing should be stated statistically and broken down by income, race, size of family, and other pertinent considerations. These needs should be correlated with the housing supply data which is reported regularly by the Metropolitan Planning Commission. Unmet needs should be identified.

Research responsibility.—Responsibility for this research program, once fixed, should be made a permanent part of the agency's program. Research reports should be submitted periodically to the citizens housing committee.

Official statement of needs.—Housing needs determined by research staff, and accompanying program recommendations of the committee's staff officer, should be recommended to the citizens housing committee for study and adoption as an official statement of housing needs of the city of Atlanta.

Full-time staff officer.—Key to the success of the housing committee's purpose are the services of a full-time staff person. His duties would include:

1. Generally, staffing of the several groups recommended herein, including (a) the citizens housing committee, (b) affiliated neighborhood and mediation panels, and (c) the Professional Council on Housing Needs.
2. Specifically, the implementation of housing policy in the following ways:
 - (a) Coordinate the determination of housing needs in relation to race and income, and to relate these needs to available housing supply. He should guide the formulation of programs for meeting these needs.
 - (b) Maintain the clearinghouse function through the maintenance of the residential areas map and related information referred to below.
 - (c) Investigate special study areas, as indicated on the residential areas map.
 - (d) Work with community groups to promote stability of property values and character of occupancy where this is indicated by the special studies.
 - (e) Explain and secure support for housing and renewal programs. Generate consensus among property owners and community groups where necessary.
 - (f) Promote and encourage neighborhood improvement programs (action-type), relating these programs to the programs of city departments and other organizations.

Public clearing house

To facilitate the continual provision of accurate and authoritative information regarding those aspects of the real estate market affected by the proposed policy, this responsibility should be clearly placed with the staff of the citizens housing committee. For policy purposes, two specific kinds of information should be readily available to officials, private firms, property owners, and the general public. These are (1) information on housing needs and programs, discussed above, and (2) information shown on the residential areas map, recommended below. An extension of the clearinghouse function, provided by the committee's staff officer, includes staffing mediation groups, recommended below.

Residential areas map.—Maintained by the committee staff, with supervision from a professional council on housing needs (recommended below) the residential areas map should show—

- (1) existing residential areas, distinguishing between Negro and white occupied areas;
- (2) existing and planned nonresidential development;

(3) vacant land; and

(4) areas being given special study. (See below.)

Essentially the same information has been maintained in the office of the Metropolitan Planning Commission for the last several years. It should now be put to general use.

The general use of the map would be to guide overall residential development in accordance with city and metropolitan land use plans. Specifically, the map would indicate trends of racial occupancy.

The map should be completely factual in character, reflecting the real estate market decisions made by buyers, sellers, and developers. The representations on the map should be supported by supplemental information, established by actual field inspection or written statements of property owners or developers.

Supplemental map information.—Other types of supplemental information which might be available concerning residential areas are:

1. Historical trends regarding race of occupancy.
2. Planned public improvements (schools, sewers, roads, etc.).
3. Physical barriers (railroads, streams, etc.).
4. Community institutions and programs (civic clubs, improvement programs).
5. Operations of neighborhood-owned corporations for stabilizing race of occupancy (Southwest Citizens, Inc.).
6. Support given by public officials to such corporations and related activities.
7. Property ownership patterns.
8. Areawide needs for housing.

Special study areas to be shown on map.—Special study areas, with respect to race of occupancy, should also be shown on the map. These studies would be made by the committee's staff and confirmed by the professional council on housing needs. Findings on these studies would be based on the types of information described above. Appropriate symbols should indicate these findings as follows:

1. Vacant land clearly indicated for future white occupancy.
2. Vacant land clearly indicated for future Negro occupancy.
3. Developed areas clearly indicated for transition.
4. Developed areas found to be stable.
5. Area under current study.

Confirmation of facts shown on map.—To improve coordination between public and private groups influencing operations of the real estate market, to reduce the possibility of misrepresentation of facts, and to insure private enterprise a maximum opportunity to meet housing needs, judgment confirming the facts shown on the map shall be made by a Professional Council on Housing Needs (below). This is in keeping with the character of the map as a reflection of the present and indicated operations of the real estate market (rather than a map of "zones" established by legislative enactment, or "agreements" negotiated by community leaders).

Professional council on housing needs.—The council should be composed of the presidents (or their representatives) of the local chapters of the following organizations: (1) Atlanta Real Estate Board, (2) Empire Real Estate Board, (3) Mortgage Brokers Association, (4) Home Builders Association, and, (5) Atlanta Urban League.

Also included in the council membership would be the Urban renewal coordinator and the planning engineer of the city of Atlanta, director of Metropolitan Planning Commission and the director of the Atlanta Housing Authority, and the staff member of the citizens committee (who would also act as the secretary to the council). The council might have such other members as are agreed upon by the mayor and the chairman of the citizens committee.

Prevention of misrepresentation of facts.—Prevention of the misrepresentation of facts in respect to race of occupancy or trends is vital if the public purposes of these policies are to be served.

1. Discussions should be initiated with the professional real estate groups to draw attention to the need for rigid adherence to professional codes of ethics. The possibilities of preventing misrepresentation of facts through self-policing by professional groups should be exhausted before attempting public legislation.

2. Existing laws for preventing public disturbances should be aggressively enforced in instances of factual misrepresentation, agitation, and intimidation in regard to race of occupancy.

Mediation of race of occupancy.—Mediation of race of occupancy should be provided on the request of the mayor, aldermen, citizens committee on housing policy, or affected property owners. Mediation is, on occasion, critically needed in transition or potential transition areas, in "no market areas", and in or near expansion areas. Mediating panels might be permanent or ad hoc, neighborhood or interneighborhood (like WSMDC) in scope. Staffing would be provided by the staff of the committee. The findings and conclusions of a mediation panel may be directed to the mayor and board of aldermen, citizens committee, professional council on housing needs, real estate firms and professional associations, and other parties involved.

Neighborhood planning.—Mediation should be initiated in those situations where development of vacant land needed for housing is impeded by uncertainty concerning the intended race of occupancy. An aggressive program of advance planning of neighborhoods by the city department of planning is essential to coordinate private development with administration of subdivision regulations, zoning, mapped streets, 221 housing, location of schools, playgrounds, parks and the provision of other public services. Many race of occupancy problems, otherwise insolvable, would be readily and properly resolved through sound neighborhood planning.

IV. UNDERLYING POLICY CONSIDERATIONS

Summary

In its approach to bring about solutions to specific race of occupancy problems, the approach taken by WSMDC has recognized a number of considerations as "givens" with respect to the real estate market. These considerations are basic to a full understanding of the policy and action recommendations proposed earlier.

On the following pages four primary considerations are elaborated. They are:

1. The existence of two real estate markets, white and Negro, which are determined primarily by decisions of property owners.
2. The expanding demand for white and Negro housing, over the entire metropolitan area, requiring vast tracts of vacant land to be acquired for new housing.
3. The essential role of transition housing, as an adjustment mechanism enabling the real estate market to meet the needs of many groups—but requiring a cooperative effort by property owners to maintain either a white or a Negro market area.
4. The importance of providing an authoritative, public source of information indicating current and likely racial occupancy changes in order to maintain stable market areas.

Two real estate markets

There are really two real estate markets—one Negro and one white. Houses and property are either offered on one market or the other by the owner. In the minds of buyers and prospective buyers, the intended race of occupancy is an important consideration.

1. The geographic distribution of these two markets over the entire city is determined by hundreds of thousands of separate real estate sales. (See map, Residential Areas 1958, in Metropolitan Planning Commission office.)

2. There are thousands of points in the city of Atlanta, as shown on the Residential Areas 1958 map, where Negroes live side by side with whites. Many of these areas have been stable for many years—some for many generations—and have enjoyed a strong real estate market during this time.

3. Negroes, comprising 35.6 percent of the city's population, occupy a substantially smaller proportion of the city's developed residential land, according to the Metropolitan Planning Commission.

4. Whether an area is in the Negro or white market is determined by the property owners, although their decisions are influenced by many sources beyond their control.

Housing expansion is a metropolitan problem

New trends in housing demand.—The market demand for housing in the Atlanta area is growing for both white and Negro, as measured by actual purchasing and renting trends. The size of this demand is shown by the net addition to the housing supply of 8,000 dwelling units per year for white and 1,400 for Negro.¹ (It is further recognized here that real housing "need" often exceeds

¹ Annual averages for the period 1950–58 (MPC).

the demand as expressed by market volume, and that expressed demand, in turn, often exceeds the available supply.)

Most of the new home construction has been in outlying areas. Atlanta is growing horizontally rather than vertically. This move to the suburbs is characteristic of both Negroes and whites. Of the dwelling units added to the Negro housing supply since 1950, 72 percent has been new construction occupied from the first by Negroes. Only 28 percent was "secondhand" housing transferred from the white market.²

Vacant land required for housing expansion.—The need for new housing for both white and Negro will continue to grow. The overlay on the residential areas 1958 map shows the amount of land which will be needed by whites and by Negroes during the next 5 years. It shows the amount of land on which new houses will actually be built, plus the additional acres needed to maintain competitive prices for land.

1. Compared with the need, the vacant land within the city of Atlanta is so limited that only one in four new houses will be constructed within the Atlanta city limits (see also Atlanta Comprehensive Plan, p. 1, table 1).

2. Obviously, the land in the Negro-occupied corridor to the west can only provide for part of the new housing. Indeed, there is not enough available vacant land within the city limits of Atlanta to accommodate the Negro population.

3. Therefore, both white and Negro housing will necessarily distribute itself among various parts of the greater metropolitan area.

Transition areas

The transition of housing from white to Negro markets is an important concern for public policy. Four points should be stressed:

1. Often, this is not the best way to provide for Negro housing.

(a) This is not the greatest need, nor is it the largest demand. Negro purchasers want primarily new suburban housing.

(b) Transition works a hardship on individual families. The process of selecting a new house, selling an old one and moving is disruptive and aggravating at best. When forced by changing neighborhood conditions, it is conducive to bad community and racial attitudes, and has too frequently led to intimidation and violence.

(c) The values of community life built around schools, churches, lodges, and other organizations, are built up over a period of years, even generations. They are essentially wiped out and lost when the community population is displaced. In the sense that the city of Atlanta is made up of a number of parts, the city as a whole suffers a loss when an established community is destroyed.

2. Nevertheless, transition is an essential adjustment mechanism enabling the real estate market to meet some of the housing needs of different racial and income groups. We would be in bad shape if we had to do without it.

3. The final say in matters of transition is in the hands of property owners in a particular area. The individual has the right to decide whether or not to sell, and to whom.

4. It is a matter of experience, however, that the cooperation of property owners within an area is essential. They must either sell on the white market or on the Negro market as a group. One or two property owners alone cannot change the character of an area unless they succeed in panicking other property owners. However, if cooperation breaks down and one group of property owners tries to sell on the white market, and the other on the Negro market, the net effect will be no market. Thus, they will hurt each other.

Public information on racial occupancy changes

It appears important to make the indicated race of residents for all areas of the metropolitan community a matter of mapped, public information. Among the many reasons for this are:

1. Mortgage firms use this information since transition is a factor increasing the rate of mortgage foreclosures.

2. Realtors need such information so as to authoritatively advise prospective buyers as to racial trends.

3. Under Georgia laws, many public facilities must be planned according to present and future residential racial patterns. Careful expenditure of public funds, particularly for capital improvements, requires the best possible information on population distribution by race.

² "Changes in Negro Housing Inventory, 1950-57," for the urban areas of DeKalb and Fulton Counties (MPC).

4. Property owners need to register their own intentions, and neighbors should be informed of these intentions. This will help prevent neighborhood conflicts which remove property for sale from either housing market.

5. Public information indicating trends of racial occupancy is necessary to resolve emergency problems without violence to life and property, thus progressing toward the orderly and peaceful development of the city.

THE MAYOR'S BIRACIAL COMMITTEE, OR A NEW LOOK AT AN OLD PROBLEM

(Statement by T. M. Alexander, Sr., member of Mayor's West Side Mutual Development Committee and Negro business leader)

No problem, however simple or perplexing, arises in any area of human relationship without motivation or stimulation either willfully or by default somewhere along the line. Once a problem is recognized, all sorts of wild speculations usually follow to either justify or explain it away by the simplest possible method and the minimum amount of serious thinking. The real source is often overlooked or seldom admitted. The truth is hard to face, but the inevitable solution to any problem is based on facts.

Let's see what a new look at a few simple historical facts will reveal about a problem that is rapidly finding a happy solution.

In many southern cities, the impact of industrialization, farm mechanization and labor unionization has brought along, with its advantages, many inescapable problems. None has been more acute than the "housing problem" of minorities, greatly aggravated by a traditional pattern of segregation and discrimination.

Few southern cities have faced this problem with greater courage and a higher degree of statesmanship than Atlanta. In recent years more real progress has been made in this area of race relations than in any other which claims our attention with equal urgency. This new concept did not evolve by accident, nor can any single set of circumstances or incidents be pinpointed as the spark that set off this eager, honest search for a new solution to an old problem.

As in most instances, when we seek the truth and find it, the simplicity and utter obviousness of the answer is frightening. We are sometimes inclined to even doubt its existence, when we realize how close we had always been to it, being too blind or too stubborn to see.

Housing in the South for the Negro minority has followed a consistent pattern with very little deviation. A look at recent maps prepared by the Metropolitan Planning Commission reveals a crazy-quilt pattern, indicative of the lack of planning and over a half century of gross neglect in good community development. The purpose of these maps and other studies now being made by our city in cooperation with other governmental and private agencies is an indication of our determination to act on the facts we have discovered.

It is hardly adequate or honest to just look about at the rapidly expanding Negro community and conclude by designating it as a "problem." It's interesting to look back to its origin; the why and how is often enlightening if not incriminating.

Negroes and whites have always lived as neighbors in the South, in many instances much closer than today. Before Emancipation they lived on the same lot, same farm, and frequently in the same house. This was considered not only desirable but was demanded for convenience and economic reasons. So accustomed was the South to this pattern, which served its purposes, and without friction, that it was given up with great reluctance. In some rural sections throughout the South the pattern still prevails and not infrequently in urban areas where the status quo can be maintained. During the Reconstruction Period, little "pockets" of Negro communities were dotted like piles of rubbish in every white community in all sections of the city. It was planned that way. The Negro, being basically engaged in services and unskilled labor, was encouraged and assisted in developing a community in close proximity to his place of employment or within calling distance of the "big house." Sometimes he was given a plot of ground, a small farm, or a small house to insure this accustomed convenience.

Since the Negro has always been a potent factor in the economy of the South, he could no more escape the benefits from it than he could his contribution to it. Out of the meager compensation received for more than meager labor he managed, through thrift and sacrifice, to improve in proportion to the improvement

going on around him. Wherever progress has taken place in any community to which he was exposed, he has, in the face of added difficulties and disadvantages, somehow managed to move a little further ahead economically. Sometimes it has been with the cooperation of his white neighbor, often with the lack of it, and in the face of unwarranted opposition.

The southern Negro, like his white neighbor, is basically a home lover; he likes to have something to which he can anchor, something he can call his very own. He takes great pride in homeownership. He will make any sacrifice to get a little piece of land or a cottage, and even when forced by economic circumstances or other restraints to live in the ghettos, his greatest ambition is the day when he can muster up that downpayment on a home of his own. Some never do but they never stop trying. Once they get in a home, the record shows they are excellent mortgage risks. They not only keep up their payments but keep their property in a good state of repair and constantly try to improve their living conditions. Many take it step by step until they reach their ultimate objective in the type of home and environment in which they wish to live and rear their families. I can recall many instances where a couple started by renting a room, then an apartment or a small home, and continuing by the purchase of their first house and finally to the modern cottage about which they had always dreamed. A number of factors may have intervened to delay the realization of their dream, but they never lost their hope.

All the members of a democratic society enjoy the economic fortunes and suffer the misfortunes of that society, no matter how segregated or circumscribed they may be. Maybe not in an equitable proportion, but, if the South makes great strides economically, the Negro will always advance because whether we choose to or not we are tied together by a common destiny. Show me a community where the white population is derelict and backward and the Negro population is equally so. Even within the peculiar pattern in which we live as neighbors we can't seem to escape each others woes, and we are always following a parallel line which sometimes crosses and often threatens, because of marked similarity, to meet.

Following World War II, one of the major problems facing the country was inadequate housing. The Federal Government in rapid sequence set up a number of housing agencies—The Federal Housing Administration, Public Housing Administration, and Veterans Housing Administration. A variety of commissions and commissioners were established or appointed to administer the job of providing emergency housing for returning veterans and a civilian population too busy with war production to house itself.

Housing was a national problem; slums had increased with all its attending evils—delinquency, crime, and increased death rates. This was not a pretty sight to greet homesick, warworn veterans.

Wilson Wyatt was given the task of stimulating action to relieve the emergency housing problem on the local level. Atlanta got off at the "shot of the gun." The Atlanta Chamber of Commerce at that time was under the leadership of Attorney Elbert P. Tuttle, now Honorable Federal Judge Tuttle. The chamber had a housing committee which was already at work on Atlanta's housing problem. The mayor immediately designated this existing committee as the Emergency Housing Committee which was asked to assume a larger and overall responsibility. A small group of Negroes were invited to a meeting at the Chamber of Commerce office. Each group present tried to project its immediate and future housing needs.

At this meeting, it was pointed out that one-third of the population occupied approximately 10 percent of the available land. The Negro population was growing rapidly and the "small pocket communities" were bursting at the seams. Not only did the Negro need immediate housing relief, but he needed land for future expansion and community development. It was sighted that the pattern of growth the Negro community had followed for years was conceded not to be to the best interest of race relationship but which was the only available alternative. Few houses were being constructed by individual Negroes, but the number was negligible. For the most part, the great masses were poorly and inadequately housed with no immediate relief apparent. Considerably more was being done to relieve the housing among whites. As better housing became available for the non-Negro population, those who could afford it moved leaving their secondhand housing either for other less fortunate whites or preferably for Negro occupancy. Because the Negro demand for housing was greater and the supply limited, the opportunity to get a few extra dollars from

the Negro market set off a spark of economic exploitation that almost got out of control.

Many of the present Negro communities in Atlanta were formerly occupied by whites. The housing profile of our city has changed considerably in the last half century. Whites have moved out and Negroes have moved in, but it was the only available solution. Negroes had neither new housing nor sufficient available land on which to build. Those who owned the land would not sell for Negro housing. Every Negro community was "bottled" in on all sides. There were two ways out, either by expanding into the white community or "leapfrogging" into the suburban areas, and there again you met another white community. Something had to give and nothing seemed inclined to. This was the beginning of housing tensions and a misconception which continued and still harass racial good will and understanding, malicious damages of all sorts: Fires, cross burnings, "nightshirt" parades, bombs, and what-have-you, embarrassed and tormented the life out of Negroes, who wanted but one thing—decent housing in which to rear their children into respectable useful citizens. He was forgotten for centuries by neglectful city fathers who seemed completely oblivious to the needs, the aspirations and the future well-being of one-third of the city's population. "When you sow the wind you often reap the whirlwind," and the ghost of our neglect at some time will come back to haunt us.

Housing conditions began to show improvement for minorities in Atlanta under the Roosevelt administration and the advent of public housing which replaced many of Atlanta's worst slum areas. The local city government, under the progressive and enlightened leadership of Mayor Wm. B. Hartsfield, has done more in the past few years to eradicate slums and ghettos than all the other administrations combined. You were able not too many years back to tell exactly where the white community stopped and the Negro community began; this is still true in too many southern cities. There were no sidewalks; streets were unpaved; inadequate street lighting; infrequent collection of garbage; and numerous other objectionable identification marks of the Negro community. Today, except in rare instances, these major blights to normal living have been obliterated; the few that remain are getting constant attention.

This new look at an old problem did not just happen. The initiative had to come from the group most affected as does all constructive changes. The Negro community had been concerned but had not been able to make its concern articulate. Petitions, requests, and appeals had gone unheeded. The few so-called exclusive residential sections were unprotected either by inadequate zoning laws or the enforcement of existing laws. Stores, factories, liquor stores, and trucking firms, popped up next door to or across from some of the best residences in the city owned by Negroes. Appeal after appeal went before the zoning boards only to be denied. Negroes lost heavily in the depreciation of their property values. Many, too deeply entrenched financially to move, found themselves living in second-rate commercial areas. There was no suburban land available and all Negroes lived in the thickly populated urban area. Even inside the city limits you could not always be sure of all the necessary utilities that make for healthy wholesome living.

This in itself put a premium on all adjacent white communities, and increased the potential of racial tension. If the Negro could move into a section previously occupied by whites, he could be sure of paved streets, transportation facilities to and from work, proper street lighting, and all the normal conveniences to which all citizens are entitled. His willingness to pay a premium, if the prices paid can be so classified, serve to induce a bit of greed sometimes on the part of his "neighbor."

Here may I point out the gross misconception that generally prevails when Negroes begin to move into houses made available in borderline or white communities. It isn't at all true that Negroes are particularly concerned or interested in moving next to or in close proximity to whites. It's simply that these communities afford those conveniences which they are entitled to in their own communities and have been denied. One other idea should also be corrected, it does not follow that a Negro who moves from the slum or an inferior crime-infested environment will bring into the new community the characteristics of his old environment. Unless, of course, you can prove that environment has nothing to do with the character or culture of a people. When the first Negro public housing project was being considered in Atlanta, it was reputedly said that it would be a waste of money to build such a project in this slum and crime infested hole; that Negroes would be cutting wood on the floors, and making booze or storing coal in the bathtub. This particular project is one of the best

kept and has fewer police calls than probably any in the city, and some of the same people who occupied the slums have been there since its completion. Negro homeowners have not depreciated the value of property they acquired from whites, but in most instances enhanced its value by improving it and planting grass and flowers where weeds were. The Negro has always had a latent love for beauty but too few opportunities to express it.

Negroes, as well as their white neighbors, had been derelict about registering and voting. A major reason was the so-called "white primary" and the poll tax which disfranchised both races. After the removal of these two evils, through constant prodding by dedicated leadership, he finally began to wake up to the value of the ballot. He discovered that it wouldn't take too many votes to make his one-third population strength a balance of power. In a few significant local elections his vote spelled the difference. This was the beginning of a turning point and a new and wholesome concept of the Negro in the city of Atlanta.

Paralleling this new political interest was a quiet, persistent, and sound economic development sponsored by him, initiated by him, and controlled by him. No city in America can match the economic progress of the Negro in Atlanta. The racial good will and cooperation on the economic level is one of the most fantastic and fascinating stories of American enterprise and genius. The focal points around which this remarkable advance has been soundly constructed are his insurance companies, banks, and other financial institutions—all managed and controlled by trained individuals dedicated to raising the economic standards of the Negro community by sound, intelligent financial guidance, leadership, and assistance. These institutions are competitive, well-constructed American enterprises which, unlike his early housing committees have no identification marks to distinguish them from their neighbors similarly engaged. These businesses were preparing themselves to serve a greater purpose and a major function in the not too distant future. They, too, realized that it isn't enough to hope, to wish, to ask; you must be able to contribute not only to your own aspirations but to the total good of the total community. To demand political and economic respect, you must have political and economic respectability. These are the two keys that help to open the door where old neighbors begin to take a new look.

Follow chronologically the steps that have been taken with the foregoing as a background beginning with the Emergency Housing Committee formed in 1947 at the direction of the Mayor. Immediately following that original meeting in the Chamber of Commerce office, when the news got out, the land grabbers immediately went to work. Negroes were expanding in an orderly and logical direction out Simpson Road westward toward the river. Just ahead of the Negro development but directly in its path was built up a new white community to the west of Hightower Road; the area generally known as Collier Heights. This, along with other vacant land owned by whites, afforded another road block to Negro housing expansion. When all the available land was utilized Negroes again found themselves bottled in on all sides. The West Lake area because of its proximity to the new developments was willingly relinquished to a Negro developer. This area and the development out Hunter toward Mozley Park, laid Mozley Park open to a natural pincer movement. It became a wedged-shape white community between two fully developed Negro communities, both bursting at the seams. The untimely road block boomeranged and shifted the pressure from the west toward the south, and Mozley Park was literally pinched out of existence as a white community. This did not happen without incidents and some rather amusing and rather disgusting tactics.

Negroes were living within one block of Mozley Park on Hunter Road which became Mozley Drive with the first house occupied by whites. Hunter Road street sign was shifted block by block as Negroes approached Mozley Park, until they occupied too much of it to move it any further. The street names are still used interchangeably. Negroes and whites obviously were not supposed to live on streets bearing the same name even though they do.

A few new organizations were formed in the community under the leadership of professional agitators, a few crosses were burned, a few homes visited, and a few dollars collected by the leaders to prevent the shift over. A few real estate brokers had their licenses canceled on trumped-up charges which could be made to stick legally, such as misrepresentation, the most frequently misused, but Mozley Park went as had others before it. The school and the park, with its swimming pool, which gave Negroes their third swimming pool in the city of Atlanta, were reluctantly given up. Some of the whites were slow to move and some held out for extortionist prices, and many got them. Some have not moved and seem content with their new-found neighbors. All sorts

of pressure was used to maintain this area as a white community. Financial institutions were requested not to finance the purchases of homes for Negroes in Mozley Park. The Negroes' own financial institutions broke that bottleneck by making the first few loans and ended up competing with every financial institution in the city for the mortgage business. The economic key opened the door that is no longer shut. This business has turned out to be some of the best in the mortgage portfolios of the local lending institutions. The mayor was erroneously accused of having promised Mozley Park to the Negroes and was threatened with political reprisals at the ballot box, come next election. The truth of the matter is the community itself was split in two factions, some wanted to sell and others did not or pretended not to want to sell. The ones in the block immediately next to the Negro community objected to forming a "buffer" for their neighbors, so they sold first. The following block took the same position as the first and they followed in order. A committee of whites waited on the Negro brokers at a called meeting with the press and police present to express their determination to sell. When the Empire Real Estate Board, a Negro local organization of over a hundred brokers and salesmen, refused to get in the situation at the beginning, a nonmember sold the entire block without difficulty. Finally when it became definite that the community would go, the Negro brokers sold it out in less than a year and the following year the park and school were turned over to Negroes.

It was discovered in this experience that this pattern of expansion was not only costly financially, but more important it was costly in good racial relationship.

The Metropolitan Planning Commission had published its first report called "Up Ahead"; it had made a thorough and scientific study of the future land use in Greater Atlanta. It had projected the population trends and movements and tried to calculate as objectively as possible the housing needs and land needs for housing expansion. Knowing the limited land available for Negro housing, it designated certain land lots and tracts of land which it felt should be made available for Negro housing in the future. They, however, overlooked two social factors which subjected it to severe criticism and several public hearings where they were bombarded by Negroes and whites. One was that practically all the land designated was owned by whites who had their own personal plans for its future use, and certainly had no intention of making it available for Negroes. The second, Negroes were chaffing under the implications and the stigmas of second-class citizenship characterized by segregation and discriminations of all sorts. To them "Up Ahead" was 50 years behind their time schedule for the abolition of segregation based upon race. To plan segregated areas for Negroes 50 years hence was tantamount to denying them for at least another half century the opportunity to realize an objective that was already being realized. The Metropolitan Planning Commission meant no offense, of that I am certain now, but the report drew fire and resentment. It is difficult to be objective and realistic and at the same time conform to all the customs, mores, and traditions with which we southerners are incumbered. With these two exceptions, the report showed considerable promise and served to point up just how many years we were behind in making a blueprint.

The pressure for more housing was still present, new industries moving southward continued to attract labor from outside the area and away from the rural sections. Atlanta is one of the most attractive cities in the South, though an inland city. Its schools, its climate, its natural resources, and for all its problems, its better than average race relations, make it an "oasis" in the South for Negroes. You hardly compare it with other southern cities; it's more appropriate to draw a contrast.

With all available land being developed or occupied for Negro housing, the Mozley Park situation set off a pattern. The feeling abroad was, if you want to get out of your present community and get a good new modern home, capitalize on the Negro market; they're short on housing and will pay the best price. At the same time the developers of white housing had overdone their job of providing new subdivisions for whites through liberal VA and FHA financing, "wind-falls" included, and the supply was in excess of demand. Cunningly, but not quite "cricket," rumor began to spread, "This section is zoned for colored. Negroes are going to move here or there. The mayor or the Planning Commission, or anybody that could be named, has designated this or that area for Negroes." It isn't certain where or how the rumor started, but a lot of people

started looking for new places to move in the already available white subdivision and Negro brokers were urged to hurry to get a sale for white houses so they could conclude the purchase of a new one. This started another wave of tensions because there were always those who had their doubts and were unwilling to move on rumors. This again caused communities to split and neighbors to lose friendship. The Negro represented a ready market, but he was always caught in the community crossfire.

It was at this point that the mayor, along with other citizens of both races, decided to take a positive step.

The Negro community continued to expand along the same pattern and there were constant tensions which at times reached the point of lawlessness and violence. While the problem was primarily on a community level, it frequently got out of bounds and sympathizers or agitators from other adjacent communities contributed to complicating and confusing the issues.

The main spots of tension were in the West End section of Atlanta, where Negroes had moved on the north side of Westview Drive and whites still occupied the south side. Immediately the whites began to offer their houses for sale to Negroes, and a few were sold. The West End community went up in arms against the administration for permitting this invasion of this rather large community.

The mayor appointed a six-man committee composed of three white citizens and three Negro citizens from the West End area of Atlanta. This committee was to act only in an advisory capacity to work with the citizens in the community involved in an effort to agree on the peaceful and orderly development of the white and Negro communities on the West Side. The committee was called the Mayor's West Side Mutual Development Committee. The director of the Metropolitan Planning Commission was named technical adviser.

This was a new and timely approach to a problem which was increasing in intensity as Atlanta's population expanded beyond its capacity to adequately and equitably house both races. The first meeting was "cold" and cautious. There was a definite lack of mutual understanding and sympathy on both sides. The forced hand shakes were limp and without warmth; there was even a feeling of inner tension and resentment, and a wall so thick between the group on opposite sides of the table that it was almost visible.

The purpose of the committee was explained carefully and concisely. It was the general feeling of the mayor that if we could sit down together and take an objective look at our mutual problems as intelligent citizens, we might be able to work out a solution. It would have to be a matter of give and take with mutual respect and equitable consideration for each. This committee would attempt to work out its difficulties on a community basis, handling each problem on its merit unemotionally and without prejudice.

It was carefully pointed out that zoning for racial groups was unconstitutional and that no one could prohibit by law any person from buying a home in any section of the city and moving in it. Further, that the city law was encumbered with the responsibility of protecting this right of any citizen along with other property rights which are equally enjoyed by all races. However, both races were inclined, without relinquishing any of their rights, to cooperate to protect the rights of each and respect the "integrity" of existing communities.

This "integrity" of communities carries certain implications which should be clarified at this point. It has become a sort of basis for understanding in the past few years and originated with this committee. It has become a kind of yardstick to determine to what length each group could go cooperatively and at the same time avoid obviating any of its legal rights or setting a pattern of procedure that looked like compromising basic principles. A community which has "integrity," as defined by this committee, is a complete homogeneous community; a community composed of neighbors who have become accustomed to living together, whose children go to the same schools, churches, and parks. It has its own shopping center and a variety of homes in various classes. It has potential growth and development already in progress. It is not a "fringe" or "pocket" community nor tied into any other community of similar character. It's like a small town within itself. West End is that kind of a community; Adamsville is also that kind of a community; but, even communities with "integrity" have boundaries, they don't go on infinitum, nor has its "integrity" been jeopardized at the point where the community stops. This definition applied to both racial groups and in some instances to them jointly.

With this as a new but basic concept, the committee could, with some degree of accuracy, define communities and solicit mutual cooperation in protecting

them, not against just the matter of Negroes moving into basically white communities or vice versa, but to protect them from anything that might change their basic character or disrupt the homogeneous quality that made its existence possible.

This was the only basis the committee could honorably proceed with its work. Each member of the group represented a constituency which had to agree upon any recommendation coming from the committee. Civic organizations and professional organizations had to be sold on the general idea and on specific recommendations for them to be effective. Therefore, any suggestion had to be to the mutual interest and free from any attempt at intimidations or illegal restraints.

The first and most difficult job was to get the committee together on its true function. This was a far cry from what they had in mind when they were called together. The early meetings were consumed by attempts to clarify and correct numerous misconceptions relative to housing expansion of minorities and the legal aspects of attempted restrictions based upon race. Again and again the committee had to be reminded that there was no compulsion on the Negroes to refrain from buying property owned by whites, and that they could not buy it if it was not put on the market for sale. It was also impossible to require a white person to refrain from selling his own property to whomever he wishes, even if it affected the total community in which his property was located. It was emphasized that the initiative to protect one's community must emanate from the community itself and not from those outside who had their own special reasons for wanting a community to remain one way or the other. It was concluded that it is unfair, unjust, and inappropriate to ask real estate brokers to refrain from selling or accepting for sale property which was placed on the market by the owner with specific instructions which were not in violation of the law and within his property rights.

It is interesting how custom and practice can become so much a part of a pattern that it is continued by many to be a matter of law rather than of tradition; and, when any group persists in indicting or enforcing the customs in solving any problem disregarding the legal rights of the other, the application of the law meets with resistance. Traditional patterns, if followed long enough, eventually begin to be accepted as law. Hence, considerable time had to be spent in differentiating one from the other.

Gradually, with patience and an honest effort on the part of every member of the committee to define and isolate every problem objectively, the coldness began to melt away. The committee began to look and act like statesmen, dedicated to the job of finding the answer to the perplexing problems which finally were looked at as a mutual responsibility. Members began to know and understand each other and respect all points of view and to face them with courage and conviction.

Many who came before the committee with problems are amazed at the relationship and mutual respect which the members have for each other. Everyone is relaxed and casual and occasionally spend a little time while waiting to get on some particular problem, discussing things of general interest locally or nationally. Points of view are exchanged on politics, sports, some recent interesting experience on travel, or anything that might come up. The whole atmosphere is one of congeniality. We have been neighbors a long time but spent very little time or had too few opportunities to get acquainted and herein lies the basis for most of our racial problems.

Few members of the committee had ever thought of how and why housing for minorities in the South presented a problem. Few, if any, knew the population ratio and the disparity in the allocation of land available for housing. Practically none had ever given thought to the real reason for Negroes readily agreeing to purchase houses in communities formerly occupied by whites or in borderline areas. No one dared admit openly that for years Negro housing in the South was stagnated and ghettos perpetuated by the same forces which controlled the financial institutions. Until 20 years ago it was difficult, even in Atlanta, for a Negro to borrow over \$5,000 on any house and it was conceded that with few rare exceptions no Negro house was worth more than \$5,000. This situation still prevails in many southern cities and in practically all where there are no Negro financial institutions to take the initiative in exploding the myth that the Negro is not a good mortgage risk. In some smaller southern cities, even with Federal

aid, you can't get decent housing for minorities. The ghettos are owned by those who have a vested interest in the banks to whom they would have to appeal for loans. The supply of Negro housing is controlled and limited to insure the income of the landlord. Any outside attempts to correct this evil is met with strong opposition. The municipalities have been derelict in their responsibility to the total community by permitting this practice to persist. It has pampered and narrowed its tax base, permitting usable land to be vacant and collect menial taxes on slums which had a potential yield that would lift the entire economic level of the community. Hence, everybody suffers in the long run; the Negro, for lack of housing, high death rate, and crime; the majority of the whites exploited by paying the bigger end of the tax bill of the few; the total community, by lack of development and progress which an adequate tax base would make possible.

Atlanta came to realize this, and no city in the South is growing as rapidly and its potential is incalculable as it moves progressively to provide for all its citizens indiscriminately.

The Mayor's Committee, as it is sometimes called, is contributing quietly but effectively toward making Atlanta the model city of the South and is setting a new pattern for approaching our common problems.

The committee members frequently contact each other between called sessions on matters of mutual interest and concern. For example, a white committee member will call one of the Negro members and inquire what his position is relative to a proposed liquor store in or near a Negro community, or he might suggest calling a meeting to discuss some proposed transition or change in a community which might be of concern to both groups. Suggested action prior to a problem is often made possible by this free exchange of ideas.

At one of the meetings called for the purpose of considering a subdivision development promoted by whites for Negro occupancy, the idea was discouraged by the entire committee, because it was not in keeping with the character of the community and would present future problems. The promoters took the position the committee was in violation of the constitutional rights of the Negro to try to prevent this project. The quarrel was between the white promoters and the white members of the committee on the rights of Negroes to live any place. Obviously, it was a matter of economics in this case, which so often determines the presence or absence of moral honesty. They were advised that the Negro members of the committee were fully conscious of their rights and had no intention of relinquishing them. This committee was a citizens committee and simply tried to advise steps which would insure the peaceful, orderly, and equitable expansion of all communities on the West Side. This proposed expansion could not be recommended by the committee nor could the committee prevent the developers from exercising their property rights to proceed. When all the facts were made known, the project was withdrawn and the promoters agreed the committee was right. On another occasion a white civic club objected to a Negro development in a certain area and it came before the committee for advice. The committee convinced them they were in error and their objections to it were contrary to the principles of fairplay. They agreed and withdrew their objections.

A commercial development was seeking a permit to enter a section being developed by Negroes. The white and Negro citizens of the community joined forces to prevent it, as being against the interest of the Negro property owners. In one community that was divided on whether it would sell to Negroes or not, the committee suggested that they send out a questionnaire and find what the majority opinion was. When the reports were in, it was overwhelmingly in favor of selling to Negroes. The minority acquiesced and the transition was made over a period of a few months without friction and with complete cooperation of the entire community.

Violence has been completely done away with and minor tensions are usually reconciled through negotiations and discussions on a community level, with the committee acting in an advisory capacity. It has handled many situations that might have proved embarrassing to the community and done irreparable damage to racial relations as has been done in many southern cities. This is the first time the real story has been made public. The committee wanted to be certain it could report success in a unique approach to a practical community problem.

The Mayor's Committee is proving what can be accomplished, once we take a little time to get acquainted. We are neighbors but we don't always act like neighbors because we don't give ourselves the opportunity to get to understand each other.

During the pioneer days of the West, a tough border town was faced also with a housing problem. The one hotel was crowded and only one room containing a double bed was available for the next customer. When that customer came the clerk explained that it was customary to sleep two to a room due to the shortage of accommodations. He was advised that before morning he would in all probability have a bedmate. If he was willing to accept the room with that understanding he could be taken care of. The visitor agreed. He went to his room, pulled off his clothes and took off his revolver and placed it under his pillow. He did not go to sleep, expecting any moment to have a guest join him whom he did not know. A few hours later another person entered the room and without speaking to the stranger, turned on a light, pulled off his clothes, placed his gun under his pillow and crawled in the other side of the bed. The two spent a miserable, sleepless night in anxiety and fear. The next morning they got up when the sun began to filter through the window and for the first time got a look at each other. To their mutual amazement they were neighbors, from the same town and had lived next door to each other for years. Had they shown a little common courtesy and taken a few moments to get acquainted, they both might have had a good and peaceful night's rest.

How utterly groundless and needless are so many of our fears and apprehensions. Maybe if we have the courage to take a new look at all our problems, we might spend fewer sleepless nights.

Commissioner CARLTON. Mr. Tiffany, you may call the next witness.

Mr. TIFFANY. The next witness is Mr. Robert Stuart. Mr. Stuart is the director of the Metropolitan Planning Commission. The Metropolitan Planning Commission was established in 1947 by the General Assembly of Georgia to make and recommend to the local governments a master plan for the orderly growth and development of the Atlanta metropolitan area. One of Mr. Stuart's functions has been to serve as the technical adviser to the Mayor's West Side Mutual Development Committee.

Mr. Stuart.

TESTIMONY OF ROBERT C. STUART, DIRECTOR, METROPOLITAN PLANNING COMMISSION

Mr. STUART. Gentlemen of the Commission, the three men who just preceded me have given you a very full and clear picture of the human aspects of the West Side Mutual Development Committee. I shall attempt to use my particular vantage point as director of the Metropolitan Planning Commission to look at the work of this commission from a little different context, that of the overall development of the metropolitan area and operation of private housing market which has already been recognized here today, an operation which has met most of these housing needs.

In the policy proposal for the city of Atlanta which has been adopted by the West Side Mutual Development Committee and which Mr. Barfield read, you recall there were three policy plans, the first of which was that the city is concerned about the housing needs of all of its citizens, and the city, by creating the West Side Mutual Development Committee, Housing Authority, Urban Renewal Program, Metropolitan Planning Commission, and other programs concerned with housing, are expressing this concern.

Secondly, the second planning said that the community recognizes that it must place primary dependence on the private real estate market in meeting these needs, and it is within that second planning that my comments are directed today.

The committee has recognized that in its work the West Side Mutual Development Committee has recognized that it is operating within a private enterprise real estate market, that where there are people that have needs that are to be met and they have the money to back it up, it is translated over into economic demand. They have recognized that these needs are met by businessmen who are developers and sellers of property, and they are met by private individuals who sell this property. Whether an area is Negro or white is largely determined by the assistance of thousands of individual buyers and sellers who are each exercising the constitutional rights.

I have never heard statistics, plain, dry statistics, given such a buildup as this morning, and I am afraid these statistics might be an anticlimax after the buildup. I have provided the committee already, I believe, with some tables, and I won't go over these tables in detail here because time does not permit. I would like to give you some of the more significant aspects of these tables.

Table 1 shows the population of the Atlanta Standard Metropolitan Area by race from 1900 to 1958. It shows that we have a very rapidly expanding housing market in the Atlanta area for both whites and Negroes. Since 1950 our metropolitan population has grown by more than a quarter of a million persons. Of these nearly 200,000 have been whites and 40,000 Negroes. In short, five times as many whites as Negroes have been added to our metropolitan population in the last 8 years. This more rapid growth of the white population is significant, as we will see when we look on the map later.

This table also shows, as might be expected, that since 1900 the white portion of the population has increased until it is now over 77 percent, and in the same period the Negro portion has dropped from 36 percent to 22 percent in 1958.

Now, table 2 shows something of the same picture for the city of Atlanta proper, within the city limits. The upper half of the table shows the changes in population during the last 8 years, and these have been adjusted to the present city limits, so they are comparable figures for 1950 and 1958.

You will note that most of the growth in the Negro housing supply in the metropolitan area in the last 8 years has been within the city limits of Atlanta. You will also note that despite this, the city of Atlanta is still predominantly a white city. The figures are 64 percent white, 36 percent Negro as of 1958.

The lower part of the table shows the same figure but for occupied dwelling units, number of dwelling units. You will notice from this figure, from preparing these figures, that Negroes have a somewhat larger proportion of the population than they have of dwellings, and this, I think, can be explained in two ways: One, larger family size among Negroes; and secondly, the relatively lower economic level of Negroes. This is one of the many cases that we have that there is still considerable doubling up and overcrowding of Negro families in dwelling units.

The next three tables tell the significant story of the rising income level which Negroes are gaining.

Table 3 compares the rate of addition of Negro housing within the whole 37 square miles of the city, the center part of the city, which existed before the plan of improvement in 1952 with a rate of building for Negroes outside of those old city limits. You will note from these figures that in the last 8 years 7 out of every 10 of the new units that would have been added to the Negro housing supply lie within the old 37-square-mile area. They were in Atlanta prior to the plan of improvement. Negroes are still concentrated in the center, and this is still the pattern. However, in the last 2 years we have noted a definite change on this. Of the units that have been added to the Negro housing supply in the last 2 years, 5 out of 10 are outside of that old 37-square-mile area. Obviously, with the rising level of Negro incomes, Negroes are following the pattern that was previously set by whites in seeking and finding outlying residential

locations. Of course in these outlying areas they are predominantly homeowners.

Table 4 answers the question that was raised previously, in regard to the land areas of the city which is occupied by Negroes and by whites. The whites who comprise 64 percent of the population occupy 84 percent of the developed residential land. Obviously whites have longer had an income that permitted them to move to the outskirts of the city and buy homes with larger lots and acreages. Negroes who comprise 32 percent of the population are compressed into 16 percent of the developed residential area. Here the explanation, of course, is that Negroes who in the past have been earning lower incomes than whites have been limited to the close-in, high-density housing, usually secondhand housing, and ironically located on high-cost land.

Table 5 shows how rapidly this picture is changing. Real estate people tell us that the tremendous demand, the greatest activity in the real estate market, is for new houses for Negroes, and this is reflected, I think, in the figures of what has happened to the Negro housing supply since 1950. Fourteen thousand new dwelling units have been added to the Negro housing supply in the metropolitan area. Of these 72 percent were added by construction, first occupied by Negroes. Only 28 percent came over by transition from the white market. This is a very high figure. I know of no other city in America of whatever size, large or small, north or south, east or west, in which a higher percentage, percentage higher than 72 percent, of the houses added to the Negro housing supply or minority housing supply had been new construction.

Well, these figures obviously tell a story of rising incomes for Negroes. They also tell of the willingness and ability of the private entrepreneurs to provide the housing for whoever can pay for it.

I would like to call your attention to the large map on the side here, entitled "1958 Residential Areas." This is a land use map of metropolitan Atlanta. The areas shown in blue are nonresidential uses, business, industrial, parks, and so on. The areas shown in yellow are developed residential areas occupied by whites, and the areas shown in red are residential areas occupied by Negroes, and the areas shown in white are vacant.

There are a number of things which this map reveals. First, of course, is that geographically there are two real estate markets, a white market and a Negro market. Whether or not an area is in the white market or Negro market is based on again the decisions of property owners, buyers, and sellers, exercising their constitutional rights.

A second revelation of this map is the fact that white areas pretty well encircle all the Negro areas. This is due to the fact, as I pointed out earlier that the white population has grown more rapidly, and it

is also due to the fact that whites with a higher economic level are the ones who have bought the outlying homes with larger lots, and therefore they moved out to the suburbs first, in fact.

This map also shows the area which has been referred to previously in this hearing which was opened up by the West Side Mutual Development Committee. This is the corridor to the west to the left on the map, beyond Atlanta University and reaching on out to the Chattahoochee River. Through the work of the West Side Mutual Development Committee this corridor became generally recognized as being available for Negro development, and that development had the support of leaders of the white communities to both the north and the south. A fourth thing this map shows are the three large white communities, some of them close to the border of Negro areas.

There is one thing which has been touched upon a number of times this morning which if put into real-estate market terms, I think, is very significant for the solution of the problem. We are recognizing that housing needs, the housing needs of Negroes and whites, are met by the operation of the real-estate market. This means it is met by business. I think it is axiomatic that business does its job best when there is a climate of certainty. Race, on the other hand, has a way of confusing the housing market picture and therefore getting in the way of meeting these housing needs. Picture for yourself the situation in an area that may or may not go into transition. You have white property owners and residents who are debating among themselves whether to flee in panic or whether to stay and join together in what they consider a defense of their homes and families and their property. You have, with respect to the Negro purchasers, people who are wondering whether to take the plunge and purchase property in a transition area. You have real estate people who are wondering whether they should devote their talents to an area that is controversial. There are mortgage firms who are not making mortgages available because it is an uncertain area. In short, the facts sometimes so paralyze the private operation of the private real estate market that it doesn't operate to meet the needs of people. It hurts both Negroes and whites in this way.

I think there have been two factors operating to make the work of the West Side Mutual Development Committee successful in this respect. In the first place, in the last 8 years we have been very fortunate that the greatest demand of Negroes for housing was for new housing, new construction, and we have been fortunate that the land was available in the corridors to the west. This meant that the real estate trends were relatively clear cut, and the West Side Mutual Development Committee was able to work within that favorable market picture to get people around the table to make information available to people and to clarify the market picture. The obstacles

to the development of open land, as Mr. Alexander referred to, might operate to very sharply change that picture. The mayor touched on this.

I don't really believe these obstacles are going to be ultimately effective. When there is the economic instinct to operate against that, where there are people who will pay for housing, and there are people who are willing to develop housing for profit, these obstacles of buffer strips and upgrading and zoning will not in the long run stand in the way, but they may in the short run impede the supply of housing to the metropolitan Negro needs. The result of this will be that the price will go up, as it always does when demand exceeds supply. When the price of housing on the Negro market goes up, it then attracts housing from white areas. There are whites who find it to their economic advantage to sell. This will result in a considerable increase in the transition of housing from some of the older established white areas and will spread this uncertainty that I was referring to across large parts of the city.

The result will be that the white market in large parts of the city will be curtailed or perhaps even killed completely. The result will be that there will be a great deal more uncertainty and unrest, and I think this will be damaging to race relations as a whole.

The effect in market terms of obstacles, as Mr. Alexander referred to, is to create uncertainty and create fear of the unknown, and jobs of groups like the West Side Mutual Development Committee will be much more difficult in the future if those obstacles continue.

Thank you.

Commissioner CARLTON. Before any questions, we would like to introduce now the members of the Georgia Advisory Committee who happen to be present. First Mr. Sylvan Meyer, who is acting as chairman, Gainesville, Ga., editor of the Daily Times; then Dr. Funderburg of Monticello, Ga.; Mr. Howard See of Atlanta; and last but not least, Mrs. Trimble, Emory University.

We are delighted to have you with us and will be glad for you to ask such questions as you see fit.

Now one or two questions, Mr. Stuart. Is the pattern of Negro concentration in all Negro areas increasing or decreasing as a result of this transition, the concentration of the Negro areas? Is that increasing or decreasing?

Mr. STUART. I think the general pattern in all southern cities, if you look over a period of 50 years has been one of change from a scattering of Negroes who formerly lived actually off and on the property of whites into large communities of their own, and I think that this has been largely due to economic reasons. There has been an increasing concentration in communities by Negroes.

Commissioner CARLTON. Any questions?

Chairman HANNAH. Yes. With reference to this white area that served as the cork or the bottleneck and which was worked out so that it became available to Negroes to develop and make available this area out to the west which shows on the map, there is great concern in much of the country because of the fear that when Negroes move into an area, or territory where Negroes haven't lived before, something happens to real-estate values. What happened in that area? Did these white folks get as much for their property as they would have received if it had been sold to others?

Or perhaps even a more general question, and you may want to answer it all at once: Is the value of the real estate, the homes and the home site, in this West Side area comparable to values for similar properties elsewhere in the city? Do you have some general answer on that?

Mr. STUART. This is a very interesting question. I think it is one worthy of some thorough study by somebody at some time. There is a difference of opinion on that locally. Whites usually feel that when transition occurs, they lose money. The Negroes usually feel like they pay way too much.

My interpretation of this runs along this line, that many whites sell in panic all too quickly in a transition, and they do take a loss. But actually the thing which starts the transition in many cases is the fact that the Negro market will actually pay more, the Negroes will actually pay more for their houses than whites, and this is not only true of the local situation that might have been the case in this particular subdivision you are referring to, but this is true on a citywide basis.

Chairman HANNAH. Pay more for the same property, that is what you are saying.

Mr. STUART. That is right.

Chairman HANNAH. You answered the question I had asked two or three previous witnesses. If I understand your explanation of it, as a matter of fact, the concentration of Negroes in the land area occupied by Negroes is approximately twice the average concentration of whites in the city of Atlanta. Is that true? You say 32 percent of the population are Negroes and that they occupy about 16 percent of the land.

Mr. STUART. Your figures are right. I am not sure your sentence is correct, but the figures are right. In other words, I understood you to say that the density for Negroes was twice that of whites. I don't know that.

Chairman HANNAH. Well, if 32 percent of the population are Negroes and they occupy 16 percent of the land, if my arithmetic is correct, that means that the concentration on the average is about twice the average concentration——

Mr. STUART. Let us just rely on your arithmetic then.

Chairman HANNAH. Let me ask you another question which would be merely a matter of interest. I take it there is pretty general approval in both the white and Negro communities of this West Side Development. Does the matter of possible eventual desegregation of the schools play any role in the popularity of this project?

Mr. STUART. I think to this point it has been relatively minor.

Chairman HANNAH. It is a matter of opinion anyway.

Mr. STUART. That is right. It is very difficult, I think, for us to convey to you, but we ought to try to do it, the tremendous feelings there are that make for residential segregation anyway. I don't think the school thing has increased that to any degree. There was tremendous feeling to start with.

Chairman HANNAH. Dean Storey?

Vice Chairman STOREY. As I understand, you have had a very fine experience with this West Side Mutual Development Committee, and I believe I noticed a reference that possibly that idea or its activities might be extended to the whole city. What is your opinion as to the advisability of such a committee, maybe not that one, but one to handle problems of this nature citywide? Or, on the other hand, do you agree with some of the previous ones who say that it must be handled locally in the particular areas for it to be more effective?

Mr. STUART. There is a place for each type of program, and there is no substitute for getting the people who are concerned with the problem to discuss that problem around the table and permit them to see each other as human, and hear each other's point of view.

Vice Chairman STOREY. I assume you are familiar with these problems in other cities in the South and elsewhere. Do you have any knowledge of a similar experience in other cities and other areas with similar problems as your West Side Mutual Development Committee?

Mr. STUART. I have been in touch with programs in Washington, in Philadelphia, and in Chicago, and I find that the problem is just amazingly similar in each of these communities and by and large is being handled in much the same way.

Vice Chairman STOREY. One other question. I believe you referred a good deal to the transition area, and maybe it might be—at least there has been some comment that it might be—wasteful, and you have indicated the panic selling and so on. Just how does this Mutual Development Committee assist in the transition period and prevent panic selling and so on? How does it function in that area to prevent waste?

Mr. STUART. To me, as I have witnessed it, the real problem of transition areas is that this represents a violent threat. I don't mean

violence in the sense of damage to property or the person, but a violent threat to community institutions and to families. They are about to be uprooted and often to their social and economic disadvantage, and it is the fear of the unknown that hangs over the whole situation that causes unrest, that causes people to do rash and unreasonable things.

I think the committee has been able to help in these situations by simply bringing counsel, bringing facts, bringing perspective, bringing the people who are involved in the problem together so that they can talk it over, so that they can meet each other, and this has helped to just eliminate some of the fear, some of the uncertainty, some of the lack of information, dispelling some of the rumors that start occurring in these situations, has helped to resolve the problem, if not to solve it.

Vice Chairman STOREY. In effect, to deal with actual facts and conditions rather than biased rumors and prejudices.

Mr. STUART. Exactly.

Vice Chairman STOREY. And bring them home to the respective people.

Mr. STUART. Yes, sir.

Vice Chairman STOREY. Thank you, Mr. Stuart.

Chairman HANNAH. Maybe this isn't a fair question to ask you, Mr. Stuart, and if it isn't, we will get someone else to answer it later. Is it your opinion that a larger percentage of the Negroes in Atlanta fall in the medium and higher income brackets than elsewhere in the South?

Mr. STUART. I am almost certain that that is true. My opinion is that it is true.

Chairman HANNAH. I just infer that. I don't know. I am asking for information, but I gather that must be true, talking about \$75,000 and \$100,000.

Mr. STUART. You will see for yourself this afternoon in the trip through the Negro areas ample evidence of Negro wealth here in Atlanta.

Chairman HANNAH. What would be your guess as to why that is true?

Mr. STUART. Well, for one thing, the Negro educational institutions here, I believe, have had a great deal to do with this. This has been a center for business of all types, and I think Negroes have been able to generate their own share of business. The fact that there has been a large number of Negroes concentrated here in the metropolitan area provides a market for their services and their business activities. Atlanta is just a good business place, and the Negroes are getting their share of it.

Chairman HANNAH. One more question, and I recognize there may not be an answer to it. Is it your feeling that there continues to be a

substantial outmigration of Negroes from Atlanta to the northern cities?

Mr. STUART. This is something we would like to know the answer to. My opinion is that Atlanta perhaps is something of a staging point for Negroes moving to northern cities. They move into Atlanta from off the farms and small towns, and many of them do move off from Atlanta to northern cities.

Chairman HANNAH. So far as you know, that continues to be the case.

Mr. STUART. Yes, sir.

Commissioner CARLTON. Any questions by the Advisory Committee?

Mr. MEYER. On the basis of the figures Mr. Stuart gave of the concentration of Negro population, it would be approximately one-fourth higher than that of the white population, if my arithmetic is right.

Mr. STUART. Thank you.

METROPOLITAN PLANNING COMMISSION, ATLANTA, GA.

APRIL 2, 1959.

Attached are five tables which give information about the distribution by race of population and housing in Atlanta and the Atlanta area. These tables were compiled to assist us in presenting factual information to the Civil Rights Commission at the April 10, 1959, hearing.

SPECIAL NOTE.—Be sure to read the title of each table carefully. Both the dates and the geographical area covered vary from one table to the next. In some cases, our latest estimates are as of April 1, 1958, and in others the information is as of April 1, 1957. Some tables refer to the Atlanta metropolitan area, some to the city of Atlanta, and at least one (table 5), to the urbanized portion of DeKalb and Fulton Counties.

Information for 1950 and previous years was taken from official reports of the U.S. Bureau of the Census. 1957 and 1958 estimates were prepared by the Metropolitan Planning Commission.

TABLE 1.—Population of Atlanta standard metropolitan area, by race, 1900–1958²

Year (Apr. 1)	Total population	White population			Nonwhite population		
		Number	Percent increase	Percent of total	Number	Percent increase	Percent of total
1900.....	189, 108	121, 100	-----	64. 0	68, 008	-----	36. 0
1910.....	262, 577	179, 769	48. 4	68. 5	82, 818	21. 9	31. 5
1920.....	336, 847	240, 410	33. 7	71. 4	96, 437	16. 4	28. 6
1930.....	451, 166	324, 306	34. 9	71. 9	126, 860	31. 5	28. 1
1940.....	529, 755	383, 377	18. 2	72. 4	146, 378	15. 4	27. 6
1950.....	694, 669	525, 060	37. 0	75. 6	169, 609	15. 9	24. 4
1958.....	924, 000	716, 300	36. 4	77. 5	207, 700	22. 5	22. 5

²Includes all of Clayton, Cobb, DeKalb, and Fulton Counties, Ga. Gwinnett County, which was added to the Atlanta standard metropolitan area in November 1958, is not included. Figures for 1930 and previous years include old Melton and Campbell Counties, annexed to Fulton in 1932.

TABLE 2.—Changes in population and housing, city of Atlanta, 1950–58

POPULATION					
	Total	White		Nonwhite	
		Number	Percent of total	Number	Percent of total
1950 ¹	437,785	301,369	68.8	136,416	31.2
1958.....	510,200	327,829	64.3	182,371	35.7

OCCUPIED DWELLING UNITS					
	Total	White		Nonwhite	
		Number	Percent of total	Number	Percent of total
1950 ¹	122,192	88,008	72.0	34,184	28.0
1958.....	145,435	98,418	67.7	47,017	32.3

¹ 1950 figures have been adjusted to 1958 boundaries of city of Atlanta.

TABLE 3.—Net gain in nonwhite dwelling units, city of Atlanta, 1950–58

	Net gain	Percent of total net gain
Total.....	12,833	100.0
Urban (old 37-sq.-mi. area).....	8,861	69.0
Suburban (annexed area).....	3,972	31.0

NOTE.—In recent years the suburban share of new housing constructed for nonwhite occupancy has been increasing. For example, in the 2-year period from Apr. 1, 1956, to Apr. 1, 1958, a total of 1,530 new units were constructed in the city of Atlanta for nonwhite occupancy. 50 percent of these units were built in the suburban part of the city.

TABLE 4.—Distribution of developed residential land, by race, city of Atlanta, 1958

	Percent of total developed residential land
Occupied by whites.....	83.6
Occupied by nonwhites.....	16.4

TABLE 5.—Changes in nonwhite dwelling unit inventory tracted portion of metropolitan planning district, 1950–57¹

The gain in nonwhite dwelling units from 1950 to 1957 accrued from—	
New units constructed.....	10,309
Plus units which changed from white to Negro occupancy (second-hand housing).....	3,994
Total.....	14,303
Minus demolitions and losses from fire, etc.....	—1,932
Net gain.....	12,371

Of the gross addition of 14,303 units, 72 percent were added by construction and the remaining 28 percent by change of units from white to Negro occupancy.

Thirty-two percent of the new housing is of the single-family type. The remaining 68 percent are in duplexes or multi-family structures.

Commissioner CARLTON. Suppose we take a 5-minute recess, and then we will return to our job.

(Short recess.)

¹ The area referred to here is the urbanized core of DeKalb and Fulton Counties, extending to Morgan Falls on the north, beyond Clarkston on the east, to the Clayton County line on the south, beyond Ben Hill on the southwest, and to the Chattahoochee River on the west.

Mr. TIFFANY. Mr. Satterfield, Mr. Chiles, Mr. Blayton, and Mr. Cecil Alexander, please come forward.

Commissioner CARLTON. Mr. Tiffany, will you call the first witness?

Mr. TIFFANY. Mr. Chairman, the next four witnesses have official roles in the city housing program. We will hear oral statements from each and then address questions to all of them. First, Mr. M. B. Satterfield. Mr. Satterfield is the executive director of the Atlanta Housing Authority and was for many years the Regional Housing Administrator of the Federal Public Housing Administration before coming to the Atlanta Housing Authority in 1952. Mr. Satterfield.

**TESTIMONY OF M. B. SATTERFIELD, EXECUTIVE DIRECTOR,
ATLANTA HOUSING AUTHORITY**

Mr. SATTERFIELD. Gentlemen, I presume that I am appearing before this committee primarily because of my connection with public housing. I shall not attempt, therefore, to quote statistics bearing upon a comparison of price for nonwhite trend in housing and an area expansion. There are other more reliable sources of this type of information in Atlanta, and you have just heard Mr. Bob Stuart give you that sort of information. As you probably know, one of the basic concepts of public housing is that there be a maximum practicable amount of local autonomy in communities. This concept would insure a practical and realistic approach and would recognize that the residents of a community are those persons best qualified to evaluate community problems, conditions, and attitudes. Without the exercise of a high degree of local determination, an inflexible pattern of nationwide policy would in all probability result in the same rules and requirements being applied to New England, the West Coast, Middle West, the East, and the South. Policies and even standards which are appropriate for New York might be most inappropriate for Seattle, St. Louis, or Georgia. Because of this high degree of local decision on many important matters public housing has been able to serve many communities, large and small, coast to coast.

In the South no one seriously raised a question as to whether public housing would be racially integrated or not. It has been the policy throughout to serve those having the greatest housing needs, both white and nonwhite. To insure that minority racial groups receive their fair share of public housing, the Federal agencies involved analyze low rent housing needs in each community on a white and nonwhite basis. Allocations have been made on bases that insure a fair sharing of public housing by minority groups. Public housing statistics for the Southeast conclusively show nonwhite have fared well under this policy, as more than one-half—51.4 percent—of the total housing built in the Southeast is for nonwhite although the

percentage of nonwhite to the total population is approximately 25 percent, 26.1 percent in 1950, and declining.

In the city of Atlanta public housing allocated on the basis of need has produced 4,954 Negro units and 2,540 white units, which makes the Negro proportion approximately two-thirds. In addition to this, an additional 1,000 public housing dwellings for Negroes is scheduled for the immediate future. This will make the ratio of Negro public housing to white seven to three, exactly 70.9 percent. The present Negro population of Atlanta, as you have just heard, is 36 percent. In Greater Atlanta the percentage is 23.

On all public housing projects in Atlanta occupied by Negroes the management personnel is Negro. Salaries for such personnel are the same as for comparable white positions on white projects. Public housing for Negroes is equal in quality in all respects to that for white.

In addition to administering the public housing program in Atlanta, the Housing Authority has been designated as the city's agent for urban redevelopment in carrying out specific urban renewal or urban redevelopment projects. The testimony of Mr. Cecil Alexander of the Citizen's Committee for Urban Renewal will cover the general subject on urban redevelopment. I would like to call particular attention to one point, however. In the carrying out of the urban redevelopment program it is our practice and will continue to be our practice to employ qualified Negro appraisers, negotiators, and others for service in the fields in which they are qualified.

Your Commission has requested and has been supplied with copies of a relocation report for urban renewal in Atlanta. It should be pointed out that this report was prepared to meet the specific relocation requirements of law concerning urban renewal projects and was not designed as a citywide study to include persons displaced by activity outside of urban renewal projects. A separate citywide report was made for the urban renewal department of the city government.

In the notes of your Commission on this hearing the question was raised as to what proposals this Commission should consider making to the President and the Congress concerning Federal housing laws and policies. It was noted that in New York many witnesses recommended the adoption of Federal policies requiring the end of all racial segregation in public housing or in programs financially assisted by the Federal Government. The question was asked as to how such a proposed policy would affect the housing problem in Atlanta. Insofar as public housing is concerned, it is my opinion that the imposition of such policies at this time would create an extremely disturbed and chaotic situation. Housing authorities not only in the Atlanta area but in the entire Southeast would find it

impossible to continue with Federally aided public housing programs in their communities. Unlike a few of our sister States in the North, States in the Southeast are unable to afford financial assistance at State level, and the great housing need among lower income families in the Southeast could not be met. This effect would spill over into the urban renewal field, and much needed urban renewal would suffer from the inability to relocate persons displaced by the urban renewal program. In view of the fact that the need for public housing for nonwhites is approximately twice as great as that for whites, it appears that the cessation of public housing in Atlanta and in all the Southeast would militate against the best interests of the nonwhite population.

If conditions in localities such as New York demand policies against segregation, there is nothing to prevent the establishment of such policies on a local self-determination basis and thereby recognize local existing conditions and attitudes.

Thank you.

Mr. TIFFANY. Mr. Chairman, I would like to introduce at this time Mr. John O. Chiles who is chairman of the Atlanta Housing Authority and is also head of one of the largest real estate businesses in the south. Mr. Chiles.

TESTIMONY OF JOHN O. CHILES, CHAIRMAN, ATLANTA HOUSING AUTHORITY

Mr. CHILES. Members of the Commission, ladies and gentlemen, I have been on the Atlanta Housing Authority for 12 years. I believe I am familiar with the situation in Atlanta with respect to the housing of all classes of people. The philosophy of the Atlanta Housing Authority has been and still is to supply separate but equal facilities based on the need of the members of both races, Negro and white. Of the 7,500 public housing units in Atlanta today 5,000 or two-thirds are for Negroes. In addition, the authority recently agreed to build a thousand units of public housing in connection with the urban renewal. I believe that the Atlanta Housing Authority has made a substantial contribution to the excellent racial relations enjoyed by this community. I believe the Metropolitan Planning Commission and local economy could supply you with the figures and detailed statistics, so I will confine my remarks to the overall situation.

No minority group has an exclusive on poor people. The poor will always be with us, and I see no prospect of adequate housing for the poor in the foreseeable future. Public housing has taken care of a substantial part of the low-income problem. We have slums in which white and Negroes live. It seems impossible to completely eliminate them, and I fear that some of our people will always be living in slums.

One of the great problems of adequate housing for Negroes in Atlanta is making land available for their needs. This seems to be a problem of every city which has a substantial Negro element, and I believe it will be a continuing one as cities continue to grow. Local officials and citizens of our community have done an excellent job in trying to meet this situation, and have made substantial progress. It will take the continued efforts of the local officials and of all of our citizens to cope with this problem. Although I do not have firsthand specific information, my impression is that the availability of financing of housing for Negroes has improved, and there is adequate money available now for the continued development of private housing for this group. In the past this has been a real problem.

I can't begin to tell you of the chaos that will result if forced integration by law, State or Federal, is applied to all housing that has been assisted by government agencies. It would seriously damage if not completely destroy the continued good race relations in this community. I believe that those race relations are far more important to Atlanta and to the nation as a whole than anything it could possibly gain by forced integration of housing. Responsible people of all races recognize the real problem that exists in the community with high percentage of white and nonwhite as exists in Atlanta. Leaders of both races have worked hard to maintain an atmosphere of peaceful cooperation and opportunity for all. I can see nothing but chaos and tragedy if by law forced integration is imposed upon all properties financed by FHA, VA, 608, and 207. Practically all the multi-tenant buildings now occupied by white would be vacated. The number of Negroes who would occupy these properties would of necessity be only a small percentage due to the size of the units and the rental rates. Most, if not all of these properties, would be foreclosed, taken over by the Federal Government, resold at a tremendous loss to the taxpayer, and in all likelihood would be purchased in the main by white investors, and segregation of the races in these properties would begin all over again.

I have tried in these brief remarks to describe the situation of housing in Atlanta as it affects the race relations. I hope it has been helpful. My views are based upon the experience of a lifetime devoted to renting, selling, managing of real estate in this community.

In conclusion I would like to say we are not ready for it. Thank you.

Mr. TIFFANY. Mr. Chairman, the next witness will be Mr. Jesse B. Blayton, Sr. Mr. Blayton is chairman of the Negro Advisory Committee of the Atlanta Housing Authority. He is also chairman of the board of the Atlanta Urban League. He is president of the Mutual Federal Savings & Loan Association and an officer of several other businesses, including a bank and fire insurance company. In addition,

he is a professor of business administration at Atlanta University.
Mr. Blayton.

**TESTIMONY OF JESSE B. BLAYTON, CHAIRMAN, NEGRO ADVISORY
COMMITTEE TO ATLANTA HOUSING AUTHORITY**

Mr. BLAYTON. Mr. Chairman and members of the Commission, I have already filed a formal statement with the Commission, hence I shall talk merely about the phase of the Atlanta Advisory Committee on Housing, and incidentally, about housing finance generally as it affects Negroes.

It is true that in Atlanta two-thirds of the low-cost housing units are being occupied by Negroes. By "low cost" I have reference to the public-supported units. All Negro units are manned fully by Negroes. There is not a Negro commissioner on the Atlanta Housing Authority. We do have the Advisory Committee. The authority of the Advisory Committee is limited by such matters as are assigned to it by the commissioners. In 16 southern cities Negroes are members of the board or the commission on housing authority, in Virginia, North Carolina, Tennessee, Texas and even in Alabama.

Affecting the whole problem of housing, of course, is the question of economics, of supply and demand. It has been shown by other witnesses that the land area which may be occupied by Negroes is limited. Because of its limit, the price rises necessarily, and in the savings and loan field where I am actively engaged I make loans to whites and Negroes, principally Negroes. Generally speaking, house for house, value for value, a house will cost more in a Negro neighborhood than it will in a white. This situation arises out of the relative scarcity of land where Negroes may build their homes.

This same situation is firmly implemented by even policies of the Federal Home Loan Bank Board of the Fourth District of which we are members. There is no discrimination aimed directly at Negro enterprises in this area, but the effect is the same. For example, in the Fourth Federal Home Loan Bank District, Greensboro being headquarters, there is a policy on the part of the district that associations and other lending institutions should not go outside the area and advertise in order to seek funds for their associations, making available funds for local lending. This, of course, limits the funds which flow into Negro associations for the reason that their local members are relatively poorer than those of their competitors. I contrast this with the 11th Federal Home Loan Bank District which is in San Francisco, where the policy is to encourage varying funds so long as they can be profitably and properly used in that district, so that in the 11th Federal Home Loan Bank District, where San Francisco is the headquarters, there are four associations, Negro-operated

associations, with aggregate assets of over \$63 million and all six such associations in the 4th district have only slightly more than \$23 million and about half of that is in the association which I head.

Land appraisals in Negro areas even by VA and FHA are higher generally than comparable land appraisals in white areas. This, of course, is again traceable to scarcity. This, of course, is all related to low-cost housing because, as the family incomes become such they can no longer live in the projects, then they must move into private housing, and they meet these price conditions that we have referred to.

A very large factor, fairly important, I should say, in holding the Negro incomes down is this: Only the U.S. Post Office employs Negroes in large numbers. The Housing Authority, of course, does with respect to the projects which are manned by them and for Negroes, but the Veterans' Administration, the Federal Housing, and all along the line of government agencies, State and local agencies, do not generally employ Negroes in the better paid jobs. A few of them are employed in the more menial jobs and with low-income situations. This, of course, results in lower average Negro income per family.

I am proud to be able to report that over 95 percent of each project in Atlanta headed by a Negro is occupied. There have been times when there were vacancies in certain white projects, and there were long waiting lists for persons to get into Negro projects. Advertisements have appeared inviting persons to move into white projects when the Negroes were waiting in large numbers.

Thank you.

Mr. TIFFANY. Mr. Chairman, introducing our next witness, Mr. Cecil Alexander, I would like to note Mr. Alexander has with him today Alderman Hamilton Douglas, chairman of the Aldermen's Committee on Urban Renewal and Col. Malcolm Jones, director of the City Department of Urban Renewal, and I understand it is by mutual agreement that Mr. Cecil Alexander speaks for them. Mr. Alexander, as I say, is chairman of the Citizens Advisory Committee for Urban Renewal. Mr. Alexander.

TESTIMONY OF CECIL ALEXANDER, CHAIRMAN, CITIZENS ADVISORY COMMITTEE FOR URBAN RENEWAL

Mr. ALEXANDER. I want to start out by saying that I don't believe I do speak for them. My position is quasi-official and I believe that what I have to say shouldn't be taken as a policy of the city.

You have requested me to appear before your Commission. I assume my position as chairman of the Citizens Advisory Committee on Urban Renewal is responsible for your request. Let me state

that I must ask you to evaluate my remarks, however, as those of an individual. It would be presumptuous of me to speak for a committee of 90 persons representing every ward of the city, labor and capital, persons friendly and unfriendly to the city administration, and further, representing both races. In fact, this committee has but one common bond, believing that the Urban Renewal Program is a necessity for Atlanta and that the success of this program demands citizens' participation.

In spite of participation by local and Federal governments, by far the greatest share of financing of the Urban Renewal Program is private. It cuts across the fabric of the entire community. It must be regarded as a local solution to a local problem. It must, in my opinion, pursue a neutral course in the matter of racial housing problems. The Federal Government should not use the program to enforce change unacceptable to the community and patterns of living, nor should the local government use it to prevent changes which the community will accept. In summary, the Urban Renewal Program must work with the environment in which it finds itself.

Should either the Federal or the local government use it as a tool in race relations, in my opinion it will become unacceptable to the community taken as a whole. This will deprive the city of the best means ever developed to fight slums, deterioration, and misuse of land. The future of our city will become deplorable, and any possibility of working out racial problems will be lost in the general decay and depression in our urban centers.

The need in Atlanta, as in every growing city, for more land for low income groups to build on is an old and pressing problem. It has been magnified in recent years by the development of the expressway system. The Urban Renewal Program requires that all persons displaced by governmental action be provided with decent, safe, sanitary housing. This will be met by the projected public housing units in Atlanta, by provision for privately financed housing in the urban renewal areas, and by the construction of privately financed low cost housing in other areas. It will take all three efforts to meet the demands.

The private housing in the areas outside of the projects deal in terms of local problems. A housing panel of the Citizens Advisory Committee was set up. This panel has representatives from all wards and both races. It has been in operation only a short while, and its success or failure cannot be determined. This panel is still feeling its way but agrees, I believe, that each neighborhood community of the city must work out its own solution. No sensible body, no matter how well intentioned, can tell the various communities with their many different situations how to operate. This panel does hope to serve as a clearing-house of information and an agent to work with neighborhood or-

ganizations. It further hopes to keep Atlanta informed of the problem facing an expanding city in providing housing for all its citizens.

The following statements are addressed to your questions, but do not constitute complete answers.

The first question, the question inquires statistical information which can better be furnished by others. I believe a great deal of it has already been brought before you.

Question 2. It is my opinion that the problem of finding decent, safe, and sanitary housing in Atlanta is primarily a problem of the low income brackets. Public housing has been taking care of the very lowest income of both races and is increasing its numbers of units. In the middle and upper income brackets subdivisions for both races are available. It is in the low income groups who do not quite qualify for public housing that the problem is great. Although this applies to both races, it particularly applies to the minority who have the greatest numbers and the smallest amounts of available land, available land mutually agreeable to both races for occupancy. However, even in this area the city has made strides. In spite of the fact that zoning has been used to limit and constrain this development, areas of mutual agreement have been found. Race has played a part in this attempt to upgrade land through zoning to keep out low cost housing. However, zoning has also been used in situations involving only white housing. This reluctance to accept low-cost resettlement housing stems from a belief on the part of some that these relocated persons will not make good neighbors. Neighborhoods now established have overcome many of these objections.

I would add parenthetically that part of the mission of this citizens' advisory group is to encourage the growth of neighborhood organizations to bring the story of good citizenship and health and sanitary conditions to the people who are moving into these neighborhoods.

The people of Atlanta regard zoning hearings as a town hall and take very active and vocal parts in them. No one is prevented from having his say because of color, and the present laws do not permit zoning by race.

Addressing question 3, it is, of course, obvious that patterns of racial segregation exist in Atlanta. There are a few areas in transition where the two races are intermingled apparently without undue problems. However, these areas in transition are depressed areas and do not represent a typical situation. This does give an indication, however, that public laws do not attempt to control what is actually controlled by economics and human relations in establishing racial housing patterns.

Question 4. Inadequate housing for minority groups has a deleterious effect on the entire city. Slums absorb a great share of the tax

dollar and contribute very little. An attempt by the Federal Government to break up the existing segregation pattern would have the effect of making land to provide more minority housing more difficult than the present Atlanta situation. Again I want to add that is my opinion. I feel that slums, no matter what the racial pattern, are the ultimate in demoralizing environment. Public housing has been provided in the Atlanta area for both races in accordance with the need.

Question 5. The West Side Mutual Development Committee is better able to discuss this, and it has been discussed.

Question 6. I will confine my answer to the urban renewal aspects of this question. As you know, in connection with the program the city must provide safe and adequate housing for all persons displaced by governmental action. It cannot be too strongly stressed that Atlanta would have this problem to face with or without urban renewal. The new expressway system has dispossessed many families, some of whom have already found homes in low cost FHA houses. To date no land of any significance has been cleared for urban renewal. In that the areas affected are now largely occupied by minority populations, the situation is complicated by having to secure land acceptable not only to FHA and private investors, but to both races for resettlement.

I sincerely hope that the Federal Government will in no way hamper the freedom of action now permitted Atlanta under the Urban Renewal Program. Should laws be passed limiting the possibility of cooperative agreements, I fear that our difficulties would be insurmountable. Although we can in no way claim effect, I earnestly feel that this problem is local in nature, and the laws which do not grow from established mores and customs will create a climate incompatible with the Urban Renewal Program.

Should this program fail, the city would be denied a tremendous opportunity to remove vast numbers of persons from slum conditions and create new healthy, beautiful, peopled communities. I repeat once more that this does not attempt to express the opinions of the Citizens Advisory Committee, but my personal observation.

Mr. TIFFANY. Mr. Chairman, it is suggested that we should at this time pause for questions. I would like to just for the sake of the record introduce a statement by Mr. Jack Adair who is president of the Atlanta Chamber of Commerce, and also a statement submitted by the Greater Atlanta Council on Human Relations.

(Statements printed at end of hearing.)

Mr. TIFFANY. We would appreciate any further statements which might be submitted.

Commissioner CARLTON. One point that has been brought out, in some areas of the country we have the suggestion that integration

should be imposed as a condition to Federal housing aid. What in your opinion would be the effect of such a condition on future housing in Atlanta?

Mr. CHILES. Destroy it.

Commissioner CARLTON. Destroy it?

Mr. CHILES. Yes, sir.

Commissioner CARLTON. That would be of damage to both races.

Mr. CHILES. Yes, sir.

Commissioner CARLTON. What effect, if any, would that have upon the race relations?

Mr. CHILES. Strain them; worsen. The federally assisted agencies or government insured loans have been the greatest boom to real estate business the world has ever known. It has created a market for housing that has never been experienced in the world before, and the minute you tie that down, you are in real trouble.

Chairman HANNAH. Well, Mr. Chiles, you have had a lot of experience in selling real estate to whites and Negroes and financing it and so on. Do you concur in the statement someone made earlier this morning that in general the experience of repayment with the Negro borrowers is as good as with the whites?

Mr. CHILES. Yes, sir.

Chairman HANNAH. It presents no more problems.

Mr. CHILES. Economically the colored man has improved as much as anybody. He is a real customer, and he is appreciated.

Chairman HANNAH. The reason for the question is, I recognize the improvement in his earning capacity, but there seems to be a notion in some quarters that there is less feeling of responsibility than with other segments of the population, which is why I am trying to bring this out.

Mr. CHILES. I think this has been largely removed, and I think Mr. Blayton would probably have a better idea than I would on that, but my impression is that that has been removed, that that prejudice has been removed to a large extent.

I think the same standard that would apply to a white borrower would to a colored man, too. I persuaded an insurance company to agree to make 10 loans in this new Collier Drive section which is really one of the finest things I have ever known, ever seen, and I looked at the first three or four applications, and they compared to the same kind of loan they would have made on the north side of town.

Chairman HANNAH. You are confirming what the president of the Bowery Savings Bank told us in New York, no substantial difference in the responsibility of the minority races.

Mr. CHILES. That's right.

Chairman HANNAH. Mr. Blayton, I think you made some reference to the fact that there was a time when there were not enough occupants for the white public housing units and you had long waiting lists for the Negroes, but now that has adjusted itself and there is comparable occupancy.

Mr. BLAYTON. That is right.

Chairman HANNAH. In some of the northern cities there is the notion that there is greater difficulty in maintaining reasonable standards for upkeep in the public housing occupied by Negroes as compared to that occupied by whites. Do you have that problem here? Do you get good care of the property, good maintenance, and so on?

Mr. BLAYTON. I go all through the Negro projects and the white projects, and I would say there is no difference in the maintenance. Of course the records of the authority might show there is, but I mean from observation I would say none.

Chairman HANNAH. Of course you recognize you have individual families of all races that provide problems, but it is not a wholesale business of marking up the walls and destroying the property and all that sort of business.

Mr. BLAYTON. No.

Mr. SATTERFIELD. I can answer that. I can see no differential between our white and Negro projects in relationship to maintenance, maintenance costs, pride of the tenant groups, or in the collection, rent collection.

Chairman HANNAH. I think the real point is this pride of the tenants. If people have pride in the place they live, they tend to maintain it and to exercise social pressures on others so that they help to maintain it, too.

Mr. BLAYTON. Pride in the residence.

Mr. SATTERFIELD. And help.

Chairman HANNAH. This is a question that probably shouldn't be addressed to you gentlemen. Earlier this morning there was some observation with reference to the trends of white and Negroes in this city, and I asked some questions as to whether considerable numbers of Negroes from Atlanta continued to migrate to northern cities.

It has occurred to me since there is one bit of information that might be helpful to us. Is the school population of Negroes inside the city of Atlanta increasing more rapidly than whites?

Mr. CHILES. I would think so.

Mr. BLAYTON. I would say definitely.

Chairman HANNAH. This isn't the common report we get. There is in the cities great increase in the number of Negro schoolchildren and a decrease of the whites as the whites move to the suburbs. I

was asking if there was some information in Atlanta. I assume we could get that.

Mr. CHILES. That would be true here.

Vice Chairman STOREY. Do I understand at the present time that there are no restrictions by the Federal lending agencies because of the segregated housing plans you have here now?

Mr. CHILES. No, sir.

Vice Chairman STOREY. There are none at the present time. What you are addressing yourself to, if such conditions should be imposed, I believe in your words, Mr. Chiles, it would wreck the plan, doom it to failure.

Mr. CHILES. Yes, sir.

Vice Chairman STOREY. One other question. In the general field of, say, juvenile delinquency or crime in the various areas, do you have any records as to statistics as to comparing the ones in the Negro housing areas with the comparable white housing areas? Mr. Blayton, do you have any comment on that?

Mr. BLAYTON. I don't know about the housing projects as such. Crime in the Negro community is relatively higher than in the white community. This is traceable, I believe—this is my opinion—to the density of population in the restricted Negro areas.

Vice Chairman STOREY. You mean the overcrowding in housing?

Mr. BLAYTON. Yes. My opinion is that that would generate crime more rapidly.

Chairman HANNAH. You think lower educational standards have something to do with this crime rate, too?

Mr. BLAYTON. It would; but the differential in the educational standards is not as prominent as the differential in space.

Vice Chairman STOREY. You referred to the fact of the difference in policy of the Federal home loan bank or whatever the technical name is here and out in California. As I understand, that is controlled by policy of that bank alone.

Mr. BLAYTON. That is correct.

Vice Chairman STOREY. Not imposed by the Federal Government as such.

Mr. BLAYTON. No.

Vice Chairman STOREY. I believe your words were that here they discourage solicitation of accounts beyond a radius of 50 miles; is that it?

Mr. BLAYTON. That is correct.

Vice Chairman STOREY. Has there been any attempt to remove that restriction?

Mr. BLAYTON. Well, I don't know if there has been any attempt to remove it. Of course local associations can't prevent an out-of-area depositor from sending money in, and they do.

Vice Chairman STOREY. I see. In the 11th district in California I believe they have great branch banking systems, and it is common to solicit financial support for their institutions larger distances, isn't it?

Mr. BLAYTON. Yes; that is true for the commercial banking system, but not the Federal home loan. The Federal home loan is a unit system where they have branches within their trading area.

Vice Chairman STOREY. I see. I believe that is all.

Mr. BLAYTON. I had one observation, if I may, referring to Mr. Chiles' statement about money from out-of-area places for loans. I was glad to hear that because it has been rather difficult to sell a mortgage generated in this area by a Negro firm, and I suppose by white firms as well. This is not a policy, not a result of a policy of such institutions as the Bowery Savings Bank someone has mentioned, but of the local representatives of these lending institutions. Many of them will not undertake to market mortgages generated on Negro residences in this area.

Two years ago I had an experience where I needed to sell some mortgages so I could make some more, and only through the president of one of our competing associations was I able to sell even a quarter of a million dollars' worth of loans, and yet others were selling wholesale.

Mr. CHILES. That is improving, though, isn't it? Don't you feel the trend is improving?

Mr. BLAYTON. Oh, yes; definitely.

Mr. CHILES. More money coming into this market for you.

Mr. BLAYTON. Yes; more money is coming in, but I have experienced this same situation on sale of mortgages generated here through the agencies which represent the northern insurance companies and savings banks and so on.

Chairman HANNAH. Mr. Blayton, I would like to ask if you would answer the question that Dean Storey put to Mr. Chiles in the same way with reference to what would happen if in the Federal regulations there was a prohibition on discrimination and segregation in Federal financial assistance.

Mr. BLAYTON. Well, if that were enforced, as it probably would not be, I would agree with Mr. Chiles in the short run. I would not agree with him in the long run. I think economic forces would take care of the long run, demand and supply.

Chairman HANNAH. But you think the immediate effect might not be good.

Mr. BLAYTON. The immediate effect might be something as described by Mr. Chiles, but in the long run effect I think not.

Commissioner CARLTON. What minority groups, if any, do you have in Atlanta other than the Negro?

Mr. BLAYTON. None to speak of.

Commissioner CARLTON. Any question by any of the Advisory Committee?

Mr. MEYER. I would like to ask Mr. Blayton one question if I might, sir. Mr. Blayton, you say the FHA and VA are appraising land at higher prices to the colored areas.

Mr. BLAYTON. They have.

Mr. MEYER. Does this mean that the colored borrower is getting a relatively higher percentage of his house financed? In other words, are his downpayments lower for this reason?

Mr. BLAYTON. I don't think that does it. I think the value of the cost of the land by this artificial scarcity does it.

Mr. MEYER. In other words, the total cost of the entire property is increased; he is not getting a relatively higher loan on his house than a white buyer would get.

Mr. BLAYTON. He might.

Mr. CHILES. Notes would be higher, too.

Mr. MEYER. But he might also have a relatively lower downpayment to make.

Mr. BLAYTON. That is true, but I don't think that is the reason for the relatively higher land cost. Scarcity is the factor there.

Mr. MEYER. I was wondering if this factor, whatever caused it, was permitting the Negro home buyer to buy his house at a relatively lower downpayment on the same value of house than the white buyer.

Mr. BLAYTON. Under FHA and VA the downpayments would be the same anyway, percentagewise.

Chairman HANNAH. Is there any differential in the interest rates paid by Negroes and whites where the capital is locally generated?

Mr. BLAYTON. I don't think there is.

Vice Chairman STOREY. I would like to ask one more question, possibly of Mr. Chiles and Mr. Blayton. I assume all of you are generally familiar with housing problems in the area around Atlanta and other cities. Are there any special conditions of the other cities with which you are familiar in this southern area that you would like to comment on? Question of public housing or anything of that type? What we are trying to do is to get as many facts as we can wherever we can.

Mr. BLAYTON. I am not too familiar with public housing outside of the Atlanta area except from reports by commissions and that sort of thing, but I do know that in Atlanta it is easier for Negroes to borrow large sums from regulated institutions such as banks and savings and loan agencies than in most areas, most southern areas—in the United States, not just southern—due to several factors: (1) Educational institutions which built the climate for white and colored;

and (2) the presence of Negro owned and operated finance institutions, which of course cannot make all the loans needed by Negroes, but they do point out, as said by one businessman this morning, that Negro trade is good, and therefore any lending institution wants to make it if it can because of the profit that will result.

Mr. CHILES. Mr. Satterfield can probably give you better figures, but I am under the impression that there have been large numbers or percentagewise a lot of public housing down in the South, am I right?

Mr. SATTERFIELD. There are more public housing authorities in the Southeast than any other portion of the country. There are approximately 180 in Georgia, and you realize with the number of large cities that we have in Georgia that they must necessarily be in small communities, the rural nonfarm type of community. I should say that the effect of any enforced rules regarding integration would have a greater effect perhaps in the rural nonfarm areas in inhibiting the development of further low-rent-housing supply to meet the need than anywhere else, and I am interested on a regional basis, what with my background, and I think that we all have to think not only what happens right in our own city but what happens in our larger area.

Vice Chairman STOREY. Are these other projects within your knowledge generally free of the restrictions that you have just described here in Atlanta in the other cities? In other words, are there any in these other cities that you know about where there is, shall we say, conditional enforced integration in housing authorities?

Mr. SATTERFIELD. No, sir; I don't know of a single case where there is actual integration within a project, nor do I know of a case where a community has desired it. If a community desires it under the present setup, it can be done.

Vice Chairman STOREY. I wasn't talking about that. What I was talking about particularly, do you know of any restrictions imposed by any local, State, or Federal authority along this line in the other areas you mentioned?

Mr. SATTERFIELD. No, sir; I don't believe so. I think we are in the—

Vice Chairman STOREY. About the same throughout this area, same policies.

Mr. CHILES. Right.

Mr. SATTERFIELD. The same is true throughout the whole Southeast to my knowledge.

Vice Chairman STOREY. From your knowledge of the whole Southeast I assume that if such compulsory integration, shall we say, policies were imposed as conditions to getting loans, the effect would be gen-

erally the same as you described as would happen here, that is, in the future.

Mr. SATTERFIELD. I would think so.

Vice Chairman STOREY. Thank you.

STATEMENT OF JESSE B. BLAYTON, SR., CHAIRMAN, NEGRO ADVISORY COMMITTEE
TO ATLANTA HOUSING AUTHORITY

1. The housing supply for nonwhite residents of Atlanta is considerably less than for whites. Housing patterns and customs in Atlanta are such that Negroes (the only large racial minority in the community) may expand their living areas in such places and in such directions as these patterns and customs dictate. In recent years, such areas have been extended, but existing patterns limit this expansion. The expansion, such as it is, is primarily in Atlanta's West Side. There is also some expansion taking place in other small pockets in other sections of the city. Maps are available which show present occupancy of Negroes and areas in which they may reside under existing social patterns. These will probably be exhibited during the course of these hearings. Whites may expand their living spaces in any residential or open areas which have not been informally or categorically set aside for Negroes. Negroes may live in only those areas which have been set aside for them. In the area of public housing, there is a total of 7,494 family units provided for Atlanta residents. Of these, 4,955 or 66.12 percent of the total are occupied by or available for Negroes. Two thousand five hundred thirty-nine or 33.88 percent are occupied by or available for white families. Currently, all of the projects are 95 percent or more occupied regardless of the racial identity of the occupants. This has not been uniformly the case. Advertising signs have often appeared in white projects seeking tenants. There has been no time in recent years when there was not a waiting list of eligible Negroes seeking to rent apartments of this class.

Some of the difficulties encountered by Negroes in finding decent, safe, and sanitary housing are set out or implied above. Some others would include:

(a) Limited market for mortgages by Negroes. Often representatives for eastern insurance companies, savings banks, and other fund sources are unable or unwilling to seek markets for mortgages by these people, while at the same time finding unlimited markets for mortgages by white persons. The effect of this is to limit the mortgages which can be made by those lending agencies which emphasized loans to Negro homeowners.

(b.) Atlanta is in the Fourth Federal Home Loan Bank District. The FHLB supervisory agent for this district discourages advertising or account solicitation outside a savings and loan association's normal trading area (50 miles). There are six Negro-operated savings and loan associations in this district with combined assets of approximately \$20 million. The largest of these associations is in Atlanta. Associations in this district are expected to secure all of their loanable funds from their respective local areas. Most, not all, of their local funds must come from Negroes with low incomes and relatively high family budgets. On the other hand, the 11th Federal Home Loan Bank District, San Francisco, encourages out-of-area accounts. In that district, there are many associations operated by Negroes. The top four of these alone have combined assets of more than \$63 million. Negro-operated associations in the 11th district are, on the average younger than those in the 4th district. Now, it is not the intention of this deponent to imply that there is discrimination in the treatment of Negro associations in favor of those operated by others, but since Negro institutions of this type must look mainly to Negroes for loanable funds, the ultimate effect is apparent. Fortunately for Negroes in the immediate area of Atlanta, probably because of the existence of three strong Negro financial institutions, institutions operated by white people will and do make mortgage loans to Negroes in all justified amounts.

2 (a.) (See next above.) The presence and lending policies of the Atlanta Life Insurance Co. (\$49 million assets), Mutual Federal Savings & Loan Association (\$10 million assets), and Citizens Trust Co. (\$9 million assets)—all Negro operated—make fund sources abundant, but not adequate for housing needs of Negroes in Atlanta. Because these institutions have had good experience with Negro credit, white lending institutions in the Atlanta area make loans to Negroes as records justify. The West Side Mutual Development Committee has been extremely helpful in the matter of finding areas into which Negroes might

move. Bombings and other forms of violence have been materially abated by this committee. This committee has found Negro buyers for property occupied by white persons in these fringe areas and located mortgage funds to assist white owners to purchase properties outside an area recently set aside for Negroes.

3. Patterns of residential segregation by racial groups (White versus Negro) is absolute. This deponent is not competent to testify as to segregation according to religious groups. Residential housing patterns on racial bases are not supported by law—Federal or State. Policies with the force of law, however, are to the effect that whites live in areas where Negroes do not live—and Negroes live where they may live—never in white areas. Residential segregation by race is voluntary in Atlanta—as to Negroes, the extent to which this is voluntary is that it is unavoidable—that is, voluntary within that which may be.

In the area of public housing, and touching this general subject, it should be pointed out that while there is a Negro advisory committee to the Atlanta Housing Authority, there is not one Negro housing commissioner, even though more than 66 percent of the occupants of the Government housing projects are Negroes. Although Atlanta is generally regarded as the most liberal southern city with respect to race relations, the absence of Negroes on the Board of Commissioners to the Housing Authority of Atlanta is open to challenge on this point. There are 16 Negroes who are commissioners in southern states. For example, there are: One in Alabama, two in Kentucky, seven in North Carolina, two in Tennessee, two in Texas, and four in Virginia. Commissioners make policies. Advisory committees carry out policies placed under their jurisdiction by the commissioners. There is a difference!

4. According to local statistics, the Negro juvenile delinquency rate, disease incidence, and crime generally are significantly higher than those for the community as a whole. In my opinion, these conditions are traceable in large measure to inadequate housing—related in some degree at least to the segregated patterns of housing in Atlanta. This deponent does not, however, pretend any competence in this sociological area. My opinion, then, arises out of insufficient research on my part to qualify me as an expert in this area of the subject under study.

5. Neither State nor Federal laws discriminate against racial minorities in the area of housing. Neither do these laws protect the Negro minority in this area. At least, custom controls the housing behavior. In spite of the excellent relative showing made by Negroes in housing in Atlanta, it cannot be escaped that segregation patterns argue forcibly against this minority. The emotional effect on a segregated minority should be taken into account as well as the purely physical, and other factual phenomena in order to determine the deteriorating influence upon the affected minority.

6. Except for the fact that Negroes, generally, are not employed in clerical and professional grades by Federal Housing and Home Finance Agency, Public Housing Administration, the Federal Housing Administration and the Urban Renewal Administration, no surface discrimination is discernible. (Here and there, race relations officers and their secretaries are employed; hence, exceptions.) The deponent has talked with hundreds of Negroes who have had occasion to contact one or more of these agencies. Generally, they say that they would be more comfortable in the discussions of their problems, if they could consult with Negro officials and employees. The fact is, that there are almost no Negroes employed in the operating offices of these agencies. Negro public housing projects are a necessary exception. In all of these, the personnel is entirely Negro.

7. I would recommend that all official and announced policies, sanctioning segregation and discrimination (using the terms synonymously) be abolished. Perhaps, within this official pattern, the local climate would suggest the formation of committees operating on a voluntary and unofficial basis to bring about general harmony in and among the racial groups. As rapidly as local climate permits, such committees should be abolished.

RELOCATION REPORT
FOR
URBAN RENEWAL PROJECTS
IN
ATLANTA, GA.

Butler Street Urban Renewal Area

Rawson-Washington Urban Renewal Area
 University Center Urban Renewal Area
 Rockdale Urban Renewal Area
 Thomasville Urban Renewal Area
 (Housing Authority of the City of Atlanta, Ga., 1958)

SOURCES OF DATA

Sample family surveys were conducted in the three downtown project areas during 1957 and 1958, representing one-third of the estimated number of families in the Butler Street and Rawson-Washington Street areas, and 36 percent of the families in the University Center area. The total family count in each area was derived by adjusting the 1950 dwelling unit cost for the census blocks within the particular project area. The 1950 Housing Census revealed that 30,668 nonwhite families occupied 29,024 dwelling units, or an average of approximately 1.05 families per dwelling unit. Since the Butler Street area is one of the most densely populated nonwhite areas in the city of Atlanta, the 5 percent factor of doubling was itself doubled to 10 percent to arrive at an estimate of the number of families residing in the project area. This was further adjusted for single person households and for vacancies. The adjustment for extra doubling was not found necessary in the other two areas.

The sources of data in determining the factors in the Atlanta housing market are confined, for the most part, to the city of Atlanta. There are a number of contiguous built-up areas which have an influence on the local housing market. These areas contain only a relatively small part of the Negro population in the metropolitan area. Since this report is concerned with housing for nonwhite occupancy, where data includes DeKalb County (outside the city of Atlanta), it will not seriously affect comparability.

Estimates of housing resources were made as follows:

1. *Public housing.*—Turnover of public housing units available for nonwhite occupancy was averaged for a 3-year period ending December 1957, and the average annual figure projected for the 5-year period contemplated to be required for relocation. It is the present policy of the authority not to construct any additional units until, or unless, requested by the city government. A PHA reservation of 1,000 units is available should it be determined that additional units are needed.

Families displaced from the urban renewal projects will have first priority for admission to existing vacancies.

Distribution of the projected supply as to size (by number of bedrooms) is based on an analysis of turnover experience in existing units for nonwhite occupancy.

2. Estimates of standard, private rental, and sales housing are based on—

(a) Plans for new multifamily rental units in the University Center and Butler Street Project area under section 220, FHA.

(b) Plans for new single family sales units to be built in the Thomasville and Rockdale Project areas as well as other locations under section 221, FHA.

(c) Private sales and rental units built under conventional financing.

The estimated volume is based on field surveys and analysis of building permits made by the Metropolitan Planning Commission, for units added for a 7-year period beginning from April 1, 1950. The total number of new sales or rental units added to the nonwhite supply, plus 8 percent of the supply created by transfer from white to nonwhite occupancy was used to arrive at an annual average and then projected for the 5-year period which it is expected will be required for relocation. It is not expected that the volume of new sales units financed by conventional methods will be affected by the construction of 221 housing. Local FHA officials are of the opinion that the 810 square foot house to be built in the 221 program in Atlanta will reach a different market than the 650 square foot house previously built in the same price category. The 221 construction is not expected to affect the volume of new construction of houses built to sell for \$7,500, and less.

The construction of section 220 rental units in the two project areas is expected to provide rentals at \$55 to \$65 per month.¹ A total of 1490 units

¹ Source: Marketability Report, Hammer & Co.

have been projected and it is expected that the previous volume of construction of rental units in these rental categories will be reduced by half. This reduction is taken into account in the projection of the anticipated supply in the 5-year period of relocation.

The distribution of the estimated housing resources expected to be placed on the market as to gross monthly rental, sales price and number of bedrooms, is based on a projection of the distribution and supply of units placed on the market during the period April 1, 1950, to April 1, 1957. In this projection, only 80 percent of the units transferred from white to nonwhite occupancy were counted. This is based on the estimate of the field surveys who gathered the data for the Metropolitan Planning Commission.

It is noted that the supply made available by change from white to nonwhite occupancy was accomplished by an orderly process. Existing private agencies in the community have remained informed of impending shifts and these have been accomplished without public tension. For this reason, it seems reasonable to assume that this will continue to be a source of supply.

To date of this report, a number of sites have been proposed for construction of 221 housing. These sites are widely scattered on land available for building in the city of Atlanta. The new locations, where FHA 221 homes are to be built, will be accessible to bus transportation and will be in areas generally not less desirable than the urban renewal areas. These locations will have the facilities of a standard neighborhood with respect to public utilities and public and commercial facilities.

A substantial proportion of the site occupants will be relocated in public housing units made available by turnover. Five projects which contain 60 percent of the total number of units for nonwhite occupancy are situated close to the central business district in locations approximately equivalent to the project areas. The remaining two public housing projects are situated in the southeast and northwest part of the city and have direct bus transportation to the central business district, requiring about 15 minutes for the trip.

ESTIMATES OF HOUSING RESOURCES

1. *Low rent public housing.*—Turnover of public housing units made available by turnover was averaged for a 3-year period ending December 1957, and the average annual figure projected for the 5-year period during which relocation will take place. No new public housing units are contemplated at the present time. The entire supply made available by turnover will be available to families displaced from urban renewal projects on a priority basis, in accordance with a policy to be adopted by the authority.

The breakdown of the supply by number of bedrooms is based on an analysis of turnover experience over a 3-year period ending in December 1957, in existing low-rent housing projects.

2. *Estimates of standard, private rental, and sales housing.*—(a) Plans for new multifamily units for Negro occupancy in the University Center and Butler Street Project areas under section 220 FHA.

(b) Plans for new single-family units for Negro occupancy to be built in the Thomasville and Rockdale Project areas as well as other locations under section 221 FHA.

(c) Plans for new multifamily units to be built in the Rawson-Washington Project area for white occupancy.

(d) Private sales and rental units for nonwhite occupancy to be built by conventional financing. The volume of such construction is based on field surveys and analysis of building permits made by the Metropolitan Planning Commission of units added to the nonwhite housing supply for a 7-year period beginning April 1, 1950. The volume of new construction plus 80 percent of the secondhand supply made available by transfer from white to nonwhite occupancy was averaged for an annual basis and then projected for the 5-year period of relocation. This continued rate of supply is based on the demonstrable assumption that Atlanta's continued growth will provide the market for at least the same rate of new construction and transfer as occurred during the 7-year study period. The large scale demolition of dwelling units which will occur as a result of the expressway and urban renewal programs will be a major factor in stimulating the continued new supply of housing for nonwhite occupancy. The construction of section 220 rental units as outlined in section 2(a) above is expected to supplant to some extent the going rate of construction of rental units at comparable rentals. The normal rate of construction in the

same rental categories is therefore reduced by half in the projection of rental units expected to become available as rehousing resources.

To date of this report, a number of sites have been proposed for construction of FHA 221 housing for Negro occupancy. In addition, the Rockdale and Thomasville Project areas will provide locations for the construction of 221 housing. The new location will be accessible to bus transportation, and will be in areas generally not less desirable than the urban renewal areas. These locations will have the facilities of a standard neighborhood with respect to public utilities and public and commercial facilities.

A substantial proportion of site occupants will be rehoused in public housing units. Five projects which contain 60 percent of the total for nonwhite occupancy are situated close to the central business district in locations approximately equivalent to the project areas. The remaining two public housing projects for nonwhite occupancy are situated in the southeast end and northwest part of the city and have direct bus transportation to the central business district, requiring about 15 minutes for the trip. The units for white occupancy are similarly close-in to the central business district, requiring in no instance more than 15 minutes to travel by bus. (c) Turnover in existing section 608 rental units: Turnover experience for 1957 in the section 608 multifamily projects was projected for the 5 years of relocation.

STANDARDS OF DECENT, SAFE, AND SANITARY HOUSING

A dwelling is regarded as decent, safe, and sanitary by the city of Atlanta when it is found to be complying with the city's building and housing, fire, and sanitary codes, and upon inspection found to meet the following requirements:

1. Adequate kitchen facilities including a sink, cooking stove, storage facilities for food and kitchen utensils.
2. A private flush water closet with a sewer or septic tank connections.
3. A lavatory basin, bathtub, or shower with hot and cold connections.
4. Water heating facilities connected with the hot water lines.
5. Safe, unobstructed means of egress leading to safe and open space at ground level.
6. Adequate provisions in every room for heating and ventilation with at least one window or skylight or device which will adequately ventilate the room, in working condition.
7. Safely wired for electricity, with at least two separate floor- or wall-type convenience outlets or one such outlet and one supplied ceiling-type light fixture in every room.
8. Basement or cellar windows used for ventilation shall be rodent proofed.
9. Dwelling unit shall be large enough to accommodate the family without overcrowding.
10. Basement shall be used as dwelling units only if floors and walls are impervious to leakage and are insulated against dampness and the window area shall be at least 10 percent of the floor area of each room.
11. Exterior and interior shall be clean, clear and free of any accumulation of dirt, garbage, debris, or any combustible material.
12. Dwelling unit shall be free of infestation from insects and rodents.
13. Screens shall be provided for all doors opening to the exterior of the structure and for all windows.
14. Dwelling unit shall be in a structure which is in good repair having no unnecessary exposure to the weather in the form of faulty window, or roof or other exposure to dampness or leakage.
15. Facilities for washing and drying clothes are available.
16. Neighborhood has no industrial nuisance or other nuisance.
17. Neighborhood is reasonably accessible to stores, schools, churches, and transportation and has the community facilities of a standard neighborhood.

STANDARDS WITH RESPECT TO ABILITY TO PAY

Examination of the rent-income ratios existing among site occupants indicates that the median is 22 percent of income. For purposes of relocation of families, the standard of between 20 and 25 percent of income will be applied to ability to pay for housing.

With respect to sales housing, the standard prevailing in the community is that families can purchase homes at a price $2\frac{1}{2}$ times their annual family income. This standard is applied with respect to the anticipated supply of conventionally financed sales housing. With respect to FHA 221 housing, families with an

income of \$2,400 per annum or more, are assumed to be able to purchase a \$9,000 house.

In the Rawson-Washington Urban Renewal area, 16.8 percent of the estimated number of Negro families are homeowners. In the University Center area, 30 percent, and in the Butler Street area 8.5 percent of the Negro families are owner-occupants. Census data for 1940 indicates that 56.6 percent of nonwhite owner-occupants were free of mortgage. Since Negro family incomes have shown a steady trend upward in recent years, it is reasonable to assume that the percentage of mortgage-free owner-occupied homes has increased. On the same basis, it may be assumed that mortgage indebtedness has decreased, in view also of the conservative mortgage loan practices with respect to Negro occupancy. It is, therefore, anticipated that a substantial portion of the Negro owner-occupants to be displaced will have sufficient equity from the sale of their property to enter the market for new housing.

In the Rawson-Washington area, 21 percent of the white families are owner-occupants. It is reasonable to expect that a substantial portion will have sufficient equity to enter the market for standard sales housing.

Standards for admission to public housing

Size of family	Total annual family income not to exceed—	
	Admission	Continued occupancy
1 person (over 65).....	\$2,000	\$2,500
2 persons.....	2,700	3,375
3 or 4 persons.....	2,900	3,625
5 or more persons.....	3,100	3,875

Families displaced by the Urban Renewal Program will be admitted by the standards for continued occupancy, in accordance with policy to be established by the authority.

NONWHITE HOUSING SUPPLY

The 1950 Housing Census shows 30,668 nonwhite dwelling units in the city of Atlanta. In the period of April 1, 1950, to April 1, 1957, there were added from all sources a total of 14,303 dwelling units to the supply for nonwhite occupancy.² During the same period there were losses by demolition, fire, etc., of 1,932 units, resulting in a net addition of 12,371 units. From April 1, 1957, to August 1, 1957, there were an estimated 300 nonwhite dwelling units demolished as a result of expressway development and city street improvements. The total number of dwelling units for nonwhite occupancy as of August 1, 1957, is therefore estimated in round figures to be 42,700.

Comparison of 1940 and 1950 census data reveals the following:

TABLE I.—Changes in volume and tenure of nonwhite housing supply between 1940 and 1950

	1940		1950		Percent change, 1940-50
	Number	Percent of total	Number	Percent of total	
Number of nonwhite dwelling units.....	28,315	100.0	30,668	100.0	8.3
Owner occupied.....	3,549	12.5	7,494	24.4	111.2
Renter occupied.....	24,766	87.5	23,174	75.6	-6.4

Table I shows some striking changes in the nonwhite housing supply. There was a net loss in the number of renter-occupied dwelling units, a loss of 1,592 units or 6.4 percent of the 1940 supply. This was in sharp contrast to the more than doubling in the number of owner-occupied dwelling units, an increase of 111.2 percent. It is clear that under the special conditions of the nonwhite

² Source: Metropolitan Planning Commission.

housing market, the demand for new housing from 1940 to 1950 was met entirely by the construction of units for owner-occupancy. Since 1950, as will be seen from table III, there was substantial construction of new rental units, a total in 7 years of 4,956 units. In the same period, 3,260 units were built for owner-occupancy.

PRIVATE RENTAL SUPPLY

Rental units constructed under the FHA 608 and 207 programs total 1,542 units. In 1955, there was a turnover of 373 units and in 1957, a turnover of 381 units, or an average of 377 units for the 2 years. The current vacancies show a rental range of \$40 for a 1-bedroom apartment, \$45 to \$85 for a 2-bedroom apartment, with an average of \$65 for 2-bedroom apartments.

With respect to other standard low-cost rental units, informed opinion of local realtors is that there are no vacancies for nonwhite occupancy.

The survey in the University Center Project area revealed a vacancy rate of 1.8 percent, or a total of 10 units, all of which were substandard. The survey in the Butler Street Project area revealed a vacancy rate of 1.2 percent, or a total of 20 units, all of which were substandard. The Rawson-Washington Project area showed a vacancy rate of 6.4 percent for units intended for Negro occupancy, or a total of 18 units, all in substandard condition.

LOW-RENT PUBLIC HOUSING SUPPLY

The Atlanta Housing Authority operates seven projects for nonwhite occupancy as follows:

	<i>Number of units</i>
John Hope Homes.....	606
Eagan Homes.....	548
Grady Homes.....	616
Herndon Homes.....	519
Carver Community Homes.....	990
Perry Homes.....	1,000
University Homes.....	675
Total.....	4,954

Vacancies in these projects arising from turnover during the years 1954, 1955, and 1956, averaged 776 per year. Projection of this figure for the 5-year period, 1959 to 1963, during which relocation is scheduled, indicates that a total of 3,880 units may be available by turnover. The turnover rate for 1957 confirms this trend. It is estimated, on the basis of the authority's experience, that 20 percent of the above turnover will result from families exceeding the limits for continued occupancy. A turn downward in the economic trend, such as is currently being experienced, may reduce the turnover from this cause. Also, it should be noted that there may be, on the other hand, an increase in the turnover rate from this cause following the beginning of the relocation process inasmuch as an increasing number of families will be admitted at the continued occupancy limits and hence liable to early separation from the projects, as incomes rise above the limits.

It is anticipated that applications or demand for low-rent public housing will be distributed according to income in the same proportion that these incomes presently exist to the anticipated supply of low-rent units, the distribution will be as follows:

TABLE II.—*Distribution of demand for low-rent housing units made available by turnover, 1959-63—Nonwhite*

Income level of eligible families	Percent of total	Distribution of anticipated supply
Under \$1,800.....	25.8	1,000
\$1,800 to \$2,099.....	10.6	411
\$2,100 to \$2,399.....	10.2	396
\$2,400 to \$2,699.....	12.7	493
\$2,700 to \$2,999.....	10.4	404
\$3,000 to \$3,299.....	13.5	524
\$3,300 to \$3,599.....	8.2	318
\$3,600 to \$3,899.....	8.6	234
Total.....	100.0	3,880

SUPPLY OF NEW RENTAL AND SALES HOUSING

During the period, April 1, 1950, to April 1, 1957, according to data published by the Metropolitan Planning Commission, there were 12,218 private sales and rental units added to the Negro housing supply. The distribution by tenure and origin is as follows:

TABLE III.—*Additions to the private sales and rental supply nonwhite housing by gross monthly rental and sales price, Apr. 1, 1950, to Apr. 1, 1957*

Tenure	Number of units added	
	New construction	Second hand
Monthly rental:		
Under \$40.....	56	15
\$40 to \$49.....	2,480	959
\$50 to \$59.....	2,013	620
\$60 to \$74.....	389	93
\$75 and over.....	18	0
Total.....	4,956	1,686
Sales price:		
Under \$5,000.....	7	27
\$5,000 to \$7,499.....	682	1,247
\$7,500 to \$9,999.....	1,514	870
\$10,000 to \$14,999.....	746	156
\$15,000 and over.....	311	10
Total.....	3,260	2,310

The secondhand housing referred to here is housing converted from white to Negro occupancy. Discounting this supply by 20 percent for substandard units, and projecting the adjusted totals for a 5-year period, there is derived part of the anticipated supply of private sales and rental housing during the period of relocation. Also deducted from the adjusted totals is one-half of the projected supply in the rental categories \$50 to \$69. See table IV. The standard nature of this part of the supply can be assured since the city of Atlanta has fire, health, building, and housing codes which are adequate to prevent illegal conversion of residential structures, overcrowding, and other conditions that lead to the deterioration of so-called racial transition areas.

TABLE IV.—*Anticipated supply of private sales and rental housing (not including 220 and 221) from new construction and conversion from white to Negro occupancy^a Jan. 1, 1959, to Dec. 31, 1963*

Tenure	Number of units
Monthly rental:	
Under \$40.....	50
\$40 to \$49.....	2,320
\$50 to \$59.....	^a 895
\$60 to \$74.....	^a 165
\$75 and over.....	13
Total.....	3,440
Sales price:	
Under \$5,000.....	20
\$5,000 to \$7,499.....	1,200
\$7,500 to \$9,999.....	1,580
\$10,000 to \$14,999.....	620
\$15,000 and over.....	225
Total.....	3,645

^a Reduced by 50 percent to offset 220 construction.

SUPPLY OF NEW FHA 220 AND 221 FINANCED RENTAL AND SALES HOUSING

Plans for redevelopment of the clearance section of the University Center Project area call for the construction of 700 new multifamily rental units at rentals ranging from \$55 to \$65 a month; 790 similar units are planned for the Butler Street Urban Renewal Area.⁴

FHA has authorized 3,900 units for Negro occupancy which may be financed by section 221 mortgage insurance. It is anticipated that an 810 square feet house can be built under this program to sell for \$9,000. Monthly carrying charges on such a house would be \$48 plus \$5 for taxes and \$2.33 for insurance, or total monthly charges of \$55.33. The opinion of FHA officials is that these homes can be purchased by families with an annual income of \$2,400 and up.

A number of builders have expressed interest in building under the section 221 program. To date, sites for 610 units for Negro occupancy have been approved by the city and FHA. Tentative locations for the remaining 390 units under the currently released allocation of 1,000 units are under construction.

Application has been made to the Urban Renewal Administration for urban renewal projects in the Thomasville and Rockdale areas. These areas will accommodate about 1,100 and 1,500 units respectively, of 221 and 220 housing for Negro occupancy.

Distribution of the projected future supply of all private sales and rental housing is as follows:

TABLE V.—Distribution of demand for standard housing resources by income class of families displaced from urban renewal projects, 1959-63

Income level	Number of units—Turnover					Total
	Rental	Sales	FHA 220	FHA 221	FHA 608 and 207	
Under \$1,800.....	28	11				39
\$1,800 to \$2,099.....	12	5				17
\$2,100 to \$2,399.....	10	4				14
\$2,400 to \$2,699.....	1,276	418		928	370	2,992
\$2,700 to \$2,999.....	1,044	340		760	315	2,459
\$3,000 to \$3,299.....	510	442		983	400	2,335
\$3,300 to \$3,599.....	385	556		601	190	1,732
\$3,600 to \$3,899.....	67	582	435	628	145	1,857
\$3,900 to \$4,199.....	51	442	332	0	155	980
\$4,200 to \$4,499.....	47	234	305	0	155	741
\$4,500 to \$4,799.....	8	149	0	0	115	272
\$4,800 to \$5,099.....	5	60	0	0	40	105
\$5,100 to \$5,399.....	0	79	0	0	0	79
\$5,400 and over.....	0	323	0	0	0	323
Total.....	3,440	3,645	1,490	3,900	1,885	13,945

NOTE.—Columns for rental units and FHA 220 represent the resources reported in sec. IV-B of form H-6122; columns for sales and FHA 221 units represent the resources reported in sec. IV-C of form H-6122

NONWHITE HOUSING DEMAND

Housing demand resulting from displacement

The University Center Project area contains 1,672⁵ Negro families who will be displaced. Four other urban renewal projects in Atlanta will also displace families during the same period. The clearance section of the Butler Street Urban Renewal Project Area currently houses an estimated 1,371 Negro families. Displacement of the entire number is expected to begin about January 1, 1959, and will extend over a period of 5 years from that date. The Rawson-Washington Urban Renewal Area currently houses an estimated 1,436 families, consisting of 471 white families and 965 Negro families. Clearance and displacement of families will begin about January 1, 1959. The Rockdale and Thomasville Projects contain an estimated 402 and 272 Negro families, respectively, who would be displaced during the same period. In all, a total of 4,682 Negro

⁴ Source: Marketability Report, University Center Urban Renewal Area; and Marketability Report, Butler Street Urban Renewal Area, Hammer & Co.

⁵ Form H-6122 shows 1,208 families to be displaced. To this has been added 464 families to be cleared from the area north of Hunter Street proposed to be added to the project.

families will be displaced by the Urban Renewal Program during the 5-year period beginning January 1, 1959.

In addition to the above activities, there will be displacement resulting from land being acquired for Interstate Highway Department. The Expressway Program is now being accelerated and it is anticipated by State and local highway officials that acquisition and clearance of all families will be substantially completed by January 1, 1959, when relocation of families displaced by the Urban Renewal Program will begin. An estimated 120 nonwhite families will be displaced after that date from the sector west of Gordon Street on the East-West Expressway. An estimated 2,746 nonwhite families will have been displaced during the 18-month period from July 1957, to January 1959. Of this number, approximately 2,000 have been displaced as of April 1, 1958, and absorbed by existing housing. It is estimated that one-third of the 2,746 families, or 915 families, may reenter the housing market during the 5-year period of relocation as the supply of standard housing develops. To summarize, a total of 1,035 nonwhite families will require rehousing as a result of highway displacement.

In addition to the above activities, the city of Atlanta will displace an estimated 50 nonwhite families for street widening and a like number will be displaced by the Atlanta School Department for new school sites.

Further, the Atlanta Housing Authority estimates that 394 Negro families will be displaced from existing public housing projects during a 2-year period because of income in excess of standards for continued occupancy. This figure projected for the 5-year period indicates that the total of 985 families may be displaced.

Displacement due to housing code enforcement

The Atlanta Department of Building Inspection reports 816 demolitions (90 percent with Negro occupancy) during a 4-year period. The average number of demolitions per year projected for the 5-year period of relocation, indicates that a total of 920 demolitions may be anticipated. The age of existing housing will be an important factor in causing obsolescence and dilapidation. The 1950 census reveals the following:

TABLE VI.—Age of housing supply in 1950

Year built	Number of dwelling units	Percent of total
Number of reporting.....	89,765	100.0
1940 or later.....	12,255	13.7
1930 to 1939.....	10,915	12.2
1920 to 1929.....	25,620	28.5
1919 or earlier.....	40,975	45.6

There is manifest a large percentage of dwelling units over 30 years of age. The age of dwelling units for Negro occupancy is undoubtedly greater than that of the total number. Information as to the breakdown by racial occupancy is not available. It is reasonable to assume that with housing code enforcement there will be, at least, a continuation of the present trend in demolitions.

Demand arising from population growth and immigration.

Analysis of the growth trend in the nonwhite population indicates that an estimated 5,520 new families (not including single persons) will enter the housing market as a result of new family formation and immigration of families. While the projected housing resources have not been planned to meet the needs of this group, the demand arising from these new families are an important factor in plans for the Rockdale and Thomasville Projects.

Table VII shows the housing resources which have been projected for the 5-year period of relocation and which may be expected to be available for the rehousing in decent, safe and sanitary dwellings of the families displaced by the Urban Renewal Program in Atlanta.

TABLE VII.—Housing resources available to meet needs of non-white families displaced from urban renewal projects, Jan. 1, 1959–Dec. 31, 1963

Rents or sales prices	Equivalent income levels	Displaced families	Private sales and rental supply	Public housing turnover
Under \$30 or under \$3,500	Under \$1,800	942	39	1,000
\$30 to \$34 or \$3,500 to \$4,249	\$1,800 to \$2,099	412	17	411
\$35 to \$39 or \$4,250 to \$4,999	\$2,100 to \$2,399	402	14	396
\$40 to \$44 or \$5,000 to \$5,749	\$2,400 to \$2,699	492	2,696	493
\$45 to \$49 or \$5,750 to \$6,499	\$2,700 to \$2,999	422	2,207	404
\$50 to \$54 or \$6,500 to \$7,499	\$3,000 to \$3,299	547	1,995	524
\$55 to \$59 or \$7,500 to \$8,499	\$3,300 to \$3,599	252	1,998	318
\$60 to \$64 or \$8,500 to \$9,249	\$3,600 to \$3,899	196	1,741	334
\$65 to \$69 or \$9,250 to \$9,999	\$3,900 to \$4,199	207	866	0
\$70 to \$74 or \$10,000 to \$10,749	\$4,200 to \$4,499	207	617	0
\$75 to \$79 or \$10,750 to \$11,499	\$4,500 to \$4,799	154	180	0
\$80 to \$84 or \$11,500 to \$12,249	\$4,800 to \$5,099	56	73	0
\$85 to \$89 or \$12,250 to \$12,999	\$5,100 to \$5,399	70	79	0
\$90 and over or \$13,000 and over	\$5,400 and over	323	323	0
Total		4,682	12,852	3,880

The resources above anticipate the construction of a supply of at least 8,200 new units of housing for nonwhite occupancy which will more than offset the losses arising from clearance in the urban renewal projects.

Since there will be competing demand for the housing resources in the private housing market, table VIII shows the anticipated housing resources matched with the demand arising from all governmental action.

TABLE VIII.—Housing resources available to meet needs of nonwhite families displaced by governmental action, Jan. 1, 1959–Dec. 31, 1963

Rents or sales prices	Equivalent income levels	Displaced families	Private sales and rental supply	Public housing turnover
Under \$30 or under \$3,500	Under \$1,800	1,656	39	1,000
\$30 to \$34 or \$3,500 to \$4,249	\$1,800 to \$2,099	725	17	411
\$35 to \$39 or \$4,250 to \$4,999	\$2,100 to \$2,399	708	14	396
\$40 to \$44 or \$5,000 to \$5,749	\$2,400 to \$2,699	865	2,696	493
\$45 to \$49 or \$5,750 to \$6,499	\$2,700 to \$2,999	741	2,207	404
\$50 to \$54 or \$6,500 to \$7,499	\$3,000 to \$3,299	964	1,995	524
\$55 to \$59 or \$7,500 to \$8,499	\$3,300 to \$3,599	445	1,998	318
\$60 to \$64 or \$8,500 to \$9,249	\$3,600 to \$3,899	346	1,741	334
\$65 to \$69 or \$9,250 to \$9,999	\$3,900 to \$4,199	362	866	0
\$70 to \$74 or \$10,000 to \$10,749	\$4,200 to \$4,499	362	617	0
\$75 to \$79 or \$10,750 to \$11,499	\$4,500 to \$4,799	272	180	0
\$80 to \$84 or \$11,500 to \$12,249	\$4,800 to \$5,099	100	73	0
\$85 to \$89 or \$12,250 to \$12,999	\$5,100 to \$5,399	124	79	0
\$90 and over or \$13,000 and over	\$5,400 and over	568	323	0
Total		8,238	12,852	3,880

The governmental action previously outlined in the report is summarized here:

Urban Renewal Program, 5 projects	4,682
Expressway development	1,035
City street and school improvements	100
Overincome families in public housing	985
Housing code enforcement	920

HOUSING NEEDS

Proposed rehousing of nonwhite families displaced from urban renewal projects

It is anticipated that an estimated 4,682 nonwhite families will be displaced from the 5 urban renewal projects planned in Atlanta, as follows:

Butler Street Project	1,371
University Center Project	1,672
Rawson-Washington Project	965

Rockdale Project.....	483
Thomasville Project.....	402
Total.....	4,682

Proposed rehousing

Families with incomes under \$2,400.—Based on the income distribution found in the urban renewal areas which have been surveyed, it is anticipated that there will be 1,756 families with incomes under \$2,400. It is planned to use the turnover in public housing units to meet the needs of this entire group. This supply is expected to total 3,880 for the 5-year period of relocation, thus affording an adequate supply to meet the needs of this income group. In practice, it is anticipated that some portion of this group will not wish to live in public housing. A supply of seventy units of private sales and rentals is projected to meet the needs of the families in this income group who do not wish to apply for public housing.

Families with incomes from \$2,400 to \$3,899.—The income group from \$2,400 to \$3,899 will contain an estimated 1,909 families. This group is within the eligibility range for public housing. An estimated 20 percent, or 381 families are homeowners, who have incomes which would enable them to enter the market for new or used sales housing, either private or FHA 221. Equity in existing homes will serve to assure the ability to purchase new homes by increasing amount available for downpayment.

In this income group 1,528 are renters. An estimated 75 percent, or 1,146 families, would be eligible and prefer public housing (based on preferences expressed in the relocation surveys). This number, plus the numbers assigned above to public housing, would total 2,902 units.

The remaining 381 renter families have incomes ranging upward from \$3,375 enabling them to purchase either conventional or FHA 221 houses, or secure standard private rentals at a rent they can afford. An estimated 10,637 rental or sales units will become available by new construction or turnover at prices or rentals which this group can afford.

Families with incomes of \$3,900 and over.—There are 1,017 families contained in this group. This group has income enabling it to enter the market for private rental or conventionally financed sales housing. An estimated 2,138 sales or rental units will be added to the supply during the 5-year period of relocations, at a price which this group can afford.

Proposed rehousing of families displaced by governmental action

Families with incomes under \$2,400.—There are 3,089 families contained in this group. Included are an estimated 140 families who are homeowners with incomes from \$2,100 and \$2,400 and who could enter the market for FHA 221 homes, given an equity of as little as \$500. An FHA 221 house with a mortgage principal of \$8,500 would require monthly payments for principal and interest of \$42.42 which would be within the means of a family earning \$2,100 per annum.

The remaining 2,949 families could be rehoused in public housing since no other resource is available for families in this group.

Families with incomes of \$2,400 to \$3,899.—There are 3,361 families in this group. Included are an estimated 672 owner-occupants who could enter the market for new private sales homes. Of the balance of 2,689 renter families, 75 percent, or 2,017 families, are expected to be eligible for and to apply for public housing. This leaves a balance of 672 families who could enter the market for private sales or rental housing with the anticipation of an adequate supply to meet their needs. *Families with incomes of \$3,900 and over.*

There are 1,788 families in this group. The projected supply of private sales and rental units, at prices and rentals which this group could afford, totals 2,138 units.

Deficit in public housing.—A recapitulation of the public housing demand which may be expected to arise from all families displaced by governmental action, yields a total of 4,966 units needed. Since there is anticipated a supply by turnover of only 3,880 units, there is a deficit of 1,086 units.

Land available for low-cost Negro housing.—A recent study prepared by the Atlanta Urban League indicates a prospective shortage in vacant land available for the expansion of low-cost Negro housing. In recent months, the city and interested builders have encountered numerous difficulties in assuring the availability of land for the construction of 221 housing. A sufficient quantity of available vacant land for the expansion of low-cost Negro housing is essential to a healthy development pattern and eventually to urban renewal relocation.

Federal approval of the applications for Rockdale and Thomasville would be of vital assistance in this respect by assuring the availability of large tracts of land and a significant addition to the supply of low-cost Negro housing.

Consultation with Negro community

The authority has held continuing discussions with representatives of the Negro community on all phases of the project plan including relocation. The family survey described in this report was conducted by Negro interviewers. The survey procedure was utilized to disseminate information and explain the urban renewal program to families called on.

Considerable use has been made throughout the report of work done by the Atlanta Urban League in the area of the overall Negro housing market. In addition, the Urban League, the authority's own Advisory Committee, the overall Citizens Advisory Committee, (including Negro representation) influential individual Negro ministers, Negro school staff, the presidents of the Negro colleges and universities, and numerous other Negro groups and organizations have been consulted on the project plan. Included among this latter group were a series of four meetings with Negro businessmen from the Auburn Avenue business community.

The authority plans to systematize this interpretive and communication process in the near future by providing for an official project advisory committee open to representation from all affected Negro interests.

White housing supply

The housing supply for white occupancy has increased rapidly in the last several years. The 1950 census indicates 61,999 dwelling units for white occupancy. From April 1, 1950, to April 1, 1956, according to data furnished by the Metropolitan Planning Commission, 15,893 dwelling units were added to the white supply, an increase of more than 25 percent. During the same period, the population increase in the Atlanta Metropolitan Area was 28.3 percent, indicating that, in broad perspective, the number of dwelling units kept pace with the gross population growth. Since much of the population growth took place in De Kalb County outside the city of Atlanta, it is likely that the city considered separately showed a net gain in number of dwelling units, as compared with population growth.

During the past year, there has been some lag in the construction of new housing because of the problem of financing. The limited availability of mortgage-loan money has now been corrected by the recent congressional appropriation of \$1 billion for the Federal National Mortgage Association. This has already been reflected in Atlanta by greatly increased activity in applications for VA loans, FHA insurance, etc. It may be expected to result in an increased tempo of new construction. According to FHA officials, Atlanta has not presented any problem of shortage in supply for white occupancy, in recent years.

Low-rent public housing supply.—The Atlanta Housing Authority operates four projects for white occupancy:

	<i>Number of units</i>
Techwood Homes.....	604
Capitol Homes.....	795
Clark Howell Homes.....	630
Joel Chandler Harris Homes.....	510
Total.....	2,539

Vacancy experience in these projects over a 3-year period ending in December 1957 (only a 6-month period for Joel Chandler Harris Homes) averages 860 units. Projection of this figure for the 5-year period of relocation, indicates that 4,300 units may be expected to become available.

Private rental supply.—An incomplete survey of private rental housing insured by FHA section 608, indicates that of 4,393 units (for white occupancy) in the projects surveyed, 2,399 units were vacated during 1957. These units were estimated to divide as follows: 1,308 1-bedroom apartments, 866 2-bedroom apartments, 255 3-bedroom apartments.

A number of these projects are located just outside the city limits of Atlanta, but because of proximity to transportation, constitute an effective part of the housing supply for displaced families. If we assume that the turnover rate in the surveyed projects remains the same during the period of relocation, there is a potential supply of almost 12,000 units.

Plans for redevelopment of the Rawson-Washington area include provision for a total of 1,082 new rental units. This total includes a high-rise apartment development which would house 728 families at rentals ranging from \$95 to \$125 per month, garden-type apartments which would house 326 families at from \$80 to \$100 per month, and a project of designed units to house the elderly at rentals of \$57 per month.

Private sales supply.—A substantial supply of sales housing at prices ranging up from \$10,000 is available in Atlanta. A survey of such homes advertised in the Atlanta newspaper on a recent Sunday in April revealed a total of more than 240 homes for sale, of which 133 were sales priced, 108 were priced \$10,000 and higher.

The city of Atlanta has been certified for the construction of 1,600 new units priced at \$9,000 which would be eligible for FHA 221 insurance. As of April 14, 1958, FHA commitments have been issued for the financing of 299 units for white occupancy. Additional applications have been received by FHA and are currently being processed.

Proposed rehousing for white families

Families with incomes under \$2,400.—There are 188 families in this group who will be rehoused in low-rent public housing for which an adequate supply will become available by turnover.

Families with incomes between \$2,400 and \$3,899.—Of the 144 families in this group, it is anticipated that 75 percent, or 108 families, will be rehoused in low-rent public housing. The balance of 36 families have incomes which will enable them either to purchase FHA 221 insured homes or conventionally financed homes, or, in some instances, to rent private rental units.

Families with incomes of \$3,900 and over.—There are 139 families in this group who have incomes which will enable them either to purchase FHA 221 homes, conventionally financed homes, or to rent private rental housing at rentals from \$70 and up. Only three families in this group have nine persons or more, and these have incomes of \$6,000 or more enabling them to purchase houses large enough to accommodate them without overcrowding.

APPENDIX I

Attitudes toward public housing requirements in urban renewal areas

	Butler Street	Rawson Washington	University Center
<i>If you were eligible for low-rent public housing, would you—</i>	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
1. Apply for admission.....	72	75	75
2. Refuse to apply.....	20	22	23
3. No opinion.....	8	3	2
<i>Of those who would not apply, reasons given were:</i>			
1. Income too high.....	3	10	7
2. Want privacy.....	19	27	29
3. Prefer other type housing.....	60	49	41
4. Other reasons.....	18	15	22
<i>Of those who would apply, housing preference expressed:</i>			
1. Detached house.....	41	53	53
2. 1- or 2- story apartment.....	53	40	22
3. High-rise apartment.....	1	0	-1
4. Other.....	7	4	24
<i>Of those who would apply, preference expressed as to part of city desired:</i>			
1. Present location.....	76	24	85
2. West Side.....	10	44	—
3. Outlying areas.....	2	4	2
4. No preference.....	12	28	13
<i>Preference as to rental or purchase:</i>			
1. Rent.....	91	70	74
2. Purchase.....	9	29	17
3. No preference.....	1	1	9

APPENDIX II

SPECIAL RELOCATION PROBLEMS

ELDERLY SINGLE PERSONS

A total of approximately 177 elderly single persons now live in the clearance areas of the three projects. A study of the incomes of those who rent indicate that most incomes are under \$2,500 per year.

Under the law, this group has not been taken into the relocation load. It may be expected that a substantial part of this group will be eligible, by income, for public housing.

It is the established policy of the authority to admit single elderly persons, regardless of whether or not they live in substandard housing. Elderly persons displaced from the urban renewal areas will be given preference. There are 296 units in existing public housing projects for nonwhite occupancy which are considered suitable for the use of elderly persons. The policy would also permit two or more unrelated elderly persons to be considered for other, larger units.

APPENDIX III

SPECIAL RELOCATION PROBLEMS

WELFARE

It is recognized that the relocation process will bring to the surface a variety of social problems. Some 10 to 20 percent of the families living in the project areas receive some public assistance from the Fulton County Department of Welfare.

Conferences were held with representatives of the Fulton County Department of Welfare to consider the special problems which may arise in connection with relocation. It is expected that there will be a close liaison with that department during the course of relocation. A meeting was also held, with the cooperation of the Planning Division of the Metropolitan Atlanta Community Services, of those private social agencies who give services related to possible relocation problems. These agencies offer a wide variety of specialized services, including legal aid, service to the aged, children and family services, health services, and housing for special groups. These agencies unofficially indicated that they would offer their services to families on an individual basis, although it was pointed out by them that they are not prepared for the costs of handling any large volume of new cases.

LARGE FAMILIES

There are an estimated 123 families of nine or more persons in the three areas who would be eligible by income for low-rent housing. The authority has 12 units of 5 bedrooms in projects for nonwhite occupancy, which might accommodate families of this size. In addition, individual larger families may be admitted on the recommendation of the executive director of the authority, based on the age and sex distribution of the children in the family.

In addition, approximately 20 families in the 3 areas with 9 or more persons have incomes which would make it possible for them to purchase sales housing at prices ranging from \$11,000 to \$14,250. There is currently a sufficient volume of sales housing in these price ranges to adequately meet the needs of these large families.

Commissioner CARLTON. Does the staff have any questions? If not, we will adjourn until 2 o'clock.

Mr. TIFFANY. Mr. Chairman, if it please the Commission, there is present with us now Colonel Du Vall, and he would be pleased to offer his statement at this time which would help us maintain this good record. If it would be agreeable with the Commission, I would be pleased to introduce Colonel Du Vall.

Commissioner CARLTON. All right, fine.

Mr. TIFFANY. Colonel Du Vall is president of the Atlanta Savings & Loan Association. He is also a member of the Federal Home Loan Bank Board. The Atlanta Savings & Loan Association is the largest such institution in Georgia and has very extensive experience with loans for Negro housing. Colonel Du Vall.

**TESTIMONY OF W. O. DU VALL, PRESIDENT, ATLANTA SAVINGS
& LOAN ASSOCIATION**

Mr. DU VALL. Mr. Chairman, members of the Commission, I would like to correct one statement. I am not a member of the Federal Home Loan Bank Board, but I did serve as a member of the board in Greensboro for some 12 years and have been off the board now for some 4 years. As president of the Atlanta Federal Savings & Loan Association, which has as its main purpose the encouragement of thrift and the homeownership of homes by individuals, I have been close to the general housing situation in this area. At the outset I should like to state that in so far as the overall picture is concerned, we in the Atlanta area can be proud of the record that has been made in the housing field. We can be proud of this record as it relates to all groups of citizens. Any comments I make must be considered as coming from one who is concerned with housing of all types, but one who is charged with the responsibility of seeing that the carrying out of the homeownership aim of the institution I represent is done within the framework of sound business principles.

It is my judgment that private enterprise in the housing field is doing the job. It is doing this job in a way which I think is to the best interest of all of our citizens.

Atlanta is growing rapidly. The installation of expressway systems, slum clearance, and redeveloped areas has stimulated the need for housing facilities. These needs have been and are being met by private enterprise. While the quantity of available land for nonwhite residents of our area may be less plentiful than for the white residents, the need for nonwhite residents is being fulfilled. Percentage-wise a larger number of our nonwhite citizens have been affected by these redevelopments than others. This fact is recognized, and as an example of this recognition, by far the largest percentage of FHA title 221 houses has been devoted to nonwhite land.

I should say that there is quality housing available for nonwhite residents as well as white residents. I am glad to know that the Commission will have an opportunity this afternoon and I hope you can adjourn early enough where you will have ample time to inspect and ride through the magnificent colored section that we have in this city. Of course public housing is more expensive, and since the nonwhite residents generally are not in a sufficiently high economic bracket to warrant or justify ownership of quality homes in large quantities, there are, in my opinion, sufficient quality houses available to meet the demands of all classes.

We have areas in which nonwhite residents live, and these areas are expanding. As has been brought out here this morning, additional new adjoining areas are adjacent thereto. This has been a difficult

question, but we are making progress. These areas will allow the construction of all types of homes, fitting into the economic condition of the individual family. Of course we have areas devoted entirely to white residents.

We in this area realize that our pattern of life is different from other parts of the country, but we believe that this pattern has been worked out to the best interests of all our citizens. All honest constructive citizens of any class realize that the pattern as it now exists is the only one under which we can continue to grow and prosper and develop this area to its assigned place of importance.

My institution does a considerable volume of home financing for nonwhite residents. The exact figures and percentages are not available for me to give you, but the business we do with these people has been satisfactory, and it is the intention of our institution to continue this pattern and to make available to our colored citizens money for the purchase and construction of homes so long as the applicants meet all the requirements for a safe and sound business undertaking.

There are areas located on the fringes of the white and colored sections which are in a transition period. It is true that some inevitable racial tension results from this sort of a situation. The wise men of both groups, along with the cooperation of the city officials, have been able to keep incidents resulting from this transitional activity to a minimum.

My institution has a policy that does not invite, does not make any loans on property located in an area where there is racially mixed housing. As a business proposition we do not consider investments in an area of this kind stable and attractive. On the broader picture, we do not want to be a party to or encourage any action which would tend to stimulate unrest among our people.

Atlanta's new housing built for colored occupancy is expanding and keeping pace with the demand. As our colored population increases and as it enjoys a higher economic level of living, this demand will continue to increase. But I am sure that this increased demand can and will be met by private enterprise. In my judgment we would build too fast and reckless if we attempt to provide too quickly homes for all of our citizens. The law of supply and demand is the governing factor in this community as well as all parts of the country.

As a matter of fact, the real difficulty encountered by white and colored groups alike in obtaining adequate housing is the everpresent and dangerous increase in prices. This makes all classes of housing for all groups more difficult to buy. This No. 1 enemy, inflation, is the area where attention should be directed by the government and all of its agencies if the real difficulty of procuring housing is to be removed.

Both colored and white real estate brokers and builders have made an important part in the development of colored housing here. Men of business ability and keen insight into the needs of this area have been largely responsible for meeting the over-all needs of this type of housing. We in this part of the country sincerely want for all of our colored citizens homes of their own. We know home ownership makes for a much more valuable and solid citizen. The man who takes an interest in his home takes an interest in a greater part in community life.

Both white and colored financial institutions are engaged in financing new colored housing. As I have told you, the institution with which I am connected has a long-established policy of doing business with our colored citizens, when the particular transaction involved was a sound one. It is with pride that I tell you that we have loaned millions of dollars to colored people for the purchase and construction of homes.

Almost any worthy individual, white or colored, can without difficulty find a sturdy, sanitary home to live in. As indicated above, there are developments in and around Atlanta which will fit the needs and desires of all classes consistent with their economic station in life. Atlanta can boast of beautiful, expensive areas, both for white and colored citizens. The colored areas in this category compare favorably with any home sections to be found in the United States. As a matter of fact, Atlanta enjoys a unique place among the great cities of this country in the opportunities available to nonwhite citizens. It has progressive, well-run, colored financial institutions, as well as business enterprises in almost every category. Among these are a colored bank, Federal savings and loan associations, and insurance companies. It has integrated churches and colleges. All in all, there are many great opportunities for nonwhite in this area both for housing and otherwise.

The President and Congress would do well to review the progress which has been made in this community and to recognize the pattern we have lived by and grown to prosperity under, prosperity enjoyed by every class. We believe there should be no discrimination in opportunities for homeownership and financing against any segment of our population. It is my belief, however, that if any Federal policies are directed or adopted which would change our present pattern of life in housing projects and programs financially assisted by the government, the production of housing for all groups of citizens in our area would be set back materially, and the great progress now being made seriously impaired.

Commissioner CARLTON. Did we understand you to say that you make no loans in mixed areas?

Mr. DU VALL. That is correct.

Commissioner CARLTON. And why?

Mr. DU VALL. We do not want to be a part to creating unrest and dissatisfaction. I think that wise policy in this area to follow.

Commissioner CARLTON. To what extent does it affect your security?

Mr. DU VALL. A loan made in an area of that type is not so attractive, not so stable. There is a tendency for these houses to be sold, transferred, and it is our general feeling and our experience that it is not so satisfactory.

Commissioner CARLTON. Do you feel that loans on segregated areas are more stable?

Mr. DU VALL. Yes, sir.

Commissioner CARLTON. Any questions?

Chairman HANNAH. I would like to ask, Colonel, how do you define this transition or mixed area? When does it cease being transitional?

Mr. DU VALL. When there is more or less of a general understanding or agreement between the races that this area is colored and this is white. It is a nebulous kind of a thing, but we have managed to work it out very satisfactory.

Chairman HANNAH. This area here, this western corridor that shows red on the map, all of that area you would approve?

Mr. DU VALL. Oh, yes, sir. We make lots of loans out there. It is a very excellent area.

Chairman HANNAH. Even though there are many white people in some of those areas, I gather by the many yellow spots on that map.

Mr. DU VALL. There are some white, yes, but that is generally colored area. There are different local situations, and sometimes it is a very nebulous matter, but as I say, there comes a time when there is a general understanding that this is a colored area and this is white. We have been very fortunate in Atlanta in having those areas pretty well defined, and I would like to pay tribute to our colored citizens and to the West Side Development Association. I think they have done a great job.

Chairman HANNAH. A part of the reason is a social one; you don't want to become involved in controversy, I take it. It is really not a financial one.

Mr. DU VALL. Both.

Chairman HANNAH. Let me ask you another question which is a matter of opinion. In your view, has the development of this west region been encouraged to a degree by a desire on the part of at least some portions of the white population to avoid school desegregation business? Does this play a role—

Mr. DU VALL. I don't think so. No, I think they are separate problems. They might in the future come to be intermingled, but right now I think they are separate problems.

Chairman HANNAH. That is all.

Commissioner CARLTON. Dean Storey?

Vice Chairman STOREY. That is all. Thank you.

Commissioner CARLTON. We are keeping pretty well up with our schedule. We might hear one other witness if you have one.

Mr. TIFFANY. Mr. Chairman, Mr. Robert Thompson has agreed to give us the benefit of his statement before the noon recess.

Mr. Thompson is housing secretary of the Atlanta Urban League. He is secretary of the Negro Advisory Committee of the Atlanta Housing Authority and is a member of the panel on housing needs of the Citizens Advisory Committee for Urban Renewal. Mr. Thompson.

TESTIMONY OF ROBERT A. THOMPSON, HOUSING DIRECTOR, ATLANTA URBAN LEAGUE

Mr. THOMPSON. Thank you very much.

The Atlanta Urban League is a social service agency working primarily in the field of community organization. The Atlanta Urban League is and has been interested in improving the educational, housing, recreational and health conditions of Negroes since its establishment in 1920. It is a charter member of the Community Chest and cooperates with other agencies and organizations in developing means for dealing with social problems affecting community relations in Atlanta.

The Atlanta Urban League is and has been particularly aware of the critical housing needs of Negroes in Atlanta for a long period. In 1947, when the Joint Congressional Committee on Housing held a hearing in Atlanta, the Atlanta Urban League pointed out that:

* * * during the war years and the 10 depression years preceding it, far fewer houses were built in Atlanta and the rest of the Nation than were needed for our expanding population—that the Negro population has overflowed the maximum possible use of present facilities—that the present overcrowding of central area has resulted in a blight that tends to lower values of adjacent properties and is a direct menace to health, safety, morals, and the prosperity of the entire community.

Prior to and since the congressional hearings, the Atlanta Urban League's housing program has been devoted entirely to increasing both the quantity and quality of new owner-occupied and standard rental housing units for the Negro population of metropolitan Atlanta. This program involves finding suitable and undeveloped tracts of land owned by Negroes or land which can be secured and developed for Negroes; interesting insurance companies, savings and loan associations, savings banks and mortgage brokers in making construction and permanent mortgage loans; interesting builders in constructing the dwelling units; assisting real estate brokers and working with city and county Federal officials in approving proposed housing proj-

ects. Overincome families who must leave public housing projects and those displaced by city, State, and Federal highway programs are assisted in finding decent, safe, and sanitary housing at costs related to the income of the displaced family.

The unpublished report of the Commission on Race and Housing and the local Metropolitan Planning Commission show that upwards of 10,000 dwelling units became available to the nonwhite population of Atlanta between 1945 and 1958. The report of the Commission on Race and Housing shows that the nonwhite population secured 10,554 dwelling units of which 5,120 were owner-occupied and 5,434 renter-occupied between 1945 and 1956. These units involved an estimated mortgage of \$70,446,600 as compared to 4,295 dwelling units with only \$25,681,504 for Birmingham, Alabama. The Race and Housing study also reports that only 2,009 of the total were used housing formerly occupied by white persons.

The Metropolitan Planning Commission reported a net gain of 12,317 nonwhite dwelling units between 1950 and 1957. This commission reports that 3,994 units were changed from white to nonwhite occupancy.

The main difficulty confronting the nonwhite population in securing decent, safe, and sanitary housing is the "artificial" shortage of land on which dwelling units may be built for Negroes.

When the amount of land that can be developed for residential purposes is "reserved" for a racial group at the exclusion of all other groups because of race or religion, an "artificial" land shortage for the excluded group of individuals is created.

Between 1940 and 1950, 25 census tracts with a total area of approximately 7.9 square miles housed 93,344 or 89.3 percent of all Negroes living inside of the city limits of Atlanta. In other words, there were 11,709 persons for each square mile and each square mile held 3,222 Negro families.

The Metropolitan Planning Commission's report of April 2, 1959, shows that the nonwhite population constitutes 35.7 percent of the total in the city of Atlanta and that this racial group occupies only 16.4 percent of the "total developed residential land."

The extent to which these difficulties are being overcome gradually may be attributed to three related factors, namely, the economy, the social "climate" and to the structure and quality of life in the Negro community.

The economy of Atlanta is diversified and expanding and is based primarily on commerce, communications, and services. This affects the occupational structure of Negroes as well as whites; the stability, composition and distribution of the population; the economic, psychological, political orientation, and relationships to other groups.

The social "climate" in Atlanta is permissive and fluid. It has an economic and political leadership that has given priority to civic advancement and national reputation rather than to maintaining rigid control of the nonwhite population. The nonwhite population has been able to establish its claims through its own leadership within the existing system and the residential expansion is viewed more as a matter of pride and profit rather than as a threat.

With respect to the structure and quality of the Negro community, it is a fact that Atlanta has, since Reconstruction been a center of higher education for Negroes. For the most part, the leadership, the impetus and personnel for overcoming overcrowded housing conditions, have come from or been closely associated with these institutions of higher education—Atlanta University, Clark, Morehouse, Morris Brown, Spelman, and Gammon. The leadership has had at its disposal financial resources. It has had the Empire Real Estate Board which is composed of mostly college graduates, builders, and developers, and it has had the resources of the Atlanta Urban League. The Atlanta Urban League played a significant role in coordinating the efforts of white and Negro leadership in the sponsorship of housing developments for decent, safe, and sanitary housing for Negro occupancy.

The leadership and the entire nonwhite population live within the framework of segregation. This group lives in segregated areas primarily because of custom and not because of local or State legal barriers.

The nonwhite population is expanding in the west, northeast, and southeast sections of the city. In the west (census tracts FC-6 and FC-7) and southeast sections (census tract FC-20) new low cost (sec. 221) housing and some high quality housing have been built both with and without the assistance of Federal housing programs. Expansion in the northeast section (census tract F-17) occurred by the nonwhite population taking over formerly white occupied units and largely without the assistance of the Federal housing programs.

With respect to securing sites for relocation of section 221 housing, the situation has been very frustrating. Sites for the location of section 221 housing must be approved not only by the Federal Housing Administration, but also by the city of Atlanta. Special privilege of the city in approving relocation sites in effect determines where both the white and nonwhite population will or will not live. The Federal Housing Administration's refusal to approve land in certain sections for nonwhite relocation housing, while at the same time approving the same general section for white relocation housing, has further restricted the nonwhite population to limited land areas. The Ben Hill area is a case in point.

Restricting any growing population to limited land areas increases the population density, and high density is a main cause of slums.

Slum property in terms of the financial return to property owners is expensive to acquire when purchased by the city administration for civic development. In the northeast area, census tract F-17, F-18, F-28 and F-29 with a total of 173 blocks or 699.6 acres, the assessed value per square foot ranged from 35 to 95 cents in 1951 according to the Metropolitan Planning Commission's report of March 31, 1953.

Moreover, the confinement of low-income groups to close-in and the nonwhite population to circumscribed areas affect adversely the economic life of the central business district and the economic life of the entire city. According to U.S. Department of Commerce report for February 13, 1958, "60 percent of consumer buying is done outside downtown areas of Atlanta" or the central business district.

If the trend of outward migration by the more affluent population to the suburbs continues or is accelerated, the left-behind low-income groups and the central business district will undoubtedly suffer.

No State or local laws have been adopted to accomplish equal housing opportunity on a nonseparate basis. Custom has dictated that all housing under the control of the city be on a segregated basis.

The West Side Mutual Development Committee, composed of three white and three Negro citizens, selected by the mayor, has from time to time settled differences of opinions relative to the westward expansion of Negroes. These committee members have been able to allay from time to time, the fears of white property owners about the westward movement of the nonwhite population.

The West Side Mutual Development Committee, however, recognizes one very fundamental point and that is that every property owner, regardless of color or religion, has the right to sell or not to sell his or her property to whomever he or she wishes.

The various Federal housing agencies are without power to withhold funds or assistance to cities and developers of projects on the basis of segregation or nonsegregation. Approval of plans or projects is thus tantamount to the Federal Government approving or disapproving segregated housing.

The employment of qualified Negro personnel by the Federal agencies concerned with administering housing and renewal programs will tend to increase the ability of these agencies to deal more realistically with the problems involved in increasing the housing supply. It is therefore recommended that:

1. Qualified Negroes be employed in the State offices of the Federal Housing Administration on an integrated basis.
2. The Public Housing Administration employ qualified Negroes on an integrated basis in all regional offices.
3. The Housing and Home Finance Agency employ qualified Negro personnel in all of its regional offices.

4. The Urban Renewal Administration employ qualified Negro personnel on an integrated basis to implement this far-reaching program.

Other recommendations that are related to housing and which should be brought to the attention of the President and Congress are:

1. Amend Public Laws 627—Federal Aid Highway Act of 1956, and according to the attached statement of the Atlanta Urban League dated January 1957.

I apologize, I only have one copy from yesterday but I do have additional copies of that report for the Commission.

2. That the Life Insurance Company Income Tax Act of 1959 (H.R. 4245) be defeated in the Senate and vetoed by the President if passed by the Senate.

It is the considered opinion of this witness that the bill, H.R. 4245 would, if passed by the Senate, lessen the number of homes that life insurance companies would be able to finance because of increased taxation. Increased taxes would, in all probability, force life insurance companies to purchase more and more municipal tax-free bonds instead of investing in mortgages.

3. The monetary and tax policies as they affect the total supply of housing should be reviewed by the Congress and the Committee on Economic Development. It is specifically requested that the Commission on Civil Rights ask the Committee on Economic Development to give attention in its present study to mortgage credit and taxes as a means of removing the inequities in the housing supply between regions, states, and cities.

I do have the recommendations of the Urban League on the Federal Highway Program, about two pages. If it is necessary, I will read them. If not, I will file them as a part of the report.

Commissioner CARLTON. You may file them.

Mr. THOMPSON. I also have a four-page statement entitled "The Effect of Monetary and Fiscal Policy Upon the Supply of Housing With Special Reference to Housing for Nonwhites," which was written in 1956. That, too, is four pages. If time permits I will read it; if not, I will file this as a part of the report.

Commissioner CARLTON. You may file it.

Mr. TIFFANY. I will take them for the record.

Commissioner CARLTON. Any questions?

Chairman HANNAH. Mr. Thompson, is it your feeling that the increase in the exercise of the voting privilege by the Negroes in Atlanta has played any role in the improvement of the housing for Negroes in this city?

Mr. THOMPSON. Very definitely, sir. In 1945, 1946 there were only about 6,000 Negroes registered. As soon as the number reached 25,000, about 6 weeks of 1946, the social climate of Atlanta changed very

definitely with respect to the Negro getting the amenities and facilities needed for housing.

We think that there is a very definite relationship between voting and getting all of the amenities that are afforded by the city or any city.

Chairman HANNAH. What brought about this great increase from 6,000 to 25,000?

Mr. THOMPSON. A well-organized effort on the part of Negroes. Mr. Bacote this afternoon will elaborate on this particular point; he is much more able than I. But we had a well-organized plan in which we had approximately a thousand Negroes knocking on doors, taking people to the polls to register in 1946. We have approximately now between 28,000 and 30,000 Negroes on the books.

Chairman HANNAH. It seems to be general agreement on the part of the Negro witnesses this morning that the advantages that come to the Negroes resulting from housing developments like this one that has been described in this western corridor are substantial, and I infer that in the judgment of the Negro witnesses, including yourself, these advantages outweigh the kind of desires that are so vocal in many parts of the country to completely eliminate segregation. Is that a fair —

Mr. THOMPSON. It is very difficult to say whether or not the expansion outweighs the advantages or not. We are faced with this proposition. Whenever an individual comes to us and says, "I want a house," and knowing that he is living in a substandard structure, I don't think that I should assume the role of saying to him, "Don't improve your housing situation. You must wait for the millennium to come." That individual is interested in securing a decent, safe, and sanitary house at the moment and not when the millennium comes. So we have to work within the pattern of what we have here of segregation in Atlanta. If by concentrating on new construction—new construction because the interest rate as we have found out or interest rates on property vary with the time and the age of the construction of the house, so we are definitely committed to building new housing, and for that reason only we have concentrated upon construction of new housing.

Chairman HANNAH. Colonel Du Vall, who preceded you, said something to the effect that they had plenty of money to loan for purchase of secondhand housing or for the construction of new housing in areas where the pattern had been established, but they were a little concerned about loaning money in these transitional areas. How do the Negroes finance homes in the transitional areas in Atlanta?

Mr. THOMPSON. Without our own financial institutions in all probability this would not have been accomplished. In the Mosley Park

area—and there are persons who will succeed me who are much more familiar than I—I think it was Citizens Trust Co., Mutual Federal Saving & Loan Association, that broke the ice. Subsequent to that, then the white lending institutions came in and made loans. But if we had not had that, as you see, we would not have had this particular situation develop; and secondly, the West Side just did not develop, just didn't occur as simply as that. Negroes had moved westward up to the Mosley Park area in 1949 and 1950, at which time the white residents of the area came to the Negro brokers and said, "We want to sell our homes." They said it was because of the fact that west of the Mosley Park area there had been a Negro development underway of 176 houses, and the white folk were in essence pocketed between the westward expansion of this new development and the Mosley Park area, so they moved one or two out, so it developed that this leapfrog process had a great deal to do with the change of the Mosley Park area from white to Negro.

Chairman HANNAH. Is the Urban League a pretty large organization in Atlanta?

Mr. THOMPSON. There are four professional persons on the staff, two clerical workers, and a janitor. We have a membership of about 1,500 persons. Ninety percent of our budget comes from the Community Chest. That is about the size of it, four persons.

Chairman HANNAH. This may be an unfair question. The 1,500 members are largely Negro but some whites in it?

Mr. THOMPSON. No, I would say that they are about half and half.

Chairman HANNAH. You said something to the effect, if I understood you correctly, that you thought that the various Federal agencies were a little unfair in their employment practices in this area in that they didn't employ as many Negroes in key positions as you thought they should. Did I understand that correctly?

Mr. THOMPSON. That is correct, sir. The Federal Housing Administration boasts of the fact that it is a profitmaking organization. At the same time, it is badly in need of personnel; it is understaffed. More recently Mr. Schwartz, the assistant director, stated that there were 104 persons in the local office and that they needed more to catch up this big backlog of work. We think that if any organization in the business of making money or for profit is not getting its pro rata share of the business, that it might very well employ the persons on this staff to promote the kind of business that this particular concern wants. We therefore think that all of the Federal agencies that have anything to do with housing ought to employ Negroes to get the particular job done.

Chairman HANNAH. Do you think there are qualified Negroes available that are not otherwise employed?

Mr. THOMPSON. There are, sir.

Chairman HANNAH. You have no reservations about that. You are sure.

Mr. THOMPSON. None.

Chairman HANNAH. That is all.

Commissioner CARLTON. Any question by any of the Advisory Committee?

Another witness?

Mr. TIFFANY. Mr. Chairman, the witness has kindly submitted a couple of statements as to which I think examination during the recess may suggest a few more questions, brief questions. I wonder if the witness would be agreeable to returning briefly after the recess if such questions do develop on the basis of these statements?

Mr. THOMPSON. Surely.

THE EFFECT OF MONETARY AND FISCAL POLICY UPON THE SUPPLY OF HOUSING
WITH SPECIAL REFERENCE TO HOUSING FOR NONWHITES

By Robert A. Thompson

"Mortgage Money Vanishes Across United States," were the headlines in the Nation's press in May 1951. Mr. W. P. Atkinson, president of the National Association of Home Builders, declared that the "disappearance of money to finance construction of homes has brought his industry to a crisis as serious as it ever faced." The crisis resulted from the Federal Reserve abandonment of the practice of buying all bonds offered it and paying at par or better for such securities.

Two years later—June 1953—Time magazine reported that "the burden of curbing inflation fell upon indirect fiscal controls, chiefly the restriction of credit" by the Federal Reserve Board and the U.S. Treasury. The goal of these agencies was to "stop inflation by trimming the expansion of credit, and this increased the buying power of the dollar." The Federal Reserve Board raised the discount rate from $1\frac{1}{4}$ to 2 percent, and at the same time the U.S. Treasury "offered \$1 billion worth of 30-year bonds, with an interest rate ($3\frac{1}{4}$ percent), high enough to make insurance companies want to buy them" in lieu of mortgages.

On April 12, 1956, the Board of Governors of the Federal Reserve Board approved actions by the directors of 11 district banks to increase discount rates. Nine districts increased the discount rates from $2\frac{1}{2}$ to $2\frac{3}{4}$ percent. The discount rates of the Federal Reserve districts of Minneapolis and San Francisco were raised to 3 percent. One week later (April 9) the Federal Reserve Bank of Chicago increased its discount rate $2\frac{3}{4}$ percent. The purpose of such action was to avert inflation but this action brought criticisms from persons both in and out of government. On or about May 28 an announcement was made that the Federal Reserve bank was planning to ease credit restrictions because of widespread criticisms of the "tight money" market. A shift in Federal Reserve policy to ease credit restrictions could be accomplished by a reduction in the discount rates to banks borrowing funds at a more favorable rate from the Federal Reserve banks. However, commercial banks with the "new" policy in the direction of "error," would then have more funds for agricultural, business, automobiles, consumer, and real estate loans.

While the "new" policy may be of great benefit to business in general, two types of credit remains as "sore spots" in the economy. The two "sore spots" are consumer credit and real estate credit. Dr. E. Sherman Adams, deputy manager of the American Bankers Association, conducted a survey among bankers in 1955 and reported that "41 percent of the bankers indicated that to ease mortgage credit may encourage overbuilding of dwelling units in their localities within the next 12 months."

While it is true that the general monetary policies are both useful and limited in curbing inflation, it must be admitted that such policies have not corrected the "excessive ease in certain types of nonbank credit." Moreover, overall monetary policies in curbing inflation have been general and have not taken into account regional or racial inequalities in the building of dwelling units, even though the rediscount rates may vary percentage points from one Federal Reserve district to another. General monetary policies presuppose that all segments of the population, both regional and racial, have equal opportunity to obtain or have obtained decent housing.

What, therefore, is needed is a reexamination of the present fiscal policies as a step toward removing the regional and racial inequalities in housing. A re-study of fiscal policies may very well lead to the formulation of an entirely "new" fiscal policy based upon regional needs. With regard to a regional credit fiscal policy, Senator Sparkman stated in a personal letter in 1951, "Your suggestion as to a regional credit control plan is, in my opinion worthy of consideration." He also remarked that "I recognize that they (Federal fiscal controls) hit our part of the country harder than other parts because of the lower per capita income of the South, and the consequent lack of ability to make as high downpayments as home buyers in other parts of the country could generally make."

The lack of a flexible fiscal policy of the Federal Reserve System means that all geographic areas or regions are considered as equal in both the quality and supply of housing and per capita income. The South not only has less money for all services but is dependent upon outside resources for a large part of mortgage money. The editors of *Fortune* wrote in June 1951, that the South and West in recent years have been especially dependent on the flow of big eastern money made possible by VA and FHA guarantees, and that the disappearance of funds of new VA and FHA loans threatens to cut homebuilding in these fastest growing communities still more deeply than the 65 percent contemplated in the national average.

Housing for the nonwhite population is directly related to the total supply of housing available in the geographic division, state, county, city, and region. Fiscal policies that curb the building of owner or rental units in the South or in any deprived region automatically limits the amount and quality of housing available to nonwhite. Local customs and mores also tend to further restrict the supply of housing for nonwhites especially when general fiscal policies have been instituted for curbing credit or inflation.

In consideration of the foregoing, a new approach to fiscal policy, in relation to region and race, might be formulated and considered as a part of the report of the Commission on Race and Housing. It is suggested that since the South is dependent to a great extent on the flow of big eastern money, a section of the Commission's final report might deal with and examine the general fiscal policies of the Federal Reserve System and Treasury Department as related to the regional approach to housing. Specifically, more research is needed regarding the effect of general fiscal policies upon the supply of housing for nonwhites.

A reappraisal of our present banking and general fiscal control systems in relation to regional and minority housing during periods of inflation and/or recession might be concerned with answering the following questions:

1. How can funds from outside of a region that is deprived of housing be induced to flow into the region in need of more and adequate housing?
2. What extra legal monetary and tax measures can be adopted to increase the flow of funds into the expanding region, state, or city, or into the area devastated by hurricanes, tornadoes, or floods?
3. What would be the effect of the extra legal monetary measures upon the three major weapons of the Federal Reserve System in controlling the ups and downs of a semiwar economy by fiscal and credit means alone?

The primary purpose of examining the present monetary and fiscal policy in the main, would be to study the effects of such policies upon the supply of housing, with special reference to housing for nonwhites.

RECOMMENDED CHANGES IN THE FEDERAL-AID HIGHWAY ACT OF 1956, TITLE I OF HOUSING ACT OF 1949, AND NATIONAL HOUSING ACT; SUBMITTED BY THE ATLANTA URBAN LEAGUE, ATLANTA, GA., JANUARY 1957

A. Amend Public Law 627, Federal-Aid Highway Act of 1956, by adding:

1. *Declaration of housing policy with respect to Federal-Aid Highway Program.*—(a) "It is hereby declared to be in the intent and policy of the Congress to equitably aid any state or subdivision thereof in relocating individuals, families and small business concerns in primarily urban areas."

(b) "Relocation payments to families, individuals, and small business concerns are authorized to be paid through the Housing and Home Finance Agency to displaced families, individuals, and small business concerns."

NOTE.—A provision of the Housing Act of 1956 provides: 1. "Payments will be made in amounts not exceeding \$100 in the case of an individual or family, and \$2,000 in case of a business concern."

2. "They will cover the reasonable and necessary moving expenses and any actual direct loss of property, except goodwill or profit, which are incurred on and after the enactment of the Housing Act of 1956."

(c) "The Federal Highway Administrator is authorized to become a member of the Advisory Committee to the Administrator of the Housing and Home Finance Agency in order to give information with respect to the location and land requirements of Federal-aid highway plans and receive information relative to the number of displaced individuals, families, and small business concerns in urban communities."

2. *Federal-aid highway planning advances to Housing and Home Finance Agency.*—"A provision is added to Public Law 627 of 1956 which authorized the Secretary of Commerce to make advances to the Administrator of the Housing and Home Finance Agency for surveys and plans for determining the number of individuals, families, and business concerns to be displaced by Federal-aid highway projects."

B. Amend title I of this Housing Act of 1949 by adding:

1. *Relocation payments to families, individuals and business concerns displaced in Federal highway areas.*—"The Housing and Home Finance Administrator is authorized to make relocation payments to individuals, families, and business concerns displaced by a Federal-aid highway project respecting which a contract for a Federal grant has been executed."

2. *Advances to determine the extent of relocation.*—"The Housing and Home Finance Administrator is authorized to make advances to local public agencies for surveys of urban areas to determine the extent of relocation of individuals, families, and business concerns displaced by Federal-aid highway projects."

C. Amend National Housing Act by adding:

1. *FHA assistance to families and individuals in Federal highway areas.*—"Section 220 and 221 of the National Housing Act, with respect to FHA mortgage insurance, are amended to include individuals and families displaced by Federal-aid highway projects in urban areas where there is no workable program."

Mr. TIFFANY. Mr. Chairman, I think that is the completion of our morning.

Commissioner CARLTON. We will adjourn then until 2 o'clock.

(Whereupon, at 12:35 p.m., the hearing was recessed, to reconvene at 2 p.m. of the same day.)

UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
ATLANTA, GA.

April 10, 1959, Afternoon Session

COMMISSION ON CIVIL RIGHTS

FRIDAY AFTERNOON SESSION, APRIL 10, 1959

The hearing reconvened at 2:05 p.m., Commissioner Carlton presiding.

Commissioner CARLTON. The meeting will come to order. We will ask Mr. Tiffany to call the first witness.

Mr. TIFFANY. Mr. Chairman, it will not be necessary for us to recall Mr. Thompson to the stand, as further questions are not necessary in connection with the statements mentioned.

Therefore, the next witness is Mr. Arthur Burdett, Jr. Mr. Burdett is president of the Atlanta Real Estate Board. He is a real estate broker, and he is also a member of the panel on housing needs of the Citizens Advisory Committee for Urban Renewal. Mr. Burdett.

TESTIMONY OF ARTHUR BURDETT, JR., PRESIDENT, ATLANTA REAL ESTATE BOARD

Mr. BURDETT. Mr. Chairman, members of the Commission, ladies and gentlemen, I have been invited to appear at this hearing by reason of my position as president of the Atlanta Real Estate Board. The remarks which I shall make represent the consensus of opinion of the board of officers and directors of the Atlanta Real Estate Board.

Our membership is composed of real estate brokers and salesmen and those affiliated with the real estate industry. As citizens, we are vitally concerned with the fair and equal treatment of all residents of Metropolitan Atlanta under the law and with the continued progress of our fine city. As businessmen, we are vitally concerned with the stability of our local economy, with particular reference to the continued soundness of the real estate market.

From our point of view, as set out above, we make the following comments on the question before you, that is, the actual housing situation of minority groups in Atlanta and environs:

1. We accept as an established fact that the traditional pattern of housing in the city of Atlanta has been, is, and will continue to be one of segregation between white and Negro housing. We advance the proposition that this pattern is accepted on a voluntary basis by the great majority of citizens, both white and Negro, and that it is the

pattern that is desired by an overwhelming majority of the population of both races. We comment, however, that the pattern is also supported by public policy although, of course, not by law.

2. We call to your attention the fact that, within the framework of this pattern of segregation, the city of Atlanta has done an outstanding job in working toward the goal of adequate housing for all of its citizens on a nondiscriminatory, but segregated, basis.

3. The Atlanta plan in this regard has been one of gentlemen's agreements achieved over the conference table by biracial groups of community leaders with the backing and support of public officials. The effectiveness of such negotiations is demonstrated by concrete results. For example, the traditional white perimeter surrounding such cities as Atlanta has been broken and large areas of land on the West Side have been opened for new Negro housing. The gross addition to the supply of Negro dwelling units from 1950 to 1957, according to the statistics of the Metropolitan Planning Commission, was 14,303. We consider it of utmost significance in evaluating Atlanta's progress that 72 percent of this addition represented new construction while only 28 percent represented change of units from white to Negro occupancy.

4. It is true that Atlanta, as do other large cities, has a large number of substandard housing units. These are occupied by both white and Negroes of low income. If Negro occupancy exceeds white in proportion to the total Negro and white population, consideration must be given to the fact that a larger proportion of the Negro population is in the low-income group.

With reference to the specific questions which you have presented to us in your invitation to appear, I comment first that we do not maintain in the Atlanta Real Estate Board a statistical research section. Therefore, our answers must be general in nature.

Question No. 1. What is the factual situation with respect to the quantity and quality of housing at present occupied by or available to racial, national, or religious minority groups? How does this differ, if at all, from the housing situation of others?

Answer. The existence of segregation in housing of racial, national, or religious minority groups, other than Negro-white, is negligible. As to Negro housing, there has been a tremendous improvement in the past two decades in the housing available to Negroes. Community leaders and public officials are well aware that additional land areas must be opened for new Negro construction and the problem is being given constant and continuous intelligent thought.

Question No. 2. What difficulties, if any, are encountered by minority groups in finding decent, safe, and sanitary housing? What accounts for any such difficulties? Question No. 2(a). To what

extent have these difficulties of minority groups been overcome? What accounts for the considerable new housing built for Negro occupancy, new housing sites available to Negroes, and the development of outlying Negro residential areas in Atlanta?

Answer. The difficulty on the part of low income families, both Negro and white, in finding decent, safe, and sanitary housing is, to a very large degree, economic. Large numbers of the low-income group simply cannot afford adequate housing. In some instances, there is an unwillingness among such low-income families to allocate a sufficient portion of their income to housing. In this regard education over a period of decades, and perhaps generations, is important. In this regard we do not believe that additional subsidized public housing provides the answer. Such socialized public housing destroys the economic incentive for self-improvement and constitutes an unwarranted burden upon the taxpayer, both at the Federal and local level.

We do not ignore the fact that proportionately greater land areas for housing are available for white occupancy than for Negro occupancy. We repeat, however, the constructive effort has been and is being made to solve this problem, as evidenced by the substantial progress that has been made in Atlanta during the last decade. The process by which this has been achieved has been negotiation and mutual agreement between the races. Additional important factors have been improvements in the economic status of a considerable part of the Negro population and the increased availability to Negroes of adequate mortgage financing.

Question No. 3. To what extent, if at all, do patterns of residential segregation by racial, national, or religious groups exist, and what is the cause?

Answer. As previously stated, segregation of white and Negro exists in Atlanta by tradition on a largely voluntary basis supported by public policy. This, in our opinion, stems from the natural desires of people with common backgrounds and interests to congregate. We have no doubt that this will continue to be the pattern in the Atlanta area.

Question No. 4. What are the effects of either inadequate housing for minority groups or segregated housing, in terms of crime, juvenile delinquency, disease, interracial relations, public education, property values, the municipal tax base, and the general standards of city life?

Answer. There is no doubt that slums create crime and delinquency and are a drain upon the municipal treasury. In this regard, however, we see no distinction between Negro and white slum areas.

Question No. 5. What State and local laws, policies, and programs have been adopted to accomplish equal opportunity to adequate

housing on a nondiscriminatory basis? What has been the experience under these laws, policies, and programs?

Answer. You have had appear before you representatives of the city who are more competent than we to give specific answers to this question.

Question No. 6. What is the effect of Federal housing laws, policies, and programs on the housing patterns and problems of minority groups, and on the State and local housing programs? Particularly, what are the practices and effects in this respect of the three constituent agencies of the Federal Housing and Home Finance Agency—the Public Housing Administration, the Federal Housing Administration and the Urban Renewal Administration?

Answer. There has been no effect in that the pattern of segregation which exists in Atlanta has been recognized.

Question No. 7. What proposals should this Commission consider in appraising Federal housing laws and policies and in making its recommendations to the President and the Congress?

Answer. We propose that your appraisal of Federal housing laws and policies take most serious account of the fact that local customs and patterns in housing cannot be ignored without dire consequences. Segregation of Negro-white housing in Atlanta is the firmly established pattern.

The climate of race relations, with particular reference to housing, is good in the city of Atlanta at the present time. Public officials and Negro and white community leaders are well aware of the problem of providing adequate housing for the minority group and are actively and continuously seeking solutions to the problem. As previously stated, great progress has been made. If, for any reason, Federal law or policy as to urban renewal, FHA financing, or public housing should be used in an attempt to enforce residential integration in this area, intense and unbearable pressures between the races would develop. Utter chaos would occur in the field of new residential construction with other resulting disastrous economic consequences. In our opinion, the overall effect would be to destroy the progress of recent decades toward solving the minority housing problem here and would deal a tragic blow to race relations and to the local economy in the city of Atlanta.

Thank you.

Commissioner CARLTON. What plans, if any, does your board have, apart from subsidized public housing, to provide for the low-income-group housing?

Mr. BURDETT. We feel that in general private capital will take care of it. We do not feel—the National Association of Real Estate

Boards, as a matter of fact, has expressed itself on the matter of public housing.

Commissioner CARLTON. You think locally the matter can be financed sufficiently to meet the requirements?

Mr. BURDETT. We believe so. I don't say that all slums will be eliminated, to quote from John Chiles, who appeared earlier. There is always the lowest of the low-income groups which will require subsidy in some form or other. We do not believe that providing subsidized housing is the proper answer as compared to welfare and relief in that avenue of subsidization.

Chairman HANNAH. Are Negro realtors permitted to belong to the Atlanta Real Estate Board?

Mr. BURDETT. We have in Atlanta an Atlanta Real Estate Board composed of white and Empire Real Estate Board of Negroes exclusively.

Chairman HANNAH. Would there be any gain in working out these arrangements with reference to which areas are to be occupied by which race if there was closer cooperation between the two groups, or is it very close?

Mr. BURDETT. For the most part the Empire Real Estate Board is active in the transition areas. I think they are doing an excellent job in that respect. The white realtors are not as active in that phase, close to the situation.

Chairman HANNAH. Do the white real estate operators actually handle a majority of the real estate transfers in the colored areas?

Mr. BURDETT. I would say on individual-unit basis, single-family residence, the majority would be handled by Negro brokers. The white brokers would participate to a larger extent where apartments are involved in areas that ultimately will go in transition.

Chairman HANNAH. The question was asked several times this morning, and I would just like to see if your view is the same, that there is an adequate amount of available money for loan purposes so that the Negro housing developments are not discouraged because of lack of available—

Mr. BURDETT. Yes, there is no scarcity, to my knowledge, of mortgage funds available to Negroes.

Chairman HANNAH. That is all.

Vice Chairman STOREY. I believe you mentioned that there had been a great deal of progress made in this field in the last two decades. Do you recall testimony also that there had been an increased number of Negroes who vote? Do you think that has contributed to the success, too, to some extent?

Mr. BURDETT. Undoubtedly.

Vice Chairman STOREY. Political authorities listen to them more maybe than they did before.

Mr. BURDETT. That is undoubtedly a fact, although there has been progress in all directions to the best of my knowledge on race relations.

Vice Chairman STOREY. I was just pointing it out for emphasis, but there has been a great increase in the voting strength, has there not?

Mr. BURDETT. There has indeed, sir.

Vice Chairman STOREY. That is all.

Commissioner CARLTON. Any questions by the Advisory Committee?

Chairman HANNAH. I would like to ask one more question. Colonel Du Vall indicated in his testimony and his questioning just before lunch that they loaned money freely in either the white areas or the colored areas, but they rather hesitated to go into these transitional areas. You have just indicated that you are a little hesitant, too, the white real estate operators, to operate in these transitional areas. Is that true, or is that a wrong inference that I have drawn?

Mr. BURDETT. I didn't indicate a hesitancy. It is a matter of actual practice, the way it is handled. Generally the Negroes handle the individual transactions to a large extent.

Chairman HANNAH. In the transitional areas.

Mr. BURDETT. Yes; and I would support Colonel Du Vall as I understood his remarks, your investment capital is going to resist the confused area.

Commissioner CARLTON. Thank you very much, Mr. Burdett.

Mr. Tiffany, if you will call the next witness, please, sir.

Mr. TIFFANY. The next witness is Mr. Q. V. Williamson. Mr. Williamson is president of the Empire Real Estate Board. He is a real estate broker. He is also a member of the Executive Committee of the Citizens Advisory Committee for Urban Renewal. Mr. Williamson.

TESTIMONY OF Q. V. WILLIAMSON, PRESIDENT, EMPIRE REAL ESTATE BOARD

Mr. WILLIAMSON. Mr. Chairman, members of the Commission on Civil Rights, and fellow citizens, my name is Q. V. Williamson. I was born in Atlanta and educated in Atlanta's public school system. I have been engaged in the real estate business here in Atlanta for more than 20 years. I am president of the Empire Real Estate Board of Atlanta and my appearance here is in behalf of the Empire Real Estate Board, a member of the National Association of Real Estate Brokers, Inc.,

The Empire Real Estate Board has a membership of 23 companies, with approximately 30 licensed brokers that employ more than 80 salesmen. It was organized more than 20 years ago not only for raising the standards of our profession, but to unite our efforts to provide

a decent home and a suitable living environment for all families of our community.

Our board is grateful for the opportunity to present our point of view before the Commission.

As citizens of this country, we believe in democracy, in our republican form of government, and in the Constitution of the United States and the principles for which it stands. We are also cognizant of the fact that every citizen has definite responsibilities and obligations to his government. These include the paying of taxes of all kinds, direct and indirect, serving in the armed forces, fighting and, if necessary, dying for his country. We are further aware of the basic American principle that along with these responsibilities and obligations come certain priceless benefits. These benefits include equal protection of the laws, educational opportunities, and—surely not least—opportunity to live in a decent home.

Not a single member of our organization knows of any case in which a Negro American has been exempted in any manner from the necessity to perform his obligations and responsibilities to his government. His taxes are not reduced on the basis of race, he is not released from his patriotic duty to defend his country against its enemies because of his color. Neither the tax forms nor the Federal statutes which affect all Americans contain any special escape clauses permitting the Negro citizen to evade his obligations.

But when we turn our attention from obligations to benefits we are confronted with a drastically different picture. For the Negro citizen, the relation between himself and his government is not the two-way street it is for his fellow Americans. Instead, various benefits are freely provided for others which are wholly or in part denied to him. This denial extends even to the precious right of equal protection under the law. It is to this point that we would like to address ourselves as we present to you some of the experiences which show beyond a reasonable doubt that equal opportunities in housing are being denied hundreds of Atlanta citizens because of their color and race.

It is sometimes said that the Negro population of Atlanta is housed in more modern, decent, safe, and sanitary housing in proportion to the population than are the Negroes in any city of the United States. This is doubtless true enough, considering the range of inequities still to be found throughout our Nation. But Negroes in Atlanta still have to live in far more than their share of slums and blight in proportion to the total population than do whites. And it should be made clear at the outset that most of the "good" housing for Negroes in Atlanta has not come about because of any pioneering or even simple insistence on fair play by any Federal, state, or local agency.

What has been attained here has come about through sacrifices, hard work, and a combination of other factors which we will enumerate.

Whatever achievements we now enjoy in housing in Atlanta has been done within the framework of a segregated pattern. It is true that housing for Atlanta Negroes is not typical when compared with other southern communities. And certainly it is true that in terms of slums and blight, other smaller southern cities will be found to be far worse.

Atlanta is often pictured as a city of beautiful homes for Negroes. This is true for a small segment of the total nonwhite community, but despite this colorful picture the beautiful homes—as well as all others—are segregated. And as long as we have segregated housing all other community amenities will be provided on a segregated basis.

Negroes dealing in real estate either professionally, or as representatives of financial institutions, and all Federal personnel of governmental agencies have a continuing responsibility in helping to remove the barriers of segregation from housing—private and public. Open occupancy is the key to practically all of the problems we face.

Perhaps it was the realization of this fact that prompted Albert M. Cole, former administrator of the Housing and Home Finance Agency, to say not too long ago :

“I have special concern about one of these remaining barriers. It is the race barrier in housing. It is real. It is stubborn. It is incompatible with any republican principles we live by.

In most areas of his life and function, the Negro has already achieved a large measure of freedom and equality. But in a sense, the Negro is still not a free man in his own home.

Too often he must live where he is compelled to live—not where he chooses—or where he aspires to live. He lives in tightly contained, less desirable parts of our cities. He is denied the opportunity, even though fully qualified to use it, of freely bargaining for and acquiring a home suited to his needs and his hopes as an American. A great many of our Negro families are still the slaves of the slums.

It would be the grossest self-deception for us to think that we have given the Negro his freedom so long as he is not free to acquire one of a free man's most cherished possessions—his own home.”

Speaking as a representative of my fellow brokers, we heartily agree with Mr. Cole and would like to emphasize the fact that his statement is applicable to Atlanta in every detail.

There are no laws of which we know of, either Federal, State, or local, that require segregated housing; however, the policies, practices, and actions of all governmental agencies and public officials sustain segregation in housing in this area.

A survey of housing needs in the city of Atlanta was recently made by Joseph Gross, consultant on community planning for the Urban Renewal Department of the city of Atlanta. This report shows that Atlanta has not had a problem of shortage in supply for white occupancy in recent years, and that a substantial supply of sales housing at prices ranging up from \$10,000 is available. As to the supply for nonwhite occupancy, the report shows there are currently no vacancies in standard, private low-cost housing. The report also shows that of the total housing supply in the city for both white and nonwhite there are enough dwelling units to house an average of 3.5 persons to the unit. In the white market the supply is adequate to house 3.33 persons to the unit, but in the nonwhite market there are only enough units to house 3.88 persons to the unit.

There are many difficulties encountered by minority groups in finding decent, safe, and sanitary housing in Atlanta and many factors that contribute to the difficulties.

As to the supply of new sales and rental housing for nonwhite occupancy, the Gross report referred to above has this to say:

The supply of new sales and rental housing is dependent upon a combination of factors including availability of risk capital, availability of suitable land for development, cooperation of municipal government agencies zoning, building permits, building standards, street improvements, status of the mortgage lending market, price level of building materials, and the supply of labor in the building trades. Because of the continually changing pattern of relationship between these factors, it was not possible to secure from builders, long-term projections of plans for new residential construction. Any exceptional changes in one or more of these factors can create barriers to the relationship which might theoretically apply between supply and demand in a free market.

What Mr. Gross is saying here is that you cannot predict how the nonwhite market can be supplied and it does not operate in a free market as does the white supply. On page 27 of his report he has this to say about the availability of land for nonwhite housing:

Limitation in the availability of land for minority group occupancy has been the chief factor in slowing up the 221 program. This has been complicated by new zoning restrictions approved by the board of aldermen which have served to remove from the R-5 and R-4 categories large tracts of land which might have been used for 221 development. Presently, areas in the northwest part of the city are, for practical purposes, the only available areas for minority occupancy.

There is at present an adequate supply of residential vacant land within the city limits of Atlanta, but it is difficult to acquire land for nonwhite housing since developers are not sure that they can get the land "politically cleared" for use by nonwhites.

Here FHA issues allotments under their Section 221 Program as to race of occupancy—so many allotments for white and so many

for nonwhite. When this program was first initiated the FHA approved approximately 15 sites for nonwhite housing, the city of Atlanta turned down approximately 12 of them because they could not be "politically cleared." For the most part, these political roadblocks and denials were associated with race. This hampered the 221 program. One site was approved by the city provided the contractor left a 200-foot buffer strip of vacant land between the 221 houses for nonwhite and the existing white community across the street.

About 3 years ago some Negroes purchased a vacant tract of land on West View Drive adjacent to a white residential area. The owners were told by our city fathers that they would not be issued residential building permits.

On the other hand, there have been areas that have been purchased for nonwhite housing and "cleared politically" in which the city fathers gladly furnished the necessary services.

In DeKalb County on Lavesta Road, Negroes own quite a number of acres of land and have been living on it for more than 50 years, but have been refused residential building permits for the past 5 or more years though the land is zoned as residential.

Nonwhites have been offered homes by whites in communities which are considered white. However, when the clients have purchased such property without getting it "politically cleared," attempts have been made to prevent occupancy by mob action of persons from within the immediate area, and on occasion other mob participants have come from elsewhere to aid and abet in the use of threats and violence. There have been instances in which the purchaser has been denied police protection. Sometimes his house has been bombed before the buyer moved into it; in other cases the house has been bombed after the buyer moved in. At times the homes have been set afire. In some areas financial institutions have declined to make loans to nonwhites willing to purchase property in a so-called white area. In other words the denial of financing has been used as a substitute for the racial restrictive covenant.

Due to the very short supply of housing and vacant land that is available to nonwhites in Atlanta, Negroes have to pay from 20 to 30 percent more for housing than do whites for a similar house in a similar area. There are strong indications that this differential in price is recognized by FHA and VA in the valuation of vacant lots in what is considered a white as opposed to a nonwhite area.

It may be asked, to what extent have these difficulties facing Atlanta's minority group been overcome? The answer is that they have not. These same difficulties arise again and again. From time to time the shortage of housing in the nonwhite market becomes so

acute and the demand so great that something has to give. This calls for the transition of an oversupplied white area to nonwhite and/or the changing of a "For Sale" tag on vacant land marked "white" to "nonwhite." When this happens our problems merely start all over again—the only difference is that we have to deal with a new set of occupants and new instances of opposition.

There has been a considerable amount of new housing built for Negro occupancy and there are new housing sites available to Negroes in the outlying Negro residential areas of the city. This has come about through the joint efforts of the Negro financial institutions, real estate brokers, and builders. Usually there is no difficulty in securing cooperation from white financial institutions when the construction is to be done in an area already identified as Negro. These real estate brokers and builders have organized corporations and joint ventures and purchased large tracts of land—some as large as 200 acres—in an area that was formerly considered white. Upon the purchase of these tracts of land other owners of vacant land and improved properties in the area have voluntarily changed property designation from white to nonwhite. After the land was acquired, Negro and white financial institutions began making loans for the construction of new houses. This was how outlying Negro residential areas came into being here.

As to the considerable amount of new housing built in Atlanta generally for Negro occupancy, this began more than 40 years ago when the service company, headed by Herman Perry and Alonzo Herndon, the founder of Atlanta Life Insurance Co., began the mass building of new housing for this market. These men were followed by Negro developers such as W. H. Aiken, A. C. Williams, and the late J. R. Wilson, Sr. Their activity inspired the organization of the significant number of Negro-owned contracting and real estate firms in Atlanta who are now constructing and promoting new housing for Negroes.

The major Negro-owned and controlled financial institutions that have been referred to above are the Atlanta Life Insurance Co., the Mutual Federal Savings & Loan Association, and the Citizens Trust Co. All of these institutions have made outstanding contributions through the years to the overall Negro housing program in Atlanta. Without them the progress that has been made for the minority group market could not have been realized.

The fact is, however, that Atlanta housing is actually more segregated today than it was 20 or more years ago. Although some form of segregation has always been the policy of the local and state governments, it has become more pronounced since the Federal housing programs have come on the scene. In some of the smaller cities of

Georgia, where there is little or no Federal housing aid, there are varying degrees or patterns of integrated housing.

In Atlanta is located the regional offices of the Housing and Home Finance Agency, the Public Housing Administration, the Urban Renewal Administration, and the state office of the Federal Housing Administration. The Public Housing Administration and the FHA each employs two Negroes on a regional basis. The other Federal agencies mentioned employ none.

This policy and practice of employment conforms with the negative policies practiced by the Federal agencies here in terms of segregation in housing.

In the State of Georgia there are more than 90 workable programs that have been approved for urban renewal. This total constitutes more approved urban renewal programs than will be found in any other State of our Union. We know that Atlanta is one of the Nation's most progressive cities but discovering that our State is much more enlightened in this regard than in certain others has led us to inquire into what is happening—and even more important—what is likely to happen. With the regional office of the Urban Renewal Administration located in Georgia and employing no Negroes, not even in an advisory capacity, our experience leads us to believe that many of these programs will use the funds and facilities of the Federal Government to establish further residential segregation and to create for the future more ghettos—ghettos which will be subject to the consequent civic and municipal neglect.

There have been no state and local laws, policies or programs adopted to accomplish equal opportunity to secure adequate housing on a nondiscriminatory basis. There have been no voluntary efforts on the part of any local public officials to accomplish equal opportunity to secure adequate housing on a nondiscriminatory basis. There have been efforts on the part of public officials to negotiate and conciliate racial housing problems as they occurred. This has primarily been done through the West Side Mutual Development Committee, and other bi-racial neighborhood committees. The West Side Mutual Development Committee was created by the mayor and board of aldermen of the city to further the orderly and harmonious development of the West Side of our city. No matter how overcrowded the nonwhite areas have become, this committee has never, so far as we know, initiated any movement on its own to provide additional land or housing on a nondiscriminatory basis. The results of the activities of this and similar committees have established more firmly the pattern of segregated housing on a broader basis.

In conclusion, we would like to emphasize the fact that residential segregation is rooted in custom and tradition; it is bulwarked behind

indifference; it is propped by popular prejudice; it is renewed by the separate institutionalisms it breeds and nourishes; it is protected by the fear of change. And, unfortunately, it is hallowed by the long and continuing support it has had from government. But the case against its perpetuation rests on sound economic, legal, and moral principles.

In this grave hour when freedom has become infinitely more than an empty phrase throughout the world, when we stand at the cross-roads fraught paradoxically with great peril and great promise, it is our fervent hope that the real value of full citizenship rights for all will be affirmed in our actions rather than in meaningless words. Affirmed in our willingness to accept the risks of free men. Affirmed in our individual and collective efforts to make ours a democracy in which the weakest and the strongest, the most privileged economically and the most disadvantaged, the descendants of every race and every nation can share the right to unrestricted housing and the pride of knowing themselves to be full-fledged Americans.

A world unfinished and broken must be made whole. If American freedom is to live, then all forms of segregation must die. There is still no unrealized achievement which is more basic to the future of our country than the complete liberation of minority families in their search for decent homes. For our Nation, our State, our city can never arrive at their full potentials while any of their citizens are unrightfully deprived of the opportunity to acquire one of the free man's most cherished possessions—his own home in the place of his choice.

Commissioner CARLTON. How many housing units have been provided in Atlanta for the nonwhite?

Mr. WILLIAMSON. Which type, private units?

Commissioner CARLTON. Or public.

Mr. WILLIAMSON. Public units. I have the report here. I think it is more than 5,000 units in the public housing.

Commissioner CARLTON. I believe that was the figure given this morning. How many for the whites?

Mr. WILLIAMSON. About half that many, I believe.

Commissioner CARLTON. That would be 2,500 for the whites and 5,000 for the nonwhites.

Mr. WILLIAMSON. That is right.

Commissioner CARLTON. What is the relative percentage of the population?

Mr. WILLIAMSON. Of Atlanta?

Commissioner CARLTON. Of Atlanta.

Mr. WILLIAMSON. Negroes are 36 percent of the population of the city limits of Atlanta.

Commissioner CARLTON. Thirty-two percent have received 5,000 houses, and the remainder has received 2,500.

Mr. WILLIAMSON. That's right.

Commissioner CARLTON. What is the difference in interest rates charged to the nonwhites and as to the whites?

Mr. WILLIAMSON. Are you talking about the new housing, used housing, or what market?

Commissioner CARLTON. Is there a different interest rate charged the nonwhites from that charged to the whites?

Mr. WILLIAMSON. On used housing and on new, if it is a conventional loan, Negroes are charged from 1 to 2 percent more per annum than whites for a similar house in a similar location.

Commissioner CARLTON. Is that due to the difference in security, or is it a discrimination?

Mr. WILLIAMSON. It is a form of discrimination because I was so amazed to hear so much testimony this morning that so much money was available for Negro housing. I can sell some houses tomorrow, because I see there are a lot of loans available right here now.

Commissioner CARLTON. Is there a difference in the security that accounts for any of it?

Mr. WILLIAMSON. No; it isn't. It is this, it is that the market is so great that we don't have—our supply is so limited, when a loan comes up, someone wants a loan, the market can charge what they want. For example, when the mortgage market got tight about 2 years ago, we could get no mortgages from the white financial institutions in Atlanta. The white loans came first, and the Negroes didn't get any from the white institutions. If we hadn't had some colored ones here, we would have had to close doors.

Commissioner CARLTON. What about the FHA and VA; are they all the same interest rate?

Mr. WILLIAMSON. Same interest rate for white as for Negro.

Commissioner CARLTON. So the difference comes in local charges.

Mr. WILLIAMSON. That's right; on conventional loans, as we call them.

Commissioner CARLTON. You have two types of institutions here, financial institutions, which are controlled by the colored people, and then institutions controlled by the white. Do you suffer the same difference in interest rates from both?

Mr. WILLIAMSON. No. Now, let me qualify that statement to some extent. In Atlanta there are quite a number of white concerns that are brokers for banks in the East. When that money comes into Atlanta, very little of it comes into the Negro market, and the biggest pot of money coming into the mortgage market in Atlanta, that comes from the eastern insurance companies.

Now, I was told about a couple of years ago the agent handling money from New York was not putting any of it into the Negro market, and it happened that the Urban League negotiated a movement to talk to the president of the Bowery National Bank, and they came down and we finally got some of that money to the Negro market on his insistence.

Now from that type of loan comes the same interest rate as the whites, when that type of loan comes.

Commissioner CARLTON. What do you think is the most important thing that could be done to solve this problem?

Mr. WILLIAMSON. Well, I have a list of recommendations, and they are pretty long. I will file it with the Commission.

Commissioner CARLTON. Single out the one most important thing you think.

Mr. WILLIAMSON. It is just like a family. A mother and father with 10 children can't take care of a part of their children and not the rest of them. They have to equalize it to the family. The only problem I see, as our board puts it, is that the Federal Government, the father of the Nation, should not participate in the discrimination against his children.

Commissioner CARLTON. Any questions?

Chairman HANNAH. I am a little surprised, Mr. Williamson. This morning I got the impression, although the specific question wasn't asked, that there was no substantial difference in the availability of money to finance the sale of homes for Negroes as compared with the financing of homes for whites, and I got the impression that money was available at the same rate of interest. You tell us that that isn't the case, that actually the interest charged to Negroes is substantially higher in many instances to that charged for whites for the same sort of risk; is that correct?

Mr. WILLIAMSON. That is correct.

Chairman HANNAH. All right. You are in the business.

Mr. WILLIAMSON. That's right. I am doing it every day.

Chairman HANNAH. What interest is being charged now for a Negro purchaser with a good credit rating?

Mr. WILLIAMSON. With good credit rating it is according to where he gets the money. He can get it for 6 at some institutions that do not discriminate. In others he has to pay 7 and 8.

Chairman HANNAH. Are there a substantial number of homes now being financed at rates over 6 percent?

Mr. WILLIAMSON. Yes, sir; most of the conventional loans are carrying more than 6 percent.

Chairman HANNAH. Most of them are?

Mr. WILLIAMSON. Yes.

Chairman HANNAH. How many of them at 8?

Mr. WILLIAMSON. Well, that is mostly old houses. They charge it on old houses, mostly, some 7.

Chairman HANNAH. I am interested in another point or two. We have heard considerable testimony today that out in this area to the west, shown red on the map up there, that there is a considerable amount of land that is available for sale that is suitable for building houses for Negroes. It has been legally approved and so on. What does it cost to buy a lot and build a house in this area? I am not talking about these \$75,000 houses we have heard about, but is it possible to buy a lot and build a house at \$10,000, \$13,000, \$14,000, \$15,000?

Mr. WILLIAMSON. In that particular area that they talked about this morning, no. It is zoned R-3 and R-4, and you have to have a house in there from 1,000 to 1,200 square feet, and you can't get a lot under \$15,000. A lot in that area is selling for approximately \$40 a front foot, and low-class housing cannot afford to pay that for a lot. A hundred-foot lot costs around \$4,000.

Chairman HANNAH. Let me ask you another question. Are there lots available in areas that are suitable for housing for middle-class Negroes at less than \$2,000 a lot?

Mr. WILLIAMSON. No, sir; they are not available. You may find one or two scattered lots on unpaved streets that you can possibly buy for \$1,500, but they aren't desirable.

Chairman HANNAH. I am going to change into another area for a moment. Do the members of your organization, this Empire Real Estate Board, sell houses or make an effort to list property in areas that are usually regarded as exclusively white areas.

Mr. WILLIAMSON. You mean motivate a primary effort of going in?

Chairman HANNAH. Yes.

Mr. WILLIAMSON. Now, to fully answer your question, I might have to correct some of the statements that were said this morning. You used the term "blockbusting." We do it a little differently in Atlanta. We don't bust a block. To get enough land usually, when our land shortage becomes so tight, our demand is so high, 2 or 3 or 4 blocks wouldn't be enough, or 10 blocks, so we have a strategy here of surrounding an entire community and getting it on the inside, and as soon as we pin it in, we take it.

Chairman HANNAH. Well, I think you have answered my question. You have a different technique with the same objective.

I might come back a little later.

Vice Chairman STOREY. Another way to put it, that is encirclement, is it?

Mr. WILLIAMSON. That's right.

Vice Chairman STOREY. Is that leapfrogging in a part of that system, too?

Mr. WILLIAMSON. It is a part of the system. For example, you talk about this west part over here, there is a lot of credit being given to the West Side Mutual Development Committee. I had better correct that here. Negroes had invaded a section called Mosley Park which has been referred to this morning, and there is a powerful political organization in Atlanta known as West End Businessmen's League. As we encircled that particular community, the Negroes were proceeding toward the business district of west end. When that happened—we might as well get the record and the facts straight on the thing—that political club out there called together the preachers of the community, the mayor, and they created this West Side Mutual Development Committee to stop this movement because we took the position that we do not want to move white people out of the old houses and sell them to our people because they have to rebuild them, and they are paying two prices to get one house, that we needed land, and the direction we were proceeding in we would acquire no additional land. They called together and decided that they were going to build a housing project as a buffer in there to stop Negroes from moving on, and they went to Washington and got some money and built their housing project, as one of the scapegoats. Then they went somewhere, to the highway department, and got enough money to buy the other side of the street and said they were going to put a highway there. I have a picture here. They bought the houses and tore them down.

While the West Side Mutual Development Committee was out there putting that fire out, we looked around to get land area, and to get land area in outlying districts, you have to have utilities, and to go out here and buy a tract of land that doesn't have utilities in it, and the city refused to give them to you, you still haven't solved your housing problem.

So in looking around we saw a tract of land of 200 acres over in the middle of a white community, where a developer had put streets, water, and gas in and was not able to sell all of his lots to whites. We went to him and bought the 200 acres of land in the middle of this white subdivision because we had utilities there. It would have been futile to have gone out where you didn't have utilities to buy that land.

As soon as we bought the land there was an uprising in the communities around, and here comes West Side Mutual Development, comes in and helps put out the fire. But the land was open then, the 200 acres opened that whole west end. The purchase of the land opened it, no negotiation did.

Vice Chairman STOREY. Do you mean to say that this group didn't have anything to do with the solution?

Mr. WILLIAMSON. No, the land was the solution.

Vice Chairman STOREY. I thought there has been a lot of testimony here that this West Side Development group have worked out that project.

Mr. WILLIAMSON. They put that fire out. We bought the land, and they put the fire out.

Vice Chairman STOREY. What solved it, your buying the 200 acres or the West Side Development group?

Mr. WILLIAMSON. Buying the land.

Chairman HANNAH. Whereabouts on this map is this 200 acres you are talking about?

Mr. WILLIAMSON. 200 acres were right in here. [Pointing to area on map at western tip of the corridor shown in red on the "1958 Residential Areas."]

You see, we were bottlenecked all in here, and that gives us this vacant land area out here where you see the white land. Negroes own all of this white land, these white spots of land, and that is the available land area that we can build in, but we can't build anything but high priced houses.

Vice Chairman STOREY. You say you can't build anything but high priced houses. What do you mean as to pricing?

Mr. WILLIAMSON. Number one thing, because of the zoning and because of the building requirements in the subdivision.

Vice Chairman STOREY. What I mean is, what is the minimum requirement as to cost? You said you couldn't build anything but expensive homes.

Mr. WILLIAMSON. Well, I would say from 15,000 and up.

Vice Chairman STOREY. Not what you say, but what is the restriction?

Mr. WILLIAMSON. Restriction as to cost? Not on cost, it is based on square footage on a house. That really controls cost. You take a thousand-square-foot house will cost you anywhere from twelve to 13 thousand dollars to build it, and you add a \$3,000 lot onto it, and there you are. You see, the square footage of the building is the average of \$12 a foot to build a house here.

Vice Chairman STOREY. Where is that area where the fifty and seventy-five thousand dollars—

Mr. WILLIAMSON. That same area.

Vice Chairman STOREY. That same 200 acres.

Mr. WILLIAMSON. That is right.

Vice Chairman STOREY. So you solved all of that; your group did.

Mr. WILLIAMSON. Yes. You see, in Atlanta you talk about—

Vice Chairman STOREY. Did you place the restrictions there of this fifty and seventy-five thousand dollars?

Mr. WILLIAMSON. Oh, no; it is not fifty and seventy-five thousand dollars. It is the square footage restriction there which controls the price.

Vice Chairman STOREY. Well, are the restrictions as to square footage that require the expenditure of fifty to seventy-five thousand dollars—

Mr. WILLIAMSON. No, sir.

Vice Chairman STOREY. For those homes?

Mr. WILLIAMSON. No, it doesn't require that.

Vice Chairman STOREY. Has that been on a voluntary basis?

Mr. WILLIAMSON. Yes, it has been that because in Atlanta we have what we call—I don't know whether it is fifty- or seventy-five thousand dollar homes built on what we call lots which go in an R-1 classification.

Vice Chairman STOREY. Is that in that 200 acres that you assembled?

Mr. WILLIAMSON. Yes, it is there, but what I am trying to get over to you is that the only thing in Atlanta that is zoned by this municipal government is R-1 is on the north side where Negroes cannot buy.

Vice Chairman STOREY. I believe your prepared statement says that due to the very short supply of housing and vacant land that is available to nonwhites in Atlanta, Negroes have to pay from 20 to 30 percent more for housing than do whites for a similar house in a similar area. Is that true all over?

Mr. WILLIAMSON. That is true practically all over because our—

Vice Chairman STOREY. You say practically all over.

Mr. WILLIAMSON. That is right.

Vice Chairman STOREY. You made the values of this 200 acres, didn't you, by the assembling of it?

Mr. WILLIAMSON. No, I don't make the values. The value of what land will sell for is what you pay for it plus the cost of putting your utilities in.

Vice Chairman STOREY. Did you buy it raw or improved, this 200 acres?

Mr. WILLIAMSON. We bought part of it improved and part unimproved.

Vice Chairman STOREY. You are the ones that ask the increased price, aren't you?

Mr. WILLIAMSON. I beg your pardon?

Vice Chairman STOREY. You asked the increased price, didn't you, after you acquired it?

Mr. WILLIAMSON. No. After we acquire it we have to sell it at an amount of what we got in it plus the interest carried on the debt plus a profit.

Vice Chairman STOREY. I recognize all of that, but I am just trying to see where the difference in this price comes. You say the 20 to 30 percent is an inflated value because of the scarcity of the land. Hasn't it come about to some extent in that area because of the ingenuity of you and your group in assembling the 200 acres in a predominantly white area?

Mr. WILLIAMSON. Well, for example, the land cost us more than it would have cost had we bought the land outright as on a white market. Number one, as I told you, we wouldn't have had the subdivision already put in, and some of the lots sold—some of the white people bought the lots for \$100. We had to pay as high as \$1,800 and \$2,000 to get them back from them.

Vice Chairman STOREY. What did you sell them for?

Mr. WILLIAMSON. We sold some at 2,250.

Vice Chairman STOREY. Did you sell some for more, too?

Mr. WILLIAMSON. Yes, we sold some for 2,500.

Vice Chairman STOREY. Did you sell some for more, too, than 2,500?

Mr. WILLIAMSON. No, because—well, we caught them up, sold them on a front-foot basis. They had smaller lots.

Vice Chairman STOREY. What is your 221 project?

Mr. WILLIAMSON. That is FHA program, 221, comes under urban renewal. That is low-cost housing built for people being displaced because of highways, urban renewal, governmental action.

Vice Chairman STOREY. Relocation?

Mr. WILLIAMSON. For relocation.

Vice Chairman STOREY. Has that been successful or not in your opinion?

Mr. WILLIAMSON. It hasn't been successful for nonwhites. It has been successful for whites.

Vice Chairman STOREY. It has not been successful for nonwhites? Why?

Mr. WILLIAMSON. Because we didn't get the land to put the houses on at a price that the contractor can build them and sell them at the price FHA requires.

Vice Chairman STOREY. Well, I believe that is all now.

Chairman HANNAH. This morning, Mr. Williamson, we got the impression that out in this area, out as far as the river from this West Side Mutual Development Association's project, that there was unlimited land, or maybe "unlimited" isn't the right word, but a very substantial amount of land that was available for purchase by Negroes

suitable for building houses. Now, if I understand, you are telling us, that isn't true.

Mr. WILLIAMSON. That's right, and I want to further say another reason it isn't true. When the area was opened there was more land in there than there is now because the Highway Department came along and put the Birmingham-Atlanta Expressway through and took 300 acres.

Chairman HANNAH. I am trying to get the facts. Either there is plenty of land available, or there is not land available. Some say there is, and some say that there is not.

Mr. WILLIAMSON. There is plenty of land available for housing in Atlanta, yes, but not for nonwhites.

Chairman HANNAH. I am talking about land available for nonwhites.

Mr. WILLIAMSON. It is not.

Chairman HANNAH. I would like to change the subject again, and I think you said in the beginning, if I heard you correctly, that the housing situation for Negroes in Atlanta might be better than in some other places in the South, but it still wasn't as good as it ought to be. Is that what you said?

Mr. WILLIAMSON. That's right.

Chairman HANNAH. You think the statements that have been made today that the housing situation for Negroes is better here than in many other areas in the South is true?

Mr. WILLIAMSON. Yes, that is true, but they didn't put it all here in Atlanta.

Chairman HANNAH. If the situation is better than it is in some other areas of the South, but granting that it is on this segregated basis with one area developed for blacks and another area developed for whites, the question I am asking is, will the climate be better in Atlanta 15 or 20 years from now to permit nonsegregated housing because of this development than would be the case if you didn't have this type of development?

Mr. WILLIAMSON. Would it be what, better?

Chairman HANNAH. It is a leading question.

Mr. WILLIAMSON. Yes.

Chairman HANNAH. Because the point I am making is, I am wondering if this isn't progress in the right direction; people get accustomed to this step, and maybe the step that you have in mind will come easier.

Mr. WILLIAMSON. Well, I can answer that in this way. Here in Atlanta everybody had a great fear if the golf course became unsegregated. When it became unsegregated, Negroes and white people play on golf courses, and they haven't moved, and nobody got excited.

When you desegregated streetcars, streetcars are still running. So if you desegregate houses, people will do the same.

Chairman HANNAH. One more question and I will be through. The objective you have in mind philosophically, as you know from my background, is agreeable to me, but it is not agreeable to most of the whites in the Old South. If we are moving from where we are to some other point that is better, maybe in our lifetime and maybe sometime beyond that, and we insist on going all the way in the first step, we don't get the first step, and what I am trying to bring out—you haven't said in a way that is clear to me is to whether or not the kind of a program that has been promoted, either through your organization or the West Side Mutual Development Association, whatever it is called, in your view is this good or is it bad?

Mr. WILLIAMSON. The way it has been promoted was bad, but it was the best we could do under the circumstances.

Chairman HANNAH. It is better than it was.

Mr. WILLIAMSON. No. What we have accomplished was the best we could do under the circumstances that we had to go under, you see.

Chairman HANNAH. I am through.

Vice Chairman STOREY. One other question. As I understand, you advocate nonsegregated housing—period, is that right?

Mr. WILLIAMSON. I advocate nonsegregated anything for American citizens.

Vice Chairman STOREY. All right. Now, let me ask you this, are there any local or state legal barriers here—I am talking about in Atlanta and environs—are there any local, state, or legal barriers to that effect?

Mr. WILLIAMSON. None that I know of.

Vice Chairman STOREY. In other words, this way of life that is here is established voluntarily and because of custom.

Mr. WILLIAMSON. No, it isn't established voluntarily. It is established voluntarily by the heads of government. That is the voluntary you are talking about, but not with the people who have to undergo it.

Vice Chairman STOREY. Did you hear the testimony this morning of Mr. Thompson, Robert A. Thompson?

Mr. WILLIAMSON. Yes, I did.

Vice Chairman STOREY. I quote number 3:

The leadership and the entire nonwhite population live within the framework of segregation. This group lives in segregated areas primarily because of custom and not because of local or State legal barriers.

Is that statement true or correct?

Mr. WILLIAMSON. That statement is true because of custom, but you have your political heads of government saying directly what custom is. For example, if you go buy a house where you choose and you

have mob violence, somebody bombed it, as this house was bombed, and you can't get police protection——

Vice Chairman STOREY. You don't charge the bombing of that house to political heads, do you?

Mr. WILLIAMSON. I charge this, that in the last 8 years more than 12 houses have been bombed in Atlanta, and there have been no arrests and no convictions.

Vice Chairman STOREY. You listen to my question. Do you charge the bombing of these houses to political heads of government?

Now, in the audience I see somebody is answering. I am asking this witness. I am just trying to get the facts. You don't mean to say that, do you Mr. Williamson?

Mr. WILLIAMSON. Yes, I do. When they bombed the Jewish Temple, they found and arrested the people and tried them, but they didn't find anybody to arrest them for these houses.

Vice Chairman STOREY. Will you listen to me one more time? Do you charge the bombing of these houses to the political heads of government?

Mr. WILLIAMSON. Well, it is the lack of police protection.

Vice Chairman STOREY. Just one more time, please, and I want to be just as courteous as I can. Do you charge them—and I am not trying to create any passion or tension; I am just after facts—do you charge that to the political heads of government?

Mr. WILLIAMSON. The continuation of it, yes; the continuation of it, yes; the continuation of it, I charge that to the political heads of government.

Vice Chairman STOREY. No, I ask you—you picked up one picture there and you said that bombing was——

Mr. WILLIAMSON. I have some more.

Vice Chairman STOREY. Take the first one. Do you charge the first one to political heads of government?

Mr. WILLIAMSON. Yes, I do.

Vice Chairman STOREY. Do you charge all of them?

Mr. WILLIAMSON. Well, in the community that this one was bombed in, this was one of five that was bombed in a series of 3 months.

Vice Chairman STOREY. All right. Do you charge all of them to the political heads of government?

Mr. WILLIAMSON. I don't accuse them of doing the bombing if that is what you are trying to get me to say.

Vice Chairman STOREY. No.

Mr. WILLIAMSON. I accuse them of allowing this type of situation to go on in the city where they are in charge of the police department.

Vice Chairman STOREY. In other words, it is the fault of the police department, is that right?

Mr. WILLIAMSON. It is the heads of the government that are in charge of the police department.

Vice Chairman STOREY. All right.

Chairman HANNAH. Before Mr. Williamson returns to his chair, because I am afraid that maybe some of this questioning leads down a road that this Commission would rather we didn't travel. I would just like to point out that I come from the North, born and raised in Michigan where we don't have discrimination in our schools, and there is no discrimination in voting, and there isn't discrimination in jobs and wage rates and so on, but there is very serious discrimination in housing, and this has nothing to do with the hearing, but I think it would be a better note to terminate this particular line of questioning on. What has been described to us today in some of this development is definitely better than we have in many of our northern cities.

Now, that isn't to justify what you have here, and certainly we don't justify what we have, but I think we go from where we are to where we want to get, a step at a time, and with the flaws that there may be in this situation, we should give full credit to you and the members of your organization and to all the other folks that are working at it, because this is the only way we are going to get it solved.

The only reason for my saying that is that I am afraid we have split apart here, and if we leave it at that point, we may do more harm than good.

Vice Chairman STOREY. May I make just one other observation. I come from the South, and I think I appreciate the problems of the South and the way of life. Now, the thing that troubles me about your testimony, and I am just trying to get the facts, is that here we have a group of witnesses this morning, both white and colored, saying that this movement out here has been successful and this committee has performed an important service, and not only has it brought about increased housing, but along with it increased voting, and I have heard the mayor testify, and I don't think from what I have heard in this room and in hearing that there is any sour note, but that everybody is working together, and I am just trying to see.

As I understand, you don't believe that the West Side Development group has been effective, am I correct in that?

Mr. WILLIAMSON. No, I didn't say they hadn't been effective. Oh, I didn't say they hadn't been effective. I said that they didn't get that land and say, "Here is somewhere for you to live."

Vice Chairman STOREY. You are talking about the 200 acres.

Mr. WILLIAMSON. That is right; I am talking about who actually opened it up.

Vice Chairman STOREY. Generally speaking, in that area do I understand that this group has been helpful in solving these problems?

Mr. WILLIAMSON. Yes. Yes, they have been able to sit around the table and talk about it, but they have never told us where the land is you can get.

Commissioner CARLTON. Do you approve the approach that the West Side Mutual Development Committee makes to the problem?

Mr. WILLIAMSON. I have to say that is one of the approaches, but it could be a better approach than they have. It could be better.

Commissioner CARLTON. I guess that is all.

RECOMMENDATIONS SUBMITTED BY MR. WILLIAMSON

We are fully aware of the fact that a successful approach to the problem of discrimination in housing must of necessity gain approval at the local level. It is also essential that progressive development of adequate housing programs not be hampered with legislation which permits the perpetuation of discrimination. Devisive schemes to avoid the spirit as well as the letter of the law must be discouraged with positive measures encouraging equality in planning, execution, and administration, especially at the local level. We are also aware of the fact that other projects besides slum clearance create housing problems.

Certainly the local climate should be conducive to final acceptance of the principles of freedom of choice, open occupancy, and quiet enjoyment, not possible under the present pattern in Georgia. When rights are thoroughly understood, properly guaranteed, and adequately protected, the American people, of all races, colors and creeds, in all areas of our Nation, can be depended upon to live up to the principles of democracy with due respect to their neighbors, and strive to live in peace and happiness. We therefore recommend:

I. That a Commission on Democracy in Housing be appointed by the President of the United States to study the problems nationally and locally where Federal funds are involved and make recommendations to the proper officials, organizations, and citizens involved. That similar state and local commissions be encouraged to insure local participation.

II. That local, state, and national legislative bodies be called upon to pass legislation which assures the rights of freedom of choice, open occupancy, and quiet enjoyment. Adequate provision should be made for the establishment and promotion of good public relations, especially at local levels.

III. That all laws and regulations involving the expenditure of Federal funds provide for the maintenance of these three rights for each citizen in every area of our Nation, otherwise such Federal funds will not be committed to the projects involved.

IV. That you recommend to the President, the Congress, and the Department of Justice, the enactment of laws and regulations which will provide for the investigations, prosecution, and assessment of damages for acts of violence and denials of rights where charges are made of violations of civil rights or in respect to projects where the expenditure of Federal funds is involved.

V. That where the expenditure of Federal funds, on projects such as schools, highways, government installations, or other national or interstate projects, require the displacement of families, laws and regulations be enacted to require plans for adequate relocation of such families before the expenditures of Federal funds can be approved.

Respectively submitted,

Q. V. WILLIAMSON,
President, Empire Real Estate Board.

Commissioner CARLTON. Call the next witness.

Mr. TIFFANY. The next witness is the Reverend William Holmes Borders, representing a private Citizens Committee on Urban Renewal, headed by Bishop William Wilkes. We invited Bishop Wilkes, who accepted our invitation, but he had to be out of town. He has notified us that the committee has chosen Reverend Borders, the vice chairman, to be the spokesman here today. He is pastor of the Wheat Street Baptist Church.

TESTIMONY OF REV. WILLIAM HOLMES BORDERS, CITIZENS COMMITTEE ON URBAN RENEWAL

Reverend BORDERS. Mr. Chairman and members of the Civil Rights Commission, I have been sent by Bishop W. R. Wilkes to testify in his stead.

More than a year ago a citizens committee, of which Bishop Wilkes is chairman, drew up a document which had to do with slum clearance and urban renewal in the city of Atlanta, with special reference to Negroes. Most of the questions asked in Mr. Wofford's letter were partly answered in this document.

On page 2 of our document is a partial answer to the question, "What is the factual situation with respect to the quantity and quality of housing available to racial, national, or religious groups, and so forth?" It is stated, in substance, that Negro families in Atlanta constitute a disproportionately high percentage of occupancy in slum and urban renewal areas. Surveys have shown that the percentage is extremely high, which means, of course, that if these areas are treated according to the requirements of the Federal law in housing, Negroes will receive tremendous justifiable benefits.

With reference to question 2, "What difficulties, if any, are encountered by minority groups in finding safe and sanitary housing?" Our committee has repeatedly said that there has been rejection of certain relocation sites on the basis of race; that there has been blocking of projects by some members of the Aldermanic Board; there have been unnecessary and unduly questionable requirements made of contractors by the City Planning Board. Some of this friction has been eased and greatly improved and some progress has been made, but friction has not been completely cleared.

With reference to question 3: "To what extent, if at all, do patterns of residential segregation by racial and national groups exist?" Such residential patterns exist almost to, if not to, the same degree as previously. It is believable that such perpetuation is deliberate by persons in charge. Prejudice, ignorance, and rotten politics block progress at this point.

The city of Atlanta is unique in that it reserves the right to approve relocation site for FHA 221 housing. Such housing, to be available to families displaced by governmental action, is allocated in this locality by FHA—with a certain number of units for each racial group. The fact that the city of Atlanta approves all relocation sites has permitted political considerations to enter the picture. "Political zoning" or the failure to zone for political reasons—pressure of constituents—has been a deterrent to this program.

With reference to your question on crime, as we all know, crime is partly due to density and about 30 percent of the Negroes live on one-ninth of the land. There is less provided and planned recreation by city agencies and by churches for them. All of this contributes toward a downward drift to crime. In the case of murder and manslaughter, in 1958, there were 50 murders committed by Negroes as opposed to 116 by whites. I am not sure about that figure. That has to be rechecked. [Correction: 11 by whites.] In the case of rape in 1958, there were 49 cases by Negroes and 13 by whites; in the case of robbery, 94 by Negroes, 84 by whites; aggravated assaults, 489 by Negroes, 78 by whites; burglary, breaking and entering, 244 by Negroes and 171 by whites; larceny—except automobiles—737 by Negroes and 503 by whites; auto thefts, 61 by Negroes and 105 by whites. This is the only category of crime in which the whites exceeded Negroes. It should be borne in mind that the Negro population is about 30 percent of the total population and yet in almost each category more crimes are committed by Negroes than whites.

In each census tract which was studied by the Atlanta Crime Commission it was found that where there was bad housing or housing tending to become blighted, whether inhabited by Negroes or whites, crime rate in those areas was considerable higher than in other areas where no such blight existed.

Answering your fifth question, "What state and local laws, policies, and programs have been adopted to accomplish equal opportunity, adequate housing, on a nondiscriminatory basis?" I know of no state or city law which has been passed to help Negroes get adequate housing with discrimination. The Federal laws have not been perfectly implemented, but they have certainly served as a standard which has caused some improvement. Moreover, the possibility of withdrawal of Federal funds in case of discrimination has been a threat of which prejudiced power has been conscious.

In conclusion, we are for improved housing and urban renewal according to the Housing Act of 1945 as amended. We are for action designed to increase residential land areas. We are for the elimination of substandard conditions caused by overcrowding, slums, and

blighted areas—provided fair, reasonable, and acceptable methods to achieve these ends are utilized.

That is my statement, Mr. Chairman.

Commissioner CARLTON. Any questions?

Chairman HANNAH. We have been hearing a good deal of testimony today from officials of the city and folks that have been concerned with these projects we have heard about and representatives of the real estate people. I should be interested in asking you two or three questions as a preacher.

With reference to these gentlemen's agreements for voluntary segregation and new land use and so on, in your opinion is this approach a satisfactory solution to the Negroes' housing problem in Atlanta, that basic philosophy?

Reverend BORDERS. Well, in approaching any problem, in my judgment, the ideal must always be kept in mind, and there must be a sincere, factual, honest effort to implement the ideal. There is also the reality to be considered, and people should be carried as rapidly as they can go without too much friction. The friction should be reduced to a minimum, but there should be substantial progress.

Segregation is inherently evil. Where in the world will you go to get away from somebody who has as much right in the world as you? In my judgment, according to the testimony of religion at its highest and best, and according to history and the moral order of the universe, either all men are valuable or no man has value, either all or none, and no group, according to the color of their skin, has a right to decide that it is superior because it has had a larger number of economic and educational opportunities and seems to be further along with its development than a particular group which has been handicapped.

I think this is a good project. I think there are a lot of mistakes in it. I think it can be greatly improved. I think the people involved have done a good job, and I think they ought to keep on working according to the dictates of God and not according to the dictates of prejudice and shortsightedness.

I don't think we ought to destroy the one supreme value, man himself, in attempting to implement an ideal, for indeed without him, these values about which we talk have no significance and meaning, only in the absolute sense, so that this is a good thing, but it is not the best thing by any means, and all of us ought to realize that.

There is one other comment that I want to make.

For me the shortest distance to Heaven is straight from Atlanta, Ga. If you don't have any problems, you don't have any fun living life. We need an advanced system of the best education on earth. We need the best Christian religion that we can find implemented, and we need

to learn how to live side by side with each other to the advantage of both, realizing that no man has selected the race into which he was born, so that it is nothing to brag about—neither is it anything to apologize for.

Each race and each person in each race ought to have opportunity to work according to the talent that he has under his God and in this democracy to make it better for everybody. Otherwise our country has no significance and meaning, and in due time, if it fails to grasp the opportunity in world history which it now has, it will pass from the face of the earth, if there is a God, and I am convinced in my own heart and mind that deeply rooted in our order are moral and eternal obligations which man cannot indefinitely deny.

Chairman HANNAH. Well, to me that is a very eloquent and adequate statement. I have no questions.

Commissioner CARLTON. Dean Storey?

Vice Chairman STOREY. No.

Commissioner CARLTON. Any questions from the committee?

Thank you, Reverend Borders.

ATLANTA, GA., March 1958.

STATEMENT BY NEGRO CITIZENS COMMITTEE HEADED BY BISHOP WILLIAM WILKES OF WHICH REVEREND BORDERS IS VICE CHAIRMAN—THE SLUM CLEARANCE AND URBAN RENEWAL PROGRAM OF THE CITY OF ATLANTA AND ITS IMPACT ON MINORITY CITIZENS

To the mayor of the city of Atlanta, the board of aldermen, the local housing authority, and all Federal officials (state, regional, and national) having to do with urban renewal

We, the members of locality committees representing the slum clearance and urban renewal project areas known as the University area and the Butler Street area, in collaboration with the overall Citizens Committee, have given continuous serious study to the Atlanta Urban Renewal Program as it is now proposed. Our committees have grown out of civic interest in the urban renewal program. We are representative in that we were appointed in open mass meetings held in the affected areas, each of which had an attendance in excess of 1,500 interested citizens. Our appointees are project site occupants and other recognized and accepted community leaders. We have been given no official status by the officials in charge of urban renewal in this city—our only mandate is from the citizens we represent. We believe that it is essential at this time to address ourselves specifically to several questions and problems of vital interest to the success of the total Atlanta program. Our findings and declarations are supported by the religious, civic, welfare, labor, and voters organizations as shown on the attached list and as attested by the signatures of their duly authorized representatives. Further support is indicated by the signatures of a cross-section of our key Atlanta citizens.

It should be clearly understood and emphasized that we are for slum clearance and urban renewal in the city of Atlanta. We will support, in general, the overall objectives of such a program provided it is carried out according to the spirit and intent of Congress—one of the specific objectives being the removal of the impact of slums and blight from human lives. Our studies show that the removal of slums and blight leads to a sharp and often amazing reduction in crime and disease and the corresponding need for corrective municipal services, and to a tremendous increase in tax returns from such areas when they have been restored to productive use.

There is no question but that Negro families in Atlanta, as elsewhere in the country, constitute a disproportionately high percentage of the families which occupy the areas affected by the urban renewal and slum clearance projects.

It would seem, therefore, to be a natural consequence that they would constitute majority shareholders in the benefits derivable from the program. Our considerations show, however, that slum clearance and urban redevelopment programs, while affording substantial benefits to minority groups if they are fairly administered, are also laden with potential risks to minority families. There are restrictions inherent in the Atlanta program which are an immediate threat to our housing conditions and the extent to which we are restricted governs the degree to which our housing conditions could be damaged. Therefore, the risks, the complications and difficulties with which we are faced in attempting to achieve sound and acceptable relocation of Atlanta Negro families facing dislocation under the Atlanta Urban Renewal Program are a basic part of our grave concern.

In addition to our own resources, we are encouraged by one of the President's housing messages to Congress when he gave recognition to the distinctive racial aspects of one of the potential problems when he said:

"We shall take steps to insure that families of minority groups, displaced by urban redevelopment operation, have a fair opportunity to acquire adequate housing; we shall prevent the dislocation of families through the misuse of slum clearance programs."

PROBLEM NO. 1. CITIZEN PARTICIPATION IN ATLANTA

1. One of the seven basic elements of a successful workable program is item No. 7 of a workable program document which deals with citizen participation. It calls for "Full-fledged community wide citizen participation and support * * * public demand for a better community and public backing for the steps needed to get it."¹

It is an established fact that one of the areas of gross neglect in the Atlanta program has been a lack of citizen participation. It was not until January of 1958 than an overall citizens advisory committee was appointed, despite the fact that plans and preparations were being carried on in Atlanta to varying degrees for about 3 years. Over this period of time, these steps were taken without the benefit of the services of an overall citizens committee and without proper information being channeled to the citizens who reside in the areas being planned. This has caused the program to be received with mixed feelings and in some instances with highly emotional resentment. We concur wholeheartedly with Albert M. Cole, Administrator of HHFA, when he said, "The program is designed to be planned with citizens, not for them."

2. It is to the city's credit that a Citizens Advisory Committee has finally been appointed. However, since it is estimated that approximately 80 percent of the total program as now proposed will affect Negroes we feel that minority group representation should be increased by the addition of at least two more Negroes to the overall Advisory Committee. This should expedite a more complete job with the citizens involved in a shorter time.

3. By way of clarification leading to cooperative action, we believe that a public announcement as to the duties and responsibilities of the Citizens Advisory Committee should be made by the mayor and/or the board of aldermen. The committee's authority, functions, and relationship to the total operation should be crystal clear to all concerned. As of the date of this document, no such public statement has been made.

4. The federally approved workable program for the city of Atlanta, as submitted by the mayor on July 26, 1957, has this to say in part on the subject of citizen participation:

"It is further visualized that as an outgrowth of and adjunct to this overall top citizens advisory group and closely working with it, that other citizens advisory groups will be composed from: * * * groups composed of citizens who reside in the areas."

This appears to constitute another area of neglect in that, as far as we have been able to determine, no such official citizens groups from the renewal project sites have been appointed to work with the overall committee.

5. Finally, we want to reemphasize the fact that our information regarding the total program has been limited to what has been prepared for public consumption. It has come to our attention that more specific details, plans, and pro-

¹Housing and Home Finance Agency, the Workable Program—What It Is. U.S. Government Printing Office, 1955 (O-F-357141). p. 3.

cedures have been presented to such groups as the Chamber of Commerce and certain civic and trade groups, etc., to which minorities have no access. Much of our information has been assembled through the individual research and diligence of our members.

PROBLEM NO. 2. THE UNIVERSITY CENTER PROJECT

1. It has come to our attention that a preliminary report on the University Center area has been completed by the Atlanta Housing Authority and is now ready for submission to the Urban Renewal Administration. This is a report of vital interest to the citizens in this area but except for knowledge of the general boundaries, they have not been made a party to the planning nor acquainted with any details or specifics. As representatives of the citizens of this section of the city, this committee would want to review the city's master plan to evaluate, from the point of view of the benefit to the affected citizens, the ways in which the University Center plan conforms to the general plan for the development of the locality.

2. A news item which appeared in the Atlanta Constitution on February 18, 1958, credits Alderman Hamilton Douglas, Jr., who is chairman of the Urban Renewal Committee of Atlanta's Board of Aldermen, with announcing that the University Center Project, as now proposed, comprises some 315 acres of which 186 acres contain standard housing. This poses a very perplexing dilemma in view of the fact that in sections known as "Vine City" and "Lightning," just north of and adjacent to the University Center Project, is some of the worst substandard and dilapidated housing to be found anywhere in the city of Atlanta. The question, therefore, naturally arises as to why these admitted slums were not the first areas to be considered for redevelopment in that section of the city.

3. Informed sources also point out that a large portion of the University Center Project area is being proposed for industry. This property is now occupied by minority group families and as yet no satisfactory residential relocation land has been provided to compensate for what will be lost. The implications of this problem will be further explored in a following presentation.

PROBLEM NO. 3. THE BUTLER STREET PROJECT AREA

The original redevelopment project boundaries for the undertaking now being identified as the Butler Street Project included the area known as "Buttermilk Bottom." The current proposal completely eliminates this area. Without a doubt, "Buttermilk Bottom" is perhaps the most blighted and dilapidated area in the city and in this questionable distinction it does not defer even to the "Vine City" and "Lightning" areas mentioned above. The Butler Street Project, according to its more recently proposed boundaries, certainly does not deal with the real slums as they exist in this section of Atlanta.

"Buttermilk Bottom" meets all of the general technical requirements for consideration under the terms of the law and especially so since it is predominantly residential. We are again confused as to why such a deplorable area was not included and a much less blighted area selected.

A major concern of the Negro business and professional citizens who now serve the Butler Street Project area is with regard to the proposed reuse program. They are for progress but not to the extent that it will "dry up", by way of the relocation and reuse processes, the main sources of their support. They will insist that adequate housing be programed for the project area at prices the affected persons can afford to pay.

The expressway program in this vicinity has already caused significant displacement. The proposed commercial, industrial, and recreational reuse will displace another sizable segment. These facts must be given proper consideration in keeping with our above expressed concern.

PROBLEM NO. 4. RELOCATION IN ATLANTA

As the housing and city officials move toward relocation determinations, it is extremely important that due consideration be given the following factors:

1. Negroes represent approximately 30 percent of the total population of Metropolitan Atlanta but are confined to approximately one-ninth to one-seventh of the land area. This ratio of disproportion makes for overcrowding in areas predominantly occupied by Negroes.

2. The two renewal projects currently being planned and possibly a third project, the Rawson Street area, will involve further reduction of land available to the minority group. It is estimated that approximately one-third of each project area will not be available to Negroes for residential purposes after re-development has been achieved.

3. It is a known and accepted fact that the land inhabited by Negroes in the renewal project areas is very valuable property by virtue of its location. The R-5 areas being proposed for relocation are less valuable in terms of actual values and general conveniences.

This is not to be interpreted to mean that we do not favor the lessening of the density ratio in these areas. We recognize overcrowding to be a substandard condition, but we object to loss of desirable living space without adequate provision for substitute living areas reasonably proportionate in value and accessibility.

Your attention is called to section 105, subsection (c), of the Housing Act of 1949 as amended through July 1957. It reads as follows:

"There be a feasible method for the temporary relocation of families displaced from the urban renewal area, and that there are or are being provided, in the urban renewal area, or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the urban renewal area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their places of employment."

We interpret this to mean that the city has certain definite responsibilities in this regard particularly as it relates to the selection and approval of relocation sites that are not generally less desirable.

From the newspapers and from redevelopment officials appearing on a recent television show we hear of proposals to build relocation housing in the county. While it may ultimately be necessary to build in the county, at this time, we are definitely opposed to such proposals because it is known that with the proper assumption of responsibility on the part of the total city administration a significant number of such dwellings can be built within the city limits. At this point it is most difficult for us to reconcile any site in the county as not being less desirable since most such possible areas are devoid of: (1) adequate water and sewage outlets, (2) desirable transportation, (3) convenient shopping facilities, (4) appropriate religious and recreational resources, and (5) reasonably accessible places of employment.

From studies made of the district zoning map of Atlanta as adopted by the Board of Aldermen and approved by the mayor in 1954 and revised January 1, 1957, we know that there are adequate and desirable areas within the city limits of Atlanta that could be used for relocation purposes. It is realized that R-5 land is limited in Atlanta and due to repeated calls and contacts that have been made by contractors and developers with R-5 landowners, the price per acre has now reached unrealistic proportions. There are alternatives such as the rezoning of R-4 land and/or seeking a solution to the R-5 problems. In any event, we see this as a responsibility of the mayor and the Aldermanic Board and unless a reasonable solution is found, it is conceivable that a lack of settlement could stop all slum clearance and urban renewal in this city.

PROBLEM NO. 5. THE FHA 221 PROGRAM

It has been alleged by some developers that the FHA 221 program has been brought to a virtual standstill by several factors.

On August 30, 1957, Housing Administrator Albert M. Cole certified to the Federal Housing Administration that 221 FHA mortgage insurance may be used to finance a total of 5,500 housing units in Atlanta to help rehouse some 10,000 families being displaced by various types of governmental action; 5,100 were designated for new construction of which at least 3,900 are to be for minority group families. As of this date, as far as we have been able to determine, only a very insignificant few have just been started. The retarding allegations that are worthy of full investigation for verification are:

1. The rejection of certain sites for relocation purposes on the basis of race associated with the school and other similarly related problems.

2. The existence of certain subdivision requirements that impose undue development hardships on developers who wish to cooperate with what amounts to an Atlanta civic improvement program.

3. The blocking of projects by some members of the Aldermatic Board for indefensible reasons even though the land is properly zoned.

4. The currently abnormal cost of R-5 land due to the shortage of such property.

5. Undue, unnecessary, and highly questionable requirements being made of contractors by the City Planning Board because of racial considerations.

Your particular attention is called to an excerpt from Local Public Agency Letter No. 16, page 3:

"When an urban renewal project involves a substantial number of Negro or other racial minority families and (a) the cleared area is not to be used for housing or (b) is to be used for housing but the housing will not be open to and within the financial capacity of a substantial number of Negro or other racial minority families in the whole community, there must not only be an arrangement for substitute housing of certain specific qualities but also: In the case of (a) above, it must be shown that: 'Representative local leadership among Negro and other racial minority groups in the community has indicated that there is no substantial objection thereto.'"

(In this connection, we interpret representative leadership among Negroes to mean a cross-section of proven leadership in the community.)

With the above as a background, we wish to submit by way of summary for official consideration and action the following:

BILL OF PARTICULARS

For

1. We are for urban renewal in the city of Atlanta provided it is administered and pursued according to the spirit and intent of the congressional act (the Housing Act of 1949, as amended).

2. We are for the elimination of substandard conditions caused by the overcrowding of slum and blighted areas provided reasonable and acceptable relocation can be achieved.

3. We are for and will support actions designed to increase residential land areas that will be available for minority group occupancy within the city limits of Atlanta.

4. We strongly urge that Negroes be employed in all phases of the urban renewal development program. (Trained, eligible personnel can be found in Atlanta.)

Against

1. We are against any attempt to use the facilities of the urban renewal program in an effort to promote and maintain segregation.

2. We are concerned about the reuse of cleared land to the extent that we will oppose any reuse that will further restrict the Negro population of Atlanta or in anywise cause them to be priced out of the reuse market.

3. We are opposed to the promotion on the part of any one large concentration of 221 housing in any one given section of the city. (Unless properly conceived and controlled, such activity could result in the creation of more ghettos.)

4. We are against the city of Atlanta denying the building of houses under the 221 program of FHA on land that has been approved by FHA and is already properly zoned by the city of Atlanta.

IN CONCLUSION

The Negro housing market in Atlanta has been proven to be a lucrative one. There are strong reasons to believe that some of the powerful political and financial interests have exerted behind-the-scene influences to manipulate the supply and demand of this market. Such selfish influences would be in natural opposition to the proposed private relocation housing program.

It is a part of the program of this group, and should be the responsibility of every civic group and organization concerned with housing for Negroes in Atlanta, to ferret out these self-appointed guardians and obstructionists and expose them to the harsh light of public opinion.

We do not believe that the manipulators who seek to shape the urban renewal program to a pattern of discrimination nor the speculators who prefer profit to progress can withstand the rejection and resistance of an enlightened, alerted, intelligent public. The committees which are sponsoring this document are con-

cerned only with informing the citizens of Atlanta whose interests are in jeopardy of the issues at stake, in alerting them to the hazards involved and in arming them with an intelligent appreciation of the rights and privileges to which they are entitled.

Commissioner CARLTON. You may call the next witness, Mr. Tiffany.

Mr. TIFFANY. The next witness is Mr. Morris Abram, developer of Highpoint, the largest private housing development for Negroes in Atlanta. Mr. Abram is an attorney. He is also chairman of the Citizens Crime Committee of Atlanta and can give us some information on the question of a relationship between housing conditions and crime. Mr. Abram.

TESTIMONY OF MORRIS ABRAM, CHAIRMAN, CITIZENS CRIME COMMITTEE, DEVELOPER OF HIGHPOINT

Mr. ABRAM. Mr. Chairman and gentlemen, all men who hold a high regard for the ideals of this Republic and Constitution which embodies them and the laws and institutions which apply them to life welcome the interest of government at all levels to the problems of rights of individual citizens. This is part of that process of eternal vigilance which is the price of living.

It will be remembered that southerners played a leading role in the campaign to enact civil rights amendments to the Constitution which were proposed in the First Congress in the first session and which were ratified in 1791. Therefore, the presence of such a number and such prominent southerners as Governors Battle and Carlton and Dean Storey on this Commission is in keeping with this tradition.

I have been asked to discuss two matters: One relates to my capacity as chairman of the Citizens Crime Committee of Atlanta, and the other as the sponsor of Highpoint Apartments, a middle income housing project occupied by 452 Negro families here in Atlanta.

The subjects are not without relation, and I shall so deal with them. This society is biracial. In every biracial society there are problems created by differences in color. In addition, there are other differences in this society which increase the problems and in part the opportunities for service. One such difference and perhaps the largest and most important is the difference in class structure in the Negro as compared to the white community. I want to assure you that I am not making this comparison for any invidious purpose, and I certainly am not assigning any fault to the Negro community for its failure to develop a class pattern parallel to the white community.

The facts are, however, that the white community contains a quite substantial privileged class, not as many as Hollywood would lead one to believe, and a fairly substantial group who are underprivileged,

but the great mass of the white community here and elsewhere in America definitely belongs to the middle class.

Now, in the Negro community there is a very thin class of privilege based more frequently than in the white community upon intellectual rather than economic attainment, and an extraordinarily large group who are underprivileged, and quite a small middle class, at least when compared with the very large middle class of the white community.

I believe that this distortion of the class pattern is of great significance. When the southern white man and, indeed, the northern white man, too, is asked to treat as irrelevant the question of color in his dealings with his fellow man of a different complexion, he is necessarily being asked at the same time to walk over the boundaries of class. The average white man is middle class. The average Negro, unfortunately, is underprivileged. White middle class people generally withhold themselves from underprivileged persons of the same race. It is incredibly difficult for the human being, pliable as most of us are, to walk into questions of race and class at the same time.

The existence of so large a class of underprivileged in the Negro community is, of course, an indictment, but the price of the wrong is one which is exacted from the total community and not just the Negro.

I am convinced that the question of class is to a large extent the function of and governed by the availability of housing.

I can give, for example, three criteria of middle class life, and all three are controlled in a decisive way by housing. Personal cleanliness, sex habits, and propriety of home life are all factors which are almost absolutely controlled by the amount of and quality of housing available to the family. Thus it was in 1950, when Mr. Hugh Howell and I conceived Highpoint Apartments, there existed in Atlanta an enormous number of Negro families whose income certainly justified their inclusion in middle class life. However, large scale middle class housing was simply not available to the majority of these families. Their incomes were middle class, but hundreds of them had not been able to shift the variety of attitudes and practices so clearly related to housing which would inculcate middle class standards.

It was widely felt that it would be a mistake to build 452 units of middle income housing to place upon the market at one time. Everyone admitted that on the income side the potential demand was present in the Negro community, but most people felt that the desire phase of demand was simply not sufficient in the Negro community to justify a middle income project of this magnitude.

Mr. Howell and I had faith in the figures and in the predictions of the Atlanta Urban League, and we proceeded on that faith which has been justified.

It is true that there are several important differences in the white and the Negro market for rental housing. Success in the field, I think, requires some heed to these factors:

1. There has not been, certainly not until lately, the same social pressure to force the middle income Negro family into a middle class setting. For years Negro housing was for the most part limited to the less desirable neighborhoods. Living in such a neighborhood carried no social disability and imposed no social stigma. Most Negro families of privilege lived in similar neighborhoods. Therefore, the Negro did not cue up to apply for Highpoint Apartments, though they were among the first available middle income or middle class apartments in the community.

2. The rental ranges at Highpoint are from \$49 to \$59 per month. Admittedly these are moderate rates for standard middle class housing. In the Negro community, however, such rates were regarded as at the top of the scale, and the Negro tenant demands and receives at Highpoint superb maintenance. In this rental range the Negro expects a new apartment. A white family in the same economic range knows that he is getting a bargain and accepts much less in maintenance and service.

3. As service facilities available to Negro families are segregated to a large extent, it is economically wise to develop Negro housing in sufficient multiples to supply, along with housing, a variety of shopping and service.

4. Private large scale middle income Negro housing owes much of its success to years of public housing in this community. At any one time almost one-fourth of the occupancy of Highpoint Apartments consists of graduates of public housing projects. These projects have developed tenants for standard private housing.

They have accomplished this in two ways. First, they have given families a taste of what it is to live in a substantial dwelling, and the wife, having been accustomed to it, usually refuses to go back to the slum; and second, life in the public housing project has developed habits of industry and thrift which have increased income to the point that standard private housing is economically feasible.

I, myself, believe that the role of public housing and the relocation incident to urban redevelopment has not been sufficiently appreciated today. Most of the persons who are living in substandard housing at this date—and this is the kind of housing that stands in the path of most expressway development—need the additional educational advantages and stimulus of public housing as a prelude to standard private housing experience. In my opinion, many of the problems of our total region which appear so difficult and impracticable today will be less difficult tomorrow when and if the blessings of proper housing for all classes and segments of the population is

available. As housing improves and incomes rise, people of all races and classes lose many of their differences, and many people lose their genuine fears and frustrations.

I do not believe the millennium is by any means at hand, but I feel that it will not even approach until there is proper housing available for all people.

The neighborhoods from which many of the tenants came into Highpoint had an incredibly high crime and delinquency rate. In the Highpoint community, however, the delinquency rate is no more than in any other respectable middle class community. Obviously there is some relation between housing and crime.

The Citizens Crime Committee of Atlanta made an investigation of crime among Negroes in Atlanta. The committee which is bi-racial—and I might add that not one single vote has ever been taken on this committee that has not been unanimous—entered this field determined to find the facts and to suggest, if possible, some of the causes of what we knew before we began was an accentuated crime problem in the Negro community.

The facts are these. Since 1954 the ratio of Negro offenses to population far exceeds the number of white offenses to population, in all reported categories of crime, with the exception of auto theft and negligent homicide. The geographical location of offenses and offenders is not readily available with respect to adult crime, but the committee did have a breakdown of juvenile delinquency by geographical area and was able to plot these factors against the racial composition of the area involved. We determined that most areas which were predominantly Negro had a higher than average rate of juvenile delinquency. Most areas which were predominantly white had much lower rates of juvenile delinquency, but this was by no means the whole story. There was one census tract, for example, predominantly Negro in its racial complexion, and it was as free of juvenile delinquency as the most favorable white neighborhood, and there was another census tract predominantly white in which juvenile delinquency was as rife as in any other neighborhood, white or Negro, in the community.

We therefore had to turn to the consideration of facts other than race in determining the cause of abnormal delinquency amongst Negroes, and we concluded, first, that juvenile delinquency is related to several environmental factors, and where these exist delinquency is higher regardless of whether the area is predominantly white or predominantly colored.

2. The chief factors are apparently the breakdown of the home. There is a secular trend causing the modern family to be less closeknit than those of our grandparents. In certain neighborhoods there are

other disrupting factors added to the secular trend which further impoverish homelife.

3. Into our cities there has been a consistent migration of people, displaced in the case of Atlanta largely by the farm revolution and the agricultural cycle. Many of these parents are adequate fathers and parents in the farm environment. Their sons can look up to them. They can hunt rabbits, they can hunt squirrels, they can farm with the best. They are respected fathers and good parents in that community and in that environment. They are there respected parents, and they operate themselves with a certain degree of self-confidence.

Too frequently, when such families migrate to the city, they are overwhelmed by the problems here. Inadequately trained, they take the less skilled jobs, move into the depreciated neighborhoods, and, frustrated by city life, they lose the confidence of their children and become ineffectual parents. This has been historically true with many immigrant groups in the early days of their migration. It is now true of today's migrants in Atlanta who are chiefly from rural communities.

In this connection it is pointed out that Georgia in 1920 was 25 percent urban and 75 percent rural. Today it is 54 percent urban and 46 percent rural. Thus where there is a section of newly arrived residents without adequate education and experience in city life, there is a consistent shifting of population and an attendant increase in the juvenile crime rate.

This incidence of juvenile crime is heaviest in areas where housing is dilapidated, poverty widespread, living conditions overcrowded, and homeownership low.

The only immediate remedy for this situation is supervised recreation and guidance in community life. Where this is installed the crime rate decreased.

We have concluded further that every human being desires recognition if he is to stay happy and to stay out of trouble. A person tends to do what is expected. If the community doesn't care if individual members are immoral and criminal, that is the way they will tend to be. The expectation produces the expected. Churches which are moving away from the central areas of this city, as most of them are, might assist greatly in reduction of community tension and delinquency by leaving behind leadership and facilities to take care of those who did not move with the church into a suburban area. We concluded, therefore, that race of itself is no cause of crime and the cause far more fundamental than the pigmentation of a man's skin.

In conclusion, it is my belief that there is an immutable law of social accounting. By this law communities pay the price of good

housing and a decent social order always and inevitably. The only question is whether the community gets the housing and the proper social order, or pay for these the community will, whether it obtains these blessings or not.

The failure of a community to discharge its responsibilities in housing and leadership will inevitably produce high taxes in the form of police and prison charges, the toll of disease and the cost of added health services.

If a community will make up its mind to spend its money in a preventive fashion, it will cost no more, but how much more gratifying and satisfactory are the results of money spent in this way than for remedying the blight which could have been prevented in the first place.

Commissioner CARLTON. Mr. Abram, do you feel that a subsidized public housing for the low income bracket is necessary for the relief of the slum problem?

Mr. ABRAM. I don't think it can be relieved otherwise, sir, because the cost of private housing at best is more than the majority of people, who are working in conditions where they earn \$30 and \$40 a week, can pay, and if we are going to make these customers for private housing, as I would hope is our purpose, they must be brought through a process which will educate them and increase their incomes.

Chairman HANNAH. I would first of all like to commend you on that statement. It was to me extremely effective and powerfully done.

You said somewhere in the early part of the statement, when you studied the situation here, you found that there was one Negro area where the crime rate was as low as any of the white areas, and there was a white area where the crime rate was as high as any of the Negro areas. I would appreciate it if you would tell us something more about this Negro area with the very good record so far as crime and delinquency is concerned.

Mr. ABRAM. It is on the west side, sir, and it is out in the general area of Atlanta University. The area is more than 80 percent Negro, which is the highest criteria we had in classifying. It is an area in which there are some slums, but the predominant feature of the neighborhood is high incidence of home ownership, and we are confident that this is an area in which live a large number of families, Negro families, who have lived in this community for many years and are thoroughly acclimated and used to and capable of handling themselves in city life.

Now, in the white neighborhood, the white neighborhood with a very high rate of juvenile delinquency, was in south Atlanta, just south of this main business district and not far from where we are

now. It was a changing neighborhood. I think if you look at the neighborhood, you will find that it is composed of a great number who have come from the farm, and who are not used to city life and perhaps whose only landmark they see in this community which reminds them of home at all is perhaps a church with a rather fundamental approach to religion.

Chairman HANNAH. And you hold the conviction, recognizing that this is long range, that if we can provide for the Negro or other minority groups housing opportunities that will make it possible for the black man, with capacity to make a definite contribution to our society, the same opportunity to enjoy the advantages of that contribution that white people are accorded, that crime and delinquency and most of these other problems are going to disappear. This is really the objective toward which we strive.

Mr. ABRAM. Yes, sir; and I think it is going to be a long time before we get there.

Chairman HANNAH. I recognize that.

Mr. ABRAM. But I think two things. I think if you had proper housing and you had the right to vote, many of the problems in our social order would tend to be ameliorated, and I do want to say this: From my experience in this community, the Negro is getting more of that, that is, proper housing, and he already has, I think, absolutely secure here in Atlanta the right to vote without any limitation or without any barrier whatsoever.

Therefore, that is one of the reasons I have such great hope for the development of this community.

Chairman HANNAH. In furtherance of that basic philosophy—this has nothing to do with this hearing—I think you would be interested that in the educational hearing in Nashville last month, where we were listening to the school people from the southern communities that have some degree of desegregation of their schools, some of them now for several years, some of them voluntarily and some others in various degrees, one of the questions that was asked over and over again was how these colored students in the school with the whites compared with the whites, and of course in the beginning pretty generally it was they didn't compare too well, for many reasons, one of which was they hadn't had comparable educational background, but that all of these people told us, to me very significant, that while the average was not so good, after 2 or 3 years when these inequities of background were erased, always there were some of the Negroes that were very bright, that stood very high. The great group was in the middle, more at the bottom than with the whites, but the significant thing was there were in the top groups, as every single school super-

intendent indicated, some of these Negroes that had very great potential.

Vice Chairman STOREY. Like the chairman, I want to say I not only enjoyed your statement, but I thought it was prepared in a very fine and effective manner, and we are interested in both of the points that you bring out.

With reference to the Highpoint development project, I gather that from a general standpoint it has been successful. From a financial standpoint, without going into your private business, has it met your expectations?

Mr. ABRAM. Yes, sir; it has. I would say this about it, many of these FHA projects, for this was such a project, have been regarded as a very short-term investment, by their investors. A great many of them have not been maintained, and in such cases it has been possible to draw from the corporation moneys that really should go into maintenance and to preservation and integrity of the project.

We have always regarded this project, Mr. Howell and I, as something that would pay off its 31-year mortgage and would ultimately be owned for beneficial interest by our children and grandchildren. Looked at from that viewpoint, the project has been a total success, but as far as yielding great profit, it does not because the maintenance costs are truly quite great, and these costs are costs that we are glad to pay because we feel we are building an investment that will last 30 years and beyond.

Vice Chairman STOREY. The reason I was asking you, I notice your maximum rental is \$49.

Mr. ABRAM. No, sir; \$59.

Vice Chairman STOREY. Pardon me, \$59. So in effect you use a great deal of the money that is left from rentals in keeping up the property and servicing it in an effective manner rather than drawing out profits as is done in some projects.

Mr. ABRAM. We are spending at least \$50,000 in either maintenance, direct maintenance, or in the reserves for the replacement of items which wear out.

Vice Chairman STOREY. But with all of that you are able to break even on it.

Mr. ABRAM. Yes, we are, and I foresee that it will continue to be able to pay off this very huge loan of 2½ million over the total period.

Vice Chairman STOREY. Toward the ultimate objective, Mr. Abram, do you feel, based on your experience here and your knowledge, that progress, real progress, has been made in the housing situation for the minorities?

Mr. ABRAM. I don't think it can be denied, and I don't think it can be denied that a large part of the credit is due to the very sane and

balanced work of people of both races, and I will pay particular tribute to the city administration and to the Atlanta Urban League who I think have worked very hard to do this job on the basis of mutual respect.

Vice Chairman STOREY. Thank you very much.

Commissioner CARLTON. You recognize the fine cooperative spirit then between the races.

Mr. ABRAM. There are many people who don't, Governor Carlton, in my judgment live up to the highest principles of cooperation in this or any other community, but I will say this, the real top leadership of this community, both white and colored, want to do this thing in a fashion as Reverend Borders pointed out, which produces the least friction and the best possible results.

Commissioner CARLTON. Thank you very much for your statement.

Mr. TIFFANY. Before you leave, I understand the smaller maps which are beyond the "1958 Residential Areas" are yours. Would you care to address any comments to those?

Mr. ABRAM. I am not familiar with this colored part, just the white and black. The white area which had a high delinquency rate was down to here. The Negro area which had a low delinquency rate was right over here. I haven't studied this in relation to the colors, but this is the general area.

(Charts submitted by Mr. Abram.)

Commissioner CARLTON. Thank you, Mr. Abram.

The next witness, Mr. Tiffany.

Mr. TIFFANY. The last witness is Prof. C. A. Bacote. Dr. Bacote is professor of American history at Atlanta University. From 1946 until this year he was chairman of the All-Citizen Registration Committee for Fulton County and is on the executive committee of the Atlanta Voters League.

We have asked him to give some information on the voting situation here in connection with its possible relationship with minority housing problems.

Dr. BACOTE.

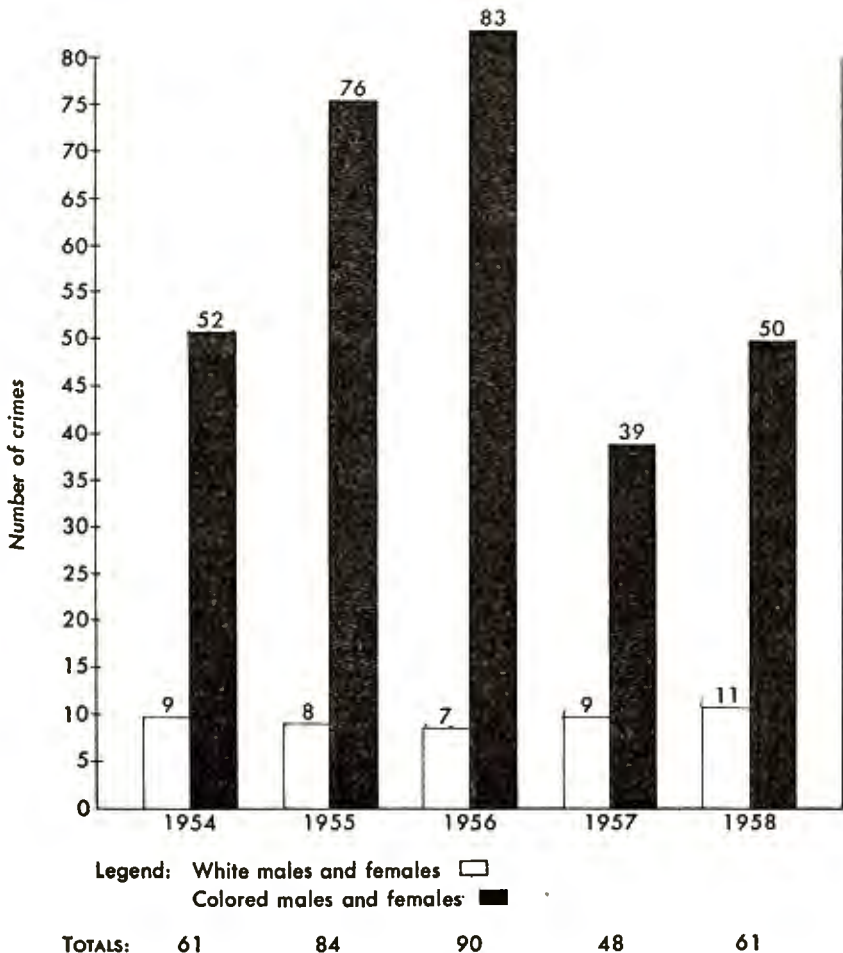
TESTIMONY OF PROF. C. A. BACOTE, ATLANTA UNIVERSITY

Dr. BACOTE. Mr. Chairman and members of the Commission on Civil Rights, although your Commission is concerned primarily with housing conditions in Atlanta, it is my opinion that there is some connection between housing and voting. I feel that since we have a relatively large Negro vote in Atlanta, the city fathers are more responsive to our needs, our housing needs, and the information that I am about to give has already been filed with your Commission.

This report is a brief summary of the major political activities of the Negro in Atlanta from 1868 to 1957. Don't think, though, that those years will cover too much time because I will sketch it as quickly as possible. In telling the political story of the Negro in Atlanta we can divide into three periods: first, from 1868 to 1908; second, from 1908 to 1943; and thirdly, from 1943 to the present.

During a portion of the first period, 1868 to 1872, the Republican Party, to which Negroes gave allegiance and which encouraged certain measures of participation by Negroes, dominated the political life of the people of the area, and, as a consequence, two Negroes, George

**MURDER
AND
NON-NEGLIGENT MANSLAUGHTER**



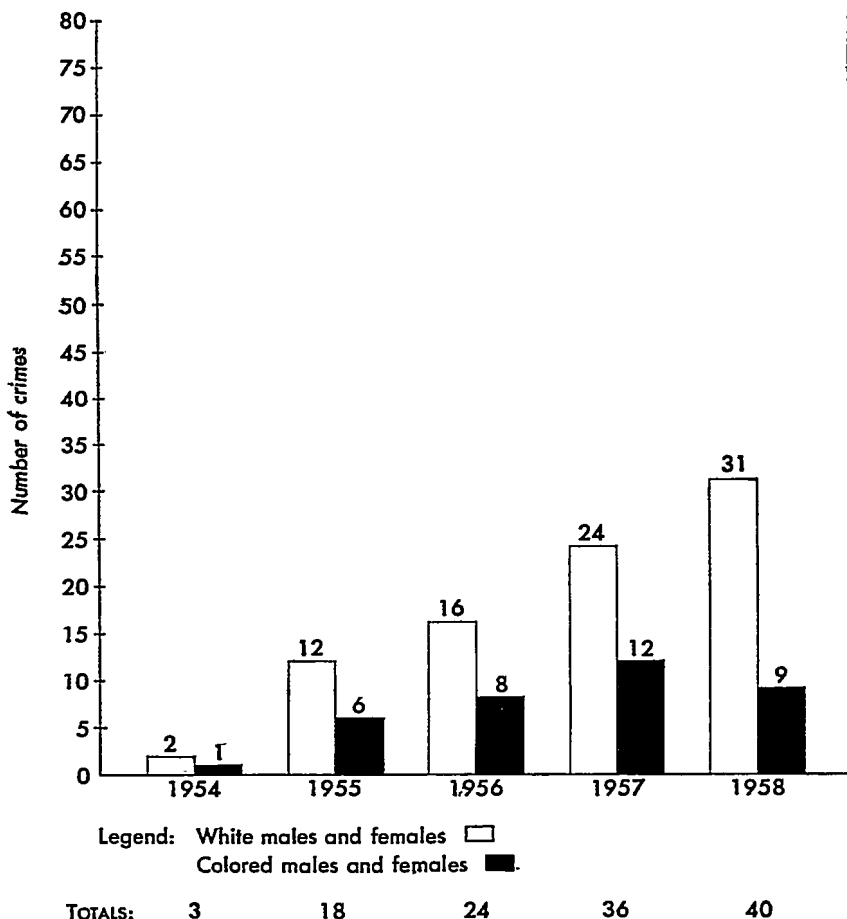
Graham and William Finch, were selected to the Atlanta City Council on December 7, 1870, from the Third and Fourth Wards, respectively. After 1872, however, the Republican Party's influence began to wane, and, as a consequence, Negro participation thereafter in the political life of Atlanta could only take place within the framework of the Democratic Party, and their votes were sought only when the whites divided.

In these instances, especially during the eighties, the majority of the Negro voters usually alined themselves with the better element of the whites. Because these elections were characterized by much strife and corruption, the blame was placed on the Negro voters, despite evidence to the contrary. As a result, Atlanta adopted the white pri-

MANSLAUGHTER

BY

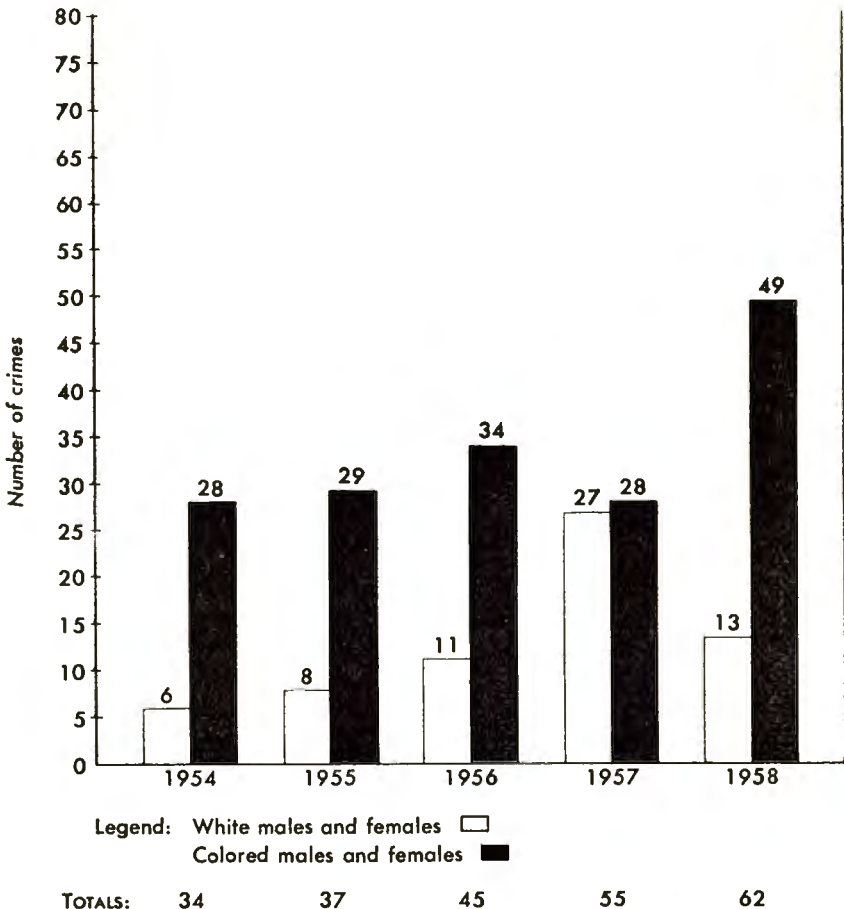
NEGLIGENCE



mary first in 1892, repealed it in 1895, and readopted it in 1897. While the white primary eliminated Negro voters, it certainly did not reflect credit on the white voters if we are to judge the system by the type of officials elected to public office.

A second period, from 1908 to 1943, found Negro political interest reaching its nadir in Atlanta as well as in the rest of the State. In 1908 Georgia decided to disfranchise the Negro—effective January 1, 1909—who was defenseless in preventing it. The white primary had discouraged the Negro's political ambitions early, and if he had such, the poll tax, Democratic fraud, and intimidation laid them to rest. Furthermore, the Republican Party appeared indifferent to his welfare; the United States Supreme Court in a series of decisions had played into the hands of southerners; and the South no longer feared penalties being imposed upon it for denying the Negro his suffrage

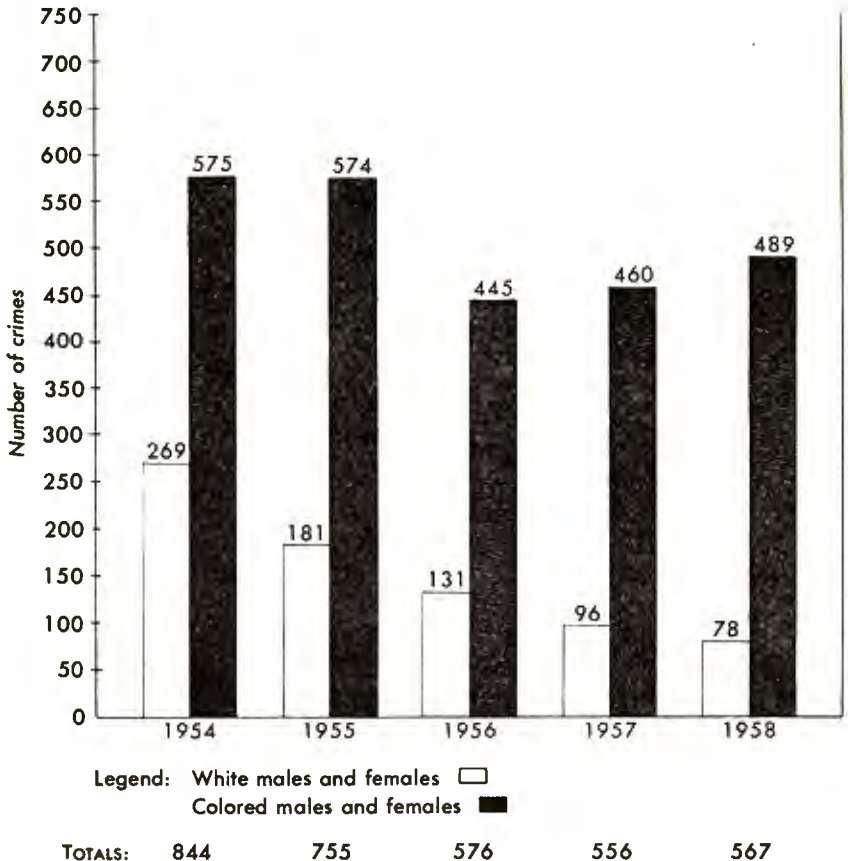
RAPE



rights. White supremacy was the dominant note, and the average white voter was blind to the fact that "Negro domination" was a false appeal and a calculated instrument in a political struggle that was set in motion by the collapse of a slave Order and abortive Reconstruction.

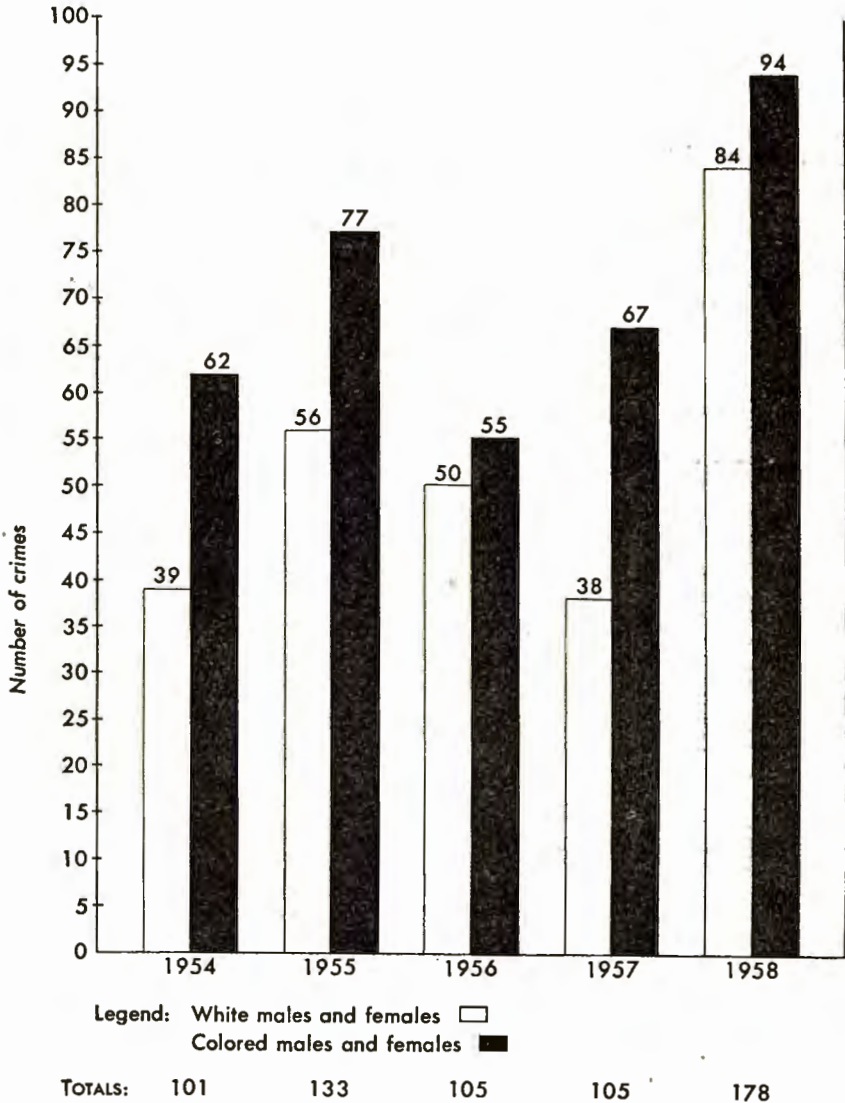
The disfranchisement measure of 1908, however, did not prevent the Negro from voting in general, open, and special elections; and when the opportunity presented itself, the Negro took advantage of it. This was true in 1921 when Negroes defeated a bond issue which failed to provide for adequate school facilities for them. Consequently, the administration proposed a new bond issue which made provision for Negro schools, and it was passed. In 1932 Negroes registered in sufficient numbers to defeat the effort to recall Mayor James L. Key, who had been outspoken in his opinions and insisted upon fair treatment of all citizens regardless of color.

AGGRAVATED ASSAULTS



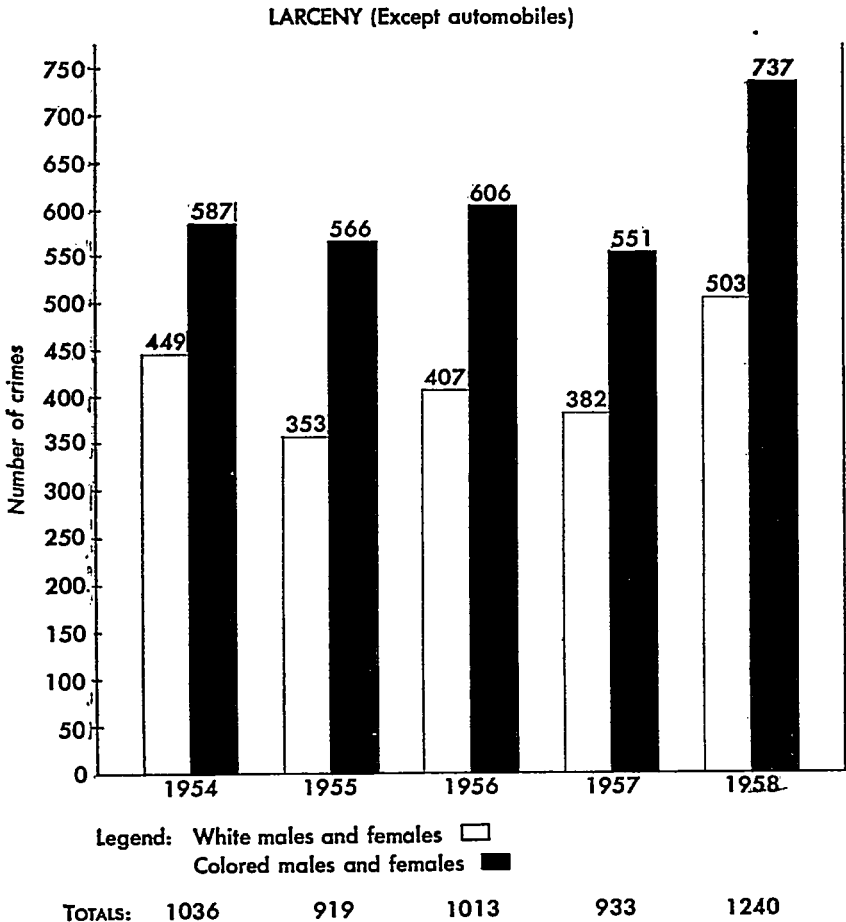
In the meantime, some of the leading Negro citizens were gravely concerned over the complete political apathy of the Negro people which was getting worse as a result of the depression. As a means of stimulating interest, in January 1932, citizenship schools were started. These schools were held each year for a period of 6 weeks at the Butler Street YMCA and at various churches in different sections of the city. At these schools emphasis was placed on the

ROBBERY

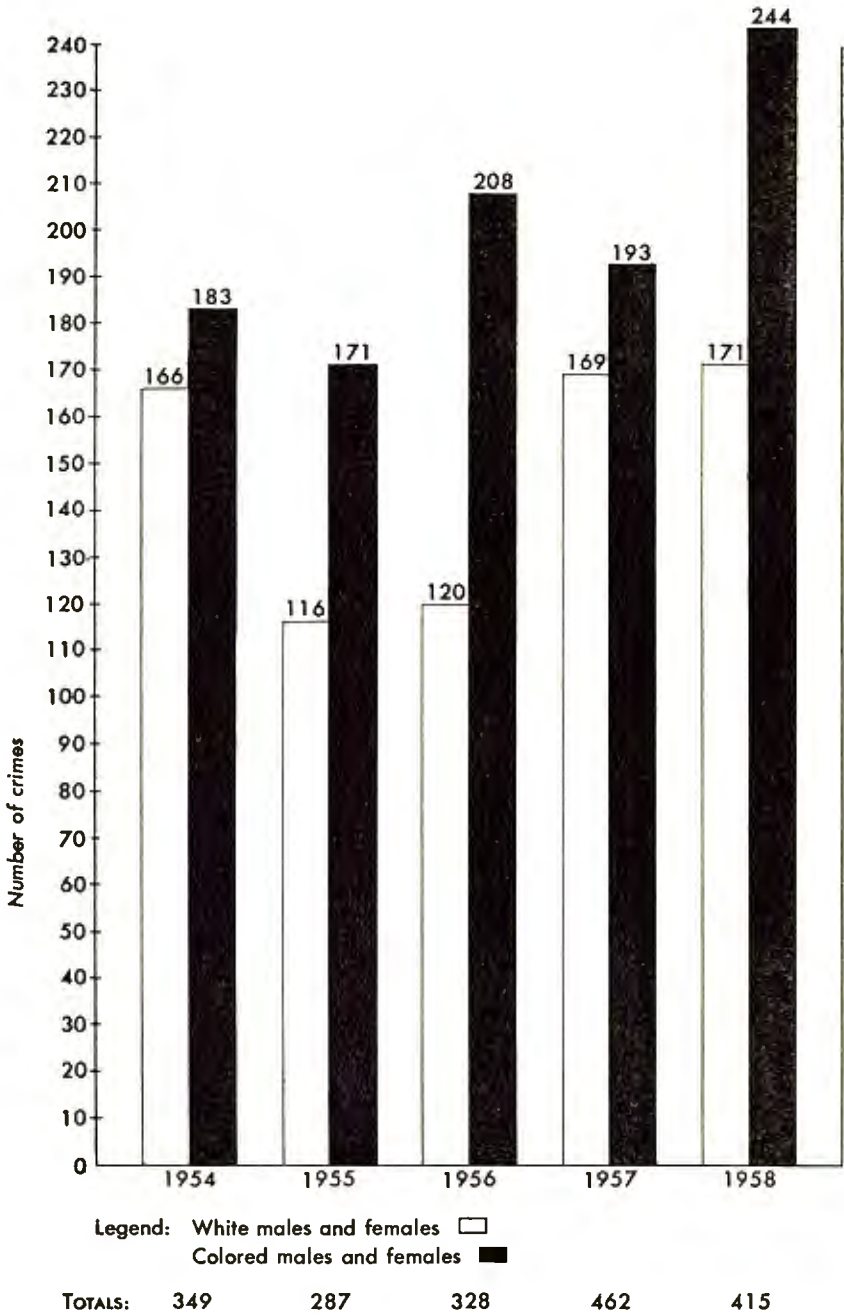


structure of national, state, and local governments, as well as the procedures involved in registering and voting. To Negroes at the time registration seemed useless in view of the numerous barriers that confronted them. But those in attendance were reminded that they should register for three reasons: One, to be eligible to participate in open and special elections; two, to be ready to vote in the general election in case an independent Democrat was dissatisfied with the results of the primary and decided to run in the general election, thereby seeking the Negro vote; and three, to be prepared to vote in case the United States Supreme Court should ever decide that the white primary was unconstitutional.

In 1934, Mr. John Wesley Dobbs, retired railway mail clerk and Grand Master of the Masons in Georgia, organized the Atlanta Civic and Political League. By holding mass meetings throughout the city, he attempted to convey to his people that as long as the Negro failed



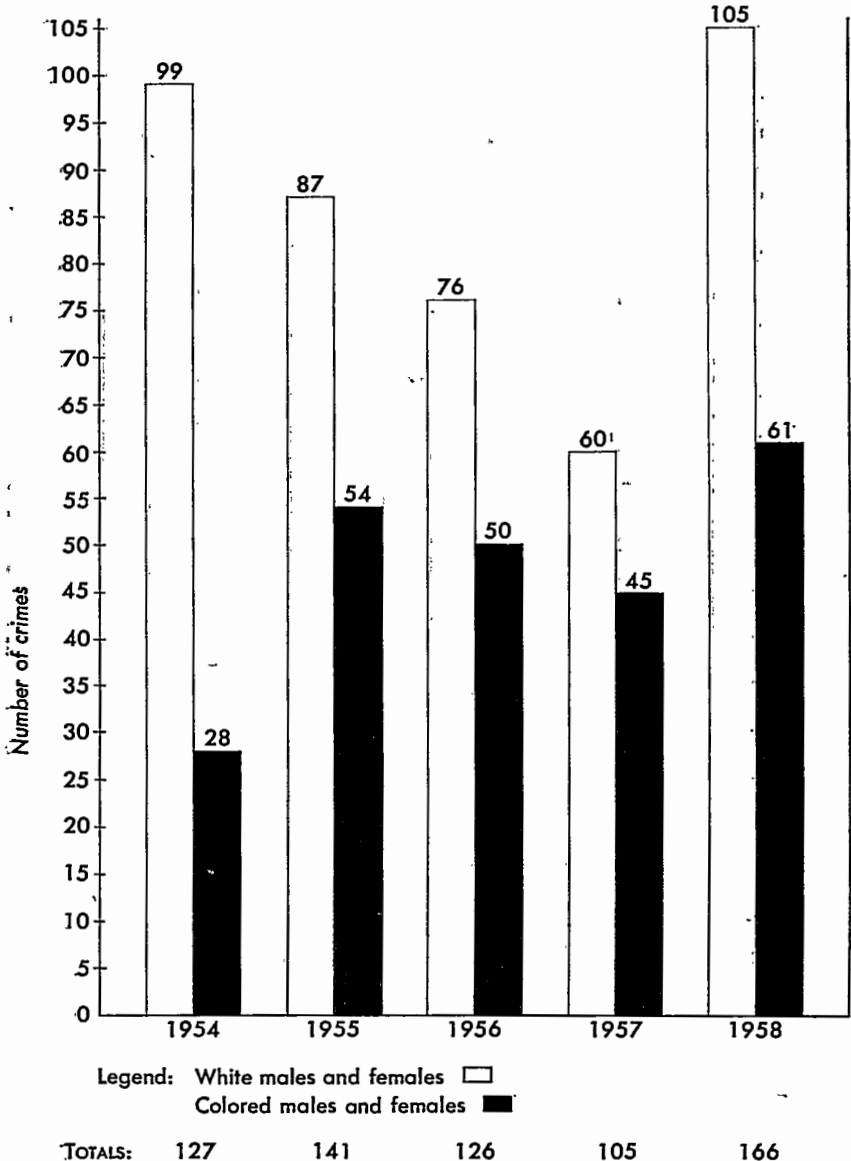
BURGLARY—BREAKING—ENTERING



to register, he need not expect to achieve the privileges that accompany first-class citizenship. He and Attorney A. T. Walden were most prominent in trying to awaken the Negro to his political and civic responsibilities during this period.

Thus, from 1908 to 1943 can well be called the "Dark Ages" as far as Negro political participation in Atlanta is concerned. Registration reached an alltime low. Denied the right to vote in the primaries, the

AUTO THEFT



Negro voter was more or less a political outcast. However, Negroes were eligible to participate in open and special elections and when these were held, they rallied in sufficient numbers to help turn the tide in their favor.

January 12, 1943, however, marked a new era in Georgia politics and the beginning of the third period of Negro participation in Atlanta politics. It was on that date that Ellis Arnall was inaugurated Governor, having defeated the late Eugene Talmadge in the Democratic primary. While it must be admitted that the spirit of the New Deal as well as World War II had their impact, Arnall's administration from 1943 to 1947 drew national attention for the many reforms introduced as well as the dignity with which he occupied the office. Under his leadership the legislature, on February 5, 1945, repealed the poll tax and on August 15 of the same year lowered the voting age from 21 to 18.

Following this legislation, largely through the efforts of the NAACP, the Atlanta Civic & Political League, and the Atlanta Daily World, Negro registration in Atlanta in 1945 totaled about 3,000. But as far as Georgia was concerned, the white primary was still in effect, despite the decision nullifying the same device in Texas in the case of *Smith v. Allwright*. Fortunately, an unforeseen event served to boost Negro registration. Congressman Robert Ramspeck, of the Fifth District in Atlanta resigned, and a special election was called for February 12, 1946, to fill his unexpired term. Being a special election, the white primary did not apply, which meant that Negroes could participate. Immediately, a registration drive spearheaded by the NAACP, the Atlanta Political & Civic League, the Atlanta Daily World, and Negro ministers and clubs resulted in 6,876 Negroes qualifying for the election.

Nineteen candidates sought the office, but no more than five deemed it necessary to appeal for the Negro vote in person. Of these, the late Mrs. Helen Douglas Mankin, a former member of the State legislature, seemed to possess the best qualifications. Although she was not officially endorsed by any Negro organization, her record as a State legislator and her willingness to seek the Negro vote virtually won for her the Negro support. When the polls closed on election day, all precincts had reported except precinct 3B of the third ward, which was and is the big Negro precinct. At this point it was discovered that Mr. Tom Camp, who in preelection forecasts had been picked as the probably winner, had a lead of 156 votes. Thus, the outcome depended on precinct 3B. After the ballots were counted, of the 1,040 votes cast—all Negro except 1 and only 13 ballots were spoiled—Mrs. Mankin received 961 votes while Mr. Camp garnered less than 20, thus giving

Mrs. Mankin the election by more than 800 votes over her nearest rival.

This election attracted national attention. The late Thomas Stokes, who came to Atlanta to observe the event, wrote in his nationally syndicated column that—

Negroes contributed the margin of victory for Mrs. Helen Douglas Mankin * * * This is important as a matter of politics.

But beyond that, exploration of the background of this particular election reveals a most encouraging recognition by the many intelligent Negroes here of the responsibility of citizenship. It explodes some myths, removes some old phobias, and points out the path for the gradual extension of the franchise to Negroes in the South which responsible white leaders now accept as certain * * *

This election experience followed a thorough course of preparation by the intelligent Negro leadership which is taking its obligation seriously. They recognize their opportunity and want nothing to happen that will mar it or set back progress for full citizenship.

April 1, 1946, was a red-letter day in Georgia as far as the Negro was concerned for on that day the U.S. Supreme Court in the *Primus King* case invalidated the white primary in the State. Immediately many Democratic politicians in the State urged Governor Arnall to call a special session of the legislature to devise means of circumventing the decision. The Governor refused and stated that he would "not be a party to any subterfuge or scheme designed to nullify the orders of the Court."

Many white citizens and groups who believed in fairplay supported the Governor's position.

So for the first time since the city election of 1895 the Negro enjoyed full political privileges in Atlanta, and much credit belongs to ex-Governor Arnall who, along with his supporters, was determined to uphold the law of the land.

Although the Court decision served to arouse the Negro masses from their political apathy, the greatest incentive was provided by the gubernatorial race of 1946. The late Gov. Eugene Talmadge, who had lost to Governor Arnall in 1942, decided to run again on a white-supremacy platform. Since Governor Arnall was ineligible to succeed himself, the anti-Talmadge group endorsed James Carmichael. Talmadge's anti-Negro rantings in the past, as well as the anti-Negro policy he threatened to pursue if elected, left no choice for the Negroes as far as the two candidates were concerned.

This amounted to a challenge for Negroes; but if they expected their vote to have any political significance, increase registration was necessary. While it is true that in the past the NAACP, the Atlanta Civic & Political League, and other groups had conducted registration campaigns, they failed to reach the masses. Recognizing this weakness, representatives of various organizations agreed that if a successful registration program to be carried out, better community organization was needed. To accomplish this, all groups interested in regis-

tration pooled their efforts and operated as a unit under the local branch of the NAACP. An All-Citizens Registration Committee was formed which elected an executive committee of 10 to work out the details of registration.

Mr. Robert Thompson, of the Atlanta Urban League, discovered that there were 1,162 blocks in Atlanta where Negroes lived. To provide a worker for each block was a tremendous task, but 870 Negro men and women volunteered to serve in this capacity. Each volunteer from ward leader to block worker was provided with instructions as to what he was to do. Fifty thousand handbills and three hundred placards which explained the procedure in registration were distributed. Several thousand stickers with the words, "We Are Registered Voters," were placed on the doors of the various homes, especially in the projects, so as to embarrass residents of those projects not voting. Volunteer workers were stationed at the courthouse to direct the people to the registration office after they had declared their taxes. Car pools were formed, and so forth.

To make it short, the total results were gratifying. When the campaign started on March 6, 1946, there were fewer than 7,000 Negroes registered in Fulton County. The goal set by the All-Citizens Registration Committee was 25,000. On May 4, when the campaign officially closed, 24,137 Negroes were on the registration books, of whom 21,244 lived in the city of Atlanta.

As opposed to this, 56,854 whites were eligible to vote in Atlanta elections. Thus, in a period of 51 days, nearly 18,000 Negroes had been added to the registration list.

One other phase of this campaign cannot be overlooked. Negro leaders were not satisfied in just having large numbers of Negroes registered. They recognized the fact that since Negroes had not had the experience of voting, they needed education. Consequently, citizenship schools were established in the 21 precincts in which Negroes lived where Negroes were to be taught the fundamental subjects connected with government. College professors and high-school teachers volunteered their services. Negro ministers opened their doors to public forums where voting was discussed. At these meetings Negroes were reminded that their intelligent use of the ballot would be the best instrument they had to discount the arguments of those who opposed their political participation. The functions of the government on different levels were stressed.

To keep together this new group of voters required careful planning and organization. Thus in the fall of 1949 the Negro Democrats and the Negro Republicans joined hands to form the Atlanta Negro Voters' League. This concentration of strength was recognized by the city fathers. No longer was it political suicide for a candidate

for public office to openly seek the Negro vote. At every election the Atlanta Negro Voters' League held mass meetings in various sections of the city, at which time candidates for public office solicited the Negro vote. Candidates themselves have said that attendance at Negro political rallies has always been better than at rallies held by whites. This fact tends to refute the statement that the Negro has no interest in the civic betterment of his community. To the credit of the Atlanta Negro Voters' League, it has supported the winning candidates for mayor in the elections of 1949, 1953, and 1957 and also, with one or two exceptions, has endorsed the successful candidates for city council.

The climax of Negro political activity occurred in the city election of May 13, 1953, when Dr. Rufus E. Clement, president of Atlanta University, was nominated in a city wide primary to the board of Education from the third ward. That Dr. Clement was able to defeat his opponent, who had been a member of the board since 1927, by a margin of 10,000 votes, reflects credit on the thousands of fairminded white citizens who cast aside the question of race and voted for whom they regarded as best qualified. In this same election, Attorney A. T. Walden and Dr. Miles Amos were elected from the third ward as members of the city executive committee. This marked the first time since December 7, 1870, that Atlanta had elected Negroes to public office.

The impact of the Negro vote in Atlanta, however, was best documented in the primary held on May 8, 1957. Realizing the importance of this election as far as the Negro was concerned, Negroes in January began planning for increased registration, and the drive lasted until April 8. Since many Negroes had failed to vote at least once in 2 years, their names had been dropped from the registration list. Whereas there had been 21,244 Negroes eligible to vote in Atlanta in 1946, there were only 16,654 in 1952, about 19,000 in 1953, and less than 24,000 in September 1956. Once again a campaign was started, and by the end of the campaign 28,000 Negroes were registered.

In this 1957 election, a total of 73,495 voters or about 58 percent of the total registration went to the polls. Among the 41 candidates seeking election to the 19 positions in the city government were 2 Negroes; namely, Dr. Clement, who was running for reelection to the board of education, and Mr. T. M. Alexander, who was offering for the city council from the seventh ward. According to the best estimates, about 20,700 Negroes voted in the primary or over 72 percent of the Negro registration. On the other hand, there were approximately 52,765 white votes cast, or 54.9 percent of their total registration.

No one could question Dr. Clement's qualifications for another term on the board of education from the third ward, but his opponent ran on a white-supremacy platform, being the only 1 of the 41 candidates seeking public office to run on such a platform. Despite this, Dr. Clement defeated his opponent in the citywide primary by a vote of 35,200 to 29,036, and carried 34 precincts in the city. His total of 35,200 votes, which was 12,961 more than he received in 1953, placed him fourth highest in the total votes received by the 41 candidates.

Mr. T. M. Alexander also ran for City Council but was defeated in runoff. But this runoff primary between Mr. Alexander and Mr. Jack Summers was responsible for the largest turnout of voters in the history of the city in such an election; a total of 54,000 votes were cast in this race. The *Atlanta Journal* said, "It is a healthy thing indeed that a Negro man ran for alderman if his doing so produced such a turnout of an ordinarily sluggish electorate."

In conclusion, since 1946 Negro political activity in Atlanta has produced some dividends. Through the efforts of Negro leaders, the Negro voters have been educated on the issues of the day. Before casting their votes they have studied and have been told of the merits and demerits of each candidate. This wise policy has resulted in a fairminded administration being elected. Negro policemen have been hired. Race-baiting groups such as the Klan and the Columbians have been suppressed. City officials have been more courteous and sensitive to the demands of Negroes. Courtroom decorum has improved. Several Negro deputies have been added to the Fulton County sheriff's offices.

For the first time a Negro has been elected to membership on the Atlanta Board of Education, and he was elected in 1957. For the first time two Negroes have been elected to the City Executive Committee, in 1953 and 1957, and just recently, on September 10, 1958, two Negroes were elected to the Fulton County Democratic Executive Committee. This also marked the first time that this body had Negro representation.

In city planning the city fathers began looking at the needs of all citizens regardless of color. Better streets, street lights, sewers, garbage collection, and sidewalks have made Negro neighborhoods more attractive. Negro political organizations have made this possible. Since the City Council is elected on a citywide basis, it means that members of that body must be concerned about the welfare of all the citizens in addition to his own ward.

While much progress has been made in the last 13 years, there are some areas where the record could be improved. For example, no Negroes have been upgraded in city employment. Aside from the teaching profession, Negroes hold no jobs with the city government

above that of janitor. In general there should be more employment of Negroes in the upper levels of the city administration. Since the economic status of the Negro determines the quality of his housing, discrimination in employment has an effect on his housing condition. Although your Commission is concerned at this moment with discrimination in housing, it should be borne in mind that there is a strong interaction between discrimination in housing and other forms of discrimination.

I hope that at some future time the proper governmental agency will investigate other areas such as administration of the Hill-Burton Act, proper allocation of funds under the Smith-Hughes Act, and greater improvement of Negroes in Federal positions.

Let me point out, though, that our experiences in Atlanta are not representative of those in the rural areas of the State. While the Negro still feels the impact of discrimination in Atlanta, it is much worse in the rural areas, and studies of these areas will, I believe, bear this out, and I would like to submit to the committee several such studies that have been made of several counties in the State of Georgia.

Thank you.

Commissioner CARLTON. Thank you, doctor, for a very fine progress report of the state of voting in the State of Georgia. We appreciate your emphasis not only on the right to vote but upon an intelligent vote and the education for that purpose.

I wonder if any of the committee has any questions. I don't have any.

Chairman HANNAH. Professor, I gather from what you have just said and what has been said earlier in the day, there are no impediments at all that keep the Negroes from registering in Atlanta.

Dr. BACOTE. None whatsoever.

Chairman HANNAH. There is no requirement with reference to the Constitution or anything else.

Dr. BACOTE. The requirements are applied to both groups alike.

Chairman HANNAH. But you indicate in your final statement this is not true of the entire State.

Dr. BACOTE. In the other parts of the State you will find it is the administration of the law that is bad and keeps many Negroes from participating in government. In other words, in the rural areas you will find that voting becomes a personal matter, whereas in Atlanta it is impersonal. A person in the rural areas is subject to economic reprisal or intimidation, and furthermore, there are some instances where the sheriff probably supervises the election. Well, you know for the sheriff to be at the poll or courthouse, that is a deterring thing.

Chairman HANNAH. Do you have any guess as to what percentage of the eligible Negroes of Atlanta are registered to vote?

Dr. BACOTE. I am sorry to say, Dr. Hannah, it is not what it should be. We have approximately—well, I mean the last figures I am familiar with—about 30,000 Negroes who are registered, but the sad picture is that there are about ninety or one hundred thousand who are not registered, but we try to make an effective use of the voters who are registered; that is, getting them out to the polls.

Chairman HANNAH. What are the reasons that these fifty or sixty thousand that are not registered are not registered?

Dr. BACOTE. Well, it is true not only among Negroes, but among whites, but it more true among Negroes. First of all, political apathy; secondly, lack of organization; and thirdly, sometimes, lack of leadership, but in Atlanta, I think—well, I just think this—that we do have leadership, that we do have a good organization, but it is a matter of arousing them from their apathy, and you must also bear in mind, Mr. Chairman, that many people are coming to Atlanta from rural areas, and they have been indoctrinated with the idea that “Voting isn’t a part of my business,” and it is hard to get them in, what you might say, the swing of things.

Chairman HANNAH. Do you have any idea what percentage of the qualified whites are not registered?

Dr. BACOTE. I do. I am afraid to—I think there are about 700,000 whites registered out of a potential—I don’t know what the potential is.

Chairman HANNAH. It is a smaller percentage of the qualified whites that are not registered than for the Negro.

Dr. BACOTE. Yes.

Chairman HANNAH. I will ask a question that hasn’t as much to do with your testimony, but as a northerner that doesn’t quite understand it, explain to me in simple language that I can understand, this county unit system that you have in this thing. [Laughter.]

Dr. BACOTE. All right. Mr. Chairman, the county unit system is an arbitrary arrangement of the counties in Georgia. The eight largest counties—first of all, each county has twice as many unit votes as it has representatives in the State legislature, in the House of Representatives. Eight counties have six unit votes. The next 30 largest counties have 4 unit votes. Then you have 121 counties that have 2 unit votes.

What does that mean? It means that it is very easy for any person who is running for statewide office. He isn’t going to spend any time here in Atlanta. That would be a waste of time. He could come to Atlanta where there would be a turnout of 75,000 voters. What will he get? Six unit votes. His opponent can go down to three of these small counties that have 2 unit votes. In some of these counties there are not more than 100 or 200 voting in an election. He can get 600 votes in those 3 counties and get 6 unit votes, whereas somebody else has 7,000 out in Fulton County and gets the same number.

So it means under this arbitrary arrangement that the rural sections of the State dominate the government, and I feel that the sooner that that system is destroyed, the sooner we will have better government.

They say we need to maintain the county unit system in order to establish good clean government. Well, I don't need to say anything more about that. We have had one Governor elected largely by the county unit system. He had 37 percent of the popular votes in the election just before this last one, and you probably read what is happening about that administration, and yet they want to do it to maintain clean government, claiming that the cities would be bossridden.

I think under the circumstances we wouldn't be any worse off than under that situation.

I don't know if I have made myself clear, but that is the county unit system, the only state in the country that has it, and of course the claim is that it is similar to the electoral college which is fallacious. The electoral college does make some reasonable effort to apportion electoral votes on the basis of population, but this is arbitrary. A vote in Fulton County—it takes probably 100 some odd votes in Fulton County to equal the vote—well, I won't name the county, but in one of those small counties, Echols County or Chattooga County.

Chairman HANNAH. It doesn't sound very logical to me.

Vice Chairman STOREY. It was really an effort to have the rural areas control the statewide elections, wasn't it?

Dr. BACOTE. Yes. That started back, goes back to 1908 when Tom Watson and Hogue Smith were running for office, and that is when.

Vice Chairman STOREY. The question of racial discrimination did not enter into that law, did it?

Dr. BACOTE. The county unit?

Vice Chairman STOREY. Yes.

Dr. BACOTE. Well, you see, in certain areas in south Georgia you do have a large Negro population, but I don't think it had much to do with that, no; no.

Vice Chairman STOREY. I mean from a statewide standpoint. It did—

Dr. BACOTE. But here is what I might say. They feel that in view of many Negroes coming into the urban communities that it would shift the balance too much against them.

Vice Chairman STOREY. These other reports that you said you were filing with reference to voting conditions in other areas, are they fairly complete cross sections around over the State?

Dr. BACOTE. They are representative counties.

Vice Chairman STOREY. They are representative counties?

Dr. BACOTE. That's right.

Vice Chairman STOREY. As to the conditions?

Dr. BACOTE. That's right.

Vice Chairman STOREY. You will leave them?

Dr. BACOTE. I will leave them with the chairman.

Vice Chairman STOREY. One other question. This is primarily a housing hearing, but what is the correlation or what is the relationship in your opinion between housing and voting, good housing and good voting?

Dr. BACOTE. You have heard all the housing experts, and I suppose I am the least qualified to discuss housing, but I do feel that there is this connection. I feel that as long as a citizen exercises his rights to vote, then he is able to bring pressure upon the governmental authorities to see to it that he is going to have paved streets, that he is going to have decent street lights, sidewalks, regular garbage collection. In other words, there is no need of building a beautiful home in an area that has no paved streets, and I feel that the two go together, because I recall before the Negro actually voted in large numbers, there were many Negro areas where the streets weren't paved and didn't have any street lights, and of course as far as housing is concerned, I don't consider myself an authority on housing, but I do feel that the more votes there are, the stronger the Negro vote is, the more certain he is in getting better housing conditions.

Vice Chairman STOREY. Thank you.

BACOTE EXHIBIT

INFORMATION ABOUT NEGRO VOTING IN SIX GEORGIA COUNTIES

(Study conducted by Dr. B. R. Brazeal, Dean and Professor of Economics, Morehouse College, dated August 31, 1956)

I. EARLY COUNTY

A. *The voting pattern for Negroes in Early County*

Early County, with Blakely as its county seat, is located in the extreme southwest portion of Georgia on the Alabama line. It is in a cluster of counties which may well be listed among those which are called the "hard core" counties of the State. In such southwest counties as Early, Miller, Seminole, and Decatur, the Negro population is from 30 percent to 50 percent of the total. In other southwest counties such as Clay, Calhoun, Baker, Dougherty, Quitman, Randolph, Terrell, Lee, Sumter, Webster, and Stewart the Negro percentage in the total population is over 50 percent. The pattern of excluding Negroes as registrants and voters in these counties, except Decatur and Dougherty, seems virtually the same in each. There is the ever-present threat of racial violence which has erupted on occasions, especially following elections. Police brutality as directed mainly against Negroes indicates to them that they cannot depend upon law-enforcement authorities to offer a normal amount of protection if they seek to enjoy their constituted civil liberties. In recent years economic pressures or reprisals have been directed against Negroes militant enough to demand educational and political rights for their racial group. There has been an almost complete denial to Negroes of the right to register and vote. In some instances, the sheriffs, who in these counties are the chief law-enforcement officers, asked prospective Negro registrants questions about the Constitution of the United States. Why did these sheriffs purge potential Negro voters instead

of letting it be done by the board of registrars? The sheriffs were white and also "the law" so the would-be Negro registrants received two warnings at one time.

The counties to which reference has been made are about 10½ years behind time in complying with the decision of the circuit court of appeals which on March 6, 1946, upheld Judge Hoyt T. Davis' decision in the Primus E. King case. Potential contempt-of-court charges have not deterred those who are in authority to any appreciable extent. In some instances, where they have considered it expedient, they have permitted token registration and voting. However, in the main they have resorted to stalling, threatening, and harassing tactics. These techniques, plus economic reprisals, have kept most of the Negroes from bringing legal action against the boards of registrars. However, some Negroes in Randolph County, which is in the midst of this "hard core" cluster of counties, did bring legal action against the board of registrars. The registrars were found guilty of conspiring to deprive Negroes in Randolph County of the right to register and were fined as individuals. This legal procedure opened the registration books to qualified Negro registrants but the story does not stop here. During the last election many of the Negro registrants were harassed as they attempted to vote. They were required to have three signatures of character witnesses on their slips (though this was not required of white voters). These Negro registrants could find one or two of the persons whose signatures they were required to get but not all three. The next course of legal action must be against illegal tactics which are designed to interfere with the Negro registrants' right to vote after they have duly qualified as registrants.

Now—this report will deal specifically with Early County. Negroes are denied the right to register beyond a token number. When they go to the courthouse to register they are permitted to sign up or list their names. Later, they are sent summons to appear at the courthouse to answer questions before the board of registrars, "all of whom are farmers," with the chairman being barely "able to read his name." They are asked various questions and most are disqualified. Those who do not report are automatically disqualified. This is an effective technique of disqualifying Negroes because they usually think of going to the courthouse for any reason with some degree of misgiving. Further, some feel that by appearing in the courthouse to press their right to register they might cause "some of the white folks" to take it out on them later if they appear as defendants. This situation is further complicated because it is asserted that Negroes in Early County, by and large, are not expected to park their cars on the courthouse square. Although this allegation was denied by others, it was conceded that some "Uncle Tom" Negroes do not park at the courthouse square. However, in considering the alleged parking restrictions, Negroes have additional reasons to question the kind of treatment they will be accorded at the Early County Courthouse as they seek to register.

What are a few reasons given for disqualification of some Negroes who do appear before the board of registrars? In one case, after registrars questioned a prominent Negro citizen, they stated that he had not lived in the town long enough to register and vote. Later, he went again to register. This time they said, "You are the one who teach the people" about registering and voting and his reply was, "No, I don't teach the people". Next, he was asked how many times he had been married. The answer was twice, and he explained that his first wife had divorced him legally. "No, you can't register," said one of the registrars. "You are living in adultery—you are a criminal". The reply was, "My wife has divorced me. I am legally divorced. How am I to be considered a criminal?" Nevertheless, he was not permitted to register.

A Negro landowner who had lived in Early County all his life was turned down because he did not have a clear title to his land. A veteran went to register. He was given a pencil and asked to copy something. This was done. Later, during an election he went to vote and it was then that he was told that he was not registered. He was never told why. This veteran has not been back to try again to register but he plans to do so. The registrars insisted that a Negro resident of Early County who has a B.S. degree from an accredited college would have to make a trip from Atlanta to Blakely to answer questions before they would consider further his efforts to register. Before he returned he was inducted in the U.S. Army and qualified as a member of the Army Intelligence Corps and thus he was authorized to carry a gun and did not have to wear his uniform to any appreciable extent. When he did return to Blakely he was

married. He was asked how many times he had been married. His answer was "once." "Are you in the Army?" "Yes." "Then, why do you have on civilian clothes?" "You must ask 'Uncle Sam' about that." "Do you have a gun?" "Yes." (and he pulled it out of his pocket.) "What are you doing with it?" "You must also ask 'Uncle Sam' about this," was the reply. At this point he was declared to be registered.

These techniques of disqualifying "qualified" Negro registrants are typical. Further, they are backed up by threats of violence and intimidation. A veteran in describing his experiences when he attempted unsuccessfully to register and vote concluded by saying: "The sheriff doesn't care what happens to Negroes." He also revealed instances of police brutality against Negroes. During the last election the sheriff about whom the remarks were made was defeated, and only three Negroes voted for him. He knows that Negroes did not vote for him because their votes were kept separate from the whites. Two or three Negroes are planning to go before the county commissioners to ask them to do away with separate ballot boxes which were used for the first time in the last election. "You know we got to live here with these people after elections," one of them said.

These and other factors account for the fact that only approximately 300 Negroes are registered in Early County. About 75 percent of this number vote and these votes are sought by some candidates "even if they have to do so by night." The potential number of registered Negro voters in this county is estimated at between 3,000 and 5,000 out of a total population of 18,679.

B. Socioeconomic factors

When I stated to a person who once lived and taught school in Early County that I was going to make a trip there, he appeared somewhat amazed. He told me about going to a local filling station in Blakely to get some gas. A white man who was driving a dilapidated car looked "enviously" at him and his rather nice-looking car. Later, the white man drove across the lane and blocked the Negro's car so that it could not be driven out of the filling station. Sensing that the white man wanted to start something, the Negro spoke to the white proprietor of the filling station about having the car moved so that he could get out. The proprietor would not say a word. Finally, the white man whose car was blocking the Negro's car said: "Back on out down that alley, where all niggers belong." I was told also about the Grinnison Goolsby incident involving racial violence which will be dealt with later. These matters are mentioned because they deal with reactions which have a symbolic and realistic role in the socioeconomic pattern of this community.

Economic reprisals in Early County did not at first revolve around Negroes' efforts to register and vote. They developed as a result of their efforts to get better school facilities. Despite the fact that the white school was a modern one, the Negro school was a makeshift one and did not contain a single water toilet. Thirty-nine Negroes—sharecroppers, farm laborers, renters, and owners, along with common laborers and two or three small businessmen—signed a petition for better school facilities. When members of the board of education tried to argue that the Negroes' school facilities were good enough, the petitioners produced data from the State department of education in Atlanta to support their charges as they prepared to file suit. This angered the members of the Early County Board of Education and some of them began to "talk rough." Other white people said that the local Negroes who signed the petition were being made fools of "by the niggers from Atlanta." A Negro woman who seems to be heartily disliked and suspected of "racial treason," and other Negroes reported to the "white folks" on what was going on. They said some of the 39 signers were not interested in getting better school facilities but wanted integration. One or two "Uncle Tom" Negroes in their efforts to get the petitioners to back up said that "We don't want another Goolsby case." (In 1916 a Negro named Grannison Goolsby killed a white man who had whipped his son. Many whites went on a rampage and burned a Negro lodge hall and churches and shot down Negroes as they happened to come upon them. Goolsby shot several white men before this gruesome incident ended with Goolsby's death.) The 39 petitioners did not back down and they got a new school. Whites, who did not want this school built, still take it out on two or three of the Negroes who signed the petition by continually applying economic pressure against them.

Except for two undertakers, a few small shopkeepers, and 92 teachers, there are no Negro white-collar workers in Early County. Farm labor and manual

jobs form the employment pattern. There are no doctors, dentists, lawyers, or Negro post-office clerks or carriers. (No Negroes have applied to take the civil service examinations for these jobs.) Negroes in Early County do not have a representative number with the degree of economic independence which would leave them reasonably free to give political leadership.

Early County Negroes do not have an active NAACP. They have a branch "but we are kind of taking it easy now." This policy was "self-imposed." No one asked that this be done. (Perhaps this is an example of the flexibility which William Faulkner has written about.)

C. Efforts to increase registering and voting among Negroes

At the present time there is no political organization among Early County Negroes. They once had units of the Georgia Association of Citizens Democratic Clubs and Georgia Voters League. These "units closed up because of lack of leadership." They do have a citizens education group as a unit of the Georgia Teachers Educational Association but its function is not political.

At the present time it does not seem likely that a suit will be brought against the board of registrars to have them open the books to qualified Negro registrants. The few Negro leaders have been harassed enough for the time being and they seem content to continue to build up their registration and voting strength patiently by getting one or two more Negroes registered from time to time.

One possible outlet appears feasible after the recently elected sheriff takes office. He has put out the word that he is grateful for the limited number of Negro votes which were a formidable factor in the new sheriff's victory. Negro leaders are going to see if he and the tax commissioner will agree to an easing of restrictions since additional Negro registrants are likely to vote for those making the concessions. This should be a logical move since it appears that the sheriff who was voted out of office will run again when his opponent's term is up. It is felt that this technique of negotiations can be worked quietly and will not stir up bitter reactions such as court action is likely to do.

D. Prospects

Unless negotiations with the sheriff-elect and the tax commissioner prove fruitful there seems to be little likelihood that restrictions on Negro registration and voting will be lifted anytime soon in Early County. The other alternative will be a suit in Federal courts against the board of registrars. This is not likely to take place soon because the initiators would be some of the 39 who signed the school petition, and some of them are still trying to recover from the ill-effects of economic reprisals directed against them.

II. FLOYD COUNTY

A. The voting pattern for Negroes

Floyd County, of which Rome is the countyseat, is located in the northwest section of Georgia. There are approximately 56,141 persons in Floyd County with whites outnumbering Negroes about 3 to 1. Of this number 41,330 are 18 years or over, with 6,046, or 14.6 percent being Negroes and 35,284 or 85.4 percent white. In 1956, 31,071 persons in Floyd County were registered. Of this number 2,730 or 9 percent were Negro and 28,341 or 91 percent were white. On a percentage basis 45 percent of the eligible Negro persons are registered and 72 percent of the eligible whites. This relatively high percentage of Negro registrants is an interesting phenomenon and corresponds with the finding that Negroes are likely to become more articulate politically as the industrialized population increases.

It was in 1946 that Negroes began registering in appreciable numbers in Floyd County. This action followed the decision of the circuit court of appeals on March 6, 1946, which upheld Judge Hoyt T. Davis' decision in the Chapman V. King case (more familiarly known as the Primus E. King case) in which the white primary was legally outlawed. Incidentally, any legal hope the supporters of the white primary had to the effect that it would be legally sustained in Georgia was shattered on April 1, 1946, when the United States Supreme Court refused to review the case. As Negroes in Floyd County continued to increase their number of registrants some were challenged and attempts were made to purge their names from the registration list. A prominent, elderly white lawyer voluntarily came to their defense and in view of the threatened contempt proceeding the registrars ended their purge efforts.

Now, the registrars welcome potential Negro registrants and even let it be known that more should register. At the request of Negro leaders in the Floyd County Civic and Political League (now inactive) the registrars arranged at one time to decentralize the registration places by "carrying the books" around to different schools for Negroes, thus making it more convenient for them to register. Recently, a Nonpartisan Voters League was organized to supplant the Floyd County Civic and Political League whose effectiveness had been diluted by strife, charges and counter charges of dishonesty on the part of two or three of its leaders. Although the Nonpartisan Voters League is trying to increase Negro registration, its main problem is to get Negro registrants to vote in representative numbers. For some reason "they won't vote in large numbers like we desire" said one of the leaders. Another said, after commenting on the ease with which Negroes in Floyd County may register, "the trouble comes in trying to get them to vote." It is estimated that only about 700 Negroes voted in the last election. In an effort to offset this apathy the Nonpartisan Voters League is sponsoring rotating citizenship meetings every 2 weeks in churches for Negroes. About 30 to 40 persons hear talks on the value and benefits of registering and voting. It is thought that the attendance at these meetings will increase as the fall elections draw near.

Negro voters have to use a segregated ballot box and entrance to the courthouse. Ballots were counted on a racial basis during the first one or two elections in which Negroes voted. Now, when the ballots are being counted they are mixed with others and not counted on a racial basis. Some Negroes help man the polls where Negroes vote.

In 1952, a year before Dr. Rufus E. Clement successfully ran for election as a member of the Atlanta Board of Education, an elderly Negro qualified to run for a similar post in Rome, Ga. He was about 72 years of age and had formerly taught school when the requirements were not rigid (it was thought that he had not gone beyond the seventh or eighth grade in school). He was the operator of a hand laundry when he qualified as a candidate. Some of the Negro political leaders thought he was not qualified for the post and thus refused to support him. As a matter of fact, he was spoken against in open mass meetings by some Negroes who also contended that the time was not ripe for a Negro to seek such a position in Floyd County. They thought that the "whites should appoint a liaison person" who could present their views to the city board of education. Some Negro voters contended that there was no need to vote for the Negro candidate "because the white folks are going to run things anyway." If Negro voters had supported him on a comparable percentage basis as the white voters did he probably would have been elected.

B. Socioeconomic factors

Floyd County is becoming increasingly industrialized. Rome, its county seat, is a bristling, expanding city, with only a few vestiges of its former dominant agricultural background. Negroes and whites continue to migrate to Rome in search of employment and the comforts which are usually afforded in an industrialized community. Employment for Negroes conforms to the stereotype pattern which is characteristic of a segregated economy. Nevertheless, they still find relatively better employment outlets than they had in the predominantly agricultural areas. Their economic position would be much more secure if they could find semiskilled and skilled employment in the factories and textile mills. Basically, this keeps them out of labor unions which have gained a sizable footing in this county, in spite of some vigorous support for antiunion measures. A few Negroes in menial factory jobs have membership in unions, but not many. In some instances white skilled unionists in the building trades have walked off their jobs when skilled Negro building tradesmen appeared to do the work they had contracted to do. These Negro tradesmen work largely on an individual basis "and never get into any of the big jobs." In one case some white painters actually started boycotting a white painting firm because it was using Negro painters. They canceled an order for paint with a demand that the Negro painters be discharged. The owner of the concern is alleged to have said "to hell with them. I am running my business." There are no Negro clerks or carriers in the United States Post Office in Rome.

In spite of these factors, Negro workers within the range of their restrictive employment are making some progress. They are helping to create the economic basis for the growth of a Negro middle-class which will be able to offer more political and civic leadership for the masses. Already this trend is evi-

dent. Four insurance companies have branch offices in Rome. Except for the teaching profession, they offer more white collar employment for Negroes than any other area. There are two Negro dentists and one physician in Floyd County. There are no Negro lawyers. The physician has access to the city hospital and meets regularly with the staff as a participating member. He hopes that his experience in this respect will result in attracting other Negro physicians to Rome.

Most of the Negro ministers who have churches in Rome live there. This enables them to give leadership during the week as well as on Sunday. Some take advantage of this opportunity although the "training of the ministers is somewhat limited." A few have been criticized because they have solicited support for their churches from persons in politics, thus obligating themselves. In Rome, Negro and white ministers meet together without any distinction on the first Monday in each month as the Interdenominational-Interracial Ministers Alliance. A Negro minister is the vice president. Sometime they discuss political issues. However, one critic of the group asserted that less than one-third of the city's white ministers belong to the organization and "Negro members are largely onlookers." The members will "touch" on political matters; oppose having a representative of the United States at the Vatican; move against the sale of beer in Floyd County which is dry, "but they will politely stay off interracial situations." Despite these reactions this is the only direct, organizational line of communication I have discovered among white and Negro ministers in Georgia. There are those who feel that as they get to know each other better the areas of interracial cooperation will widen.

Since Negroes have been voting in Floyd County, police brutality (which was once intense and rampant) has subsided. Earlier, one of the Negro leaders appeared before the city council to make complaints about police brutality. In commenting on his activities in this regard he said: "I just mean business, I don't have but one time to die." Two Negro policemen have been appointed since Negroes began voting. Others are expected to be appointed before the fall elections. The sheriff of Floyd County is regarded as being a fine person "and a Mason." He and other officeholders have attended meetings and talked to Negro voters.

The NAACP has been inactive for several years. This seems to be due more to a lack of leadership and interest than to any type of pressure. This inactivity was a factor before the United States Supreme Court handed down its decision on public schools.

Negro residents in Rome are pressing for more school facilities. This is one of their areas of need, although some progress has been made along this line. Rome surpasses most Georgia cities its size in paving its streets and laying sewers. Negroes (a large number as homeowners) live in all areas of the city, and whites and Negroes live in block units on the same paved streets in all parts of the city. One or two Negro leaders contend that the present street paving program is "just a sign of growth." A few others contend that there is also a recognition of the political value in such a program of community development.

C. Efforts to increase registration and voting

Negro political leaders are seeking to create a unity through the instrumentality of the newly created Nonpartisan Voters League. They hope to offset the forces of disunity which virtually destroyed the Floyd County Civic and Political League and by this technique regain more of their followers. This is a vital step. Next, they are sponsoring rotating citizenship clinics in churches every 2 weeks on Friday night. During these meetings, talks are made on the value, benefits and responsibilities of registering and voting. Later, the current candidates for office will be invited to speak during these meetings and it is believed that this will generate more interest in voting in the fall elections. Plans also will be worked out to create an automobile pool to transport voters to and from the polls. Negro high school students are taken to register when they reach eighteen years of age.

D. Prospects

As the Floyd County Negro becomes more urbanized he will develop a keener appreciation of the use of the ballot as a technique of survival. With the continuous development of a substantial middle class with a reasonable degree of economic independency, there should emerge a Negro political leadership

which is more intelligently articulate and forthright. These factors will become more pronounced as the public educational base expands and reaches more of the Negro people. Later, it will probably occur to organized labor that it could have an ally in the Negro voter. Therefore, some labor leaders are likely to establish discreetly, yet effectively, a line of communication between these two important segments of the population. These two groups, aided by Church support, could more effectively help to curb police brutality which in Rome has been accused of being antiunion, as well as antiracial. As this is done the Negro will be more willing to extend the frontiers of political action as a participant and will not be "too satisfied with things as they are."

III. LAURENS COUNTY

a. *The voting pattern for Negroes*

Laurens County with Dublin as the county seat, is located near the center of the State. It is one of the largest counties in physical size and also with its population of 53,606 with 40.2 percent being Negroes. In 1954 there were 12,230 white persons registered as compared to 2,201 Negroes. Negro registration was 15.2 percent of the total Negro population. To have had this number of Negroes on the registration lists was a remarkable achievement considering the toll taken in the 1948 purge of Negro registrants. At that time the number of registered Negro voters in Laurens County as 2,250. After the purge only 785 Negroes were registered. The white registrants were not "bothered" at all. Negro registrants were sent notices to appear before the registrar, who struck many names for various reasons, mainly on alleged inability to interpret properly parts of the United States Constitution. Those who were sent notices but did not report were automatically disqualified without any further consideration.

This procedure lowered the morale of the registrants who were purged and those who were not. Yet, some were appreciative of the fact that they had broken the pattern of almost complete exclusion at the time of the U.S. Supreme Court's refusal to review the *Primus E. King (Chapman v. King)* case as ruled on by the U.S. Circuit Court of Appeals on March 6, 1946. These rulings supported Judge Hoyt T. Davis' decision against Georgia's white primary provided by the Neill primary law of 1917.

Bolstered by those court rulings, some prominent and well-educated Negroes in Dublin made an effort to register and were denied the right to do so. This refusal was backed by the complete authority of the sheriff. This sheriff was a controversial figure, particularly after rural Negro and white laborers were arrested when they met with CIO organizers in an effort to form a union.

Eventually, some of the sheriff's fiscal and administrative policies alienated some of his white supporters, among whom was influential State Senator Hershel Lovett. This resulted in the creation of the Gay faction (the sheriff was Carlus Gay) and the Lovett faction in Laurens County politics. Both factions "eyed" the Negro registrants who, on April 23, 1956, numbered approximately 2,201. The leaders of both factions sought to work through a prominent Negro businessman, H. H. Dudley, in their efforts to get to the Negro voters. Dudley finally decided to go with the Gay faction much to the dismay of the Lovett faction. This was a difficult decision for Dudley to make because he had been a fellow-member of Lovett's in the Dublin Chamber of Commerce for 20 years. Lovett told Dudley he was making a mistake in turning his back on some of the most prominent persons in Laurens County. Dudley pointed out that Negroes had supported this group but had not gotten anything or any recognition in return. The incumbent mayor and sheriff, supported by the City Council, decided that \$350,000 would be spent in running sewage and water mains in Negro neighborhoods and Jefferson Street, the main street for Negroes, was to be paved.

Plans were perfected to get more Negroes registered. "The sheriff knew that the best white people had turned against him" and he was advised to help get more Negroes registered. He was advised to talk with the tax commissioner "to get him to agree to slacken up everything" for prospective Negro registrants as he had for whites. As a matter of fact, a few Negroes were permitted to register who marked an "X" in signing their names. When criticism developed because of this practice the following answer was given: "If they make an "X" mark to get money out of the bank and if they give in their taxes by making a mark, then they should be permitted to register by making a mark." Later, facts will be given about how the number of Negro registrants increased by 1,550 in 14 days.

All persons regardless of race go to the same places to register in Laurens County. With the election machinery in the county under the control of the sheriff there is no distinction in voting places or ballot boxes for Negro and white voters. In the city of Dublin the whites vote at the court house while the Negroes are voting at the city hall. Negroes work at the polls for their racial group, along with some white persons. Since separate ballot boxes are kept for Negroes they can be and are usually accused of bloc voting when the election returns are made known. One of the Negro political leaders answered this charge. "Why are Negroes bloc voters," said he, "and whites are not" although in this section whites consistently bloc vote, for the Democratic Party, against Civil Rights, and for most of their Congressmen?

Returns in the last general election in Laurens County reveal that Negro voters wielded the balance of power in the election of several important candidates. On the other hand, they divided their votes so as to reduce the strength of charges that they voted in a bloc. The Negro vote in Dublin, where a distinction was made in tabulating the votes on a racial basis, was split 552 as against 561 for the clerk of courts. The sheriff would have lost if 1,142 Negro votes in Dublin and 170 in Buckeye (where only Negroes live) had not been cast for him. There were other Negro voters in other sections of Laurens County but they were not racially differentiated. Only 62 Negro city votes went to the sheriff's opponent and he received 75 in Buckeye. The incumbent sheriff would have received 4,664 votes as against 4,742 for his opponent had it not been for Negro voters. His opponent received 1,987 votes from whites in Dublin as against his 1,702. White and Negro voters in Laurens County favored the incumbent tax commissioner by 1,853 and 961 votes respectively. Buckeye's voters favored the tax commissioner 140 to 93. Negro voters supported the city court solicitor candidate who lost with 829 votes in Dublin, 145 in Buckeye as against 283 votes for his opponent in Dublin and 93 in Buckeye. Votes by Negroes were divided among the candidates for coroner as follows: In Dublin, 345, 67, 158, and 170, with most of this support going to the successful candidate. In Buckeye the votes were divided as follows: 47, 108, 14, and 30. The candidate who received a majority of Buckeye's votes ran third on the ticket. Negro and white voters did not seem to have much interest in the race for county school superintendent judging by the relatively few votes cast by each group for the competing candidates. Both racial groups voted heavily for the judge of city court, county treasurer, and ordinary even though they were unopposed. The mayor of Dublin, though not up for reelection, has never been selected by more than a plurality of 600 votes. Negro voters can more than offset this one way or another.

B. Socioeconomic factors

Except in a very few places Negroes in Dublin never had sewage and running water. A few years back they did get electricity but still do not have any street lights to speak of. "Negroes have been paying taxes for sewage for years" but have had almost none. Very few Negroes in Laurens County ever have had bathtubs, indoor toilets, or telephones. This situation is changing as they become able to install these facilities. They appreciate the value of voting, which recently resulted in their getting sewage and water mains. Further, the entire community will benefit because sanitation standards can be raised.

They hope to get more paved streets to follow the paving of Jefferson Street, which is their main residential street. Also, they hope to get parks, playgrounds, a swimming pool, and other community improvements. "Negroes (in Dublin) have not been inclined to want Negro policemen." They have heard "about how hard Negro policemen have been on their rackets, et cetera" in Macon, Atlanta, and Savannah and "this has not pleased them." Police brutality has decreased. The mayor has instructed policemen not to strike anyone they arrest unless necessary. As police brutality decreases as a result of political pressure by Negroes, they are inclined to feel more secure as they press for more citizenship rights.

Many Negroes in Laurens County have been land and property owners for years. Some affiliated with the Republican Party. Years ago they had drug-stores, grocery stores, undertaking businesses, a farmers' cooperative store in downtown Dublin, and other forms of businesses. There were skilled building craftsmen and farmowners, a few schoolteachers, and doctors. The first six letter carriers were all Negroes (now there are none) and they were among those few persons who sent their children off to high school and college. Thus,

Negroes in Laurens County have a political and economic heritage—though somewhat limited—and were fairly well prepared to heed the call of their present political leaders, who fortunately have some economic independence in that they do not work for white employers.

There is a reasonably active chapter of the NAACP in Laurens County. However, it did not appear to have any official connection with efforts to increase Negro registration last spring. One of the Negro political leaders said while being interviewed that the NAACP was necessary to prod the white man from time to time. On the other hand, he felt that in view of the white man's present antagonism toward the NAACP that some phases of racial progress could be fostered without its aid.

As more Negroes registered, two of their main leaders—H. H. Dudley and The Rev. C. H. Harris—were put on the county jury. There was much discussion among the courthouse whites, as well as others, as to whether these two members would sit in the balcony where other Negroes sat or downstairs with the rest of their fellow jurors. These two Negro members agreed that they would go to jail rather than sit in the balcony. Once in jail they were not to seek bond. The minister was to work with the people in jail in a ministerial capacity. The other person was to make appeals to Negroes to register and vote. However, this type of action did not prove to be necessary. Although the sheriff told them that "some people don't want you here" they understood that he did not object. However, a candidate for a judge's post tried to relieve them of jury duty but they did not want to be relieved. This man is now in the race for the post of judge and Negroes are not going to support him. There was an encouraging angle to these two Negroes' experiences as jurors. Dublin's most distinguished and oldest member of the bar came over to welcome them as jurors and congratulated them on being willing "to serve your county" in this capacity.

The Negro political leaders are aware of racial pressures that have been somewhat intensified because of and in spite of their increased registration and voting record. They understand that some white people resent being obligated to Negroes. Some "straws in the wind" are being watched by the Negroes. For instance, Dublin has no Negro ballplayers on its team this season although it had at least two last year. It is felt that racial pressure is accountable for this shift in policy as the attendance of Negroes at games when there were Negro players increased profits. This season when Negro attendance fell off, one or two white persons with an interest in the team seemed to resent the former Negro fans' attitude and accused their leaders of "leading a boycott" against the team. The next incident involved Negroes using a school which had been built for them in Brewton, which is not far from Dublin in Laurens County. After putting \$90,000 into the school building it was decided that it would be used for Negroes when it was completed although it is in an area of more white than Negro homes. When nearby white landowners complained against Negro occupancy of the school building the chairman of the State Board of Education, and the State School Building Authority, George P. Whitman, Jr., a Gov. Marvin Griffin appointee, recommended that further funds be cut off. Incidentally, this situation remained unchanged until the chairman's actions were disclosed in the Atlanta Daily World after Whitman qualified as one of the candidates for a seat in the Georgia Legislature representing Fulton County. Since Whitman (as well as all other candidates in Fulton County) is seeking Negro votes he maneuvered to have the State Board of Education, and the State School Building Authority release the money to the Brewton School with the understanding that the Laurens County Board of Education has the power to determine the policy under which it will be spent. Negro political leaders in Laurens County are watching developments before entering the controversy in an active sense.

When Negroes in Laurens County were registering in larger numbers there were whites who talked about the development of trouble between the races. This did not deter the leaders—not even the venerable Rev. C. H. Harris who is 75 years old. Another distinguished leader said: "I have already overlied my time on earth and will meet whatever they bring." Still, another said, "If they assassinate me it would set off one of the finest race riots imaginable." All this is mentioned to indicate that Negro leaders who urge their racial bretheren to register and vote in many sections of Georgia (as well as in many of the other Southern States) are not performing routine functions. Quite often their lives may be at stake. Yet, knowing this they often forge ahead with their leadership. To be sure, these Laurens County Negro political leaders remembered how Isaiah Nixon, a Negro, was murdered by white men in nearby Montgomery County in

1948 because he dared to register and vote. They also remembered that the murderers were acquitted.

Antilabor union sentiment is rampant in Laurens County. The sheriff has vigorously and successfully fought unionizing efforts. He knows now that many of the people have turned against him on this issue. His political advisers, among whom are two or three Negroes, have advised him to switch to labor so as to gain their support. This would give him a "populist support" such as Tom Watson had in the early stages of his political career. If such a political pattern is created, it could well be the beginning of an alignment which will upset political control by county-unit minorities in Georgia.

Efforts to increase registration and voting

When it became more apparent that the *Lovett v. Gay* political factions were going to be involved in another heated election, plans were laid by each faction to get more votes of Negroes. Already 2,201 Negroes were registered as compared to 12,230 whites, thus making a combined registration of 14,431 in a total population of 53,606. Each side eyed these votes and realized also that there was much potential untapped political strength among Negroes in Laurens County. Their registration at this time was only 15.2 percent of their 40.2 percent of the total population. The Negro leader who could help influence Negro voters was approached by representatives of both sides and he decided to align his forces with the Gay faction. He and a respected minister spearheaded the formation of the All Citizens Voters League of Laurens County. This organization held public meetings every Monday night in one of the churches. All precincts with an appreciable Negro population were organized and door-to-door visits were made by these workers, who were mostly Negro housewives. They were paid 50 cents for each Negro registrant whom they took to the courthouse and city hall to register. Some of the workers made as much as \$150 a week. These workers were also paid 50 cents for each person whom they carried to the polls to vote. Accurate records were kept of their earnings and they signed receipts when they received their pay. Nothing was paid to those persons who registered and voted. In 14 days 1,550 additional Negro registrants were listed in the registration records. This brought the total registration of Negroes to a total of 3,550 in Laurens County. This was unprecedented and generated some alarm and concern. Some influential white persons said, "We got to stop these niggers from registering." They attempted to do so and as a result some Negroes were challenged as they sought to register. H. H. Dudley, one of their influential leaders, sent the Reverend C. H. Harris, pastor of the Second African Baptist Church and president of the voters league, to the registrars' offices. He was instructed not to say anything or do anything but sit down and observe what was being done to disqualify Negroes who sought to register. The purging efforts were stopped.

Candidates came to mass meetings which were sponsored by the All Citizens Voters League of Laurens County. As has been indicated, several candidates were elected by the margin of the votes which Negroes cast for them. Mass meetings are now being held as the September primary date approaches "and Congressman Vinson will be present at some of these meetings."

The Dublin Courier-Herald gave news and editorial coverage to the registration drive among the Negroes of Laurens County. On April 25, 1956, a double-column head said: "Negroes Flocking to Register Here." The article reported that on the previous day 79 registered at the city hall and 110 registered in the county "and 12 whites registered." An interview with H. H. Dudley was reported in the news article. He said that Negroes were after "a greater registration so they can help put people in office that will be fair to all. We are urging that our voters be independent voters and that there will be no bloc voting" * * * "Our organization, headed by the ministers of the town, will seek some laws by which to prosecute both the vote seller and the vote buyer." The Reverend Harris was quoted as saying: "We are trying to get our people to understand that they have a part in the civic program, and as citizens we have no motive other than we are trying to get our people to participate in civic affairs." The article concluded by saying: "According to information from city offices, many of those who apply for registration in the city, after having qualified in the county office, are unable to write their names for registration." It was at this point that a Negro stated that if some Negroes borrowed money and paid their taxes by marking an "X" then they should be allowed to register and vote in the same manner.

On April 28, 1956, the Dublin Courier-Herald reported that within the "past 4 days" a total of 382 Negroes registered in the county and 294 in the city as against 92 whites in the county and 19 in the city. The article added that although

Laurens County Negro leaders said that their campaign was local, reports were being received to the effect that Negroes were having campaigns in other States and that a Negro speaker told an audience of Negroes in Mississippi to "get the ballot box at any cost."

On April 30, 1956, the Dublin Courier-Herald carried an editorial titled, "The Business of Registration." After referring to the increasing registration of Negroes it stated that "with an adequately large number registered it is not inconceivable that in the future a Negro candidate will offer for some office in the city or county." After insisting that some elections had gone by default it was then stated that this inaction had contributed to "bad government." "If the white people of Dublin and Laurens County remain apathetic toward the election of their public officials and continue the practice of ignoring the civic duty of registration and exercise of the franchise, the time may not be too far off when our Negro voters will name the officials who run our government." At this point they were exhorted to make use of "the exercise of the franchise."

On May 2, 1956, the paper had a two-column front-page caption to the effect that "Whites Outregistered Negroes Yesterday" but the subheading modified this somewhat stating: "Negro Registrants Topped in County, But Not in City." In the county the ratio was 84 to 74 in favor of white registrants whereas it was 49 to 16 in favor of Negro registrants in the city. Negro registrants since the drive began on Monday, April 23, numbered 650 as against 206 white registrants. This same issue of the Dublin Courier-Herald carried a front-page editorial titled, "Who Is Interested in Government" * * * "Let's look at the evidence" said the editorial writer as he deplored the relative inactivity of whites who had not registered. "The Negroes generally in Dublin and Laurens County have become sufficiently interested to organize and promote registrations. Why aren't the whites of the city and county equally as interested." The news articles and editorials never did state that the total number of white registrants far outnumbered that of Negroes when the drive began. Actually the ratio was approximately 6 to 1 in favor of the white registrants. However, these comparisons continued until the registration books closed. According to the Negro leaders a total of 1,550 Negroes registered during their registration campaign and "this helped the cause of democracy because it spurred many good white citizens (672) to register also."

D. Prospects

The value and potency of the Negro vote in Dublin and Laurens County can't be easily discounted. It is not likely that serious efforts will be made to reduce this vote materially. On the contrary, candidates will have to continue to seek it—and thus those who are elected to office are likely to pave more than one street in Negro neighborhoods; extend sewage and water mains; develop playgrounds, including a swimming pool, continue to reduce police brutality and make other community improvements which were never considered for the Negro residents before their votes became formidable.

Voting pressure by Negroes will result in an improvement in their schools, thus extending their educational opportunities. This, plus an increasing economic independence on the part of a larger group of Negro leaders, should mean more political participation for their racial group.

IV. MCINTOSH COUNTY

A. The voting pattern for Negroes

McIntosh County, with Darien as its county seat, is in the coastal plains area of southeast Georgia and has a population of 5,292. Darien is reputed to be the second oldest town in Georgia and was once populated entirely by Negroes. The Negro population is 61.1 percent of the total. According to the 1954 registration list there were 1,498 white persons registered and 1,287 Negroes. The Negro registration is 46.2 percent of the total and there are no restrictions to their registering and voting "except with themselves". Incidentally, Negroes also outnumber whites in two other coastal-plains counties—Liberty and Camden, and they constitute from 30 to 50 percent of the population in Chatham, Bryan, and Glynn Counties, all of which are on the coast. Yet in these counties there is a representative number of Negroes registered and they also vote without overt restrictions.

These data reveal that the phenomenon of an excess number of Negroes over whites in some counties in Georgia does not necessarily result in their being

uniformly denied the right to register and vote. Hugh Carl Owen in his study titled "The Rise of Negro Voting in Georgia; 1944-50" also recognized this variation (pp. 52-54).¹ However, he does state that "thus there is a tendency for a high degree of Negro population to mean a low number of Negro registered voters. There are, of course, exceptions to this tendency, for it is not a rule" (*ibid.*, p. 52). Although it is not within the province of this study to deal generally with causes for this variation it may be stated that three fundamental factors enter into the equation. First, there is more of a trend toward urbanization (between Savannah and Brunswick) in some of the coastal-plains counties than in most of those in southwest Georgia where Negroes outnumber whites. Next, the "character" and outlook of public officials play an important part in determining what the registration and voting policies will be for Negroes, (*ibid.*, p. 53). Finally, some appreciable degree of the registration and voting policies for Negroes may be determined in part by the attitude and reactions of Negroes themselves. (This would apply to a county like Hancock County where Negro ownership of land and interest in obtaining an education go back through the years).

Beginning at this point this study will deal more specifically with McIntosh County. In this county Negroes "put in the county school superintendent (although many whites were against her), the sheriff and clerk of the court." The sheriff "won't squeeze Negroes too hard because back in his mind is the Negro vote." A Negro businessman with whom I talked stated that the sheriff wanted to have him appointed to the board of education. He will not accept such an appointment because "his people will press him and so will the sheriff" and he does not want his hands tied. Recently, a white man talked with this person about supporting Talmadge. This Negro said: "I won't enslave my soul. What's the use of giving me a piece of bread," said he, "and then call me nigger." His theory is to vote for the person who will do the most good for the community and the Negro people.

Although Negroes ordinarily are somewhat lethargic in registering and voting in McIntosh County a recent increase in taxes by the city council has intensified their interest in voting. A committee of Negroes went before the city council to state their grievances about tax increases. When their requests were turned down, some of the Negroes began saying, "Well, they have only 2 years."

To some of the older Negroes in McIntosh County the Republican Party is the epitome of political action and organization. Negroes and a few white Republicans still function and a Negro is local party chairman. There are about 1,700 Republicans with Negroes outnumbering the whites. They hold their meetings in the courthouse and "never have been refused the use of it." This county was the last one in Georgia to have a Negro in the State legislature. Negroes who are Republicans cross party lines in local elections. They somewhat deplore the fact that "some Negroes vote the Democratic ticket but they have no organization." Negro Republicans are nostalgic as they recall that about 50 years ago they also had a Negro sheriff and a deputy marshal who were appointed by white commissioners. "Now," said the persons being interviewed, "Negroes have nothing."

Negro political leadership is divided on a Republican and Democratic Party basis—and also on a county-town basis. One Negro minister allegedly has organized the county against the city.

Negroes use separate ballot boxes. White and Negroes vote in the same building—the city hall or courthouse, depending on whether it is a city or county election. Yet, Negroes have to go upstairs while the whites vote downstairs. In presidential elections they all get in the same line. Negroes have protested against this separate-ballot-box policy to the sheriff and the local Democratic committee because "it is illegal."

B. Socioeconomic factors

In spite of assertions that race relations are good in McIntosh County, some Negro leaders who were interviewed asserted that they had logical, personal reasons for not taking part in politics. For instance, one said he wanted to be free to vote as he saw fit without any obligations to support any one side. Another, who had withdrawn from political leadership said: "I am a school-teacher and I am not financially able to take a chance." However, most of the teachers are registered voters. Some of these teachers have become

¹ Owen, Hugh Carl. Unpublished master of arts thesis, Emory University's Graduate School, 1951.

more cautious since they have had to swear they would not teach in mixed schools. Although no threats have been directed against any of them "you can never tell what's in their minds." Another person who was interviewed said: "If the Negro uses commonsense and does not put himself in the white man's position, he will get along all right." He let it be known that he did not mean "kneeling to the white man or calling him 'Cap'." He further stated that "the Lord will fight my battles and those he doesn't fight I will fight." Although these statements are not conclusive they do seem to reveal some "uneasiness" in the area of race relations in McIntosh County.

NAACP leaders in McIntosh county have "refused to function" since right after the Supreme Court's decision involving segregation in public schools. Some concern was expressed about efforts to deny employment to teachers who were members of the NAACP. This concern is considered logical because white-collar employment for Negroes, except as teachers, and a very few businessmen and several ministers, is definitely at a premium. There are no Negro physicians, dentists or lawyers—and a very few skilled workmen.

Most of the Negro employees work in the fishing and pulpwood industries. Although Darien is 18 miles from Brunswick, it has had few urban industries to locate there. There are no labor unions. The town seems to be drying up generally and employment for Negroes is narrowing as time goes on, except as they commute to Savannah, Hinesville, and Brunswick. Gradually, Negroes are leaving for the North. Some are even abandoning their property (mostly small, unpainted, sparsely furnished houses without running water) which is later sold at sheriff sales. Darien Negroes are proud of the fact that many of them own their homes, although most of them are modest ones. And even in the county there is very little sharecropping. Negroes live in all sections of the town. Gradually a few streets on which they live are being paved, and electric lights and water mains are being extended as the town grows. "As you know, the white man is going to fix up before his door before he fixes up before the Negro's door." As a rule, young educated Negroes do not settle here because of limited employment opportunities. There is a drive on now by the Junior Chamber of Commerce to bring in some modern industries.

Two Negro ministers—a Presbyterian and a Baptist—live in the town. The others come in over the weekend and their leadership, religious and otherwise, is of necessity limited. Some Negro leaders feel that there are too many churches for Negroes in Darien. They feel that some of these churches should be combined so that they could afford to attract and pay able preachers who would live here and furnish much-needed leadership.

C. Efforts to increase registration and voting

Negroes in McIntosh County seem to have only a "lukewarm interest" in registering and voting. "The only thing they have to do is to go before the tax collector if they own property. They will have no trouble if they can read and write." Negroes here need a voters' league to help stir up interest in registering and voting. They need to have "citizenship meetings" to which candidates will be invited (this has not been done up to the present time). As it stands, not much is being done in a formal, organizational way to have Negro registration and voting increased.

D. Prospects

The prospects are somewhat bleak for the following reasons: Lack of leadership and active interest in political action; lack of employment opportunities which would provide a reasonable degree of independence for those who would offer political leadership; and lack of any type of voters' league which would help inform potential Negro voters of the rights, benefits, and responsibilities of citizenship as based on intelligent political action.

V. PEACH COUNTY

A. The voting pattern for Negroes

Peach County, with Fort Valley as its county seat, is located in central Georgia and has a population of 10,378. Negroes in this county outnumber whites by a ratio of approximately 6 to 4 and this factor has played a historical part in the formulation of the present pattern of race relations. Actually, the pattern has been and is one of comprehensive suppression of Negroes within the narrow confines of a rigid system of racial segregation. More will be said about this in another section of this report. In 1955, there were approxi-

mately 1,150 Negroes registered in Peach County. During this same year, 338 voted in the city elections. (Persons living in the County are not permitted to vote in city elections.) In 1954 there were 552 Negro registrants out of a registration total of 3,056. The percentage of Negro registrants was only 18.1 percent although Negroes comprise 61.3 percent of the total population of this county. In this same year the county had 7,290 persons of voting age of whom 3,020 were white and 4,260 were Negro. This population pattern has resulted in the whites resorting to subtle and overt methods of maintaining political control by methods which have not always been political in nature. On the other hand, Negro residents in this county, because of their dominant numbers, have felt compelled to reassure the white people that they do not expect to "take over" in a political sense. As I checked the list of "Registered Voters 1954 Colored" with the president of the Civic League, he pointed out that several reasonably prominent Negro residents, as well as others, had failed to vote. He expressed dissatisfaction about the total number of Negroes who are registered and he and his colleagues in the Civic League are considering plans for increasing the number. Here, again, Negroes depreciate the value of their votes. Many say that their "votes don't count." Further, they are reluctant to get in too close a competitive political relationship with the white man "who is going to run things anyway." Negro and white voters are segregated from each other at the polls. Negro voters have to go to the rear of the city hall to deposit their ballots in a box which is painted black. White voters go through the front door of the city hall and place their ballots in unpainted boxes.

No overt legal efforts are made now to keep Negroes from registering and voting in Peach County. In 1946 a number of efforts were made to intimidate Negroes so as to discourage their registering and voting. "Negroes by the hundreds were subpoenaed" to report to the registrar's office to justify their names remaining on the qualified voters lists. Many were asked to read something to the satisfaction of the registrars and as a result were purged from the qualified voters' lists. Now Negroes who seek to register are asked only to copy some passage from the U.S. Constitution. In some instances, Negroes have been asked if they were registered when they were near or in the registrar's office. Furthermore, they were advised as to how they could get on the permanent registration list and told to "tell others (meaning Negroes) to come on down."

B. Socio-economic factors

With a State college for Negroes—Fort Valley State College—located in the county seat, one would expect to find a reasonable number of Negro business and professional people. But he does not find them here. For many years, Peach County did not provide any appreciable educational outlets for its Negro residents. They had to depend upon a small Episcopal Church high school and junior college which were headed for years by a distinguished American, Dr. Henry A. Hunt. Then, after the city and State took over (approximately 15 years ago) there was little growth in these school facilities until Negroes through NAACP suits and otherwise agitated for additional expansion. To date, the institution's physical growth has outdistanced its growth in the realm of a rational racial ideological militancy.

There are a few small, relatively new businesses conducted by Negroes. There is only one Negro physician who located in Fort Valley about 2 years ago. He also serves as college physician. There are no Negro dentists or lawyers. Except for teachers in the college and public-school system, a few ministers and business people, most of the Negroes in Peach County have to depend on menial, domestic, factory and farming jobs. Some are employed at Warner-Robins Air Base.

Here, again, is an example of the lack of leadership being partially due to an absence of economic independence on the part of most Negro residents. The few Negroes who are most active in a political sense are those four or five who are ministers or run a filling station, grocery store, or undertaking establishment. The principal of the high school for Negroes is more active politically, through his work with the Civic League, than is usually the case. High-school Negro pupils are encouraged and assisted in registering as they reach the legal age for doing so.

In the case of Fort Valley State College, "a representative number" of faculty and staff members register and vote. They are "quietly" urged to do so. However, they give no "active leadership in political affairs." The last Fort

Valley State College faculty member to be active in political affairs through the instrumentality of the Civic League was the late Dr. William Madison Boyd who continued his active interest in better citizenship affairs after he became professor and chairman of the Political Science Department of Atlanta University. Some of his former colleagues and friends at Fort Valley State College are still amazed that he was able to "get away with what he did." Some of his former coworkers in the Civic League proudly refer to his pioneering work and lament the fact there isn't another "professor" who will work with them "like Dr. Boyd." The present newly elected president of the Civic League is an alert, progressive young businessman and he has plans for organizing citizenship schools in various churches with the help of the Parent Teachers' Association, which already urges political participation.

Negroes in Peach County have not had any political rallies in the last 5 years, largely because "there has not been the leadership." Personal contacts are relied on. "Some individual Negro citizens of long standing who are known by whites have been the contact people during political campaigns." There are occasional meetings of local Negro and white ministers who "discuss local issues and the spirit with which they should be met." This is the extent of any interracial cooperation in Peach County.

There is no NAACP chapter in Peach County to help spur political activity by Negroes. There was once an NAACP unit here but it ceased to function about 4 years ago largely due to internal reasons. Staff and faculty members of the college are secretive about their membership and support of the NAACP. Although they do not seem to be subservient in the traditional manner they are practical enough to realize that support of the NAACP in their community involves risks.

Some Negroes feel that some community improvements will take place under the city administration because "the mayor is not too hidebound." There is much room for community improvement in that Negroes do not have playgrounds (despite the density of their population), a swimming pool, recreational center, golf course, paved streets, adequate indoor toilets, sewage and running water. Housing for Negroes in Fort Valley is grossly inadequate and is crowded largely between the college, the railroad tracks, and the town itself.

C. Efforts to increase registration and voting

This phase has already been dealt with to some extent. The Civic League has been reorganized and is laying plans for an intensive citizenship and registration campaign beginning in the fall of 1956. Representatives of the masses of Negro people have begun to see the necessity of increased political participation. Having cautiously felt their way politically without suffering reprisals, they now believe they can extend their activity in this area. They also think that as time goes on, more political candidates, other than the mayor, will seek more votes of Negro residents of Peach County.

D. Prospects

For the time being very little political leadership will emanate from the State supported college. Very limited political leadership among Negroes is the prospect until the development of a larger number of relatively independent business, religious and professional Negro people—and keener competition among candidates for votes of Negroes.

VI. WALTON COUNTY

A. The voting pattern for Negroes

Approximately 45 miles from Atlanta in an easterly direction is located Walton County of which Monroe is the county seat. There are about 20,777 persons living in Walton County with about 31 percent of these Negroes. Rural life is still a dominant characteristic of the community pattern—although definite signs of change are evident. Out of about 3,000 Negroes in this community who are eligible to vote, close to 1,500 are registered. In the last election, approximately 500 Negroes voted. In 1954 the number of white registrants was 6,522 in contrast to 788 Negro registrants, thus making a total of 7,310 registrants. Negroes made up only 10.8 percent of the registrants although their percentage in the total population was 31.1.

Negroes register in Walton County without legal hindrance and have been doing so for several years. However, some of the registration records got mixed up in Walton County during the last election. Apologies were made

and some of these irregularities, which appeared more of a bookkeeping than of a racial nature, were cleared up in time for the registrants to vote. At one time several years ago an effort was made to purge Negro registrants' names from the voters' list. One of the Negro leaders went to employ a lawyer to take legal steps to stop this. The lawyer was in with the "political clique" and he later said that there would be no purging of Negroes' names. Those in political authority must have thought the Negroes meant business. Then, too, they must have remembered that once before some Negroes in Walton County had taken legal action by employing Attorney Dan Duke, of Atlanta, to challenge Walton County's jury system. In a few instances some Negroes who were seeking to register were told by a registrar that "I don't want you to register to vote against me and my friends. Nevertheless, they were not denied the right to register. Negro high-school students are advised to register as they reach 18 years of age, the legal voting age in Georgia. Provision is made by teachers for these students to go to the city hall to register and this procedure has been "acceptable up until now."

Negroes voted for the mayor and councilmen this year for the first time. Some of the candidates for office, especially the mayor, invited Negroes to vote for them. They promised to do "whatever they could to improve the colored community." Negro voters use one ballot box and whites use a different one. Negro voters generally do not like this arrangement because they realize that their votes can be traced by the numbers they have on them when they are compared to the numbers on the stubs.

B. Socioeconomic factors

It was asserted that many Negroes "don't want to vote." They say that there is "no need to vote, it won't amount to anything anyway. White folks are running things and will keep on doing so." Some Negroes who were registered would refuse free rides to the polls on election day and some Negro women who promised that they would go down to the polls often "would get in bed to keep from doing so." Since Negro voters use separate voting booths, it was thought by some that their votes would be thrown out—and not counted. To help counteract this type of thinking, a slogan was worked out on placards, and reads—"Your vote is the one that counts—Register."

Considering the degree of disinterest in registering and voting by Negro residents of Walton County, the investigator asked if this were a part of the aftermath of an unsolved lynching which took place in this county on July 25, 1948. On this date four Negroes, two men and two women, one of whom was pregnant, were lynched in broad daylight. Seemingly, there was a lack of interest in registering and voting on the part of Negroes before the lynching. Therefore, it is contended that thought of the lynching is not necessarily a pervasive factor in causing Negroes not to register in larger numbers. According to those with whom I talked, there was more fear about lynching outside of Monroe than there was inside of it. Nevertheless, some persons, white and Negro, were quite concerned. For instance, one white woman is said to have implored a Negro woman whom she knew—"Don't say anything about it; they (the lynchers) are bloodthirsty." The Negro woman stated that she would talk if it would help because "Christ died and I am willing to help my people." Another person, a man, said that he did not think that Negroes were generally afraid to register and vote. He asserted that the "so-called leading Negroes are afraid" but the "Negro working by the day doesn't give a damn." "The average street-roaming Negro isn't afraid of white men. Negro teachers and ministers seem to be afraid of what they may lose, but what it is, I don't know."

No NAACP chapter exists in this county but some informal contacts are maintained with the Atlanta NAACP chapter. There is a definite lack of Negro leadership in Walton County in spite of efforts of a very few to provide much needed assistance. None of the Negro teachers participates vigorously in political affairs even though they do encourage Negro high school pupils to register and vote when they reach the legal age to do so. Some are criticized for not participating at all. Most of them are not residents of Walton County and they go to their homes whenever they can. Most of the Negro ministers come in to their churches once or twice a month. None of them live in Monroe, although a Methodist minister did live there for a while. The First Baptist Church (Negro) finally got a minister on a four-Sundays-a-month basis. He commutes from Atlanta. It is felt that a part of the leadership lag is due to the conditions described above and the thought is spreading to the effect that these Negro

leaders ought to become an integral part of the Negro community by living in it.

There are no Negro doctors, dentists, or lawyers in Walton County. It is felt that they are kept out by fear of living in a place like Monroe. There are a very few independent Negro businessmen; thus, a relative degree of economic independence or security which is usually the basis of political leadership is definitely lacking. Most of the Negroes work in domestic service, as janitors, farmhands and a few have menial jobs in factories. There are some carpenters, brickmasons, and cement finishers, but not many. An increasing number of Negro workers commute to Atlanta to their jobs. Although this investigator found no evidence of economic reprisals against Negroes because of their efforts to register and vote, it seems that the very nature of their economic pattern of employment is a constant reminder that they must operate within the range of the white man's restricted area of consent. One person who was interviewed stated that the "best Negro voters are in the rurals" and they are landowners and renters. The sharecroppers don't vote to any extent. There is a small well-planned housing project for Negroes which was financed largely with Federal funds.

Another restrictive citizenship handicap is the absence of educational facilities. Walton County is in dire need of additional school buildings, especially for its Negro residents. Recently, a school bond issue was favorably voted on and was supported by members of both racial groups. Some Negro school-teachers were contacted and asked to use their influence to get Negro voters to help put over the bond issue. The present high school, which is definitely inadequate, was started only 13 years ago. Prior to this time, a Negro pupil in Walton County could go only through the elementary school. Not many of them even did this because often their parents kept them out of school to work in the cotton fields. Alert, sensitive Negro parents who wanted their children to go beyond elementary school had to finance their education elsewhere, mainly in Atlanta. This was often difficult to do because of the nature of their employment and their limited wages. Furthermore, up until the last school year of 1955-56, Negro students went to school on what is called a split-session. They would start their studies early in July and then their school was closed for 2 months—September and October—while they worked in the fields. The white schools were not on a split-session. However, at rare times during the heaviest part of the farming season, white students would be dismissed for a half-day to help with harvesting the crops. When efforts were made to do away with the split-session, a Negro school trustee board was appointed to help determine the policies. It favored the split-session. Other Negroes who were not in favor of the split-session threatened to bring a court suit to have it done away with. Before this action was taken, the split-session was eliminated. "The white man is a specialist in dividing us," said one of the Negro opponents of the split-session. He also stated that: "The white man fears the press and is now very particular about how he miscarries justice."

Some Negroes in Monroe hope to use "political pressure" to get a park, a school building, paved streets, more sewage, running water, a swimming pool, and other community improvements. However, as I was told, some are content to have their political support pay off by having some influential white person say to them: "All right, you boys have your liquor * * * and I won't bother you." Another person who was interviewed said: "Integration is here on a liquor-selling and a liquor-buying basis. Negroes go to some white homes and whites go to some Negro homes for it." Another phase of the political payoff has to do with Negroes who run afoul of the law, getting lighter sentences than they ordinarily would get.

C. Efforts to increase registration and voting

There is no well-planned, consistent effort in Walton County on the part of Negro residents to increase their registration and voting. There is division in the ranks of the few leaders whom they have. At times whites have postponed doing something that some Negroes have requested because "You all are not together" and we will wait until "you all get together." Negroes do not have a civic or political leaue that they can depend on for leadership. The Negro could get some political benefits if 10 or 12 "would meet regularly and stand up for their rights." Occasionally, a political or citizenship speaker is brought in from Atlanta. Whereas white veterans are rather active politically, Negro veterans in their Amvets and American Legion branches are not encouraged to participate in politics. White and Negro veterans being in separate units do not have a

clear-cut means of communicating with each other. The American Legion units are strictly segregated. The Amvets' units, Negro and white, do have delegates attending the same regional meeting. Occasionally, "some Christian white people, especially white churchwomen," cross racial barriers to cooperate with Negroes in helping to lift community standards by supporting school bond issues, et cetera.

White and Negro ministers do not meet together even at times when the Negro ministers are in the town. Negro ministers are not in the town during the week when they could help sponsor voters' mass meetings. It is realized that such citizenship meetings are needed and there is a plan being formulated to get them started. Those who want to have this kind of meeting realize that for a while very few, if any candidates, will attend the meetings because they seem to prefer making their contacts with Negroes on an individual, personal basis, and through their employers when this approach is thought to be expedient. It is felt that political mass meetings which are attended by the candidates would generate more interest in political action by Negroes.

Finally, another indirect type of political deterrent should be mentioned. In recent months a white man was reported to have raped a Negro girl in Walton County. Two weeks after it occurred, it was uncovered by a Negro resident of Walton County who called Atlanta and gave the details to a newspaper. Now, the main Negro witness is missing and no one seems to know what happened to him. These experiences undoubtedly condition the thoughts and actions of Negroes, and although a few continue to exert their citizenship rights some deal realistically with the ever-present potential danger and draw back more and more.

D. Prospects

The outlook is somewhat gloomy until some of the factors discussed in the preceding pages are dealt with in a creative way. The present leadership, white and Negro, will have to become more vigorous and resolute. Then, too, educational and economic opportunities, especially for Negro residents, must be broadened.

Commissioner CARLTON. Mr. Tiffany, do you have anything further?

Mr. TIFFANY. That is the concluding witness.

Commissioner CARLTON. This, then, ladies and gentlemen, brings to a conclusion our hearing. We want to express our sincere thanks to the mayor and city officials for their hospitality, for the cooperation they have given in this hearing. We also want to thank the various participants for aiding us in this program. You will understand that our Commission has a pretty difficult task. We have a problem that is not easy to solve, but it is one that can be met if we meet it in a spirit of good sense, of good will, and patience. We hope that you will sympathize with us in the difficult problem that we have; that is, the Commission. We are looking forward now to a delightful ride with the mayor where we will see parts of your city.

Do you have anything, Dr. Hannah, that you would like to say?

Chairman HANNAH. Just add my word of appreciation, that this has been a very enlightening day for me. I am, too, very grateful for all those who have helped to make it so.

Commissioner CARLTON. Thank you very much, and we will look forward to seeing you again.

(Whereupon, at 4:45 p.m., the hearing was adjourned.)

(The following statements were submitted for inclusion in the record:)

STATEMENT SUBMITTED BY MR. JACK ADAIR, PRESIDENT, ATLANTA CHAMBER OF COMMERCE

My name is Jack Adair. I was born in Atlanta and attended public schools here. Upon graduation from the Georgia Institute of Technology in 1933 I became associated with the Adair Realty & Loan Co., of which I am presently the president and owner. The Atlanta Chamber of Commerce elected me to its presidency as of January 1, 1959.

I believe you will conclude from information and statistics presented to you at this hearing by the Atlanta Metropolitan Planning Commission and other witnesses and from your travels and hearings in other cities over the country that the Atlanta area has done perhaps the outstanding job in meeting the housing needs of our racial, national, and religious minority groups.

It is almost needless to say that every major city has both white and nonwhite slum areas. Our experience here indicates that Atlanta is meeting both problems adequately.

One of our major difficulties in Atlanta in finding adequate housing for minority groups stems from the fact that Georgia and some of the surrounding States have long been predominately agricultural. This agriculture is undergoing a metamorphosis for several reasons with the result that farmworkers are being displaced in large numbers and are migrating to the cities. Atlanta is probably the largest recipient of this migration in the Southeastern region.

Adequate housing is one of the prime requisites in the growth and development of any community. That we have been meeting the housing challenge is indicated by the following:

Our general business and industrial activity has more than doubled during the last 10 years.

According to the U.S. Department of Commerce, during the period 1946-56, the area employment increased by 140,000, ranking it first among 24 cities of comparable size and surpassed by a comfortable margin such cities as Seattle, Kansas City, Dallas, Indianapolis, Denver, Portland, Louisville, St. Paul-Minneapolis, Houston, New Orleans, and Miami.

This same Government source reported that in the 1947-54 period—

Atlanta ranked eighth among 66 U.S. cities in the number of new large plants.

Atlanta ranked fifth among 61 cities in the increase in manufacturing employment.

Atlanta ranked second only to Los Angeles in the percentage increase in the value of our products.

The Bureau of Labor Statistics reports that in the period 1951-56 Atlanta's manufacturing employment increased 22,000. This is the second largest growth, both numerically and percentagewise, of any U.S. city, exceeded only by Los Angeles.

To put it briefly, Atlanta in nearly every respect has grown as much in the last 10 years as the city did in her previous history of more than 100 years.

The fact that Atlanta has sustained this influx of displaced farmworkers and other types of rapid growth and stands out among comparable cities in this respect indicates that any major change in our methods of meeting the city's housing needs would be extremely unwise.

STATEMENT OF GREATER ATLANTA COUNCIL ON HUMAN RELATIONS, ATLANTA, GA.,
MARCH 19, 1959

THE PUBLIC HOUSING PROGRAM IN ATLANTA

(1) The number of units has been programed and constructed equitably by race based on need of each racial group.

(2) Projects are rigidly segregated, with equity in amenities, personnel, and services.

(3) Projects have been constructed generally in areas occupied by the racial group for which the project was programed:

(a) The one exception has been the location of Joel Chandler Harris Homes. This project is occupied by white families but is directly adjacent to a Negro community on the north and directly adjacent to a white community on the south. The northern boundary is "protected" by cyclone fencing.

Prior to the construction of this project, Negro families had been moving into the area (Ashby Street and Sells Avenue). Construction of the project on this site was considered by some citizens to be an attempt by the local authority to block expansion of Negro families further south toward West End.

EFFECT OF SEGREGATION ON HOUSING

(1) Compulsory segregation, as practiced and legally enforced in Atlanta and the South, is inherently discriminatory. Segregation in the field of housing deprives the Negro of the right to bargain for housing in a free and unrestricted market.

"Compulsory residential segregation is the basic inequality that underlies or stimulates other forms of discrimination. The Supreme Court has declared enforced segregation in education 'inherently unequal.' In the housing field, segregation is even more incompatible with equality."¹

(2) Racial segregation is much more complete in new housing developments than in established neighborhoods. Public housing developments have extended and strengthened patterns of segregation in some localities. This has been true where projects have been programed for one racial group only but displaced families of both racial groups. Such programing not only created a rigid segregated pattern where none had existed but cloaked it with official respectability—approved by an agency of the Federal Government.

Segregation has been countenanced by the Federal Government in the field of private housing, as evidenced by this statement from the Report of the Commission on Race and Housing—"Where Shall We Live?":

"Special credit assistance has been provided through the Federal National Mortgage Association and the Voluntary Home Mortgage Credit Program. * * * A high proportion of all postwar new dwellings built for minority use has been financed by mortgages purchased by the FNMA—that is, by government credit. These houses have been built, with few exceptions, in segregated projects. The special-assistance measures, therefore, like public housing, have been both a source of housing and a force for segregation."

RECOMMENDATIONS

(1) Federal legislation to make definitive and positively affirm the policy that there shall be no discrimination or segregation in the administration of laws and programs relating to housing, urban renewal and community facilities.

(2) Continuing efforts should be made to increase the supply of good-quality housing for low- and middle-income families with no artificial barriers of race to limit the availability of such housing.

(3) In re urban renewal, the most severely blighted areas often must be completely cleared. The situation is complicated because large segments of our total housing supply are not available to members of minority groups. Negro and other minority families are confined and concentrated, by and large, in the very areas most in need of renewal.²

With appreciation for the specific administrative policies of the Urban Renewal Administration for overcoming the problems of minorities caused by displacement and relocation, it is recommended that residential and commercial reuse housing be preferentially available to families and businesses displaced from the project area without regard to race, color, religion, or national origin.

Respectfully submitted.

EDWARD A. CAHILL,

Chairman, Greater Atlanta Council on Human Relations.

¹ "Where Shall We Live?"—Report of Commission on Race and Housing.

² From statement of Norman P. Mason, Administrator, Housing and Home Finance Agency, before Subcommittee No. 5 of the House Judiciary Committee, Mar. 13, 1959.

APPENDIX I

Public housing projects, Atlanta Housing Authority

Negro occupancy		White occupancy	
Project name	Number of units	Project name	Number of units
University Homes.....	675	Clark Howell Homes.....	630
John Hope Homes.....	606	Capitol Homes.....	616
Grady Homes.....	616	Capitol Homes Addition.....	179
Eagan Homes.....	548	Joel Chandler Harris Homes.....	510
Herndon Homes.....	520	Techwood Homes.....	604
Carver Community.....	980		
Perry Homes.....	1,000		
Total.....	4,955		2,539

<i>Total</i>	<i>White</i>	<i>Non-white</i>
7,494	2,539	4,955
100%	33.88%	66.12%

NOTE.—The Atlanta Housing Authority has applied to the Public Housing Administration for an additional 1,000 units for nonwhite occupancy. These units are under preliminary loan contract. Details of site selection and steps leading to construction are now underway.

SUPPLEMENTARY STATEMENT

While we appreciate the Commission's focus on the areas of voting and housing, we feel that this should be amplified by a hearing in the Atlanta area on abuses of civil rights in employment with particular emphasis upon areas where the Federal Government has responsibility.

Atlanta is the headquarters for a large number of Federal regional offices. These agencies employ thousands of workers who fall under the Federal civil service. With the exception of the post office and two race-relations advisers in the field of housing who have secretaries, no Negroes are employed above the level of maintenance workers.

There are dozens of industries in the South who possess Federal contracts. Here, again, there is gross discrimination in employment on the basis of race. In many cases it is reported there is a complete refusal to hire Negroes. Under-employment is the rule in the balance.

We would also call your attention to the discrimination in hospital facilities. This represents a tragic area of need as far as the Negro citizens of Atlanta are concerned. Less than 50 percent of the required number of hospital beds for this size population are available, and only in the public hospital is any kind of emergency equipment available. The facilities at the public hospital are rigidly segregated and the Negro citizen must run the gauntlet of abuse which rigidly segregated hospital operation implies. There are no Negro doctors associated with the staff, nor any training program for Negro interns. Many of the hospitals in Atlanta, including the public hospital, have been built with Hill-Burton funds. Most of them will not accept Negro patients, nor allow Negro physicians or interns on their staff.

Finally, we would call your attention to the Federal funds made available for education through the Smith-Hughes Act. Many elaborate facilities are available in Georgia as a direct result of Federal subsidy, but here again, gross discrimination exists.

REPORT ON ATLANTA'S 221 PROGRAM

APRIL 10, 1959.

Atlanta's 221 program provides for 5,500 units of which 3,900 designated for Negroes and 1,600 for whites.

As of March 2, 1959, under Atlanta's 221 program, FHA allocations to builders were:

	<i>Units</i>
For white occupancy.....	910
For Negro occupancy.....	1,199
Total	2,109

As of the same date building permits had been issued against these allocations as follows:

	<i>Units</i>
For white occupancy.....	427
For Negro occupancy.....	506
Total	933

As of April 1, 1959, 221 subdivisions which have been completed or are actually under active development and in which area houses for Negroes did not previously exist are as follows:

	<i>Acres</i>
Santa Barbara.....	30
Poole Creek.....	30
Tanglewood.....	20
Brownstown.....	23
Carver Hills.....	165
Total	268

As of the same date the following additional subdivisions were in planning stage with development reasonably assured for 1959:

	<i>Acres</i>
Bolton Rd.....	50
Bolton-Fairburn Rd.....	53
Gollier Dr.....	60
Total	163

Thus under the 221 program to date in Atlanta, 268 acres plus 163 acres (a total of 431 acres) has already been developed, or is in process of being developed, for Negro housing on land on which Negroes did not previously live.

MACOLM D. JONES,
Director, Urban Renewal Department.

UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
CHICAGO, ILL.

May 5, 1959, Morning Session

COMMISSION ON CIVIL RIGHTS

TUESDAY MORNING SESSION, MAY 5, 1959

The Commission met in room 600, U.S. Federal Building, Chicago, Ill., at 9 a.m., Tuesday, May 5, 1959, Rev. Theodore M. Hesburgh, Commissioner, presiding.

Present: Rev. Theodore M. Hesburgh, Commissioner, and John S. Battle, Commissioner.

Also present: George M. Johnson, director, Office of Laws, Plans, and Research; Mrs. Carol R. Arth, executive secretary; Harris L. Wofford, Jr., legal assistant to Commissioner Hesburgh; Eugene R. Jackson, legal assistant to the late Commissioner J. Ernest Wilkins; Robert H. Amidon, housing team attorney; and Rufus Kuykendall, consultant.

PROCEEDINGS

Commissioner HESBURGH. The hearing will now come to order.

This is a hearing by a duly constituted subcommittee of the Commission on Civil Rights. First I would like to introduce my colleague, Commission member, John S. Battle, former Governor of Virginia.

I would like also to introduce Dean George M. Johnson, Director of our Office of Laws, Plans, and Research. Dean Johnson was recently nominated by the President to succeed the late J. Ernest Wilkins, who for many years was a prominent citizen and attorney here in Chicago, and whose dedication to the work of this Commission was, I am sure, as well known to you as it was to us. We miss him greatly. I would like at this time to ask Dean Johnson to join us.

Next I would like to recognize the members of the Illinois State Advisory Committee of this Commission who have been invited to attend here this morning. I believe we have present with us on my left the Reverend A. Lincoln James, Louis Schwartz, W. L. McFetridge, Jewel Stratford Rogers, and George B. McKibben.

We also have, I see, Miss Ann Windell from our Indiana Advisory Committee. Mrs. Dorothy S. McAllister of Michigan and Steve Kuggleman of Minnesota will arrive this afternoon.

If the members of the Advisory Committees of nearby States are attending as observers, we would welcome and hope to meet you as we adjourn for lunch.

I would also like to state at this time that under the Civil Rights Act of 1957, this Commission is required: (1) to investigate allegations "that certain citizens are being deprived of their right to vote * * * by reason of their color, race, religion or national origin," (2) to "study and collect information concerning legal developments constituting a denial of equal protection of the laws under the constitution," and (3) to "appraise the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution," and finally to submit a comprehensive report with findings and recommendations to the President and to the Congress. In order to carry out these duties, the Commission is authorized to "hold such hearings and act at such times and places as the Commission * * * may deem advisable."

It is essential to an understanding of the Commission's work to remember that it operates as an independent fact-gathering study group to advise the President and Congress. It has no power to enforce laws or correct any individual wrong it may uncover.

Early in its deliberations the Commission decided that the three primary fields for its inquiry and study would be voting rights, public education, and housing. Sworn complaints that certain citizens were being deprived of their right to vote by reason of race led this Commission to approve voting investigations in Alabama, Florida, Mississippi, and Louisiana. To get the facts firsthand we found it advisable to hold a public hearing in Montgomery, Ala., on the subject of voting rights.

The subjects of public education and housing, however, do not lend themselves to the same kind of proceeding. In order to collect information concerning the problems involved in ending racial discrimination in public schools, we held a conference of school officials from the districts and States involved in Nashville, Tenn., on March 5 and 6. In order to collect information on the problem of discrimination in housing, we have come here for this open hearing in Chicago, Ill., this morning.

While the focus of this hearing is the housing situation in Chicago and Illinois, the Commission hopes also to hear from the witnesses any suggestions or recommendations they may have generally, respecting federal housing laws and policies relating to the equal protection of the laws. Similar hearings were held in New York City on February 2 and 3, and in Atlanta on April 10.

Housing is clearly central to the problem of achieving the goal of our Constitution. For we might well say that the justice involved

in equal protection of the laws under the Constitution, like charity, must begin at home and in homes. If certain Americans, because of their color, race, religion, or national origin, grow up and live in conditions of squalor, closed off from equal opportunities to have good homes and good neighborhoods, then all of America is the poorer, and the promise of the Constitution, the promise of the American dream, is not really being fulfilled. One meaning of the constitutional rule of equal protection must be that the homeless shall have homes—and equal opportunity to good homes.

To the extent that racial discrimination in housing exists in our midst, the progress that is made on other problems such as the protection of voting rights or the desegregation of public schools will be in jeopardy, may indeed even create greater problems. For crowded racial slums threaten to turn our schools into blackboard jungles and to form a breeding ground for political demagoguery that can make a mockery of the right to vote.

The exploding metropolis is, therefore, a great challenge that this country and this Commission cannot ignore. Already about 100 million Americans, or 60 percent of our population, live within the 168 standard metropolitan areas, and it is estimated that by 1975 over two-thirds of our people will live in metropolitan areas. So we are talking about the face of America, now and in the future. That face must have the beauty and dignity and harmony of the Constitution, not the face of slums and discrimination and chaos.

We will, I am sure, meet this challenge as we have met others before. We have the resources, we have the tradition of the world's most successful melting pot, and we have the intelligence to find a good way forward. We now need only the will. I am only stating some obvious starting propositions that explain in part our coming here today. The questions involved in solving the problem of discrimination in housing are many and complicated. We come here with no preconceived solutions. We are here to learn and to ask questions.

Congress has declared in the Housing Act of 1949 that "a decent home and a suitable living environment for every American family" is the goal of national policy. Through its various housing programs—assistance for slum clearance and urban renewal, public housing, and mortgage insurance—the Federal Government is playing a major role in housing. In studying housing we are trying to collect information as to whether equal opportunity in housing is denied to some Americans by reason of their color, race, religion, or national origin. We need to know the causes and the effects of any such discrimination. We need to know this in order to appraise federal housing laws and policies and to make constructive recommendations to the President and the Congress concerning the achievement in the

field of housing of the national goal of equal protection of the laws. For before we can make such an appraisal, we must understand the problems with which these laws and policies are designed to cope.

To help us gain this understanding, members of our legal staff have been conducting field surveys and consultations in a number of cities. They have also been working closely with appropriate officials in the pertinent federal agencies—the Housing and Home Finance Agency, the Federal Housing Administration, the Public Housing Administration, and the Urban Renewal Administration. We have also asked the State advisory committees now organized in 47 States to assist us in finding the facts about the housing situation in their States.

In addition, in order to get the most accurate picture of the housing problems of minority groups, and to get the views of housing experts and persons concerned with discrimination in housing, we have decided to hear firsthand testimony through public hearings.

We held a hearing in New York City because with the city and State legislation in effect, this city has the most far-reaching laws of any city in the country concerning discrimination. In Atlanta, the housing policies and the practices follow the local rule of separate but equal. We know that the situation in Chicago is not by any means identical with that in other areas. Here neither the New York City nor the Atlanta situation obtains. In all our housing hearings we are trying to find out whether the laws, policies, and practices of the Federal, State, and local governments are in fact accomplishing the equal protection of the laws for all Americans.

We have invited testimony on a number of specific questions which are available here for any observer. We do not necessarily expect each witness to touch on all of them. We are grateful to the public officials, religious, business and civic leaders, and to the private organizations who are cooperating in this hearing. We know that there are many other experts, leaders, and organizations concerned with this question whom time does not permit us to hear through oral testimony. We have invited many of these to submit to us written statements with their views and we hereby invite any others who believe they have pertinent views on the questions raised in this hearing to submit these views to us in writing.

Our procedure here will be quite simple. Following the oral statement of the witnesses, members of the Commission to the extent of time available will be able to question them. To hear everyone we will need to keep to the time schedule given to each witness.

Now I would like to ask Mr. Eugene Jackson, who together with Mr. Amidon on my right here has organized this hearing, to present the first witness.

Mr. JACKSON. Father Hesburgh, the first witness will be Mayor Richard Daley of the city of Chicago.

TESTIMONY OF RICHARD J. DALEY, MAYOR, CITY OF CHICAGO

Mayor DALEY. Father Hesburgh, Mr. Battle, Dean Johnson, I am happy to appear before this distinguished Commission this morning on this very vital and important subject. The subject of civil rights touches on issues that are basic to the American way of life, the struggle to protect and secure the human and civil rights of all persons is as old as the Republic itself; indeed, it is a part of the history of mankind.

Our concern today is with the rights and opportunities of minority groups, and I am reminded not long ago the Nation was agitated over the rights of labor, immigrants, women, children, debtors, and others. I mention this only as a preface to my conviction that we will face up to the problems of today just as we have met and resolved the grave social problems of the past.

There is no question but discrimination against racial, nationalistic, and religious groups exists in many fields. This committee, I am told, is specifically concerned in its hearing on the issue of housing in Chicago. This discrimination is not only true in Chicago but is true throughout the country. I am sure that the committee in its hearings that it has already held and in many studies that have been made on this question have found that there are patterns of discrimination in all metropolitan areas and that basically the problems are similar in Chicago, New York, Los Angeles, Pittsburgh, Philadelphia, and for that matter, in any large city.

Our Nation is a dynamic one, constantly changing and progressing. Nowhere is this more evident than in our large cities. As public officials and civic leaders we all know that change necessitates adjustment in attitude and behavior. These adjustments take time, but they must be achieved as rapidly as possible. We have made substantial progress in civil rights in the last 20 years, and we will make even more progress in the next decade.

Housing is certainly one of our most crucial problems, not only as it relates to minority groups, but to the very survival of our cities. The city of Chicago is one of the leaders in our Nation in an overall program of not only providing housing, but of renewing and rebuilding our city. Our vast expenditure for slum clearance, neighborhood improvement, public housing, improved municipal services, better community facilities such as schools, parks, and playgrounds, and specific programs to bring about better relations among the many groups in the city of Chicago, all of these things are evidence of our determination to meet the needs of all of our citizens.

The policy of our administration is identical with the one that was stated by Father Hesburgh and by the Congress in the Housing Act of 1949, a decent home and a suitable environment for every American family. As members of the Commission well know, the housing prob-

lem is not one problem but a combination of interrelated problems, land values, building codes, tax rates, material costs, labor costs, adequate financing, zoning and site planning, housing management or mismanagement, shifting population, immigration, and the effective administration of the necessary private and public agencies are all issues by themselves, and taken as a whole, they constitute the housing problem. The housing shortage, the blighted areas which burden us now, have been caused by an accumulation of long-standing ills. It is obvious to anyone who has studied the problem closely that there is no easy solution, no quick solution, and all of the good intentions and sweeping promises can't alleviate the heritage of abuse.

Some indication of the enormity of this problem may be had from the fact that only 16,400 new dwelling units were built in our city between 1931 and 1940. Of these 4,011 were public housing, but the immensity of this problem should not deter us for one moment from pressing every possible course for providing decent and sanitary housing for every citizen, regardless of his race, creed, color, nationalistic origin, or economic status.

Since the housing problem affects every phase of our municipal and civic life, we have been and are working on all aspects. Because of this activity, because of our continual efforts, we are constantly running into difficult problems, and it is through the experience of meeting these problems that we are able to make genuine progress.

The very nature of the housing and renewal effort provides better definition, broadening understanding among important community forces, and a better climate for action.

I would like to briefly highlight the program that the city of Chicago has under way. Present today are authorities and department heads who will speak specifically and in detail on the various aspects, and they will be most happy to answer any of your questions. The Commission on Human Relations has made a real contribution in dealing with the most difficult problems in race relations, in creating an atmosphere of understanding among our people. They have expanded their activities with a newcomers program to help the thousands of new workers and their families who come to Chicago each year.

When I assumed office in 1955, the annual budget appropriation for the Commission on Human Relations was \$55,000. The 1959 annual budget provides for more than \$225,000. This year the Commission has established a West Side center for Spanish-speaking citizens. It is developing a program for a North Side center staffed by volunteer workers, expert in handling immigrants, and are developing a South Side center to achieve similar goals. Fundamental to a realistic housing program is the need for the maintenance of minimum stand-

ards. Adoption of the housing code in 1956 and a comprehensive zoning law ordinance in 1956 have promoted the stability necessary to the protection of our neighborhoods and communities. The Building and Law Departments have instituted new procedures to make these new standards effective and to secure more complete observance of all the laws concerning the health and safety of our people. The Building Department has initiated a program of systematic inspection of substandard buildings by teams made up of representatives of the Building, Health, Fire, and Law Departments. Corporation counsel has asked the courts to vacate buildings that are hazardous and dangerous beyond repair. The city has also moved against property owners who are unwilling to bring their properties up to adequate standards by having receivers appointed who apply rents for repairs until the buildings are brought up to standard conditions. As a result of this overall program there has been a substantial improvement in the quantity and the quality of the housing supply.

The Chicago Housing Authority has completed 16,500 apartments for the city's low-income families, and a program for an additional 9,750 units is under way. The Chicago Land Clearance has a program involving 21 projects containing over 700 acres. The 14 residential projects will provide sites for an estimated 9,500 privately financed dwelling units. The progress that has resulted from these programs is shown by the findings of the Chicago supplement to the National Housing Inventory, conducted by the Bureau of Census in January 1957. The first measurement of housing quality and supply since the 1950 census disclosed that the supply of housing in the city increased by 5.3 percent as compared with the increase of population of 3.4 percent. More significant is the fact that the overall increase in the supply was accompanied by an improvement in the quality of housing. Substandard housing decreased by 31 percent while standard housing increased by 16.3 percent. Overcrowding decreased by 30 percent; doubling up of families decreased by 32 percent; homeownership rose by 16.5 percent, so that we now have the highest rate of homeownership since 1900.

These gains are being shared by all of our citizens. Commissioner Bach of the Department of City Planning will present specific data on these points. Although we are gratified and encouraged by the progress, we do not pretend to have reached our objectives—far from it.

I would like to make a brief reference to our comprehensive and far-reaching conservation program. The Hyde Park-Kenwood plan is becoming an example for many cities to follow. Ten communities actively engaged in conservation have been designated in conservation areas. In addition, there are at least 18 other communities

with active citizen organizations carrying out their private programs in their respective areas.

Using communities such as Hyde Park-Kenwood, Chatham, Lake Meadows, and Prairie Shores, there is no question in our mind that the programs when completed will represent the highest standard of community life. We already can see that a new pattern of interracial relationship is being developed in these areas which make us believe that they form the basis of a broader understanding, leading to better neighborhoods and greater opportunities for all the people.

While we are moving in the right direction, I would caution against the thought that any city can solve the problem of housing and civil rights by its own resources. These are national problems. They are not created by the cities, nor will they be resolved by any city. The cities must work hand in hand with the States and the National Government in a common problem.

In this respect I would urge the necessity for the continuation of an expanded scale of Federal programs for slum clearance and neighborhood conservation. I would further urge that the Federal program for either public housing or private mortgage insurance be geared to realistic cost limitation in urban areas so that these programs can take on real meaning for cities such as Chicago. Federal authorities can further aid our local efforts by developing and administering programs for the stimulation of private housing construction in urban centers with the same liberality which it has exhibited over the past decade and a half toward new suburban developments.

Finally, and perhaps more important, all levels of government and most particularly the Federal Government, must take steps to assure a steady high level of employment, not only to provide the consumer purchasing power for further social and economic gains, but to prevent any loss in the gains already made.

As I stated before, the witnesses to follow will present detailed information on all the phases that I have mentioned.

In addition, the Commission has at its disposal a wealth of information concerning the progress, the plans, the vital statistics of the housing situation in Chicago. In our desire to press forward in this vital field we have utilized the foremost authorities, made extensive factfinding surveys so that we could proceed on the most accurate, up-to-date information. In fact, no city in the Nation has done as much in this regard. Chicago is one of the melting pot cities of our Nation. People of every race, creed, color, and nationalistic origin from all corners of the world have made this city their home. Chicago has become a great city because of all their contributions. It is a heritage that means much to all Chicagoans, and we shall con-

tinue to forge head by working together to make our city a better place in which to live and work for all of our people. I am thankful for the opportunity of appearing before this Commission.

Commissioner HESBURGH. Thank you very much, Mayor Daley. Would you be available for a few questions now?

Mayor DALEY. I would be glad to.

Commissioner HESBURGH. Mayor Daley, we found in New York and in Atlanta that Negroes of high income have no great problem finding a decent place to live and that the really festering problem seems to be low-income groups who find it awfully difficult to find a safe and decent sanitary habitation. I was wondering, from your long experience as mayor of this great city of Chicago, what you think is the most important single thing that can be done to answer this need of providing decent housing for low-income groups.

Mayor DALEY. I think the most important thing, Father, is to give them the economic opportunity to earn enough money, and we find out that when they are given that opportunity, all people, whether they are Spanish-speaking, whether they are Negro, whether they are white from the South, always want to advance their position, and if we have high levels of employment with proper pay, then we have one of the great answers to our housing question.

In addition to that, those who, because of sickness or illness or perhaps a widow, I think the city has and should and must provide proper homes for those people, but in the aggregate I would say one of the greatest things to help the low-income group in any city, in any community, in any metropolitan area, is to pay them well and give them steady employment, and we find out that all people are anxious with that to have a better place for their family and for their children, and they have done that in Chicago, the evidence showing that since 1900 we have the highest percentage of homeownership today than we have had in the last 59 years.

Commissioner HESBURGH. Mayor, are you satisfied with the results of the Federal housing programs, thinking of urban renewal and Federal housing?

Mayor DALEY. I mentioned a moment ago that the uncertainty of the Federal urban renewal program gives all metropolitan areas tremendous concern. As you recall in the last session, the entire program was virtually abandoned. You know what it takes to plan, and these men who are experts will tell you more specifically the planning involved, the number of conferences, the time involved. We have to have a continuity of our program in urban renewal and housing because of the very nature of the problem. We must go to the community, and we must organize the community. From the community we must have understanding. There must be planning.

We would think one of the first things would be to encourage a continuous program on urban renewal and rebuilding from the Federal level. The other thing that is very important is, as you know, there have been great liberal programs on financing in many of the suburban areas which the large cities have never had the opportunity to take advantage of. We think some of these Federal programs should be approached in the realistic views of today as to what costs are, and when we talk about helping on mortgages, they should relate themselves as to what the cost of a building is, and in that way we could undoubtedly develop and encourage, which in my opinion, one of the great things we should encourage throughout the country is private ownership and private development and private building.

Commissioner HESBURGH. Governor Battle, would you like to ask Mayor Daley a question?

Commissioner BATTLE. I assume, Mr. Mayor, you have filed a copy of your statement with the Commission.

Mayor DALEY. I have.

Commissioner BATTLE. Thank you very much.

Commissioner HESBURGH. Dean Johnson.

Dean JOHNSON. Mayor Daley, I wonder if I could ask you one or two questions about legislation. In New York the Commission had described to it the new city law against discrimination in housing, and then our staff, in consultation with Mayor Dilworth of Philadelphia, heard him describe the situation in Philadelphia somewhat in this fashion. He said, "Now, in Philadelphia we have a white noose around our city, sort of a suburban ring that excludes all Negroes." and he doubted the effectiveness of a city law against housing discrimination that did not include the suburbs.

I am wondering whether you would favor any law against housing discrimination, whether you would favor a city law or a State law that would include the suburbs.

Mayor DALEY. I think if you were including any law at all, Dean, you would have to have a law that would take in the entire metropolitan area, but I don't think we have the situation that exists in Philadelphia. As you know, for instance, in many of the suburbs we have very large nonwhite population. We talk about Evanston, we talk about Maywood, we talk about Blue Island, so I would point out that the situation in and about the Chicagoland area would not be comparable to what they have in Philadelphia. I would say, however, that anything that we can do to further encourage homeownership and to encourage people to build is the problem that we have taken up in Chicago, and the problem of homeownership makes, as you know, the fine citizen and one who is interested in his community and his neighborhood, interested in his city, in his State, and in his

country, and in addition to all the problems—and we are studying the very law that was enacted in New York. Our Human Relations Commission Chairman, Mr. Bowe, has under consideration all the phases of this law and what it means to our Chicagoland area, and we will do anything we can to encourage more housing, better housing, and we feel very humbly that Chicago has done and is doing one of the finest jobs of any large city in the country with the resources we have to do something about this question.

In addition to this, we think the people have done themselves a tremendous lot of things. Then when you go around our neighborhoods and communities you see in older neighborhoods new homes. The churches have played a most important role in rallying their people around their neighborhoods and in improving it and rebuilding it. We think taken altogether, all these different things you talk about, we feel economically we are one unit.

Getting back to your question that this Chicago metropolitan area doesn't stop at any boundary line, that the employment, that the income, that the manufacturing, that the finance were all tied up as one unit, as you point out, the laws to be really effective should be on the basis to cover the metropolitan area, whether it is in New York or whether it is in Los Angeles or whether it is in Chicago, and in that judgment you are perfectly right, and I agree with you.

Dean JOHNSON. I wonder if I could ask you one other question, in view of your emphasis on increased Federal aid. You know that in some parts of this country there is pretty strong objection to Federal housing policies against racial segregation. I was wondering whether you think that efforts to impose nonsegregation housing policies at this time might lead to the abandonment of the whole Federal housing program because of this opposition in certain parts of the country.

Mayor DALEY. I wouldn't think on a question that is that important in principle that I would receive—I would rather lose and stay with the idea that all people in America should be treated alike. However, I don't think, and I would hope that would never be the vote of the Congress of the United States, that all would be deprived because of the failure to include, include or exclude any provision.

Dean JOHNSON. Thank you.

Commissioner HESBURGH. Mayor Daley, Mrs. Rogers of our Illinois State Advisory Committee, I think, has one question.

Mrs. ROGERS. Mayor Daley, Father Hesburgh made a statement that in the studies in Atlanta and New York that the Commission had found that Negroes of high income had no difficulty in finding decent homes. My question to you is, do you agree that Chicago fits into that same category, that Negroes of high income have no difficulty finding decent living quarters in Chicago?

Mayor DALEY. I don't agree to the latter part, because if you will search the record, you will find out that the labor in Chicago is paid the highest salary of any metropolitan area in the country, and the recent study by the Chicago University which took 3 years showed one great factor of which we are all proud, that in the Chicagoland area we produce more, we earn more, and we save more than any other community in the United States, and certainly the question answers itself. I mean, there is no necessity of answering a question that says people of high income can pay for what they want. That has been the age-old question of the people since the very founding of this Nation. The low economic groups, whether they be Irish, whether they be Poles, whether they be Italians, and whether they be Spanish, Puerto Ricans, or Mexicans, it is always the low-economic group that had the most difficult time in their housing problems, in all the problems of living, in providing the food for their families, and there is no doubt but that exists today, and I agree with Father and I agree with you, the way to remedy this in a most effective way is to increase the income of the worker. The man at your left has done a tremendous amount in that regard in our community, Mr. McFetridge.

Commissioner HESBURGH. Thank you very much, Mayor Daley. We appreciate your coming this morning. We know how busy you are, and you made a good contribution to our hearing.

Incidentally, I have a telegram here from Senator Douglas, and since it mentions you laudably, you might want to relax for a moment and hear it.

This is addressed to the Commission on Civil Rights in the Federal Building, Chicago. It is from Senator Paul Douglas.

Official Senate duties will keep me in Washington on May 5, but I want to extend to the members of the Civil Rights Commission a warm welcome as they come to Illinois. I am glad that the Commission has chosen to hold a part of its hearings in Chicago. The Commission is doing and can continue to do a great public service in bringing together and analyzing the facts concerning racial and religious discrimination in the various aspects of American life. I am confident that the educational benefits alone which will flow from these and other hearings of the Commission will be substantial. We are firmly resolved in Chicago to make racial and religious discrimination a thing of the past. Beginning with our able mayor, the Honorable Richard J. Daley, and the Citizens Human Relations Commission and on through organizations of religious, business, labor, welfare, and civic bodies, we have acted and I believe we have made real gains. In the ward which I once served as alderman, for instance, great progress has been made in dealing with aspects of racial and religious discrimination that arise in the fields of education, employment, recreation, housing and so forth. But we also acknowledge that our human relations problems are many and difficult, that we have not solved them all, that we still have a long way to go to reach our goal. That is why we welcome the coming of national leaders to join with us in assessing again our successes and our shortcomings to the end that we in the Nation of which we are a part may more effectively move toward equal justice under the law. I believe that you will find that here in Chicago our citizens are also more than generally aware of the intentness with which the other part of the world watch our racial attitudes. I believe that you will find an awareness that what we achieve here

has a profound effect upon many other nations, colored and white. It is my hope that your hearings in Chicago will be of great assistance to the deliberation of your Commission and will help us all to find those answers which will give the United States in the eyes of the world a clear record of dedication to human rights and freedom.

Signed "Paul H. Douglas, U.S. Senator from Illinois."

Thank you once more.

Mr. Jackson.

Mr. JACKSON. Charles A. Bane, Chairman of the Illinois State Advisory Committee has been asked by Governor Stratton to read his statement as the Governor cannot be here.

**TESTIMONY OF CHARLES A. BANE, CHAIRMAN, ILLINOIS STATE
ADVISORY COMMITTEE, ON BEHALF OF WILLIAM G. STRATTON,
GOVERNOR, STATE OF ILLINOIS**

Mr. BANE. Governor Stratton is most regretful he cannot be here, but urgent business is keeping him in Springfield. He has, as Mr. Jackson just said, asked me if I will represent him here and read a brief statement in which he wants to welcome the Commission to Illinois and place his full stamp of approval upon its activities here. This is the Governor's statement.

I am honored to welcome the Commission on Civil Rights to Illinois for this public hearing on housing.

We recognize equal application of the law and equal opportunity under the law. Yet we have a problem of understanding which we cannot evade, and which we can ill afford to ignore. Either we mean what we say, and the laws apply equally to all citizens, or they do not. If they do not, then we cannot longer boast to the world that we have freedom, and we are a democracy. We have to recognize the equal application of the law and equal opportunity under the law. This is basic.

There must be a willingness and desire to solve these problems—a sincere desire that transcends sectional or political advantage. We must decide, and demonstrate to the world that we mean what we say, and that the laws of this country apply equally to all our citizens.

Here in Illinois we have a Commission on Human Relations which has studied the various aspects of discrimination. They have done an excellent job, but all segments of government from Federal down to municipal must cooperate to find an adequate solution to this problem.

With the help of the fine work of the Federal Commission on Civil Rights, our Illinois Commission on Human Relations, and the various municipal organizations devoting much time to this problem, we will find a solution not only by laws, but with a deeper understanding.

Thank you.

I might just add, Father, with respect to the Governor's reference to the Commission on Human Relations, that the chairman of the Illinois Commission, Mr. Louis Schwartz, who is here today, has also been a member and vice chairman of the Illinois Advisory Committee which your Commission established to advise you, so that in the report by the Illinois Advisory Committee we will have the benefit of the fine work that has been done by the Illinois Commission on Human Relations.

Commissioner HESBURGH. We are very happy that you are here today, too, Mr. Bane, because you have been very helpful to us on the Commission here in Illinois, and we hope you will extend our gratitude to the Governor for this fine statement.

Mr. BANE. Thank you, Father, and again his regrets for not being here.

Commissioner HESBURGH. We understand.

Mr. JACKSON. The next witness is Dr. Philip M. Hauser, director of the Chicago Community Inventory. Dr. Hauser is professor and chairman of the department of sociology at the University of Chicago and formerly Acting Director of the Bureau of Census.

**TESTIMONY OF PHILIP M. HAUSER, PROFESSOR AND CHAIRMAN,
DEPARTMENT OF SOCIOLOGY; DIRECTOR, CHICAGO COMMUNITY
INVENTORY, UNIVERSITY OF CHICAGO**

Dr. HAUSER. Mr. Chairman, members of the Commission, by far the largest single minority group in Chicago today, and the most recently arrived, is the Negro. I shall focus my testimony on the problem of the Negro, not because he is the only minority group with problems relating to civil rights, but because he is the most visible and the one for whom the most information is available, in addition to being the largest.

Negroes have lived in Chicago since its very founding. In fact, one of the first permanent settlers of the city was John Baptiste Pointe du Sable, whose mother was probably a Negro slave. By 1910, the proportion of Negroes in the city had risen to 2 percent from a level of 1.2 percent recorded in the first census in which the city was enumerated; namely, the census of 1840. The relatively small number of Negroes in Chicago prior to 1910 was in keeping with their national distribution. Ninety-two percent of the Negroes were in the South in 1860 and 89 percent were still in the South in 1910.

Negro population in Chicago, as in other industrial cities of the North, increased greatly during the decade 1910-1920 in response to the demand for labor to replace the streams of immigrants who could not come during World War I. Between 1910 and 1920 the number of Negroes in Chicago more than doubled to reach a total of 109,000; and by 1930 the Negro population had again doubled to reach a total of 234,000. The population growth of the city, including that of the Negro, greatly decreased during the depression of 1930's. Between 1940 and 1950, however, the Negro population of the city increased by 77 percent to reach a level of 492,000. In fact, about a half million inhabitants, the Negro community of Chicago in 1950 exceeded in size all but 18 of the cities in the United States.

Between 1950 and 1957, Chicago Community Inventory of the University of Chicago, which I direct, has estimated that the nonwhite population, 96 percent Negro, increased from 509,000 to 749,000. In 1950 nonwhites made up about 14 percent of the population of Chicago, almost as large a proportion as that of the foreign born; by 1957, nonwhites made up 20 percent of the total population of the city, and exceeded the foreign born for the first time in the history of this city.

It is noteworthy that since 1930, although the nonwhite population of Chicago has greatly increased, the white population has actually declined. It is all too simple an explanation to say that the white population is fleeing the nonwhite population. The fact is that newcomers to the city of Chicago, as in other cities, have always tended to find their ports of entry, their areas of first settlement, in the inner, older, and less desirable residential zones of the area; and have, in the course of time, as they climbed the social-economic ladder, moved outward to newer and more desirable residential locations. Had this hearing been held in 1910 the process now discernible in the location of the Negro in the inner zones of the city and the outward movement of the white population, would have been manifest in the movement into the inner zones of the city of foreign-born groups—immigrants from Poland, the U.S.S.R., Italy and other parts of southern and eastern Europe—while the persons of long residence, the immigrants of the 19th century, were moving outward. It is only because the city of Chicago is now relatively filled up that the outward movement of whites carries them beyond the boundaries of the city. In the earlier part of the century, the same type of outward movement was evident, but the outward-bound population was at that time still able to settle within the boundaries of the city.

The process by which the Negro has settled in the city of Chicago, and the areas of settlement have been described in some detail in the volume "The Negro Population of Chicago" prepared by my colleagues Dr. Otis Dudley Duncan and Dr. Beverly Duncan of the Chicago Community Inventory of the University of Chicago. I made a copy of this volume available as exhibit 1. In brief, the Duncans have demonstrated that the Negro community in Chicago has expanded through a series of stages of "succession," and the map showing that extension is indicated in exhibit 2 which I have made available. The pattern is pretty well described in the accompanying map which shows how the Negro community has expanded successively from the inner core in 1910 to a segregated area joining that core. This is made more clear in this second volume I have attached as an exhibit, "Chicago's Negro Population," which is a report prepared

by the Chicago Community Inventory of the University of Chicago for the Office of Housing and Redevelopment Coordinator and Chicago Plan Commission.

The process of succession in Chicago, as in other cities, has produced a high degree of segregated Negro residential areas. The Negro population in Chicago is probably as segregated as in any large city of the United States and, perhaps, more so than most. In 1950 an index of segregation, the "Index of dissimilarity"—by census tracts—for the Negro was 85 percent; that is, it would be necessary to move 85 percent of the Negroes to effect a pattern of distribution within the city to match that of the native white population.

The Negro, however, is by no means the only minority group in the city of Chicago which lives in discernible enclaves. On a community area basis, the index of segregation of Negroes in relation to that of native white population in 1950 was about 80; for Lithuanians it was 52; for Czechoslovakians, 49; for Poles, 45; for immigrants from the U.S.S.R., mainly Jews, 44; for Italians, 41. Enclaves could be found even of 19th century immigrant groups, as is indicated by indexes of segregation of 33 for the Swedes, 32 for the Irish, 27 for the German, 19 for English and Welsh. Thus, although the Negro population is more segregated than foreign-born groups, the fact is that in Chicago, as in other cities, segregated patterns of living have been, and still are, discernible for the immigrant groups who contributed materially to the population of the city, including even the foreign white stock who immigrated as early as the 19th century.

Segregated patterns of living in some measure reflect the desires of persons of similar ethnic, racial, cultural, or linguistic background to live together in the warmth and security of persons like themselves, as well as external pressures from the outside. The fact that enclaves of various ethnic groups can still be discerned in Chicago, and that such enclaves changed very little between 1930 and 1950, has been indicated by the research of my colleagues Duncan and Lieberman, exhibit 3 attached to the record, supports this observation. Although the evidence indicates that with the passage of time, indexes of segregation have tended to diminish, we can apparently expect for some time both segregated, pluralistic living, and integrated living, among foreign white stock in Chicago and elsewhere in the United States.

The relative high segregation of the Negro is attributable, in part, to the fact that he is the most recent arrival, as well as to the fact that by reason of race prejudice possessed by many American people, he is subject to greater external pressures than were immigrant white groups before him. However, it is also true that during the period of accommodation to "urbanism as a way of life" it must be anticipated

that one reason that we shall have segregated Negro communities is that large numbers of Negroes will wish to live in proximity to one another and to share in a common community life.

We do not yet fully understand all of the factors which account for the enclaves both of foreign white and Negro population in Chicago and in other cities. Yet it is probably true that one reason patterns of segregated living are manifest in the city is to be found in Chicago's fabulous history of physical and population growth. Chicago, a city of 4,470 people in 1840, was a city of over a million by 1890—in half a century—and is a city of 3.7 million today.

I won't take the time to elaborate what they said in the record, Mr. Chairman, but the fact is that a good part of our segregated patterns, both foreign-born whites and Negro, simply reflect the coincidence and synchronization of fabulous growth accompanied by fabulous immigrant groups during the 19th and 20th centuries, Negroes now, during what is the first cycle in development of this metropolitan area. I should like to call next your attention to two generalizations I have elaborated elsewhere, and this is in a chapter in this book, "Planning 1958," inserted in the record as exhibit 4.

First, patterns of segregated living have never been reserved for any one, or a few, minority groups in the history of this or any other city. They have been democratically available to all newcomers regardless of race, color, religion, or previous condition of servitude. Second, patterns of prejudice, hostility, and discriminatory practices have never been reserved for any one, or a few minority groups in the history of this or any other city in the United States. They, also, have been democratically available to all newcomer groups without regard to race, color, religion, or previous conditions of any kind. The problems which confront the Negro today, although perhaps differing in degree, are essentially the same kinds of problems which confronted our immigrant groups in the past. The patterns by which foreign-born immigrants climbed the social-economic ladder and improved their lot as citizens of Chicago, in large measure point to the pathways which will be followed by our newest newcomers—Negroes. The problem of the foreign born was a problem of Americanization—processes which the sociologists calls acculturation, accommodation, and assimilation. The problem of the Negro is not one of Americanization, for he has been an American longer than the average white person in this country. The problem of the Negro is one of transition from a folk culture acquired in the Rural South to "urbanism as a way of life." The Negro's problem of adjustment, because of persistent race prejudice, may admittedly be more difficult than that of the foreign-born white. But there are reasons to believe, one of which is this hearing itself, that forces are in motion that will enable the

Negro to win his place as a full-fledged member of the American society, in the same manner as did his predecessor immigrant populations.

Among the problems which confront the Negro, as the newest newcomer to Chicago, is that of inadequate housing. The Commission has widely decided to focus on the housing situation as a good indicator of the extent to which a population group is achieving its full and rightful place in the social order under the Constitution and the laws of the United States. Other witnesses will testify, and correctly so, Commissioner of Planning Ira Bach, for example, to the improvements which have occurred in the housing situation of Chicago, as a whole, and for the white and nonwhite populations, respectively, particularly since 1950. I should like to call the attention of the Commission to an as yet unpublished manuscript on "White—Nonwhite Differentials in Housing" which will constitute a chapter in a forthcoming monograph on housing in Chicago prepared by my colleague, Beverly Duncan, and myself. I am making a copy of this chapter, chapter 6, about a 70-page manuscript, available as exhibit 5.

May I say that the very existence of this material, the monograph which will summarize the results of a national housing inventory, testifies to the fact that the city agencies in Chicago have had an extraordinary interest in obtaining as much factual information about this situation as they could, and that Chicago and Philadelphia were the only two cities in the country that raised local funds to supplement the funds expended by the Federal Government in the national housing inventory to get this kind of information as the basis for action by city agencies.

The major conclusions of our analysis may be set forth in summary form as follows:

1. The average nonwhite household in Chicago, in 1957, paid about as much rent for housing as the average white household, \$76 compared with \$78, but out of an appreciably smaller family income—for renters—\$3,947 compared with \$5,517.

2. Nonwhite populations got as much space, but much more substandard housing for a given rental than do white families in Chicago. That is, nonwhite families, even when rent paid and income are controlled, live in a much larger proportion of substandard units than does the white population. In 1957, despite the great improvement over 1950, 35 percent of nonwhite households in Chicago, as compared with 16 percent of the white, lived in substandard dwelling units.

3. The landlord in Chicago who rents to nonwhites, on the average, obtains a "bonus" of \$15 per month—that is he receives \$15 a month more from a nonwhite household than he would from a white household

for the same type of housing. However, although nonwhite occupants pay more rent for substandard dwellings than do white occupants, rentals of standard units are about the same for white and nonwhite households.

4. Recent migrant renters occupy substandard units twice as often as do persons who have lived in the city for 2 years or more. Recent migrants, however, receive about as much space and housing "quality" per rental dollar as do the nonmigrants. That is, there is little to suggest that recent migrants are "taken advantage of" in the housing market. They have more substandard housing because they pay lower rents than older residents.

5. The relative disadvantage of nonwhites in the housing market appears to be as great for households which have been living in the Chicago area for at least 2 years, as for households which have moved to Chicago more recently.

6. Significant differences exist in respect of housing for whites and nonwhites in the five areas into which Chicago has been divided for analysis.

There is a map, exhibit 6, that I think can be shown now in color which I think will help document what I am about to report based on this study. The study, as I have indicated, is based on the Census Bureau's national housing inventory expanded for the city of Chicago. Now that purple area is what we have designated as a deteriorated central area for the nonwhite. The blue is a deteriorated central area for the white. The green is the mixed area, and then the sound outer white area to the north is in the orange and the sound outer white area to the south. Highlights of the analysis may be given as follows:

(a) Although total housing supply in Chicago increased between 1950 and 1957 by some 59,000 units, that in the "deteriorated central area," occupied by the nonwhite and white populations, respectively, decreased—each by 3,000 dwelling units.

This, Mr. Chairman, testifies among other things to the effects of slum clearance and the decreasing of the highly undesirable densities that have been in those zones.

(b) Substandard housing for the city as a whole decreased from 23 percent in 1950 to 15 percent in 1957. In the "deteriorated central area occupied by nonwhites," substandard housing decreased from 67 percent to 53 percent; in the "deteriorated central area occupied by whites," from 42 percent to 28 percent; in the "mixed area," from 26 to 20 percent. In these inner zones in Chicago, then, despite the progress made, substandard housing still constitutes from one-fifth to over one-half of all housing units; and is over one-half of all housing units in the almost solidly nonwhite area.

CONCLUDING OBSERVATIONS

The problems of minority groups in Chicago are in essence the same as those for minority groups in metropolitan U.S.A. I should like to stress the fact that minority group problems in Chicago are deeply rooted in the fabric of the United States—its history, its technological development, and its economic, social and political growth.

I have another exhibit elaborating upon this which is provided as exhibit 7.

The basic forces and processes to which I have all too briefly alluded above, must be understood, if the problems of the Negro and of other minority groups are to be effectively resolved. The fundamental explanation of the situation of the Negro in Chicago, in 1959, is to be found in the history of the south as a region of the United States, in the impact on American society of World Wars I and II, and in the postwar cold-war climate in which we now live, and which incidentally, is responsible for the tremendous increase in internal migration which has exacerbated their problem. These, and similar forces, beyond the control of this Commission, or of the city government have produced the social and economic upheavels which have created the difficult problems with which this hearing is concerned.

The various agencies of the city government which will be heard here are caught, with all of us, in the swirl of these powerful forces. The Board of Education, for example, runs segregated public schools in Chicago, not by choice, but by reason of the residential pattern of living in the city over which it has no control. The Chicago Housing Authority operates public housing, largely located within the segregated Negro area and 85 percent occupied by Negroes, not by choice, but because of the same forces which it, similarly, cannot control. The Department of City Planning, when it strives to make Chicago a better place in which to live and to work, utilizing the tools of the Federal Urban Renewal Program, inevitably uproots the residents of the decayed areas of the city—who at present happen to be the Negro. Forty or fifty years ago, had we had the foresight then to undertake urban renewal, foreign-born groups would have been similarly inconvenienced. Moreover, many of the problems of the Negro in Chicago involve not only the city but also the entire metropolitan area, including the suburbs. The attitudes and practices of the residents and of public and private agencies in the suburbs of Chicago are as vital a part of the problems of the Negro in Chicago, as are the attitudes and practices of the inhabitants and agencies of the city.

I am mindful of the fact that this Commission is interested in achieving possible legislative or administrative remedies to the problems of minority groups, especially those that involve violations of

civil rights. But, many of the problems of minority groups, including those which involve problems of civil rights, cannot be resolved by legislation or administrative fiat alone. Their solution will require basic changes in the social and economic structure of the United States, in inter-group and inter-personal relations, and in the attitudes and values of the American people.

This is not to say that legislation cannot or should not be used to improve the lot of the Negro and of other minority groups. But legislation cannot by itself, change the attitudes and values of the American people or magically do away with the problems which have accumulated over generations largely as byproducts of forces which man, in a rapidly changing economic and social order, has not been able to control.

It has not been possible, within the compass of a 15-minute presentation, to penetrate very deeply into the complex problem which occasioned this hearing. I have no specific legislative or administrative proposals to make—partly because I do not feel qualified to make them. No doubt these and other hearings will point to policies and actions which the Commission will wish to recommend to the President and through him to the Congress. But I would plead that recognition be given to the underlying causes of the problem of our minority groups and to the fact that it is the causes not the symptoms that require the major treatment.

Commissioner HESBURGH. Thank you very much Dr. Hauser. We would like to ask you a few questions if we might now. First of all, I want to say I think you have brought a great deal of light to this situation which is certainly a very complicated and very intricate problem. You mentioned that Chicago, no differently than most cities in the United States, has developed a pattern of rather strict segregation. I think you attributed as one of the major factors involved in this, causing it, if you will, the explosive growth of the city, and the immigration of many other groups who went through similar periods of segregation and now somewhat dwindling. I was wondering to what extent you would cite as another important factor the attitude of discrimination against the Negroes as a group as responsible for at least this block of areas which you indicate on your map beyond which it becomes very difficult for this particular group, the Negroes to emerge.

Dr. HAUSER. Well, unquestionably, Mr. Chairman, that is a factor. However, I feel it must be recognized that in turn every one of our immigrant white groups underwent much the same treatment. There were no exceptions to this rule. If you took a map, as we have actually done, for Chicago and analyzed the distribution, let us say, of our foreign groups during the 19th and 20th centuries,

you had a similar situation. Every one of these groups, for example, even shared some common pithy designation by which they were known, indicating the attitudes involved. When the Germans first came, they were all Krautheads; Irish were all Micks; no matter what part of Scandinavian Peninsula people came from, they were all dumb Swedes. Who did we let in in the 20th century but a lot of Polacks, Sheenies, Bohunks, Wops. There was no exception to this rule, Mr. Chairman. I think this is the American way of greeting all newcomers.

I would like to emphasize, we must understand this is one of the elements of American life. Out of this we have become the nation we are.

Commissioner HESBURGH. You put rather strong emphasis, however, on this change in values and attitudes, and it seems to me that we have talked so much about legislation, this emphasis on values and attitudes is quite important in the social structure of a city like Chicago or any other great city because the thing that seems to emerge again and again in our staff studies is that as these blighted areas are destroyed and buildings replace them, it just means another blight area is further harmed by the utter concentration of people moving into it, since so often the building and the housing that is put on the blighted area once it is razed is of such a high quality that these people simply can't afford it, and so they are forced into more substandard housing.

Dr. HAUSER. Mr. Chairman, to some extent this is true, but I would like to point out that the net effects of the urban renewal program so far as we have been able to measure it in Chicago up to this point, although it has undoubtedly involved to some extent the process to which you have just referred, but the net effect has been both to increase the supply of housing and to decrease the supply of substandard housing. In the process this means people get hurt and some communities suffer, but unless we are willing in a sense to share the pain, we can never get rid of decayed inner zones in all of our central cities, and this, as you know, is a national problem.

Commissioner HESBURGH. Certainly, and I like very much your idea this is an organic problem in the whole city and suburbs and must be approached from many, many sides, not just the legislative side, but the side of community relations, of forming attitudes, and particularly the opportunity for people on the low level of income to have some kind of decent housing.

Dr. HAUSER. In fact, Mr. Chairman, if I may stress there—and I referred at the end of my statement to the fact that the basic cause is not only that the symptoms must be dealt with, but I think what may contribute to the solution of some of these problems would be such things as more educational opportunity, better economic opportunity

for jobs and income of the type to which Mayor Daley referred. I think that one of the problems of the Negro of Chicago is simply a reflection of the fact that as recently as 1957 the average schooling of Negroes 25 years of age and over in the United States was under fifth grade. This is the kind of cause that is responsible for many of the problems that underlie this, and this reflects previous lack of opportunity, educational, social, and economic in various parts of the country.

Commissioner HESBURGH. We have seen very often in our other hearings the necessity for a total fabric, voting, education, housing, economic opportunity, that advances must be made on all of these fronts at once.

Dr. HAUSER. Right.

Commissioner HESBURGH. Governor Battle, do you have some questions?

Commissioner BATTLE. No.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. Yes. Professor Hauser, I was very much interested in your analogy between the Negro and the foreign born in which you suggested that in the case of the foreign born it is a matter of acculturation and in the case of the Negro a matter of urbanization, and that this means that there is a difference in degree. I was wondering whether you are prepared to say that that is really a difference in degree when, regardless of the amount of urbanization that a Negro may undergo, he does not lose his high visibility, and that that is his problem.

Dr. HAUSER. I think this is quite true. The fact the Negro remains visible changes the character of the problem, but I should like to point out that although this is a factor that may need a longer period in the accommodation and acceptance, that there are other forces at work that tend to accelerate this process in comparison with that of the foreign-born immigrants in the past.

Let me mention just a very few of them. One, the Negro comes into the city, he is able to speak the language at once, not always the queen's English, but he can get along and doesn't waste a generation switching from a foreign to the American tongue.

Second, the evidence will probably indicate that as a result of a general economic climate in which we now live, Negro income relative to white is probably rising more rapidly than did foreign born income relative to native during that period of transition, and the rising and improving economic opportunity would tend to accelerate this process; and third—and I think this is a very essential element in the situation—the Negro has become conscious of the problem. He is organized. The Nation is conscious of the problem. This hearing is a manifestation of it, and I think that there is going to be probably political assistance in this process, and the assistance of the authority

of government in a way to go far beyond what the foreign immigrant had. These are some factors making for acceleration in the process even though, as you point out, the visibility may tend to retard it.

I am hopeful in this sense, in other parts of the world where the Negro is also visible, he is integrated in society. I can't believe that the American people are really going to be that much different, or shall I say that much more stupid than other countries are.

Dean JOHNSON. One other question, Professor Hauser. In connection with your emphasis on the country taking the more enlightened point of view and the suggestion, with which I agree, that legislation is not the sole answer, I wonder, would you care to comment on the importance of legislation in controlling the grosser manifestations of discrimination until such time as we can get more enlightened?

Dr. HAUSER. Well, I would say in response to that question, I think the record indicates that legislation or administrative order can also have an important effect among particularly the points to which you referred, grosser violations. I think that one of the things we have all learned in the course of the last decade, from the war on, is that a good many things which were previously thought could not be achieved simply by administrative order and legislation have in fact been achieved as a result of such action.

However, I think it important to recognize that the ultimate solution lies in some kind of balance. You can't change people's minds by law, and until the attitude is changed, you don't have an effective situation in which you get integrated living. At this point I would like to emphasize that perhaps the most powerful weapon the American people have on the problem is education and the education provided by the public schools, where the schools converted foreign-born immigrants into Americans. I think it will be the schools increasingly, as the Negro gets the opportunity to go to school, that will make him a participant in the urban way of life. This however, is not a question of years or even decades. This takes time measured in human generations just as the immigration process, assimilation, was similarly measured.

Commissioner HESBURGH. I believe the Reverend James of the Illinois State Advisory Committee would like to ask a few questions.

Reverend JAMES. In the index of segregation conducted by Willis and Bell which examined Negro segregation, residential segregation, in metropolitan areas, Chicago rated highest in cities with a population of over 500,000. Now, you mentioned in your statement about newcomers to the country, they all went through this type of segregation, but the fact is that these same newcomers that come to the country, after they have been here for a short period of time, join in with

other personalities who are of direct American descent in keeping the Negro from going out of these certain restricted areas.

Now, do you feel that there is a restrictive action that is being engaged in by persons in authority to confine Negroes to certain areas in this city, as the maps will indicate, and why is it, in your opinion, that Negroes cannot buy housing, regardless of the amount of money that they have in areas in Chicago that they might desire and have a right to live in?

Dr. HAUSER. Well, that is a complex question. I think it will take a fairly complex answer.

Reverend JAMES. Basic facts of the situation.

Dr. HAUSER. The index of integration, there are various ways of calculating them. I know this study to which you referred, and there are others that have come up with the same finding. In general I think it is very difficult because of technical problems to say any one city is more or less segregated, but I think there is no doubt Chicago is at least as segregated as any city and probably more than most. I don't think we need to dwell on whether it is one point one way or another.

With respect to your \$64,000 question, I think, are there constituted authorities preventing the Negro from moving out of the restricted segregated area, if there be such action anywhere, certainly I have no knowledge of it. On the contrary, I think the evidence is that among city agencies, starting with the mayor down, so far as I can ascertain it from working with them—and they utilize my research office as one of the resources—I have found that they have always given me the direction to go ahead and find out everything I could find, including the kind of facts I have presented here. I turn these basic data over and presumably they are trying to do something about it and to deal with the problem among other things, or restriction. I think your answer on why Negroes find it difficult to move into adjoining areas is in part the same answer that used to plague the Jew, Italians, and Poles in this city in exactly the same way and still does to some extent. The problem of the Negro is admittedly more intense because of his higher visibility. I don't think this is constituted authorities. These, if you please, reflect the attitudes, the prejudices and, if you want to use the word, the "bigotry" of some of our American people.

Moreover, if we had the time to go into this thing, I think you would find that those people that have the most resentment and offer the most resistance—and I am saying this as a private individual—sometimes organized resistance. The most resistance is on the part of those foreign born who are not quite down to the process of full accommodation and assimilation themselves. Those of third, fourth, and subsequent generations are pretty relaxed about this problem, but it

is that second and third generation, perhaps, that hasn't quite arrived on the American scene itself that is 150 percent American and reflects this attitude, and I think it is there that you get the resistance. You don't get this by city officials saying "Let there be no resistance." You get it when you get the Chicago community to recognize that the color of the skin has nothing to do with the quality of the neighborhood.

Reverend JAMES. Well, in keeping with that, do you not feel that in the recognition of this problem there is a responsibility that must be shared by the city insofar as the execution of proper laws to guarantee that this right of open occupancy will not be denied citizens because of color?

Dr. HAUSER. Well, I couldn't agree more that it is an obligation on the part of constitutional authority to do all they can. But I would say an open occupancy law would not necessarily bring that about. In fact, it might do just the reverse if you had, let us say, an open occupancy law in the city that didn't apply to the whole metropolitan area. Under such circumstances you might have real chaos rather than any help. Moreover, an open occupancy law doesn't change the minds of prejudiced people, and there, I think, it is the full impact of education, including adult education, that is required. In other words, I don't want to disparage the force of the law, but I think we make a grave mistake when we think by passing a law we have solved a problem. I think prohibition proved that on another front.

Commissioner HESBURGH. Professor Hauser, you have brought a great deal of *enlightenment* to the whole problem, and we are very grateful for your presentation and are glad to have your exhibits, and we are extremely grateful to you for the fine contribution you have made here this morning.

Dr. HAUSER. Thank you, Mr. Chairman; I was pleased to be here.

EXHIBIT No. 5, ENTERED INTO RECORD BY DR. PHILIP M. HAUSER

(Preliminary Draft of Ch. 6, "White-Nonwhite Differentials in Housing" From a Forthcoming Monograph Being Prepared by Beverly Duncan and Philip M. Hauser)

CHAPTER 6. WHITE-NONWHITE DIFFERENTIALS IN HOUSING

Several studies of Chicago's population have noted the high incidence of family disorganization in the nonwhite population (e.g., Frazier, 1932; Duncan and Duncan, 1957). One manifestation is the frequency of irregular living arrangements. Nonwhite families are more likely than white families to have nonrelatives sharing their dwellings; broken families are more common in the nonwhite population. A concomitant, and possibly a cause of this family disorganization is severe room crowding; the persons-per-room ratio typically is much higher for nonwhite households than for white households. Our statistics on type and size of household and shelter space per person will be interpreted within this broader framework of white-nonwhite differentials in living patterns.

From time to time it has been observed that (a) the quality of dwellings occupied by nonwhites is, on the average, inferior to the quality of dwellings

with white occupants; (b) rentals paid by nonwhites, on the average, are only slightly less than, if not equal to, rentals paid by whites; and (c) income received by nonwhite families is, on the average, less than income received by white families. We are confident that these three observations are related; but with the sorts of data usually available, it has been difficult to answer questions of the following types. At a given income level, do nonwhite families spend as much for rental as do white families? At a given rental level, are the dwellings occupied by nonwhites as spacious and of as good a quality as the dwellings occupied by whites? Although data of the CSNHI do not yield conclusive answers to these questions, they permit a somewhat more thorough exploration than has been possible in the past.

In the final part of this chapter, we considered differences in the housing conditions of the white and nonwhite populations living in the central and outlying parts of the city of Chicago. Certain comparisons also can be made between housing conditions in the areas in which sizable numbers of nonwhites have resided for a number of years and housing conditions in the areas of more recent nonwhite occupancy.

GROWTH OF WHITE AND NONWHITE HOUSEHOLDS

Before undertaking an examination of white-nonwhite differences in household composition and housing characteristics, we present some summary statistics on changes in the numbers of white and nonwhite households which occurred between 1940 and 1957. The data are given in tables 6-1 and 6-2.

TABLE 6-1.—*Number of households, by color, reported and expected on the basis of population size and age composition, city of Chicago, 1957, 1950, and 1940*

Item and color	1957	1950	1940
	Households (in thousands)		
Households reported:			
All.....	1,133	1,087	950
White.....	919	956	873
Nonwhite.....	214	131	76
Households expected on basis of population size and age:			
All.....	1,085	1,087	993
White.....	886	949	912
Nonwhite.....	199	139	81
Ratio of reported to expected households (base, 1950 total):			
All.....	104	100	96
White.....	104	101	96
Nonwhite.....	108	95	95
	Population (in thousands)		
Total population:			
All.....	1,374 ¹	3,621	3,397
White.....	1,294 ¹	3,112	3,115
Nonwhite.....	805	609	282

¹ Population in households estimated from distributions of households by size in the "1957 CSNHI;" population outside households assumed to be the same as in 1950.

NOTE.—See text for explanation of expected number of households.

Source: "1957 CSNHI," table 1-2; "Local Community Fact Book for Chicago, 1950," table 1.

The reported numbers of households by color in 1940, 1950, and 1957 and the numbers of households by color expected on the basis of the size and age composition of the respective population in each year are shown in the first two panels of table 6-1. Usually comparisons are made between the reported number of households and the number of households expected on the basis of population size; for example, the increase in households is compared with the increase in population between two dates or the proportion of the households accounted for by nonwhites is compared with the proportion nonwhite in the population at a given date. Actually, the number of households depends on the age composition of the population as well as on population size. Children under 15 are virtually never heads of households; hence, an increase in the child population does not imply an increase in the number of households. Persons 15 to 24 years of age are rather unlikely to be household heads; only 8 percent of this age group in

the Chicago SMA were reported as household heads in 1950, whereas about 34 percent of the persons aged 25 to 34, 43 percent of the persons aged 35 to 44, and 48 to 52 percent of the persons aged 45 to 54, 55 to 64, and 65 or more headed households. When these age-specific headship rates are applied to the reported population by age and color in 1940 and 1950 and to the estimated population by age and color in 1957, the "expected" numbers of households by color are obtained. (The schedule of age-specific headship rates for the total population in the Chicago SMA in 1950 was calculated from tables 53 and 58 of the "1950 Census of Population," vol. II, pt. 13. To adjust for the SMA-city difference in rates, a constant multiplier of 1.01 was applied to the schedule so that "expected" households would equal reported households in the city of Chicago in 1950.) The estimates of 1957 population by color were obtained as follows: The white and nonwhite populations living in households were estimated from statistics on households by size and color reported in the CSNHI; white and nonwhite populations living outside households were assumed to be the same in 1957 and in 1950. The age composition of each population was assumed to be the same as the age composition of that population estimated by the composite technique ("Chicago Community Inventory," University of Chicago, 1959). Because the 1957 population figures are estimates and subject to errors which cannot be specified, they should be treated with caution. However, we regard them as satisfactory for the uses to which they are put in this analysis.

TABLE 6-2.—*Change in number of households by color, reported and expected on the basis of population size and age composition, city of Chicago, 1950-57, 1940-50, and 1940-57*

Item and color	Numerical change			Percentage change		
	1950-57	1940-50	1940-57	1950-57	1940-50	1940-57
	<i>Thou-</i>	<i>Thou-</i>	<i>Thou-</i>			
	<i>sands</i>	<i>sands</i>	<i>sands</i>			
All households:						
Total change.....	45	138	183	4	15	19
Due to population size and age....	-2	94	92	(¹)	10	10
Due to other factors.....	47	44	91	4	5	9
White households:						
Total change.....	-37	82	45	-4	9	5
Due to population size and age....	-62	36	-26	-7	4	-3
Due to other factors.....	25	46	71	3	5	8
Nonwhite households:						
Total change.....	83	55	138	63	72	181
Due to population size and age....	60	58	118	46	76	155
Due to other factors.....	23	-3	20	17	-4	26

¹ Less than 0.5 percent.

Source: Table 6-1.

If within each age group the proportion of household heads had been the same throughout the period 1940 to 1957, the ratio of reported to expected households would be 100 in each year. Actually, the ratio is 96 in 1940, 100 in 1950, 104 in 1957; this means that, in part, the growth in households was due to factors other than population size and age composition. The summary measures in table 6-2 bring out this point somewhat more clearly. Between 1950 and 1957, households in the city of Chicago increased by 45,000. If there had been no change in the age-specific headship rates, then the changes which took place in the size and age composition of the city's population would have resulted in a decrease of 2,000 households. Consequently, an increase of 47,000 households can be attributed to factors other than population size and age composition. Between 1940 and 1950, an increase of 138,000 households occurred; an increase of 94,000 households is attributable to change in population size and age composition and an increase of 44,000 households is attributable to other factors. What sort of things are the "other factors"? The median age at marriage has been falling; and an increasing proportion of young adults head families. With improving economic conditions and an easing of the housing shortage, the pro-

portion of young families setting up their own households, as opposed to sharing the dwelling of their parents or other relatives, has increased. The proportion of older persons maintaining their own households increased as benefits from public and private old-age security measures rose and improvements in mortality retarded dissolution of the family. "Doubling up" of married couples, a response to prewar depression and wartime housing shortages, has been reduced. (See Glick, 1957, ch. 9, for a discussion of household formation.) Somewhat as an aside, the analysis makes it clear that forecasts of household formation must reckon with "other factors" as well as with prospective population changes.

Turning now to the figures for white and nonwhite households separately, we observe quite different patterns of both reported and "expected" growth for the two populations. In the decade 1940 to 1950, white households increased by 82,000, or 9 percent, and nonwhite households increased by 55,000, or 72 percent. In part, the changes in households reflect changes in the size and age composition of the white and nonwhite populations. They also reflect changes in age-specific headship rates, which for convenience we call changes due to "other factors." When we focus on the changes due to other factors, we note an increase of 5 percent for white households as opposed to a decrease of 4 percent for nonwhite households. It appears—though this is conjectural—that the rapid immigration of nonwhites during the 1940's coupled with a housing shortage encouraged doubling up of nonwhite families and other somewhat irregular living arrangements. At the beginning of the decade, the population/household ratio was about the same in the white and nonwhite populations when allowance is made for their age composition; note that the ratio of actual to expected households (table 6-1) is about the same for whites and nonwhites in 1940. The rate of household formation in the nonwhite population was depressed during the decade 1940 to 1950 relative to the rate for the white population; thus, by 1950, the age-standardized population/household ratio was somewhat lower for nonwhites than for whites. In the post-1950 period, however, the nonwhite population appears to have "caught up" in terms of household formation. White households decreased by 37,000, or 4 percent, between 1950 and 1957; nonwhite households increased by 83,000, or 63 percent, during the same period. The increase in households due to other factors amounted to 3 percent for white households and 17 percent for nonwhite households; and in 1957, the age-standardized population/household ratio may have been somewhat higher for nonwhites than for whites.

Although the 1957 figures on size and age composition of the white and nonwhite populations are estimates, we think that it is safe to infer that the age-specific headship rates were on the average as high in the nonwhite population as in the white population by 1957. This similarity in white and nonwhite age-specific headship rates does not necessarily imply that the white and nonwhite populations are similar with respect to frequency of irregular living arrangements, crowding, or access to standard housing. We now turn to an examination of white-nonwhite differentials with respect to household composition and housing characteristics.

HOUSEHOLD COMPOSITION

One of the few items for which we can compile fairly comparable data for whites and nonwhites separately over a period of years is size of household or number of persons sharing the dwelling. In both 1940 and 1950 disproportionate numbers of nonwhite households consisted of persons living alone and of relatively large households—five and six or seven or more persons. Disproportionate numbers of white households consisted of two, three, and four persons. Median household size was about the same for the two groups; but the clustering about the median was less for nonwhite than for white households. The dissimilarity of the white and nonwhite distributions by size of household is indicated by the fact that 13 percent of the nonwhite households would have to be shifted to a different size category to make their household-size distribution coincide with that of white households. A rather different pattern of white-nonwhite differences in household size is observed in 1957. Table 6-3 shows that disproportionate numbers of nonwhite households appear only in the larger size-of-household categories—five and six persons or seven persons or more; disproportionate numbers of white households are found in

each smaller size category, including persons living alone. Median household size is a little larger for the nonwhite than for the white group, 3.1 persons as compared with 2.9 persons. However, the difference in the overall distributions of white and nonwhite households by size appears slightly less than in earlier years; in 1957, only 10 percent of the nonwhite households would have to be shifted to a different size category to make their household-size distribution coincide with that of white households.

TABLE 6-3.—Percentage distribution of households by number of persons in household, by color, city of Chicago, 1957, 1950 and 1940

Number of persons in household	1957			1950 ¹			1940		
	All	White	Non-white	All	White	Non-white	All	White	Non-white
All households.....	100	100	100	100	100	100	100	100	100
1 person.....	12	13	10	12	11	16	8	8	14
2 persons.....	28	29	27	30	30	27	26	26	26
3 persons.....	23	24	21	23	24	18	23	24	18
4 persons.....	18	18	16	18	19	14	19	20	14
5 and 6 persons.....	14	14	18	14	14	16	17	17	17
7 persons or more.....	4	2	8	4	3	9	6	5	12
Median number of persons.....	2.9	2.9	3.1	2.9	2.9	2.9	3.2	3.2	3.1

¹ Nonwhite category includes nonwhite households in census tracts with 250 or more nonwhite residents (97 percent of all nonwhite households); other nonwhite households included in white category.

Source: "1957 CSNHI," table 3-2; Duncan and Duncan (1957), table 21.

The most striking change in pattern is the sharp reduction in the proportion of nonwhite households which consist of a person living alone. One-person households accounted for 14 percent of all nonwhite households in 1940, 16 percent in 1950, but only 10 percent in 1957; among white households, persons living alone accounted for 8 percent in 1940, 11 percent in 1950, and 13 percent in 1957. Although the data on the household size by color for the three years are not fully comparable, it is improbable that the change in pattern can be accounted for by differences in definition and coverage. (Lodging houses with 5 to 10 lodgers were counted as dwelling units or households in 1940; in 1950 and 1957, they were classified as non-dwelling-unit quarters and do not appear in the count of households. The reclassification affects only the largest size-of-household categories, however. The nonwhite category in 1950 includes only nonwhite households in census tracts with 250 or more nonwhite residents; however, these comprise 97 percent of all nonwhite households.)

An unmistakable convergence in the proportion of household heads who are primary individuals also is observed in the white and nonwhite populations for the period 1950-57. Primary individuals include persons living alone in a dwelling unit (one-person households) and persons who share a dwelling with one or more nonrelatives but no relatives. The proportion of primary individuals among white households increased from 10 percent in 1940 to 13 percent in 1950 to 15 percent in 1957; among nonwhite households the proportion of primary individuals decreased from 23 percent in 1940 to 21 percent in 1950 to 15 percent in 1957.

Because the proportion of persons who head households and the proportion of household heads who are primary individuals vary with age, it is important to take into account changes in the age composition of the white and nonwhite populations in assessing the observed changes in proportion of primary individuals. Recall that the age-specific headship rates tended to increase as age increased; roughly one-twelfth of the persons 15 to 24, a third of the persons 25 to 34, two-fifths of the persons 35 to 44, and half the persons 45 or more headed households in the Chicago SMA in 1950. The proportion of household heads who are primary individuals is highest at the younger and older ages; its relationship to age is U-shaped. Whereas 19 percent of the household heads aged 14 to 24 were primary individuals, 9 percent of the heads aged 25 to 44 were primary individuals. Primary individuals accounted for

15 percent of the heads aged 45 to 64 and 27 percent of the heads aged 65 or more. The foregoing figures relate to the city of Chicago in 1950 (Table B-4, Chicago Community Inventory, 1954; they are based on a 3½ percent sample of the returns of the 1950 Census of Population). A comparison of the reported and age-standardized proportions of primary individuals shown in table 6-4 indicates that the increase in the proportion for whites was greater than that expected on the basis of changing age composition while the proportion for nonwhites decreased, contrary to the increased expected, given their changing age composition. This rules out age as an example of convergence.

TABLE 6-4.—*Primary individuals as a percentage of all household heads, by color, city of Chicago, 1957, 1950, and 1940*

Item	1957	1950	1940
Reported:			
All.....	15	14	11
White.....	15	13	10
Nonwhite.....	15	21	23
Expected on basis of age composition:			
All.....	15	14	14
White.....	15	14	14
Nonwhite.....	14	15	13

NOTE.—See text for explanation of expected percentages.

Source: "1957 CSNHI," table 3-2; Chicago Community Inventory (1954), table B-4; "1940 Census of Population and Housing," Families, General Characteristics, tables 52 and 65.

Between 1940 and 1950, no change in the proportion of primary individuals among white household heads would be expected given the changing age composition of the white population; actually, an increase from 10 to 13 percent occurred. Between 1950 and 1957, an increase of one percentage point would be expected; the proportion actually increased from 13 to 15 percent. Comparison of the proportions of primary individuals and of one-person households among white households shows that the increase has been in persons living alone rather than in persons sharing their dwelling with nonrelatives. One might speculate that improved economic conditions, including greater financial security at the older ages, had been conducive to the formation or maintenance of households for an individual living alone. The picture is quite different in the nonwhite population. Between 1940 and 1950, the proportion of primary individuals would have increased by two percentage points given the changing age composition of the nonwhite population; actually, the proportion fell from 23 to 21 percent. Between 1950 and 1957, a decrease of one percentage point would be expected; the proportion actually decreased from 21 to 15 percent. Throughout the period 1940-1957, some factor(s) other than age composition has been operating toward a reduction in the proportion of primary individuals among nonwhite household heads. The reduction has been less marked for persons living alone than for persons sharing their dwelling with nonrelatives. It may be suggested, speculatively to be sure, that improved economic conditions and a looser housing market have lessened the need for groups of unrelated individuals to share a dwelling.

Although there is some evidence that white and nonwhite households are becoming more alike in terms of their distributions by size and type, substantial differences remain. The distributions of white and nonwhite households in the city of Chicago in 1957 are shown by a very detailed size- and type-of-household classification in table 6-5. Disproportionate numbers of small normal families (husband, wife, and not more than three relatives) are found among white households; disproportionate numbers of large normal families (husband, wife, and five or more relatives) and of atypical family groups (family head without spouse and relatives and/or nonrelatives; husband, wife, and nonrelatives and/or relatives) are found among nonwhite households. Disproportionate numbers of persons living alone in a dwelling are found among white households; disproportionate numbers of persons sharing their dwelling with nonrelatives only are found among nonwhite households. It is worth noting that white-nonwhite differences in type of household are greater than white-nonwhite differences in size of household. Normal families account for 75 percent of the whitehouseholds as compared with 62 percent of the nonwhite

TABLE 6-5.—Percentage distribution of households by type and size, by color, for the city of Chicago, 1957

Type and size of household	All	White	Nonwhite
All households.....	100	100	100
Normal families.....	72	75	62
Husband, wife only.....	22	23	21
Husband, wife, 1 relative.....	19	20	13
Husband, wife, 2 relatives.....	16	17	11
Husband, wife, 3 relatives.....	3	9	7
Husband, wife, 4 relatives.....	4	4	4
Husband, wife, 5 relatives.....	2	2	3
Husband, wife, 6 relatives or more.....	1	1	4
Atypical families with no nonrelatives.....	10	9	16
Family head, 1 relative.....	5	5	5
Family head, 2 relatives.....	3	2	4
Family head, 3 relatives.....	1	1	2
Family head, 4 relatives.....	1	1	1
Family head, 5 relatives or more.....	1	(¹)	4
Atypical families with nonrelatives.....	3	1	8
Family head, 2 persons (1 nonrelative).....	1	1	3
Family head, 3 persons (at least 1 nonrelative).....	(¹)	(¹)	2
Family head, 4 persons (at least 1 nonrelative).....	(¹)	(¹)	1
Family head, 5 persons or more (at least 1 nonrelative).....	(¹)	(¹)	2
Primary individuals living alone.....	12	13	10
Primary individuals with nonrelatives.....	2	2	5
Primary individual, 1 nonrelative.....	1	1	2
Primary individual, 2 nonrelatives.....	1	1	1
Primary individual, 3 nonrelatives or more.....	(¹)	(¹)	2

¹ Less than 0.5 percent.

Source: "1957 CSNHI," table 3-2.

households. Families in which the spouse of the head is absent account for only 9 percent of the white households as opposed to 16 percent of the nonwhite households. Families which share their dwelling with nonrelatives account for only 1 percent of the white households as opposed to 8 percent of the nonwhite households. The following figures provide a convenient summary: 20 percent of the nonwhite households would have to be shifted to another type and size of household category to make their distribution by type and size of household identical with that of white households; 16 percent of the nonwhite households would have to be shifted to another type-of-household category to make their distribution by type of household identical with that of white households; 10 percent of the nonwhite households would have to be shifted to another size-of-household category to make their distribution by size of household identical with that of white households.

Crowding typically is measured in terms of the persons-per-room ratio; i.e., the number of persons in the household divided by the number of rooms in their dwelling. It is by no means clear what an appropriate criterion of "crowded" is in terms of the persons-per-room ratio. However, by and large, any household with a persons-per-room ratio of 1.51 or more can be regarded as crowded; this ratio implies two persons or more in a one-room unit, four persons or more in a two-room unit, five persons or more in a three-room unit, seven persons or more in a four-room unit, and so forth. By definition, a one-person household cannot be crowded; hence, the following analyses are restricted to multiperson households. The proportion of crowded multiperson households increased slightly from 1940 to 1950—from 6 to 7 percent—and then decreased somewhat between 1950 and 1957—from 7 to 5 percent. About 5 percent of the white multiperson households were crowded both in 1940 and 1950; an estimated 2 to 3 percent were crowded in 1957. The proportion crowded among nonwhite households increased from 22 to 28 percent between 1940 and 1950 and then fell to an estimated 12 to 16 percent in 1957. There is evidence of an overall decrease in crowding for both white and nonwhite households in the post-1950 period; however, the proportion crowded for nonwhites remains at

least four times as great as the proportion crowded for whites. The figures on crowding are shown in table 6-6.

In the 1957 CSNHI, a persons-per-bedroom ratio rather than a persons-per-room ratio was reported. Because comparable data are not available for earlier years, we cannot trace changes in crowding as measured by the persons-per-bedroom ratio. In 1957, 3 percent of the multiperson households in Chicago were occupying units which included no bedroom at the time of original construction; the proportion occupying no-bedroom units was the same for white and nonwhite households. Twenty percent of the households in Chicago had persons-per-bedroom ratios of 2.01 or more—17 percent of the white households and 31 percent of the nonwhite households. These data, summarized in table 6-7, indicate substantially more crowding among nonwhite households than among white households.

HOUSING CONDITIONS

We now turn to white-nonwhite differential in quality of dwelling, rental, and income of occupant. In the main, the analyses are restricted to the renter sector for which data are more abundant. As table 6-8 shows, the proportion of renters among both white and nonwhite households has been decreasing during the period 1940-1957; at the latter date, 62 percent of the white households and 83 percent of the nonwhite households were renters.

TABLE 6-6.—Percentage of multiperson households with persons-per-room ratios of 151 or more, by color, city of Chicago, 1957, 1950, and 1940

Year	All	White	Nonwhite
1957 (estimate).....	5	2-3	12-16
1950.....	7	5	28
1940.....	6	5	22

Source: 1957 estimates based on unpublished tabulations of household size (1 to 6 or more persons) by number of rooms (1 to 9 or more rooms) obtained from the 1956 NHI of the Bureau of the Census; Duncan and Duncan (1957), tables 21 and 22.

TABLE 6-7.—Percentage distribution by persons-per-bedroom ratio of multiperson households, by color, city of Chicago, 1957

Persons-per-bedroom ratio	All	White	Nonwhite
Households with 2 persons or more.....	100	100	100
No bedroom.....	3	3	3
1 bedroom or more.....	97	97	97
Persons per bedroom:			
2.01 or more.....	20	17	31
Less than 2.01.....	77	80	68

Source: "1957 CSNHI," table 3-5.

TABLE 6-8.—Percentage of households renting their dwelling, by color, city of Chicago, 1957, 1950, and 1940

Year	All	White	Nonwhite
1957.....	66	62	83
1950.....	70	67	88
1940.....	76	74	92

Source: "1957 CSNHI," table 1-2; Duncan and Duncan (1957), table 23.

The proportion of renter households occupying substandard dwellings decreased substantially between 1950 and 1957—from 29 to 21 percent. The decrease in substandard housing was somewhat greater among nonwhite households (60 to 35 percent) than among white household (24 to 16 percent).

However, in 1957, the proportion substandard for nonwhites was still more than double the proportion substandard for whites. In 1940 Census of Housing, the concept "needing major repairs" was employed rather than the concept "dilapidated" which was introduced in the 1950 census and used again in the NHI; furthermore, the 1957 and 1950 data recognize "hot running water on a year-round basis" as an indicator of quality whereas the 1940 data do not. Unfortunately, we do not know whether the proportion of units classified as "needing major repairs or lacking private bath and toilet" in 1940 is greater or less than the proportion of units which would have been classified "substandard" in that year. The 1940 proportions are shown in table 6-9 along with the proportions substandard in 1950 and 1957; they indicate that a sizable white-nonwhite differential in quality of housing obtained even before the heavy immigration of nonwhites during the housing shortage of the 1940's. Noncomparability precludes any estimate of the absolute amount or even direction of changes in the proportion of substandard housing between 1940 and 1950; i.e., it is impossible to tell whether substandard housing increased or decreased between 1940 and 1950. It is fairly clear, however, that any changes that did occur must have been less favorable for nonwhites than for whites.

TABLE 6-9.—Percentage of renter households occupying substandard dwellings, by color, city of Chicago, 1957, 1950, and 1940

Year	All	White	Nonwhite
1957 (substandard).....	21	16	35
1950 (substandard).....	29	24	60
1950 (needing major repairs or lacking private bath and toilet).....	30	26	43

NOTE.—1940 not comparable with 1950 and 1957; see text.

Source: "1957 CSNHI," table 1-2; "1940 Census of Housing" vol. III, Illinois, tables B-3 and B-5a.

Although the proportion substandard among dwellings occupied by nonwhites is more than double the proportion substandard among dwellings occupied by whites, rentals paid by nonwhites are, on the average, only slightly lower than rentals paid by whites. In 1957, the median gross monthly rent for all rental units in Chicago City was \$78. The median rental for units occupied by nonwhites was \$76; the median rental for units occupied by whites was \$78. As indicated earlier, 35 percent of the units rented by nonwhites were substandard as compared with 16 percent of the units rented by whites.

Analysis of changes through time in white-nonwhite differentials with respect to rent is difficult because two concepts of rental have been used. The first, contract rent, is the rental contracted for; it may include or exclude utilities and fuels and may be for a furnished or unfurnished unit. The second, gross rent, is contract rent plus the cost of utilities and fuels if these are not included in the contract rent minus the estimated portion of the contract rent charged for furniture in the case of furnished units. Presumably, gross rent—in which interunit differences in the inclusion of utilities, fuels, and furniture in the contract rent are eliminated—is the more desirable measure for comparisons among groups where the perquisites may vary. In table 6-10, the available statistics on rentals paid by white and nonwhite renters are summarized.

In terms of contract rent, the white-nonwhite differential was reduced between 1940 and 1950. Median contract monthly rentals of \$33 for white households and \$24 for nonwhite households are reported in 1940; in 1950, the median rental was \$45 for white households and \$41 for nonwhite households. Incidentally, differences in rental between standard and substandard units were markedly larger than differences in rental between units with white occupants and units with nonwhite occupants. In 1940, median contract monthly rental for units "needing no major repairs and with private bath and toilet" was \$37 as compared with a median of \$17 for other units; median gross monthly rental for standard units in 1950 was \$53 as compared with a median of \$34 for substandard units. In 1957, statistics on gross rent are available both for households by color and dwellings by quality. Median gross monthly rentals of \$78 for white households and \$76 for nonwhite households are reported; median gross monthly rentals of \$83 for standard units and \$55 for substandard units are reported.

TABLE 6-10.—Percentage distribution of renter-occupied dwelling units by rent, by color of occupant, city of Chicago, 1957, 1950, and 1940

Monthly rent	1957			1950			1940		
	All	White	Non-white	All	White	Non-white	All	White	Non-white
CONTRACT RENT									
All.....				100	100	100	100	100	100
Less than \$20.....				9	9	7	25	23	35
\$20 to \$39.....				31	30	39	41	41	44
\$40 to \$49.....				21	21	21	19	20	12
\$50 to \$59.....				16	16	16	8	8	6
\$60 to \$99.....				18	19	16	6	6	2
\$100 or more.....				4	4	1	1	2	(¹)
Median.....				\$44	\$45	\$41	\$32	\$33	\$24
GROSS RENT									
All.....	100	100	100	100	(²)	(²)	100	(²)	(²)
Less than \$20.....	6	6	5	3			13		
\$20 to \$39.....				27			45		
\$40 to \$49.....	8	8	9	22			22		
\$50 to \$59.....	11	11	12	21			11		
\$60 to \$99.....	54	54	54	22			8		
\$100 or more.....	21	21	20	4			1		
Median.....	\$78	\$78	\$76	\$48			\$36		

¹ Less than 0.5 percent.

² Data not available.

Source: "1957 CSNHI," table 5-3; Duncan and Duncan (1957), table 24; 1950 Census of Housing," vol. II, ch. 36, table B-3; "1940 Census of Housing," vol. III, Illinois, table B-3.

Before considering the interrelations between quality of dwelling and rental for white and nonwhite renters, we present some statistics on the incomes of white and nonwhite families; the figures are for owners and renters combined. The median 1956 family income for all primary families in Chicago was \$5,590; for white primary families, the median was \$5,910 and for nonwhite primary families the median was \$4,192. Disproportionate numbers of white families are found at each income level above \$5,000; disproportionate numbers of nonwhite families are found at each income level below \$5,000. The average family living in Chicago in 1950 received an income of \$3,956 in 1949; the median income was \$4,189 for white families and \$2,526 for nonwhite families. Disproportionate numbers of white families are found at each income level about \$3,000; disproportionate numbers of nonwhite families are found at each income level below \$3,000.

Probably the incomes of white and nonwhite families were no more alike in 1957 than in 1950. The median income for nonwhite families was about \$1,700 less than the median income for white families both in 1949 and 1956; the ratio of nonwhite to white median income may have been slightly lower in 1949 than in 1956. The difficulty in assessing the change in the white-nonwhite differential with respect to income over the 7-year period stems from the fact that the 1957 statistics are restricted to primary families (families comprising a household head with relatives who share the dwelling) whereas the 1950 statistics pertain to all families (primary families and secondary families who live in a household headed by a nonrelative or in a quasi-household). Primary families accounted for about 97 percent of all white families and 91 percent of all nonwhite families in 1950 (Chicago Community Inventory, 1954, table B-4, and Hauser and Kitagawa, 1953, table 7). It seems likely that primary families would tend to have higher incomes than secondary families; if so, the white-nonwhite difference in 1949 income of primary families would have been slightly less than the observed difference for all families. Therefore, it seems safe to conclude that the income differential between white and nonwhite families was not reduced between 1950 and 1957.

TABLE 6-11.—Percentage distribution of families by family income, by color, city of Chicago, 1957 and 1950

Family income	Primary families, 1957 (1956 income)			All families, 1950 (1949 income) ¹		
	All	White	Non- white	All	White	Non- white
All families reporting.....	100	100	100	100	100	100
Less than \$2,000.....	6	5	10	14	12	34
\$2,000 to \$2,999.....	5	4	11	15	13	29
\$3,000 to \$3,999.....	12	9	25	22	22	19
\$4,000 to \$4,999.....	17	17	20	16	17	9
\$5,000 to \$5,999.....	16	17	13	12	13	4
\$6,000 or more.....	43	48	22	21	23	4
Median.....	\$5,500	\$5,910	\$4,192	\$3,956	\$4,189	\$2,526
Median income for renters only.....	5,078	5,517	3,947

¹ Nonwhite category includes nonwhite families in census tracts with 250 or more nonwhite residents other nonwhite households included in white category.

NOTE.—1950 not comparable with 1957; see text.

Source: "1957 CSNHI," tables 4-3 and 4-4; Duncan and Duncan (1957), table 20; Hauser & Kitagawa (1953), table 7.

Income statistics for renter families separately are available only in 1957. The median income for all renter families was \$5,078 in 1956, some \$500 below the median for all families. The median income for white renters was \$5,517, as compared with a median of \$3,947 for nonwhite renters. The white-nonwhite difference in median income thus, is about \$1,600 for renters, or about the same as for all families.

TABLE 6-12.—Percentage of renter families in substandard dwellings, by color and income, city of Chicago, January 1957

Family income in 1956	Percentage of families in substandard units			Percentage distribution of families by income		
	All	White	Nonwhite	All	White	Nonwhite
All families reporting.....	17	12	33	100	100	100
Less than \$2,000.....	42	29	60	7	6	12
\$2,000 to \$2,999.....	35	31	39	6	4	12
\$3,000 to \$3,999.....	26	22	31	14	10	27
\$4,000 to \$4,999.....	17	13	30	20	21	20
\$5,000 to \$5,999.....	12	9	23	16	17	12
\$6,000 to \$6,999.....	8	4	25	12	13	7
\$7,000 to \$7,999.....	10	7	26	8	10	4
\$8,000 to \$8,999.....	7	5	22	6	7	2
\$9,000 to \$9,999.....	4	2	16	2	3	1
\$10,000 or more.....	5	5	7	7	9	3

Source: "1957 CSNHI," tables 4-3 and 4-4 and unpublished tabulation.

The data just presented have shown that (1) the housing of nonwhites is, on the average, inferior in quality to the housing of whites; (2) rentals paid by nonwhites are, on the average, nearly as great as rentals paid by whites; and (3) incomes received by nonwhites are, on the average, substantially lower than incomes received by whites. To compete in the housing market nonwhites must pay rentals more or less equivalent to those paid by whites and can do so only by allocating larger proportions of their income to housing. However, even though the nonwhite families pay rentals equivalent to those paid by white families, they are more likely to obtain substandard housing. More detailed analyses of the relationships among housing quality, income, rentals, size of unit, and type of family in 1957 follow.

Quality, rent, and income in 1957

The data in table 6-12 show that disproportionate numbers of nonwhite renter families received incomes of less than \$4,000 in 1956 and disproportionate numbers of white renter families received incomes of \$4,000 or more; the data also show that the proportion of families occupying substandard dwellings decreases as income increases. Thus, one would expect the proportion substandard to be somewhat higher among nonwhite than among white families because of the relatively low incomes received by nonwhite families. However, when white and nonwhite families with the same income are compared, the proportion of families in substandard dwellings is consistently higher for nonwhites than for whites. In part, then, the higher proportion substandard for all nonwhite families is accounted for by the fact that the income-specific proportions substandard are higher for nonwhite than for white families. An analytical technique known as "components of a difference between two rates" (Kitagawa, 1955) permits one to determine how much of the white-nonwhite difference in proportion substandard is due to the difference between white and nonwhite families in their income distributions and how much of the difference is due to differences between white and nonwhite families in their income-specific proportions substandard.

Twelve percent of the white families as compared with 33 percent of the nonwhite families who reported their 1956 family income were living in substandard units. Of the observed difference in proportion substandard, 28 percent is accounted for by the difference between white and nonwhite families in their income distributions and 72 percent is due to differences between white and nonwhite families in their income-specific proportions substandard. The observed difference and its "components," therefore, are as follows:

	<i>Difference (nonwhite minus white) Percentage points</i>
Observed difference (33 minus 12).....	21
Due to income distributions.....	6
Due to income-specific proportions.....	15

(Calculation of the components is as follows: Let S =the proportion substandard for whites in a given income group; s =the proportion substandard for nonwhites in that income group; W =the proportion of white families in that income group; and N =the proportion of nonwhite families in that income group. Compute the product of $(s+S)/2$ times $(N-W)$ for each income group, and sum the products for all income groups. The sum is the difference accounted for by white-nonwhite differences in income distribution, or in the foregoing case, 6 percentage points. Then, compute the product of $(N+W)/2$ times $(s-S)$ for each income group, and sum the products for all income groups. The sum is the difference accounted for by white-nonwhite differences in income-specific proportions substandard, or in the foregoing case, 15 percentage points.)

The distribution of renter primary families by color, and rental and quality dwelling unit is shown in table 6-13. Note that differences between white and nonwhite families with respect to gross rent are negligible. Thus, although the proportion substandard decreases as rent increases, white-nonwhite differences in rentals paid cannot account for much of the white-nonwhite difference in substandard housing. When white and nonwhite families paying the same rent are compared, the nonwhite families consistently have the higher proportions substandard than do the white families. The components analysis shows that only 5 percent of the white-nonwhite differential in housing quality is accounted for by white-nonwhite differences in rentals; 95 percent is accounted for by white-nonwhite differences in the rent-specific proportions substandard. The observed difference and its components are:

	<i>Difference (nonwhite minus white) Percentage points</i>
Observed difference (32 minus 12).....	20
Due to rent distributions.....	1
Due to rent-specific proportions.....	19

In sum, it is clear that nonwhite families receive less "quality" per dollar spent on housing than do white families; and the relatively high proportion

of nonwhite families in substandard housing can be attributed only in small part to their relative economic disadvantage.

Quality, rent, and size of unit in 1957

The possibility that nonwhite families obtain larger dwellings than do white families paying like rentals is investigated in this section. In a sense, the question can be formulated as: Do nonwhite families sacrifice quality for space?

The available measure of dwelling-unit size is number of bedrooms in the unit. (Only rooms intended for use as bedrooms were to be reported; however, some respondents may have reported rooms designated for other use which are temporarily or secondarily being used as bedrooms in addition.) No statistically significant difference between the size of units occupied by white families and the size of units occupied by nonwhite families is found; the distributions of the respective groups by size of unit are:

	Total	White	Nonwhite
All units.....	100	100	100
No bedroom.....	5	5	3
1 bedroom.....	35	34	38
2 bedrooms.....	43	43	40
3 bedrooms.....	15	15	15
4 bedrooms or more.....	2	2	4

TABLE 6-13.—Percentage of renter families in substandard dwellings, by color and rent, city of Chicago, 1957

Gross monthly rent	Percentage of families in substandard units			Percentage distribution of families by rent		
	All	White	Non-white	All	White	Non-white
All families reporting.....	17	12	32	100	100	100
Less than \$40.....	55	54	58	4	4	3
\$40 to \$49.....	41	36	54	6	6	7
\$50 to \$59.....	32	30	39	10	10	11
\$60 to \$69.....	24	13	50	14	13	16
\$70 to \$79.....	21	13	40	15	15	16
\$80 to \$89.....	10	5	25	16	17	14
\$90 to \$99.....	4	-----	15	12	12	11
\$100 to \$109.....	5	-----	15	8	8	10
\$110 to \$119.....	4	1	13	4	4	5
\$120 to \$139.....	1	-----	5	5	5	6
\$140 or more.....	1	-----	7	5	6	1

Source: "1957 CSNHI," table 5-4.

It was shown earlier that the overall white and nonwhite distributions by rent were similar; and within each size-of-unit group, the rental distributions for white and nonwhite families are more or less the same. However, there is some tendency for nonwhite families to pay less than white families for small units (no bedroom or one bedroom) and more than white families for large units (three bedrooms or more). This may reflect more intense competition for large units inasmuch as the available vacancy rate (2.3 percent for all rental units) was 3.6 percent for units with one to three rooms and 1.5 percent for units with four rooms or more ("1957 CSNHI," table 1-4). (The statistics for available vacant units for rent pertain to number of rooms rather than number of bedrooms.)

The proportion substandard decreases as the size of unit increases for both white and nonwhite families; however, table 6-14 shows that the proportion substandard is two or three times as great for nonwhite families as for white families within each size-of-unit group. When white and nonwhite families occupying units of the same size and with the same rental are compared, the proportion substandard consistently is higher for nonwhite families than for white families. The white-nonwhite differential in proportion substandard tends to be less for units with low rentals than for units with high rentals

within each size-of-unit group. Although there is no direct evidence, this pattern may be related to the fact that dwellings in Chicago Housing Authority projects, none of which is substandard, are concentrated in the lowest rental groups and are occupied in the main by nonwhite families. (According to the CHA Annual Report for 1957, average rental per unit per month in CHA projects was \$54; as noted earlier, four-fifths of the occupants were nonwhite.)

TABLE 6-14.—Percentage of renter families in substandard dwellings, by color, rent, and size of unit, city of Chicago, 1957

Number of bedrooms and gross monthly rent	Percentage of families in substandard units			Percentage distribution of families by rent		
	All	White	Nonwhite	All	White	Nonwhite
All families reporting.....	17	12	32	100	100	100
Less than \$60.....	39	36	47	20	20	21
\$60 to \$79.....	22	13	45	28	28	32
\$80 to \$99.....	7	3	21	28	30	25
\$100 or more.....	3	(¹)	11	23	23	22
0 or 1 bedroom.....	24	16	50	100	100	100
Less than \$60.....	56	50	67	22	19	29
\$60 to \$79.....	30	7	60	33	30	40
\$80 to \$99.....	11	7	28	19	21	13
\$90 or more.....	3	(¹)	17	27	30	18
2 bedrooms.....	13	11	20	100	100	100
Less than \$60.....	26	27	23	24	25	20
\$60 to \$79.....	17	13	28	26	26	28
\$80 to \$99.....	7	3	17	26	25	30
\$100 or more.....	2	(¹)	8	24	25	23
3 bedrooms or more.....	9	6	18	100	100	100
Less than \$70.....	17	17	² 19	20	21	16
\$70 to \$89.....	10	5	26	27	28	24
\$9 to \$109.....	8	1	20	23	21	28
\$110 or more.....	4	1	10	30	29	32

¹ Less than 0.5 percent.

² Based on less than 50 sample cases.

Source: "1957 CSNEH," table 5-4.

Nonwhite families apparently obtain no more space per housing dollar than do white families; but the space which they obtain is likely to be of poorer quality. The answer to our rhetorical question is clear: Nonwhite families get less desirable housing but no more space for a given rental than do white families.

Quality, family type and size, and income in 1957

Disproportionate numbers of white families comprise the husband, wife, and their relatives whereas in a relatively high proportion of the nonwhite families the spouse of the family head is absent and/or nonrelatives share the dwelling; white families also tend to be smaller than nonwhite families. (For statistics on type and size of family, see Table 6-5.)

Table 6-15 shows that when white and nonwhite families of the same type and size are compared, the proportion substandard is consistently higher for nonwhite families than for white families. If the proportions substandard are standardized for income, the white-nonwhite differential in housing quality for each type and size of family group is reduced by a tenth to a fourth; but nonwhite families are more likely to occupy substandard dwellings than are white families of the same size and type and with the same income. Inasmuch as nonwhite families tend to allocate greater proportions of their income to rent than do white families with equivalent incomes, standardization for rent probably would reduce the white-nonwhite housing quality differential even less than standardization for income. (No tabulation of families by size and type of family, rent, and quality of dwelling is available.) Thus we conclude that the white-nonwhite differential in substandard housing is not accounted for

by differences between white and nonwhite families in their composition and economic status.

TABLE 6-15.—Percentage of renter families in substandard dwellings, by color, type, and size, observed and standardized for income, city of Chicago, 1957

Type and size of family	Percentage of families in substandard units				
	Observed			Standardized for income ¹	
	All	White	Nonwhite	White	Nonwhite
All families.....	17	12	32	12	28
Normal families.....	15	11	32	11	28
2 persons.....	18	13	38	12	34
3 persons.....	10	7	28	8	25
4 persons.....	14	12	23	13	21
5 persons or more.....	19	13	32	14	29
5 persons.....	15	10	29		
6 persons or more.....	25	18	33		
Other families; no nonrelatives.....	29	21	41	17	33
2 persons.....	28	20	52	15	44
3 persons.....	21	11	35	10	27
4 persons or more.....	36	27	36	24	29
Families with nonrelatives.....	15	8	19	9	14

¹ Indirect standardization using income-specific proportions substandard of all white families.

² Based on less than 50 sample cases.

† Source: "1957 CSNHL," table 3-3.

The proportion of white and nonwhite families occupying substandard dwellings at each income level was shown in table 6-12. Standardization for type and size of family reduces the white-nonwhite differential in substandard housing only a small amount. The proportion substandard for nonwhite families was 21 percentage points greater than the proportion substandard for white families; after standardization for size and type of family the proportion substandard for nonwhite families was 18 percentage points greater than the proportion substandard for white families. The differences between observed and standardized proportions substandards are shown below at selected income levels:

Family income	Difference (nonwhite minus white)	
	Observed	Standardized
Less than \$2,000.....	31	29
\$2,000 to \$2,999.....	8	5
\$3,000 to \$3,999.....	9	9
\$4,000 to \$4,999.....	17	16
\$5,000 to \$5,999.....	14	10
\$6,000 to \$6,999.....	21	17

Each of the preceding analyses has brought out the fact that the white-nonwhite difference in housing quality is accounted for in only small part by differences between white and nonwhite families in their family characteristics, economic characteristics, or the rental and size of their dwellings. When comparisons are made between families of the same type and income or between

families paying the same rents for dwellings of like size, the proportion substandard is substantially higher for nonwhite families than for white families.

Rentals of standard and substandard units

The statistics on rent, quality, and size of unit by color of occupant now are rearranged to answer a somewhat different question: Can landlords get a "bonus" for renting to nonwhite households?

Consider first the rentals for substandard dwellings shown in table 6-16. Half the substandard dwellings in the city of Chicago had gross monthly rentals of less than \$55 in 1957; the median rental for white households in substandard units was \$50 as compared with a median rental of \$65 for nonwhite households in substandard units. On the average, then, a \$15 "bonus" is found.

If comparisons are restricted to substandard dwellings of the same size, i.e., with the same number of bedrooms, nonwhites consistently pay higher rents than whites; and the differential apparently increases as size of unit increases. For example, the average one-bedroom, substandard unit with white occupants rented for \$51 whereas the average one-bedroom, substandard unit with nonwhite occupants rented for \$63. The average two-bedroom, substandard unit with white occupants rented for \$52, whereas the average two-bedroom, substandard unit with nonwhite occupants rented for \$72.

With regard to standard dwellings, the median rental for units occupied by whites, \$83, was about the same as the median rental for units occupied by nonwhites, \$84. We strongly suspect, although there is no direct evidence on the point, that if the standard dwellings were classified into more detailed quality groups such as "sound" and "deteriorating," a "bonus" for renting to nonwhites again would appear.

The average one-bedroom, standard unit with white occupants rented for \$84, as compared with \$76 for the average one-bedroom, standard unit with nonwhite occupants. The average two-bedroom, standard unit with white occupants rented for \$82, as compared with \$84 for the average two-bedroom, standard unit with nonwhite occupants. However, the median rental of a standard unit with three bedrooms or more was \$92 if the occupants were white as compared with \$101 if the occupants were nonwhite. If comparisons between white and nonwhite households are made at the first or third quartile of rent rather than the median (second quartile), the pattern of differences is much the same. Nonwhite occupants pay more rent for substandard dwellings than do white occupants; rentals of standard units are about the same for white and nonwhite households.

TABLE 6-16.—*Quartiles of gross monthly rent for dwelling units, by quality and color of occupant, city of Chicago, 1957*

Quartiles of gross monthly rent	Standard units			Substandard units		
	All	White	Non-white	All	White	Non-white
All renter occupied units:						
Q ₁	\$66	\$67	\$65	\$42	<\$40	\$51
Q ₂ (median).....	83	83	84	55	50	65
Q ₃	100	99	101	70	62	78
No bedroom:						
Q ₁	63	63		<40	<40	
Q ₂ (median).....	72	72	¹ 68	45	44	¹ 46
Q ₃	82	82		55	55	
1 bedroom:						
Q ₁	68	70	58	<40	<40	49
Q ₂ (median).....	83	84	76	56	51	63
Q ₃	96	96	92	69	64	73
2 bedrooms:						
Q ₁	63	63	66	46	43	59
Q ₂	83	82	84	58	52	72
Q ₃	102	103	100	74	65	84
3 bedrooms or more:						
Q ₁	76	75	79	57		
Q ₂ (median).....	94	92	101	73	¹ 58	¹ 89
Q ₃	123	126	120	100		

¹ Based on less than 50 sample cases.
Source: "1957 CSNIII," Table 5-3.

The foregoing might be interpreted as evidence of "residential discrimination" as the term is employed by Becker. Becker (1957, p. 60) states:

"Negroes still (1957) appear to pay significantly more than whites for equivalent housing in cities like Chicago, where rent control and restrictive covenants have been abolished for several years. This can be interpreted as an equilibrium difference that will be maintained until public policies or individual tastes change. Another interpretation is possible: that the very rapid influx of Negroes into Chicago during the last 15 years has led to temporary differences between rents paid by Negroes and whites which would be eliminated a few years after the influx ceased."

Becker himself leans toward the latter interpretation and conjectures (p. 129) that "the residential discrimination observed in many northern cities is a consequence of the immigration of Negroes and the residential segregation in these cities."

It may be that Becker's conjecture is right. However, it is worth nothing that in 1940, following a decade of relatively slow immigration of Negroes, residential discrimination was in evidence. The median monthly contract rent for a dwelling of inferior quality (needing major repairs and/or lacking facilities) was \$17 if the occupants were white and \$20 if the occupants were nonwhite ("1940 Census of Housing," vol. III, Illinois, tables B-3 and B-5a). Although the "bonus" for renting to nonwhites was only on the order of \$3, the median rental for nonwhites was 20 percent greater than the median rental for whites. In 1957, the "bonus" appears to be about \$15 and the median rental for nonwhites is some 30 percent greater than the median rental for whites.

A somewhat different description of the situation might be offered. It can be conjectured that given the high degree of residential segregation which obtains in the city of Chicago, white and nonwhite households are not competing in the same housing market. Instead, white households are competing in a white housing market; nonwhite households are competing in a nonwhite housing market. If this were the case, supply and demand factors in the white housing market would be more or less independent of supply and demand factors in the nonwhite housing market; and relationships among quality, size, and rent might be quite different in the two markets.

Quality and rental in 1957 for recent immigrants

Separate tabulations of the CSNHI were prepared for households which reported that they had moved into their present dwelling and into the Chicago SMA within the 2-year period preceding the survey. Some 43,000 households were reported as recent immigrants—36,000 white households and 7,000 nonwhite households. Nonreporting was high on the mobility questions; and there is some reason to think that recent immigrant households were underreported. (No independently derived statistics are available for comparison. The estimate of immigrant households cannot be related to estimates of net immigration of nonwhite population because the proportion of recent migrants living in households is unknown. However, Duncan and Duncan, 1957, pp. 40 and 43, cite evidence that immigrants probably were underreported in the 1940 and 1950 censuses.) Despite probable underreporting of migrants, examination of the housing characteristics of households who identified themselves as recent immigrants seems warranted.

Recent immigrant households are compared with households which have lived in the Chicago SMA for more than 2 years in table 6-17. (An unknown number of recent immigrant households may be included in the nonmigrant group; however, they are households which failed to identify themselves as recent migrants.) The vast majority (about 94 percent) of the recent-migrant households, both white and nonwhite, are renters; only 65 percent of the nonmigrant households rented their dwellings, 60 percent of the white households and 83 percent of the nonwhite households. The following observations are restricted to the rental sector, in which virtually all of the recent migrants and about two-thirds of the nonmigrants are found.

Renters who are recent migrants are occupying standard units twice as often as are nonmigrants; the proportion substandard is 40 percent among recent migrants as compared with 20 percent among nonmigrants. The average dwelling unit occupied by a recent-migrant household rents for \$68. By comparison the median rent paid by nonmigrant households is \$78, or about \$10 more. When the recent-migrant versus nonmigrant comparison is restricted

to units of the same quality, the differential tends to disappear. The average standard unit occupied by recent migrants rents for \$78, as compared with a median rental of \$84 for units rented by nonmigrants. The average substandard unit occupied by recent movers rents for \$54, as compared with a median rental of \$55 for units rented by nonmigrants. On the average, units rented by recent migrants are of roughly the same size as units rented by nonmigrants. Apparently, then, recent migrants receive about as much space and housing "quality" per rental dollar as do the nonmigrants; there is little to suggest that recent migrants are "taken advantage of" in the housing market. The relatively high proportion of recent migrants in substandard housing is accounted for in large part by the fact that they occupy relatively inexpensive dwellings; it may well be the case that many recent migrants are allocating high proportions of a very limited income to housing, but the rentals which they pay are low as compared with the rentals of nonmigrants.

TABLE 6-17.—*Selected housing characteristics of recent-migrant and nonmigrant households, by color, city of Chicago, 1957*

Characteristic	Households which have lived in the Chicago SMA—					
	Not more than 2 years			More than 2 years ¹		
	All	White	Nonwhite	All	White	Nonwhite
Number of households (in thousands).....	43	36	7	1,064	864	200
Percentage renting.....	94	94	93	65	60	83
Renters only:						
Substandard housing (percent substandard).....	40	35	60	20	15	33
Median gross monthly rent:						
All units.....	\$68	\$69	\$64	\$78	\$79	\$76
Standard.....	\$78	\$77	\$87	\$84	\$84	\$85
Substandard.....	\$54	\$54	\$52	\$55	\$49	\$66
Median number of bedrooms: All units.....	1.4	1.4	1.4	1.6	1.5	1.6

¹ Includes unknown number of households living in SMA not more than 2 years who did not report year moved into present dwelling.

² Based on less than 50 sample cases.

Source: "1957 CSNHI," tables 5-3, 7-1, 7-5, 7-7, and unpublished tabulation.

The proportion substandard for nonwhite households is about double the proportion substandard for white households among both recent migrants and nonmigrants. Sixty percent of the recent-migrant nonwhite renters as compared with 35 percent of the recent-migrant white renters have substandard housing; 33 percent of the nonmigrant nonwhite renters as compared with 15 percent of the nonmigrant white renters are living in substandard units. However, among both recent migrants and nonmigrants, rentals averaged only slightly less for nonwhite than for white households. Median rentals for recent migrants were \$64 for nonwhites and \$69 for whites; for the nonmigrants, median rentals were \$76 for nonwhites and \$79 for whites. When quality of dwelling is controlled, nonwhite households appear to pay at least as much as white households for equivalent housing. Note that among nonmigrant renters living in substandard units, the nonwhite households pay a median rental of \$66 whereas the white households pay a median rental of \$49. On the average, the units occupied by nonwhite households are of about the same size as the units occupied by white households. The relative disadvantage of nonwhites in the housing market appears to be as great for households which have lived in the Chicago area for at least 2 years as for households which have moved to Chicago recently.

If Becker's conjecture is correct, i.e., if residential discrimination against nonwhites stems in part from their relatively heavy immigration, the relationship is indirect rather than direct. There is no evidence that the immigrants themselves are taken advantage of in the housing market; rentals paid by recent migrants for dwellings of a given quality and size apparently are about the same as rentals paid by nonmigrants for like dwellings. However, the relatively heavy immigration of nonwhites and consequent rapid growth of non-

white population may well underlie the "piling up" process described by Duncan and Duncan (1957). Such rapid population growth may result in residential discrimination when it is not balanced by a proportional expansion of the available housing supply.

White and nonwhite homeowners in 1957

About 34 percent of the households in Chicago owned (or were purchasing) the dwelling which they occupied in 1957. Homeownership occurred twice as often among white households (38 percent homeowners) as among nonwhite households (17 percent homeowners).

The proportion substandard was six times as high for units with nonwhite owner-occupants as for units with white owner-occupants. Table 6-18 shows that 3 percent of all owner-occupied dwellings were of substandard quality; 2 percent of the units with white owner-occupants as compared with 12 percent of the units with nonwhite owner-occupants were dilapidated or lacked adequate facilities.

The average nonwhite owner-occupant family had an income of \$5,500 in 1956—\$1,000 less than the average white owner-occupant family. The number of nonwhite homeowners is too small to permit any detailed analysis of differences in housing quality between white and nonwhite homeowners with equivalent incomes. It seems probable, however, that the relative economic disadvantage of nonwhite homeowners does not account fully for the observed white-nonwhite differential in quality of dwelling.

Value of property is the owner-occupant's estimate of the selling price of his property, including both structure and land; it is available only for one-dwelling-unit properties without business. Only half the owner-occupied dwellings in Chicago fall into this category—52 percent of the units with white owner-occupants and 28 percent of the units with nonwhite owner-occupants. The low proportions of owner-occupied units in one-unit properties without business in Chicago is of substantive interest; and the lesser frequency with which nonwhite homeowners have one-unit properties without business suggests a white-nonwhite differential in the pattern of homeownership. However, the low proportions also limit the usefulness of the statistics on value. The median value of all owner-occupied, one-unit properties without business was \$17,800; white occupants valued such properties at \$17,900 and nonwhite occupants valued such properties at \$14,400. The value statistics do not seem to provide an adequate basis for generalization about white-nonwhite differentials in financial characteristics of owner-occupied dwellings.

TABLE 6-18.—*Selected characteristics of homeowners, by color, city of Chicago, 1957*

Characteristic	All	White	Nonwhite
Number of households	834, 000	349, 000	36, 000
Substandard housing (percent of units substandard)	3	2	12
Median income of primary families	\$5, 590	\$6, 549	\$5, 544
1-unit properties (percent of units in 1-unit properties without business)	50	52	28
Median value of 1-unit properties	\$17, 800	\$17, 900	\$14, 400

Source: "1957 CSNHI," Tables 1-2, 4-4, and 5-14.

Housing conditions: A summary

In "Where Shall We Live?," the Commission on Race and Housing asserts (1958, pp. 4-5):

"In no area of life are the disadvantages of minority groups more visible than in housing. * * * The visible disparity between white and minority housing conditions is confirmed by census statistics. * * * In quality, space, and value, * * * the homes of minority families rank far below the general standard of housing in the United States."

With certain important qualifications, their assertion is descriptive of the situation in the city of Chicago. In Chicago, nonwhites are more than twice as likely as whites to be living in substandard housing if they are renters, six times as likely if they are homeowners. However, the dwellings which the nonwhites occupy are of about the same size and command about the same rents as the dwellings occupied by whites.

Undesirable levels of crowding are more prevalent among nonwhites than among whites. However, in the case of Chicago, the relatively high level of crowding observed among nonwhite households comes about not because nonwhites occupy relatively small dwellings but because nonwhites occupy relatively small dwellings but because their households are relatively large in size. Doubling up of families and sharing the dwelling with nonrelatives probably account for the relatively large household size in the nonwhite population; and such doubling up and sharing of dwellings are themselves probably means by which nonwhites pool incomes in order to compete for housing.

Within the owner sector, the statistics obtained through the CSNHI do not provide a sufficient basis for generalization about differences in the values of homes occupied by whites and nonwhites, respectively. Within the rental sector, units occupied by nonwhites have rentals more or less equivalent to those of units occupied by whites. Inasmuch as the incomes of nonwhites typically are lower than those of whites, it can be inferred that, on the average, rent constitutes a larger proportion of current income for nonwhites than for whites at each income level. (See also the rent/income ratios published in the CSNHI, tables 5-8 and 5-10.) This observation seemingly is contrary to the conclusion reached by the Commission on Race and Housing (1958, p. 11): "The housing demand of nonwhites is further limited by their tendency to spend a smaller part of their resources for housing than do whites, regardless of income. * * * Whatever the explanation, it seems evident that nonwhites as a group compete less strongly for housing than even their limited incomes would permit." Whether Chicago is a special case is open to question. However, it has been observed that in Chicago in 1935-36 (Department of Labor, 1939, pp. 95-96) "at almost every income level the native white families generally paid a higher rent, and hence a higher proportion of their incomes for housing, than did the foreign born. * * * The general tendency was for Negroes to pay approximately the same rents in proportion to their income as did the native whites." Thus, it appears that for many years nonwhites in Chicago have been competing for housing as strongly as their limited incomes permit.

The Commission on Race and Housing (1958, p. 36) formulates the residential discrimination problem in much the same way that Becker does, i.e., "The restriction of minority groups to limited areas, and, in cities of the North and West, the accompanying increase of minority populations, together results in chronic, severe scarcity of housing available to segregated groups. * * * A striking consequence is that segregated groups receive less housing value for their dollars spent than do whites, by a wide margin." The CSNHI provides ample evidence that in 1957 nonwhites in Chicago were more likely to receive substandard housing for a given rental than were whites; it also is clear that nonwhites were paying more than whites for substandard dwellings of equivalent size and that nonwhites were paying about as much as whites for standard units of equivalent size. Owners of substandard dwellings apparently receive a "bonus" for renting to nonwhites; owners of dwellings in other "quality" categories also may receive a "bonus," for there is substantial variation in "quality" among standard units.

AREAL VARIATION IN HOUSING

For purposes of the CSNHI, the city of Chicago was divided into five areas; i.e., the 935 census tracts making up the city were grouped into five areas. The subareas, delineated by the Chicago Housing Authority in consultation with the Chicago Land Clearance Commission, were selected in view of needs of local housing agencies rather than for general analytical purposes. Four factors were given explicit attention in their delineation: (1) The availability of vacancies for Negroes; (2) the proportion of Negroes living in the area; (3) the proportion of substandard housing in the area; and (4) characteristics of contiguous areas.

For general analytical purposes, the delineated areas can be characterized in the following way:

- Area 1: Deteriorated central nonwhite residential area.
- Area 2: Deteriorated central white residential area.
- Area 3: Mixed residential area.
- Area 4a: Sound outer white residential area, north.

Area 4b: Sound outer white residential area, south.

The designations were selected after examining the 1950 and 1957 characteristics of the several areas.

Subareas by housing quality and color composition

Before examining patterns of areal variation in housing conditions, we present in summary form some information about housing quality and color composition in each subarea. Housing quality and color composition were the major criteria used in the delineation of the subareas; thus, we expect that the areas will differ substantially with respect to these characteristics.

Deteriorated central nonwhite residential area.—Of the 935 census tracts making up the city of Chicago, 91 were grouped into an area which we designate the "deteriorated central nonwhite residential area." More than half the dwellings were substandard and more than half the residents were nonwhite as of 1950 in nearly three-fourths of these tracts. In a fifth of these tracts more than half the dwellings were substandard in 1950 although less than half the residents were nonwhite. (See table 6-19. For convenience, we refer to the 1950 proportion of units "with no private bath or dilapidated" as the 1950 proportion substandard for census tracts, although it does not include units substandard by virtue of lacking hot running water.) There seems to be ample basis for identifying this area as a deteriorated nonwhite residential area; and, as map 1 shows, the area lies relatively close to the city center.

TABLE 6-19.—*Housing quality and color composition in census tracts making up the deteriorated central nonwhite residential area, city of Chicago, 1950*

Percentage of population nonwhite	All tracts	Percentage of units lacking private bath and/or dilapidated	
		50 or more	Under 50
All tracts.....	91	83	7
50 or more.....	69	65	4
25 to 49.....	9	8	1
10 to 25.....	3	3	0
Under 10.....	9	7	2

¹ Includes 1 tract with no dwelling units.

Source: "1957 CSNHI," No. 6, p. 1, and Hauser and Kitagawa (1953), table 5.

In the area as a whole (the aggregate of the 91 census tracts), the proportion substandard was 67 percent in 1950 and 53 percent in 1957; nonwhites occupied 80 percent of the dwellings in the area in 1950, 87 percent of the dwellings in the area in 1957. These figures, which are shown in table 6-22, will be examined in more detail later.

Deteriorated central white residential area.—This area is made up of 197 census tracts. A third of the tracts had proportions substandard of 25 percent or more and proportions nonwhite of less than 1 percent in 1950. About a fourth had proportions substandard of 10 percent or more and proportions nonwhite of 1 to 9 percent. (See Table 6-20.) Although substandard housing is much less prevalent than in the deteriorated central nonwhite residential area, it occurs much more frequently than in the other white residential areas. In other words, with respect to housing quality, the worst white residential areas are markedly better than the worst nonwhite residential areas. Nonetheless, the designation "deteriorated central white residential area" seems appropriate.

In the area as a whole, 42 percent of the dwellings were reported substandard in 1950; 28 percent of the dwellings were classified substandard in 1957. Virtually all dwellings were occupied by whites in both years—99 percent in 1950 and 97 percent in 1957.

Mixed residential area.—The 221 tracts making up the mixed residential area vary considerably in their 1950 proportions substandard and proportions nonwhite. Half or more of the dwellings were substandard in a tenth of the tracts; three-tenths of the tracts had proportions substandard of 25 to 49

percent; three-tenths had proportions substandard of 10 to 24 percent; and less than 10 percent of the dwellings were substandard in three-tenths of the tracts. In a fifth of the tracts, half or more of the 1950 residents were nonwhite; in a fifth, the proportion nonwhite was 10 to 49 percent; nonwhites made up 1 to 9 percent of the population in three-tenths of the tracts; and in three-tenths of the tracts, less than 1 percent of the residents were nonwhite. Table 6-21 shows that, on the average, tracts with a relatively high proportion substandard had a relatively high proportion nonwhite and tracts with a relatively low proportion substandard had a relatively low proportion nonwhite. In 1950, then, the tracts falling in this area were "inixed" both in terms of proportion substandard and in terms of proportion nonwhite. One can see in map 1 that the tracts also are "mixed" in terms of centralization—some lie near the city center, others are located at considerable distances from the center.

TABLE 6-20.—*Housing quality and color composition in census tracts making up the deteriorated central white residential area, city of Chicago, 1950*

Percentage of population nonwhite	All tracts	Percentage of units lacking private bath and/or dilapidated			
		50 or more	25 to 49	10 to 24	Under 10
All tracts.....	1 197	43	67	69	17
25 or more.....	3	3	0	0	0
10 to 24.....	4	3	1	0	0
1 to 9.....	54	14	20	18	2
Under 1.....	135	23	46	51	15

¹ Includes 1 tract with no dwelling units.

Source: "1957 CSNHI," No. 6, p. 1, and Hauser and Kitagawa (1953), table 5.

TABLE 6-21.—*Housing quality and color composition in census tracts making up the mixed residential area, city of Chicago, 1950*

Percentage of population nonwhite	All tracts	Percentage of units lacking private bath and/or dilapidated			
		50 or more	25 to 49	10 to 24	Under 10
All tracts.....	1 221	25	68	58	65
50 or more.....	45	13	19	8	5
25 to 49.....	19	3	3	4	4
10 to 24.....	26	3	13	7	3
1 to 9.....	58	4	21	18	15
Under 1.....	68	2	7	21	38

¹ Includes 5 tracts with no dwelling units.

Source: "1957 CSNHI," No. 6, p. 1, and Hauser and Kitagawa (1953), table 5.

About 26 percent of the dwellings in the area were substandard in 1950; 20 percent were substandard in 1957. The proportion nonwhite increased substantially between 1950 and 1957, from 22 to 53 percent. In general, then, this area includes those parts of the city which are in transition from white to nonwhite occupancy. In the judgment of responsible persons in the Chicago Housing Authority and Chicago Land Clearance Commission, at least some vacancies in each part of the Mixed Residential Area were available to nonwhites. (The judgment was reached after examining want ads in the Chicago Defender.) It seems probable that by 1957 some parts of the area were occupied almost exclusively by nonwhites, whereas other parts were occupied almost exclusively by whites.

Sound outer white residential area.—All census tracts not assigned to one of the three foregoing areas fall in a residual category which we have designated the "sound outer white residential area." To be sure, an occasional census tract falling in this last area has a relatively high proportion of substandard dwellings and/or a relatively high proportion of nonwhite residents. To cite

an example, tract 717 is a part of this area. The tract, site of the Altgeld Gardens project of the Chicago Housing Authority, had a 1950 proportion non-white of 84 percent. Another example is tract 136, in which 87 percent of the dwellings were substandard in 1950.

However, considering the area as a whole, it is clear that housing quality is high. Seven percent of the dwellings were reported substandard in 1950; in 1957, 4 percent of the dwellings in the northern portion of the area and 1 percent of the dwellings in the southern portion of the area were substandard. It also is clear that the area is occupied almost exclusively by whites. Over 99 percent of the dwellings in the northern portion were occupied by whites both in 1950 and 1957; in the southern portion, whites occupied 99 percent of the dwellings in 1950 and 98 percent of the dwellings in 1957.

Comparison of areas.—It is evident from the figures in tables 6-19 through 6-21, as well as from the preceding discussion, that within each area there is considerable variation in housing conditions and in the color composition of the resident population. However, it also is clear that considered in their entirety the areas are quite distinct in their characteristics.

Table 6-22 summarizes the interarea differences in proportion substandard and proportion nonwhite which were mentioned earlier. Substandard housing was reduced in each area between 1950 and 1957. In both years, substandard housing was most prevalent in the deteriorated central area and least prevalent in the sound outer white area. Nonwhite occupancy became more frequent in each area between 1950 and 1957. In both years, the deteriorated central non-white area was occupied in the main by nonwhites; the mixed area experienced a marked increase in proportion nonwhite between 1950 and 1957; and the deteriorated central white area and the sound outer white area were occupied almost exclusively by whites both in 1957 and in 1950.

TABLE 6-22.—*Total housing inventory, housing quality, and color composition, five areas of the city of Chicago, 1957 and 1950*

Item	City of Chicago	Deteriorated central area		Mixed area	Sound outer white area	
		Nonwhite	White		North	South
Number of dwelling units (in thousands):						
1957.....	1,165	94	213	241	398	219
1950.....	1,106	97	216	237	367	189
Substandard housing (percent of units substandard):						
1957.....	15	53	28	20	4	1
1950.....	23	67	42	26	7	7
Nonwhite occupancy (percent nonwhite):						
1957.....	19	87	3	53	1	2
1950.....	12	80	1	22	(¹)	1
Change in number of dwelling units, 1950-57 (in thousands)	59	-3	-3	4	31	30
Units added by new construction, 1950-57 (in thousands) ²	78	5	(¹)	8	32	34

¹ Less than 0.5 percent.

² Occupied units only: total units added by new construction is 84,000 for the City of Chicago.

Source: "1957 CSNHI," tables 6-1 and 6-8.

Attention is called to change in the total housing inventory in the several areas. In the deteriorated central area, the number of dwellings actually decreased by about 6,000 between 1950 and 1957; given the statistics on new construction, we infer that not less than 11,000 of the dwellings found in the area in 1950 were removed from the housing inventory between 1950 and 1957. Some 5,000 dwellings were built in the area between 1950 and 1957. This reflects the fact that in the deteriorated central area more or less concerted renewal efforts are underway which involve the removal and replacement of a sizable fraction of the housing inventory. In the mixed area, dwellings increased by 4,000 between 1950 and 1957; inasmuch as 3,000 units were built in the area during that period, not less than 4,000 of the dwellings found in the area in 1950 were removed from the housing inventory between 1950 and 1957. One might conjecture that efforts are underway at least to maintain the overall housing quality in this area. Substantial increases in the housing inventory are observed only

in the sound outer white area, where 61,000 units were added to the housing supply between 1950 and 1957; new construction in the area is sufficient to account for the increase.

Unfortunately, statistics on the components of these observed changes in the housing inventory of each area, such as were analyzed in chapter 2 for the city as a whole, are not available. From the fragmentary data just presented, we suggest that (1) in the deteriorated central area, there is at least a transitory reduction in the housing inventory stemming from the fact that new construction must lag demolition; (2) in the mixed area, the housing inventory is more or less static in size with new construction keeping pace of demolition; (3) in the sound outer white area, the housing inventory is expanding by means of new construction.

TABLE 6-23.—*Change in the housing inventory, by occupancy status and color of occupant, 1950 to 1957, 5 areas of the city of Chicago*

[In thousands]

Item	City of Chicago	Deteriorated central area		Mixed area	Sound outer white area	
		Non-white	White		North	South
Number of dwelling units, 1957.....	1, 165	94	213	241	398	219
With white occupants.....	919	12	199	110	388	210
With nonwhite occupants.....	214	77	7	123	3	4
Vacant.....	32	5	7	8	8	5
Number of dwelling units, 1950.....	1, 106	97	216	237	367	189
With white occupants.....	956	19	209	183	361	184
With nonwhite occupants.....	131	76	3	50	1	2
Vacant.....	19	2	4	4	6	3
Change, 1950 to 1957:						
All dwelling units.....	59	-3	-3	4	31	30
With white occupants.....	-37	-7	-10	-72	27	26
With nonwhite occupants.....	83	2	4	73	2	2
Vacant.....	13	8	3	3	2	8

Source: "1957 CSNHI," table 6-1.

Expansion of nonwhite occupancy.—The areal data make it fairly clear that by and large nonwhites obtain additional housing space by taking up occupancy in dwellings which formerly had white occupants rather than by taking up occupancy in new dwellings. Recall that there was relatively little growth of the housing inventory in the mixed residential area although the proportion nonwhite increased markedly. Table 6-23 shows that the number of dwellings with occupants in the mixed area decreased by 72,000 whereas the number of dwellings with nonwhite occupants in the mixed area increased by 73,000 between 1950 and 1957. Large numbers of dwellings were "turning over" from white to nonwhite occupancy.

In the city as a whole, we can examine this turnover in color of occupant in more detail. Between 1950 and 1957, the number of dwellings occupied by whites decreased by 37,000, the number of dwellings occupied by nonwhites increased by 83,000, and the number of vacant dwellings increased by 13,000. Table 6-24 shows that the decrease of 37,000 white-occupied units resulted from a decrease of 29,000 units stemming from demolition, the conversion and merger processes, and other losses, an increase of 77,000 from new construction and other additions, and a decrease of 83,000 units stemming from net occupancy-color shifts. The increase of 83,000 nonwhite-occupied units resulted from a decrease of 11,000 units stemming from demolition, the conversion and merger processes, and other losses, an increase of 18,000 from new construction and other additions, and an increase of 76,000 units stemming from net occupancy-color shifts. Analysis of gross occupancy-color shifts shows that dwellings turn over from white to nonwhite occupancy quite frequently but rarely does a dwelling revert from nonwhite to white occupancy. Shown below are the occupancy

status and color of occupant for "unchanged" units in 1950 and 1956 (the figures are for 945,000 of the 1,020,000 unchanged units for which 1950 data are available) :

1950 status	1956 status		
	White	Nonwhite	Vacant
White.....	757,000	74,000	14,000
Nonwhite.....	1,000	83,000	3,000
Vacant.....	10,000	2,000	1,000

TABLE 6-24.—Components of change in the housing inventory, by occupancy status and color of occupant, city of Chicago, 1950-57

[In thousands]

Component of change	All units	Occupied		Vacant
		White	Nonwhite	
All dwelling units, 1950.....	1,106	956	131	19
Demolished or lost by other means.....	-42	-23	-16	-3
Net change due to conversion and merger.....	-2	-5	5	-1
Additions from new construction and other sources.....	103	77	18	8
Net occupancy-color shifts in unchanged units.....		-85	76	9
All dwelling units, 1957.....	1,165	919	214	32

Source: "1956 NHI, vol. I, tables 1, 2, and 3.

The foregoing observations are consistent with conclusions drawn from the analysis of small-area data which indicate that residential neighborhoods very infrequently revert from nonwhite to white occupancy, or that the white-to-nonwhite residential succession process is more or less irreversible (Duncan and Duncan, 1957).

Growth of standard housing.—Standard dwellings increased and substandard dwellings decreased in each area between 1950 and 1957. Detailed statistics on the components of change in each area (similar to those presented in ch. 2 for the city as a whole) are not available; however, with data available, one can see that the upgrading came about in different ways in the several areas.

At least half the increase in standard dwellings in the city as a whole can be accounted for by post-1950 residential construction. In the deteriorated central nonwhite area and in the mixed area about half the increase in standard housing resulted from new construction. However, in the deteriorated central white area, the increase in standard units was wholly accounted for by factors other than new construction; whether the improvement came about through merger and/or conversion or through rehabilitation of unchanged units is not known. At least three-fourths of the increase in standard housing in the sound outer white area can be attributed to new construction. The data on which these observations are based appear in table 6-25. It seems clear that there is a variety of ways in which the supply of standard housing can be expanded although they cannot be detailed with the available data.

In the absence of information about the components of change, the processes by which substandard housing was reduced are unknown. Inasmuch as only 15,000 substandard dwellings were demolished in the city as a whole between 1950 and 1957 (1956 CSNHI, vol. I, table 2), not more than a sixth of the city-wide decrease in substandard housing can be attributed to demolition; within some areas, however, demolition may have been the major factor leading to a reduction in substandard housing.

Variation in housing characteristics by tenure

The statistics by area permit a series of comparisons. Households in the deteriorated central white residential area can be compared with households in the deteriorated central nonwhite residential area. Within the mixed area, white and nonwhite households can be contrasted. Comparisons can be made

TABLE 6-25.—*Change in the housing inventory, by quality, 1950 to 1957; 5 areas of the city of Chicago*

[In thousands]

Item	City of Chicago	Deteriorated central area		Mixed area	Sound outer white area	
		Nonwhite	White		North	South
Number of dwelling units, 1957.....	1,165	94	213	241	398	219
Standard: newly built ¹	78	5	-----	8	32	34
Standard: other.....	911	39	154	185	349	183
Substandard.....	176	50	50	48	17	2
Number of dwelling units, 1950.....	1,106	97	216	237	367	189
Standard.....	849	32	125	178	340	176
Substandard.....	257	65	91	61	27	13
Change, 1950 to 1957:						
All dwelling units.....	59	-3	-3	4	31	30
Standard:						
New construction.....	78	5	-----	8	32	34
Other.....	62	7	29	9	9	7
Substandard.....	-81	-15	-32	-13	-10	-11

¹ Occupied units only; total units added by new construction is 84,000 for the city of Chicago.

NOTE: Proportional allocation of not-reported units within areas.

Source: 1957 CSNHI, tables 6-1 and 6-8.

among households in the deteriorated central white area, white households in the mixed area, and households in the sound outer white area. Finally, households in the deteriorated central nonwhite area can be compared with nonwhite households in the mixed area.

Comparison of columns (2) and (3) in table 6-26 makes it clear that housing conditions in the deteriorated central white area differ from those in the deteriorated central nonwhite area. Whereas 21 percent of the units in the central white area were occupied by their owners, only eight per cent of the units in the central nonwhite area were owner-occupied. As was pointed out earlier, substandard housing was twice as prevalent in the nonwhite part of the central area as in the white part—52 as compared with 27 percent. On the other hand, units which lack central heating facilities occurred more frequently in the white part of the area than in the nonwhite part; in the former portion of the area, 44 percent of the households were living in dwellings with no central-heating facilities as compared with 17 percent of the households in the nonwhite part of the central area. Although areal data on type of structure are not available in the CSNHI, it seems very likely that the higher proportion of units without central heating is associated with a higher proportion of single-family homes or duplexes as opposed to large, multiunit structures. In both parts of the central area, some 88 percent of the households were living in structures built before 1920. Differences between the white and nonwhite parts of the central area with respect to housing characteristics parallel those just described when homeowners or tenants are considered separately.

Within the mixed area, the housing conditions of white and nonwhite households are somewhat similar. Twenty percent of the whites and 22 percent of the nonwhites are homeowners; 17 percent of the white households and 21 percent of the nonwhite households are living in substandard dwellings; 19 percent of the white households and 11 percent of the nonwhite households occupy units with no central heating; 68 percent of the whites and 71 percent of the nonwhites live in structures built before 1920. Detailed examination of columns (4) and (5) in table 6-26 gives the impression that white-occupied units are more or less like non-white-occupied units in the mixed area. The proportion of units with no central heating is clearly higher for white households than for nonwhite households; and this suggests that the proportion of units in large, multiunit structures is lower for white than for nonwhite households. It also should be noted that the proportion substandard is four times as high among nonwhite homeowners as among white homeowners in the mixed area. No doubt additional bases of differentiation would be evident if more data were available; but the difference between the housing conditions of white and nonwhite households in the mixed area seem to be less than the differences

TABLE 6-26.—Selected characteristics of occupied dwelling units, 5 areas of the city of Chicago, 1957

Characteristic	City of Chicago (1)	Deteriorated central area		Mixed area		Sound outer white area	
		White (2)	Non-white (3)	Non-white occupants (4)	White occupants (5)	North (6)	South (7)
Number of occupied units (in thousands).....	1,133	206	89	123	110	390	214
Homeownership (percent of occupied units owner-occupied).....	34	21	8	22	20	39	60
Substandard housing (percent of units substandard).....	15	27	52	21	17	4	1
Owner.....	3	4	13	12	3	2	(1)
Renter.....	21	34	56	24	21	6	2
No central heating (percent of units with no central heating).....	19	44	17	11	19	9	16
Owner.....	16	38	15	14	21	7	16
Renter.....	20	45	17	11	18	11	16
Older structures (percent of units in structures built before 1920).....	60	87	89	71	68	47	36
Owner.....	46	87	92	58	62	39	31
Renter.....	68	87	88	75	70	52	44

¹ Less than 0.5 percent.

Source: "1957 CSNHI," tables 6-1, 6-7, and 6-8.

between housing conditions in the white and nonwhite parts of the deteriorated central area.

Homeownership occurs with like frequency in the deteriorated central white area and among white households in the mixed area. About 20 percent of the households in each area own their homes; by contrast, 39 percent of the households in the northern part of the sound outer white area and 60 percent of the households in the southern part of the outer area are homeowners. The proportion of substandard housing decreases as one moves outward from the deteriorated central white area to the sound outer white area; the proportion of units which lack central heating tends to decrease as one moves outward from the city center and the proportion of older structures decreases as distance from the city center increases. There are occasional exceptions to the patterns just described which can be observed by comparing the figures in columns (2), (5), (6), and (7). In general, however, it seems clear that the housing conditions of white households in areas which lie relatively close to the city center compare unfavorably with those of white households in the outer parts of the city.

Eight percent of the households in the deteriorated central nonwhite area are homeowners, whereas 22 percent of the nonwhite households in the mixed area owned their dwellings. Some 52 percent of the households in the central area were living in substandard units, as compared with 21 percent of the nonwhite households in the mixed area; 17 percent of the households in the central nonwhite area were living in dwellings which lacked central heating, as compared with 11 percent of the nonwhite households in the mixed area; 90 percent of the households in the central nonwhite area lived in structures built before 1920, as compared with 71 percent of the nonwhite households in the mixed area. Comparison of columns (3) and (4) of table 6-26 makes it clear that the housing conditions of nonwhites living near the city center were inferior to those of nonwhites living in the less centralized area.

Insofar as these selected aspects of housing conditions are concerned, it seems that (1) housing conditions in the white and nonwhite parts of the deteriorated central area differ—the white part has higher homeownership, less substandard housing, more units without central heating; (2) housing conditions of white and nonwhite households in the mixed area are more or less equivalent; (3) housing conditions become more favorable as distance from the city center increases for both whites and nonwhites.

Variation in household characteristics

Households in the preponderantly white residential areas of the deteriorated central area differ from those in the preponderantly nonwhite parts of the area in a number of respects. Homeownership (shown in table 6-26) is much more prevalent in the white parts of the area than in the nonwhite parts—21 as compared with 8 percent. Table 6-27 shows that normal families account for 69 percent of the households in the deteriorated central white residential area, but only 54 percent of the households in the deteriorated central nonwhite area are normal families. In both areas, the proportion of normal families is higher among owner-occupants than among tenants; but for both owners and renters, households in the white parts of the area are more likely to be normal families than are households in the nonwhite parts of the area. The average household in the white parts of the area consists of 2.8 persons, as compared with an average household of 2.7 persons in the nonwhite parts of the area. In both areas, median household size is greater for owners than for renters; for owners, median household size is somewhat greater in the white than in the nonwhite area, whereas for renters, the average household in the white area is slightly smaller than the average household in the nonwhite area. Were it possible to contrast households in these areas with respect to other characteristics, it is almost certain that further differences would be found. The prevalence of homeownership in the white area and the fact that normal families are more typical of the white area than of the nonwhite area strongly suggest a whole complex of differences between the areas although both are deteriorated and centralized.

Within the mixed area, nonwhite households were as likely to be homeowners as were white households; 22 percent of the nonwhites and 20 percent of the whites were owner-occupants. The nonwhite and white households were about equally likely to consist of normal families; in the case of both owners and renters, the proportion of normal families was about three percentage points lower for nonwhites than for whites. The average nonwhite household in the mixed area was somewhat larger than the average white household—3.2 as compared with 2.8 persons. However, median household size for both nonwhite and white homeowners was 3.4 persons; the difference in size of the average household reflects the fact that the average nonwhite renter household consisted of 3.1 persons by comparison with 2.6 persons for the average white renter household.

Certain comparisons of white and nonwhite households in the mixed area can be made with respect to patterns of residential mobility. The findings are somewhat ambiguous. Nonwhite households are only slightly more likely to be recent movers (moved into their present dwelling with the last 2 years) than are white households; 32 percent of the nonwhites and 28 percent of the whites reported that they were recent movers. Although one might expect the proportion of recent movers to be substantially higher for nonwhites than for whites in areas which are in transition from white to nonwhite occupancy, the statistics do not bear out this expectation. However, if attention is focused on the proportion of "longtime" residents, it is found that only 15 percent of the nonwhite households as compared with 34 percent of the white households have been living in their present dwellings since 1949 or earlier. The ambiguity may stem in part from the fact that moves within the mixed area cannot be distinguished from moves into the mixed area from other areas. It would appear that the proportion of recent migrants among nonwhites in the mixed area was slightly lower than the proportion of recent migrants among whites in the mixed area; in any case, households reported themselves as recent in-migrants rather infrequently (4 percent of the nonwhite and 7 percent of the white households). The statistics on mobility by tenure are generally consistent with the notion that homeowners are less mobile residentially than are renters. The reader should recall that there was reason to suspect the completeness with which mobility was reported; differential reporting by type of household and/or by area may well account for part of the difference observed between white and nonwhite households in the mixed area.

With respect to frequency of homeownership, proportion of normal families, and size of the average household, households in the deteriorated central white residential area and white households in the mixed area are similar. Twenty percent are homeowners, 70 percent consist of normal families, and the average household includes 2.8 persons. By contrast, in the sound outer white residential area, homeownership is more prevalent, households are more likely to con-

sist of normal families, and the average household is slightly larger. Forty percent of the households in the north outer area and 60 percent of the households in the south outer area owned their dwellings; normal families accounted for 76 percent of the households in the north outer area, 30 percent of the households in the south outer area; median household size was 2.8 persons in the north outer area and 3.2 persons in the south outer area. This partial picture of living arrangements of whites in the several areas fits in with the notion that "family living" becomes more prevalent as one goes outward from the city center.

Comparisons of households in the deteriorated central nonwhite area and nonwhite households in the mixed area show a similar pattern of differences. Eight percent of the households in the central area are homeowners, as compared with 22 percent of the nonwhite households in the mixed area, which is less centrally located. Whereas normal families make up 54 percent of the households in the central area, 68 percent of the nonwhite households in the mixed area consist of normal families. The average household in the central area includes 2.7 persons, as compared with a median household size of 3.2 persons for nonwhites in the mixed area.

TABLE 6-27.—Selected characteristics of households, 5 areas of the city of Chicago, 1957

Characteristic	City of Chicago (1)	Deteriorated central area		Mixed area		Sound outer white area	
		White (2)	Non-white (3)	Non-white occupants (4)	White occupants (5)	North (6)	South (7)
Normal families (percent husband-wife families, no non-relatives).....	72	69	54	68	70	76	80
Owners.....	79	74	59	73	76	81	82
Renters.....	69	68	54	66	69	73	76
Household size (median number of persons in household).....	2.9	2.8	2.7	3.2	2.8	2.8	3.2
Owners.....	3.3	3.3	2.9	3.4	3.4	3.2	3.4
Renters.....	2.7	2.6	2.7	3.1	2.6	2.5	2.8
Recent movers (percent moving to present unit in 1955 or 1956).....	26	(1)	30	32	29	(1)	(1)
Owners.....	14	(1)	5	20	8	(1)	(1)
Renters.....	32	(1)	32	35	32	(1)	(1)
Long-time residents (percent moving to present unit before 1950).....	36	(1)	35	15	34	(1)	(1)
Owners.....	54	(1)	81	30	63	(1)	(1)
Renters.....	27	(1)	31	11	26	(1)	(1)
Recent-migrants (percent moving to Chicago SMA in 1955 or 1956).....	4	(1)	6	4	7	(1)	(1)
Owners.....	1	(1)	(2)	2	(2)	(1)	(1)
Renters.....	6	(1)	7	4	9	(1)	(1)

¹ Not available for area.

² Less than 0.5 percent.

Source: "1957 CSNHI," tables 6-3, 6-4, 6-9, and 6-10.

With respect to residential mobility, the proportion of recent movers is on the order of 30 percent both for households in the central nonwhite area and for nonwhite households in the less-centralized mixed area. However, 35 percent of the households in the central nonwhite area are "longtime" residents as compared with 15 percent of the nonwhite households in the mixed area. Inasmuch as "ports of entry" for immigrants generally lie close to the city center, one might expect the proportion of recent migrants to be substantially higher in the central area than in the less-centralized mixed area. However, 6 percent of the households in the central area as compared with 4 percent of the nonwhite households in the mixed area identified themselves as recent migrants. The reservations expressed earlier with regard to the mobility data obtain, of course.

In general, then, "family living" as indexed by frequency of homeownership, proportion of normal families, and size of average household is more prevalent in (1) the deteriorated central white area than in the deteriorated central nonwhite area; (2) the sound outer white area than in the more centralized white residential areas; and (3) among nonwhite households in the less centralized mixed area than in the deteriorated central nonwhite area. Within the mixed area, white and nonwhite households are equally likely to be homeowners and to consist of normal families although the average nonwhite household is somewhat larger than the average white household.

The mobility statistics are available for only selected areas. Insofar as one can tell, the proportion of households identifying themselves as recent movers does not vary greatly among areas. However, the proportion of "longtime" residents appears to be substantially lower among nonwhite households in the mixed area than among white households in the mixed area or among households in the deteriorated central nonwhite area. The proportion of households who identified themselves as recent immigrants does not vary markedly by area although it appears to be slightly higher in the deteriorated central nonwhite area and for white households in the mixed area than for nonwhite households in the mixed area. Given the limited data available, it is difficult to generalize the pattern of areal variation in residential mobility and immigration.

(List of References omitted.)

Mr. JACKSON. The next witnesses are Mr. Ira J. Bach, Commissioner, and Mr. Clifford J. Campbell, deputy commissioner, department of city planning.

Commissioner HESBURGH. Go right ahead.

TESTIMONY OF IRA J. BACH, COMMISSIONER AND CLIFFORD J. CAMPBELL, DEPUTY COMMISSIONER, DEPARTMENT OF CITY PLANNING

Mr. BACH. Mr. Chairman, gentlemen of the Commission, ladies and gentlemen, my name is Ira J. Bach, and I am appearing here today in my capacity as commissioner of the Department of City Planning of the City of Chicago.

The Department of City Planning is responsible for developing comprehensive plans for the physical development of the city, reviewing and coordinating plans for public improvements, and making recommendations with respect to the implementation and effectiveness of the zoning codes.

My colleague here, Mr. Clifford J. Campbell, is deputy commissioner of City Planning, and he will follow me in carrying out our complete statement.

The department was organized January 1, 1957. Prior to that time and for approximately a half a century, the task of providing overall guidance to the city's developmental plans and aspirations was entrusted to the Chicago Plan Commission, an advisory board of citizens and public officials originally created for the purpose of implementing the Burnham plan of 1909.

Although the Chicago Plan Commission is still retained in its advisory role, the establishment of a Department of Planning provides for direct lines of accountability between the policymaking

and planning functions, interchange of views and experience between those responsible for long range planning and those officials responsible for current operations, and creates the opportunity for an integrated approach to public works planning at the working level.

The department does not engage in operational activities as such. The administrative heads of the Chicago Housing Authority, the Chicago Land Clearance Commission, the Community Conservation Board, the Tenants Relocation Bureau, and the Commission on Human Relations, have prepared statements for submission to the Commission and are prepared to deal with matters relating to their specific operation responsibilities.

However, the department is concerned with the activities of all agencies insofar as their programs affect the overall status of the city's physical resources and facilities in relation to the satisfaction of human needs. Provision of adequate shelter and a healthy environment for family living is one of the major objectives of municipal planning. We are encouraged by the knowledge that we are making progress toward that objective.

To adequately measure and appreciate the significance of that progress, we need to place it in the context of the city's overall housing problem. The end of World War II found the city in the midst of its most critical housing shortage since the Chicago fire. The Chicago Plan Commission, in a report published in 1946, entitled "Housing Goals for Chicago," cited an immediate need for 100,000 additional dwelling units in 1947 or a 10 percent increase in the city's housing stock. The postwar housing shortage was the culmination of three sets of factors; namely, (1) an existing substantial inventory of obsolescent, dilapidated, or otherwise substandard housing; (2) a very sharp curtailment of new residential construction during the economic depression of the 1930's and the labor and materials shortages during the war years of the 1940's; (3) a very substantial increase in demand for housing during the 1940's and 1950's due to an influx of war workers, return of veterans to civil life, increased numbers of marriages and so-called baby boom.

Specifically, the city's population increased by about 225,000 persons between 1940 and 1950. Total net addition to the housing inventory in the same period was approximately 45,000 units, a volume of growth sufficient to accommodate only about two-thirds of the population increase, let alone give encouragement to any hopes of replacing the then existing inventory of substandard and obsolescent housing.

In 1957 the mayor's Committee on Housing Action recommended a three-point program to stimulate new construction and reverse the processes of decay. This involved clearance of blighted land for private development, public housing for displaced families of low income, and nonprofit middle income housing. However, it was

not until 1950 that both the private housing construction boom and the city's reconstruction program began to register significant gains against the dual problem of housing supply and housing quality. The Planning Commission's 1946 estimate of long-range needs set the goal of 1,175,000 total dwelling units by 1975. As of December 31, 1956, the city's housing inventory had already reached 1,165,000 units, and it is estimated that a figure of 1,180,000 was reached by 1958, pending verification of building permit and demolition records.

Specific measurement of housing quantity and quality progress are provided in the data of the 1950 census and the national housing inventory, Chicago supplement, of 1957. In 1950 nearly one-fourth or approximately 250,000 of the city's dwelling units were substandard. Two-thirds or roughly 160,000 of the substandard units were occupied by white householders and one-third by nonwhite householders. The combined impact of expanded slum clearance activities stepped up the code enforcement. Private property improvements and new construction are indicated in the findings of the 1957 national housing inventory. Specifically, the inventory of housing increased by 5.3 percent between 1950 and 1957 while population increased by only 3.4 percent, a 16 percent increase in standard housing units and a 31 percent decrease in substandard dwellings. Substandard units as a percent of total inventory dropped from 22 percent in 1950 to 15 percent in 1957. Actual numbers of substandard units decreased from 256,371 to 177,000.

What it all boils down to is that we have more and better housing than we had just 7 years ago, and we are building housing at a faster rate than the increase in demand for it as measured by population growth. Furthermore, the findings of the National Housing Inventory clearly indicate that these gains were shared by white and nonwhite householders alike. Specifically, nonwhite occupied units increased by 63 percent as compared to a 47 percent increase in the nonwhite population. This quantitative improvement in housing for nonwhites was paralleled by gains in the quality of nonwhite occupied housing. In 1950 more than half, 56 percent, nonwhite occupied dwellings were substandard. In 1957 less than one-third, 31 percent, were substandard. Homeownership by nonwhite householders increased by 123 percent. I am sure that we would all agree that these statistics bespeak of progress. The gains cited suggest that perhaps we are not only eliminating the accumulated housing deficits of the 1930's and 1940's, but that in a manner of speaking we are even starting to get a little ahead of the problem. However, a municipality, if it is to be a dynamic instrument of a democratic society, must continually reassess its standards of performance and its objectives. We

are cognizant of the fact that our society's values are being redefined, and we are dedicated to meeting the concrete demands that such redefinition occasions. The public's level of expectations is rising. It demands better performance from its institutions, and it is demanding more in the way of an adequate environment for family living.

The city of Chicago, alert to these needs and aspirations, is engaged in a vast capital improvements program to bring its citizens to the highest possible level of public services and community amenities within the capacity of its physical resources. A corollary of these basic objectives of municipal policy is the resolve to make every neighborhood not only livable but capable of sustaining healthy residential growth. On the surface this may sound like a meaningless platitude. Let me assure you that it is not. A candid appraisal of the history of American cities would cite municipal negligence as one of the contributory factors to urban blight. The policy of the city of Chicago is to allocate the resources of the municipality to those areas where the need is greatest, the economic status of racial ancestry of their inhabitants notwithstanding. Chicago was in fact a pioneer in the conceptualization and development of slum prevention and neighborhood conservation programs. In 1954 amendments to the U.S. Housing Act were modeled largely on developments in Chicago and in Illinois. This program has consequences in terms of the character of intergroup relations.

You are all familiar with the classic pattern of urban decay, of one group of new immigrants displacing a more established group with the inevitable separation of groups on the one hand and the exodus to the periphery of the city on the other. The rebuilding of the core of the city is adding another facet to this pattern. In fact, it may even be creating cyclical movement rather than one-way directional movement. In our two South Side redevelopment projects, Lake Meadows and Prairie Shores, and in the Hyde Park-Kenwood project near the University of Chicago we are beginning to see a new pattern of interracial living based on a healthy environment with community standards. The familiar process of group displacement is being replaced with intergroup accommodation. The primary controls involved are not quotas on persons but rather controls on the environment. This may be one of the major social byproducts of the urban renewal program, although it is too early to claim definitive results. However, urban renewal by itself will not necessarily solve the problem of minority housing or intergroup relationships. The accommodations of white and nonwhite residents in new communities or rehabilitated communities of high standards is predicated upon continued progress in employment and educational opportunities for all citizens.

This is but one among a number of obvious and basic reasons why commercial and industrial development are major concerns of the city and the Department of City Planning. The Planning Commission played an active role in promoting the idea of industrial redevelopment, and I believe that the Chicago Land Clearance Commission was one of the first, if not the first, local public agency to use the provisions of title I of the U.S. Housing Act of 1949 for industrial redevelopment.

In all candidness we must admit that there are certain gaps in the overall situation that require further attention. These gaps affect both white and nonwhite citizens. One of these gaps relates to the absence of effective means of producing new or improved housing within the means of a substantial portion of the populace. I refer, of course, to private development. The problem appears particularly acute for families with annual incomes between \$5,000 and \$7,500. I believe this subject requires the attention of the Congress as well as the States. The diminution of suitable vacant land for residential development means that future growth and improvement will necessarily follow from improved use or rebuilding of existing obsolescent areas within the city. The continuation of Federal urban renewal assistance is an essential support for coping with the urban land and housing problem. We have had a decade of experience in urban renewal. We have experimented with various forms of organization and with a variety of legislative instrumentalities. We anticipate substantial growth and improvements in the years ahead.

If the Nation can maintain a high level of employment and a steady pace of housing construction, Chicago will be enabled to carry forward to the ultimate realization of a decent home and a decent environment for every family.

Thank you, and I would like to place in the record, Mr. Chairman, these three documents, namely, the Development Plan For the Central Area of Chicago, Annual Report for 1958 by the Chicago Plan Commission, and the Annual Report, 1958, for the Department of City Planning.

(The documents entitled "The Development Plan For the Central Area of Chicago," "Annual Report for 1958 by the Chicago Plan Commission," and "Annual Report, 1958, for the Department of City Planning" were marked "Bach Exhibits 1, 2, and 3.")

Commissioner HESBURGH. Thank you, Mr. Bach. We are a little bit behind schedule, so I would like to ask all future witnesses if they would try to compress, perhaps somewhat or give the highlights of their statements, and we have all these statements and have read them. We have about 5 minutes yet, and we would like to have a little time for questioning, so I would appreciate it very much if the witnesses could speed it up a little bit.

Mr. CAMPBELL. Mr. Chairman, members of the Commission, I am Clifford J. Campbell, deputy commissioner of the Department of Planning for Chicago. Gentlemen, we are concerned here with a very serious and complex problem. Although the present inquiry is directed toward housing there is a common denominator which cuts across the entire spectrum of civil rights—and that is the idea that one man's gain is necessarily another man's loss. This notion, which I do not feel to be a true representation of life when related to long-term goals, is nevertheless a fear we have to face. Do not misunderstand me. I feel certain that the vast majority of Americans would not want to deny the rights and privileges of a free society to their fellow citizens. However, in concrete situations where attempts are made to secure for a minority those rights and privileges, they are often viewed as a threat to the security and values of the majority group. A simple human act often becomes cause for a social crisis. To seek a better home for one's family, a good education for one's children, a little bit of green space in which to enjoy the sun becomes in many instances a source for hostility, resistance, and panic.

This normal search for betterment all too often results in what appears to be a pattern of flight and pursuit. There is a ready tendency to reject, or to remove oneself from what is prematurely and prejudgedly perceived as a threat. Strange to say, because both Negro and white families seem to see the other group as a threat, both groups suffer.

Frequently, all possible barriers against communication, interaction, or even accommodation between groups are devised and nurtured. The very intensity of effort needed to raise such barriers lead to demoralization and despair. Usually, the wall built between white and Negro begins to crumble of its own weight, and the process of "removal" begins—an "escape" from the problem, which often turns to panic and flight.

Into this suddenly created vacuum the disadvantaged are both pushed and drawn. When established social fabrics are torn, this movement is usually interpreted as "pursuit—a seeking of "what is mine, for you."

Under this all too common process of social dissolution, fears arise which result in tension and intolerance. More important, each group, because of this conflict, is not able to derive the full benefit of what the other has to offer.

The increasing distances between Negro and white families preclude any real attempts at improving the relationship between the two groups. Decreasing this distance, on the other hand, tends to reverse this process. Two examples in Chicago illustrate this reversal. In one, Lake Meadows, modern apartment building now rise on land cleared of its previous substandard development. In the other, Hyde

Park-Kenwood, an existing neighborhood is seeking to preserve itself from blight. Both communities serve as examples of how Negro and white residents work together in common situations to meet common objectives.

In the initial stages of the Lake Meadows project, many persons expected it to reflect the general pattern of the surrounding community. New residents would probably represent a higher socioeconomic status, it was thought, but the racial composition of the new development would be in keeping with its environs, entirely Negro.

Yet, the passage of time has not borne out these expectations. Designed and built as a good place to live, to rear children, to enjoy the benefits of geography and esthetics which the city offered, the project did attract a small number of white families.

It was in this setting that flight was reversed. Communication and interaction between the two groups fostered a greater readiness to accept and adapt to one another. Their success attracted a growing number of white families, prepared to benefit from lessons already learned.

Here, a willingness to reduce distance, to come together for the satisfaction of mutual needs, is proving that "it can be done" on the basis of voluntary action.

From another standpoint, Hyde Park-Kenwood serves to illustrate the premise that neither group need feel that one man's gain must mean another man's loss.

Beset by the same difficulties of unaccustomed change which face many sections of our cities and subject to the same fears and reactions, this community has resolved to adapt itself in such a fashion that both white and nonwhite may mutually benefit.

A great deal of the grassroots planning for the future development of the area reflects the desire of the residents to exchange ideas, to try new experiences, and to reduce distances between groups.

Conflicts, of course, will occur wherever human beings live together in society. These two communities have had considerable success in directing conflicts into constructive channels, by handling them openly and objectively. Perhaps there is no more significant earmark of real intergroup understanding than when disagreement, as well as fellowship, arises regardless of race, color, or creed. In Lake Meadows, for example, building managers have found that residents complain if neighbors entertain too late and too loudly, or if Johnny's trombone practicing becomes arduous. These difficulties, however, have a much greater relationship to decibels than to racial characteristics.

There must be social interaction, as well as physical proximity, among all groups for real community progress. Even in transitional areas where white and nonwhite are brought together, the develop-

ment of common goals is difficult to achieve if fears and hostility arise at the point of contact.

The practical problem that confronts us can be stated as follows:

What can be done to realize those conditions of interaction which will foster greater productivity and minimize conflict, so that both white and Negro may derive mutual benefit from one another?

First, I think, we must seek to realize that the true meaning of "community" goes beyond space, structures, and geography. It involves a sense of relatedness of human beings to one another, a recognition that each of us is bound to the other. It is, of course, natural and desirable for people to be particularly drawn to those with similar interests. No one wishes to create the "mass man."

Nevertheless, we must sense our mutual destiny if any of our urban relationships are to be meaningful. One man's gain is definitely not another man's loss. Quite the contrary, one man's loss is our loss. We must grasp this reality in a practical way within the neighborhood environment.

Lake Meadows and Hyde Park-Kenwood are two of Chicago's first experiences in urban renewal. They represent two major facets in the rebuilding process—redevelopment and rehabilitation. They provide us with insight, not only into the physical aspects of city modernization, but also into the social interaction which makes the effort truly successful. Residents of these two areas found that once they reached interracial understanding, many of the other problems besetting them seemed to diminish in importance.

There must also arise the awareness by all concerned that expediences are not solutions. They only serve to confuse the issue, to deter, and to sidetrack. Even in the short run, patterns of flight and rapid transition attain no real objectives.

Finally, urban growth must be based on the premise that the city is a place where people live—wholesome, complete, and stimulating lives. Within this framework the city must build, or-rebuild, along directions which take into account the fact that all of its residents share a common destiny.

Here in Chicago we are attempting to provide the framework within which such interaction can take place through democratic planning. This involves the creation of local organizations representing all groups in a given community. The planning process itself is an educational experience in democracy not only for the direct participants but for the public as well. Its value is twofold:

Through discussion common interests and common goals are crystallized;

Also, since discussion utilizes the rational language and symbols of planning, rather than emotional and value-laden terms, it makes adjustment and understanding more probable.

The effectiveness of this process is demonstrated in the Hyde Park-Kenwood community. The renewal plan itself was conceived and developed by democratic processes in an interracial area attempting to maintain itself as a community of high standards. Each such experience provides us with even better tools for shaping the future.

Our city must give positive attributes to life. It must be a place where people want to live because it is stimulating and because it offers them the widest possible variety of opportunity. The city must provide that identification which fosters a will to participate in the common life of the community.

It is perhaps in the rebuilding of our cities where the greatest hope for the future lies. It is in the resolution of the problems which come from aging neighborhoods, from attempts to renew and rebuild, that there comes a renewal of spirit and the discovery that there is a common destiny to be shared.

Thank you, Mr. Chairman.

Commissioner HESBURGH. Thank you, Mr. Campbell. Mr. Campbell, I understand you live in Lake Meadows, and you know whereof you speak.

Mr. CAMPBELL. Yes.

Commissioner HESBURGH. What would be the proportion of white and nonwhite in the community?

Mr. CAMPBELL. In the community, Mr. Chairman, including Prairie Shores and Lake Meadows, the total percentage is approximately 30 percent and continuing to increase as new structures are added.

Commissioner HESBURGH. That would be 30 percent white?

Mr. CAMPBELL. Thirty percent white occupancy.

Commissioner HESBURGH. Those are pretty fine homes, I understand.

Mr. CAMPBELL. They are, Mr. Chairman, very desirable community, with all the amenities that go to make up—

Commissioner HESBURGH. Do you have good schools near there, too?

Mr. CAMPBELL. Excellent schools. A new public school was built in the area, and of course we have several churches in the community, and a new vocational high school is adjacent to the area, and the Michael Reese Hospital development is just north of Prairie Shores, and IIT, the Illinois Institute of Technology, redeveloped west of State Street in its present area, so that the community has undergone complete redevelopment or is undergoing complete redevelopment which makes possible a testing of these basic principles in democracy.

Mr. BACH. Mr. Chairman, if you have time, we would like to invite you and the Commission to visit the Lake Meadows area.

Commissioner HESBURGH. I am sure I will get to do that soon, and the other Commissioners would like to.

I have one other question. I was interested in a very interesting thing you said, Mr. Campbell, renewal of the city and blighted area and erection of new buildings in blight neighborhoods, good environment and atmosphere tends to promote a renewal of the spirit. I was wondering if you find that well manifested in the actual life of the community in which you live. I am thinking against the background of Trumbull Park and other things in Chicago. Do you find in this Lake Meadows and Prairie Shores there is a good neighborhood attitude?

Mr. CAMPBELL. An excellent neighborhood attitude, sharing together in the resolution of problems, social interaction, working together for the benefit of all, taking a civic interest in many of the problems which present themselves; all of these evidences, I think, are available to us for documentation.

Commissioner HESBURGH. Mr. Bach, I have one question for you, if I might, very briefly. The problem of providing housing for the \$5,000 to \$7,000 a year income group you say should have some attention from the Congress. Do you have any recommendation we could consider in that regard? Is it a question of financing or of enlarging present Federal housing programs, or what?

Mr. BACH. It is a question of financing, Mr. Chairman. Under urban renewal certain sections of FHA provide for assistance, financial assistance for home construction. I believe section 221 specifically has a limitation, though, of financial aid in the mortgage requirements to about, I think, \$12,000 today, which is considerably less than construction costs in the Chicago area, and that should be raised, in our opinion, and other means of aid to rental housing might be substantially increased.

Commissioner HESBURGH. We are glad to have you put that in the record because this is one of the things we can consider in a practical way.

Governor Battle, any questions?

Commissioner BATTLE. No.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. I would just like to ask one question, and that has to do with what provisions are being made for the lower income groups. This Lake Meadows and Hyde Park-Kenwood area we are talking about, I gather, accommodates the middle income group, and it is a splendid thing. I am wondering whether in our urban renewal and slum clearance programs we are making provisions for interracial living for lower income groups.

Mr. BACH. You are asking me. The low-income families, of course, are provided in our urban renewal project with new housing in our public housing projects. Our middle income housing are characterized by Lake Meadows and Hyde Park-Kenwood. It is the

gap between these that I believe that there is need for some financial aid, either Federal or State assistance, in the form of mortgage assistance through home purchase planning or to rental housing, and there is where we lack a tool at present.

Dean JOHNSON. Specifically my question would be, in your urban renewal program do you have interracial projects?

Mr. BACH. As Mr. Campbell indicated, the Lake Meadows, the Prairie Shores, are very extensive redevelopment projects today which amounts to what we would call a complete neighborhood. Lake Meadows amounts to about a hundred acres, and Michael Reese, in the Prairie Shores area, amounts to at least 50 acres, and these are fairly extensive. The Hyde Park-Kenwood area is considerably more than that. It totals somewhere well over 300 acres, and these are substantially several neighborhoods involved so we are on the threshold of some interracial living I believe.

Dean JOHNSON. Let me try it just once more. Do we have in evidence at this time interracial living among lower income groups as a result of slum clearance and urban renewal?

Mr. BACH. We have in Hyde Park-Kenwood the possibility of that type of existence, Mr. Johnson, in the buildings that are standard or those that will be rehabilitated in which the rents can provide for low middle income families.

Commissioner HESBURGH. I think Reverend James had a question.

Reverend JAMES. I don't like to extend this, Father Hesburgh, but I am in agreement with the fact that Lake Meadows is a very fine project, a very fine movement in the right direction toward democracy, and it is my basic contention that whenever opportunities are given for people to live together, they always get along, and they always live together. But one of the problems is the problem of relocation. This is one of the most important facets, I feel, of the urban renewal program which creates additional problems. The people that move out of these areas are people of low income, of the low-income group.

Now, what I want to know from Mr. Bach or Mr. Campbell is, these individuals that move out from the low-income group, they cannot move back in because the rents are so high that they just can't pay them. Now, what is the relocation plan of the City Planning Commission? Also, the individuals that are forced to move out because of the building coming in, are they relocated within the existing Negro area of the city, or are they relocated on the basis of available housing anywhere in the city, or is the Negro area simply expanded to include these people that have to move out? What is the position on that?

Mr. BACH. Mr. Chairman, inasmuch as Mr. Mackelmann of the Department of City Planning will be one of the next persons to testify in

the field of relocation, I would suggest that you refer that question to him.

Commissioner HESBURGH. Thank you both, gentlemen.

I should announce at this time that we are 20 minutes behind, and if anyone wants to have lunch today, we are going to have to move a little more quickly.

Mr. Jackson.

Mr. JACKSON. Our next witnesses are Mr. Augustine J. Bowe, chairman, and Mr. Frederick D. Pollard, acting executive director, of the Chicago Commission on Human Relations.

Mr. Bowe is also a member of the Illinois State Advisory Committee.

TESTIMONY OF AUGUSTINE J. BOWE, CHAIRMAN, AND FREDERICK D. POLLARD, ACTING EXECUTIVE DIRECTOR, OF THE CHICAGO COMMISSION ON HUMAN RELATIONS

Mr. BOWE. I have already taken our statement and cut it in two, so I hope that will help you. Mr. Pollard, our executive director, will read the statement, and if he can cut it still more, I am sure I have encouraged him to do it.

Department of City Planning, Chicago, Ill.—quality of dwelling units, and tenure and color of occupant, city of Chicago, 1950

Quality, tenure, and color	April 1950	January 1957	Percent change, 1950-57	January 1958	Percent change, 1950-58	January 1959	Percent change, 1950-59
Total dwelling units.....	1,106,119	1,164,800	5	1,173,500	6	1,182,100	7
Standard.....	849,748	988,000	16	1,008,500	19	1,029,000	21
Substandard.....	256,371	176,800	-31	165,000	-36	153,100	-40
All occupied dwelling units.....	1,087,258	1,132,700	4	1,139,400	5	1,146,200	5
White.....	955,842	918,600	-4	913,000	-4	907,500	-5
Nonwhite.....	131,416	214,100	63	226,400	72	238,700	82
Owner-occupied.....	329,993	384,500	17	392,600	19	400,700	21
White.....	314,065	349,000	11	354,100	13	359,300	14
Nonwhite.....	15,928	35,500	123	38,500	141	41,400	160
Renter-occupied.....	757,265	748,200	-1	746,800	-1	745,500	-2
White.....	641,777	569,600	-11	558,900	-13	548,200	-15
Nonwhite.....	115,488	178,600	55	187,900	63	197,300	71
Standard.....	837,968	966,900	15	986,000	18	1,005,100	20
White.....	780,665	818,800	5	824,400	6	830,100	6
Nonwhite.....	57,303	148,100	158	161,600	182	175,000	205
Substandard.....	249,290	165,800	-33	153,400	-38	141,100	-43
White.....	175,177	99,800	-43	88,600	-49	77,400	-56
Nonwhite.....	74,113	66,000	-11	64,800	-13	63,700	-14

NOTE.—1950 and 1957 dwelling units with quality not reported have been allocated proportionately to the quality distribution of units for which quality was reported. This adjustment was made by the Chicago Community Inventory.

Sources: 1950—1950 Census of Housing. 1957—1957 National Housing Inventory, Chicago Supplement. 1958 and 1959—Estimated by the Research Division, Department of City Planning, by linear extrapolation of changes between April 1950 and January 1957. Research Division, Department of City Planning, City of Chicago.

Commissioner HESBURGH. We have the full statement here for the record.

Mr. POLLARD. Mr. Chairman, members of the Commission, guests; the Chicago Commission on Human Relations is an official agency of the city of Chicago and as requested, I am going to leave some of this out.

The present administration has given cognizance to the responsibility in the generous expansion of the Commission's staff, now numbering over 30, and in budget increases necessary to support the staff. Mr. Campbell and Mr. Bach have already talked about Lake Meadows and Prairie Shores, so I am just going to pick up a few remarks I have to make in regard to those two projects. The possibility of working backward in achieving integration demonstrated by these two projects certainly calls for an early reevaluation of the idea that a community must tip when it reaches 20 or 25 percent Negro occupancy. This concept assumes a limited tolerance to Negroes by whites, regardless of the community situation. Perhaps the tipping of communities that we have seen is not so much an expression of limited tolerance to Negroes but of limited tolerance to the forces of community decay which often accompany the arrival of Negroes in an older neighborhood. As we shall see, the Commission's continuing efforts in the field of community organization are aimed at controlling the forces of deterioration and marshaling the forces for improvement in neighborhoods faced by transition. We are encouraged by the progress evidenced by Lake Meadows and Prairie Shores. However, the Commission realizes that housing for Chicago's minorities continues to be one of its most important areas of activity.

The difficulty confronting us at one extreme of community relations was demonstrated several years ago at Trumbull Park. This development on the far South Side of Chicago was the scene of extensive disorders when the first Negro family moved in back in 1953. The demonstrations were almost entirely by residents of the surrounding communities rather than by tenants of the project. Trumbull Park had to be dealt with first as a police matter, but in restoring order the city clearly indicated that segregated housing is contrary to public policy no matter what the local sentiment happens to be.

Chicago has been reported to be the most segregated city in the Nation, and I think that Mr. Hauser referred to that matter, so I will skip over the remarks I had regarding that.

Let me tell you how we at the commission view segregation in Chicago. We are certainly concerned that in a segregated situation it is much more difficult for a minority group member to obtain equal value for his dollar. We are gratified by the improvements in the quality of housing available to nonwhites in Chicago that showed up

in the national housing inventory. We are, however, most concerned with the effects of segregation itself, its effect on the whole community, on the segregated, on the segregator. These effects are much more palpable than the psychological effects on which the Supreme Court based its school integration decision.

Finally, since the end of forcible restrictive covenants, racial segregation must be viewed as a process. This process is generally called racial transition. It is a process which has been experienced since World War II by many Chicago communities because of the tremendous growth of the population here. They can be picked off rapidly, Englewood, Lawndale, Park Manor, North Kenwood, Oakland, Kenwood, West Hyde Park, and Chatham. The effects of this progress of community change go far beyond the confines of the minority community which is most evidently affected by the higher costs of shelter and frequently its low quality. First of all, a point which is often overlooked is that in a transition area the mortgage which is not available to the Negro or other minority groups is in most cases not available to the white seller or to white buyers. The lack of available mortgage financing is undoubtedly one of the largest factors producing lower selling prices than whites experience when Negroes move into a community. This not only hurts the buyer, it hurts the seller, and in a circular way it hurts future minority buyers. The white seller who experiences the drying up of mortgage financing and consequent lowered selling prices tends to blame the whole situation on the Negro. The process can have unfortunate effects on human relations. After all, these people are being hard hit where it can really hurt.

In many white areas adjacent to the Negro community the process of deterioration begins even before the first Negro moves in. The uncertainty about the area's future which pervades a community because of the prospect of change slows investment and maintenance to a standstill. Buyers and renters, white ones, are hard to come by. Rents and sale prices are lowered in order to attract whites. With lower rents apartment maintenance is reduced. The marginal and transient people willing to rent in this situation begin to change the character of the community. Eventually pressure from apartment vacancies, of the need to sell, leads to the introduction of Negroes or else they are introduced by unscrupulous dealers who hope to make a profit from handling transfers which will result from the panic.

When the first Negroes come in, so do speculators and solicitors. The community lack of confidence in its own future is mirrored in the money market. The only people with cash to finance transfers made possible by panic are real-estate speculators. Many speculators help create the panic.

At a recent conference sponsored by the Commission on Human Relations a neighborhood dealer said :

About a year and a half ago, our area was literally swarming with real estate solicitors. We would be going up one side of the street telling people how to handle the situation and just to sit tight, and you could see a couple of solicitors going from home to home on the other side of the street telling people they had better get out now while they could get a decent price for their homes. One colored family was allowed to move into a home in an all-white block without putting any money down.

This leader said, "I have been solicited to sell my home four or five times," and that is the end of the quote.

With no competition among lenders and a lot of people made anxious to sell, prices are quite low. The result is that most white people have confirmed by experience the idea that property values go down when Negroes move in.

When properties are resold to Negroes, however, the picture changes. Prices are often double what the speculator paid the fleeing white family. The inflated prices paid by Negroes in transitional communities is a further cause of deterioration. In one case which came to our attention the monthly payments made by a Negro are twice what the monthly income of the building used to be when it was white occupied. This specific case is illustrative of a very common situation. The Negro who buys on such terms is going to have to abuse his property in some way to meet this financial burden. The effect on those whites who witness the abuse, be it overcrowding, poor maintenance, or illegal conversion, is to make them more willing to sell to the next solicitor and to accept uncritically the idea that communities deteriorate when Negroes move in.

In apartment buildings similar forces to deterioration and to hastening transitions are in operation. When rents are raised with the arrival of Negroes, whites move out, unwilling to pay the market differential. The higher rents to Negroes conduce to the same kind of overuse seen in the areas where Negroes are buying homes on exorbitant contracts. The economic and psychological pressures on whites to move and the economical pressure on Negroes to the overuse of their property are the forces which keep the cycle of transition rolling.

The costs of the process can ill be afforded by any of the parties to it. Whites are often exploited in the sale of their property. Negroes pay exorbitant prices, bear the blame for deterioration, and suffer from the ill feelings of the departing whites. In the midst of the change there was always threat of disorder and violence generating out of the ill-feelings produced in the process. If you would have walked through some of the sections of Lawndale, where much of the community has changed already, you would see some of the homes sinking rapidly into decay. You would see others with neat lawns, freshly painted window frames, new stairways and sidings. Almost

certainly the most deteriorated structures would be those bought on contract from a speculator. As certainly those well cared for were bought when mortgage money was available in the neighborhood. The director of the Greater Lawndale Conservation Commission has stated that the physical character of a neighborhood is dependent upon the availability of reasonable financing on reasonably priced homes. Where homes have been bought at high prices and on contract, the buildings run down. Where homes have been reasonably priced and with fair financing terms, the improvement with the arrival of Negroes is extraordinary. I believe the significance of his observations are obvious. The process need not proceed as it does now.

I am happy to be able to say that this fact is being every day more widely recognized in the city of Chicago.

Community organizations in different parts of the city are recognizing the futility of trying to preserve the quality of their neighborhoods simply by excluding minority groups. They are looking for ways in which to absorb minority group members while maintaining or even improving the quality of their neighborhoods.

The commission sees as one of its most important functions assisting community organizations trying to achieve these goals. The commission staff makes its resources available to such groups. Counseling, programing aid, leadership training, periodic conferences, informational material, even loaning staff are among the services available from the commission. The techniques learned through long experience in community organization have made our services useful to many groups in their formative stages and for existing groups when they have faced the problems which are our special concern.

In order to save time, Mr. Chairman, I think I will skip over a couple of pages and get as near to the end as possible.

We feel not only that loans guaranteed by the FHA and the VA should be available on a nondiscriminatory basis, but that loans made by federally protected banks and savings and loan associations should be available on that basis. Two-thirds of the home construction in the Chicago area is financed by savings and loan associations. The purpose of such organizations to encourage thrift and to help make decent housing available to all people cannot now be achieved with relation to 21 percent of the city's population. The government is in a position to strongly influence mortgage financing. Not only should the Federal Government take steps to encourage its availability on a nondiscriminatory basis, it should also seek through legislation, policy, and rules and regulations to encourage its greater availability to the city generally. These two approaches taken together would support local efforts to diffuse housing demand and to make better financing available in transition neighborhoods.

An objection might be raised that even were this financing available, there would not be the resources in the Negro community to make use of them. It is true that the nonwhite incomes continue lower than white. However, the Chicago supplement to the National Housing Inventory clearly indicates the existence of a large nonwhite market for good quality housing. Twenty-five percent of the Chicago's nonwhite primary families earned over \$5,700 in 1956. There was a market of 45,000 families for middle and upper income housing. Another 45,000 earned between \$4,200 and \$5,700, still make good market potential. Almost 6,000 nonwhite primary families earned over \$10,000. That is a market that anyone should want to tap.

We would like the Federal Government to help us with our problems. As human relations professionals we cannot presume to tell the Federal Government how to do this. We are not in the finance business. We feel prepared to carry out our part in community education and organization which is necessary for us to make use of the money the Government can help make available so that the possibility of community change can hold promise of a renewed neighborhood life rather than a threat of seemingly inevitable decline.

I am sorry that we had to cut some of this out. We had some important points we wanted to make, but we understand the problem.

Commissioner HESBURGH. Thank you, Mr. Pollard. We have your total statement for our record, and we will certainly include it.

Do I understand you correctly, Mr. Pollard, when you say that your educational work must be buttressed by a backing from the point of view of the Federal Government in its attitude toward home finance and that you find that the present federally backed home finance mortgage plans and so forth are discriminatory in this area?

Mr. POLLARD. We feel that we need the backing of the Federal Government, yes, in making more financing money available in these transition areas.

Commissioner HESBURGH. What makes it not available now?

Mr. POLLARD. The acquisition of mortgage money in the transitional areas. It is very difficult, almost impossible, to get unless we get the financing through these speculators who have means and access to that kind of money.

Commissioner HESBURGH. I see. What you are saying is then that the people who administer these mortgages that are backed by Government funds are withholding them from people in these transitional areas.

Mr. POLLARD. To a certain extent I don't believe that there are any laws that make it mandatory that they have to grant money in these particular situations, but inasmuch as most of the mortgage money that is needed for Negroes to purchase property is in these transitional areas or of older buildings such as Mr. Hauser had indicated, the

reputable finance companies will not lend mortgage money in those particular areas.

Commissioner HESBURGH. One other point. Do I understand you to say that the speculator is really at the heart of this crisis that arises in transitional areas because he, by coming in and sowing suspicion and distrust in the white owners in the housing in that area, gets them to sell cheap and doubles the price—

Mr. POLLARD. Many do; not all of the speculators.

Commissioner HESBURGH. One thing, the type of contract is such that the man has no security until he finally buys up the whole contract, and if he is two-thirds of the way through it, he could be foreclosed and lose his total equity.

Mr. POLLARD. That is correct, sir.

Commissioner HESBURGH. One other point you had to skip in your going through, and I think we should go back just a moment. Could you tell us a word or two about your migration services department, what it does and what success it has had and whether or not this might be applicable to other areas that face the same problems you face?

Mr. BOWE. I might say this. The migratory services was an idea of Mayor Daley when he came into office. He felt that here we were from all accounts being faced with an ingress of people in numbers that we didn't know anything about. All that we know is that our Negro population has jumped from 1950 about a quarter of a million. It is now estimated, mind you, not really tabulated, but estimated, at about 700,000. He thought it would be important to know where these people come from, why they come here, at what rate they are coming, and what they do when they get here. Instead of setting up a separate organization, which as you know would probably involve a couple of hundred thousand dollars a year, he expanded our commission to include a department of immigrant people. Through that we have set people to work at the railroad stations and bus stations in order to find out how many people are actually coming in.

We found that, say 2,000 a week of Negroes come here. We didn't actually know how many Puerto Ricans were here, but we are not faced with the problem New York is because actually there are only about 30,000 Puerto Ricans in Chicago, and then the question remains, where do they go.

Now, our immigrant situation is not totally a race problem because a very large part of our immigrant consists of white people from rural areas in the South, and the problems, although they are not color, as far as education is concerned and as far as development and need of accommodation to urban life, are pretty much the same. In fact, they are exaggerated to some extent.

Five people on our staff now are assigned to finding out more about what happens to these people, trying to improve their opportunities, even trying to give them—for instance, a big city like this has a terrible medical problem, and it took a great deal of hard work when we we threatened a year or two ago with a polio epidemic to persuade these people that actually they should have their children inoculated, and that was done largely through the efforts of our immigrant association.

Naturally you can see that a good many of these people think of our immigrant agents as cops, and they are afraid of them, so a great deal of tact and judgment has to be used, and real skill has been developed in trying to get their confidence, in trying to help them, you might say, almost in spite of themselves.

Commissioner HESBURGH. That sounds like a fine program.

Mr. BOWE. It is, and I think it should be copied in a great many northern cities faced with the same problems.

Commissioner HESBURGH. Do you also explain to them the economic opportunities as they occur?

Mr. BOWE. Oh, yes. The effort is to get them, for instance, to read and write, one thing. We try to start primary grades for them, and now I am not talking about colored people because I think man for man the white immigrant from the South and Southwest requires fully as much accommodation to city living as the colored, so we try to get them jobs, we try to get them into areas, into skills which are considerable all the time. For instance, many from eastern Tennessee are extremely skilled in weaving because there has been a great background of that, and they don't know just what their opportunities are here.

Then, too, there is a tendency when it gets kind of blossomy to just take the children out of school, get an old jalopy, and go back somewhere and vegetate in the hills in the summer. I don't blame them, I feel a little like that myself sometimes, but it does interfere, as you can see, with the school year of the children.

Commissioner HESBURGH. Thank you, Mr. Bowe. Governor Battle?

Commissioner BATTLE. One question I want to ask Mr. Pollard, please. As I got the tenor of your argument, which I think was very strong, it was to the effect that the beginning of integration or changes in a community resulted in a tremendous depreciation in values of real estate.

Mr. POLLARD. We are talking here, Governor, only of transitional areas.

Commissioner BATTLE. I mean the transitional areas. I am not familiar with these technical terms, but I think I know what you

mean, and as a result of that it was very difficult to get loans on the property, mortgage loans.

Mr. POLLARD. That is true, but it was also difficult to get loans prior to that time because of the age of the property.

Commissioner BATTLE. Well, don't you think it is rather natural that when property values go down it is difficult to get loans on it?

Mr. POLLARD. This is very true.

Commissioner BATTLE. Does that in Chicago apply more to one race than the other?

Mr. POLLARD. This is very hard to determine because most cases that we study naturally are the cases of the Negroes. However, in our studies, when the transition starts to take place, we find out that if there are people who want to live in an integrated neighborhood, they have just as much difficulty then at that time trying to obtain a mortgage as the Negro purchaser.

Commissioner BATTLE. Thank you very much.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. I was very much interested in the work of your Commission on Human Relations. In this very laudable educational work in which you are engaged, do you think that your commission would be more effective in this area—working as you are in the field of establishing racial policies, do you think your organization would be more effective if you had a State law that expressed a public policy against discrimination in housing?

Mr. POLLARD. Well, I think any law expressing public policy helps in becoming effective in this particular field. I think one of the important things is in all echelons, be it housing, private business, or other enterprises, that the expression of policy is very important. I think that we talk in terms of laws, of laws not changing attitudes. I believe that laws may not change attitudes, but at the same time I think they do set up policy, and I think that the vast majority of the citizens of America, being law-abiding citizens, will follow that policy, so I consider that part of an educational process rather than a law forcing people to do something against their will.

Dean JOHNSON. One more question. On your relationship, that is, the relationship of your Commission on Human Relations to the existing local housing authority, does your commission have any authority or responsibility for developing and establishing racial policies for the local housing authority?

Mr. POLLARD. The responsibility of our commission is advisory only, but we do work in close cooperation with all of the other agencies of the city.

Dean JOHNSON. But the responsibility is on the local housing authority.

Mr. POLLARD. Correct.

Commissioner HESBURGH. Mr. Bowe and Mr. Pollard, we appreciate very much your getting us back on schedule and giving us such a fine presentation.

Mr. Jackson.

Mr. JACKSON. Our next group of witnesses will be Gen. J. Paul Holland, chairman of the Community Conservation Board, and Mr. D. E. Mackelmann, secretary, Neighborhood Redevelopment Commission. I would like to ask Mr. Mackelmann and General Holland to wait until after the presentations so you may join in the question period that we have scheduled.

Commissioner HESBURGH. General Holland, we have read your very fine statement and appreciate it very much, and I was wondering if you could, in presenting your views, highlight the racial minority aspects of urban renewal because we think these are the points we are most interested in today and would help us very much from your experience and authority.

STATEMENT BY FREDERICK D. POLLARD, JR., ACTING EXECUTIVE DIRECTOR,
CHICAGO COMMISSION ON HUMAN RELATIONS

The Chicago Commission on Human Relations is an official agency of the city of Chicago. It was organized in 1943 as a mayor's committee and established by ordinance as a permanent body in 1947. It was originated as a response by the city government to race riots in a nearby city in 1943. Chicago's leadership feared that the rapid population shifts—that came with this country's mobilization efforts during the Second World War—presented to Chicago a threat of similar disorder. There is no doubt that the city's prompt recognition of its responsibility in the field of intergroup harmony—which made ours the first commission in the country—has had much to do with the relatively peaceful process of vast population changes.

That recognition of responsibility has carried through the years. The present administration has given cognizance to this responsibility in the generous expansion of the commission's staff—now numbering over 30—and in the budget increases necessary to support that staff. It has once again shown Chicago's leadership in the field of intergroup relations with the creation of a Migration Services Department, within the framework of the commission. That department has the responsibility of developing techniques to ease the adaptation of migrants to the city of Chicago. The department is making important progress and will doubtless serve as a model for other cities, as has the commission itself.

Chicago can boast of significant advances in the field of race and housing. In an area that included some of Chicago's worst residential structures—and which was almost entirely Negro occupied—government and private developers have combined to provide fine housing at modest rentals. And they have succeeded in attracting middle-income white people to live along with middle-income Negroes in what was once a segregated slum. New York Life Insurance development, Lake Meadows, was the leader. Lake Meadows managed to shift from almost complete Negro occupancy of its first buildings to more than 30 percent white occupancy in its second group of buildings. Prairie Shores, another large apartment development adjacent to Lake Meadows, received the benefits of Lake Meadows' pioneering in reverse integration and now has a population which closely parallels the racial distribution of the entire city.

The possibility of working backwards in achieving integration, demonstrated by these two projects, certainly calls for an early reevaluation of the idea that a community must "tip" when it reaches 20 or 25 percent Negro occupancy. This concept assumes a limited tolerance to Negroes by whites, regardless of the community situation. Perhaps the tipping of communities that we have seen is not so much an expression of limited tolerance to Negroes but of limited tolerance to the forces of community decay which often accompany the arrival

of Negroes in an older neighborhood. As we shall see, the commission's continuing efforts in the field of community organization are aimed at controlling the forces of deterioration and marshaling the forces for improvement in neighborhoods faced by transition.

We are encouraged by the progress evidenced by Lake Meadows and Prairie Shores, however, the commission realizes that housing for Chicago's minorities continues to be one of the most important of its areas of activity. The difficulties confronting us at one extreme of community relations was demonstrated several years ago at Trumbull Park. This development on the far South Side of the city was the scene of extensive disorders when the first Negro family moved in back in 1953. The demonstrations were almost entirely by residents of the surrounding community, rather than by tenants of the project.

Trumbull Park had to be dealt with first as a police matter. But in restoring order, the city clearly indicated that segregated housing is contrary to public policy, no matter what local sentiment happens to be.

Chicago has been reported to be the most segregated large city in the Nation. Two students of urban life at Northwestern University developed a scale for the measurement of geographic separation of different groups within a community. According to their scale Chicago in 1950 approached separation by place of residence more closely than any other large city studied. The fact of segregation is both important and unfortunate no matter what its degree but, like Trumbull Park, its meaning should not be misread. It does not mean that Chicago is making less progress in human relations nor that Chicagoans are more prejudiced than others.

Our pattern of residential segregation is the result of historical circumstances and a variety of social and economic forces. One important factor was that Chicago was among the most "covenanted" cities in the Nation. These racially restrictive covenants were recognized by the courts until 1948. The Federal Housing Administration itself accepted the principle of the restrictive practice in its home financing program. And the desirability of neighborhood homogeneity is still widely accepted both in the housing industry and among the general public. Once the pattern of segregation was created, it set in motion self-sustaining forces which the end of the enforceable restrictive covenants was unable to deter.

Let me tell how we at the commission view segregation in Chicago. We are certainly concerned that in a segregated situation it is much more difficult for a minority group member to obtain equal value for his housing dollar. We are gratified by the improvements in the quality of housing available to non-whites in Chicago that showed up in the National Housing Inventory. We are, however, most concerned with the effects of segregation itself—its effects on the whole community, on the segregated and the segregator. These effects are much more palpable than the psychological effects on which the Supreme Court based its school integration decision. Finally, since the end of enforceable restrictive covenants, residential segregation must be viewed as a process. This process is generally called racial transition. It is a process which has been experienced since World War II by many Chicago communities, because of the tremendous growth of the Negro population here. They can be ticked off rapidly: Englewood, Lawndale, Park Manor, North Kenwood, Oakland, Kenwood, West Hyde Park, and Chatham.

The effects of this process of community change go far beyond the confines of the minority community, which is most evidently affected by the high cost of shelter and frequently its low quality. First of all, a point which is often overlooked is that in a transition area the mortgage which is not available to the Negro or other minority group purchaser, is also not available to the white seller or to white buyers. The lack of available mortgage financing is undoubtedly one of the largest factors producing lowered selling prices which whites experience when Negroes move into a community. This not only hurts the buyer, it hurts the seller. And, in a circular way, it hurts future minority buyers. The white seller who experiences the drying up of mortgage financing and consequent lowered selling prices tends to blame the whole situation on the Negro. The process can have unfortunate effects on human relations. After all, these people are being hit hard where it can really hurt.

In many white areas adjacent to the Negro community the process of deterioration begins even before the first Negro moves in. The uncertainty about the area's future which pervades the community because of the prospect of change slows investment and maintenance to a standstill. Buyers and renters—white ones—are hard to come by. Rents and sales prices are lowered in order to attract whites. With lower rents, apartment maintenance is reduced.

The marginal and transient people willing to rent in this situation begin to change the character of the community.

Eventually pressure from apartment vacancies or the need to sell leads to the introduction of Negroes, or else they are introduced by unscrupulous dealers who hope to make a profit from handling the transfers which will result from panic. When the first Negroes come in so do the speculators and solicitors. The community's lack of confidence in its own future is mirrored in the money market. The only people with the cash to finance the transfers made possible by panic are real-estate speculators. The speculators help create the panic. At a recent conference sponsored by the Commission on Human Relations a neighborhood leader said:

"About a year and a half ago our area was literally swarming with real-estate solicitors. We would be going up one side of the street telling people how to handle the situation and to just sit tight and you could see a couple of solicitors going from home to home on the other side of the street telling people that they 'better get out now,' while they could get a decent price for their home * * * One colored family has been allowed by a real-estate company to move into a home on an all white block without putting any money down on the sale of the home * * * I have been solicited to sell my home at least four or five times."

With no competition among lenders and a lot of people made anxious to sell, prices are quite low. The result is that most white people have confirmed by experience the idea that property values go down when Negroes move in. When properties are resold to Negroes, however, the picture changes. Prices are often double what the speculator paid the fleeing white family.

The inflated prices paid by Negroes in transitional communities is a further cause of deterioration. In one case which came to our attention the monthly payments being made by a Negro are twice what the monthly income of the building used to be when it was white occupied. This specific case is illustrative of a very common situation. The Negro who buys on such terms is going to have to abuse his property in some way to meet this financial burden. The effect on those whites who witness the abuse—be it overcrowding, poor maintenance or illegal conversion—is to make them more willing to sell to the next solicitor and to accept uncritically the idea that communities deteriorate when Negroes move in.

In apartment buildings similar forces to deterioration and to hastening transition are in operation. When rents are raised with the arrival of Negroes, whites move out—unwilling to pay the market differential. The higher rents to Negroes conduce to the same kind of overuse seen in areas where Negroes are buying homes on exorbitant contracts.

The economic and psychological pressures on whites to move and the economic pressures on Negroes to overuse their property are the forces which keep the cycle of transition rolling. The costs of the process can be ill afforded by any of the parties to it. Whites are often exploited in the sale of their properties. Negroes pay exorbitant prices, bear the blame for deterioration and suffer from the ill-feelings of the departing whites. In the midst of the change there is always a threat of disorder and violence generating out of the ill-feelings produced in the process.

If you were to walk through some sections of Lawndale, where much of the community has changed already, you would see some houses sinking rapidly into decay. You would see others with neat lawns, freshly painted window frames, new stairways, and new siding. Almost certainly the most deteriorated structures would be those bought on contract from a speculator. As certainly, those well cared for were bought when mortgage money was available in the neighborhood. Julio Vivas, director of the Greater Lawndale Conservation Commission, has stated that the physical character of a neighborhood is dependent upon the availability of reasonable financing on reasonably priced homes. Where homes have been bought at high prices and on contract the buildings run down. Where homes have been reasonably priced at fair financing terms, the improvement with the arrival of Negroes is extraordinary.

I believe the significance of Mr. Viva's observations are obvious. The process need not proceed as it now does. I am happy to be able to say that this fact is being every day more widely recognized in the city of Chicago. Community organizations in different parts of the city are recognizing the futility of trying to preserve the quality of their neighborhoods simply by excluding minority groups. They are looking for ways in which to absorb minority group members while maintaining or even improving the quality of their neighborhoods.

The commission sees as one of its most important functions assisting community organizations trying to achieve these goals. Commission staff makes its resources available to such groups. Counseling, programing aid, leadership training, periodic conferences, informational material, even loaned staff are among the services available from the commission. The techniques learned through long experience in community organization have made our services useful to many groups in their formative stages and, for existing groups, when they have faced the problems which are our special concern.

Those groups now dealing with the process of community change usually see three basic steps which need to be taken: To educate their constituents on the economics of transition; to attempt to obtain mortgage financing; and to attempt to diffuse the pressure of minority group housing demand. The process of education is difficult because of the number of people involved but the argument for this new approach to racial change seems to have broad appeal.

If financing is available on reasonable terms minority group members will be able to maintain the properties they buy. Equally as important, if the whites know that financing will be available the pressure to move is reduced. The stories about property values told by speculators will have much less force. If decent financing continues to be available a white owner need not dump his property in fear. If he holds on to get his price he may notice that those Negroes who do move in on decent financing terms are not as bad as he thought they would be. He may even decide to stay on.

Finally, if homes are financed with mortgages, the process of selection inherent in obtaining credit will continue to operate. This process breaks down with the arrival of the speculator. Repossession is so easy for him, and even profitable, that he is not as selective about his purchasers as is a lending institution. Thus, well-financed transition could have the paradoxical effect of slowing down transition and, perhaps, creating decent nonsegregated communities.

The process of community education is part of the effort to make mortgage money available. It is an effort to bring community pressure to bear upon lending institutions; to convince those institutions that there will not materialize the bad public relations they expect if they do business with minority group members in a neighborhood which has not tipped.

The third step in this process is the reduction of minority housing demand on any one community that decides to engage in this type of program. The need to reduce the pressure on any one community has produced the attempt to obtain State legislation against discrimination in the sale and rental of federally guaranteed housing.

Actually, such requirements should be imposed by the Federal Government. It is intolerable that one of the privileges of a citizen should be denied to any group because of race, creed, or color. I cannot contend that nondiscrimination in the sale and rental of all housing is a civil right. Those laws which make such requirements are matters of public policy open to honest difference of opinion. This is not true when the Government is guaranteeing the loans. The reasoning behind this position was spelled out in *Ming v. Horgan* in Sacramento County last year.¹ It is significant to note that Horgan, et al., did not appeal the lower court decision.

We feel not only that loans guaranteed by the FHA and the VA should be available on a nondiscriminatory basis but that loans made by federally protected banks and savings and loan associations should be available on that basis. Two-thirds of the home construction in the Chicago area is financed by savings and loan associations. The purpose of such organizations—to encourage thrift and to help make decent housing available to all people—cannot now be achieved with relation to 21 percent of the city's population.

The Government is in a position to strongly influence where mortgage financing is available. Not only should the Federal Government take steps to encourage its availability on a nondiscriminatory basis; it should also seek, through legislation, policy and rules and regulations to encourage its greater availability in the city generally. These two approaches taken together would support local efforts to diffuse housing demand and to make better financing available in transitional neighborhoods.

An objection might be raised that even were this financing available there would not be the resources in the Negro community to make use of it. It is true that nonwhite incomes continue lower than white. However, the Chicago supple-

¹ *Oliver A. Ming v. Milton G. Horgan, et al.*, Superior Court of County of Sacramento, Calif., June 23, 1958, No. 97130.

ment to the National Housing Inventory clearly indicates the existence of a large nonwhite market for good quality housing.

Twenty-five percent of Chicago's nonwhite primary families earned over \$5,700 in 1956. There is a market of 45,000 families for middle and upper income housing. Another 45,000 earned between \$4,200 and \$5,700, still good market potential. Almost 6,000 nonwhite primary families earned over \$10,000. That is a market anyone should want to tap.

We would like the Federal Government to help us with our problems. The Government can do so through the Federal Housing Administration, the Federal Home Loan Bank, the Veterans' Administration, the Federal Savings and Loan Insurance Corporation, and the Federal Deposit Insurance Corporation and the Voluntary Home Mortgage Credit Program. As human relations professionals we cannot presume to tell the Federal Government how to do this. We are not in the finance business. We feel prepared to carry on our part, the community education and organization which is necessary for us to make use of the money the Government can help make available, so that the possibility of community change can hold a promise of renewed neighborhood life rather than a threat of seemingly inevitable decline.

TESTIMONY OF GEN. J. PAUL HOLLAND, CHAIRMAN, COMMUNITY CONSERVATION BOARD, AND D. E. MACKELMANN, SECRETARY, NEIGHBORHOOD REDEVELOPMENT COMMISSION

General HOLLAND. Mr. Chairman, members of the Commission, to your right is a map showing the areas that we have designated in the city of Chicago with respect to our urban renewal projects. The board's primary responsibility is to designate communities within Chicago for a conservation program through blight prevention. The program in general encompasses eliminating deteriorating pressures by checking blighting influences in existing structures, preventing overuse of housing, study in community deficiencies, and maintenance of facilities and planning for the future development of the community.

The board directs its attention to three principal types of neighborhood conservation: First, in certain designated areas to upgrade the area by planning and then implementing an action program. In these instances city and Federal funds are expended.

The second program is directed to designated areas that qualify by Federal regulations for treatment under the provisions of section 220 of the National Housing Act. In these areas only city funds are expended. The third type is where the board stimulates citizen action for conservation without public financial aid beyond the city's normal capital improvements construction. The Community Conservation Board's program serves neighborhoods which represent all facets of Chicago's population. Blight prevention activities must be carried forward in all areas of the city to be effective. The board is therefore bound practically as well as morally to a policy of serving all Chicago citizens.

In addition, certain legal requirements prevent the discrimination in urban renewal areas. Both Illinois State and Federal laws are mandatory in this respect. We have four communities that have been designated and are receiving Federal and city aid. Hyde Park-

Kenwood you have heard about. This is a \$40 million program, and the project is designed to upgrade the community by building new dwelling units and modernizing old residences.

The plan includes new parks, playgrounds, school facilities, and provides vacant land for the expansion of private institutions. Citizen participation in this community, initiated by the Hyde Park-Kenwood community conference, has gained national attention. The people of all races and backgrounds have joined together to prevent blight and strengthen the community.

A recent published study of the area reported that the key aim of the community conference has been to establish the stable interracial neighborhood.

We have another federally assisted project of the near West Side, and this plan outlines a program to preserve a historic and traditional community near the central commercial area. The objectives of this plan are about the same as that of Hyde Park-Kenwood. Similar plans are in Englewood and in Lincoln Park. We have four areas that have been designated for 220, nonassisted treatment. These are on the South, the West, and the North Side.

We have two demonstration programs that have under study certain aspects of community living. The Hyde Park-Kenwood demonstration project seeks to define the methods used in the area to obtain citizen participation in the process, and in our Woodlawn demonstration project we seek to develop improved techniques for measuring the impact of renewal methods short of clearance in a deteriorating but structurally sound neighborhood. This project will also study methods of facilitating population transition.

In conclusion, the objective of the Community Conservation Board is to prevent blight wherever there is a danger of its occurrence. The neighborhoods in which we work represent all social, ethical, and economic groups of Chicago's population. We have learned that the task of rehabilitating middle-aged communities requires the cooperation and assistance of all residents if it is carried out effectively. As the city has indicated its desire to serve its residents, they in turn have shown their willingness to work with each other and with their city government in building better neighborhoods.

Commissioner HESBURGH. Thank you very much, General Holland. Now could we hear from Mr. Mackelmann.

Mr. MACKELMANN. Chicago has now entered the second decade of its postwar public improvements and urban renewal program which has resulted in an improved living and working environment for all Chicagoans.

In the process of building new housing, highways, schools, parks and hospitals, Chicago has begun some form of urban renewal or public improvements in almost 20 square miles of the city's land area.

A program with the breadth and scope of this begun by Chicago has two major problems: (1) getting sufficient funds to begin the project; and (2) the relocation of residents with a minimum of hardship. The importance of relocation, the ways and means of carrying it out, has been increasingly recognized in Chicago—and nationally—as one of the most important aspects of urban renewal and public improvement programing.

Particularly since the end of the war, with the passage of Federal and State legislation to assist the local agencies, adjustments, and improvements in the relocation process have been made on the basis of the experience of the several agencies involved in the city of Chicago and in other cities throughout the Nation.

The scope of Chicago's program is attested by the displacement of an estimated 100,000 persons during the first decade of redevelopment, public housing, renewal, and other public improvements. While rehousing these displaced residents was one of the challenging and difficult problems confronting the city, the combined efforts of the city agencies effectively reduced the inevitable hardships of displacing people for public improvements.

The city of Chicago, as a matter of policy, actively assists in the relocation of families displaced by all types of municipal action, including those activities for which relocation assistance is not required by statute.

The policy of the city requires that :

1. Any agency or department undertaking the clearance of an area shall be responsible for providing assistance in the rehousing of site residents.
2. Site residents shall be aided in obtaining housing at least equal in quality and condition to that prevailing in the clearance area.
3. The residents shall be aided in obtaining housing which they can afford.
4. Relocation of services available to site residents shall consist of :
 - (a) Prior notice to residents informing them of intent to clear sites;
 - (b) Assistance in finding suitable housing;
 - (c) For needy families, direct financial assistance may be provided.
5. The cost of relocation services shall be accepted as part of the total project costs.

These polices are incorporated in the operations of the three local agencies providing relocation services—City of Chicago Tenants Relocation Office, Chicago Housing Authority, and Chicago Land Clearance Commission. The standards referred to are regarded as minimum standards. For projects which receive Federal aid, Federal statutory and administrative standards govern in addition.

I. It is recognized by the agencies involved that relocation due to public action creates certain hardships. The objective of any relocation program, therefore, is to minimize the hardships to the greatest extent possible.

II. Chicago agencies have recognized the problem of relocation since the beginning of the program in the thirties, beginning with the first PWA projects such as Jane Addams and Ida B. Wells and the demolition program carried out with the help of FERA, CDA, and WPA. Increasing attention was given to it in the development of the postwar program starting with such projects as the Dearborn Homes of Chicago Housing Authority, the Lake Meadows project of Chicago Land Clearance Commission, and the Congress Street project of the highway departments. All agreed that the costs involved in giving relocation assistance were properly part of the costs of the particular project.

III. Essentially the steps taken by the agencies are the same: After a project is approved, a field office is opened and staffed, a survey of the area is made to get the necessary social and economic data on the families, the process of relocation then begins. Families are notified of tentative time schedules, of aids available; visits are made to each family. The responsibility for finding other quarters remains that of the family. However, the relocation staff assists in preparing applications for public housing projects. It works with the social agencies which may be involved. It may take the families to look at available vacancies. It is a matter of continuous contact, of helping to work out special problems which vary from family to family.

IV. The differences which now exist are largely due to the administrative organization of the agencies and to the statutes under which the projects are financed. For instance, both the Chicago Housing Authority and the Chicago Land Clearance Commission operations are more tightly organized since property acquisition, management, relocation, and demolition are handled by the same agency. The City Tenant Relocation Office is only responsible for relocation, while the other activities are handled by the agency for which the relocation work is being done, such as Highway Department, Board of Education, whatever the agency may be. In the case of relocation from buildings ordered vacated by the Department of Buildings or the courts, the individual owner is involved, rather than a public agency. He may not be the one who does the demolition, which in some instances then may be done by the Building Department of the city.

Another factor, even more important, is that of statutory standards and of statutory provisions for aid for relocatees. The expressway program is being financed 9 to 1 with Federal aid through the United States Bureau of Public Roads. The enabling statute contains no provisions dealing with relocation; the Federal agency has issued no

administrative regulations. The federally aided public low-rent housing program operates under a statute, original date of which was 1937, which contains no reference to relocation. The Federal agency—the Public Housing Administration—has issued administrative regulations dealing with relocation; as a minimum families shall at least be no worse off than before to oversimplify the regulations. The urban renewal program—slum clearance 1949; expanded program in 1954—operates under an enabling statute which from the beginning provided standards for relocation and made certain financial aids available. These have then been spelled out in some detail through administrative regulations of the Federal agency. The concept of aid has been expanded to include commercial establishments. Financial aids have been increased. Pending legislation provides for further increases in such financial aid.

It is under these statutory and administrative provisions that the Chicago Land Clearance Commission conducts its relocation program and under which the City Tenant Relocation Office will carry on its program on behalf of the Community Conservation Board in the Hyde Park-Kenwood urban renewal project to which General Holland just referred.

As to the overall program we are concerned with making sure that we continue to raise housing standards throughout the community by maintaining a balance between the housing supply and the clearance program. As to each family we are concerned with assisting as to the best of our ability in finding other quarters which are decent, safe, and sanitary.

To give you a few data on the volume involved in the city, since 1948, 30,704 families and 9,411 single persons have been relocated since 1948 to facilitate the clearance of land designated for urban development, public housing, highway construction, institutional expansion, community facilities, and related programs. An estimated 100,000 persons have been affected by these activities, indicating the magnitude of the relocation problem that accompanies major improvement programs in a heavily built-up urban center.

Relocation volume has ranged from a low of 712 families in 1948 to a high of 4,438 families in 1958, with the annual average running at 2,791 families and 856 single persons.

Careful staging of relocation activity is essential if a number of diverse programs are to progress simultaneously. The volume of relocation is determined by the number and size of projects that reach the relocation stage of development at any given time. The planning and progress of any given project is thus influenced by the total relocation load resulting from concurrently active projects, and it is necessary to make sure there is a balance among these various programs.

Approximately one-third of the families and single persons relocated have been displaced from sites, designated for public housing projects. Clearance of expressway routes has accounted for another 30 percent, while land clearance operations have been responsible for 20 percent of overall volume. Thus, these three programs, federally aided programs, combined have accounted for 82 percent of all families and single persons displaced in the past 11 years.

Institutional expansion, such as the Medical Center development and the extension of the Illinois Institute of Technology campus, has accounted for 12 percent of the postwar relocation volume, while schools, parks, and code enforcement combined account for the remaining 6 percent.

I would like to mention in passing the relocation for code enforcement from dangerous dilapidated buildings ordered vacated by the Building Department, Fire Department, or the courts is an activity to which we are paying more attention, have been paying more attention in the last several years, and it is an activity which we expect to continue to increase as we expand our code enforcement program.

Approximately 2,000 acres of blighted land have been approved for clearance since 1947. Of this, about 1,040 acres had actually been cleared as of December 31, 1958.

I would like to mention a few of the results of this clearance program, what has been involved in moving these families and people in business from these sites.

Some of the visible results of this vast clearance and relocation program are—

- (a) The completion of 8,597 new units of low-rent housing;
- (b) The construction of 318 apartments and 52 homes of middle-income housing;
- (c) The substantial completion of the Lake Meadows redevelopment project containing 2,040 apartments, a modern shopping center, and new school and park facilities;
- (d) The partial construction of 1,500 new apartments in the Michael Reese redevelopment area;
- (e) The beginning of construction of 825 new apartments and homes, as well as a modern shopping center, in the Hyde Park A and B redevelopment area;
- (f) The substantial completion of the 305-acre West Side Medical Center, the largest concentration of medical treatment, educational, and research facilities in the world;
- (g) The expansion of De La Salle High School;
- (h) A 62-acre extension and modernization of the Illinois Institute of Technology buildings and campus;

(i) Construction of the 10-acre Dunbar Trade High School, the largest and most modern public vocational school in the Nation;

(j) Completion of the 8-mile Congress Street Expressway;

(k) The beginning of construction of the Northwest Expressway;

(l) 17 new schools, 16 additions to existing schools, and 8 school playgrounds built on cleared land;

(m) The beginning of construction of the South Expressway.

I think it is well to point out what the result has been at times of this so that the problem that we are facing in the relocation of families is related to the results that are achieved by this program as far as the rebuilding and conservation of the city is concerned.

I would like to make a few comments on the racial composition of the families that have been relocated in the years from 1948 to 1958. Of the 24,661 families for which we have data, 41.2 percent were white and 58.8 percent were nonwhite.

It is interesting to note that the composition of the population on the sites to be cleared varies a good deal, depending a good deal on the project that is involved. For instance, of the 7,464 families relocated by the Chicago Housing Authority, 601 families were white, and 6,863 families were nonwhite. Of the 9,144 families displaced by the Congressway program so far, Congress Northwest and South-west, 7,924 were white, and 1,220 were nonwhite.

You get just about the reverse ratio, and this, of course, is due to the fact that the expressways run the whole length of the city so that they touch all sections of the city in this instance.

Since 1950 the housing supply in Chicago has increased significantly both in quantity and quality of the dwellings available. Families displaced by public clearance projects along with all other families in Chicago have shared in this improvement in housing. Dr. Hauser and others, Mr. Bach, gave some details on what had happened on this. I just would like to mention a couple of figures. From 1950 through February 1959 some 386,000 dwelling units were added to the supply of new construction in the Chicago metropolitan area, and of this number 160 units were built within the city of Chicago, of which about 10,700 were built by the Chicago Housing Authority. Here is some additional data on the growth in our resources for housing displaced families.

Private rental housing in Chicago declined slightly. Occupied rental declined by 9,000 units between 1950 and 1957, based on the Chicago National Housing Inventory to which reference has been made.

Since January 1957 permits have been issued for 9,319 private rental dwelling units up to February 28, 1959. Private sales housing, usually

individual units, in Chicago increased by 54,501 dwellings between 1950 and 1957, again based on the data from the National Inventory.

Since 1957 an additional 9,342 private single-family dwellings have been constructed up to February of this year.

Low-rent public housing in Chicago increased by 10,797 dwelling units between 1950 and 1959, based on the records of the Housing Authority, of the Building Department.

In addition to the gains in new housing supply in Chicago, existing housing also has become more readily available. In 1957, again NHI data, about 20,000 dwellings were vacant and available for rent or sale as compared to only 9,000 such available vacant dwellings in 1950. It is generally assumed the vacancy rate has increased between January 1957 and today.

Turnover of occupancy also provides a substantial housing resource for displaced families. When we talk about mobility, I think it is well to remember what the relative mobility of families generally in the city is.

Slightly more than one-fourth—25.7—of Chicago's households in 1957 had moved into their present dwelling unit in 1955 and 1956. For renter households the most comparable percentage was 31.5.

In Chicago we have had a creditable program during the past decade. Our experience in relocation does, however, indicate that changes and adjustments in the Federal requirements for relocation would be of considerable help to our local agencies:

Although relocation policies of the agencies tend to be similar—as the major programs are federally assisted highway construction, public housing, and urban renewal, based on the close contact that we in the various relocation offices have with each other—there are, nonetheless, wide differences between the Federal requirements for each of these programs, and these do tend to affect the programs of the individual agencies.

As I pointed out, two of these federally aided programs—public housing and highway construction—have no statutory requirement for relocation services. Public housing does have an administrative requirement to relocate families to equal or better housing. The expressway program, however, has neither statutory or administrative standards for relocation. Neither expressway or public housing programs have any Federal provision for making cash payments to aid relocated families.

We recommend, therefore, that the Federal statutes be amended so that the standards required by the urban renewal program would also apply to the expressway and public housing programs.

We also recommend that the same kind of Federal aids provided in the urban renewal program be made available to the expressway and public housing program.

I would also like to make a reference to the current legislation pending as passed by the Senate and now in the House waiting for a ruling. We believe that the legislation will have a definite effect on our ability to do a better job of relocation.

I am not now talking about Federal aid to urban renewal or slum clearance or to public housing as such. I am principally thinking of the liberalization that is in the legislation as passed by the Senate.

For instance, in regard to the 220 program, but particularly to the 221 program which is the provision with Federal Housing Administration insurance of privately rebuilt relocation housing. As it stands at the present time, the mortgage limit is \$9,000 and \$10,000 for high cost areas. We got the approval of the Federal agencies to get the limit increased to \$10,000, which, however, for an area like Chicago makes it no more usable than the \$9,000 one. Mayor Daley asked last year and this year recommended that the limit be increased to \$14,000. The Senate bill as well as the bill approved by the Banking and Currency Committee of the House has a \$12,000 limit. In addition to that, however, it also makes available these provisions to 2-, 3-, and 4-unit construction.

It is our opinion that if the bill as passed by the Senate, and it is the same in the House, as far as this program is concerned, were passed, that our ability to overcome some of the problems that Mr. Pollard talked about might be done, because if he could get the type of financing provided for in 221 at at least the \$12,000 limit for a single family unit, plus, I think it runs \$26,500 for 3-unit structures, that this would make it possible to bring money into these areas, particularly for families interested and able to acquire property, and I think that would relieve some of the problems that were referred to in relationship to contract sales which we agree is a very serious problem in the city of Chicago in many of these areas.

Commissioner HESBURGH. Thank you very much. We would appreciate it very much if you gentlemen would stay here until Mr. Doyle gives his presentation, and then we can have all three of you here for questioning in what is really the same area.

Mr. Doyle is the executive director of the Chicago Land Clearance Commission. We are happy to have you here this morning, Mr. Doyle.

TESTIMONY OF PHIL A. DOYLE, EXECUTIVE DIRECTOR, CHICAGO LAND CLEARANCE COMMISSION

Mr. DOYLE. Mr. Chairman and members of the Commission, as the 10th person to appear before you, I think I owe it to you not only to be brief, but briefer. I promise to be mercifully short.

The Chicago Land Clearance Commission's function is to clear areas defined as slum and blighted areas in the Illinois Blighted Areas

Redevelopment Act of 1957, as amended, and to sell the cleared land for redevelopment in accordance with an approved redevelopment plan. Designation of areas as projects, and project redevelopment plans initiated by the Commission, are subject to approval by the city council and the Illinois State Housing Board. Likewise, land sales proposed by the Commission may not be consummated until approved by the city council and the Illinois State Housing Board.

Commission projects are not confined to areas to be redeveloped for residential purposes, for the reason that certain blighted areas are suitable only for nonresidential development. Of the Commission's 21 projects, containing over 700 acres gross, 4 are to be redeveloped with industrial buildings, 3 with retail shops, and 14 with residential and related facilities. The residential projects will provide sites for an estimated 9,500 dwelling units.

Commission contracts with redevelopers provide that they shall give preference in occupancy of structures built on project land to families displaced from the project area. Although it is improbable that any redeveloper would enter into a contract which required specific performance in respect to such matters as the renting of a certain number of units to white families and a certain number to nonwhite families, it is significant that two areas cleared by the Commission now accommodate in new buildings constructed by redevelopers a very substantial number of white and nonwhite families. There is no doubt in my mind that the same pattern of occupancy would obtain in many areas which may be cleared for redevelopment as the city, with Federal assistance, is in financial position to do so. In fact, it appears that brandnew neighborhoods, located in areas freely available to minority group families before clearance, can be expected to attract tenants from among all racial groups. Although there is evidence that some existing neighborhoods, not occupied until recently by other than white families, are accommodating to occupancy by minority group families, without a mass exodus of white families, it appears that the interracial community is much more apt to come into being in a newly created community than in an existing community occupied primarily by one racial group.

Because many of the older, wornout areas of the city which should be redeveloped are now wholly or partly occupied by Negro families, a continuing program of clearance of blighted areas could be expected to result in an extension of the areas occupied by families of all racial groups.

In connection with the clearance and rebuilding of areas in which interracial occupancy may confidently be expected, I should like to emphasize the need for progressive Federal legislation, and progressive administration of that legislation authorizing the issuance of mortgage insurance by the Federal Housing Administration. The

legislation and its administration should be posited on the fundamental concept that the policy of the Federal Government is to assume risk as another of the efforts to promote the construction of good housing for all citizens, irrespective of race. Interracial occupancy of housing constructed in cleared areas broadens the market for the dwelling units and reduces the risk assumed by the Federal Government in insuring mortgages.

Without attempting to disclaim the responsibility of each agency and department of government for the discharge of its functions with equal treatment of all persons affected by those functions, I believe it is fair to say that the attitudes of the residents of a city inevitably determine the general course of events. As noted earlier in this statement, the commission may take the initial step in undertaking a project, but action by the city council is required to create the legal framework necessary for a project. Moreover, all or a part of the public cost of a project is borne by the local taxpayer. It follows, of course, that the projects must be thought worthwhile by a majority of the electorate if additional areas are to be undertaken. Of course, in a large city attitudes vary from neighborhood to neighborhood, and what is approved in one section of the city may not be acceptable in another section. The Commission's projects may be expected to occur in those parts of the city where interracial occupancy of housing can occur without the frictions generated to some degree in virtually all sections of the country, as people, who differ in one respect or another, continue the process of adjusting to each other and, I believe, strive to respect the rights of others. In making this statement I do not represent on behalf of the commission, or for myself, that the commission can exert any large influence on the rate at which Chicagoans adjust to each other. Rather, the representation is that the commission's program is fostering, and we expect will continue to foster, harmony and good will among people, irrespective of race, and may be helpful in an area larger than its stated purpose of clearing blighted areas, by demonstrating that interracial housing developments may be completely satisfactory to their occupants.

Thank you very much.

Commissioner HESBURGH. Thank you, Mr. Doyle.

Governor Battle?

Commissioner BATTLE. Mr. Doyle, how has that program worked out from the financial point of view?

Mr. DOYLE. I presume you—

Commissioner BATTLE. I understand you acquire the land and clear it off and then dispose of it.

Mr. DOYLE. Well, at the moment in the 21 projects, with over 700 acres, the cost, the net cost, that is, the cost to the public after paying

for the land and paying for relocation and demolition and buildings and so forth, is about \$75 millions.

Of course the buyer of that land paid the value of the land vacant, and I believe that in all cases the investment for the buyer is working out as a sound investment.

For the public, the return, of course, is in terms of eliminating the slum and to some degree in the increased tax return to the municipality.

Commissioner BATTLE. But offsetting the cost against the sale price, there is still a differential of some \$75 million.

Mr. DOYLE. Yes. That is represented by the so-called improvements which we buy and tear down.

Commissioner HESBURGH. Mr. Doyle, there would be another factor there, too, wouldn't there, because I understand the cost to the city of blighted areas in the way of police protection, fire protection, medical care and so forth, runs quite high, and this is eliminated if the area is cleaned up.

Mr. DOYLE. That is right, Mr. Chairman. It is, I believe, a profitable operation to the city rather than a costly one, but some of these things are, of course, in intangibles.

Commissioner HESBURGH. I have a question for Mr. Mackelmann, I believe. Mr. Mackelmann, is the urban renewal program that is being administered doing all it can to provide equal protection for minority groups in your opinion? I think this has relevance to a question voiced earlier that may be voiced again, that as an area is cleared and people are moved out of substandard dwellings, other dwellings are built that are beyond the possibility of payment and the people that are moved out. What happens to these people in generality of cases?

Mr. MACKELMANN. Well, let me take those three figures again. Some 31 percent of the clearance which was for expressways, another 31 percent was for public housing, and 20 percent was for projects of the land commission. Of course in the case of clearance for expressways, no housing becomes available. It is a net loss to the city. In the clearance or removal of 31 percent of the total number of families for public housing, we then create a new supply of standard public housing.

Commissioner HESBURGH. But at a higher level.

Mr. MACKELMANN. At a much higher level. In the case then of the other 20 percent of the Land Clearance Commission, you create principally new private housing, such as Lake Meadows, Prairie Shores, and so on which might be middle income, upper middle income.

The major resource, the major single resource, that we have for relocation, of course, is the public housing group. This is then for the group that is generally most difficult to relocate because it is the lowest income group.

Now, the others then participate, the other families that are not moved into public housing then are principally families that move into other rental accommodations. There is a certain percentage of families that buy other housing because after all, some of them are homeowners, property owners, or businessmen in the area, who then buy elsewhere. The rest of them go into existing private rental housing.

There is no question about it that this is where the major problem is, and this is the point at which we assess to the best of our ability the need for maintaining a balance of what we can do in terms of clearance without creating undue hardships.

Now, at any time that families have to move, if they don't do it voluntarily but as a certain time limit may be set, however flexible that time limit then may be in administration, nevertheless they must move. I think, generally speaking, based on the experience of the several agencies which have carried the principal responsibility for housing, the program has been reasonably successful.

Now, there is no doubt about it, that there are difficulties, for instance, particularly the families of large size, let's say the problem families, families that have medical, social, economic, and other problems, present another problem. All that we can do—I don't say there isn't room for any improvement, but I think all we can do is make sure that we render all the services possible in these families so that again the hardship is minimized, and I think the principal point is this question of maintaining a balance so that one doesn't outrun the other.

The fact that the National Housing Inventory to which reference has been made a good many times did indicate a substantial improvement in housing, not only in physical housing in terms of decrease of substandard housing and an increase in standard housing, but also a decrease of some 30 percent in the overcrowding conditions seems to me to indicate generally speaking, at least, the balance has been maintained reasonably well because at least I was concerned at various times that while we might demonstrate an increase in the standards, in the physical standards, that there might have occurred at the same time an increase of overcrowding, and these figures show we had had very marked improvement.

It seems to me that in these kinds of programs you have a choice of either not doing anything or going ahead as long as over a period of time you show progress all over the city, so it isn't just here or isn't just only in the other place.

This, however, let me indicate here—the city of Chicago since 1948 has assumed responsibility, more so than practically all municipalities in the country, for the relocation of families from the beginning. For instance, in the expressway program. We started our expressway pro-

gram in 1948 and immediately started with a relocation program. There are a very few cities in the country that have done the same.

I think as we have gone along we have improved our techniques, we have gained by experience, it has worked well, but this is one of the reasons that I recommended the changes in Federal legislation, partly so that standards are set, so that standards are uniform, not only here in Chicago, but elsewhere, and secondly, that the same aids be available to these families that are now in Chicago that are available to the families displaced by the operations of the Chicago Land Clearance Commission.

Commisisoner HESBURGH. This, I think, is one of the most important suggestions we have had, that there be minimum standards attached to the relocation involved in the highway program, the expressway program, and the public housing program. I think this is something that can bear a lot of consideration in our final report, that the standards be there and the aids be there to carry out this relocation.

Am I correct in assuming there are three different agencies in the city—

Mr. MACKELMANN. That is right; Chicago Housing Authority has its own, Land Clearance has its own, and our office handles the relocation activities of the other agencies, principally those of the expressway, highway department, and the building department.

Commissioner HESBURGH. Are these coordinated?

Mr. MACKELMANN. Yes, by close contact among the operating departments, the relocation offices of the three agencies. Generally speaking, as I indicated in my formal statement, the policies are about the same so that we share each other's experiences and somebody has a finer idea that the other one picks up the next day.

Commissioner HESBURGH. I have one more problem. In our housing hearing in New York City we heard a great deal about the necessity of some kind of proviso in Federal housing plans so they are nondiscriminatory as regards all Americans, and this was argued back and forth; I believe generally in the North it is proposed and generally in the South it is not proposed because they feel it would be the end of the program.

I was wondering, since there is no local law here, or no State law on nondiscriminatory housing, what would any of you gentlemen think about such a proviso in a Federal law in housing? Would it be helpful or harmful?

Mr. Doyle, do you want to get on the spot?

Mr. DOYLE. My view is that you can do in a community about what you can do in the community, and that the Federal legislation would have very little bearing on it.

Commissioner HESBURGH. Mr. Scheuer in New York, who, I believe, is the largest builder in title I, says this is purely an economic prob-

lem. If the housing market is there and the Federal financing is what really buttresses it, and there is a proviso in there providing for open occupancy and equal access to the market on the part of all Americans that this thing will carry on the same as public transportation is carried on once the discriminatory aspects were removed.

Mr. DOYLE. I have discussed this on several occasions with Mr. Scheuer and aside from the fact that law may in time set the framework for custom rather than the other way around, and I recognize the validity of that claim to some degree, I don't believe that the progress in Chicago in dealing with this problem would be materially affected by additional requirements in the Federal law.

I would like to see the Federal law amended so that in fact there was not discrimination, as I think there is now, against certain economic groups. As I mentioned in my formal statement, that the Federal Housing Administration had legislation which required them to assume some risk rather than to proceed always on the basis of what they called economic soundness, we could get along a good deal more satisfactorily in providing housing for people of all income groups.

Commissioner HESBURGH. Thank you, Mr. Doyle. As I mentioned in my opening statement, we are looking for opinions about the country since the situation changes variously in different cities.

General Holland, would you have any opinion on this problem?

General HOLLAND. No, sir; I don't believe I have.

Commissioner HESBURGH. Mr. Mackelmann?

Mr. MACKELMANN. I agree with what Mr. Doyle said, but I would like to add to this just one comment which I think is a practical one and a difficult one, that the current legislation right now sits in the Rules Committee with a 6-to-6 vote. I would like to get it out of the Rules Committee so it can get in the House. I don't care whether one of them takes a walk or somebody changes the vote as long as we get a 7-to-5 vote or 6 to 5, just so it gets out to the floor, and then let us assume it comes to the point where the House passes it, and in conference the Senate and the House agree, and it then goes for signature to the President, and let assume, just for the fun of it, that it would be vetoed, that we don't get stuck with the kind of vote that happened recently—you know, 4 votes made the difference, or a housing vote of last year where 6 votes made the difference.

I also would like to be sure that we get legislation passed that makes it possible for us to proceed with these programs, and it is this very serious problem that you always face, here are certain things we would like to see done, but on the other hand, you want to be sure, too, that you have the wherewithal to continue the program, and I would say this, carrying on what Mr. Doyle says, I think in this program, as I look back over the last 10 years since we started

our slum clearance program in Chicago, first without Federal aid, city and State funds, and then later on with Federal aid, that we have made a considerable amount of progress, but I would hate to see this one cut off and not be able to do any more because Congress refused to make provision for additional funds and for expanded programs of various kinds.

Commissioner HESBURGH. We have been looking throughout all these communities we have studied for evidences of progress, and I think we can certainly say from the figures you have given us there is evidence of progress here in the slum clearance area and in the availability of more housing and better housing.

What would you say is the acreage, could any of you gentlemen tell us the acreage of slums in Chicago at the present time that still need clearance?

Mr. MACKELMANN. Well, the figures, depending on whether you call them slums, blighted areas, near blighted areas, whatever definition you want to make; somewhere around 10 to 15 square miles might be one estimate, as good as any, I suppose. This will also vary from 1940 to 1950 to 1959 because while a good many things have been done to improve housing conditions, a unit being called, let us say, acceptable minimum standard unit in 1959 suddenly would have been a standard unit, most likely a good standard unit in 1940, because standards of the population generally have risen. I think this is always a problem in definition as to at what time and for what particular purpose.

There is no question, as Mayor Daley indicated this morning, that we are aware of the fact that while we have made progress, we still have a long way to go even to achieve standard housing for all families in the city of Chicago in terms of 1959 standards.

Commissioner HESBURGH. Governor Battle?

Commissioner BATTLE. No.

Dean JOHNSON. I have just one question. I don't know which one of you gentlemen gave me this impression, and I may be in error, but did I get the impression that in these programs that displaced families, that in the final analysis it was the primary responsibility of the displaced family to find a new home?

Mr. MACKELMANN. Yes, sir. The primary responsibility remains with the family. We do not determine where the family moves. But we aid the family in finding other suitable quarters. We can hardly determine, say, that this X family has to move to Y, because the family may refuse. It happens, Dean Johnson, that we have gone through the whole process of proving a family eligible for a standard public housing unit. We have the truck coming to the door in the morning, and during the night the family flees. Whether this is good or bad, that is up to the individual family. It may feel that it is

subject to certain pressures in a public housing unit, whatever its idea may be. They may not be able to take the cat or the dog or whatever else may be involved. This I do not think at any time should be determined by a public agency where specifically a family moves. This has to be left to the family.

Now that, however, doesn't minimize the responsibility of the relocation agency to assist the family in all ways so that they are sure to take advantage of the possibilities.

Mr. DOYLE. Could I add one sentence, Dean Johnson? After encouraging families to move, we do on the federally assisted programs, both the Conservation Board and the Chicago Land Clearance Commission inspect the units to which they move to determine whether or not they are standard. If they are not standard, we offer that family further assistance in obtaining a standard unit and in the Land Clearance Commission go so far as, if they don't want considered assistance in finding a standard unit, to sign a form to that effect because both our local policy and contract with Federal Government requires we do inspect these units to determine whether they meet our standard or standards and, if not, to require relocation assistance to that family.

Dean JOHNSON. A corollary to that question, once one of these programs has been approved, it will be executed whether or not the displaced families have found a place to live.

Mr. DOYLE. No, the corollary is not that, because we proceed in clearing an area only as fast as we can either relocate the families or they can relocate themselves. To go into a little more detail, since you are interested, we find in our project that families which are living in the best housing in those projects tend to seek standard housing, so that letter which we give them upon acquisition of the property on which they live frankly urges them—and I would be glad to furnish you a copy of that letter if you would like to see it—to seek their own housing. That is partly because we don't believe we should foster any spirit of paternalism and partly because we have found if we do go out and find the standard housing, it is usually rejected; they prefer to find it themselves.

Those families who are living in the worst housing get a letter, and we frankly urge them not to look for their own housing, but to wait for us to find one because we find those families tend to seek the same kind of substandard housing they are living in, so I think if you will examine our relocation program carefully, you would find that we are rendering, at least to the best of our understanding of the problem, the best kind of service that we can.

Commissioner HESBURGH. Reverend James, you asked a question earlier that was referred to these gentlemen, and I suspect it has probably been answered.

Reverend JAMES. Only to this extent, I would like to get this clarification. Am I to assume from the statement that you have given that all of the families that are relocated, willingly relocate themselves in a certain prescribed area within Chicago? In your giving of available places for rental or for relocation to a nonwhite family do you find or do you submit to them areas that are outside of the already existing Negro living quarters in Chicago? I hate to put it that way, but that is the way it is. Do you go outside of this area to say to a Negro family, "You can live over here; here is an available apartment over here," because it has expanded every time there is a clearance; the Negro area suddenly boomerangs and gets larger.

Mr. DOYLE. We encourage the families which are living in the reasonably good housing in our project areas to seek their own housing accommodations, and then we inspect them after they have found them, and this is particularly facilitated since we pay their moving costs, and they let us know where they are moving, although we did that even before we were in position to administer a Federal program of payment of relocation costs.

I would not recommend to a family of whatever racial or national group that they move into a house which I had selected where I thought they would get into serious difficulties.

Reverend JAMES. May I ask one more question?

Commissioner HESBURGH. Surely.

Reverend JAMES. In this matter of site selection, do you feel that the Federal Government could be of any aid in site selection for projects, public housing projects?

Mr. DOYLE. Mr. Rose is going to speak next on the program, and he deals with public housing.

Reverend JAMES. The reason I asked that question is because there is so much concentration of public housing in a certain area and lack of it in other areas in the city, and I feel personally that since Federal money is being spent for this housing, actually the Federal Government becomes a party to segregation if they don't take some part in site selection, legal assistance in site selection.

I will ask the next witness the question. That is all.

Commissioner HESBURGH. Gentlemen, I think we have come to the end of our time this morning, and I want to thank General Holland, Mr. Mackelmann, and Mr. Doyle for their very fine presentation and for their courtesy, intelligence, in clearing up our ignorance on some of these points.

I think we would like to commend all of the speakers this morning for the evidence they gave of progress being made in this field and for enlightening us on the situation here in Chicago.

The meeting is now recessed until this afternoon.

(Whereupon, at 12:15 p.m., the hearing was recessed, to reconvene at 1:45 p.m. of the same day.)

COMMUNITY CONSERVATION BOARD OF CHICAGO—J. PAUL HOLLAND, COMMISSIONER, COMMUNITY CONSERVATION BOARD

Mr. Chairman and members of the Commission, I am J. Paul Holland, commissioner of the Community Conservation Board of Chicago. I appear before you today to describe the program of the board, particularly as it relates to civil-rights objectives in Chicago.

The Urban Community Conservation Act, approved July 13, 1953, by the Illinois Legislature, authorized the establishment of the Community Conservation Board. In September 1953 the Community Conservation Board was established by city council ordinance as an agency of the city government. The first board meeting was held November 5, 1953. The Supreme Court of Illinois rendered a decision on September 23, 1954, upholding the validity of the Urban Community Conservation Act.

The board's primary responsibility is to designate communities within Chicago for a conservation program through blight prevention. The program in general encompasses eliminating deteriorating pressures by checking blighting influences in existing structures, preventing overuse of housing, studying community deficiencies in maintenance and facilities, and planning for the future development of the community.

The board directs its attention to three principal types of neighborhood conservation. First, in certain designated areas, to upgrade the area by planning and then implementing an action program. In these instances, city and Federal funds are expended.

The second program is directed to designated areas that qualify by Federal regulations for treatment under the provisions of section 220 of the National Housing Act. In these areas only city funds are expended and new construction and rehabilitation may be federally insured under provisions of the cited section.

The third type is where the board stimulates citizens action for conservation, without financial aid beyond the city's normal capital improvements construction.

Ten Chicago communities have been officially designated as conservation areas. The board also maintains contact with 18 additional communities where citizens' groups participate in neighborhood conservation.

To be designated as a conservation area, the area must be at least 160 acres in size. The average age of the structures must be 35 years or more, and at least 50 percent of the buildings must be residential. The area may not be a slum or blighted area, as defined in the Illinois Blighted Areas Redevelopment Act of 1947. The area, however, must be faced with certain factors which, if unchecked, may result in overall decay. These factors include dilapidation, obsolescence, or illegal use of individual structures; inadequate community facilities; conversion of residential structures into nonresidential use; a deleterious land-use pattern; or lack of community planning.

The Community Conservation Board's program serves neighborhoods which represent all facets of Chicago's population. Blight-prevention activities must be carried forward in all areas of the city if it is to be effective.

The board is, therefore, bound, practically as well as morally, to a policy of serving all Chicago citizens. In addition, certain legal requirements prevent discrimination in urban renewal areas.

Section 91.13, paragraph 6, of the Illinois housing laws reads: "No lease or deed of conveyance either by the board or any subsequent owner shall contain a covenant running with the land or other provision prohibiting occupancy of the premises by any person because of race, creed, or color."

Federal requirements are contained in "Terms and Conditions" under part II of the Housing and Home Finance Agency "Loan and Capital Grant Contract" section 106, paragraph C, and state that the local public agency must remove any and all legally enforceable occupancy restrictions on the basis of race, religion, color, or national origin from land acquired under an urban renewal project. The agency must also prevent subsequent private users of this property from imposing any such restrictions on the land.

The 28 Chicago neighborhoods with which the Community Conservation Board works cover a total of about 60 square miles, or more than one-fourth of the City's land area. Each community in itself is equal in population to a moderately large Illinois city.

FEDERALLY ASSISTED PROJECTS

Four communities have either obtained, or are in the process of obtaining, approval for Federal assistance in carrying out comprehensive urban renewal programs.

The Hyde Park-Kenwood Urban Renewal Project was approved by the Federal Government and the City Council of Chicago in 1958. A loan and grant contract to execute the plan was received in March 1959.

This urban renewal plan outlines a \$40 million program by the Federal Government and the city of Chicago, covering an 855-acre tract bounded generally by 47th Street, 59th Street, Cottage Grove Avenue, and Lake Michigan. The population within the urban renewal area is approximately 70,000.

The project is designed to upgrade the community by building new dwelling units and modernizing older residences. The plan includes new parks, playgrounds, and school facilities; relocated streets; and provides vacant land for the expansion of private institutions.

The renewal program emphasizes preservation and conservation to meet the needs of all groups.

About 80 percent of the existing structures are to remain and of these many will be rehabilitated. Approximately 200 public housing units, including 60 apartments for elderly persons, will be constructed in the area.

The Chicago Dwellings Association has agreed to invest up to \$2 million to help finance the construction of middle-income housing in the area.

Citizen participation in this community, initiated by the Hyde Park-Kenwood Community Conference and Southeast Chicago Commission, has gained national attention. People of all races and backgrounds have joined together to prevent blight and strengthen the community. A recently published study of the area reported that a key aim of the Community Conference has been "to establish a stable interracial neighborhood."

A spirit of confidence has spread throughout this community, particularly since approval of the urban renewal program. There are many problems confronting a community rehabilitation program which must not be minimized. Nevertheless, Hyde Park-Kenwood does provide substantial evidence that a community can arrest blight, and, what is more, that all groups within the community can, and must cooperate to create a better living environment.

NEAR WEST SIDE

An urban renewal preliminary plan has been submitted to the Housing and Home Finance Agency for this community. The plan outlines a program to preserve an historic and traditional community near the central commercial district. The 237-acre project area is bounded by the Congress Expressway, Roosevelt Road, Ashland Avenue, and Blue Island Avenue. It contains 1,555 structures, with 4,650 dwelling units. Its present population is approximately 20,000.

Estimated cost for executing this program is \$9,493,911 of which the Federal grant would be \$6,466,064 including \$136,790 for relocation payments. The city's contribution would be \$3,164,637, made up of capital improvements and a cash grant-in-aid from Community Conservation Board bonds.

Capital improvements would include school-sites expansion, park and playground extensions, street lighting and sewer and curb improvements. Vacant land would be provided for the expansion of private institutions.

The objectives of the plan are the rehabilitation of present structures, the establishment of a desirable land-use plan, the creation of additional space for community facilities, and the replacement of dilapidated structures with modern single-family homes and apartments.

ENGLEWOOD

A survey and planning application for a 242-acre urban renewal area in the Englewood community has been approved by the Housing and Home Finance Agency. Total cost of the project would be \$5,389,700. This amount includes a local contribution of \$1,740,540 and a Federal grant of \$3,649,160. The Federal grant includes \$168,080 for relocation payments.

The area is largely residential. The plan will seek to replace dilapidated structures, set a pattern for better land use, improve traffic facilities, and provide playground and park space. This new environment should provide an incentive for owners to rehabilitate their properties.

LINCOLN PARK

An application for survey and planning funds has been filed with the Housing and Home Finance Agency. The presently proposed urban renewal area involves 636 acres. It is estimated that the urban renewal plan would call for the net cost of \$12,116,423 of which \$8,077,615 has been requested from the Federal Government. The city's share would be \$4,038,808 made up in the form of capital improvements (non cash grants-in-aid) and a cash grant.

FEDERALLY NONASSISTED PROJECTS

Four conservation areas have been designated for "220 nonassisted" treatment. They are South Shore-O'Keefe and West Woodlawn on the south side, West Garfield-Tilton on the West Side, and East Ravenswood on the North Side.

The purpose of section 220 of the National Housing Act is to encourage mortgage bankers, through federally insured mortgages, to loan money for new construction or rehabilitation of present structures in an area where the beginning of blight or blighting influences are evident.

DEMONSTRATION PROGRAMS

Two city and Federal-financed projects have been undertaken to conduct studies in two areas, Hyde Park-Kenwood and Woodlawn.

The Hyde Park-Kenwood demonstration project seeks to define the methods used in the area to obtain citizen participation in the planning process. An understanding of various means used to involve citizens, organizations, and institutions in the planning stage will be of assistance to other communities which may undertake urban renewal programs.

The Woodlawn demonstration project seeks to develop improved techniques for measuring the impact of renewal methods, short of clearance, in a deteriorating but structurally sound neighborhood. The project will also study methods of facilitating population transition. Testing of these techniques will be of assistance for other similar areas in Chicago.

In conclusion, the objective of the Community Conservation Board is to prevent blight wherever there is a danger of its occurrence. The neighborhoods in which we work represent all social, ethnic, and economic groups of Chicago's population. We have learned that the task of rehabilitating middle-aged communities requires the cooperation and assistance of all residents if it is to be carried out effectively. As the city has indicated its desire to serve its residents, they in turn have shown their willingness to work with each other and with their city government in building better neighborhoods.

(Tables included in statement of Mr. D. E. Mackelmann:)

Percent of Relocation Volume, by Program, 1948-58

Program :	Percent of total relocation volume
Public housing.....	31
Highways.....	31
Land clearance.....	20
Institutional expansion.....	12
Parks.....	2
Schools.....	3
Code enforcement.....	1
Total.....	100

*Racial composition of relocated families, by agency: city of Chicago, 1948
through 1958*

Agency	Number of relocated families		
	Total	White	Nonwhite
Total.....	28,346		
Not reporting race.....	3,685		
Total reporting race.....	24,661	10,169	14,492
Percent.....	100	41.2	58.8
Chicago Dwellings Association.....	78	20	58
Chicago Housing Authority ¹	7,464	601	6,863
Chicago Land Clearance Commission.....	5,674	643	5,031
Expressways.....	9,144	7,924	1,220
Congress St. route.....	3,472	3,372	100
Northwest route.....	4,427	4,372	55
South route.....	1,245	180	1,065
Medical center.....	1,934	² 987	² 987
Michael Reese (CHA).....	367	14	353

¹ Estimated.

² Excludes relocation from 'veterans' temporary housing.

Between April 1950 and January 1957 (NHI) housing conditions in Chicago improved as follows:

	<i>Percent</i>
Dilapidated units decreased by.....	26.9
Substandard units decreased by.....	33.5
Overcrowding (1.51 or more persons per room) decreased by.....	29.8
Crowding (1.01 or more persons) decreased by.....	18.3
Doubling up decreased by.....	31.9
Vacant dwellings increased by.....	70.1

UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
CHICAGO, ILL.

May 5, 1959, Afternoon Session

COMMISSION ON CIVIL RIGHTS

TUESDAY AFTERNOON SESSION, MAY 5, 1959

The hearing reconvened at 1:45 p.m., Commissioner Hesburgh presiding.

Commissioner HESBURGH. The afternoon session of the Civil Rights Commission is now in order.

I would like to ask Mr. Jackson to present the first witness.

Mr. JACKSON. The first witness is Mr. Alvin E. Rose, executive director of the Chicago Housing Authority.

TESTIMONY OF ALVIN E. ROSE, EXECUTIVE DIRECTOR OF THE CHICAGO HOUSING AUTHORITY

Mr. ROSE. Father Hesburgh and Members of the Commission, my name is Alvin E. Rose. I am executive director of the Chicago Housing Authority, a municipal corporation created by the Illinois State Housing Authorities Act of 1934. The Chicago Housing Authority was organized in 1937. Its governing body is a five-member board of commissioners, appointed by the mayor of Chicago with the concurrence of the Illinois State Housing Board. Members serve without pay.

The primary function and responsibility of the authority is the construction and operation of standard housing for Chicago families with low incomes. Policies governing the authority's activities are formulated by its board of commissioners.

With specific reference to the selection of tenants, the authority has adopted a clear-cut policy which reads as follows:

Nondiscrimination.—There shall be no discrimination as to race, color, creed, or national origin in the selection or placement of tenants in any project owned or operated by the authority.

The authority's procedures are carefully delineated to assure compliance with this policy.

The same policy of nondiscrimination is followed by the authority with respect to its personnel, both administrative and maintenance.

Today, the authority has completed 18,458 apartments for the city's low-income families. These units are located in 31 developments in various parts of the city, with the heaviest concentration on formerly blighted areas on the South and near West Sides.

Under construction are an additional 1,087 dwellings, and another 8,676 are in the design and land-purchase stages.

Regarding white and nonwhite occupancy the trend toward nonwhite occupancy has been rising steadily for several years. Today, the white population in public housing is less than 15 percent; it was 30 percent in 1955 and 39 percent in 1949.

An understanding of how we have reached today's high percentage of nonwhite occupancy can best be reached by a brief review of specific conditions applying at various times in the authority's history.

The authority's own first venture in building started in 1939 when a 1,658-unit development was constructed in an exclusively Negro area, and tenants were drawn from Negro families in the neighborhood.

With the advent of World War II, Chicago's war industries began attracting workers from all parts of the Nation, and the city soon began to run short of housing. All had difficulty finding homes, but for the low-income Negro warworker, the situation was critical.

The authority obtained priorities to build for the low-income group, and by the end of the war, the authority was operating 10 developments accommodating 7,641 families. Four of these developments, containing 4,414 units were occupied by Negroes exclusively. Four others, containing 1,648 dwellings, were white occupied. Only 2, containing 1,679 units, reflected some degrees of racial integration.

In the years since the end of the war, the authority has completed 21 developments containing 10,817 dwellings. As these new developments were ready for occupancy, the authority earnestly sought to maintain racial balance in the tenant population. Three projects, completed in 1953 and 1954, illustrate what happened to this attempt.

Of the 150 original tenants at Victor Olander Homes, 40th and Lake Park, 33 percent were white. Today only 4 percent remain.

At Leclair Extension, 44th and Cicero Avenue, 75 percent of the 300 families first occupying the development were white. By January 1 of this year, white occupancy was 27 percent.

Twelve percent of the original tenants at Ickes Homes, 22d and State Streets, were white, but this percentage has lessened to 4 percent today.

While these changes indicate the exodus of the white population from old neighborhoods of the city, they also reflect other conditions which have contributed to the increase in the Negro population of public housing.

First, of course, there is the undisputed fact of greater proportionate need for standard housing by the Negroes. Housing for Chicago's Negro families has been inadequate, and this difficulty has been compounded by the immigration of Negroes from other sections of the country in recent years.

Second, the city's renewal program and the statutory requirement that the authority grant priorities for public housing to families displaced by public improvements have had a definite effect on the results of our tenant-selection processes.

Most of the city's renewal activities have cut through the heart of the slum areas, many of which are largely Negro occupied. Since the law demands that displaced families be given priorities for public housing the result has been that a high percentage of families holding such priorities were Negroes.

While the number of priority holders on the authority's waiting list is far below what it was some years ago, the racial proportion has not changed.

At the beginning of 1959, the authority had 18,809 families waiting for dwellings. Of this number, 1,990 are white and 16,819 are nonwhite. Priorities are held by 711 of these families, of whom only 51 are white and 660 are nonwhite.

During 1958, the authority registered 10,038 nonwhite families and 2,013 white families—a ratio of 5 to 1. In the first 2 months of 1959, new registrations were received from 1,091 nonwhite families and from 207 white families.

Another factor in the racial characteristics of Chicago's public housing tenants is the location of most of our developments. In selecting sites, the authority must be certain that its plans do not conflict with redevelopment projects of other public and quasi-public agencies engaged in urban renewal activities. It must also obtain the consent of the city council before it can acquire any given piece of property for a public housing development.

The authority has been and is alert to opportunities to demonstrate that integration—if given a chance—can work. At one new development, we set aside one of several new buildings as an "International Building," and tenants for this particular building were selected in their proper turn to represent a cross section of Chicago's population. This experiment in congenial living has been so successful that we intend to repeat the procedure upon completion of our next large project.

All of the foregoing, I believe, gives certain indication that the authority has striven earnestly to do the best it can under prevailing circumstances. Progress has been slow, but progress has been made, and the pace has even accelerated in the last few months.

Meanwhile, the authority has a definite obligation to the long list of large families—of all races and nationalities—that have been waiting for accommodations in the city's public housing projects for a long time, and we have been doing everything within our power to expedite the completion of additional large units to house these families.

Here, we have run into some real problems, the solution of which has a direct bearing on resolving our larger problems.

Administrative policies and decisions of the Public Housing Administration during the past 4 years have caused considerable delay in the development of new projects with the resultant increases in costs that are encountered in a rising market.

At the present time, the construction of additional low-rent housing in Chicago is practically at a standstill because of arbitrary, administrative total development-cost limitations imposed by PHA, even though the authority's costs are within the statutory limitations imposed by the Congress.

The following changes in PHA policies and procedures would expedite completion of the work and reduce development costs, while at the same time complying with the meaning and intent of the Housing Act, and there are five. These have a direct bearing on our being able to relieve the tremendous pressure we are under to provide additional housing for these large families.

1. Elimination of unwieldy and unnecessary regulations that serve only to delay completion of work.

2. Decentralization of authority so that all but major decisions may be made expeditiously at the regional level.

3. Elimination of certain types of Federal reviews to avoid duplication of the supervisory work performed by local authorities.

4. Recognition of decisions by the contracting officer of the local authority as final on questions of contract administration and interpretation as provided in the construction contract. Present policy has delayed final settlement of construction contracts for as long as 3 years after the work was completed which hasn't helped us with the contractors.

5. Establishment of realistic total development cost limitations—if such limitations are deemed necessary—by taking into consideration land costs, size of units, and current local construction costs.

I would like to thank the members of the Commission for this opportunity to place the foregoing information with respect to our operation before you for your consideration.

Commissioner HESBURGH. Thank you very much, Mr. Rose.

We have a few questions. One question that has been brought up many times in the investigations of our staff prior to this hearing was the problem of why there is not more public housing in the so-called white areas of the city.

Is that a matter of discrimination or is that just a decision of the local aldermen?

Mr. ROSE. Well, Father, that is a good question, and if you will bear with me, it deserves a full answer.

First, I would like to say the matter of site selection is initially the responsibility of only one person, the executive director, and although the sites have to be approved by many people, they are given approval of the executive director's selection. So don't blame anybody but me if you don't agree with where we have placed them.

I would like to tell you why we have placed them where we have placed them. In the first place, when you wake up in the morning and discover that your waiting list which was 19,000 yesterday today has 20,000 families waiting for housing, you can't help but try to get as much public housing as you can build as soon as possible.

So we try to move in those directions where we can accomplish this, and the first act is for the executive director and his staff to go site hunting to determine, first, where it is needed, and, second, whether or not we can build on that particular site within our cost limitations.

Having done that, we must ascertain that we are not interfering with anybody else's development. We want to feel sure that no private developer wants to go in, or can go in. We must confer with the school board. We must ascertain that there is adequate shopping facilities, and transportation; also, that the park district might be able to come in and help us with recreation.

All of those things go into the selection of the site. When that is done, we go back and develop what is known as a preliminary development plan. That is taken to our board of commissioners and with our reasons for selecting that site, they approve or disapprove. If they approve, it is taken to the Federal Government on an informal basis to see whether they will approve the site because they have to go through all of this, too, and then we take it to the city council where there are public hearings, and the city council either approves or disapproves the plan.

If they approve the plan, it then goes formally to the regional office. They go over it again in detail. If they approve, it goes to Washington, and if Washington approves, we are ready to go into business.

We are aware of all the processes that we have to go through in order to get any public housing built in the first place. So when we select our site, we select the site where we will have the least trouble in getting it up as fast as possible, and we want it to be in a place, if possible, where it will not only add good housing, but will actually replace slums.

Now, that is what goes into the thinking of the executive director when we go out to get a site, and that is the reason that most of the sites were selected where they are now.

If I could get a commercial in here, I wish you could go along State Street today and see the public housing. If any of you remember it a few years back, you will agree that something very well worth

while was done and you wouldn't want to go back to the other. Those projects today look like parks. We have been working very diligently with the tenants getting their participation and help in really improving the whole tenor and climate of living in a project; and there are beginning to be real signs that the tenants are taking hold.

Commissioner HESBURGH. Thank you, Mr. Rose. That is a very frank answer to a frank question.

There is one other question. Is there any explanation you can see as to why these public housing areas tend to become most Negro after a few years? You indicated a few thoughts on that in your summation here.

Mr. ROSE. That has been our experience, and that is all I can say. As an example, take Cabrini on the North Side which is one of our projects. When we started out the percentage was about 70 percent white and 30 percent Negro. Today it is 98 percent Negro.

Commissioner HESBURGH. I suppose in some cases that might represent the only type of available, good, suitable housing for low-income groups, too?

Mr. ROSE. It is, as far as I know.

Commissioner HESBURGH. There was one other point that was brought up in our initial studies of Chicago and that was the question of special criteria for the Trumbull Park project. Is that still in effect?

Mr. ROSE. Yes, Father, we still have special criteria.

Commissioner HESBURGH. Were there special reasons for that, Mr. Rose?

Mr. ROSE. Yes; there are special reasons, and they are not inter-racial reasons. They are management reasons. You have to forgive me for talking like a landlord for a minute, but not only do we have to build these buildings, but we have to rent them, and then we have to collect the rent. There is nothing I like more than a stable family that can pay its rent when it comes due and have some respect for the property; also, families who have control over their children.

While we have a master waiting list of 20,000 people, we do not select the projects for the tenants; they make their own selection. When a vacancy occurs, and we only have a handful—and I mean a handful every week—there are only 2 days intervening while we clean them up and send the next people in, but they make the selection. When we do have a vacancy, we go down the list and see who wants an apartment in that particular project. I would like to say this, and it is said frankly and honestly, and I hope even though it may be hard to believe that you will believe it, we have very, very few requests on the part of nonwhite people to go into Trumbull. We have very few requests, and this is understandable because the community is hostile around the

project. We have no trouble within the project, but it is understandable where the type of tenant we would want, well-adjusted, stable Negro family with youngsters, they wouldn't want to go into a situation like that, and that is true in all of our projects.

A great, great many of the people on our waiting list are waiting for State-Way and I don't blame them. It is close to the loop and it has all the facilities and everything you would want, so this distribution of the white and nonwhite population in the Chicago Housing Authority is a natural process. It is by their own choice first, but we are very careful to answer your question specifically about Trumbull that we don't want to cause any trouble because that isn't fair to anybody including the Negro families who are in there.

Commissioner HESBURGH. What would be the percentage of Negro families in Trumbull now; do you know?

Mr. ROSE. Yes; there are 20 out of 454.

Commissioner HESBURGH. There is no trouble with these 20, I gather?

Mr. ROSE. None whatever. We haven't had any trouble worth mentioning for 18 months.

Commissioner HESBURGH. Mr. Battle?

Commissioner BATTLE. No questions.

Reverend JAMES. I have a question. Mr. Rose, I am interested in this site selection. I am under the impression from what you said that the city council of Chicago gives its approval for the site; is that true?

Mr. ROSE. After we select it.

Reverend JAMES. After you select it?

Mr. ROSE. That is right.

Reverend JAMES. Because of the present location of the existing sites, then, the Council of Chicago is guilty of practicing to a certain degree segregated housing; is that true?

Mr. ROSE. You are only agreeing with me.

Reverend JAMES. Well, somebody is guilty of contributing to the segregation of housing of people in the city of Chicago because when you look at the present location of the housing projects, they are predominantly within the Negro area.

Mr. ROSE. That is true.

Reverend JAMES. That is definitely true. Now, that means that there is a certain type of feeling that contributes to this predominance within the Negro area and no real attempt to place Negro families in projects that might not be located within this particular area.

What I am trying to get at is this. Is it a policy to place Negroes in areas that are predominantly white or only place Negroes in areas that are predominantly colored?

Mr. ROSE. Reverend, the policy is to place the public housing project where we believe it is most needed and to do a dual job of getting rid of those slums.

Reverend JAMES. Do you feel that the Federal Government could be of assistance in setting up some type of law that would aid, or whereby it could aid in the selection of sites since Federal money is being spent in these projects and we don't want Federal money to be spent in a segregated fashion.

Do you feel that would be helpful to the Commission?

Mr. ROSE. I don't think so because I wouldn't do it any differently than we have been doing it.

Reverend JAMES. I see.

Mr. ROSE. Because I believe in it. You see, Reverend, I don't know whether you know it or not, but I used to be welfare commissioner of this city for a long, long time and I have grown close to the needs of poor people. I am very familiar with the area where we are trying to actually improve the situation and rather than get into any long-drawn-out controversy about where sites shall be or shall not be, I want to get those kids in decent housing. I mean that.

Reverend JAMES. Well, I am primarily interested in the segregation problem.

Mr. ROSE. Well, you can't call State-Way a ghetto. It is beautiful.

Reverend JAMES. It is within a Negro ghetto.

Mr. ROSE. Our prime consideration is better housing for these kids.

Reverend JAMES. I am not fighting the principle of better housing but—

Mr. ROSE. I am fighting for it.

Reverend JAMES. I am for better housing. As a minister, I am very definitely for good housing, but I don't think it should be done on a segregated basis. That is all I am saying.

Mr. ROSE. Well, I agree with you.

Reverend JAMES. Then we are together.

Mr. ROSE. I agree with you, but we have got to get it in where we can get it in the fastest.

Reverend JAMES. If you agree with the principle that we don't want segregated housing, then certainly there could be some type of machine to set it in motion and eradicate the problem that creates this segregated housing.

What do you think can be done to do away with the things that create this segregated picture? What do you think can be instituted to do away with this?

Mr. ROSE. To go back to something one of my predecessors said, we are trying to get at the source and that is the symptom, you see.

Reverend JAMES. I don't want to get into a long argument, but we agree basically you don't like segregated housing.

Mr. ROSE. No.

Reverend JAMES. But we do have it.

Mr. ROSE. And we also agree those kids should be given decent homes as quickly as possible.

Reverend JAMES. I don't think it helps a Negro child to be—I think you have got a problem here which is the lesser of two evils; to put a child in a community where he is definitely segregated, or to give him a place in a community where he is not segregated and able to live as an American citizen, free from the shackles of segregation. That is a moral problem we are dealing with.

Mr. ROSE. I agree with you.

Reverend JAMES. Evidently, it is the thinking of the authority that it is better to place them in a better home under segregated conditions and not try to make any efforts to eradicate the——

Mr. ROSE. Not better, but it is expeditious right now to get the thing done. If we had a choice, that is one thing. We are in complete agreement, but there is a job there which we must do. There are 20,000 families waiting.

Reverend JAMES. One more question. Referring to these families that are on the waiting list, I have had members of my congregation come to me and state that they have been on the waiting list for some time and they haven't been placed while other families who are not of Negro origin have been placed, and they have not been on the waiting list possibly as long as they have been.

Mr. ROSE. I am glad you used the word "possibly" because I think we ought to check the situation.

Reverend JAMES. I say "possibly." I am not an authority. I simply take the word of the people who come to me.

Mr. ROSE. That list is inviolate and I can assure you of that.

Commissioner HESBURGH. Dean Johnson has one question and then we will have to move on because we are late.

Dean JOHNSON. There is one question I wanted to ask and I think it may bear on the discussion you were having.

Frequently, matters of this kind can be adjusted where you have Negroes and whites at the policy level of an agency. I don't know the structure of your authority, but I know that you do have one Negro commissioner. Apart from that, do you have any Negroes at the policymaking level of the Chicago Housing Authority?

Mr. ROSE. There is only one policymaking group and that is a Board.

Dean JOHNSON. How big is that?

Mr. ROSE. Five members.

Dean JOHNSON. Five members, and you have one Negro on that?

Mr. ROSE. Yes.

Commissioner HESBURGH. Mr. Rose, we are grateful to you for coming here today. We have here two very difficult, complicated interlocking problems. One problem is open access to housing and the other is the problem of getting more decent housing as quickly as possible.

I just wanted you to know we appreciate the good effort you are making. Thank you very much for coming.

Mr. ROSE. Thank you.

(EXCERPTS FROM STATEMENT OF MR. ROSE NOT INCLUDED IN ORAL TESTIMONY)

On January 1, 1959, 85 percent of our tenants were Negro families. About 13 percent were Caucasians and about 2 percent, Puerto Ricans. Less than one-half of 1 percent were orientals, American Indians, and other minorities.

Eight of our 31 developments are occupied exclusively by Negroes. In one small development of 141 dwellings, all the tenants are white. In the remaining 22 developments, tenancy is mixed, but in 18 of them Negroes occupy more than 75 percent of the dwellings.

Mr. JACKSON. Our next witness is Mr. James C. Downs, Jr., president of the Real Estate Research Corp.

TESTIMONY OF JAMES C. DOWNS, JR., PRESIDENT, REAL ESTATE RESEARCH CORPORATION

Mr. Downs. Father Hesburgh and gentlemen, my name is James C. Downs, Jr., I am chairman of the board of Real Estate Research Corporation. Like Dr. Hauser, I am here primarily in the role of a student, although I must say that starting with Mayor Kelly and on through the administrations of Mayor Kennelly and Daley I have had close contact with this problem, 4 years during which I was coordinator of the Housing and Redevelopment of Chicago.

Our discussion here this morning has been largely social and legal, and I would like to introduce a note of economics to it.

In the first instance, I think the most important single development of the last 15 months in this area has been economic in that we have seen the end of a critical housing shortage in terms that has existed since 1941.

For the first time in the city of Chicago, we have residential vacancy which, in some neighborhoods, is up as high as 8 percent.

A basic factor of all immigration of all people, not only nonwhite but southern white and other people, has been the economic attraction of jobs. This is fundamental to our American migratory movements at the moment.

Chicago had a total labor force in December 1957, of 2,657,000 people. That labor force got down to a low in the last 12 months of 2,594,000 people, and as of the latest figures which were in March, our labor force is still short of its peak in 1957.

This would lead a careful observer to believe that the Chicago land population has not grown in the last 15 months. During that time

we have erected some 43,000 new housing units. The fact is that the housing shortage as we knew it continuously from 1941 through 1957 does not exist in the same intensity.

Now, this has had several results. First, the expansion of housing units available to immigrant groups is much more difficult at a time when there is a tight shortage extant. Second, the differential rate which Negroes, let's say, have traditionally paid in the Chicago rental market for accommodations at this moment is the lowest that it has been in the 25 years that I have been studying these trends.

Also, I would like to explain one thing about this financing dilemma. There are certain criteria that all financing lending agencies use in determining whether they shall make loans. What we are interested in here is whether this criteria includes race.

I would say that a large portion of our slum areas, whether they be white or Negro occupied, are not available for financing. That is, if you take the mean average age of dwelling units as 70 years or older, of which we have a number in both white and Negro occupancies, there is no financing in either one of them. The criterion is not race.

I wouldn't deny the criteria of race exists. I would say this along with the fact that the average Negro family today is better housed than the average Negro family at any time since 1900 in Chicago. I would also say that the average Negro family has a better chance of getting mortgage financing on its purchase of property than it has had since 1900. We know that there are important lending agencies in the city who are doing a substantial volume of mortgage lending with Negro borrowers.

I would say also that the appraisal criteria that are being used by those agencies that are making loans have nothing to do with the race of the occupant.

I think, perhaps, gentlemen, that the contribution I would like to make to this hearing has to do with the evolution of the situation, and as I say, I have spent 25 years in close contact and study with it.

Twenty-five years ago race relations were a few people who stood between two militant groups, a militant pro and a militant anti, you might call them. In the last 25 years, there has emerged an increasing group of people who have studied this problem, and who are developing a body of knowledge with which it can be treated, and I think we are coming close to a time when in our governmental agencies, city, State, and National, we can engage in what I would call social planning.

Heretofore, planning in this field of urban development and city structure has been fiscal planning. We have planned highways, we have planned specific housing developments, but nobody has had the

courage to say that we ought to engage in social planning because it is a part of the American tradition that anybody goes where they want under the circumstances that they want.

This freedom of operation and movement has been more than anything else responsible for the ghetto. The fact is that we have for 25 years almost continuously dealt in cliches, stereotypes, and all kinds of things of which open occupancy is one.

For example, Commissioner Rose has just testified that certain projects were, let's say, 30 percent white when opened and have now evolved into having virtually no white. The fact is that this body of knowledge which has been assembled by this emerging group of people who understand this problem indicates that integration can only be successful when a majority group is in the majority and so maintained, and that applies to a social club, it applies to a housing project, and it applies to any element that you would care to study in terms of the behavior and characteristics of majority and minority groups.

The fact is that the reason we are getting integration to a degree in American society today is because integration is being managed. We always manage our public problems. When we had our polio epidemic, we managed it out of existence.

As long as we allow a completely *laissez faire* program in the field of human relations, we are going to preserve the ghetto. The fact is whenever we choose to meet the issue squarely to the end of getting a desirable end, that then we will begin to make substantial progress, and I am happy to say that in many areas of the country they are doing this at the moment.

I believe to answer several questions that have been expressed here this morning, for example, Chicago has been accused of being the most segregated city in the United States. This is a geographical diagnosis of probably a demographic fact, but the implication which that statement carried is obscured on its very face. There are in the United States what Negroes call good cities, and there are what Negroes call bad cities. Now, the fact that Chicago is called a "good" city is that more Negroes have come voluntarily to this city than any other American city save New York, and that they come here voluntarily, and freely because of their treatment here.

Negro migration isn't any different than it was for my German and Irish grandparents. They got a letter from Uncle Joe who was already here and he said, "You better get up here. It's pretty good."

That is the way all migration happens, and if letters were going back down South saying, "Stay away from Chicago—go to Detroit, Cleveland, St. Louis, or Los Angeles," we wouldn't be the second city in this migration.

So that statement is made all out of context by people who for some strange reason do not wish to give Chicago the loyalty that I want to give it.

The point I would like to make here, gentlemen, is that we have endless facts in the area of housing. We are improving the situation in Chicago as far as housing. We are doing a great job, but if you could make a contribution of making social planning a possibility, then there would be a great contribution.

Commissioner HESBURGH. Thank you very much, Mr. Downs. We, in our hearing at New York, heard from two gentlemen who approached this problem from an economic point of view, and both of them seemed to believe that there is only one commodity in the whole United States which a person having the money cannot compete for equally and fairly and that commodity is housing. They both claim that the Federal policies regarding housing, FHA, URA, or other agencies operating in this field are buttressing this particular reality by their approach to the problem in having no fixed policy on it, merely simulating whatever happens to be a local policy.

I think we see the reasons behind this from the complications in establishing a policy in a field that differs from area to area.

I was wondering what your reaction is to the suggestion made by these men from an economic, not moral or social planning point of view, that if at least Federal money going into housing would go in on a free and open basis, anybody having the money could have access to it, and we would then get away from the established fact, as they demonstrated to us in New York, that the normal nonwhite pays twice as much for his housing as the white for the same kind of housing, or, for the same price he only gets half as much value.

Mr. Downs. I don't think there is a pat answer to that question. I think everybody who thinks of it is caught on the horns of a dilemma which has these two prongs. One is that this is obviously a desirable objective. Two, that if it were a mandatory fact, it is at least a possibility that redevelopment would be over with and done.

Commissioner HESBURGH. In certain areas, certainly.

Mr. Downs. The difficulty is, in my opinion at least, we are unwilling to face up to the answer of the question what will be the proportion of people of each ethnic group, and don't think that question hasn't been answered. It has, and where it has been answered, it has been successful. Where it isn't answered, open occupancy leads inevitably to total Negro occupancy, and I say that advisedly because I know the facts.

Commissioner HESBURGH. Both of these gentlemen claim that in New York since they established a city law on open occupancy or nondiscriminatory housing they had more public housing than they ever had before so at least in this one area the establishment of this

policy locally and on the State level has not affected public housing one bit.

Mr. DOWNS. We have more public housing here than we ever had before. I am not talking about public housing. I am talking about urban redevelopment housing. Public housing can be had under the present law, and, as far as Chicago is concerned, as Mr. Rose said, it has been the policy in Chicago to take all the public housing we can get.

Commissioner HESBURGH. What is your specific recommendation, Mr. Downs, as to the kind of social planning that you think is necessary to bring some light to this matter, or some solution to the problem?

Mr. DOWNS. I think that the kind of social planning that must be engaged in is a planned objective in terms of biracial living, and if people are to be guided by past experience, as Dr. Hauser testified this morning, that there has been no single exception of once a neighborhood in a community had any substantial number of nonwhite people, that neighborhood has become ultimately all nonwhite.

The areas where that has failed to materialize have been in areas where there is, because of single ownership, the ability to manage and to run tenant selection on the basis of a word which 20 years ago was abominable, 10 years ago was mentionable, and now it is discussable: "quota."

Commissioner HESBURGH. That is a very interesting approach.

Mr. DOWNS. This is a forthright statement, Father.

Commissioner HESBURGH. That is exactly what we are looking for. As I mentioned this morning, we don't come here with answers. We come here with questions and we don't get anywhere if people aren't forthright in their answers. We appreciate your frank approach.

Commissioner BATTLE. I would like to ask Mr. Downs his opinion, if he cares to give it, as to why the situation which you have described obtains that once the Negroes entered a community it eventually becomes a Negro community. What is the reason for that?

Mr. DOWNS. I think the reason for that is the long, deep-seated prejudice on the part of the American people which, fortunately, is gradually giving way to enlightenment.

Commissioner BATTLE. Do you think any law would correct that?

Mr. DOWNS. No. May I make this statement about law? I think in a democracy it is not always possible for people to measure up to their ideals. I think the body of law in existence expresses their ideals. I think it is always desirable to have a law which states the ideals. If we were not a group of people who dangled a higher ideal in front of us than we are now able to attain we would be, indeed, an abject society.

Commissioner HESBURGH. In other words, ideals toward ideals.

Mr. DOWNS. The law does not necessarily govern our behavior, but it expresses our ideals. It is an objective which we hope to attain.

Commissioner HESBURGH. I see.

Mr. DOWNS. This, I think, is true of the Ten Commandments, Father.

Commissioner HESBURGH. That is right. I'll buy that.

Dean JOHNSON. I have two questions in connection with the word "quota" and which you described its evolution in terms of this problem becoming a social problem. Do you have any other suggestions other than a quota system for managing this situation?

Mr. DOWNS. No; I haven't, and I am only suggesting that this be explored. I am not making a concrete recommendation. I am just saying that the body of knowledge which has come to students in the last 25 years has brought this thing out.

Dean JOHNSON. Earlier in your testimony you pointed to the general increase of available housing in the last 2 years.

Mr. DOWNS. Correct.

Dean JOHNSON. Is this general increase in available housing applicable to the nonwhite housing market?

Mr. DOWNS. The rate of geographical expansion of Negro occupancy in the city of Chicago in the same 15 months was greater than it was in the previous 15.

Dean JOHNSON. That is all.

Commissioner HESBURGH. Mrs. Rogers?

Mrs. ROGERS. Mr. Downs, Governor Battle asked you if you thought that a law would possibly change the pattern of an area becoming all Negro and you said, "no."

I am asking you to assume that all Americans are not basically prejudiced, and I would like you to assume that there are some Americans who would follow the law no matter what it is, and there are some other Americans who would welcome a law to hide behind to get an area integrated.

Do you think a law would help to keep an area integrated and from becoming all Negro in the city of Chicago?

Mr. DOWNS. I think a law that expresses an ideal, as I said before, is desirable. I do not believe that the existence of such a law or—you see, we have such a law in effect. Our basic law is that all people are created equal. I don't believe that a law can be devised which will govern the behavior of people in a short-run period.

Reverend JAMES. Do you feel that law is a process in the overall educational program?

Mr. DOWNS. I am not a lawyer, and lawyers should answer this question.

Reverend JAMES. The general idea of law—

Mr. DOWNS. Law is an evolutionary process.

Reverend JAMES. Does it not contribute to the overall education of citizenry?

Mr. DOWNS. I think it does.

Reverend JAMES. Well then, since it does, would it not be to our advantage as American citizens to have inculcated within our pattern of law those laws that will contribute to the uplift of our morals and ethics insofar as the general practices and procedures of living are concerned?

Mr. DOWNS. I think this is like, getting back to the Ten Commandments again, "Thou shall not steal."

Reverend JAMES. We are talking about the laws enforceable by the government. When you talk about the Ten Commandments you are talking about an ideal.

Mr. DOWNS. This is a statement I am making now; "Thou shall not steal."

Reverend JAMES. I understand.

Mr. DOWNS. This is like augmenting it by saying, "Thou shall not steal anything." This doesn't change the man that is a thief.

Reverend JAMES. I am talking in terms of governmental law.

Mr. DOWNS. We already have a law basic to our fundamental Constitution which says all people are created equal and all have equal rights. If you want to write another law, subsection A, which says they should have this right on certain days, I don't think it helps.

Reverend JAMES. You don't mean open occupancy?

Mr. DOWNS. I think open occupancy is a myth, as I testified.

Reverend JAMES. I disagree with you.

Commissioner HESBURGH. I am sure there are agreements and disagreements to some of the things you said, Mr. Downs, but we are grateful to you for coming and saying them forthrightly.

Mr. JACKSON. Our next group of witnesses consist of Mr. William C. Groebe, President, Chicago Real Estate Board, Mr. Dempsey J. Travis, President, Dearborn Real Estate Board, and Mr. George S. Harris, President, National Association of Real Estate Brokers, Inc.

Commissioner HESBURGH. Mr. Groebe, I think you are up to bat first.

TESTIMONY OF WILLIAM C. GROEBE, PRESIDENT, CHICAGO REAL ESTATE BOARD

Mr. GROEBE. Father Hesburgh and members of the Commission; my name is William C. Groebe. I am president of the Chicago Real Estate Board.

We are a not-for-profit association now in our 76th year, and are chartered under the laws of Illinois. Two of our objectives as stated in our charter have some relevance to this hearing, in that they state our purposes as follows:

e. To support the administration of laws and regulations designed to insure the highest standards of honesty and competence among those engaged in real estate business and to assist those seeking to enter the real estate field in qualifying themselves.

f. To further the constructive growth of the city of Chicago and its metropolitan area, to promote economy and efficiency in government, particularly at the local levels, and to assist in effecting an equitable distribution of the tax burden.

We have faithfully discharged these responsibilities.

IDEAL CONDITIONS NOT GENERAL

We submit that nowhere can the ideal conditions of housing be found for all persons, whether in large or small communities or cities. Many families, of every race, creed, color, or national origin will be found living, to some extent, in nonmodern, substandard housing. And, likewise, many others, here in Chicago and elsewhere, will be found living in accommodations which meet all modern standards.

New architecture, new heating and plumbing inventions, new development of electrical appliances, creation and usage of new and improved building materials will continually render the housing of today substandard for tomorrow, just as the cast-iron stove made the fireplace obsolete other than as an ornament.

The best that we can do is to work toward the ideal within our economic capabilities and within the existing social and legal patterns. If the ideal is ever achieved, it will not remain ideal for long; of that we may be sure.

Here in Chicago, I believe, we can be justly proud of the progress that we have made, and yet we are the last persons to insist that the ideal has been achieved.

THE PATTERN OF SETTLEMENT

With the opening of the St. Lawrence Seaway, we are again on the verge of another vast expansion, and no man can foresee its complications or its full extent. A hundred years ago, Chicago, as the great open door to the West, received hundreds of thousands of foreign born who settled in the city or spread out from Chicago as far north as Canada and south into Missouri, westerly to the Rockies.

There were Lithuanians, Poles, Germans, Greeks, Irish, Scandinavians, Italians, Negroes, plus a scattering of many other nationalities and races. Where they moved onto the prairies, into rural settlements, they tended to congregate with their fellow Germans, Swedes, or others, forming close community associations preserving their ancient languages and customs. They took their old world along with them to new settlements. This pattern is noticeable in many states.

In Chicago, these peoples, by choice and not by direction, gathered together in their own ethnic communities, established their local churches, language press, and their own special schools and community associations.

These first-generation settlers clung together because they felt a need to preserve community groups, and because they preserved their old homes and identities in such surroundings. Thus we found in Chicago some whole communities which were Polish, Italian, Swedish, Norwegian, Lithuanian, Chinese, Greek, Irish or Negro. Generally these communities were built up around or close to the occupational centers toward which certain groups directed themselves. Negroes coming to Chicago—again because of the early establishment of Negro groups on the south side—tended to locate there.

THE CHANGING PATTERN

In recent years, this pattern has been changing.

As advanced cultural and economic status has been obtained, and as programs of education have been advanced, the younger members of these groups, whose ties to a distant homeland are nebulous, have moved away from the so-called home wards, into other parts of the city or to the suburbs, thereby reversing the original trend toward congregation in ethnic centers.

Today, in a majority of the 50 wards of Chicago, the racial-religious-social-economic pattern is widely varied. There may still be some tendency to "move in" with groups which conform to the individual's social pattern—the tendency to avoid being an "out group" in a community.

Thus, the people who come from Southern Mountain States, still seek out their own folks in Chicago, clinging to the rural pattern rather than attempting to adjust to urban customs and patterns. This again is by their own choice. Sociologists have long noted the conflicts between rural and urban patterns of living, and the tendency of a person, in a strange land or a strange city, to seek out that group which most nearly conforms to his own pattern.

Individual cultures, economic position, social customs, religious backgrounds have long operated to maintain the status quo in many cities or communities. This is a very human tendency which springs from a man's desire to be as nearly "at home" as possible in a changed environment.

PUBLIC POLICY

Public policy here in Chicago directs that any individual may rent or purchase a home anywhere and move into it at any time. The mayor of Chicago, Richard J. Daley, has given substantial leadership in effectuating this policy. It cannot be denied that there have been some trouble spots where tension and disturbances were caused either by ignorance or agitation. In such cases, full police protection has been afforded the residents and order has been restored. Individual attitudes, rather than public psychology, are the root of such incidents.

Meanwhile, it should not be overlooked that here in our city the

matter of individual attitudes is receiving close attention. Great educational work toward improving such attitudes is being done by the Mayor's Commission on Human Relations, the Catholic Interracial Council, the Association of Community Councils, and many other similar groups.

COVENANT RESTRICTIONS

The covenant decisions of the Supreme Court of the United States have played their part in ending communitywide discriminations based on self-perpetuating contractual relationships, by at least opening up to individual choice the policy of selling which had formerly been restricted by agreements.

In Chicago communities and in unnumbered apartment buildings, persons of many races, creeds, or ethnic origins will be found living in amicable and neighborly relationships. On the near South Side, the Lake Meadows housing projects have two large units completed, the first being 100 percent Negro occupied, the second 70 percent Negro, and 30 percent white. The Prairie Shores development, of which one unit is now completed, is 75 percent white, the balance distributed generally between Asiatics and Negroes.

PERSONAL PROPERTY RIGHTS

There undoubtedly are instances in which the individual owner listing his property for sale or rental specifies the type of purchaser or renter who will be acceptable to him. This may be for economic or other reasons. Real estate agents who handle property have to accept the conditions, or decline the business.

Personal ownership of real estate or personal property which is free of encumbrances has always carried with it the absolute right to dictate the terms and conditions under which the property may be sold or leased. Otherwise ownership is a conditional thing. We believe that the covenant decisions—which, in effect, reserved to the immediate owner the full freedom of handling and disposing of his property—have achieved the full extent of authority that should be exercised. To go further would, in effect, nullify the central point of the covenant rulings.

QUESTIONS INVOLVED

To declare that the owner may not fix his own terms or choose his own purchaser or tenant would be an extreme step contrary to the basic theory of private ownership. Would it be advisable as public policy to abridge this right of private property? Would it be wise to attempt to legislate conditions of sale on vast amounts of property owned by tens of millions of people—property moving in numberless transactions—in order to satisfy the demands of theoretically aggrieved groups?

Would legislative action upset the educational programs now being advanced? We fear that it would.

There are economic and cultural considerations which motivate both seller and buyer in any transaction. It is extremely doubtful that any law could be drafted which would cover these individual attitudes or that could successfully govern all conditions of sales or leases. Such a law would have to be all powerful and all encompassing, and to a very high degree it would have to nullify the basic concepts of private ownership.

Would such a law be constitutional? The question is a very grave one.

THE REAL ESTATE AGENT

We realize that members of our profession have at times been criticized for accepting the limitations or conditions fixed by the property owner. This criticism, we believe, is most unfair.

We are, in fact, agents of the seller-owner. The agent is no other than a reflection, if you please, of the client whose property he is renting or selling, or for whom he is buying or renting. He is not called in to change attitudes or to make an argument; his job is to sell or lease or to buy property in a manner satisfactory to the principal, under a contractual arrangement in which the conditions are established by the principal. His responsibility is to carry out those conditions in an honest and legal manner.

SUMMARY POINTS

In summary, then, I should say—

(1) Steady progress is being made in the advancement of civil rights in Chicago housing, both public and private.

(2) There is a leveling-off process manifest in the cultural, social, and economic factors which have hitherto operated to maintain ethnic or racial "communities;" as economic, cultural, and social improvements are steadily advanced, this leveling-off process will be accelerated.

(3) We believe that it would be unwise public policy, virtually impossible of enforcement, for government to attempt to impose conditions of sale (or rent or purchase) upon private owners.

(4) We believe that such an attempt would be a dire interference with private property rights which have historically been protected in Anglo-Saxon law, and that such an attempt would be of extremely doubtful constitutionality.

(5) We believe that such action might produce tensions and individual resistances that would actually prove regressive. We believe that it is one thing to condemn property for public usage, or to regulate property which is in the public domain or financed with public funds, but quite a far different matter to seek to regulate all the con-

ditions, motivations, and attitudes of millions of individuals who personally own their property.

(6) We believe that under the conditions we have outlined, and the excellent work which is now being carried out in Chicago, continued progress is not only possible, but inevitable if disturbing factors are not legislated into the picture. The ill-fated prohibition amendment still stands as a warning against attempt to legislate personal attitudes in areas which are purely personal.

(7) The Chicago Real Estate Board, firmly adhering to its historic policy of conforming to the established law, offers these views in a spirit of cooperation with the weighty deliberations of your honorable Commission.

Thank you.

Commissioner HESBURGH. Thank you very much, Mr. Groebe. I believe Mr. Travis is next.

TESTIMONY OF DEMPSEY J. TRAVIS, PRESIDENT, DEARBORN REAL ESTATE BOARD, INC.

Mr. TRAVIS. Father Hesburgh, and members of the Commission, on behalf of the Dearborn Real Estate Board, I wish to thank the Commission for the courtesy extended to me to appear before you.

My name is Dempsey J. Travis. I am president of the Dearborn Real Estate Board. Our board was organized 18 years ago to give the Negro broker a vehicle to professional status, and because the Negro broker was and still is excluded from membership in the Chicago Real Estate Board.

This restriction symbolizes the denial of a free housing market for the Negro buyer, renter, and broker. In other words, this restriction was designed "to keep the Negro in his place."

Two classic cases of how the restriction operates were exhibited by an interracial group of brokers known as CRESS. This group was organized in Chicago, Ill., in August 1957 with four Negro ("realist") firms who are members of the Dearborn Real Estate Board and five white ("realtor") firms, who are members of the Chicago Real Estate Board.

The operation was harmonious and profitable as long as the Negroes worked west of Cottage Grove, and until a white landlord approached a Negro broker about placing a Negro tenant in a vacancy that existed in a white-occupied building that was located east of Cottage Grove and south of 79th Street.

This landlord's proposal for integrated housing was blocked by a white realtor member of CRESS. This incident caused some ill-feeling among the Negro members but it did not impair their working arrangement. It was approximately 5 months later when one of

the Negro members of the CRESS organization listed a property to sell in the aforementioned white area that the realtor firm withdrew from CRESS and thereby caused an orderly liquidation of the first interracial real estate sales and service venture in Chicago. It is significant to note that Negro mobility was involved in each case.

I respectfully submit the following exhibits to the Commission for their records:

As exhibit 1, a copy of the CRESS charter.

As exhibit 2, a copy of the promotional literature.

As exhibit 3, a copy of the minutes setting forth the Negro restrictions in white neighborhoods.

As exhibit 4, a letter of resignation by the president.

As exhibit 5, a copy of the dissolution agreement signed by all shareholders.

(The documents above referred to were marked for identification as "Travis Exhibits 1, 2, 3, 4 and 5.")

Mr. TRAVIS. A recent survey by the Dearborn Real Estate Board reveals that out of 243 savings and loan associations operating in Cook County (69 federally chartered and insured, 143 States chartered and insured, and 31 uninsured) only 21 (including 2 Negro-operated firms) made loans to Negroes on the South Side within the past 12 months. Nine of these firms made mortgages in volume for Negroes consistently throughout the year.

However, out of the 241 white-operated savings and loan associations, we could find only one who made an initial mortgage to a Negro family in an all-white area within the past year. Hence, it appears that institutional support for segregated housing is almost unanimous.

A further survey covering real estate transfers in Cook County over the past 12 months reveals that not even a token number of conventional mortgages were made for the typical Negro home buyer by the 141 commercial banks and the 229 life insurance companies operating in Greater Chicago. This lack of interest in the Negro mortgagor is hard to conceive in the light of two recent industry estimates that place seven-tenths of the Negro savings in commercial banks and nineteen-twentieths of their life insurance in white-controlled companies.

This refusal to make loans to Negroes can be based upon nothing other than biased institutional policies leveled at Negroes. The excellent experience the Negro-operator lending institutions have had over the past 24 years will certainly support this opinion.

I respectfully submit photostatic copies of statements from the Illinois Federal Savings & Loan Association and Service Federal Savings & Loan reflecting their experience.

The lending institutional barricades that have been set up to bar Negroes from conventional mortgage outlets are directly responsible for the thousands of Negroes who are exploited annually by unscrupulous speculators.

The block-by-block pattern of making loans to Negroes after the first five Negro families have moved into a block limits the speed of Negro mobility to the resources of Negro-owned life insurance companies and savings and loan associations.

After the first five Negro families have moved into a block, a gold-rush type atmosphere is created by a large number of white and Negro brokers converging on this one block to list the other available buildings. The brokers cannot be blamed because the block pattern has limited their market.

On the other hand, many a white seller has been frightened by this avalanche of salespeople and has sold his property in haste at a great loss. Real estate transfers indicate that prices firm upward after the first five sales. This upward trend is created by the great demand on a limited one-block market. This great demand for housing and the limited supply available to Negroes have caused prices to increase as much as 20 percent in some areas within the past 18 months. These increased prices are reflected in higher rentals charged to Negro tenants.

The Negro occupied sections of the South Side and West Side have been marked "Off Limits" by 285 of the 310 casualty and fire insurance companies operating in the State of Illinois.

Every homeowner living within the confines of the off-limits area is made to suffer because of the limited number of rated companies willing to write Negro risks on their individual merits. All except 25 companies have found it convenient to do what is known as map underwriting, and that is, mark off all Negro areas as undesirable risks. This type of boycotting would not exist if Negroes were not segregated geographically.

This type of segregation has permitted companies to quote rates 700 percent over the regular rates. An example of this exploitation is reflected in a letter written by me to an owner in this area. The letter is dated January 3, 1959, to Mrs. Wallace, 1425 South St. Louis, Chicago:

DEAR MRS. WALLACE: We have applied for owners', landlords', and tenants' liability coverage to five companies. Four of them have declined risks and the fifth quoted a premium of \$742 for 3 years.

This, in our opinion, is ridiculous. Therefore, we have made application with two other companies, but, until such time as we hear from them, you will have no coverage.

Gentlemen, the premium on this policy at its original expiration was \$106.40 for 3 years. We were finally able to place this policy at a premium of \$122.40 for a year, which, of course, is 300 percent.

I am going to submit as exhibits 6 and 7 pictures of the building at 1423 South Troy. I am also submitting pictures of 1833 South Troy, 3324 West Fulton, 7915 South Calumet, 6843 South Indiana, and 6040-42 South Prairie. Each of these properties was affected by cancellation or refusal to renew because of location. I have here also 300 cancellations, or, to be exact, 332 cancellations, which can be counted by anyone that the Commission might appoint.

(The documents above referred to were marked for identification as "Travis Exhibits 6 and 7.")

Mr. TRAVIS. It should be observed that Public Law 15 commonly known as the McCarran Act specifically exempts all acts and conduct amounting to boycott, intimidation, and coercion. The Congress of the United States retains jurisdiction over all matters of boycott, intimidation, and coercion.

As a result, the Federal Government has a right to prosecute for acts of boycott under the Sherman Anti-trust Act. We should also observe that the Senate Antitrust and Antimonopoly Committee has a right to investigate the existence of any conduct which might appear to boycott whole areas and whole races of people who may be denied insurance solely on the account of race, creed, color, and national origin.

RECOMMENDATIONS TO THE COMMISSION

1. A legislative enactment, together with adequate regulations prohibiting discrimination by mortgage lenders who receive Federal subsidies through mortgage guarantees or other benefits from the exercise of Federal power.

2. An Executive order creating an agency that will make direct mortgages to low-income families displaced by urban renewal and conservation programs.

3. Enforcement of the Sherman Act wherever a mass insurance boycott exists.

I wish to thank you for inviting me as a representative of the Dearborn Real Estate Board.

Commissioner HESBURGH. Thank you very much, Mr. Travis.

(Exhibits Nos. 2, 3, 4, 5, 6, and 7, entered into record by Mr. Dempsey J. Travis, president, Dearborn Real Estate Board.)

EXHIBIT 2

WHEN READY TO LIST YOUR PROPERTY
CALL ANY ONE OF THESE OFFICES

Combined
Read
estate
Selling
Service

LOVELL REALTORS
132 East 79th St.
HU. 8-3111

W. M. SLAUGHTER & CO.
534 East 61st St.
BU. 8-3200

SUMMEROWER REALTY CO.
2861 W. Warren Blvd.
SA. 2-6848

WALTER E. BARNES
8234 Cottage Grove Ave.
TR. 4-7250

IVAR W. TURNQUIST, INC.
7826 Cottage Grove Ave.
TR. 4-1044

BOLIN V. BLAND
7 West Madison St.
FI. 6-3562

OSCAR C. BROWN
4649 Cottage Grove Ave.
KE. 6-4700

DRAPER AND KRAMER
624 East 79th St.
HU. 8-4330

G. A. HALLGREN & CO.
738 East 79th St.
RA. 3-0337

inc.



MINUTES OF A SPECIAL MEETING OF THE MEMBERS OF COMBINED REAL ESTATE SELLING SERVICE HELD JULY 22, 1958

At the call of the president, Ivar W. Turnquist, a special meeting of Combined Real Estate Selling Service was held at 8:30 a.m., July 22, 1958, at the office of Draper & Kramer, 624 East 79th Street, with Ivar W. Turnquist, president, presiding, and Oscar C. Brown, secretary serving in his official capacity.

Those present at the meeting were: Ivar W. Turnquist, R. W. Williams, Bolin V. Bland, Eric Conner, Walter Barnes, James Summerower, Rosa W. Morgan, Oscar C. Brown.

The president called attention to the fact that recently a member of CRESS, Oscar C. Brown, had obtained two exclusive listings under the auspices of CRESS, at 8451 and 8453 South Drexel Avenue, and that said properties were being offered by the listing office and some other members of CRESS to prospective purchasers irrespective of race, color, etc. Some of those present indicated that it was their opinion that CRESS would not undertake to sell properties to Negroes in neighborhoods that were "all white." The president and some others stated that they have substantial management business in the area east of Cottage Grove Avenue and that some of the owners of such properties had threatened to take away such management from them if CRESS attempted to sell properties to Negroes in said "all white" block or blocks. It was also indicated individuals and organizations in and around the 8400 block Drexel Avenue area were "up in arms" about the threatened sales to Negroes.

After a full and frank discussion of "the problem" among those present and apparent equal division among those present as to whether or not CRESS ought to offer said properties for sale to anybody who is ready, willing and able to buy, regardless of race, color, etc., it was moved by Eric Conner and seconded by Walter Barnes that the meeting be adjourned to 8:30 a.m., July 29 in order that this much time might be had in an effort to work out an agreeable compromise of the matter. The motion was unanimously adopted. Thereupon, the meeting adjourned.

IVAR W. TURNQUIST, *President.*
OSCAR C. BROWN, *Secretary.*

IVAR W. TURNQUIST, INC.,
Chicago 19, Ill., July 24, 1958.

MR. OSCAR C. BROWN,
4649 Cottage Grove Avenue,
Chicago 15, Ill.

DEAR OSCAR: I came away from our meeting last Tuesday feeling that we had buried CRESS. I believe it has been dying for several months and this was only the last gasp for air.

The idea is still a good one but it must have the unanimous support and be of utmost importance to each member in order to succeed. This, I do not believe we have had in all of the members.

Because of my lack of courage to watch it die, I hereby tender my resignation as president of CRESS—effective at once—and offer my proxy to vote for the dissolution of CRESS and the distribution of its assets. I will not be at the meeting on Tuesday.

Regretfully and sincerely,

IVAR W. TURNQUIST.

COMBINED REAL ESTATE SELLING SERVICE, INC.—AGREEMENT OF ALL OF THE SHAREHOLDERS OF THE CORPORATION, CONSENTING TO ITS DISSOLUTION

We, the undersigned, being all of the shareholders of Combined Real Estate Selling Service, Inc., do hereby agree that this corporation be dissolved and the proper officers of this corporation are hereby authorized and directed to take such steps as are necessary to dissolve the same.

~~Walter E. Barker~~
~~Walter E. Barker~~
~~Walter E. Barker~~
~~William J. Farrell~~
~~Bolin V. Blund~~
~~J. W. Summers~~
~~J. T. Halligan~~
~~Oscar Brown~~
~~Robert L. L. L.~~

EXHIBIT 6

ILLINOIS FEDERAL SAVINGS & LOAN ASSOCIATION OF CHICAGO,
 Chicago 15, Ill., April 24, 1959.

MR. DEMPSEY J. TRAVIS, *President*,
 Dearborn Real Estate Board,
 Chicago, Ill.

DEAR MR. TRAVIS: I am very happy to take this opportunity of responding to your inquiry with reference to our experience at Illinois Federal Savings & Loan Association with Negro families who have been granted mortgage loans to buy, build, or improve their homes.

Over 24-odd years' span of its existence, Illinois Federal has granted over 3,000 loans to families purchasing, building, or improving their homes. These loans have involved a total amount in excess of \$20 million. It is extremely significant, that of these 3,000 loans, there have been only four foreclosures to date. Likewise, it is significant that 95 percent of these loans have been made to Negroes in all walks of life; to wage earners, professional persons, white-collar workers, and others. The property involved is located in all areas of the city of Chicago and in many of its suburbs.

The extremely low foreclosure rate mentioned above, attests to the fact that these families have responded to their mortgage obligations as responsible citizens.

I would like to take this opportunity of saying that the average Negro family, as reflected in experiences of lending institutions all over the country, will honor its mortgage obligations, and maintain its property faithfully when given the opportunity to buy a good home in a desirable neighborhood, on reasonable terms.

I trust that this will serve to answer your inquiry. If there is further detail desired, please feel free to contact me.

Very truly yours,

GEORGE H. WALKER, JR., *Secretary*.

SERVICE FEDERAL SAVINGS & LOAN ASSOCIATION,
 Chicago 15, Ill., April 22, 1959.

MR. D. J. TRAVIS,
 412 East 47th Street, Chicago, Illinois.

DEAR MR. TRAVIS. We are happy to report that Service Federal has not as yet foreclosed on any mortgage since its origin in 1951.

Very truly yours,

HENRY P. HERVEY, *Manager*.

TESTIMONY OF GEORGE S. HARRIS, PRESIDENT NATIONAL
ASSOCIATION OF REAL ESTATE BROKERS, INC.

Mr. HARRIS. Gentlemen of the Commission, I first will say to you that I will not read my entire statement because I see you are running out of time. There have been so many things said here today that I think, I, as a citizen of Chicago for over 50 years should put my little 2 cents in, too.

On behalf of the National Association of Real Estate Brokers, I wish to thank your Commission for the courtesy extended our organization to appear before you. My name is George S. Harris, president of the National Association of Real Estate Brokers. I reside at 9327 South Michigan Avenue, Chicago, Ill.

I would like to at this time give you a little information about the National Association of Real Estate Brokers, Inc. This organization was formed out of necessity. As you know, the real estate profession is one of the few trade organizations of this country in which Negro Americans are generally not allowed to join as fullfledged members. Therefore, about 13 years ago a group of men attending the National Negro Business League in Florida decided it was imperative for Negro real estate brokers to form a representative organization to serve the real estate business throughout the country.

At our national convention held in the city of Chicago in 1953 our organization adopted the slogan "Democracy in Housing." It has been our aim and effort to present this philosophy throughout the country, and encourage a continued effort to develop a free market in the real estate profession.

I would like also to say at this time, or to clear up a point that usually comes up. There is the trade name of "realtor," and that is the trade name of the National Association of Real Estate Boards. The trade name of the National Association of Real Estate Brokers is "realist."

At this particular time, there is a suit in the city of Philadelphia by the National Association of Real Estate Brokers to have a Negro broker discontinue the use of the name—of the trade name "realtor," though he is a member of the National Association of Real Estate Boards.

I shall attempt to confine my remarks to the real estate broker and the effort to obtain a free market, and obtain also for the citizens of this country a decent place to live.

It is the Negro real estate broker in particular who paves the way for most housing for Negro Americans not only in Chicago, but in other sections of the country, and which members of our organization in their work and efforts have been able to develop.

It is the Negro real estate broker who breaks down the barriers regarding the purchase of homes, arranging for financing, and, in gen-

eral, makes it possible insofar as the minority group is concerned to obtain a place to live. Therefore, the real estate broker is one of the important persons in the whole housing operation. And it is sad to relate that, unfortunately, true is the fact that the Negro real estate broker is left out of most of the policymaking in all levels of the housing industry.

It is our hope that through meetings and hearings of this kind the fact will be presented to the extent that participating in all levels of the housing industry there will be representation of Negro real estate brokers, because they are the ones who do the legwork and have a close association with the grassroots of the industry as far as the minority group is concerned.

This brings me to one of the questions I have spoken of and will speak of now. Basically, the reason for this is that we do not have a free market. A free market would mean that a citizen would be able to move about as he feels and be able to get financing from any agency, if he met the requirements, and not on the basis of his race, color, or creed. Therefore, the stumbling block of the Voluntary Home Mortgage Credit Program, or any other program, will be first to remove what is generally known and understood in the trade as the gentlemen's agreement.

Now, maybe this may seem to most individuals who are not in the housing industry as something which is farfetched, but it is very definitely a vicious program that is carried out everywhere in this country. Let's face the facts. Nonwhite, the minority or nonwhite reference, is made to those persons who are not accredited as white Americans.

The nonwhite minority group is made up principally of Negro Americans, and better than 95 percent of the persons allocated to the nonwhite minority group are Negro Americans. So, we say if the vicious system of the gentlemen's agreement was eliminated the first step in the direction of a free market would be accomplished.

How does the gentlemen's agreement work? There are established rules, which are followed rigidly, that if a Negro applies, or let's say a minority citizen applies for a loan, he will not be considered for a loan if there are less than three to five nonwhites in any given block where he applied for the loan. The sale of a home to any qualified citizen should not be based upon a person's race, creed, or color.

Experience and facts of the survey now being conducted by our organization prove that this practice does exist in Michigan, Maryland, Kentucky, Florida, North Carolina, Missouri, Indiana, Georgia, New Jersey, Ohio, some parts of California, and in Chicago.

I have here a copy of our survey which I am going to leave with the Commission, and when our survey is completed I would be very

happy if the Commission would allow us to present to them the facts.

I also have here the report of the membership that have answered our survey from the city of Chicago and every one answers the very important question that we ask: Do the mortgage outlets that ordinarily make loans to Negroes object to making a loan to the first Negro to move into an all-white block or neighborhood?

Every one of our members in the city of Chicago answered that question, "Yes," which indicates the gentlemen's agreement still exists insofar as the matter of making loans to Negro citizens.

I will finish the rest of this, but I would like to touch on some of the things that have been said here about people in Chicago. Mr. Downs spoke of 25 years of experience. I will speak from 50 years of experience.

Certainly, it was the pattern that the ethnic groups did live together and they do live together, but those who want to step out from behind a closed ghetto may do so if they are not Negro. They can move to the North Shore; they can move to Park Forest; they can move to any suburb; they can move to Oak Park, but a Negro cannot.

One of the most dastardly things that happened in this community was the time when one of the brainiest men in this country decided he wanted to live in a suburb adjacent to Chicago, Oak Park, and everyone in this community knows of the disgrace, how we hung our head in shame when Dr. Julian's home was desecrated because he moved into an all-white section. That is the core of this problem. It is because of the fact that Negroes are placed into ghetto arrangements. We are placed on a basis wherein we can move only so far, and not move around freely, and that is because of the fact that in those areas that we are possibly able to get to they will not be open to us because no lending agency is willing to make the necessary loan.

I think what I will do now is give you our recommendations. I know your time is getting late, but this situation is one that we should not dodge, we should not be ashamed to get into.

I think the industry—and I mean the whole housing industry—should take a long look at this program, and, irrespective of whether the word "quota" is a distasteful word, there ought to be some effort made by the housing industry, and all segments of it—the mortgage bankers, the correspondents, the banks, the real estate boards, and the Chicago Real Estate Board—we should sit down together as men and discuss this question and see to it that we can come up with something for the city of Chicago.

I offer for your consideration the following recommendations:

1. That a member of the National Association of Real Estate Brokers be appointed to the National Committee of the Voluntary Home Mortgage Credit Program.

2. That all housing insured by any Federal Government agency, either rental or sale, be on an open listing, this listing to be available to all licensed real estate brokers in each State.

3. That the director of each local government agency insuring housing report to the director of his agency any withholding from sale or rental of Federal-insured housing to minorities.

4. That this Commission invite the various trade organizations in the housing industry to form a committee similar to the Voluntary Home Mortgage Credit Program to eliminate from the housing industry the barrier that now exists for minorities to buy or rent housing in all areas.

5. That it be mandatory for all public housing to be integrated.

6. Eliminate from credit reports all racial identity.

7. Remove from guarantee title policies race restrictive covenant clauses.

When you get a guaranteed policy in the city of Chicago from the Chicago Title & Trust Co. they have the audacity to put in there the restrictive covenants that existed back as far as 1920. Those are the things we say should be eliminated to make a better atmosphere.

It has been a pleasure to appear before this Committee. Again, on behalf of the National Association of Real Estate Brokers, we extend our thanks for permitting us to make this appearance. If there are any questions that the Commission would like to ask, I will be very happy to answer same.

Commissioner HESBURGH. Thank you very much, Mr. Harris.

We have heard three reports from the real estate fraternity, and I am sure there are some questions with regard to the things that have been said here today.

I would like to begin by asking if there is any real reason, apart from prejudice, why Negro Americans are not allowed on the Chicago Real Estate Board.

Mr. GROEBE. I would like to say this: that the Chicago Real Estate Board has made a statement, Father, and we will rest our case on that statement.

If the Commission has any questions that you will approve, no matter who asks them, and give them to us, we will answer them in a qualified way, and in a way that will be useful for the Commission. That is our position today, and we are taking that position.

Commissioner HESBURGH. We have had in our other housing hearings—for example, in Atlanta last month—one of the really striking developments that took place in that city which I think everyone will grant faces greater cultural problems of integration of any kind than would exist here in the North. We found that great progress was made in the West Side development group that involved people

from both races getting together and talking over their problems, and this seemed to us a very good pattern, and it is only natural the question I just asked would emerge in this community as to why this could not be done here.

Mr. GROEBE. I will answer you this way: that there would be no reason why there couldn't be a get-together as far as any housing problems are concerned whenever individual initiative on the part of any parties would like to call that gathering. I think the Chicago Real Estate Board will be the first one to sit down across the table if such initiative on its own is applied. That is the only question I would like to answer.

Commissioner HESBURGH. This sounds like a very good idea, and I trust someone will have the initiative to move it.

The next question I would like to ask is this: Are there any strictly Negro financing agencies to cover up the deficit that apparently exists with many of the other organizations?

Mr. TRAVIS. There aren't enough. There are two Negro savings and loan associations, and I believe six Negro-operated life insurance companies in Chicago that make mortgages to cover up this initial deficit.

In other words, as I stated in my statement, Negro mobility is limited to the resources of Negro-owned institutions. Negro-owned institutions are the ones that make initial mortgages in these new areas for us.

Mr. HARRIS. I might say, Father, in answer to that question, I happen to be connected with the Chicago Metropolitan Mutual Insurance Company, and we have a portfolio of \$5,500,000 and, of that, \$4,600,000 of it is on Negro property in this community.

Commissioner HESBURGH. Do you find your record is very good?

Mr. HARRIS. It is very good. As a matter of fact, we have had only four foreclosures last year, and one of them was a white mortgage.

Commissioner HESBURGH. The point that was made by several men of the real estate fraternity in New York City was that real estate men today cannot afford to overlook the Negro market because it reflects 10 percent of the market in the United States, and is growing rapidly in the North.

Mr. HARRIS. There is no question about it. The fact is that the Negro lending institutions do not have a sufficient amount of funds to carry the whole burden, but they open the way and, after they open the way, then, of course, it is naturally good business. The old myth of years ago that the Negro risk was a poor one is fading away now because, like in our own institutions, a mortgage is made on the basis of credit reports and the appraisal of the property.

Commissioner HESBURGH. May I ask: Where does your organization get access to capital funds to float these loans and mortgages?

Mr. HARRIS. We have an insurance company, and from premiums paid there is an amount of money to invest that we have in the insurance company. We are a small company. We have assets of \$12,500,000 and, of course, we are permitted by the insurance law to invest a percentage of that into mortgage loans.

Commissioner HESBURGH. May, I ask, do you have access to Federal funds like FNMA and others?

Mr. HARRIS. We do participate. We are a recognized mortgagee, and there are some that do participate in FNMA.

Commissioner HESBURGH. We were given statistics in New York, which I never understood, and don't know whether it applied locally or to the whole country, that Federal financing, or the benefits of Federal financing, are only applicable to 1 percent, or, rather, 1 percent of them is applicable to the nonwhite population.

Mr. HARRIS. Ordinarily, it does seem like a ridiculous figure, but the fact is that the housing market, insofar as the new housing market, it just isn't generally open to the Negro American, and of all the millions of houses being built there is only a trickle of it that is available to Negro buyers.

Pick up a Sunday supplement of any cosmopolitan city with maybe 15 or 20 pages advertising housing, but it isn't available to Negroes, and it is all financed mostly by FHA; some is conventional, but most of it is insured.

Commissioner HESBURGH. That was the point that was made by several of the real estate leaders in the New York community that since this is public money, obtained by taxation from all American citizens, its benefits ought to be available to all American citizens.

Mr. HARRIS. That, I agree, and that is what we said about the free market. We believe there should be a free market, and that is one of the recommendations I made—that all insured housing, whether it be rental or sale, should be made available, on an open listing so that everybody could buy it. If a Negro wanted to go to Park Forest and wanted to buy a house, he should buy it if he qualified.

Commissioner HESBURGH. May I ask you one last question that has relevance to your 50 years of experience here? Do you find things getting better?

Mr. HARRIS. I feel there is some basis for improvement, but I do feel it is only through an outspoken approach to these problems that we get anywhere.

I was disappointed in the president of the Chicago Real Estate Board that he declined to answer. Those are not the ways for us to solve the problem. We must be honest and face it as Mr. Rose did.

Commissioner HESBURGH. One thing we have noticed at some of our other hearings of this type that they can lead to local action where the local citizens take it upon themselves to discuss their own problems and

come up with their own local solutions. This, in the long run, is much better than trying to come up with cumbersome national solutions which trickle down slowly and often are not effective.

Mr. HARRIS. I agree, because we are doing it all over the country in our organization. We are attempting to do this very thing. As you will recall, we had a seminar which I thought was indicative of the fact we were bringing together this same question. We were discussing the question on the basis of the better element of housing not only for Negroes but for all people. We are doing the same thing presently. We have one scheduled right now in St. Louis, and then there is going to be one in Kansas City on this same identical principle.

Commissioner HESBURGH. Well, I have been taking too much time here.

Governor Battle?

Commissioner BATTLE. I would like to ask if the Chicago Real Estate Board is a voluntary organization, or does it have any governmental sanction or control of any kind?

Mr. GROEBE. It is voluntary.

Commissioner BATTLE. It is not established on any Chicago law or State law or anything of that kind?

Mr. GROEBE. No.

Commissioner BATTLE. I must say coming from the South, as I do, I find this discussion very interesting. [Laughter.]

I may make this comment. A statement has been made that the situation is nationwide. I think it is fair to say both to the white and the Negro that in my part of the country it is axiomatic almost when a Negro gets a piece of real estate he is going to hold on to it and his credit is good.

Commissioner HESBURGH. Thank you, Governor Battle.

Dean JOHNSON. Quite a bit was said about the rights of private individuals to do as they please with their property, and my first question would be would you consider that the right of a builder would be similar?

The problem is that a builder so often is his own seller, and you get into that situation, too. Then auxiliary to that question is isn't it a fact that all of these rights, and I don't want to get into an extended discussion of jurisprudence, but in our complicated society, aren't all of our rights conditioned on the fact that their exercise is in the public interest, and if a legislature or some other body should limit a right in the exercise of the public interest, that right would be recognized as limited, and that might be true with the problem of homeownership.

New York, as you know, has seen fit to pass a law, which you may question as to its constitutionality, but it was in the exercise of the public interest that we may get some rights that are limited in a variety of ways.

MR. GROEBE. Your first question, I think, is covered in our statement. The second is just a matter of opinion, as I see it.

I would like to say, Father, we have agreed to answer questions, as I said in the beginning, which are properly approved by your committee. If the Commission has any questions—I know your time is short—but if you will get them to us, you will get prompt answers.

Commissioner HESBURGH. We thank you.

MR. GROEBE. We are honest to face this issue in the way we understand it, and the way we believe this Commission will appreciate it.

Commissioner HESBURGH. Thank you. You gentlemen have been most helpful, and I want to thank you very much for being here.

MR. JACKSON. Our next two witnesses will be Edward W. Asmus, president of the Chicago Mortgage Bankers Association, and Mr. Charles Detrick who is cochairman of the Urban Renewal Committee of Cook County Council of Insured Savings Association.

TESTIMONY OF EDWARD W. ASMUS, PRESIDENT, CHICAGO MORTGAGE BANKERS ASSOCIATION

MR. ASMUS. Father Hesburgh and gentlemen, my name is Edward W. Asmus. I am a banker by profession, employed by three banks on the far South Side which is the Holman banking group. I am currently president of the Chicago Mortgage Bankers Association.

Because of the fact that I have never made a study of the problem of housing for minority groups, I do not have any statistics such as would be required to answer specifically and factually the seven questions on housing posed by the Commission which I received from Mr. Tiffany on April 27, 1959. Neither does Chicago Mortgage Bankers Association, which is a small association, have the required statistics nor the staff to assemble them.

Other individuals and agencies better qualified will, therefore, have to supply the major portion of the factual information you require. My comments will, therefore, be confined to knowledge gained in the field of home financing during 30 years spent in the city of Chicago as a real estate broker, mortgage banker, and banker. During this period I have made mortgages on behalf of the banks which employ me, made many more for the accounts of other investors, and negotiated and placed loans through other mortgage bankers.

These loans have included cases involving Caucasians whose families originated in practically every European nation, people from the Middle East, Negroes, and orientals.

Discrimination on the part of lenders does not contribute importantly to the difficulties members of minority groups have in securing decent housing. That does not mean that members of these groups have no problems in this regard. As far as I can determine from the standpoint of securing credit to finance housing these groups

are afforded equal opportunities by mortgage lenders and by the Government agencies, FHA and VA who are asked to insure or guarantee a portion of these loans. Underwriting standards are ordinarily applied equally to all loan applications regardless of the racial origin of the applicant.

Mortgage lenders whether they be commercial bankers, savings and loan officers or mortgage bankers acting on behalf of institutional investors are not lending their own nor public funds. They are investing the funds of others (depositors in banks, savings and loan shareholders, life insurance policyholders, and so forth) entrusted to their care. Ordinarily their powers to lend are limited by laws, regulations, and contract and always subject to the exercise of prudent judgment and adherence to standard practices. Government agencies also require that minimum standards be met in order to be eligible for mortgage insurance or guaranty.

Houses offered as security must meet certain minimum standards as of structural soundness, livability, safety and physical condition, must be located in neighborhood free of detrimental influences and the credit standing of the individual must be such to justify confidence and his income sufficient to carry out the obligation he wishes to assume. Application of these standards results in rejection of many loans to members of minority and majority groups alike.

These rejections fall most heavily on people on the lower rungs of the economic ladder. Insofar as minority groups may contain a larger proportion of people in this category they may well suffer more than majority groups. The difficulties arise principally from the following reasons: (1) Insufficient funds for required downpayments; (2) insufficient income to meet required monthly payments; (3) lack of job security; (4) burden of other debt and in some instances poor personal financial management; (5) substandard properties offered as collateral. Building costs in the Chicago area are among the highest in the Nation. Building codes designed to give adequate safety and to provide housing up to standards considered proper for the city preclude the possibility of providing homes at costs within the means of many prospective purchasers.

High costs of new building tend to keep values and prices of existing housing also at comparatively high levels, though somewhat below the costs of new homes. The purchase of these existing homes does solve the problem of some people. However, there are many homes in this category so old and/or in such poor physical condition that they do not qualify as security for a prudent lender. Whenever an existing house meets applicable building codes and city ordinances financing is generally available. Especially where FHA mortgage insurance is offered.

At present the benefits of FHA insurance are not used to the fullest extent in the city of Chicago. Inflexible interest rates, cumbersome procedures and time consuming processing discourage borrower and lender alike. Unnecessarily severe property standards in many instances preclude FHA granting mortgage insurance on properties otherwise acceptable to lenders.

Mortgage lenders charged with the responsibility of investing private funds entrusted to them are dutybound to invest these funds according to accepted standards of prudent mortgage loan underwriting. They are not at liberty to depart from the course prudence dictates in order to further the interests of any group or area even though such departure might be desirable from a social viewpoint.

Financing substandard housing, while it might assist in providing shelter for lower income groups is not the solution to the problem and not in the best interest of the people involved. After some recent experiences of disastrous fires in substandard housing Mortgage Bankers generally agreed with the mayor of Chicago that it would be in the public interest to refrain from financing any property where building codes, zoning, and other city ordinances are violated.

Nevertheless, many existing properties are in condition or can be put in condition to provide adequate housing. I would recommend to the Commission that an investigation be made to determine what changes are necessary in the Housing Act to make FHA insurance available on such cases. 54.4 percent of the housing in Chicago was built more than 40 years ago. If the mortgage banker has available to him an insured mortgage vehicle additional private capital can be attracted. He will be glad to use it to not only improve the housing of minorities but he can earn a living in the process.

Liberal financing with Government assistance is contributing a great deal toward the development of new housing in our suburbs. A better job can be done in providing comparable financing for the rehabilitation of and preservation of existing housing in our cities.

Commissioner HESBURGH. Thank you very much, Mr. Asmus.

I believe our next speaker before we get into the questioning is Mr. Detrick.

TESTIMONY OF CHARLES DETRICK, COCHAIRMAN, URBAN RE-NEWAL COMMITTEE, COOK COUNTY COUNCIL OF INSURED SAVINGS ASSOCIATION

Mr. DETRICK. I am Charles Detrick, president of the Colonial Savings & Loan Association on the South Side of Chicago.

I am cochairman of the Urban Renewal Committee of the Cook County Council of Insured Savings Associations. I have here at the desk with me, our president-elect, Mr. Longworthy, who is executive manager of the Uptown Federal Savings & Loan Association. Next

to him is Mr. Warren Purcell, who is executive director of the Cook County Council of Insured Savings Associations.

I will refrain, in view of the unreasonable weather, of burdening the Commission with the report that has been prepared. It is here for them to read. If they wish me to read it, I would be glad to do so, but I would suggest if they have questions that we get into that.

Commissioner HESBURGH. I would prefer that we have it in the record, Mr. Detrick.

Mr. DETRICK. You desire to have the report—

Commissioner HESBURGH. We have it, actually, in our record here so it is not necessary to read it, and I think we might make more progress by questioning.

Mr. DETRICK. Very good, Father.

Commissioner HESBURGH. One question that came up again and again in both the Atlanta and New York hearings was the problem of what the relationship of the Federal Government is to underwriting the kinds of loans and financing for housing that would stimulate private investment in this field, and get the Nation moving toward the complete rehabilitation of its present housing.

I might say as a background to this, in a Commission that was meeting in New York last year, the Rockefeller Special Study Fund, the claim was made that to bring all of American housing up to standard in view of our growing population, and in view of our rehabilitated housing in slum areas, it would necessarily call for an investment equal to the total investment in private housing; that this total rehabilitation would be a job of that magnitude.

My question is do you gentlemen who are completely involved in this field and acquainted with it much better than we are, have suggestions as to the proper functioning of the present financial assistance from the Federal Government on housing and loans, or do you have suggestions for better mechanisms to approach this very difficult problem we are facing in the field of rehabilitating presentday housing?

Mr. DETRICK. Our problem is like that of any other business concern. We have to meet competition. To attract investors to our association, that is, people to open savings accounts and bring money to us we have to offer them something. We find that the best attraction is to offer them a reasonable dividend rate.

Now, there is an operating expense also, and when you take our dividend rate and add our operating expense to that, it brings out the figure which is necessary for us to obtain on the income of our mortgages because of regulations under any Federal loans, VA or FHA your interest is regulated.

Therefore, there is very little business being done, in my opinion, at this time because of that. Your prevailing interest rate on mortgages here in Chicago is competitive. There is no set rate, but it varies

from $5\frac{1}{2}$ up to 6. There may be some below that and few just above, but somewhere between $5\frac{1}{2}$ and 6, you can say, is our competitive rate. I believe you have been told what the FHA and the VA interest rates are.

Commissioner HESBURGH. I wish you would repeat that for the group so they all know.

Mr. DETRICK. The VA rate is $4\frac{3}{4}$ percent, which is markedly below the money costs.

Your FHA is $5\frac{1}{4}$ plus a half, making it $5\frac{3}{4}$.

Commissioner HESBURGH. Mr. Detrick, we appreciate those comments. Mr. Longworthy or Mr. Purcell, do you wish to add to this?

Mr. LONGWORTHY. Just one thing that was very apparent, Father, in a session last week in which the savings and loan business convened and discussed operating problems, and that was the surrounding areas here in our good county of Cook are very fortunate in having perhaps the most liberal financing available than anywhere in the United States.

Commissioner HESBURGH. You mean private banks and mortgagees?

Mr. LONGWORTHY. Yes.

Commissioner BATTLE. Is that available to Negroes?

Mr. LONGWORTHY. Governor, I think that is a question that I cannot answer accurately and honestly for the reason the Cook County Council has never, to my knowledge, ever made any kind of a study on that question, and it would be unfair for me to try to answer it on behalf of this council.

If it would be the disposition that such research be done, I am sure it would be within the wishes of the council to make such a study.

Commissioner BATTLE. May I ask the other gentleman, if you get an application for a loan, will it militate against granting that loan if you were told that the applicant is a Negro?

Mr. DETRICK. No, sir.

Mr. LONGWORTHY. I could answer that likewise.

Commissioner HESBURGH. Mr. Asmus, would you have any suggestions as to my general question what the Government could do to facilitate your business in providing the financing for new housing in your urban rehabilitation?

Mr. ASMUS. As I suggested in the second to the last paragraph of my written report, I think FHA insurance on a loan does make it possible for us to attract more money into the real estate end of the home financing field, and if perhaps a new section of the Housing Act could be written that would apply directly to, or if the present act could be amended so as to apply to the financing of existing houses, eliminating some of the things that now are a bar to it.

For instance, a bathroom off the kitchen usually bars FHA from financing the house. Perhaps you, yourself, have lived in a house of

that kind when you were a boy—I am sure I have—and I don't think we would ever build a house like that today, but I don't think that it should necessarily be a bar to insuring a mortgage on that house to an acceptable borrower.

The other gentleman mentioned the fixed interest rate. A flexible interest rate on Government-insured or guaranteed loans would make a lot more money available to homeowners. Our banks at the present time are perhaps the only ones on the South Side making VA loans, and we get very few applications for those because builders have not qualified their houses for VA because they are discouraged about not being able to find buyers for the mortgages because of the low-interest rate. FHA is to some extent in that same position.

Commissioner HESBURGH. We are told in New York that there is about \$250 million of FNMA tied up and if it was released it would be very helpful in backing up some of these loans.

Mr. ASMUS. I don't understand what that is.

Commissioner HESBURGH. The expression used seems to be the trade expression "FNMA."

Mr. ASMUS. Well, the Federal National Mortgage Association is a Government financing sponsored association the purpose of which is to stabilize the market for mortgages at a time when it is difficult for the original lenders to find outlets for mortgages they have on their hands, and sell them to FNMA. At times when there is a surplus of money and demand for mortgages, investors like myself can go to FNMA and purchase mortgages from them.

In addition to that purely market function, FNMA has been used by the Government for special assistance programs, like a year ago, \$1 billion was made available to FNMA which they were to lend on VA loans without any discount on homes within certain categories. Now, that is all used up, I believe. It may be, however, that you are referring to a \$250 million fund which has been committed under that program and not used. That is quite possible. I have heard that. I have no direct information on it.

Commissioner HESBURGH. Yes, the gentleman who testified in New York said \$250 million has been allocated or, perhaps appropriated but not allocated would be the proper terminology.

Mr. ASMUS. I believe there is such a fund.

Commissioner HESBURGH. I believe Dean Johnson has a question.

Dean JOHNSON. Mr. Asmus, I believe you might answer this question. Mr. Travis and also Mr. Harris testified as to considerable difficulty in getting loans on properties, and in your answer to Governor Battle it was indicated that the question of race was not alone a factor.

I wonder if the property involved was located in a previous all-white area, whether that would be a factor?

Mr. ASMUS. I heard the previous testimony and I agree that there is a problem in securing a loan for the first one or two people, colored people, who might want to move into a previously white area. There is no use of evading that question.

There is at least one good reason for it. Mortgage lenders might be subject to nullification if they are the ones who start a movement into a community. Furthermore, there is a danger of damage to the property which no lender wants to be involved in. Those are facts we have got to face.

I say this, however, as for myself, and I think it applies to practically every member of the Mortgage Bankers Association that barring that one stumbling block, none of us hesitate to lend money. We apply the same standards to members of any minority group because that is our living—lending money, and as I said in my statement, I made a lot of loans to Negroes. I have loaned to Chinese, I have loaned to Armenians. We apply the same credit standards to all races. Minority groups sometimes have a little bit more difficulty meeting those standards.

Commissioner HESBURGH. We have time for just one more question. Reverend James?

Reverend JAMES. Dean Johnson had the question I had in mind.

Commissioner HESBURGH. Governor Battle?

Commissioner BATTLE. One of the witnesses this morning, and I don't recall his name, a colored gentleman, took the position that when a Negro entered a white community as a first entry, we'll say, that it immediately resulted in depreciating the values of that property, and he went on to say it depreciated to such an extent that the sharp real-estate operators would go in there and buy up the property at almost a ridiculous price.

Do you agree with that thought at all, and if so, would it affect the security of a loan?

Mr. ASMUS. Well, it might, yes. There seems to be, when a Negro family moves into a neighborhood which was previously white, there is sometimes even the approach of a panic of those in that area to get out. By throwing their properties on the market, they do depress the market price. However, I agree with Mr. Downs when he says that we have made a great deal of progress in that regard.

I have been connected with community organizations that embrace both races. Our banks in the three areas in which we operate cooperate with these various groups and our attitude is to try to avoid that sort of hysteria. We try to build up our neighborhoods regardless of who the occupants are and keep our neighborhoods up to a standard. I think a great deal of progress has been made in allaying the fears of people so you don't have this indiscriminate throwing of

properties on the market which does destroy values and sometimes for quite a period.

Commissioner BATTLE. Thank you, sir.

Commissioner HESBURGH. We heard this morning of one particular practice which sounds rather unethical and I would like to check it with you gentlemen. It was the situation of a man who takes a mortgage but doesn't acquire title until he has paid it off completely but can be foreclosed even though he may have paid 90 percent and missed a payment or two.

Is that practice common or uncommon?

Mr. ASMUS. It is much less common now since we have the vehicle of the long-term, high-loan-value, monthly-payment mortgage. That has eliminated the need for it. Whenever tight money makes FHA or VA loans unpalatable in the financial markets, contract selling does raise its ugly head.

In most instances, however, Father, I don't think contract selling is resorted to, to take advantage of the purchaser. The fact that his property can be taken away in 60 to 90 days I don't think is so much a factor, and, as a matter of fact, I believe in equity. If a man had paid 90 percent of the cost of the property in all probability the court would grant him a right of redemption. I think it is an academic question. I don't think it is a fact at all.

Commissioner HESBURGH. We did have a case brought to our attention which wasn't part of the testimony, a rather sad case of a man who had bought a \$9,000 contract and had paid \$8,000. His son was in the Army and International Harvester closed down. He lost his job, missed three monthly payments and lost the whole thing. That seems to be more speculation than honest business, though, wouldn't you agree?

Mr. ASMUS. Yes. I am associated with many banks, savings and loan associations, and so forth and I know of nobody in the city of Chicago who would take advantage of that sort of situation.

Commissioner HESBURGH. I wouldn't think so. Apparently this was a case brought to our people when they were investigating in this city.

Mr. ASMUS. It may have happened but people in the industry don't do it.

Commissioner HESBURGH. It was unusual and unethical.

Ladies and gentlemen, we are going to have a recess now for fifteen minutes. We will reconvene at 4:20. Thank you very much.

STATEMENT BY CHARLES DETRICK, COCHAIRMAN, URBAN RENEWAL COMMITTEE FOR COOK COUNTY COUNCIL OF INSURED SAVINGS ASSOCIATIONS

The 209 insured savings and loan associations of Cook County are primarily neighborhood institutions serving their areas. They accept savings of the public and then invest these savings in home mortgages.

Most of their home loans are made under private or conventional home financing plans. A minority are made under provisions of insurance offered by the Federal Housing Administration and the Veterans' Administration. For instance, 5.7 percent of the mortgage volume outstanding at the end of last year were VA-guaranteed loans. We have no figures on the proportion of FHA-insured loans, but they are also relatively few in number.

To get adequate funds for this home financing, the associations pay an average dividend rate of 3.6 percent for the county—as of 1958. This dividend is competitive with open-money-market costs. Some of this money is held in reserve according to regulation and the remainder is invested at an average mortgage rate about 5.5 percent. The overall return on all savings, thus, is less than 5.5 percent. The cost of the money determines how much must be charged for mortgage loans. Therefore, the VA rate of 4¾ percent is markedly below the money costs. With the proposed increase to 5¼ percent, it is possible that more VA loans may be made. As for FHA loans, the fixed limit is 5¼ percent plus a one-half percent insurance charge which brings the total interest cost to the borrower above the prevailing convention rate. In other words, he may be able to get a lower rate on the conventional loans.

Therefore, most home financing is at conventional rates on conventional loans.

We do not make mortgages on the basis of race, creed, religion, or other artificial factor. Mortgage applications, as far as we know, do not request this information. Whether a mortgage is made is judged on the credit rating of the borrower, and the appraised value of the property.

Federal law regulates the percentage of money that may be loaned on a home. In most cases the limit is 80 percent. Just recently 10 percent of the mortgage portfolio of Federal-chartered associations can now be 90 percent loans. State-chartered associations are not regulated by these laws but both-type associations require that the downpayment be sufficient to protect the investment made. In case of default, the association should be able to get back the money of its savers that it has invested in the property in the form of a mortgage. This requires that the loan be from 80 percent to possibly 60 percent of the appraised value. But in no case may a Federal association make more than an 80 percent loan, except for the limited number of 90 percent loans, under conventional lending plans. These rules apply to all borrowers, regardless of color or creed.

Following these basic principles of lending, the associations have materially increased their proportion of lending in the Chicago area to 68 percent of the volume of mortgages of \$20,000 or less recorded in Cook County. Homeownership has substantially increased. By encouraging people to save for a down payment and then buying a home with these savings, the percentage of homeownership has been materially increased in this area. The associations feel they have contributed to the community in this manner.

(Whereupon, a recess was taken, after which the following proceedings were had:)

Commissioner HESBURGH. The meeting will now come to order.

Mr. JACKSON. Our next witness, Father, is Mr. Robert H. Pease, who is vice president of Draper & Kramer, Inc. He will introduce the gentleman accompanying him, and he will talk about Lake Meadows and Prairie Shores.

TESTIMONY OF ROBERT H. PEASE, VICE PRESIDENT, DRAPER & KRAMER, INC.

Mr. PEASE. Father Hesburgh and members of the Commission, the gentleman on my left is Mr. Charles Hamilton, who is the manager and had charge of the initial leasing on Prairie Shores, which is the building about which we are going to speak.

I would like to add that I am making this statement in behalf, really, of Ferd Kramer, who is in New York at a meeting and couldn't be here.

The statement which I gave to the Committee I am not going to re-read. I will summarize it as follows:

Prairie Shores is a 19-story apartment building containing 342 apartments. Those apartments are divided into 114 efficiency apartments, 152 1-bedroom apartments, and 76 2-bedroom apartments.

That is a total of 1,090 rooms. The average rental of this building is \$33.70 per room.

The important thing with regard to this building as far as your Committee is concerned is the fact that this is located at 29th and South Parkway, which is really a revitalized Negro area. It is relatively close to the Loop of Chicago. It is adjacent to the Lake Meadows project, which is owned and operated by the New York Life, and that is an integrated housing project.

Our project, when completely rented, was 75.4 white and 24.6 colored. The building was fully occupied on March 1 of this year, and we, as a firm acting as rental agents for the owners of the property, have operated this property since then, and I would like to speak briefly about our experience with it.

First of all, as far as leasing is concerned, I think there are some more ingredients in regard to this property that have not existed in similar developments.

The first is the fact that this is immediately adjacent to Michael Reese Hospital. To those not familiar with Michael Reese Hospital, it is one of the largest private hospitals in the Middle West, a very successful, a very important part of our hospital community.

The presence of this hospital gave a real anchor as far as this neighborhood was concerned. The second anchor in this neighborhood was the Lake Meadows project operated and owned by the New York Life. The third anchor in the community was the Illinois Institute of Technology, which is located about four to five blocks directly west of the subject property.

We felt that this provided the type of a community in which a project of this type could be built. When we were offered the property for leasing, we had a sample apartment set up in the building and furnished to show to prospective tenants.

We, as a part of our leasing program, initially contacted the people in Michael Reese Hospital, and, as a result of rather extensive promotional activity with them, we had 94 tenants sign up when we originally offered the project to the general public, and we had created an apparent demand for the property on a biracial basis.

When we first offered it generally, we had a 75-25 white and Negro ratio setup and we had no quotas, we had no restrictions. It, however, maintained that ratio right down to the final 342d apartment.

The factors that contributed to the success, and I say success somewhat timidly because this property has only been occupied for the past

few months. Nevertheless, I think it is a success from the standpoint of having achieved this immediate occupancy.

First is the question of rental. At \$33.70 a room, this may seem high to you gentlemen, but it is very low for Chicago. It is very low particularly for a new building. This is, I think, almost as nice a building as you would find in any other section of Chicago with the exception of a few features in bathrooms and kitchens.

The second is its location. It is within 10 minutes' driving time of the loop. It is within 14 minutes by bus. It is also close to some very important employers. The University of Chicago is 10 minutes to the south. As I mentioned before, the Illinois Institute of Technology is three or four blocks west. The large medical center is 10 to 12 minutes west of it, and, of course, the Chicago Loop.

We found that our tenants in this property came from all sections of Chicago. Amazingly enough, we had, I would say, 12 to 15 percent move into this property from the suburbs. We had a few tenants who had lived on the near North Side in what is commonly called de luxe housing. Of the 342 apartments, I don't believe there are over 50 to 55 apartments that are occupied by direct employees of the hospital, and consequently, we have achieved here an integrated housing project. I can tell you without the slightest qualification that this building is operating without any difficulty of any kind on this 75-25 white and Negro basis. We have a very capable policing situation as far as the area itself is concerned and with the help of the Michael Reese Hospital. The worst incidents that we have had in this area have to do with pilfering of automobiles and one attempt to steal a car. Otherwise there has been no crime as such.

This isn't all a perfect situation. In the first place, we have a very difficult high school situation which will tend to mitigate against continued success because you cannot get families out there without good school facilities, and I would mention in this connection that one of the real problems Lake Meadows had, which is a 2,000-room project immediately to the south—they had a real problem when they first started leasing because there were no school facilities, practically speaking, in the community.

The only high school is a new and very fine Dunbar High School, but that is a trade school. I have nothing against trade schools, but you need both kinds as far as your area and people are concerned, so that this thing must be corrected.

I think when you realize that anybody above the fourth or fifth floor can have a view of Lake Michigan, and the Chicago Exposition Hall will be within six or seven blocks of this property, and you can leave from here in your automobile and go immediately to the Outer Drive and down to the Loop, or south to the University of

Chicago within minutes, is a real advantage, and I don't intend to say that this is the fantasy of all housing solution, but I do think if you can get these ingredients together—a good location, particularly good transportation characteristics; low rent, \$33.70 a room as far as Chicago is concerned—this new housing is by all odds the lowest that we know of at least in the city of Chicago, and that was an important factor in attracting people into this housing project.

I believe that we will not have any problems as far as our tenants are concerned. We have had no instances as far as racial problems are concerned.

What is that due to? It is due to all of the things I have spoken about, but I think probably above all it is due to this factor, and that is tenant selection.

You must have as good tenant selection in this property as you have in any other type of property. In other words, I am not speaking about money. That is only one of many. Of much greater importance is education, educational background, social amenities as far as the individuals are concerned, family backgrounds.

If you get those on relatively the same level, we feel that you are going to have a happy, satisfactory life as far as your tenants are concerned, and, so far, we have nothing to disprove that in the slightest degree.

But tenant selection is most important and most essential to this or any other property's success. I think that is about as far as I should go in the rehash of this.

If you have some questions, I would be glad to try and answer them.

Commissioner HESBURGH. Thank you very much, Mr. Pease. I would gather you probably have a fairly sophisticated group of tenants.

Mr. PEASE. I think the majority of the Negro tenants have some part of a college education. That may mean 1 year of high school in one course or it may mean a master's degree, but certainly I would say they are through high school.

Commissioner HESBURGH. This ties in somewhat to some other problems we run into in other parts of the country that the whole problem of voting, housing and education are pretty well tied together if one wants to make a gradual move toward progress across all fronts.

Mr. PEASE. It is very important because the first hurdle you have is integrated housing when you are leasing such a project, and unless you are talking with people that are prepared by background and by education to accept that fact, why, then, you are lost before you start, so you must start with a reasonable, well-educated segment of your community.

Commissioner HESBURGH. I notice on this bulletin you have given us you have one of these apartments circled. Do you intend to build the other four?

Mr. PEASE. We have completed the first. The second is now under construction. I think it is up to about the eighth floor, and we are within weeks of being ready to commit a contract to build the third. Assuming that we continue as we feel we will, we will build all five.

Commissioner HESBURGH. It seems to me your project answers one great need that bothers us in some other areas where we have had hearings. That is, in some communities an educated, intelligent Negro simply can't find a decent place to live with normal access to good modern housing, and this seems to answer that need.

Mr. PEASE. This, and I would also want to include Lake Meadows—those are 12- and 20-story buildings, and equally as nice as ours—they satisfy a good need, too, and there is one other thing I didn't mention, gentlemen. In this New York Life Lake Meadows project there is an excellent shopping center. It has two large supermarkets, a department store, Woolworth's, Walgreen drugstore, and so forth. I think there are about 30 stores in it, so that that satisfied a vital need as far as the people are concerned. It has more than adequate parking. In fact, you can walk from any one of these properties right directly to that shopping center.

Commissioner HESBURGH. I have only two more questions. First, what would be the normal average income of your tenants?

Mr. HAMILTON. Between six and seven thousand dollars.

Commissioner HESBURGH. How does a project like this get financed?

Mr. PEASE. All of these are under what is known as section 220 of the FHA. The first loan was purchased by the Aetna Life Insurance Co. of Hartford, Conn. The second loan was made with FNMA.

Commissioner HESBURGH. From an economic point of view, do you find this is a good investment, this type of building?

Mr. PEASE. Yes, sir.

Commissioner HESBURGH. Thank you very much, gentlemen.

Mr. PEASE. I would like to add something, Father. Every investor in here is at an equity position as an individual—well, there is one corporation in here—but they are mostly individuals who have put their money in, and it has some semblance of public-spirited citizens activity in that it was initially developed to help the hospital, but I am sure that, had it not qualified as a probably successful financial investment, they wouldn't have made it.

Commissioner BATTLE. Your ratio of 75-25 as between white and Negroes; did it just happen that way or was that designed?

Mr. PEASE. No; it really happened that way, Governor. We did not expect it would run that high. I mean we were surprised that it did run that high, and we had not quota set. I mean we didn't say we

will not rent the 26 percent to colored in order to keep it at that level. I think it is correct that we hoped it would, but didn't expect it.

Commissioner BATTLE. Can you give us an idea of how many applications you turned down?

Mr. PEASE. I don't know. You mean on all levels?

Commissioner BATTLE. Yes.

Mr. PEASE. Well, there were quite a few, but I haven't any idea what it would be. We did turn down quite a few applications. There is no question about that because of your screening process of trying to keep the two on some kind of a compatible level.

Commissioner BATTLE. And no restriction as to children, I imagine?

Mr. PEASE. Other than the per-room occupancy. In other words, you couldn't have three children in one room, but if a family of four people came in and had a two-bedroom apartment, they were accepted. If a family had three children with a two-bedroom apartment, we wouldn't take them; they would have to have the larger unit. We had the same requirements for everyone as far as occupancy ratios are concerned.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. The staff studies in connection with this area indicated that there was a luxury apartment there at Lake Meadows. Now, I recognize that you are talking primarily about Prairie Shores, but could you tell us something about that luxury apartment and what its purpose is?

Mr. PEASE. I would have to answer in the negative because I know nothing about it other than just hearsay. I have heard there will be a few, whether you want to call it larger apartments or luxury apartments—I don't know—instead of having efficiencies, one- and two-bedroom apartments, I have heard that this other building will have as many as two- three- and maybe four-bedroom apartments in it. I think that is where the term "luxury" came in. I don't think it will be luxurious in appointments, or in its furnishings, but I think it will be larger as far as the number of rooms per unit is concerned. I think the purpose of it is to further diversify the community of Lake Meadows from efficiencies up to the larger families, because you tend to get people with no children, one child, and maybe two at the very most. This will give some opportunity to the larger families to be in there.

Dean JOHNSON. My reason for asking it—

Mr. PEASE. I would like to ask Mr. Hamilton with regard to this term "luxury."

Mr. HAMILTON. I have only understood the building would be somewhat luxurious as far as added room size and added appointments. The building, as such, would have some luxury features that weren't in their first ones, but that is all there would be to it.

Dean JOHNSON. My reason for raising the question—this morning we had considerable testimony about the importance of planning, and I was wondering whether that entered into the picture at all in an effort to keep a balanced community. Thank you.

Mr. PEASE. I think it is an attempt to make it a little bit of a more balanced community.

Commissioner HESBURGH. Thank you very much, Mr. Pease and Mr. Hamilton. It sounds like a very interesting experiment, and we are happy to hear about it.

STATEMENT MADE TO COMMISSION ON CIVIL RIGHTS, RE CHICAGO HOUSING HEARING, BY ROBERT H. PEASE, VICE PRESIDENT, DRAPER & KRAMER, INC., FOR FERD KRAMER, PRESIDENT, DRAPER & KRAMER, INC.

Prairie Shores Apartments is a project consisting of five elevator buildings in the area bounded by 26th Street, South Parkway, 31st Street, and Vernon Avenue * * * the area immediately west of the Michael Reese Hospital. Michael Reese Hospital is the largest privately endowed hospital west of the Alleghenies, and is currently nearing the completion of a multi-million-dollar expansion program which started in 1948. The first of the five proposed buildings constituting the Prairie Shores Apartments, located at 2901 South Parkway, was completed in the fall of 1958. This is a 19-story, reinforced concrete, porcelain and glass building consisting of 342 apartments with 1,090 rooms renting at an average of \$33.70 per room. This building has been fully occupied since March 1, 1959. There are 114 efficiency apartments, 152 1-bedroom apartments, seventy-six 2-bedroom apartments.

Because of the success of building No. 1, ground was broken for building No. 2 in the fall of 1957 with a scheduled completion date of January 1, 1960. This building will be the same as the first in layout and size.

Leasing operations started with various publicity releases, and by contacting the personnel department at Michael Reese Hospital for housing in March and April of 1957. Model apartments were opened in May of 1957. Advertising—using newspaper, radio, and publicity releases—commenced in early June of 1957. We also contacted several community groups and interested them in this type of housing. This consisted of such groups as Commission of Human Relations, National Conference of Christians and Jews, and so forth, and they were given personally conducted tours through the project.

During the same period, an outside man was employed to call on Chicago business houses, outlining the features of Prairie Shores to their personnel departments. Groups contacted were well over 100, consisting basically of banks, association of commerce, and industry and manufacturing plants employing 100 or more personnel. Gradually, the scope of this procedure was enlarged to include the Hammond-Whiting industrial area and outlying industry in Chicago suburbs. This program accounted for approximately 20 percent of the tenants now living in Prairie Shores.

With the opening of furnished model apartments at Prairie Shores in June of 1957, open house was held for all employees of Michael Reese Hospital. The hours were extended so that, no matter what hours the employees were working, they got a personally conducted tour through the three furnished model apartments. This immediately resulted in a large widespread public acknowledgment of Prairie Shores, together with a great many applications from Michael Reese personnel for apartments in the building. During the next few weeks, family members of these groups came to visit our apartments because of word-of-mouth advertising by the original visitors. This, no doubt, was highly successful for our leasing operation, in which 75 percent are white and 25 percent are Negro. During the following months of leasing, we continued to use advertising in major Chicago papers, one of the local FM radio stations, and local neighborhood papers in nearby communities.

In analyzing our advertising program we found that our best results were received from the local FM radio station, with display ads in the major newspapers running a close second.

It was found, in analyzing our applications, that the typical Prairie Shores applicant was a person of high school or better education, with the high major-

ity having received a college degree. The Negro tenants at Prairie Shores, almost without exception, have received or are working toward college degrees. Business classifications of the Negro tenants at Prairie Shores will generally fall into social service workers, education (elementary, high school, and college teachers and instructors), medical profession (doctors, nurses, highly trained laboratory technicians, business and professional men working for the business office, lawyers, architects, and so forth.

Because of an exceedingly low rental schedule for such fine apartments, the leasing of Prairie Shores had only the problem of integration. It was possible to do this with people of higher-than-average education, with people who had been associated with nonwhites in their business or professional lives and with certain younger families. It was difficult, if not impossible, to do it where the prejudices of the individual precluded living with Negroes.

A sizable majority of the white living in Prairie Shores moved there because of the good transportation facilities to both the North and South Sides. Approximately one-third are employed in areas south of Prairie Shores such as, University of Chicago, Museum of Science and Industry, and various businesses and industries located on the South or near West Sides. The remaining two-thirds of the white are employed in the Loop or near-Loop areas. The amazing thing about the Prairie Shores building is the fact that almost all of the tenants own their own automobile and use these automobiles for daily transportation. In many cases, where both husband and wife are employed, one will use the bus and the other the automobile.

In December of 1958 we accompanied two reporters from a daily Chicago paper and made a survey to find out how the integrated building would celebrate Christmas. Twelve tenants were interviewed by the reporters. No story was written and no pictures appeared because there was no story. There had been no problem in integration with any of these people and it was best put by one of the Negro tenants: " * * * this is something our race has been looking for for 300 years."

For the protection of the residents of Prairie Shores, the Michael Reese Hospital has a police staff, consisting of a chief and 20 private policemen, which patrols the Prairie Shores area at intervals ranging from 15 to 30 minutes day and night, except during the hours of 4 p.m. to 1 a.m., when a patrol is stationed at the Prairie Shores premises. This, in addition to the help in policing the area given by the Prairie Avenue police station, has kept the number of incidents at Prairie Shores to the minimum. Due to this added protection, incidents have been limited to petty thievery from automobiles.

Directly across the street, on South Parkway, is the new multi-million-dollar Dunbar Vocational High School, probably one of the finest vocational high schools in the country. It is my understanding that this is 100 percent Negro. At 31st Street and Ellis is the new Pershing Elementary School containing grades 1 through 6 catering to the children of residents of Lake Meadows and Prairie Shores. This is certainly one of the finest appearing elementary schools in the city. There is some demand for the addition of grades 7 and 8 by residents of Prairie Shores and, should this demand increase, it is my guess they would be added. Colleges in the immediate area are Illinois Institute of Technology, University of Chicago, University of Illinois-Navy Pier campus, Roosevelt University, and the Loop campus of DePaul.

The greatest benefit from this report would be to provide the Committee with background material covering actual experience in integrated housing in the Chicago market. This housing experience can be summarized as follows:

A. The existence of the Michael Reese Hospital, adjacent to and working in direct contact with us in the development of Prairie Shores, was a very important ingredient of the initial success of the project. This hospital contributed stature, character, and solidarity to the neighborhood and to the entire program. It created confidence in the attainment of our objectives and, while the total number of people from the hospital taking apartments in Prairie Shores was not great, it was a large proportion of the initial committing group. This enabled us to set standards that were maintained throughout the entire project. This tie-in of an institutional nature has many attributes that are highly desirable in developing integrated housing.

B. Tenant selection, particularly in the initial stages, is a critical part of the rental process. Not only is it important at the time of initial leasing, but it becomes far more important at the time of renewal of leases. Monetary standards alone will fail to make a successful project. It is absolutely necessary to have social and educational standards that tenants must meet.

C. The rents that we charge for this 19-story multiple building average \$33.70 per room. Chicago is a high-cost building town and these rents are very low in terms of new housing. This low rent becomes an important factor in attracting the whites into integrated housing, but it is also essential that the amenities of a good neighborhood exist and that there is definite indication that they will continue to exist.

D. It is important that the renting program be carefully conceived and developed. There should be both Negro and white salesmen to show the model apartments, and these people should be well selected and trained. Personal contacts must be made with industry, associations, and community groups, for a word-of-mouth campaign can be most helpful to the project.

E. Immediately to the south of this project, and almost contiguous to it, is a development known as Lake Meadows. This is a privately owned integrated housing project owned and operated by the New York Life Insurance Co. As part of Lake Meadows, there is a 34-store shopping center which includes two large supermarkets and a department store. This shopping center has been an important factor in providing good shopping facilities for the tenants of Prairie Shores.

F. One of the real drawbacks to the subject area has been the problem of a lack of adequate high school facilities. The only high school in the area is a new vocational high school which is 100 percent Negro. The importance of adequate general high school type facilities cannot be overestimated. The Chicago Board of Education built a new elementary school on the grounds of Lake Meadows and this has provided good integrated schooling at this educational level.

G. One of the real advantages of the location of Prairie Shores is the question of transportation. One can go to the heart of Chicago's Loop by car within 10 minutes or by bus within 15 minutes. The Illinois Central suburban transportation gives service on a local-train basis, but this has proved to be unsatisfactory. The majority of the tenants use bus and private automobile.

H. An important element in describing this as a good location is the fact that the great majority of all the apartments have a view of Lake Michigan and the Outer Drive. The new Exhibition and Convention Hall being built by the city of Chicago will be located at 23d and the Outer Drive, which is only six blocks north of the subject property and two blocks east. The Institute of Technology is only about five blocks, and provides another institutional anchor to the location.

I. One of the truly serious problems is the fact that present investment laws do not encourage private capital to enter into these developments on a broad scale. If one invests money into a mutual fund composed of common stocks, the income from this is only taxed at about a 7 percent rate, but, if a corporation is organized to build a building of this type or if a real estate trust were organized to build a building of this type, income from these buildings would be taxed at the corporate rate, which is often as high as 52 percent. This type of tax treatment completely estops any large interest on the part of important sources of capital.

J. There should be liberalization of depreciation for apartments of this type, because such a move would, in itself, create a new interest in the part of builders and real estate investors.

ROBERT H. PEASE.

Mr. JACKSON. Our next witness will be Mr. Saul D. Alinsky, executive director, Industrial Areas Foundation, and technical consultant of the Back of the Yards Neighborhood Council of Chicago.

Commissioner HESBURGH. Proceed, Mr. Alinsky. We are happy to have you.

TESTIMONY OF SAUL D. ALINSKY, EXECUTIVE DIRECTOR, INDUSTRIAL AREAS FOUNDATION, AND TECHNICAL CONSULTANT OF THE BACK OF THE YARDS NEIGHBORHOOD COUNCIL OF CHICAGO

Mr. ALINSKY. With microscopic exceptions, this is one Government investigation in which all white men should plead the fifth amendment.

The major facts about discrimination and segregation have been known by literate Americans for the past 20 years. This city is like other American cities. We have large-scale segregation and discrimination in all its known forms.

Research and multitudinous moral condemnations have brought scant change for the better. Our problem is not ascertaining the facts—everybody knows them—but to interpret them in a manner that will permit us to stop pretending to discover what we already know, and then throwing up our hands in horror. The problem's importance prevents our sidestepping it by means of moralistic resolutions, indignant protests, or bellowing crusades. We are now going to have to devise realistic solutions on the basis of the facts as they are.

The fashion today among some sociologists is to take a look at the growth of Negro population in northern cities, "exploding population," growth of Negro income, and the rising level of Negro educational attainment, and then declare that this problem is similar to the one we faced with the European immigrant groups 40 and 50 years ago.

The only difference, they say, is that the European had to be Americanized, while the Negroes have to be urbanized. Certainly there are some points of comparison, but we cannot ignore the important difference.

Call it what you will, by the pedantic sociological terms of "social distance" or the ordinary word of "prejudice," the crude fact is that once a Negro is "urbanized" the problem is not resolved.

The immigrant could change his name, his address, and even his religion; the Negro cannot change his color. As long as three decades ago we were able to embrace a play like "Abie's Irish Rose" and turn it into part of the national folklore. No similar story involving the marriage of a white and a Negro person could earn a cherished place in the Nation's heart or in fact, even be allowed on the screen.

I repeat, this is the most important difference between the problems of the white European immigrant of the past and the Negro migrant of today. I must take sharp issue with those who, by drawing a picture of the similarities, suggest that, since the former problem worked out by Americanization that this one will by urbanization. The sociological snapshots of immigrant and migrant look alike as long as you don't use technicolor.

Incredibly, the proponents of the urbanization panacea have never asked themselves why the hundreds of thousands of Negroes who were born in northern cities, who have lived in them all their lives, and are urbanized by any standards, are still segregated and still discriminated against.

After the urbanization idea dies, the same argument will reappear as suburbanization. This kind of suggestion is unfortunate in that it in-

duces a sedative effect, when the situation calls for intrepid, aggressive action.

Statistics can mask as much as they illumine. The beguiling similarities between Negro economic and educational progress and the progress made by white immigrants in the past may be a comfort, but it is nothing to rely on.

Perhaps, even as short a time as 10 years ago, the professors could argue everything would iron itself out. The Negroes' very economic and educational progress disproves the whole idea. According to this theory, we should see an abatement of segregation corresponding to Negroes' obtaining better educations and incomes. But the same academicians who are saying the statistics show the problem is taking care of itself have another set of figures that show Chicago has become more segregated with each passing decade.

There are several reasons for this. One is that no white Chicago community wants Negroes, and that includes the Back of the Yards. Let there be no mistake about it: no white Chicago community wants Negroes, and that also includes those communities which publicize themselves as interracial. The only places in this city there is even consideration of an integrated population is where the Negro ghetto has rushed in on the whites who, for various financial reasons, are trying to stick it out. In these instances integration is really just a desperate adjustment to a fait accompli.

In Chicago "integrated" is usually a term used to describe the period of time that elapses between the appearance of the first Negro and the community's ultimate and total incorporation into the Negro ghetto.

There is another reason for the absoluteness of segregation in the city. That is the housing shortage. Efforts are sometimes made to prove statistically that the housing shortage is rapidly evaporating.

These arguments hold together very well as long as the listener does not go into the sections of the Negro ghetto where thousands of families are compressed into space originally intended for far fewer people. The eye can be deceived, but not when the conditions it sees go on for blocks and blocks and miles and miles.

The Negro housing shortage acts on the city just as heat applied to water in a boiler does. After the pressure reaches a certain point an opening is forced and the excess steam escapes. That is what is happening with our Negro population. As a weak point develops in a ghetto wall the pressure from the population pileup is so great that a breakout results in complete occupation of the adjacent white community.

Yet neither white antipathy to Negroes, nor the effects of the housing shortage adequately explain why so very, very few Negroes have found their way into our white communities. For the final element

in the explanation we must look to the way that Chicago and many other large Midwestern cities are put together.

Generally they are characterized by being not so much cities, as large collections of semiautonomous towns or villages sewed up into municipal wholes. In this respect Chicago's problem is immeasurably more difficult than New York's.

In a city like New York large portions of it have only the feeblest neighborhood consciousness, only the weakest kind of institutional solidarity. It is indescribably easier for a Negro to move into an apartment in a city neighborhood where there is no tradition of neighborliness, no history of many of the people knowing each other, and having ties through church, union, employment or national origins.

Chicago is an excellent example of another kind of a city. As big as it is, it is only in recent years that it has begun to develop many sections where even white people can live in a sophisticated anonymity.

The Back of the Yards is an instance of what I mean. It was originally populated by people who worked in one place, the stockyards, and very quickly grew to be predominantly the home of people of a central European, Roman Catholic background. The Back of the Yards, as a community, is for its inhabitants more of a reality, more of a focus of attention, loyalty, and common interests than the city of Chicago itself.

Under such circumstances the presence of any outsiders, not only Negroes but white Protestants or even Irish Catholics, poses a very real threat to the continued existence of the community and the community's institutions.

Obviously, a foreign language national parish established to serve one particular group alone is faced with a fearful dilemma when the prospect of a radical change in the population's composition arises.

What has proven true of the Back of the Yards is true of many Chicago communities. It is not the presence of a Negro, or some number of Negroes, which fills these communities with alarm. It is the possibility that there will be so many people with different backgrounds, different ways of life, and different institutional allegiances moving into the community that the very neighborhood will quite literally be obliterated.

We have always looked with admiration upon the advantages and benefits that come to a community when it is organized and knit together by warm, communal ties. It is time that we saw what is on the other side of the coin. That is an isolationism and a resistance to the entrance of new populations which might upset the status quo.

Nevertheless a community like the Back of the Yards has been able to do much to further the practice of racial equality. Today only a small percentage of Back of the Yards people work in the stockyards.

It is well to remember that in the past when most residents of Back of the Yards worked in the stockyards they organized a labor union and first met the Negroes who were being imported as strikebreakers and scabs. Yet, despite this history of economic strife, and despite the racial warfare of 1919 on the South Side of Chicago, the people of the Back of the Yards still led a drive to guarantee that Negroes would be waited upon and served in all the community stores, restaurants, and business establishments.

Through the late 1930's they fought off all attempts to pit Negro against white in the formation of the present labor union. Even to this day the United Packinghouse Workers, AFL-CIO, a union with a predominantly Negro membership in this city, derives its strongest and most consistent support from the people of the Back of the Yards.

We can ignore these facts and continue to blow the trumpet for moral reaffirmations, but unless we can develop a program which recognizes the legitimate self-interest of white communities, we have no right to condemn them morally because they refuse to commit hara-kiri.

What then are our proposed remedies for this inequity. Some say "Pass a law"; "Make it illegal to be immoral." I do not believe that the answer will be found in legislation.

The problem is not insoluble. But we must recognize and act on certain conclusions that come inescapably from the facts of life. It seems that when it comes to handling a special issue we forget the commonsense and experience which we use in everyday life.

The race problem is no exception and does not transcend life's ordinary rules. First, people of like background, income, occupation and way of life have and will continue to prefer to live together. This will hold true regardless of whether we are talking about whites living with whites, Negroes living with Negroes, or whites living with Negroes. Success depends on our never forgetting that people of both races living together in a community must be compatible socially and economically.

That alone is not enough. A means must be found to prevent the swamping of white communities by large numbers of Negroes driven out from the heart of the ghetto by the forces of the housing shortage. Simultaneously, a means must be found that will forestall the panicky flight of the white population out of communities where a few Negroes have moved in.

I must digress to make a few remarks about the reasons for the white population's running for the exits. It cannot be simply ascribed to racial prejudice or the manipulations of unscrupulous real-estate operators. Even though there are many whites who dislikes Negroes they are not so foolish or so prejudiced as to leave just

because there are some Negro families in the vicinity, or on the block, or even because there is one next door.

The principal reason for flight is the belief that the neighborhood will soon be all Negro, and that the family which remains, will be a white minority of one. The coming of the first Negro family symbolizes the beginning of the end. This has been the white experience, and the white population, like any population, acts on the basis of what experience has taught it.

I believe that there are very few people left in Chicago who feel that it is possible to have an all white community if that community happens to be near the expanding Negro ghetto. Most people know that the anti-Negro improvement association or the buying combine, designed to buy up houses so that they do not fall into Negro hands, or any of the other gimmicks, are ridiculously impractical and ludicrously ineffective. Given a chance, the white population will not leave. Too many whites have already sold and run, only to sell and run again. They're tired and broke. They are now willing to settle for something less than all white neighborhoods.

During the midst of a race riot a few years ago, I had an opportunity to talk to some of the white leaders. I said to them: "Suppose you knew that 5 percent of the population would be Negro, and you were sure the percentage would stay at that figure. Would you let the Negroes live here peaceably, not segregated, but diffused throughout the neighborhood?"

The men stirred.

"Remember," I said, "about 5 percent and no more. Would you accept that kind of a situation?"

They exchanged confused looks. The mob's leader then spoke:

"Mister," he said, "if we could have 5 percent or even a little bit more, but we knew for sure, and I mean for sure, that that was all there was going to be—you have no idea how we would jump at it! Buy it? It would be heaven! I've had to move two times already, pack up my family, move the kids to other schools, sell and lose a lot of money on my house—I know that when Negroes start coming into a neighborhood that means the neighborhood's gone; it is going to be all Negro. Yeah, your idea would be a dream. Why, I could start fixing up my home, and I know this house was my home forever, and this was where I was going to live."

What that man said to me has been repeated to members of my staff time and time again. There can be no doubt that a solution along these lines is possible because it appeals to the self-interest as well as the moral sense of the individuals concerned.

We cannot reasonably expect to persuade communities that exist miles from the Negro ghetto to do something about the problem. It

may be morally right, but it is not in their immediate self-interest. A long-range self-interest mists into an abstraction and lacks the moving force of urgency. It is in the imminent self-interest of the whites who are now faced with the radical dilemma where we can look for action. They know as clearly as anyone else that the price of a lily-white policy is their own disappearance. They will accept a compromise formula.

Everyone who has thought seriously about the matter knows that there must be a formula of some kind. They speak of a racial or an ethnic balance; sometimes they simply talk about "stabilizing" the community; sometimes they talk about ratios. "Balanced," "stabilizations," "ratio," "percentage," all refer to a numerical percentage or "quota." We seem to avoid the use of the word as though it were a plague.

I suggest that our minds may well become the prisoners of our vocabulary and we become confused. The fact is that call it what you will this percentage or quota procedure is agreed upon by many Negro and white leaders who avoid the use of the word "quota" in public.

I find it somewhat ironic that I, a person of the Jewish faith, should stand in public and speak favorably about a system of quotas. In the past the quota has been used as a means of depriving individuals of my faith of opportunities and rights which were properly theirs, but the past is the past. What is an unjust instrument in one case can serve justice in another.

I propose that a system of quotas involving a series of communities will be the means by which the segregation of races will be abolished. It will also be the means of preserving the life, continuity and future development of our communities. Strangely enough by doing exactly the thing that causes them the most fear and anxiety the white communities will guarantee their own future existences.

For those who are shocked by the idea of the opening up of white communities to Negroes on a quota basis aiming toward the diffusion of the Negro population throughout the city scene, I can only ask what solution do they propose. The price of responsible criticism is a constructive alternative. Let me reiterate that a solution is not a ringing declaration or a principle; a solution is not a grandiose gesture of protest or legislation.

It is one thing to assert that in the quota we will manage to find our way out of our impasse, but it is another to say how a quota is to be effected. Only those communities that now face the choice of accepting some Negroes or vanishing completely will answer this observation once and for all.

But obviously the decision is up to our communities, and more particularly it is up to our communities' leaders and our responsible institutions. If they default as they have in many instances, and allow

the power to make this life and death decision to be usurped by ignorant fanatics and petty hysterical demagogues, then we will have to watch what has been happening go on for a few more years.

A quota's effectiveness depends on a community being able to control itself in every respect. The whole system of intimidation and coercion that typifies the "blockbuster's" activities must be broken by united community action.

In the past community activities have often been in the hands of unstable individuals who have preached some kind of racist gospel. The net effect of their activities has been to divide white communities instead of uniting them. Churches, businesses, fraternal orders and other reputable community institutions have been put in the fatal position of having to embrace anti-Negro organizations or do nothing. They have usually chosen to do nothing, and I am being charitable when I say "usually." Soon, the time is past when any control is possible.

The basic issue here is the need for a means or an instrument which can effectively control the population pressures raging without and the fears raging within. Only when communities are organized to the extent that they become the common depository of all the strengths of the local people and their institutions can we have the coming into being of this kind of effective and yet voluntary control force. This kind of organization would be based on their issues of vital concern and framed by their self-interest; an enlightened self-interest which accepts the previously mentioned facts of life. A voluntary organization makes voluntary decisions. It is their choice and no policy in this or any other regard can be superimposed from the outside. This kind of organization would possess the power to do the job.

The Negro ghetto has now grown so large and broad that it directly presses against many more white communities. These communities must decide one of two policies. They may elect to fight it out on the old lines. If they do, they will be destroyed and their populations will be turned into nomads forever trekking from city to suburb, and from suburb to suburb. The only other choice we know is to do what has been advanced in this statement.

Thank you very much.

Commissioner HESBURGH. Thank you very much, Mr. Alinsky. I was wondering if you know of any communities here in the Chicago area that have taken your approach and made it work?

Mr. ALINSKY. No, sir. I would like to discuss that question with you a year from now.

Commissioner HESBURGH. You have some hopes?

Mr. ALINSKY. Yes, I very definitely have. I am not in the habit of putting down a lot of generalizations that maybe sometime something is going to happen.

Commissioner HESBURGH. How would you go about mobilizing a neighborhood to do this sort of thing? Would you do it on a block council basis or—

Mr. ALINSKY. No.

Commissioner HESBURGH. On a township basis or what?

Mr. ALINSKY. No, I would do it on a neighborhood basis, on the basic interest which concerned the institutions and organizations of the people. For example, if I were dealing with a church—well, there are two approaches.

There is the approach in terms of their own spiritual considerations, and there is also the approach in terms of their real-estate consideration. There are times when one or the other takes precedence, but they are concerned about staying in the community. There are certain things they can't move, but let me put it to you this way.

In developing a community organization which would be aimed toward this objective, and through getting them together on a whole host of their common self-interest which are the most important things to the people in that community, I would say that from the very beginning you would have to openly talk in terms of this kind of approach. From the time you began organizing, you would have to talk of this quota and formula. Otherwise, you are faced with a situation where you go in, and this may be in your head and in your heart, and in the head and hearts of others, and you say to yourself that, once a community is organized and has all of this strength, there is nothing to keep it from becoming a keep-Negro-out organization rather than to go through with this. So that, in this kind of a situation, you would have to start with commitments, commitments that would be so general and so deep that it becomes very difficult to back out of the situation once you are organized. With this, of course, goes the assumption of starting on the basis as the organization develops the leaders of the organization recognize more and more on a rational basis that this is their best way out. This is the only basis on which they are going to move. After all, if they were going to move on a moral basis, we wouldn't be meeting here today.

Commissioner HESBURGH. Good morals, I suppose, make for good living, too, but, anyway, I was just curious because I have some friends in Chicago who live in rather nice areas, who claim they have Negroes in the neighborhood, and they are friendly with them and get together with the new arrivals, and they don't intend to leave.

Now, I don't know how universal that kind of experience is, but I have heard some of my friends talk that way.

Mr. ALINSKY. Well, the fact is that, outside of a couple of so-called integrated communities which I have mentioned in this statement, I believe that, as far as the city of Chicago is concerned, the Negroes

live in segregated areas, and that you have few Negroes that are living in white communities.

Commissioner HESBURGH. Something that you indicated is taking place, apparently, in the suburbs of New York. They have another fancy tag for it. They call it "scatteration," but it pretty much boils down to the same thing, and apparently it comes from this legislation on open occupancy. If you look at a map of New York compared to Chicago, you will see it is much more spread out and has spread in recent years as compared to, say, 10 years ago, when everything was concentrated in Harlem.

Mr. ALINSKY. Where you have it, Father, you have it with a control factor. I have heard some testimony while I was here about the ratio 75-25. I haven't been present at the hearing all day, but I am sure figures have been dropped here and there—a so-called ratio that almost seems to come about by itself, but, where you have it, you have a control factor. Now, you have a subdivision in Palo Alto where you have a percentage basis, but this private real estate operator has control of these houses. As a matter of fact, some of your most prominent Negro leaders in California own homes in this particular section, but the basic problem we are faced with, or you will have this kind of integration in certain Government operations where the Government has control, but what we are faced with is trying to develop some kind of a voluntary control in most of these communities which have home-ownership, and there is no single control that says the figure will be so much, or we will permit so many Negroes and hold the figure at this point.

Commissioner HESBURGH. But you haven't in mind any voluntary organization that now exists except whatever spirit there might be which could be canalized into this kind of action?

Mr. ALINSKY. You put me in a very difficult position. I am aching to answer you, and yet, for organizational reasons in terms of our own work, I am compelled to—

Commissioner HESBURGH. Let's just pass it, then.

Governor Battle?

Commissioner BATTLE. No; I was thinking along the same lines Father Hesburgh was—the theory that may be very attractive to some people—but I just cannot visualize the implementation of it except in a housing development, or something of that sort but, in a block where you have all home ownership, who is to say that you have any quotas in that block? You talk about establishing a quota. Who is to say what that quota means; that one family, two families, or a dozen families wouldn't have a perfect right to come in and break that quota? It is a little difficult for me to visualize it. Maybe I don't have sufficient imagination.

Mr. ALINSKY. Well, if you have a community that is pretty strongly organized—and there are such things as very strongly organized communities—they can pretty much control what goes on in the area.

Commissioner BATTLE. I understood you to say the communities in Chicago are very strongly organized and no community wants Negroes in it.

Mr. ALINSKY. I wouldn't say they are strongly organized. You have a community life which is organized and which is more than you have in New York. You are starting from zero—I'll grant you that—but you are starting with communities. This is the only argument I can advance on that. I am speaking of those white communities which are immediately adjacent to the Negro community. You are starting with a white population which sees disaster in front, and sees that its community has a lifetime expectancy of maybe 2 or 3 years in that kind of a situation. To this date, there has not been attempted community organization along the particular procedure where you are saying to people: "you have nothing to lose. You have everything to gain."

Commissioner BATTLE. Suppose that community gets together and fixes a quota. How are they going to apply that?

Mr. ALINSKY. How are they going to plan that?

Commissioner BATTLE. Yes?

Mr. ALINSKY. I don't know. I imagine they would start with some arbitrary figure; 7 or 8 percent, or something around there.

Commissioner BATTLE. Well, having done that, how are they going to control it?

Mr. ALINSKY. Well, they can control it on a basis that a well-organized community can develop the facilities to even purchase homes.

Let me give you a little example. Let's assume that a community is organized along this line. They are agreed on this procedure. A home comes up for sale, and they have already decided that there will be this number of homes offered to Negro families who will be invited in. They know fairly well that they can probably get a price which would be as good, if not even a little better, than they could get from certain other white families. The Negro family would be invited in, and that home—well, other homes would not be offered. I am trying to say one home to a block, or two homes to a block. I don't know. In each situation it will vary, but I have found this true; that, when a community does get organized, and does get the power of control, they can figure out the ways to do these things.

Commissioner HESBURGH. We had one such community report to us in New York where this blockbusting was going on, and the way they controlled it was to get a certain proportion of the community to put a sign in front of their house, "This house is not for sale." They were staying despite the fact there was an influx of Negroes.

Mr. ALINSKY. What I am suggesting here is much deeper than that. Commissioner HESBURGH. It is a positive program.

Mr. ALINSKY. I am suggesting a program so positive that let us go off to the extreme, and let us assume you have an organization so strong that when people have homes to sell they will turn and offer those homes to the community organization to buy; that then the community organization will have the power of selection and of distribution of those homes.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. I gather from the explanation of your plan that, in your opinion, for the foreseeable future the differences between races will be an all-important one, so much so that communities will be more concerned with those differences than possibly interests along other than racial lines.

I was also very much interested in your explanation of your statement indicating that the members of the union got together, irrespective of race, and performed some very important functions.

I am just wondering whether your whole thesis isn't based on the assumption that differences between races will for the foreseeable future be the important items in people's lives and will make it difficult for them to join together in a happy community along other lines without regard to the percentages of races that are contained therein?

Mr. ALINSKY. Well, I would like to sort of give you two answers to that. When you mention the fact of the whites and Negroes getting together in the union, you raise a whole new area, and one which I feel may be the key in certain respects to break the segregation pattern than this quota system. This quota system is strictly on a residential pattern at this point, but in my experience when I have seen Negroes and whites caught in a common crisis, which had nothing whatsoever to do with color, an economic crisis, a common plight; I have seen the lines just collapsing and I have seen a unity, a breaking down of prejudice, a working together, which no amount of so-called race relations, or approaching them on a race basis, can even come close to.

I feel that it is unfortunate that in the city of Chicago we do not have a Negro community organization which can speak for the Negro population.

I would like to see that kind of a situation, and I would like to see a large mass Negro community organization to be able to turn to a white community organization and say to it, "Look, you want one and we want two; you want three and we want four. Now, let's get together and pool our strength and we'll be able to get what we want for all of us." They could start on that basis. I have seen this again and again without a single thing to do with race—no concern of it, and they have started working on a common problem, and as they

are doing that committees have started mixing, and joint committees and meetings started taking place in both neighborhoods, et cetera. This is what is a big vacuum in the Chicago area in terms of the segregative power. The Negroes of the city of Chicago do not have a voice. They do not have an organized base in terms of their numbers, what they represent in this city, so to speak, and to speak and collectively bargain for in terms of all issues including an issue such as this, and this would be relatively incidental to what I am talking to you about now.

I know of opportunities arising where this kind of approach could have been made if there had been the Negro organization in terms of its real representation, but we don't have that here, and, frankly, I don't know where you have it.

Dean JOHNSON. In connection with that, I was wondering if you would conceive of the possibility of a community composed of an indeterminate percentage in which the percentage would be unimportant, but they had a common interest that had nothing to do with race. Is it conceivable that Chicagoans or segments thereof may be interested in things other than race and, for that reason want to be together?

Mr. ALINSKY. Well, I would say yes, but, unfortunately, that is a small group of us. Let us be perfectly honest with each other. I would like to live in that kind of a community, but the fact is that most Chicagoans wouldn't.

Commissioner HESBURGH. Mr. Alinsky, we are grateful for your fine imaginative presentation. We thought you made an excellent plea, and we hope when you get your plan worked out a year from now you let us know about it.

Mr. JACKSON. Our next witness will be Mr. James M. Kemp, who is a member of the board of directors of the Chicago Federation of Labor.

Commissioner HESBURGH. Mr. Kemp, will you please proceed.

**TESTIMONY OF JAMES M. KEMP, MEMBER, EXECUTIVE BOARD,
CHICAGO FEDERATION OF LABOR**

Mr. KEMP. Father Hesburgh and members of the Commission, my name is James M. Kemp. I am president of Local 189, Building Service Employees International Union, AFL-CIO, and member of the executive board of the Chicago Federation of Labor.

I have been designated by President William A. Lee of that body to present the federation's view to this distinguished panel of the Commission on Civil Rights.

The federation is the central body of over 350,000 trade-union members of this city.

The creation of this Commission is a tribute to the legislative genius of the American system of government. It is evidence of the desire of people in all sections of our country to secure information on one of our Nation's major social problems. We are indeed grateful for the opportunity to participate in the work of the Commission.

The policies of the AFL-CIO on the question of housing are familiar to the members and staff of this Commission. We endorse these views and commend them to the study of the Commission and the Congress. We will attempt to follow the outline suggested by your questions in presenting our views.

Public officials and others with access to the facts have supplied the statistics, maps, and other data which are the essential background to your inquiry. Undoubtedly, the Commission and its staff have noted the patterns of racial living in this community. This is not unique to Chicago, nor is it new. Social scientists have described the shifting pattern of Chicago's neighborhoods. The process is endless. People drawn to our diversified industries for jobs provide successive waves of tenants for dwellings in older neighborhoods near the core of our city.

Earlier generations of European immigrants gave Chicago its unique flavor of neighborhoods. For these people, there was no doubt an element of discrimination in confining people from a country in Europe to a given territory. However, it was often a process of self-selection as well, for the native tongue and familiar customs drew people together. This affected the trade unions; many of our labor organizations originated from fraternal societies based on nationality. Until a few years ago, some locals of our largest unions conducted their business in languages other than English.

Most of these people have become "Americanized." Their children adapted to new ways, changing their customs, their way of making a living, and in many cases—their names. They were thus absorbed into the "majority." Some observers complain that Chicago's melting pot is becoming a bland, homogenized bouillon. For some, there was the quiet isolation based on religion.

Many workers who migrated to Chicago's industries could not make the complete adaptation to the culture which surrounded them. Differences in color cannot be shed, as can a strange sounding name. These facts are all too familiar to this distinguished Commission. It is difficult to measure how much of residential segregation is voluntary. It is not so hard to measure the amount of discrimination based on race. Your maps tell the story better than any words I might put together. We take sharp exception to anyone who pretends that housing discrimination does not exist in Chicago.

A slum is an evil contagion, seeking out areas of weakness. While we in the trade union movements have been able to raise the money

income of our members, we find many of them unable to leave the social surroundings to which they migrated. Although through community action there has developed resistance to blight, some of our neighborhoods are at the point of no return. Our distinguished mayor recognizes this, as do the experts who have presented their testimony here.

The Chicago Federation of Labor has worked with all public and private agencies for slum clearance and community conservation. With the changes which have occurred in Chicago in the past half century, we need the investment of much more money, brains and genuine social vision to meet the problems of the future.

The Chicago Federation of Labor has occasionally participated in conferences designed to promote union-sponsored, so-called middle income housing developments.

The Commission has already studied these developments in New York. The enthusiasm for adequate housing which draws people together is unfortunately dissipated by the legal and financial obstacles existing in Illinois. The system of tax relief afforded by New York laws enacted during the administration of the late Gov. Alfred Smith would be very difficult to establish here. However, we are hopeful that the State legislature will see the value of this type of legislation in Illinois.

We, in organized labor, find many positive forces on the housing horizon. Our city government is doing much in the four major phases of the program to keep Chicago vital: Prevention of slums and overcrowding, rehabilitation of basically sound structures through cooperation of lending institutions and municipal enforcement agencies; replacement of badly deteriorated structures with private or public housing as income needs of local requirements dictate; planning for redevelopment of neighborhood living. Cities can progress when its leadership is progressive. Organized labor in Chicago is confident that we have the imaginative leadership in our community to meet the city's problems.

These hearings may lead to a new cooperative spirit among all the community forces in our city. Organized labor in Chicago realizes that the city is on the threshold of tremendous growth as it becomes one of the world's major ports. Workers from all sections of the country will be drawn here as industry takes advantage of the new transport facilities. Growth in terms of numbers can be meaningless unless there is willingness to meet the social problems which will come with the new residents. We are grateful to this Commission for reminding us of our responsibilities. We look forward to using your report as the basis of sound, constructive action.

Commissioner HESBURGH. Thank you very much, Mr. Kemp. One of the trade union representatives in New York told us that they were

putting some of their funds into housing as an investment. I was wondering if any such thing was going on here in Chicago.

Mr. KEMP. I am given to understand, Father, that the tax situation as established by the State of Illinois makes this almost preventative. As against the situation in New York where the type of rent which may be charged if the institutions are relative tax-free, that is impossible here.

Commissioner HESBURGH. Thank you, Mr. Kemp.

Commissioner BATTLE. No questions.

Dean JOHNSON. No questions.

Mr. JACKSON. Our last witness will be Mr. A. Abbot Rosen, who is director of the Chicago executive offices of the Anti-Defamation League of B'nai B'rith.

He will enter a statement for the American Jewish Congress and American Jewish Committee.

TESTIMONY OF A. ABBOT ROSEN, DIRECTOR, CHICAGO EXECUTIVE OFFICES, ANTI-DEFAMATION LEAGUE

Mr. ROSEN. Thank you. I will also enter a rather lengthy statement of the Anti-Defamation League, and since the hour is so late, gentlemen, I will not attempt to read that statement in full.

I must say I very much appreciate the fact we do have this opportunity to appear here at this late hour, and, perhaps, to change the subject just slightly.

The discussion most of the day has concerned itself with discrimination against Negroes with regard to housing in the city of Chicago.

That, of course, is Chicago's No. 1 civil rights human relations problem. The matter I was to address myself to is that of housing discrimination against Jews, and although I do not suggest for a moment that the severity of the problem at all can be compared, nevertheless, there are certain complexities which I think very much bear upon the search which the Commission on Civil Rights is making in different parts of the country for answers to certain of these problems.

With your permission, gentlemen, I shall address myself to excerpts from this statement which I think may be of utmost pertinence, and particularly in view of the late hour.

The Anti-Defamation League of B'nai B'rith was privileged to testify in your hearing at New York. At that time we outlined in detail the facts of discrimination in different parts of the country against Jews including the Chicago area, and I shall not repeat the details of them. Rather, I shall take a few minutes to analyze the import of what does go on in this country as perhaps typical of many metropolitan centers of the country.

Housing discrimination against Jews in the Chicago area is a problem of substantial proportions. As indicated previously, it occurs in all areas of the city and suburbs and in every type of housing. Equally is it true that Jews can obtain housing almost anywhere in the Chicago area at the levels which their economic positions can command, despite the fact that in their search for housing they may experience many rebuffs because they are Jewish.

Our concern with the problem in the Chicago area is, therefore, not occasioned by any deprivation suffered by Jews in obtaining housing, but rather because the blatant practice of discrimination against Jews offends the dignity of the Jewish community, demeans the status of Jews everywhere, and, in itself, inspires the growth of prejudice against Jews. Further, we are concerned that the divisiveness and separatism developing in our communities as direct results of housing discrimination undermines America's democratic structure and harms all its people, regardless of their backgrounds.

While Jews move freely throughout the Chicago area, there are, for instance, whole neighborhoods in this city in which, according to our information, Jews have great difficulty in obtaining housing. Also, there are whole suburban communities completely closed to Jews whereas, almost paradoxically, the suburban community next door may have open occupancy with respect to Jews.

There are countless islands of discrimination in the city itself, such as individual apartment buildings which maintain a discriminatory policy toward Jews although other apartment buildings in the area follow no such practice, the apartment building next door, or on the next street.

In Chicago, as elsewhere, I understand one of the most blatant discriminations against Jews are large groups of housing which are called cooperatives. It is our feeling one of the reasons for the growth of the cooperative in apartment buildings in cities such as Chicago is a convenient device to keep out Jews. In a cooperative there is a so-called board approval policy which I will discuss later where one person can blackball a prospective new owner. In the case of a building which is closed to Jews, you may have an agent who will let one slip by. A lease is signed, and that's it.

Perhaps the best illustration of the complexity of the process of discrimination in housing as exercised against Jews is to be found in our northern suburbs. Over the past 10 years, Jews in increasing numbers have moved into these areas almost entirely without incident or tension situations, quite different, of course, from the experience of Negroes who have moved to new areas. At the same time, the increasing number of Jews seeking housing in these communities has brought to the Anti-Defamation League a flood of complaints of discrimination experienced. We find that the movement of Jews

into these suburban areas has been to a substantial degree by means of projects created by Jewish developers on the periphery of long established communities. Since Jews are accepted in these projects without discrimination, while the older part of the community still remains largely closed to them, Jews seeking to move into the suburbs move around the barriers erected in the older part of the community and into these open projects, with the result that there are created many Jewish enclaves on the borders of communities which have only a scattered few Jews living in them.

This creates problems of school districting, community improvements, and tax burdens common to expanding suburbia throughout our country become in these communities the basis for divisiveness along religious lines, a development that does not occur in those suburban areas in which housing discrimination against Jews is at a minimum.

A bond issue for a new school, in other words, may be determined not on the basis of the need of the total community for the school but whether it is going to be for Jewish kids from the project, or whether the school, on the other hand, is going to be one in an area which is attended by the children of the older residents.

There are similar complexities in the matter of cooperatives, as I suggested, gentlemen, and I want to address myself to this matter for just a moment. In one of the Chicago newspapers, and this is by no means an indictment of the newspaper which is performing its function, but one of the newspapers which carries the largest amount of classified advertising, there are in it in the course of a year literally hundreds of ads, classified ads, for the sale of cooperative apartments with the expression "board approval." Of course, all cooperative apartments have to be sold with board approval. However, we have come to learn these two extra words, and they are extra—they cost more money—have but one meaning: No Jews. They signal to both the Jew, the sophisticated Jew who has learned that he shouldn't waste his time trying to rent that apartment, and, perhaps, more importantly, the expression "board approval" has come to be regarded in certain quarters as an indicia of prestige of the building. In other words, "We are advertising not only the physical characteristics of these apartments, but at the same time we are signaling that you have no Jewish neighbors." This, gentlemen, we regard as a very, very distressing development.

Since I have been requested to close shortly, I would like to conclude with these few observations.

We do feel that one of the most flagrant results of this process of discrimination against Jews, who we say are not denied housing in general, but one of the flagrant results is the impulse of self-ghettoization, in other words, Jews are human like anybody else, and they

are going where they are going to be received well, where they will be comfortable. Jews do that. What happens in these new developments that I have described, for instance a large number of Jews will move in. There will be non-Jews in the neighborhood. They don't want to be inundated, as the expression goes, so they will move out, and pretty soon you will have a 100 percent Jewish neighborhood. Then this development will be held up as a horrible example of what happens when you allow Jews into the community: They just completely take over the place. The overrepresentation of Jews in the unrestricted neighborhood is made the justification for raising even higher the barriers in other neighborhoods.

What are the answers to this problem, gentlemen? You have, in the course of your hearings in New York and in the course of your hearing today received many suggestions for legislation, for quota systems, and so forth, and I dare say that each and every one of these suggestions has its pertinence, and I suspect that the Anti-Defamation League will support in whole or in part, at least, every one of these suggestions made.

However, we do feel that above and beyond legislation of the type described, the real nub of the problem, the nub we have to get at with respect to Jewish discrimination, at least, is a community's inertia, the perpetuation of community patterns long after the outright religious bigotry which gave rise to barriers against Jews has lost its acceptance on the American scene. Our experience leads us to the conclusion that responsible for this problem are not only property owners and the real estate firms who act for them, but as well the leadership of the community—government officials, newspaper publishers, the religious and civic figures who fail to exercise their roles as opinion molders, accepting an outmoded "way of life" for their community.

We have the community slavish conformity: Just because Jews didn't live here 30 years ago, Jews will not live here today, and people who are putting their homes on the market almost thoughtlessly will indicate they don't want Jews as purchasers.

Real estate operators will regard this or that community as closed or almost closed to Jews without taking any initiative or leadership to give themselves new business and new markets, if you will, gentlemen.

A village president of one of the suburbs responded to our testimony in New York with respect to the Chicago area by saying it was not true that there was discrimination in their communities, a response which showed sensitivity of this type of criticism.

With a certain amount of response by these people as well as these various other actions and panaceas which have been suggested, we feel the problem of the Jewish community in this respect will be consider-

ably eased, and to the extent that its problem will ease, so will the American problem be eased.

Thank you very much.

Commissioner HESBURGH. Thank you, Mr. Rosen.

Don't you feel that the problem of discrimination is part of the total fabric? You are admitting it in one area and you are admitting it in a lot of areas.

Mr. ROSEN. I have heard that said and say it myself, and say it every time I get on a speaking platform. There is a great deal of truth to it, but at the same time, I think that the statement itself may not be helpful in resolving particular problems.

I would very much agree and be in accord that when discrimination in America ends for the Negro, it will end for the Jew and everybody else at the same time. As I tried to distinguish hastily out of necessity, even though these matters are related, the problem of Jewish discrimination in housing, for instance, is considerably different than the problem of discrimination against the Negro, and even though in quality and in essence it is the same in kind, it may be quite different, and the immediate remedies, at least, may be different.

Commissioner HESBURGH. The reason I ask that is because I think at times we intend to look at discrimination as only being a Negro problem, and I think it is far greater than that. I think it has economic repercussions of different economic groups. It can become involved in labor-management relations. It can be established between religious groups. It can arise between different sections of the country, and I think it is the kind of foreclosure of open opportunity that we look for as being homogeneous, and we have to personally combat it in every form it appears.

Mr. ROSEN. Apropos of that, I am reminded of a reaction to the testimony we gave at the New York hearing. One of the communities we mentioned in our northern suburbs is Kenilworth which has, as far as we know, no Jews living within its borders, and we so named it. The response of the village president of Kenilworth was, "We have no Jews and Catholics in this community because there are no synagogues or Catholic churches here," as if the synagogues or Catholic churches were built before the people went there, or as if a Jew or Catholic resident of Kenilworth couldn't have gone a quarter of a mile across the line to attend a church, so that, certainly, in large part, is religious discrimination of a kind.

Commissioner HESBURGH. Thank you. Governor Battle?

Commissioner BATTLE. No questions.

Dean JOHNSON. No questions.

Commissioner HESBURGH. I think everybody is tired, and I am sure that the other Commissioners would want me to thank our audience

for being so attentive, and thank all of our fine witnesses today who have come at considerable sacrifice to bring, or shed some light on this difficult problem.

We will now adjourn until 9 o'clock tomorrow morning.

(The hearing was recessed to reconvene at 9 o'clock, a.m., Wednesday, May 6, 1959.)

UNITED STATES
COMMISSION ON CIVIL RIGHTS

HOUSING

HEARING HELD
IN
CHICAGO, ILL.

May 6, 1959, Morning Session

COMMISSION ON CIVIL RIGHTS

WEDNESDAY MORNING SESSION, MAY 6, 1959

The Commission met in room 600 of the U.S. Federal Building, Chicago, Ill., at 9 a.m., Wednesday, May 6, 1959, Rev. Theodore M. Hesburgh, Commissioner, presiding.

Present: Robert G. Storey, Vice Chairman, and Rev. Theodore M. Hesburgh, Commissioner.

Also present: George M. Johnson, Director, Office of Laws, Plans, and Research; Gordon M. Tiffany, staff director; Henry M. Shine, Jr., special assistant to the staff director; Mrs. Carol R. Arth, Executive Secretary; A. H. Rosenfeld, Director, Office of Complaints, Information, and Survey; Harris L. Wofford, Jr., legal assistant to Commissioner Hesburgh; Eugene R. Jackson, legal assistant to late Commissioner J. Ernest Wilkins; Robert H. Amidon, housing team attorney; and Rufus Kuykendall, consultant.

PROCEEDINGS

Commissioner HESBURGH. The meeting will now come to order. Mr. Jackson.

Mr. JACKSON. Our first witness this morning is Dr. Alvin Pitcher, representing the Church Federation of Greater Chicago.

TESTIMONY OF DR. ALVIN PITCHER, ACCOMPANIED BY MR. FLETCHER, THE CHURCH FEDERATION OF GREATER CHICAGO

Dr. PITCHER. Father Hesburgh, Mr. Storey, Dean Johnson, members of the Illinois Advisory Committee and staff, my name is Alvin Pitcher. I appear before you on behalf of the Department of Citizenship, Education, and Action of the Church Federation of Greater Chicago. Representatives of Chicago's Protestant churches meeting as a department of citizenship, education, and action authorized me to make the following statement.

I might say that this represents preliminary conclusions from a study which I and my associate, Mr. Fletcher, who is here with me, have been engaged in for some time. We have a document of some 50 pages, and we hope to have the privilege of forwarding that to you in due time.

Housing continues to be the focus for personal and political decisions affecting the safety, well-being and community of millions of

persons in the Chicago area. Many people are not able to find or to afford safe and sufficient housing. Hundreds of thousands of non-whites are denied equal access to the housing that is available. Millions, moving from one place to another either in search of better housing or because of displacement by persons or projects, seek in vain for a stable community in which to establish their roots.

By virtue of the faith that has created and sustained them, the Protestant Churches must be concerned that all have access to safe and sufficient housing, we must have more housing. To provide equal access to housing will require the establishment of an open market in which there is freedom for anyone to buy or to rent if he has the financial means and the will to maintain community standards. To preserve and to encourage stable community will involve imaginative efforts to reduce mobility and to reconsider the social basis for community. Any approach that attempts to meet the problems only by increasing the amount of housing or only by establishing open occupancy, or only by a combination of these two programs ultimately will be insufficient, and to have safe and sufficient housing we must have more housing.

In this sense we would agree with Mr. Alinsky's testimony of yesterday, for we feel that in addition a basis for relatively stable community life must be found, but as you can see, we would oppose Mr. Alinsky in that we think some real open occupancy provision must be provided by law.

First, to supply adequate housing means to provide more and better housing. This means to increase the quality of the housing. Over 15 percent of the total city housing was substandard in 1957. Four percent were dilapidated. The remainder were substandard because of the absence of private flush toilet and bath and hot running water. It is said that in 1957 there were 177,000 substandard units in the city.

To provide adequate housing means also to increase the quantity of housing. It is claimed that 36,000 units are necessary in order to keep up with the population growth and 33,000 to replace those becoming obsolete each year. Thus, in order to maintain the housing standards of 1950 we should have built 69,000 units annually in the metropolitan area but the annual average construction from 1950 to 1957 has actually been 43,000 units. Housing in short supply might also be indicated by the "available vacancy" rate. Within the city this was 1.7 percent in 1957, whereas from 4 to 5 percent might be considered to be desirable to provide some choice and to exert some pressure on the owners to maintain properties in good condition.

Many factors influence the amount of new housing. An improvement in civil rights might help to increase the supply. It certainly is true that our difficulty in building low- and middle-income housing

affects large numbers of nonwhite residents. Indirectly, a policy of open occupancy might remove some of the barriers to the approval of land for public housing sites. Since a large percentage of the occupants of public housing units are nonwhites, and since they form a large part of the waiting list for public housing, it may be that the present pattern of segregation militates against the availability of land for public housing outside the areas of nonwhite concentration. Of course, there is no guarantee that open occupancy alone would provide a pattern for the acceptance of public housing, particularly in areas in which the present income levels of the inhabitants are higher than those permitted in public housing.

I might say here in parentheses that in the light of discussion with Mr. Rose yesterday certainly the knowledge that I have of the situation would indicate that the city council and the leadership of the mayor are important in whether or not housing sites are in the Negro ghetto or outside of it, and it is certainly a hypothesis that bears much investigation in terms of the role of the city council in preventing or in boycotting any effort of the housing authority to move in any other direction.

Second, we believe that there should be a program to provide equal access to housing. This is as much a right guaranteed by the spirit of the Constitution as is equal access to education. Ability to pay and willingness to maintain community standards should be the primary if not the only determining factors in the sale and rental of housing units. Some will insist that they should be the only considerations. But as yet we are not convinced that special effort does not have to be taken to insure the possibility that integrated projects can maintain themselves. The arguments given in the brief presented to the Supreme Court in favor of integrated education apply to housing. Separate but equal does not mean equal housing. The extent to which inequality in housing is due to the fact of lower income among nonwhites is not to be discounted. More widespread fair employment policies might change this situation somewhat. Nevertheless, the primary factor responsible for the inequality in access to housing is discrimination. Individuals, real estate brokers, mortgage companies, and developers discriminate against the nonwhites in areas that do not already have a good proportion of nonwhite residents. With a few exceptions, such as Lake Meadows, new private building in the metropolitan area is not open to nonwhites. Vast subdivisions of new housing closed to nonwhites have been built. Discrimination in the developments could be discouraged by a positive nondiscriminatory policy in awarding FHA or VA mortgages, and through other Federal policies and Federal agencies.

For the most part the increase in nonwhite population—about 30,000 annually—has to find housing within the overcrowded Negro

ghetto. Unless something definite is done to open up housing opportunities in the whole metropolitan area, the Negro ghetto will continue to increase in size, the nonwhite will continue to pay a larger proportion of his income for housing than the white; high rents will continue to force him to live with too many persons per room; with overcrowding the rate of deterioration will increase; then, renewal or redevelopment programs will displace thousands who will not be able to find relocation within the same area; thus, additional pressure will be exerted at the periphery of the nonwhite ghetto. In addition, the dominant acceptance of the pattern of discrimination works against the renewal of areas in which the more than 100,000 whites live in sub-standard housing since renewal there would open them up for non-segregated housing.

Third, we believe that people need to live together in fairly stable communities. Certainly, public policies should be such as to remove the necessity for people to move frequently. Insofar as social forces can be controlled or instituted to work in this direction, we believe that public policy should support stable community life. The guarantee of social and political rights in those sections of the country from which the nonwhite are coming might help. An imaginative program to disperse the immigration from the South might help prevent the pressure on metropolitan areas. Finally, the social, economic, and political consequences of the segregation that is characteristic of Chicago at present are such that all programs should seek to take into account the effect of policies on segregation.

In summary, then, we seek a nationwide program that will provide more housing at prices all people can afford, equal access to housing, and policies that will prevent continued turbulent changes in the metropolitan areas. Such facts as we have warrant the conclusion that the problems are serious; that is to say, that continuing to do what we have been doing is not enough. Such technical knowledge as we possess warrants the conclusion that progress can and should be made through National, State, city, and voluntary action; that is to say, that much more can be done.

Thank you.

Commissioner HESBURGH. Thank you very much, Dr. Pitcher, I was curious about one of your very basic statements that we could stand to examine the role of the city council in site selection. I think all of us yesterday felt that we were getting too pat answers on why sites were not selected outside of the normal Negro dwelling areas, new areas were not opened up, and I gather, at least indirectly, from your remarks—

Dr. PITCHER. That was a parenthesis. I think it should be explored with people who function more within the political structure than I, but certainly the evidence—if you read, for example, Meyerson

and Banfield's book, you see the story spelled out for you, and I just suggest that you use it in your interrogation.

Commissioner HESBURGH. I think it is probably a very good suggestion.

A second point is that you, different from many people yesterday, say you think there should be some Federal policy with regard to FHA and VA loans. A number of real estate people said it shouldn't be done. I was very interested—

Dr. PITCHER. As you know, there is a debate as to whether the law is adequate or whether it is an adequate vehicle for the changing of human attitude and human behavior. There are two problems, attitude and behavior, prejudice and discrimination. I follow the theory that if you change practices, you are going to change prejudice, and I think we have some evidence to bear that out, and law can be a vehicle, I think, of the change in practice and hence the change in attitude. This is a theory, and I think there is some evidence to support it.

Commissioner HESBURGH. I would be inclined to agree with you. One last thing. You say that public policy should support stable community life. How does public policy do this? Do you have any suggestions, for example, different from or contrary to what Mr. Alinsky said yesterday?

Dr. PITCHER. Well, this is a very involved, complex issue, as you know. I think all public policy, where you put a public highway, for example, influences what happens to communities, and the question is whether, when these decisions are made, there is sufficient consideration taken of what happens to communities. I think the same problem is involved in any kind of abstract, open occupancy law that doesn't take into account what is going to happen in such a project as Lake Meadows, for example. We don't pretend to have all the technical knowledge. But it seems to me, these three factors, more housing, equal access, all of these take into account what happens to community life insofar as that is possible. This means the kind of thing that Alinsky was talking about, I should say. It means imaginative policies with regard to the whole metropolitan area, to encourage the dispersal of the nonwhite throughout the whole metropolitan area.

For example, one thing that is actually being done by some of the church people is the establishment of a fair housing committee. This committee is going to try to make contact with the owner and the purchaser in order to make possible the entrance of nonwhites into all-white communities. This is a problem. It involves the attempt to build integrated communities and to do it slowly and in such a way that perhaps the community life can be preserved as over against the inundation that takes place.

Commissioner HESBURGH. I had the impression yesterday that one thing that is really crippling in the whole situation, where you get people all day long contradicting each other on basic policy, is that the basic policy is tantamount to no policy or confusion; I mean the lack of basic policy just leads to confusion, and I think the point you made, which seems to be very important, is that there must be involved in a community of this size, with its traditions and its complex of diverse minority groups and so forth, some kind of basic policy.

Dr. PITCHER. This, of course, is debatable. We have those who believe when you let everyone do as he pleases there is a kind of automatic harmony that results. I don't follow that, and I don't think the committee that authorized this statement would follow this policy. They believe there has to be planning, at least within limits.

Commissioner HESBURGH. It seemed to me also that some of the situations we studied yesterday were the result of just letting everyone do what he would like to do, and you wind up with a jungle.

We have a new member of the Commission here this morning. I wanted to wait until a few more people were present to introduce him. This is Dean Robert Storey, of Southern Methodist Law School. Since he is going to be with us this morning, I thought perhaps he might like to present a question at this time.

Vice Chairman STOREY. Well, Dr. Pitcher, I noticed one thing that impressed me very much. I believe you indicated that the annual increase of the nonwhite population in the Chicago area is some 30,000 a year, and that they were forced to go into the so-called Negro ghetto which is already overcrowded. That is correct, isn't it?

Dr. PITCHER. Yes.

Vice Chairman STOREY. You make this significant statement:

An imaginative program to disperse the immigration from the South might help to prevent the pressure on metropolitan areas.

I am sure you have given a great deal of study to this matter. Do you have any ideas about how that might be effective and in what practical manner it might be implemented?

Dr. PITCHER. This, again, is not an easy problem.

Vice Chairman STOREY. I know it is not easy. That is the reason I am asking you.

Dr. PITCHER. One of the ways in which this has to be done is to establish throughout the whole metropolitan area the possibility for nonwhites to live. It is natural, if we have this closed situation, that they have to come to the places where they are welcome or where they can get housing. If we could open up, both through open-occupancy law and through private, voluntary actions on the part of organized groups of citizens to invite in and to sponsor such nonwhites as is possible in several areas, this might help to break the pattern. I know that some people have suggested that whole programs of com-

munity recreation be granted by the Federal Government on the basis of whether or not their communities were open to nonwhites; that imaginative program of policy, both at the National, the State, and the city, metropolitan area level, might help. Again it is very difficult to pinpoint the kind of projects that might do this, but it seems to me we have to work in this direction, and we have to gather our forces, as Mr. Alinsky said, to try to effect this sort of thing.

Vice Chairman STOREY. Is there any organized effort at this time among the churches or other welfare organizations?

Dr. PITCHER. I just suggested that there is an attempt to open up areas such as Park Forest and other places to nonwhites—

Vice Chairman STOREY. What I mean is, some organized committee or organized effort that meets the situation when they first come, or is there anyplace to which they may go for assistance?

Dr. PITCHER. I am not familiar with all the materials or all the actions, but the Commission on Human Relations has tackled this and the Church Federation has a committee that works on it. I don't know how much success they have had.

Vice Chairman STOREY. Thank you.

Commissioner HESBURGH. Dean Johnson.

Dean JOHNSON. Dr. Pitcher, I am very much interested in two suggestions that you made, and one is your qualified endorsement of Mr. Alinsky's proposal. I was wondering if you would go so far as to suggest perhaps some beginning point and arbitrary quota toward stabilizing the communities.

Dr. PITCHER. This would only be my personal opinion, if I said anything on this issue. It seems to me that, at present, if you open up a community in Chicago, you are going to be inundated. I don't see much possibility unless the whole metropolitan area tackles the problem. The pressure, as I feel it or as I understand it from the reports from other people who are doing the basic research, is so great on the ghetto, and will increasingly be with all the demolition that is taking place within that area and with all the immigration and increase in population, that as soon as there is an area where nonwhites can move, they move. You name an area in the Chicago metropolitan area in which the inundation hasn't taken place, say in Hyde Park where I live, that this is not going to take place, but down in Kenwood, the only successful prevention of the inundation, as far as I know, is where you have big homes where you have the single-dwelling units. Where you have apartments they say they have not been able to stem it even with all of the effort that is going on there, and I think it is a real doubt as to whether that project succeeds in building an integrated area without the whole metropolitan area somehow participating in the effort to have a nonsegregated community.

Dean JOHNSON. So, in effect, you are saying that it would appear that some kind of a quota system would have to be used in order to stabilize.

Dr. PITCHER. Well, if you were to institute an open-occupancy law now, it seems to me that the few areas that might begin on some quota basis or on some effort to limit the immigration, that they would not be successful. I think that this is a real problem, to mesh open occupancy, which it seems to me we need, with something that preserves communities and works against the inundation. This is not something you can spell out in detail. It is something that has to be worked out, it seems to me, with these two things in mind.

Dean JOHNSON. Of course, I think you recognize that Governor Battle's next question would be: How are you going to enforce a quota after you establish it? Would that be just sort of a voluntary understanding between people in the community, all cooperating together?

Dr. PITCHER. Without this, it seems to me, you wouldn't be able to do it, where you have single units or where you don't have some large control like you do at Lake Meadows.

Dean JOHNSON. One other question. You indicated that the Federal agencies might assist in this problem of site selection. That, unfortunately, we did not explore adequately yesterday. Do you think that the Public Housing Administration ought somehow to have an opportunity jointly to participate in site selection?

Dr. PITCHER. I didn't say that. It may be that some such Federal policy might be helpful. I said that the site selection was influenced by and determined by, largely, the aldermen, who are influenced, of course, by the people who don't want integrated housing and public housing, both things, in their communities, and I was only suggesting that if you had an open-occupancy law which opened up the whole city—to be sure, slowly, and with all of its problems—it might be easier to get public housing because you would have integration already, or at least you might have the possibility of integration, and certainly you would have the integration in some places. This was the only point I was making; it might be easier to get site selection.

Dean JOHNSON. One final question. You are aware, I am sure, that Federal legislation in this field is opposed in some sections of the country because it tends to lead away from segregation. If we had a Federal policy, necessarily it would have to be nationwide, and you would run the risk of having Federal housing or housing policies abandoned in a fairly large segment of the country; balancing that problem, would the gains that would accrue in areas such as Chicago outweigh the disadvantages from possible abandonment of the public housing programs in other sections?

Dr. PITCHER. This is a real problem. I think we always have to weigh these matters. It may be that the best way is to have State

or city legislation. The problem with State or city legislation is that this, then, leaves this community in a different state than in other communities, and over a long period of years I don't think we solve the problem, although I certainly admire New York and the other places that have gone ahead and moved into some effort to really meet this problem of equal access to housing. I feel very strongly that we must move ahead in that direction.

Commissioner HESBURGH. Dr. Pitcher, we are very grateful for your coming here today. We are a little bit overtime, but I wanted to give Dr. Fletcher the opportunity to say something, if he would like to.

Mr. FLETCHER. I would like to say, in reference to the opening up of neighborhoods, I think we do agree with what Mr. Alinsky suggested in terms of a neighborhood which is not yet open to Negro occupancy if the community organization would forthrightly open the way voluntarily before they were forced to do so by the many pressures already mentioned. We feel that this would be a good step toward progress.

There is at least one area in the city where it is reported that the community organization is planning to make such an effort, and in order to give support to this, they have gone to the mortgage lenders in the area and have satisfied them for guarantees that they will not dry up mortgage lenders in the area no matter who lives there so long as the community maintains its present good standards. I understand that agreement has been reached and they are planning to invite a limited number of Negroes in, and I would say there is some sort of an automatic quota, as you might say, if white residents in a good neighborhood stay put, then you have your quota, and this is the type of thing rather than to set up some sort of an automatic 20, 80, or whatever it is, which would seem to us to be more in line with what the committee organization should do.

Commissioner HESBURGH. I think you both agree we need a lot more private leadership in this field.

Thank you very much, gentlemen.

Mr. JACKSON. Our next witness is Msgr. John J. Egan, director of the Cana Conference of Chicago and member of the Cardinal's Committee on Conservation.

TESTIMONY OF VERY REV. MSGR. JOHN J. EGAN, DIRECTOR, CANA CONFERENCE OF CHICAGO, AND MEMBER, CARDINAL'S COMMITTEE ON CONSERVATION, READING THE STATEMENT OF HIS EXCELLENCY ARCHBISHOP ALBERT G. MEYER

Monsignor EGAN. I have been asked to appear before you as the representative of His Excellency Archbishop Albert G. Meyer, in

order that he may convey to you some studied beliefs in the important matter upon which you are deliberating.

On November 14 of last year the Roman Catholic bishops of the United States, not for the first time, condemned segregation in all forms and reasserted the doctrine of the absolute equality of the human being before both God and law. Yet there was a new element of urgency in their message when they said “* * * we hope and pray that responsible and sober-minded Americans of all religious faiths, in all areas of our land, will seize the mantle of leadership from the agitator and the racist. It is vital,” they observed, “that we act now and act decisively. All,” they said, “must act quietly, courageously, and prayerfully before it is too late.”

The plain implication of the bishops' pronouncement is that all men of good will agree in principle and that the time has come to translate our principles into fact. It is here that difficulties make themselves apparent, yet the position of the bishops in their statement is that we must overcome the obstacles and resolve what is the most serious moral challenge to us who are Christians and Americans.

How is this to be done?

In order to answer the question, we find it helpful to examine where we stand in the light of history. If we do, we shall discover a surprising similarity between our problems today and those of the Reconstruction era. The Negro populations had been declared free and equal by Executive fiat and constitutional amendment, but no one at the time knew what these words might mean in the daily life of men. Thirty years had to pass by between the Emancipation Proclamation and our invention of a system of living that was hoped would reconcile the realities of society with our new definition of the place of all men in the Republic.

The past decade has shown us that the ideas and practices summed up in the phrase “separate but equal” could not even serve a century. This last in the long series of racial compromises in American history has failed for a number of reasons.

The collapse of the compromise solution that issued from the Reconstruction may have in great measure been due to events outside our Nation. The dreadful twin scourge of communism and fascism has recalled to all of us the precious worth of the human person. When in the middle of the 20th century it was often said that Negroes were the possessors of a kind of second-class citizenship, we found ourselves denying it, for that assertion carries with it the still worse one that there can be such a thing as a second-class human being. Ideas of that stamp are repugnant to us, as the Catholic bishops pointed out when they quoted Pius XII as saying “All men are brothered in Jesus Christ, for He, though God, became also man, became a member of the human family, a brother of all.”

Now, in effect, a new Emancipation Proclamation has been promulgated.

It might perhaps be shown that the days we are living through are not dissimilar to the painful and turbulent ones of the Reconstruction epoch. The question arises whether or not we must anticipate another 30-year period of experiment and failure until we learn to put this new Emancipation Proclamation into effect. Only the yet undiscovered future will satisfactorily answer the question, but, if the reasoning of the Catholic bishops be correct, we are no longer permitted to adopt a detached attitude of "wait and see." Otherwise it would be unlikely that they would say, as they did—

"* * * these problems are vital and urgent. May God give this Nation the grace to meet the challenge it faces. For the sake of generations of future Americans, and indeed of all humanity, we cannot fail."

These exigent and prayerful words were not composed lightly, nor would their authors use language of such vigor unless they believed it is incumbent upon us to act now.

Unhappily, many of us who have studied the problem have learned that it is easier to apprehend and acknowledge the moral law than to give it effect. Our duty appears clear enough but the means of carrying it out uncertain. Perhaps the remarks of the American Catholic bishops on how to proceed may be of use to us when they say:

"It is a sign of wisdom, rather than weakness, to study carefully the problems we face, to prepare for advances, and to bypass the nonessential if it interferes with essential progress. We may well deplore a gradualism that is merely a cloak for inaction. But we equally deplore rash impetuosity that would sacrifice the achievements of decades in ill-timed and ill-considered ventures."

If we are to accept this wise advice, we must attempt to establish what is possible to accomplish now and what is manifestly out of the question at this time. By so doing, we ought to be able to distinguish between what the bishops saw fit to call "gradualism that is merely a cloak for inaction" and "ill-timed and ill-considered ventures."

In many respects the arrival of large numbers of our Negro cocitizens in northern cities like Chicago is akin to the coming, in former times, of similar numbers of persons from Europe. In both cases the people looked forward to a new life of social, economic, political, and spiritual progress. The European migrants of the past began their American adventures in national districts or ghettos. For a time, their lack of education and familiarity with our Nation's traditions and way of life prevented them from enjoying a full measure of citizenship. In addition, it would not be incorrect to say that they suffered, to a greater or lesser extent, from social and economic disabilities imposed by a sometimes scornful, sometimes suspicious native population. These European peoples were segregated and discriminated against.

Our attention, however, ought to be drawn to the subsequent history of the many different European peoples who once lived in the national compounds that our cities enclosed. With the passage of time, these people learned the English language, they learned our laws, our social practices. What is more, they equipped and trained themselves to occupy positions requiring high skill, professional knowledge, and great responsibility. In short, they began to produce a middle class that was capable and desirous of taking its place in the mainstream of American life. As this new type of person developed, the strictures and confining bonds of the older national communities began to dissolve. As disabilities against persons of European ancestry faded, the residents of old national ghettos found they had the choice of remaining where they were or moving into neighborhoods and communities frequently designated as English-speaking or "more typically American." Having satisfied the educational, social and economic requirements, the former European immigrant or his child was in a position to make the choice. The option was his; he could stay or leave at his pleasure.

It is indisputable that America now boasts of many Negroes who have made the ascent into the middle classes. Negro college graduates and professionals of every sort there is do not constitute the rarity they did only a short 20 years ago. As the Catholic bishops pointed out, there have been "great and even spectacular advances." It is no longer possible to speak of some distant time when there may be a significant number of Negroes who by education, economic position or style of life will be able to live as other American citizens do. We now have many such people teaching in the classrooms of our universities, pleading cases in our law courts, performing operations in our hospitals, and in short doing work that only the highest intelligences most perfectly trained are capable of.

Has this new and rapidly increasing Negro middle class been able to choose its place of residence as the children of our European immigrants were able to do? Does the fully competent Negro person have the option we alluded to above? Unfortunately, the only honest answer we can give it, at best, is a qualified no. In some very few instances, notably where new communities have been erected in their entirety, Negroes have been able to purchase or rent on the same terms as their white fellow citizen. Yet in Chicago, as in many other places, we are forced to conclude such examples are distressingly rare.

In our opinion, gradualism would be "merely a cloak for inaction" if we do not turn our immediate attention to the legitimate claim of middle class Negroes who wish to leave the ghetto or ethnic neighborhood. They have shown, like their predecessors of European ex-

traction, that they possess the educational, social, and economic ability to step from the wings of our national life on to the central stage.

We all must wish, work, and pray for the disappearance of all disabling restrictions based on race, religion, and national ancestry, but such evils cannot easily be terminated at a stroke. We ought to concentrate and insist on the not inconsiderable accomplishments that could be ours now.

This, it seems, is the case with residential integration. The Negro middle classes ought to have the choice of leaving the ethnic community if they so wish, nor is it rash on our part to suggest that the time has come for practical measures to that end.

We urge,

the Catholic hierarchy said—

that concrete plans in this field be based on prudence.

They added that:

Prudence may be called a virtue that inclines us to view problems in their proper perspective. It aids us to use the proper means to secure our aims.

The November 1958 statement also quite correctly observed that—among all races and national groups, class distinctions are inevitably made on the basis of like-mindedness of a community of interests. Such distinctions are normal and constitute a universal social phenomenon. They are accidental, however, and are subject to change as conditions change.

Thus it is the restrictions against the most capable and self-reliant portions of the Negro population which call the loudest for remedy and which must be rectified most speedily.

Although it is true there are now large numbers of Negroes in an economic position to leave their segregated communities quite easily, that does not absolve us of our duty to continue to work for a complete desegregation. It is unthinkable that the accident of wealth and opportunity should serve as a criterion for enjoying the rights of citizenship.

It remains to discuss how we might gain the end we seek.

Until the late forties or early fifties the great majority of the rising Negro population in Chicago was obliged to wedge itself in a confined territorial area the borders of which expanded but slowly. Because of the court decisions making the restrictive covenant unenforceable and because of the quickly augmenting purchasing power of the Negro population, the more recent years have seen the Negro areas of the city grow with alacrity. There seems to be little doubt that, if nothing else, the expansion of the Negro ghetto has alleviated the housing shortage which has been visited on many Negroes in the city. It has not, we are compelled to note, eliminated it.

While the opportunities for Negroes to rent or purchase more adequate housing have increased as the substantially all-Negro areas

of the city have grown, there has been only the slightest observable diminution in the degree of racial, residential segregation. It would appear that most communities have made little or no effort to absorb a number of Negroes whose social backgrounds, occupations and standard of living is comparable to that of the white inhabitants. Where it might have been hoped that the white population would stay, they have fled. Some districts have even reported a total depopulation and repopulation within the incredibly short space of 24 months.

The first Negroes to move into many of these once white communities were people whose last thought was to drive the original inhabitants away. In many cases the first Negroes to arrive were individuals who wanted to leave the old ethnic community because they thought, and were right in so thinking, that they had much more in common with the people into whose neighborhoods they were moving. Nevertheless the old inhabitants vanished. Worse yet, there have been occasional outbreaks of violence.

The city's intense spirit of community and neighborhood has long enriched every aspect of its life. Frequently Chicagoans who are asked where they live, do not reply by naming the street their house is on, but by saying they are from Ravenswood, Garfield Park, or Chatham. We are a city of communities where home, church, and neighborhood life are remarkably important. Despite the tender regards and affections we bring to our community life, our city has been no more immune to vast and dynamic urban change than others. We, too, have been worried by the threat of physical deterioration, by leaping school populations, by transportation problems, by all the surprising and new factors that have become the usual thing in American urban life since World War II's end.

Depending on the community in question it is fair to say that our community life, and the confidence we once had in our communities has, to some extent, been shaken. Like the people in other cities all over the Nation we are only learning of all the complexities of cooperation and program that are necessary for safeguarding and improving the unique and happy design of life that is Chicago.

If we were to say that many of Chicago's communities were unprepared to solve this great national problem, who is to point out a city that was prepared? In some communities where white people lived a short time ago, instead of organization for constructive purposes, there was rumor, myth, and eventually fear finally giving way to panic. Some people thought that admission of a Negro into a heretofore white community would depress the value of their properties by throwing them all on the market at once. Stories were circulated that if a single Negro moved into a community no matter how fine the individual might be, that the inhabitants would flee.

Under the circumstances, the white neighborhoods near the ever-growing Negro ghetto were pervaded with gloom and confusion. People freely predicted the present inhabitants would be gone in 2, 5, or 10 years. As more people prophesied an inauspicious future, not only the communities' people but their institutions, banks, churches, businesses, and schools began to act as though this soothsaying was demonstrated fact.

Some few involved themselves in impractical schemes to buy property lest it be sold to Negro purchasers. Others let themselves listen to rash and uninformed men. Most did nothing but prepare themselves psychologically for abandoning the various communities. Some began to leave even before any Negroes had come. There were people who spoke of communities near the Negro areas as "threatened," and thereby discouraged other white people from moving in. The copestone of uncertainty, gloom, and confusion are the few individuals in the city known as "blockbusters," men who are accused of fostering community panic in order to manipulate real estate prices artificially and thereby gain a profit.

We are, therefore, forced to the conclusion that the forebodings of the white population came true in a number of instances because they made them come true. By predicting the worst, the worst came to pass. Had there been cooperation between individuals, between churches, between business institutions; had there been planning, had there been constructive programming of many different kinds, we believe that many communities could have been stabilized so that a truly free market would have been created. A free market would have permitted the entrance into white middle class communities of a proportion of Negro families who could only be considered an asset in any neighborhood.

These communities or individuals who have attempted to press on and enforce outmoded policies have discovered the price of such actions in the creation of a sequence of events within the community that leads inevitably, as we pointed out above, to its disappearance.

Residential segregation is destructive, wasteful, and if the truth be said, the unjust processes need not be infinite. Our course of action can be based on something more substantial than *faute de mieux*.

" * * * We hope and earnestly pray that responsible and sober-minded Americans of all religious faiths * * * will seize the mantle of leadership from the agitator and the racist" were the words of our bishops. This hope and this prayer are not extravagant. Our communities are capable of far seeing and united action. The individuals in them, their businesses and industries, our Catholic parishes, the Protestant churches, the synagogues and temples have the leader-

ship and ability to work out a variety of forms of local cooperation in order to stabilize the populations, to control and guide conservation and development, and to make sure Negroes of like economic and social backgrounds do gain admission in a manner that is harmonious, and a credit to us as Christians and Americans.

The lynchpin of our difficulties is the acknowledgment of the interplay of forces in our communities. The simple introduction of Negroes must continue to result in white depopulation, and the consequent enlargement of segregation, unless it is clearly understood that, in the community our "racial problem" is securely tied to the physical and social conditions, to morale, to controlling irresponsible real estate speculation and discriminatory financing, to all aspects of community life.

Disunited communities that lack cohesiveness, overall organization of some description, and effective and informed leadership of the highest caliber are not capable of responding either to the imperatives of the racial situation or of the general urban crisis that in fact is so closely allied to it.

We cannot afford to neglect the fact that the housing shortage for Negroes measurably complicates our efforts toward desegregation. The pressure generated by the shortage results in Negroes coming into white areas in numbers so large that, instead of gaining integration, we discover we have merely extended the segregated enclave.

Exactly what an "integrated" community might be, no one, we believe, can say with certainty. Obviously it is one in which significant numbers of people of both the major races reside.

Among the remedies at our disposal, two recommend themselves. First, we must eliminate the housing shortage for Negroes. Secondly, we must have community organization to insure that Negroes do gain access to our communities, but not to the degree that we merely extend the boundaries of the racial ghetto.

Our communities will, we believe, learn that they must dispose their human and material resources in such a fashion that they are the masters of the trends of the time, rather than allow circumstances to master them. As communities gain a control over their own future, they shall be excellently situated for seeing to it that Negroes are welcomed in a number and manner that will both assure them continued existence and growth, and at the same time accord to the Negro middle classes the rights that are incontestably theirs.

As times change we must change ourselves. The older practices of unilateral action are not suited for this complex era. No single person, interest, church, or group can be the sole custodian of our communities. It will be necessary for representative interests to discover how they can plan, work, and meet the future together.

"The heart of the race question is moral and religious. It concerns the rights of man and our attitude toward our fellow men." So spoke our American Roman Catholic hierarchy. And they are right in what they say, for there comes an end to the effectiveness of legislation or the value of organized action. Every person must inquire into the moral problem by himself, alone. Even so, it remains our pastoral duty to urge all not to postpone the inner examination upon which, in the last analysis, the ultimate solution depends.

We should like to thank the honorable Commissioners for their gracious invitation to testify. We know the importance of the Commission's work, and only hope that our testimony will be of some service. It is our intention to do all we can to encourage and aid programs of the nature we have been describing, but, as the gentlemen here know full well, the problems we face are not the sort that lend themselves to facile correction. Nevertheless we trust you will do us the kindness of repeating your visit, at which time we can report progress that will do honor to God and the Nation.

Thank you very much.

Commissioner HESBURGH. Thank you, Monsignor. We appreciate your coming to us from the archbishop.

Based on your own experience, I know you have worked here for many years, and I gather you have a plan of action here that really involves community organization, getting all the forces in the community to work together on what might be called a mentality that admits an ultimate solution and progress in this matter, and I gather that the archdiocese is willing to do all it can to work with everyone in achieving a solution, is that correct?

Monsignor EGAN. Father Hesburgh, we certainly will. You may know, his eminence, the cardinal, when he was alive some 5 years ago, set up the Cardinal's Conservation Committee, and it is our intention in a developing way to work with all the churches, all the institutions, in any way possible to bring about the ends we spoke about in the statement.

Commissioner HESBURGH. You mention this problem ultimately gets back to the individual context. Yet I think in listening to the statement of the archbishop that the moral issues are so clear. It isn't the kind of an issue an individual conscience can just toy with or pass over as a matter of opinion.

Monsignor EGAN. Father, it seems that the moral law not only is so very clear here, but all of the great religious groups have emphasized it time and time again, so in my mind there can be really no doubt or no equivocation on this point. It seems, however, as the archbishop pointed out in the statement, that the act of social justice is organization, and if the individual conscience is not going to just

commune with itself, it has to organize with other men of like mind, of like interest, to bring about the change not only in consciences but also of institutions because there will not, in my mind, be enough justice to change, as Dr. Pitcher said, the attitudes of men, but it is also going to be so necessary to change the institutions. It may be that those institutions are going to be the type of organization we have in the community, but none the less, the individual conscience has to find its expression if it is going to achieve social justice in the bringing about of any institutions which will, please God, effectively solve this problem.

Commissioner HESBURGH. We have been somewhat concerned during the hearings yesterday, at least I have, if I can speak for myself, at the rather widespread confusion in the total leadership of the community in its approach to this one problem, attitudes of absolutely conflicting opinion as to what is being done, whether or not progress is being made, whether we are on the right path or the wrong path. Do you think there are enough forces in this community in which you have lived for so long that are capable even on the basis of private leadership to bring up some kind of an ultimate solution to this problem that will result in much more progress in the immediate years ahead?

Monsignor EGAN. Father, I doubt if his excellency would have sent this statement to your committee if he didn't believe that along with—I would say most of the people in Chicago—there are enough forces, there is enough capable leadership, in the churches and institutions and also in the city administration, to bring about this if we face the problem honestly and clearly, if we bring to bear upon this very complex problem the principles we know so clearly, but we have to do it bravely, we have to do it with great courage, and as the bishops pointed out, we have to act now, and there are many practical steps which you could take now, and I think that the mantle of leadership, as the bishops said, cannot be given to the agitator of the races, but it is the responsible leadership that has to take it.

I can understand that in a community as vast as Chicago there is going to be in a complex problem like this much confusion, but it seems that the peoples have to get to know one another. And this is why I think his excellency was so happy that this Commission was meeting here in Chicago. We have to get to talk to one another, to plan together, not only on the basis of the city of Chicago, but the whole metropolitan area and also in the local community where it seems, from what the archbishop said, much of the solution is going to depend.

Commissioner HESBURGH. Thank you very much.
Dean Storey.

Vice Chairman STOREY. Monsignor Egan, you have a very interesting paper and a very fine one, of course, giving the moral principles involved and the history and the development, and I was particularly interested in your concrete suggestions. As I understand, they boil down to two. First, we must eliminate the housing shortage for Negroes; secondly, we must have community organization to insure that Negroes do gain access to our communities, but not to the degree that we merely extend the boundaries of the racial ghetto.

Now, as I understand, those are your two concrete points that you believe are needed in this community and should be emphasized and brought about. Am I correct in that?

Monsignor EGAN. I think if you look at the few words, Mr. Storey, right before that, you will see, among the many recommendations or suggestions which recommend themselves or suggest themselves we recommend two, and we felt—I am sure the archbishop felt that the basis of his paper, his statement, would be on the moral principles as you correctly point out. These seem to be very urgent.

Vice Chairman STOREY. I did not deprecate any of the other statements or any of the preliminary phrases, but in trying to be helpful, to get down to some particular solution, I believe that you have concentrated on those two practical questions.

May I say, Father Hesburgh, that I am not familiar with the testimony yesterday, but, if I could, I would like to explore those two just briefly, if I may. As you probably know, we have held two housing hearings since this time.

First, let me ask you if you are familiar with some of the practical solutions in New York City. I am sure you are familiar with the conditions, but have you had a chance, or any of your associates, to investigate some of the, shall we say, solution measures that they have adopted in New York City?

Monsignor EGAN. Certainly not as thoroughly as I would like to.

Vice Chairman STOREY. You know generally, of course—it has been referred to this morning—there is legislation both on the State and the local level, but in addition to that, may I just say this: I was tremendously impressed along this line. I believe they said there were some five ghettos where you described one large one in Chicago, and their objective was (a) to cause dispersal, and that was implemented in a way by an interracial committee appointed by his excellency, the mayor of the city of New York, and there has been a great deal of work done along that line with the assistance of the church organizations and various welfare organizations.

First I would like to ask you, is there any over-all committee of that type in Chicago with some authority, may I ask?

Monsignor EGAN. Not that I am acquainted with; not with the authority that I would like to see.

Vice Chairman STOREY. Then, secondly, another tremendous impression that came to us on this dispersal area and more housing to be available; there was a young mother and a young clergyman who lived in a new area where some Negroes had moved in, and there is where the blockbusting occurred. For example, one moved in this area out on the fringe, and, just as soon as this house had been purchased, then the blockbusting effort started, and, as soon as this young mother and this young clergyman heard about it, they called the community together and, instead of resentfulness, they decided they would call on this new couple that arrived, or new family, nonwhite. They even took them cakes and all of that, and they had an organization there and, instead of being panicked, they painted some signs and put them out in front of every house, "This house not for sale," and, to make a long story short, they got the blockbusters out of there, and they solved a local situation with the intervention of the Mayor's Interracial Committee, with the local help.

Now, secondly, I am struck with what you say, that it must be involved in particular areas. We need national policies, of course, but after all, as I observe, there is some local action that should be taken here in Chicago, as you emphasized. That is correct, isn't it?

Monsignor EGAN. Yes, sir.

Vice Chairman STOREY. Let me give one other illustration, and not by way of odious comparison, but by way of solution. Our second hearing was down in Atlanta in the Deep South. They had two or three of these ghettos, and one of them was getting to such a point that it had to have more territory. It went right up to the white community. The Negroes wanted to buy out in the edge of the city an area of some 200 or 300 acres, but they were blocked with this situation. There had been some violence, some destruction of two or three houses. Under the leadership of the mayor, who is dedicated to a solution of this matter, he appointed three outstanding Negro men familiar with that area and three outstanding white men, and they were organized into a West Side Development League, and they actually went to work quietly and in a tolerant spirit and moved that entire community of white people who constituted what the mayor termed as the stopper in the bottleneck. They uncorked the bottleneck, and they were actually dispersed and resettled in other areas and thus gave an opening or an avenue, and we went all through that area, and we were impressed. Although they have what you might term as segregated housing in a particular district, they did solve some very, very touchy questions through community leadership under the sponsorship of the mayor with local communities and statewide community effort, and I was just wondering if such examples of that would be helpful and whether similar things of that type are being tried in Chicago.

Monsignor EGAN. I think they are very helpful, Mr. Storey, and I think all over the country we are finding that there are some intelligent and imaginative plans being worked out or being attempted, at least, by local community which, as we communicate with one another and assemble some of this knowledge, we are going to find that some of us may give us the solution in the particular areas of this very trying question.

Vice Chairman STOREY. I gather that one of the imperative, shall we say, problems is community organization here, and cooperation, and, of course, I am sure the Federal and State are willing to cooperate, but, after all, it is a great local problem as well as a great national issue, is it not?

Monsignor EGAN. Right.

Vice Chairman STOREY. Thank you.

Commissioner HESBURGH. Thank you very much. We are a little behind, so I am going to move on to our next speaker.

Mr. JACKSON. The next speaker is Rabbi Richard G. Hirsch, director of the Chicago Federation, Union of American Hebrew Congregations.

TESTIMONY OF RABBI RICHARD G. HIRSCH, DIRECTOR, CHICAGO FEDERATION, UNION OF AMERICAN HEBREW CONGREGATIONS

Rabbi HIRSCH. Gentlemen, the statement that I will submit in behalf of the Union of American Hebrew Congregations has been endorsed by the Chicago Rabbinical Association, which is the overall organization of the rabbis of Chicago.

The Union of American Hebrew Congregations is a national organization, representing 575 Reform Jewish congregations in the United States and Canada and comprising a total membership of approximately 1 million individuals. As religious Jews, we approach the social problems of our day from the perspective which our religious tradition inculcates within us. Our ultimate objective is to bring God's heaven to earth, and thereby to establish the fatherhood of God and the brotherhood of men. To this end we perpetuate our faith, motivated by the conviction that man is a partner with God in the act of creation.

We recognize that many minority groups, including Jews, are affected by discrimination in housing. We shall permit those most qualified to submit the factual testimony and shall confine ourselves to a discussion of the broader religious and moral issues and to some specific recommendations.

The Central Conference of American Rabbis and the Union of American Hebrew Congregations have for many years manifested their concern in the problems of housing. At the biennial of the

Union of American Hebrew Congregations, held in 1957, the following resolution was adopted unanimously:

The Union of American Hebrew Congregations herewith pledges its support to the principle of equal housing opportunities for all, and urges the members of its constituent congregations to follow nonsegregated practices in the selling, buying, and leasing of residential housing. By such action we will contribute significantly to the strengthening of democracy, to the moral health of our community, and to the realization of the prophetic principles of our faith.

Considerable progress has been made since World War II in establishing the right of every American regardless of race, color, creed, or national origin to equality before the law. In the field of education, in choice of vocation, in the right to vote, in the areas of recreation and entertainment, in almost every aspect of our civilization, new vistas of opportunity and creativity have been opened to minority groups.

It is, therefore, with anguish that we view the problems of racial discrimination in housing and see in it the repetition of the very conditions decried in Biblical times by Job, when he said:

The poor of the city hide themselves together.
From out of the populous city men groan
And the soul of the wounded crieth out.

Out of our "populous cities" today, "the souls of the wounded crieth out" a warning that the housing problem threatens to destroy all the advances achieved by the arduous, consecrated labors of so many citizens.

One notes with alarm that the description "ghetto" is increasingly applied to the areas inhabited by Negroes. Of all people, we Jews know the full implications of that term. The word originated in Venice, where the Jewish section was surrounded by a high wall, and entry and exit were regulated by means of an iron gate called in Italian "ghetto." The policy of segregated housing in America has erected an iron barrier, more dangerous even than the Iron Curtain between East and West, because thereby millions of our citizens are deprived of their unalienable rights.

The results have been well documented: the creation of slums; the rise in juvenile delinquency, crime, disease, and racial tension; increased cost of municipal protection and supervision; destruction of property values; serious international political ramifications; and, perhaps most significant, perversion of human personality, distortion of individual potentiality, and the loss of human values among both the segregated and the segregating. It is time we in the North learned that the distance between Poplarville, Miss., and Trumbull Park in Chicago, is not so vast as some of us in our complacency would like to believe.

To what avail is the principle of nonsegregated education when, because of segregated housing, 100,000 Negro children attend Chicago public schools where there are no white children? To what avail do we assure equal voting rights when, because of segregated housing, the power of the vote in local government is manipulated, discounted, and vitiated? To what avail do we offer minorities greater professional and vocational opportunities when, because of segregated housing, they are not able to receive the incentive nor reap the full fruits of their labors? To what avail do we establish recreation, welfare, and civic institutions to foster understanding when, because of segregated housing, the group which needs understanding the most is not even able to participate?

The historian Arnold Toynbee has propounded the "challenge and response" theory of history. Those civilizations survive and prosper which respond courageously to the great challenges of material and human difficulties in their environment. The leadership of our country must recognize the housing problem for what it is—the crucial challenge to American democracy. The challenge comes to us most propitiously, at a time when we are so concerned with our own material progress that our vision of America's real goals has been blurred. If we succeed in our response we shall reinvigorate the sinews of democracy in America and propagate the spirit of democracy throughout the world. If we fail to find a solution for our race problem we shall no longer be an America illumined by the brightness of "freedom's holy light."

That it is possible to respond courageously to the challenge has been demonstrated by the experience of interracial neighborhoods and by new suburban interracial communities throughout the country, and locally by the development of the Hyde Park-Kenwood plan. The housing problem should be the concern of all business, vocational, fraternal, educational, and communal associations and institutions. It should be the special concern of church and synagogue, which, because they are both symbols of morality and owners of property, have a unique opportunity to exert a positive and effective influence over their own members and over the entire community. Therefore, though the remainder of my remarks will deal with recommendations for this Commission on Civil Rights, it cannot be stated too strongly that in the final analysis the implementation of an equitable housing program must be the responsibility of the citizens of our local communities, and this is in accord with the statement made previously by Mr. Storey in connection with Monsignor Egan's testimony.

Though the members of the Union of American Hebrew Congregations have not been given an opportunity to approve the specifics of the following, the recommendations are within the spirit and framework of positions taken previously.

RECOMMENDATIONS TO THE COMMISSION ON CIVIL RIGHTS

1. We urge that the proposals of the Commission on Race and Housing submitted in 1958 be accepted and that a Presidential committee be appointed with the purpose of recommending a complete program for the elimination of discrimination in Federal housing and urban renewal programs.

2. Because we believe that the shortage of proper housing is at the root of the housing problem, we urge Federal and local housing administrations to exercise their authority and influence in increasing the supply of public and private housing, particularly for lower and middle income families.

3. We urge all housing authorities to hold as their primary concern the welfare of the human beings with whom they deal. The character of American communities is determined by the character of its inhabitants, by their spiritual and moral values. A good home is more than a shelter and a good community is more than fine buildings. We urge that additional studies be made to determine the composition and structure of good communities. The studies should seek to answer questions such as: Is it salutary for the personal growth of our citizens to live in areas which are homogeneous in racial composition or in economic-social class structure?

4. We recommend that all urban renewal and community development plans be viewed from the perspective of the entire metropolitan community. Renewal of part of the city without consideration for the entire community has frequently resulted in greater hardship and injustice to minority groups. Therefore, every project for improvement must be subjected to the most comprehensive planning. In this connection we urge that more serious consideration be given to providing adequate housing for those who are forced to vacate areas marked for clearance.

5. We urge a revamping of the public housing program. Because present public housing frequently results in the perpetuation and intensification of segregation, we recommend that the size of any project be limited to no more than 300 units, that the structure be in consonance with the character of the other buildings in the neighborhood, and that the site selected be such as to permit the residents to become integrated into the total community. One of the major objectives should be to strive for a mixed rather than a uniform racial community pattern. In order to stabilize the project, we urge that provision be made for the occupants to purchase their apartments if they so choose, and that financial requirements be amended to permit those whose incomes rise to remain in the project if they so choose.

6. We urge the Federal Government and its various housing agencies to exercise the utmost diligence and circumspection in adhering to the spirit of the Constitution of the United States. The present pro-

cedure of permitting State and local laws to determine whether or not the Federal Government will lend financial support and sanction to segregated housing, be it private or public, should be discontinued. Policies pursued by such Federal agencies as the Housing and Home Agency, the Federal Housing Administration, the Public Housing Administration, and the Urban Renewal Administration have sided and abetted discrimination. These policies should be renounced and clauses should be inserted in every legislation, code and policy procedure committing everyone involved in the disbursement or the receipt of any Federal funds to observe a firm policy of no discrimination.

7. All Government officials, whether elected or appointed, should be encouraged to observe that some of our most prominent officials are themselves parties to "gentlemen's agreements." Because the Federal Government has jurisdiction over the District of Columbia, it should set the example for all States by enforcing the laws against discrimination in housing in Washington, D.C.

8. Because one of the major obstacles to the purchase of homes by minorities is the shortage of mortgage money available to them, we urge that the program of the Government's Voluntary Home Mortgage Credit Program be expanded and that new methods be devised to enable members of minority groups to obtain adequate financing and insurance coverage.

9. We urge this Commission to recommend the adoption of State and local legislation. The debate over which comes first, law or education, is futile. A human society needs both.

If I might interject here, in connection with the previous testimony of Dr. Pitcher, I would agree with what both Dr. Pitcher and Monsignor Egan said, particularly from the perspective of Judaism which, as you know, is a religion of law, and Judaism has always felt that more important than what a person thinks is what he does, because what he does determines in the final analysis how he will eventually think, and perhaps I can expand on that later.

The experience since the 1954 Supreme Court school decision and the experience of fair employment practice legislation should be sufficient to indicate that progress in the area of civil rights must be directed by law. To be sure, law without community support is difficult to enforce, but without law education is ineffective. All States should be urged to adopt comprehensive legislation similar to that already in force in Connecticut, Massachusetts, New Jersey, New York, Oregon, and Washington. All cities should be urged to adopt legislation similar to that in force in New York City and in the recently approved Pittsburgh ordinance.

10. We urge this Commission to give forthright leadership to the problem of community education. Many citizens have already organ-

ized to deal with the problems. Millions more are potential allies in the fight against discrimination. This Commission should mobilize public opinion by supplying factual information and by organizing and coordinating all available community resources. It should exert its influence on real estate men, investors, mortgage companies, and foundations. Hearings and studies play an important role, but what is needed even more is inspired direction.

The Bible tells us that when the prophet Jeremiah was confined in jail, and the Babylonian invaders were besieging Jerusalem with defeat the inevitable outcome, Jeremiah expressed his faith in the eventual restoration of his nation's independence by purchasing the deed for a plot of land on the outskirts of Jerusalem. "For thus saith the Lord of Hosts, the God of Israel: 'Houses and fields and vineyards shall yet again be bought in this land.'" Millions of American citizens have been deprived of their full rights and privileges by being confined in their choice of housing. They cannot even demonstrate their confidence in the eventual restoration of their rights by purchasing a plot of ground beyond their restricted area. The least that our Nation can do is to knock down the restrictive walls and to say in consonance with the prophetic vision of our religious and democratic heritage, "Houses and fields and vineyards shall now be bought in this land."

Commissioner HESBURGH. Thank you very much, Rabbi Hirsch, and I hope you will express our thanks to the Chicago Rabbinical Association for endorsing this statement. I think everyone in this room has been impressed this morning how the leadership of our major faiths of this community have agreed so substantially and wholeheartedly and generously on the basic, moral, and spiritual issues that face the community and the Nation in this issue we are studying. It would seem to me our big problem, of course, is mobilizing morality and spiritual principles into action, and you have given us a good number of suggestions in this regard.

I would love to get into a discussion with you on the educative force of law, but I am afraid that would never give us a chance to recess. Maybe we can do that privately.

Rabbi HIRSCH. We have been discussing it for 3,000 years.

Commissioner HESBURGH. That is right. I have had a few years' work on the Torah, too. The thing I would like to do is give Dean Storey and Dean Johnson a chance to ask a question if they would, because I have been monopolizing too much of the time here.

Dean Storey, would you like to begin?

Vice Chairman STOREY. Rabbi Hirsch, I want to join with Father Hesburgh in his compliments on your paper. There is just one matter I wanted to ask you about. As you know, this Commission is concerned with three major areas; namely, voting, housing, and edu-

cation. There are many others, but with the limited time we have confined our activities to those three. You touched on voting; that you seemed to think has some relationship to the problems, and you make this statement: "To what avail do we assure equal voting rights when, because of segregated housing, the power of the vote in local government is manipulated, discounted, and vitiated?" I would like for you to explain how it is manipulated and how discounted and how vitiated.

You tie it into housing. Would you elaborate on that? I am very serious about it because we are concerned about voting and its interrelation to housing and education, et cetera.

Rabbi HIRSCH. I think it has been generally agreed that in those areas where there are solid racial communities, particularly Chicago where there is the Negro community, that the amount of community support of such things, even as the sanitary aspect of the community, are not always the same as they are in other areas. In other words, I think that because of the overall situation which he have been discussing, the community's sense of responsibility toward the maintenance of sanitation, health, and all the other community factors which the community is responsible for, the community sense of responsibility is somehow or other not fulfilled to the same extent that it is in other areas. This is what I mean by saying that this results, I think, therefore——

Vice Chairman STOREY. Is it due in these segregated areas to the fact that the nonwhites do not exercise their franchise or do not exercise it as fully as they should, or what are the facts about it?

Rabbi HIRSCH. As I say, I am not in a position to discuss the facts of the vote itself. That, of course, is another problem with which I am sure you are familiar, both in the South and in the North, but I am talking now about the effect of the vote.

Vice Chairman STOREY. May I give you just one illustration. Again I refer to the situation in Atlanta, Georgia. These nonwhite leaders, particularly the Negro leaders, found that they had just about 6,000 registrants, and about 4 or 5 years ago they carried on a campaign for 51 days to increase the voting registration among the Negroes, and within that 51 days they raised the voting of the Negroes from around 6,000 to some 27,000 or 28,000, and they take a part now in municipal affairs, they assert their right of suffrage. They have elected members of their own race to certain important boards and political subdivisions. Has there been anything done along that line since you commented on——

Rabbi HIRSCH. There are many agencies in the community, of course, that are working to get out the vote, and I think particularly in some of these areas you talk about. It seems to me I could best answer your basic question with the statement, if you take a look at

the various sections of our community, when a person is elected an alderman, for example, in our city council, he is elected an alderman of his particular ward.

But when a person is elected from the Negro district, he is the Negro alderman, and I think that has a great deal to do with his total effectiveness and in a sense restricts his potentialities for serving the community because of the fact that there are the segregated areas, he represents a vested interest and not a community, and that is what I meant.

Vice Chairman STOREY. One final question. I realize we are running behind time. Is there any evidence, or are there any facts to the effect that the Negro is being denied the right to exercise this right of suffrage here in Chicago?

Rabbi HIRSCH. I know of no such.

Vice Chairman STOREY. Thank you, sir.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. No questions.

Commissioner HESBURGH. Thank you again, Rabbi Hirsch, and we appreciate your coming with this very fine statement.

We have one more speaker before we have a brief recess of 5 minutes, so you will call the next speaker.

Mr. JACKSON. Our next witness is Mr. Theodore A. Jones, president of the Chicago chapter of the National Association for the Advancement of Colored People. Mr. Jones is being accompanied by Reverend Fuqua, the new executive director.

TESTIMONY OF THEODORE A. JONES, PRESIDENT, AND REV. CARL A. FUQUA, EXECUTIVE SECRETARY, CHICAGO CHAPTER, NATIONAL ASSOCIATION FOR ADVANCEMENT OF COLORED PEOPLE

Mr. JONES. Father Hesburgh, Dean Storey, and Dean Johnson, I would like to introduce to you the executive secretary of the Chicago branch of the NAACP who, with your permission, will present our statement here this morning. I will participate in the questioning if there be any.

Commissioner HESBURGH. Thank you, Mr. Jones.

Reverend Fuqua, will you go ahead now?

Reverend FUQUA. In the establishment and the exercise of the rights of one citizen it is certainly necessary to consider the rights of all citizens. This is also true of groups of citizens. To establish certain rights for a group of citizens and to arbitrarily deprive others of that right is injustice. Probably the most nationwide accepted practice of injustice and where discrimination prevails is in the area of housing. On the basis of testimony already presented in these hearings it has become evident that, to the embarrassment of the city of Chicago, there are many practices in the area of housing

which make this hearing seem as though it is coming from Arkansas rather than from Chicago, Ill.

A good many citizens of Chicago who see the southern segregationist as a handicap to American principles and the democratic process see no farther than the nose on their face, for some of the cliché-ridden rationalizations that many southern exponents of school segregation use were heard in this room yesterday.

Legislation will not help the problem. It might slow down the progress we have made. Open occupancy is a myth. A law would upset the educational process. The reason we don't rent or sell to Negroes when there are no more than three to five in a block is because we would be subject to vilification.

These are some of what I heard yesterday. Certain communities accept as neighbors, however lightly that acceptance, known racketeers and thugs—white, of course.

But if a Negro of good reputation and professional standing would move in where a white racketeer has moved out, there would undoubtedly be in many instances some overt demonstration of resentment. Actually some stalwart and intrepid real-estate dealers will deal with not so stalwart white men of devious repute but would not even consider selling property to a Negro of highest standing in the civic community.

Most of the white citizens of Chicago and its environs decry the bigotry of a Faubus and the irrational thinking of many southern segregationists on the school question, but I wonder how much they would abhor the action of these persons if it were not a question of schools in Arkansas but a question of housing in Chicago.

Although there are some people in this area who feel that there is no segregation problem in housing in Chicago and the Negroes live together because they like it that way, the fact is that people like to live where they want to live as long as they can afford to live there.

The fact is also that most people don't like to live in overcrowded ghettos. Another fact is that people who have any degree of dignity and self-respect do not like and should not have their residential opportunities circumscribed because of their color. Which is the more important consideration, for a person to be able to choose his own home or for a person to choose whom he shall have as a neighbor?

To subscribe to a fallacious theory that a person has a right to choose who shall be his next door neighbor is to suggest that the prospective home owner is at the mercy of his prospective neighbors and that the former's rights depend upon the latter's whims and prejudices.

Is this democracy?

What has been said obviously suggests that segregation exists in Chicago. Chicago has progressed in many areas, but one in which there has been very little progress is in the area of housing opportunities for all of its citizens. It is easy for one to point to Lake Meadows

or Prairie Shores as examples of Chicago's progress. It is considerably easier to point to the stretch of land from 18th Street on the north, 95th on the south, Cottage Grove on the east, and stretching almost to Halsted on the west, an area which is practically all Negro except for Lake Meadows and Prairie Shores. This does not include the western sections of Hyde Park, North Kenwood, or East Woodlawn, other areas which are almost totally Negro in composition. The great south side of Chicago which had its black belt a few years ago now has developed into a southern shadow cast upon the city of Chicago. The west side of Chicago, a place where there was an island of Negroes for decades and the area around Lake, Warren, Maypole, Fulton, Washington Streets, between Ashland and Western Avenue, has now become another area inundated with Negroes, not of their own choosing, but because the pattern of housing in Chicago has so developed or been contrived that this has become their section.

From Halsted to Cicero, from 22d to Fulton, Negroes live in another overcrowded ghetto with islands of Chicago Housing Authority projects and a few well kept homes.

The expansion to the north has not been as rapid. The Negro area of the near North Side is still relatively constant. For the most part, the North and Northwest Sides of Chicago constitute the white side of Chicago.

Even in the area of public housing there exists a pattern of segregation. Although the Chicago Housing Authority has an expressed policy of nondiscrimination; there are projects where Negroes do not live and there are others, Trumbull Park being one, where Negro residents are in very small numbers and have been subjected to violence. No one expects the executive director of CHA to use public housing as a wedge for integration, but it certainly seems that CHA residential facilities should be made available to anyone in any available project on the strength of their application and not on the basis of their racial identity.

Is it coincidence that there are no Negroes in Bridgeport homes? Is it coincidence that the largest number of Negro families in Lawn-dale Gardens homes at any given time has been two? Is it coincidence that Lefler homes has a total of 21 Negro families out of a total of 925 units?

Anyone, whether sociologist or realtor, who casually states that the segregated housing pattern simply reflects the rapid growth of the city and the large number of immigrants is misinterpreting his facts. Perhaps it is true, as Dr. Hauser stated, that patterns of segregation have never been reserved for any one group of people. But it has also never been preserved for any one group of people as it has been for Negroes. With the number of Negro families waiting

for CHA residences, why is it that, with few exceptions, they manage to get into projects of the prescribed Negro areas?

There is in existence a limited mobility for the Negro citizen of Chicago. He is limited to those areas which have been vacated by whites scurrying to the suburbs and unlimited housing opportunities with FHA and VA financing as an incentive. Strangely enough, these same opportunities are in theory available to Negroes. However, because of restrictive financial institutional practices, the Negro is, in fact, barred from entry to certain suburban areas. Although Mayor Daley stated that Chicago is not like Philadelphia with its white noose around the city, he omitted the fact that in the few suburban communities where Negroes do live they live in circumscribed areas, even in the area of new housing this practice is followed.

Perhaps as a token gesture FHA-approved housing is being offered the Negro with an indirect "for Negro only" label by placing the picture of a Negro buyer on the advertisement. The message, of course, to most people is that this is a suburban community for Negroes. This is true of Evanston's new development, and this comes out of the Chicago Sun-Times, April 26.

The city is being rejected as a place of residence and is at the same time being neglected. This is obvious. Many concerned people and groups are sensitive to this situation, especially since the prediction is that the inner city areas of large metropolitan areas, including Chicago, are rapidly becoming slums populated by so-called minority peoples. But the lack of concern on the part of many of our citizens is evident in their actions. The FHA-VA housing officials seem oblivious to this fact as they continue to pour the bulk of their financing into outlying areas and restrict their buyers to white citizens or, as in the Evanston case, set up Negro communities.

The urban renewal program is an attempt in the right direction, but apparently with the wrong emphasis. It appears that there is more concern for building homes and apartments in the city with the purpose of renewing the area by bringing it up to middle class and upper middle class status again. Very little thought seems to be given to the fact that the vast majority of those persons displaced by urban renewal are from the lower income groups and are minority peoples. Where are they to go? The result of urban renewal is slum and Negro clearance, since the bulk of these areas are inhabited by Negroes. The transplanting of slums in the name of urban renewal is a matter of semantics and geography.

Where there did exist substandard housing in 55th and Kenwood in the Hyde Park urban renewal area there now exists additional substandard housing directly to the south and the East Woodlawn area. In the face of these circumstances, limited mobility on the part

of Negroes, CHA high-rise ghettos, displaced persons via urban renewal, increased overcrowding, what can be expected of persons victimized by such circumstances? As long as there is a pattern of housing which forces Negro citizens to live in circumscribed areas of the city, it is logical to conclude that the resultant situation will be overcrowding, substandard residences, increased crime and delinquency, a general lowering of morale, a negative attitude toward human value and human values, and inferior education.

No person who is exploited, rejected, and forced to live in squalor can be expected to have the proper regard for his own life, much less the life of anyone else. The wrongs which exist because of slums are wrongs which, for the most part, the people in those slums did not initiate. The vicious propaganda that instills in the minds of people that Negroes depreciate property values at a record rate and that they prefer living in ghettos must be dispelled, especially in the light of evidence to the contrary.

Park Manor, Chatham, West Chesterfield, these are but few examples. Absentee ownership, exploiting real estate dealers, contract culprits, overcrowding, the great number of migrants from southern areas in flight from an unjust socioeconomic system who are victimized by these factors; these cause depreciation.

As long as large segments of our school population are getting their basic formal education in overcrowded classrooms, double shift schools, and in the midst of demoralized teachers, there can be no encouragement for the Chicago Board of Education nor the city of Chicago.

Of the more than 25,000 students on double shift in Chicago public schools the vast majority of them are Negroes, and yet they represent the minority of public school students. Why is this? Obviously overcrowded housing conditions lead to overcrowded schools. The schools with the largest enrollment of grade school students are Negro schools. The Board of Education of the city of Chicago figures indicate that the six largest enrollments in Chicago public grammar schools are Bryant, Doolittle, Jenner, Penn, Lawson, Hursen. These schools are either all Negro schools or practically all Negro with a scattering of white children. Four of the six are in the west side area which has in the past few years become another Negro ghetto.

As of the February 1959 semester, 26,155 grade-school children in 44 schools were on double shifts. No less than two-thirds of these children are Negroes. This certainly indicates what housing segregation can lead to. Not only does it create overcrowded neighborhoods and abundance of crime, a decay of property, but it creates a decline in educational standards and an unfair opportunity for young minds to get the proper academic and social equipment needed in this complex society.

Is it small wonder that so many Negro children drop out of school when they reach age 16? Is it small wonder that teachers scramble to get out of these schools to do their teaching under less chaotic conditions? Until there is a recession in the hypocritical jargon of so-called real estate experts who say they are forthright but who seem more like obdurate opportunists, there will continue to exist an immoral housing ethic in the city of Chicago. Until there is an arrest of the subtle and sometimes not so subtle measures to exclude Negroes from the housing market, there will continue to develop a pattern of segregated housing which will increase the blight and ignorance in the city and increase the white and ignorance outside the city. This is an unhealthy situation and one which necessitates strong enforcement of Federal laws to avoid the use of Federal funds to build all-white communities.

In spite of those who have said in this room that law is an ideal and not an actuality and those who employ any other irrational excuse, there is need for legislation in this field. Where man refuses to assume his moral responsibility to society, the state has the responsibility to use legal means to curb his immoral practices, whether they be parental neglect or whether they be civic neglect.

You may not be able to legislate morals, but you can educate on the basis of legislation. The fallacy of relating Negro residence to decline of property values without considering other variables must be rejected. The fears of white citizens that Negroes will invade their neighborhoods in hordes likened to the invasion of the barbarians in medieval history must be dismayed. Such fallacies and fears can only be rejected and dismayed through a freedom of residence policy in public and private housing which permits people to see for themselves that a neighborhood will not be run down because a Negro moves in. A neighbor is a neighbor whether Negro or white. Either can be bad; either can be good.

In view of previous and existing practices of Federal agencies to assume no positive responsibility in an attempt to eliminate racial discrimination in housing, it is recommended that Federal legislation in the area of housing be enacted which clearly makes racial and religious discrimination in federally aided housing illegal in all cases. The present practice of allowing homebuilders to avail themselves of FHA mortgage insurance to build racially restricted housing as long as such restrictions are not recorded should be eliminated.

Until the legislative branch of the Government acts, the President should assume his responsibility and the initiative to issue an order which explicitly makes it illegal to discriminate on the basis of race or religion in all housing programs in which the Federal Government is involved.

Urban renewal programs should be required to make available facilities for low income and lower middle income families as well as middle and upper middle income families in order to accommodate some of those displaced by slum clearance to make way for urban renewal and also to effect a balanced community which consists of people of all groups and of all socioeconomic levels.

Instead of CHA housing being ghettoized, it ought to be integrated in normal communities throughout the city. Urban renewal projects ought seriously to consider relocating displaced persons in low density areas where standard housing already exists.

It is recommended that the State and local government assume some legally enforceable responsibility to eliminate racial and religious discrimination in housing. Neither the State of Illinois nor the city of Chicago has enacted any law ordinance which would effectively lead to freedom of residence commonly called open occupancy. Although such enactment would not pretend to eliminate prejudice, it certainly would be moving in the direction of eliminating housing discrimination. Such a law would exist to prevent further discrimination in housing, to expand the Negro housing market, thereby decreasing overcrowding in other areas and, as an educative vehicle, to illustrate that people of different races can live side by side without incident.

Just as many have discovered that different races can go to school together, fight a war together, play baseball together, and go to church together, so also can it be discovered that the good of all segments of society will be served when each is given the privilege to employ his full potential and to enjoy equal opportunities in all areas of civic life.

A situation which stultifies the city of Chicago such as its present housing structure ought not exist. When it is possible and in many instances an actual fact that Negro boys and girls have no communication with children of other races or religions and vice versa, that the level of intercultural and interracial communication is more often by TV and movie screens than in real experiences, then it suggests that we are overlooking a vast area of educational potential in terms of broadening the minds and stimulating the thinking of our youth.

Although we urge a freedom-of-residence policy in private as well as public housing, we recommend that the Federal Government set the example and lead the way. When this is done, the opportunities for all citizens to see that open occupancy is not tantamount to Negro occupancy, but that it is an honest and democratic process which enables free persons to choose freely where they live, according to their means.

If the Government leads the way, the private real estate dealers will no longer be able to use their overworked rationalizations.

Eventually they will have to follow; those that won't follow will fade away.

Thank you.

Commissioner HESBURGH. Thank you very much, Reverend Fuqua. I would like to ask you a couple of questions that I think are reasonably answered in your statement, but I would like to put them on the record more definitely.

Do you feel that the present laissez faire approach of Federal housing and financing has extended and solidified segregation in the city of Chicago?

Reverend FUQUA. It has done so from two points of view. No. 1, it has been concentrated in the suburban areas, and in the very nature of its being there it has excluded Negroes in many cases, in most cases, from participating in the program, and in the few instances where this is done, where the Negro has had the opportunity to avail himself of FHA, it is done in the case of this Evanston situation here, in a certain area which is publicized as an area in which Negroes may live and avail themselves of FHA mortgage insurance.

This does not also exclude the fact that FHA-VA opportunities, even within the city, are practically nil for Negro residents. Certain requirements, I understand with reference to frontage, for example, in a sense preclude the opportunity of the Negro in the city of Chicago using FHA because the average city lot in the city of Chicago is smaller than the minimum requirement for FHA opportunities.

Commissioner HESBURGH. One other question. There is always the tension between a Federal approach to a problem and a State and a local approach to a problem. I think we will probably agree on the fact there should be a total approach to the problem, looking at all the aspects of the problem and upholding equal opportunity under the Constitution.

I was wondering if there was any civil rights legislation in the field of housing pending in either the city of Chicago or the State of Illinois.

Reverend FUQUA. In neither place.

Commissioner HESBURGH. Has any been discussed or proposed?

Reverend FUQUA. In the past it has been discussed and proposed in Chicago, a city ordinance, but this is as far as it went. The great city of Chicago was opposed to this.

Commissioner HESBURGH. The last question I have, it seems to me that throughout these discussions, both in our other hearings in New York and Atlanta and here, the most positive approach seems to be that we want better housing, and we want equal opportunity of all Americans to have better housing. I think sometimes the problem becomes very emotional when it is put in terms of integrated

housing as such because I think the purport of your remarks was that open opportunity will give a scatteration in housing rather than a concentration which we now have.

I discussed this with Roy Wilkins when he was at our hearing in New York, and he seemed to agree it was six of one and half a dozen of the other where the emphasis was placed, and I am just making a personal remark here.

It seems to me in a highly charged emotional atmosphere, it is better to begin with things we all agree upon, and one is every American should have equal opportunities of voting, housing, and education.

Reverend FUGUA. I think it is a fallacy to assume, as many, many people assume, that integrated housing means that Negroes are going to just take over. It is not so much the hope for integrated housing as it is the hope for free opportunities to build a home or to rent a home wherever one is available, regardless of color.

In the very nature of the case this leads toward integrated housing. In other words, integrated housing is the effect of a particular situation which is begun; this is not the goal. The goal is to let a man live where he wants to live, if he can assume the proper responsibilities.

Commissioner HESBURGH. Dean Storey, would you like to ask either of these gentlemen a question or two?

Vice Chairman STOREY. Mr. Fuqua, you referred two or three times as to the lack of opportunity for financing among the nonwhite population. Are there any all-Negro insurance companies or banks that engage in real estate financing?

Reverend FUGUA. Mr. Jones will take that. I will say this question was answered yesterday in the testimony—

Vice Chairman STOREY. Pardon me.

Mr. JONES. Your question is, are there any all-Negro insurance companies or banks, finance, for Negroes. There are what might be considered all-Negro insurance companies. They are not all Negro in that they insure all people, but their management is predominantly Negro, so for this point of view—

Vice Chairman STOREY. From a management standpoint.

Mr. JONES. Yes.

Vice Chairman STOREY. You don't need to go into it if it was covered yesterday. I will skip over that then and then ask you this question: Are there any, shall we say, predominantly Negro management financial companies engaged in home financing that take, on the other hand, nonwhite or, rather, white applications, and do financing for the white population in the housing area?

Mr. JONES. The financial institutions I am familiar with, this is mostly the kind you describe, finance on a nondiscriminatory basis. They certainly do offer financing to both the white and the Negro

market. Because of the pressures that we are discussing here today and yesterday, obviously they seek to lend the bulk of their facilities to this great need within the Negro market.

Vice Chairman STOREY. What I am getting at, in another city we had this brought out very forcibly, that until they had strong financial institutions directed principally by Negro citizens, they did not get the adequate financing, and I was just wondering whether your experience had been similar here in Chicago.

Mr. JONES. No, and for quite a different reason. In the city of Chicago the bulk of the Negro savings in the form of bank savings and insurance company savings actually are not channeled into the predominantly Negro managed companies. This capital for the most part is concentrated in the predominantly white managed companies, and for these reasons it would certainly appear that these institutions as well ought to be nondiscriminatory in the placement of their funds which is one of the great social needs that they are intended to serve.

Vice Chairman STOREY. Are they discriminatory in practices?

Mr. JONES. Oh, they most certainly are, yes.

Vice Chairman STOREY. You mean that is universal in the city of Chicago.

Mr. JONES. In the city of Chicago, yes.

Vice Chairman STOREY. Will not finance any Negro housing.

Mr. JONES: It is not that they will not, but that their policy is not to finance until an area becomes what they consider the transition or becomes all Negro, stable. When this occurs, your leading financial institutions in the city of Chicago will then consider lending. They will not lend in an all-white area when the first Negro appears, no.

Vice Chairman STOREY: Do I understand, you must wait until the transition period before they are eligible for qualification for loans?

Mr. JONES: Correct, and unfortunately the transition in Chicago is thought of not as a transition from all white to integrated, but a transition from all white to all Negro, and this is another fallacy in the transition argument, in the use of the term "transition" in these hearings. This has been the inference and the understanding.

Vice Chairman STOREY: One final question, I want to ask both of you if you can throw any light on it. Is there any problem about the Negroes' franchise in the city of Chicago?

Mr. JONES: Voting?

Vice Chairman STOREY: Yes, voting.

Mr. JONES: Well, I had hoped—

Vice Chairman STOREY: Is there denial?

Mr. JONES: No, not denial, no, no denial of the vote. The problem, though, comes in connection with one of the items mentioned, as you were questioning I think it was Rabbi Hirsch. The matter of

district ward line, senatorial and other gerrymandering is a serious problem. Because of the concentration, the residential concentrations and segregation, if you will examine the ward lines and examine the senatorial, State and representative lines of the city of Chicago, you will find that there is an alarming coincidence of these lines with this concentration, segregated pattern of Negro living and Negro housing.

Vice Chairman STOREY. May I ask one final question. What is the percentage of Negro registration as compared with white registration? Is it as much as the white registration for voting?

Mr. JONES: No, it is lower.

Vice Chairman STOREY: Have you ever exercised any campaigns for further franchise of the Negroes here?

Mr. JONES: Yes, yes, we are. We are doing this. In fact, in the NAACP program this is one of the prime points in our program this year and last.

Vice Chairman STOREY: Thank you.

Commissioner HESBURGH. I think Dean Johnson had a question or two.

Dean JOHNSON. Either Mr. Fuqua or Mr. Jones, yesterday there was considerable testimony with respect to the effect on property by the inundation or influx of Negroes, and the testimony yesterday left the impression that it is a fact that when the Negroes moved into a community, the property depreciated. I would like to have either one of you comment on that. I would like to hear it.

Mr. JONES. I would like to answer that, having some little experience in real estate values in the city of Chicago. To the contrary, the value depreciation that is described in my experience just does not exist. If there is any area in our society where the pure forces of economics are permitted to operate, it is in this one. Certainly where you get an imbalance when supply and demand as exists in the housing market within these prescribed areas, the supply is far short of the demand, and very obviously, through pure economics, this forces up rental rates, and as any economist would support, when the rental rate increases, certainly the value increases, and this is true here, that the value of real estate does not depreciate, and certainly it does increase.

Now, this does not mean that the property does not have the appearance of depreciation. It has the appearance of depreciation because of the absentee ownership, the absentee landlord who does not keep up his property, who doesn't do the little refinements that would give it the appearance of value, but from the point of view of its income yield, its sale price, not necessarily to the Negro alone, but the sale price among even speculators for these investment properties, the

value is up when the transition of the area from white to Negro occurs.

Dean JOHNSON. There was some testimony that with the first entrance of Negroes into a community there was a tendency toward panic selling and persons who sell at any price that they could get and get out, and that to that extent there would be depreciation. Has that been your experience?

Mr. JONES. This panic selling that is described is very incidental. This is something that occurred in the early days, I think, of the transition in Hyde Park. There was some little panic selling where properties were sold not below value but sold at their true value. What has been described as depreciation really was the efforts of these people, and actual practice among them is to sell at true value. These true values were substantially below the values that were later established when the full transition began to occur, so it was not a matter of depreciation. It was a matter of the value holding steady in the early stages of the transition and moving upward in the later stages of it.

Commissioner HESBURGH. Thank you very much, Mr. Jones and Reverend Fuqua.

We are going to have a 5-minute recess, and it is now just about 11 o'clock. If you will stay quiet for just a moment here, we will recess until 7 minutes after 11, and the first speaker will be the president of the Catholic Interracial Council.

(Recess.)

Commissioner HESBURGH. The meeting will now reconvene, please.

Mr. JACKSON. Our next witness will be Mr. Lloyd Davis, who is the executive director of the Catholic Interracial Council. Mr. Davis will be accompanied by Mr. Emery Biro.

Commissioner HESBURGH. Mr. Davis, may I say first of all that we are right now about 40 or 45 minutes behind, and the only reason we have to finish shortly after 12 is that we have the Civil Rights Commission meeting at luncheon and following, and some of our members have to get back to various parts of the country. I would appreciate it very much if you and the three speakers who follow could, rather than read your statements, give us what you think is the essence of them in about 10 minutes so that we would be able to have a little time for questioning.

We have your statement totally as it is written on file, and it will be part of our record. I would like you to skim through and give us what you think is the essence. I would like to make the same request of the others.

TESTIMONY OF LLOYD DAVIS, DIRECTOR, ACCOMPANIED BY EMERY J. BIRO, JR., MEMBER, AND JOHN J. FARRELL, CHAIRMAN, BOARD OF DIRECTORS, CATHOLIC INTERRACIAL COUNCIL OF CHICAGO

Mr. DAVIS. Father Hesburgh and distinguished members of the Commission, first of all, Mr. Shriver, who is president of the council, was suddenly called to Springfield this morning to testify in the Senate in his capacity as president of the Chicago Board of Education, so he is deeply sorry that he could not be here in person, and so I shall try to take his place as best I can.

I think first of all it is a matter of record that the Catholic Interracial Council of Chicago is a lay organization founded in 1946 by the late Samuel Cardinal Stritch and now operating under the direction of His Excellency, Albert Gregory Meyer. In that Monsignor Egan has covered some of the moral aspects of this problem, I shall delete this in terms of this presentation.

I am grateful for the opportunity today to share with the distinguished members of this Commission the thinking of the Catholic Interracial Council of Chicago on the matter of housing. Housing is a commodity that Negroes and persons belonging to certain other ethnic minorities cannot purchase freely. The disadvantages under which minority groups labor are visible and identifiable.

In a society infected by racial prejudice it is not surprising that there should be strong opposition to equal housing opportunity and open communities. Housing is more than physical shelter. Where a person lives bespeaks his social status which, broadly, he shares with others who occupy the same neighborhood. The neighborhood and the house are the locale of family life and of informal, intimate social relations. To be a neighbor, therefore, is more symbolic of equal status than to be a coworker, fellow student, or fellow organization member. Open occupancy is likely to be the hardest goal for racial minorities to achieve. At the same time open occupancy is a crucially important goal. A man cannot be said to be really free unless he can freely choose where he will live. The opportunity to compete for housing of one's choice is crucial to the goal of equality and freedom.

What do we see today in the Chicago area?

We see in the first place some hopeful signs to the future ahead of us, signs that were not visible only 5 years ago, signs that put flesh and blood on theory and principle.

We refer to the beginning of stable integration in such developments as Lake Meadows, Prairie Shores, and the Hyde Park community. We refer to the community leadership observable today on a biracial basis in Chatham-Avalon. We refer to community council that are increasingly coming to realize that communities cannot be preserved on a closed door or segregated basis.

These are signs of a new awakening to sound principles in community life. They are important. They are not, however, the complete picture.

A Negro, Oriental, Puerto Rican, Mexican-American cannot purchase or rent good housing where they want and where, except for the irrelevant color of their skin, they would be compatible with their neighbors. Discrimination against the nonwhite minority group in Chicago is severe and deliberate to the point that most of them live in neighborhoods in which there are few, if any, white residents. Public bodies, builders, property managers, financiers, and the people in neighborhoods share responsibility for having built up the present pattern. This situation fosters hardship and bitterness between our people. It cannot be allowed to go unchallenged.

Here in Chicago the overwhelming majority of organizations financing the construction of housing do not lend to Negro and other minority group purchasers who may wish to invest in a white area. Real estate firms avoid showing properties in desirable areas to nonwhite prospective buyers. Real estate speculators—white and nonwhite—are able to exploit minority group tenants and buyers because normal market factors are not operative where they are concerned.

Chicago and the suburban area have been slow in recognizing the full effects of enforced segregation. In political life there has been a general reluctance even to mention the topic of open occupancy. In many of our white communities near the edge of the expanding Negro population, people live in a state of paralyzing fear. They fear a tidal wave of nonwhite immigration and because of this the local residents scatter, selling their homes at great personal loss. Over the years they, the residents, gave support to self-defeating "keep out" movements, frequently called improvement associations. With enlightened leadership they might have come to understand that the widespread dispersal of Negro families in mixed neighborhood was the only way to dissipate the pressure on the borders of the ghetto and thus prevent it from progressively engulfing additional residential blocks.

In recent years we have also witnessed the trend in our town toward minority group occupancy in public housing projects and the concentration of public housing in all Negro areas. The housing being built for low income families—primarily public housing—is not only insufficient in quantity, but is also contributing to the maintenance of the segregated pattern of living. Let me illustrate this by what has happened to public housing in Chicago.

The Chicago Housing Authority, which operates under a policy of nondiscrimination with respect to tenant selection, about 10 years ago abandoned further attempts to build new projects on inexpensive vacant land in outlying portions of the city. Why? Because the

areas where such sites are located are predominantly white, and the present residents do not want a Housing Authority project which will bring in Negro neighbors. The executive director of the Chicago Housing Authority recently expressed his policy on new site selections with these words:

We do not intend to force a project upon any community. Our policy is to build only where projects are acceptable to the community and its leaders.

As a result of this policy, the sites now selected for public housing development in Chicago are in, or on the margin of, areas which are predominantly occupied by Negroes. Since vacant land does not exist in such areas in large amounts, the sites selected have required the demolition of large numbers of existing structures, and the inevitable high site costs have forced the Housing Authority into the construction of high-density projects, using tall elevator structures.

Into the segregated complex which I have described, have flowed the additional problems posed as a result of slum clearance, urban redevelopment, and urban renewal programs.

Moving on hazily, gentlemen, and trying to hit some of the high points: In terms of our specific recommendations within the area of government, we feel that there are three areas which we ought to be concerned with, government, community, and individual responsibility. In terms of government, what specifically do we have in mind.

What recommendations can we make with respect to the problems cited. We believe that there is a role which government on the Federal, State, and local level must perform; we believe that there is a role which each and every community must play; and finally we believe that there is a role and responsibility which must be shared by each and every individual. Addressing ourselves to these roles and responsibilities and not necessarily in the order of their importance, we now turn our attention to government.

First, there must be on the part of government at all levels, deliberate and concerted attempts to approach the race relations problem with frankness. Second, every attempt should be made to assure that Federal, State, and municipal policies do not have the effect of intensifying the undesirable patterns of segregation. Negroes and other nonwhite must be given the right to be mobile, to compete for housing, a right essential to a democracy. This freedom to move would lessen overcrowding, reduce the size of the all Negro neighborhood and allow individual Negroes to live in neighborhoods with people of roughly the same economic background.

The following specific points should be considered by governmental agencies on the Federal, State, and municipal level:

1. The FHA and VA on the Federal level should not continue to underwrite developments which discriminate against nonwhites. This

policy of underwriting developments that would not permit the entry of minority group members has already caused great harm to many. FHA and VA, historically, have been agencies which have used their financial power for the extension of segregation. Such activity must be halted.

2. An agency should be established which would work toward the elimination of discrimination in Federal housing and urban renewal programs. This agency could help to study the problems involved and suggest steps to be taken. One consideration might be: What economic inducements can we utilize to promote integrated developments?

3. The Federal National Mortgage Association should be enabled to purchase mortgages to underwrite interracial developments at favorable rates.

On the State level:

1. Fair housing legislation is helpful. The first year's experience under such legislation in New York City appears to have proved that a combination of public policy, law, and sound administration is an effective instrument in eliminating discriminatory practices.

2. State agencies should assume some responsibility in the education of people regarding integrated housing. They should encourage low rent and low cost housing in economically heterogeneous housing areas.

3. State agencies can institute inservice training programs on the question of racially integrated housing. If State employees have correct attitudes on these questions, we can expect that they will be passed along to the persons they are dealing with.

On the municipal level:

1. There should be fair housing legislation to supplement any State legislation. This would provide additional moral and persuasive force to such legislation.

2. There should be constant, conscious attempt to deal with the problem of segregation by all municipal agencies in the field of housing. Those agencies should look upon integration as a positive goal which will have good effects upon the whole city.

3. The city should take the lead in forceful discussions with local private lending agencies and real estate boards. The city should point out the harm done to the entire community by exclusion practices.

4. The Chicago Commission on Human Relations can be better and more effectively utilized as the official adviser to city agencies and departments on intergroup relations problems. There is no reason why the Commission should not have a department which addresses itself specifically to this problem of housing.

I will not go into the area of community organization except to say this is undoubtedly a vital area. In terms of individual responsibility, there are responsibilities of the white citizens, and I would like to mention a few with respect to our Negro citizens. Here we suggest:

(1) Recognition and understanding of the problems faced by his white brothers—both North and South—in the restructuring of group relationships and the adjustment of the status quo, which is now in progress.

(2) The need to assess carefully the priorities assigned to various kinds of effort to speed the assimilation of minority groups into the main stream of American society.

It is important for Negro leaders to strive against discriminatory employment practices but in addition, they must allocate time and effort to make Negro youth aware of the new opportunities so that they will prepare themselves adequately to take advantage of them.

It is important for Negro leaders to strive for desegregation in education but so often achievement or the lack of it by Negro students is not caused by the educational program of a given school. Negro students bring to that school the handicaps growing out of a childhood characterized by poverty, family instability, and inferior social status, the absence of adequate cultural and educational background and isolation from the white community. Negro leaders must turn their attention to these problems also.

It does little good to champion the cause of integrated neighborhoods, if Negroes and/or minority group members, are not economically prepared to live in such neighborhoods, or if they are not imbued with a spirit of pride and concern for their home environments.

(3) Recognition that with increased rights come increased responsibilities and the realization of our goal can be expedited if we seek improvements at every point.

In the statement we also outlined the duties and responsibilities of our white citizens, Father.

In conclusion, the only way to restore housing as an available commodity to minorities is the complete elimination of all elements of the racially discriminating market. The objective is to accord to all regardless of race—the same right to bargain in an open market for shelter, to eliminate racial restrictions or conditions in the occupancy, financing, and marketing of the total housing supply, new or old, Government aided or privately built.

We will make little progress if we fail to grasp the full significance of the relevant Supreme Court decisions of 1948 and 1954; if we fail to recognize the crucial role of housing in the attainment of civil rights; if we fail to retool our thinking and actions to meet the challenge of desegregation and integration in housing.

The difficulties and tasks we face are at their least monumental. One friend says they could take 50 years to implement. Another friend said about 150 years. But as the Catholic bishops of the United States stated last fall, "The tasks we face are indeed difficult, but hearts inspired by Christian love will surmount these difficulties." The road to complete integration of minority group members is a long road. A long journey awaits all who hope to solve these problems. Yet, even the longest journey must begin with a first step. We hope our testifying here today may be part of that first step.

Thank you.

COMMISSIONER HESBURGH. Thank you very much, Mr. Davis. We appreciate your coming to us today. Would you tell us just briefly by way of information how many you have in your council here in Chicago?

Mr. DAVIS. We have a paid membership of roughly 1,000 in terms of actual membership.

Commissioner HESBURGH. Would these be people across the whole community?

Mr. DAVIS. These would be a representative cross section of the citizens of Chicago, and of course the membership in the Council is not restricted to Catholics.

Commissioner HESBURGH. Are you related to the council in New York?

Mr. DAVIS. We are one of three Catholic interracial councils now in existence in the United States.

Commissioner HESBURGH. Do you cooperate with other community agencies?

Mr. DAVIS. Yes. As a matter of fact, a very important part of our program is cooperation with other agencies in the field of inter-group relations, not only on the local level, but in terms of national level.

Commissioner HESBURGH. We appreciate these recommendations which I know have come out of a good deal of experience as have those other recommendations we have received in the past day and a half.

Dean Storey?

Vice Chairman STOREY. No.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. No.

Commissioner HESBURGH. Do either of you other gentlemen want to make a statement while you are here?

Mr. DAVIS. To my left, Father and gentlemen of the Commission, is Mr. John J. Farrell, chairman of the board of the Catholic Interracial Council, and to my right, Mr. Emery J. Biro, formerly member of the staff and now on the board of directors.

Mr. FARRELL. All I would say, Father, is that our board represents business and professional and other people throughout the city, and the statement Lloyd read to you has been prepared with our full approval and help. These are our sentiments, the sentiments of all the board as well as our staff.

Commissioner HESBURGH. Thank you very much.

EXCERPT FROM STATEMENT OF CATHOLIC INTERRACIAL COUNCIL NOT INCLUDED
IN ORAL TESTIMONY

The Catholic Interracial Council of Chicago, founded under the direction of the late Samuel Cardinal Stritch, seeks—

To spread the spirit of interracial justice and charity by the personal example and prayers of its members until such justice and charity is interwoven into the daily lives of all men and institutions.

To conduct an intensive educational program to quicken the minds and consciences of all citizens of our metropolitan area and to make them sensitive to the practical and moral facts of the racial situation in Chicago and in the world today.

To develop an action program to combat discrimination against any group of people by working for—

(a) economic equality by securing full employment opportunities for all;

(b) complete cultural development by securing full access for all to health, educational, and recreational facilities; and

(c) integration in housing and neighborhoods, as the necessary condition to secure adequate housing for minority groups and healthful community life for all the people of our metropolitan area.

To cooperate with other organizations working in the cause of interracial justice, including those national movements to which we can contribute meaningfully.

The Catholic Interracial Council is not a council of one side against another; it is not a council for the advancement or protection of this people or that, but—to borrow the motto of one of our great foundations—it is a council for the advancement of man, for the advancement of man in his understanding of what it is to be a man in himself and in others.

As an organization of laymen we were greatly encouraged by the statement of November 14, 1958, issued by the Catholic bishops of America. We quote briefly from that statement, entitled "Racial Discrimination and the Moral Law."

"Our Nation now stands divided by the problem of compulsory segregation of the races and the opposing demand for racial justice. No region of our land is immune from strife and division resulting from this problem. In one area, the key issue may concern the schools. In another it may be conflicts over housing. Job discrimination may be the focal point in still other sectors. But all these issues have one main point in common. They reflect the determination of our Negro people and, we hope, the overwhelming majority of our white citizens, to see that our colored citizens obtain full rights as given to them by God, the Creator of all, and guaranteed by the democratic traditions of our Nation.

"The heart of the race question is moral and religious. It concerns the rights of man and our attitude toward our fellow man. If our attitude is governed by the great Christian law of love of neighbor and respect for his rights, then we can work out harmoniously the techniques for making legal, educational, economic, and social adjustments. But if our hearts are poisoned by hatred, or even indifference toward the welfare and rights of our fellow man, then our Nation faces a grave internal crisis.

"For this reason we hope and earnestly pray that responsible and sober-minded Americans of all religious faiths, in all areas of our land, will seize the mantle of leadership from the agitator and the racist. It is vital that we act now and act decisively. All must act quietly, courageously, and prayerfully before it is too late."

Into the segregated complex which I have described have flowed the additional problems posed as a result of slum clearance, urban redevelopment, and

urban renewal programs. Old buildings are torn down, as they should be, but minority group families do not have freedom to move. Minority group families spill over into segregated schools, recreation and health facilities, resulting in intergroup tensions. The strands of this Gordian knot are the elements of the racially discriminated housing market pulled tighter by Federal housing policies.

A clear view of the past may serve to cast light on the future. Early housing students won recognition for the slum as a social evil which must be eradicated. The line of attack was to reduce the gap between low incomes and the cost of decent housing accommodations. The depression of the early 1930's offered the opportunity for the advent of the public housing program. From the beginning the needs of Negroes were given consideration, but in the North and South the needs were met within the framework of segregation. Even when equity was recognized and the disproportionate needs of Negroes given consideration, equity operated alongside of separation. Equal by separate prevailed.

Eventually, through the adoption of sounder local policy or law, a number of northern cities and States came to pursue nondiscriminatory tenant selection practices, but even here strange results occurred. Increasingly, the failure of overall city planning, limited site selection, racial restrictions in the rest of the housing supply, and now urban renewal policies have resulted in the anomaly of de facto segregation. "Equity" and "nondiscrimination" have not offered protection against racial concentration.

With the improvement of job opportunities and increased incomes of minorities in the 1940's came growing recognition of the market for middle-income private housing. The FHA took steps to induce private builders and lenders to see the possibilities in this new area of operation. Unfortunately, the FHA Underwriters Manual accepted as public policy all the elements of the racially discriminating market, already evolved and crystallized by the private underwriting real estate and lending fraternity. The answer to the Negro housing demand was the Negro housing project. Like public housing, the effort of the FHA and VA program was to substitute the polished ghetto for the drab slum.

The slum clearance, urban redevelopment program of 1949 and the urban renewal approach of 1954 turned from the piecemeal, spot, palliative project to the communitywide attack upon the root causes of the slum. Some of our human relations agencies around the country quickly labeled this program as a "threat and promise": promise, if the program recognized the necessity of breaking through the restrictions of the racially discriminating housing market, but threat if it were used as a substitute for racial restrictive covenants declared illegal by the Supreme Court in 1948; threat if it were used to rearrange population groups merely in accordance with the objectives of downtown property owners associations, city beautiful planners, traffic control experts, and those more interested in tax returns to the city rather than the improvement of the housing conditions of all people.

In Chicago we hope to reap the promise. The assembly and redevelopment of land are important but what happens to people is even more important and cannot be an afterthought, especially, what happens to the minorities. The failure to adopt and pursue Federal and local policies requiring that the occupancy, financing, and marketing of housing accommodations be available to all families on the same terms can only arouse opposition on the part of the minority people supposedly benefited. It will stall and thwart the progress of the program.

With the improvement of economic conditions, minority population movements, and, most importantly, the U.S. Supreme Court decision of 1954 banning racial segregation in public schools, the day has arrived in which the right of minority group members to equal opportunity in the field of housing must be recognized as a basic human and civil right. Access to housing is a civil right, which men will fight for like the right to vote, the right to enjoy unrestricted use of transportation facilities and other public accommodations, the right to fair employment opportunities, etc.

Access to housing is more importantly a moral right. We firmly believe in the fundamental truth of the unity of mankind, that all men are created in the same image, the image of their Creator. We firmly believe in the virtue of justice. As Christians, we cannot ignore or defy the demands of justice and still claim to be Christian. From our point of view, this is the main concern of our presentation. We cannot ignore or defy the demands of justice in the question of housing. As Christians we believe in the virtue of charity, that quality of love of one another for God's sake.

Mr. JACKSON. Next is Mr. Edwin C. Berry, executive director of the Chicago Urban League. Mr. Berry will be accompanied by Mr. Cobb and Mr. Holmgren.

TESTIMONY OF EDWIN C. BERRY, EXECUTIVE DIRECTOR, CHICAGO URBAN LEAGUE, ACCOMPANIED BY TED COBB AND ED HOLMGREN

Mr. BERRY. Father Hesburgh, Dean Johnson, and Dean Storey. He moved on me and he was about to become Governor Battle.

Gentlemen, in order to set the frame of reference for what I would like to say to you, the members of our staff have brought along some maps. I would ask your attention to the north of you. The first map that you see, the broad map, the base map, indicates the areas of Negro residences in Chicago and indicates something in the way of concentration, and what dispersement there is you can see for yourself. The base map represents for you the areas in city blocks in which there are more than 25 percent of Negro residences, and the total area I would suggest to you, that is darkened there in black and gray, would represent where 99 percent of the Negro Chicagoans live.

Superimposed upon that are the red spots which indicate where—is that the present location?—the present location of public housing projects. The next overlay indicates the areas where there are proposed public housing sites, and you will see very clearly there that most of the sites that are proposed as well as those that presently exist are in the areas of Negro density.

The last overlay that we will suggest to you are the areas of redevelopment and renewal projects, and you will see here, too, that there is a great influence on the areas, the conservation areas.

Thank you very much.

Vice Chairman STOREY. Pardon me. Father, may I ask a question?

Chairman HESBURGH. Surely.

Vice Chairman STOREY. What is the conservation area? I wasn't here yesterday. Is that all right?

Commissioner HESBURGH. Surely; by all means.

Vice Chairman STOREY. Those are the purple areas, blue areas?

Mr. HOLMGREN. These are areas which are not of slum concentration or blight or near blight and which have housing which is considered to be conservable.

Mr. BERRY. Thank you very much. That question was on his time, not mine, wasn't it?

Father Hesburgh, we have submitted our report to you. It was somewhat voluminous, and I have no intention of reading the 60-odd pages that were in it. I do commend the report to you. So important do we consider your visit here that our research staff and our com-

munity services staff spent a great deal of time, and there is an awful lot of good stuff in here.

Commissioner HESBURGH. We are delighted to have it.

Mr. BERRY. Thank you very much. I have no pride in authorship, sir. My staff did most of the work, but I did want you to have an opportunity to see it.

I will make some comments in terms of summaries on some of the things that seem to me to be the important things to be said that have not already been said. We are concerned at the Urban League and in the Urban League program with equal access to the housing market, and we believe that housing should be purchased on the open market in accordance with the best tenets and rules of free enterprise as any other American commodity. I think it is totally foolish that this should be an American commodity which should bear a race tag. I do want to say to you that it is awfully good that you are here, and we think it is very appropriate that you are here and have decided to make an investigation of this, America's most segregated large city.

We think that in this area we represent certain in the area of the classic in race relations. We think it is also appropriate that you are here representing the Federal Government in this inquiry, for the Federal Government has participated in the past in peddling restrictive covenants and in some instances must share a considerable amount of the blame for the maps and the information which we have just provided you.

One of the things in the FHA manual that we would like to call your attention to is the silly language in the so-called antidiscrimination clauses which do not prohibit discrimination in any way. They simply say that you can't write it down. We think this kind of language—and I offer here a recommendation before I get to recommendations, sir—should be cleaned up, and it should be said in no uncertain terms that the Federal Government, when it participates, is spending tax money, everybody's money, Negroes' money, and then turning around and using that same money to deny them the opportunities of the programs that it is setting up. We think that that should be done, and we think all those weasel words in there that don't mean what they say at all ought to come out.

I would like to comment, too, sir, on something that has been said here before, related to self-segregation of Negroes, that this happens in Chicago because Negroes want to live together, birds of a feather, and all that hogwash—is "hogwash" all right to use here?

Commissioner HESBURGH. That is all right.

Mr. BERRY. I don't want to use any wrong words, Father. It would seem ridiculous, if we had this kind of situation where segregation would take place on a voluntary basis, that we would have to have the kind of coalitions that we have had in the past in terms of restric-

tive covenants and other restrictive actions, withholding of mortgage money, the so-called improvement associations, and the hoodlums who throw stones and burn down houses and attack people. It would be totally unnecessary that we would do these things if we had voluntary segregation.

There has been a good deal of discussion here—I am looking at my clever ad libs. I didn't write them in order.

We have heard a lot of discussion here about education is the answer and the people who have talked about education mostly didn't spell out "education at home," nor did they spell out who was going to do the education, and moreover, most often this concept of education has been used as versus legislation.

Well, I would like to submit to you that legislation is education and a very important kind of education, and legislation in this area is needed. Someone said, "I think that the public schools ought to do this," and it has already been pointed out to you that most of our public schools in this city are segregated, and they would hardly be the places where good education for democratic living and democratic practices could take place.

Someone has said, "You can't legislate morality," and I would only call to the attention of the committee that maybe you can't, but in every instance that I know of in the Ten Commandments we have had need for secular law to back it up.

Another concept that has been mentioned here that gives me some concern—I am sure the committee hasn't been taken in by it—but I just feel constrained to comment on this business of the happiness of Negroes, this happiness dig theory that they can't move where they want to because they wouldn't be happy there.

Well, you know, I think you can carry happiness and concern for people too far, and if we carry it too far, we will happy Negroes right out of existence, and I think maybe that is what some people had in mind.

We also have discussed at great length the Lake Meadows and Prairie Shores situation in Chicago, and I would like to suggest to the committee that this is a very nice drop in the bucket. When these two projects are totally completed, they will provide for something like 3,700 families. A few over 3,800 families were moved out to make way for this nice new project. It is a demonstration in inter-racial living, and for this we are grateful because there is very little such demonstration to point to in Chicago.

Our city is not only a segregated city from a residential point of view, but it is getting more segregated. We have started with a premise, and I think this committee has suggested that segregation is a wrong and an evil thing, and I would also suggest that if a little

bit of segregation is wrong and evil, then a lot of segregation must be wronger and eviler.

Some people think that there is no problem here. I have a note to stop talking pretty soon, and I am sorry to deprive the committee of these other things I had to say. But I would like to go on record as saying this, that it is axiomatic that if we have interracial violence in cities, we must have the ingredient of segregation, and where we have segregation, we find the areas where the tensions exist in the greatest way are on the periphery of the segregated area, the contained area, where those who are contained are pushing to break out, and those who are on the outside are pushing to keep them in. Therefore, if we are concerned in any sense with maintaining the health and welfare of our communities, we must break up the ghettos, because if we do not, we certainly are asking for the tension.

With only 5 minutes left I will read to you a section of this report and the recommendations.

Today the Negro population of Chicago is increasing by nearly 600 persons each week. The white population decreases by nearly 300 persons each week. This results in a yearly net population increase of about 16,000 persons due to the Negro increase.

Not free to seek housing wherever their resources or desires may lead them, they must crowd into those areas proscribed for Negro residents and continue the cycle of struggle for decent houses in a good environment.

What are the consequences of this historic system of residential segregation buttressed by code and by custom? The hopeful view is that Negroes who have practically always lived in America, like their European immigrant brothers of yesteryear, the Jews, the Poles, the Italians and others, in two or three generations will have acquired the cultural characteristics of the larger group and break away from the habits of their old culture. People tell us that all the problem needs is time, the great American melting pot will boil away the differences for Negroes just as it did for foreigners.

Some Negro Chicagoans are newcomers to the city, but are not immigrants to the country. Some Negro newcomers do need to be helped with the urbanization process as do many whites. However, at this time an acculturation theory is simply not working, has not worked in the past, and those who control the real-estate market show no evidence that they intend for it to work ever. They simply equate Negroes with newcomers, indigents, and slum dwellers.

This is done to Negroes no matter how long they have lived here, how great their educational and cultural achievement, or their ability to pay. The melting pot time of acculturation theory plainly has not worked for Negroes in the Chicago housing market because those who consciously control and often purposefully manipulate this mar-

ket have prevented Negroes from getting into the housing melting pot, and you can't be melted if you don't get in the pot.

As a realistic view, the theory of the melting pot when related to Negroes is not substantiated by either history or presently available data. There is nothing statistically significant which would indicate the Negro concentrations will inevitably dissolve. Skin color or high visibility alone is one basis for another course of development.

If I were asked to make a prognosis for the future on the basis of the past and present practices, I would have to say that unless the present picture is drastically altered, segregation in Chicago, will increase rather than decline. Some walls of the ghetto will show tiny cracks which will affect a small number of Negroes.

I challenge all those who disagree with this miserable forecast to work with energy, dispatch, courage, and ingenuity to make sure that this forecast does not become a prophesy fulfilled, and I would love, Father, to have to eat crow.

Commissioner HESBURGH. Thank you very much, Mr. Berry.

We appreciate your work and that of your staff in giving us a fine piece of testimony that will be very helpful to us in the last analysis when we write our report for the President and the Congress. I think your maps and the materials you have given us will be most helpful.

Dean Storey, do you have any questions?

Vice Chairman STOREY. No.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. I would like to ask just one question, Mr. Berry. I hope you were here during the testimony yesterday and this morning when the question of quotas arose, the problem of how are you going to stabilize a changing community, and I know that the Urban League has branches throughout the country in the North and the South; some of the ablest people I know are manning those offices, and I would like to get your comment on this very difficult problem.

Mr. BERRY. Well, Dean Johnson, let me indicate in the beginning that I think any quota is odious, and I don't know how you maintain a quota. I don't know how you do it at all, because as soon as you have filled a quota, then you become discriminatory. As a matter of fact, I think they are illegal. The Federal Government is talking about them, and I don't want this committee to get into trouble recommending anything illegal. I think that our program that must proceed has to be one that is courageous, one that makes use of every single device of legislation and education that all of us in a collective sense can bring to bear on the situation. I think that the problem in terms of stabilizing a community has much less to do with a quota than it does with the kind of efforts and education and direction and community action that prevents the people who are in a neighborhood

from making a mass exodus and staying in that neighborhood long enough to find out that people are people, no matter what color they are.

You know, people talk about "inundation" and "invasions" and all these other silly words that the real-estate men invented, their language of prejudice, you know, and it sounds as if people have no choice in a neighborhood, that they go to work one day, white people go to work one day, and while they are gone the Negroes invade, inundate, and take their homes and all they had to do was stay there in the first place, and the neighborhood would not have changed, and if any Negroes were there, the neighborhood would have become stabilized.

We think that there must be in our collective wisdom and all the people who are concerned with this, in the whole United States, some ways to do this thing without getting ourselves in the silly pocket of establishing a quota. I would recommend against any kind of quota. I also recommend against those quotas that now exist.

Dean JOHNSON. Just one other question. I realize the time is flying. But in the literature that you presented to us you had some descriptive material about the Trumbull Park situation. Would you comment briefly on that, particularly in connection with the Chicago Housing Authority's fulfillment of its responsibility in connection with this project?

Mr. BERRY. Well, I will make a brief comment and then ask my housing experts if I have the technical information correct. The Trumbull Park situation is, of course, one of the things that everybody in the United States and most people in other countries have heard about, where we had interracial violence for a period longer than I know of anywhere in the United States, including the Civil War. I do not think the Public Housing Authority has exercised its responsibility in Trumbull Park. I do not think it has exercised its responsibility in Trumbull Park in terms of doing everything that could be done to restore law and order, nor has it done everything that should be done in terms of eligible Negro families gaining access to Trumbull Park.

There seems to be there a quota, too, where a certain number, a small number, of Negro families are in there, and that the only Negro families that are moved in are replacement families, and in this sense it seems to me that a city agency has completely capitulated to the will of the hoodlums, and this is bad for Trumbull Park and the whole town.

Is this correct, Ed?

Mr. HOLMGREN. The only additional comment I would make, Dean, is that the Housing Authority is employing a series of special criteria which Mr. Rose admitted to yesterday in the selection of Negro fami-

lies for Trumbull Park. I don't know what these present criteria are today, but at one time they included that a family must have both a husband and wife, be employed, have children of a certain school age only, and in other words, these were different criteria that were applied than those that were applied to other families in the Trumbull Park project.

Dean JOHNSON: Thank you.

Commissioner HESBURGH: Mr. Berry and Mr. Cobb, Mr. Holmgren, we appreciate very much your coming today, and thank you very much for the fine presentation.

If I could intrude for just a moment, I notice that the staff director of the Civil Rights Commission of our home office in Washington, D.C., has arrived for the Commission meeting this afternoon, and I would like to introduce him to all of you and ask him if he might join us here. Mr. Gordon Tiffany, former attorney general of the State of New Hampshire and presently staff director of the Civil Rights Commission. Will you come up here, Gordon?

Now, the next speaker.

STATEMENT OF EDWIN C. BERRY, EXECUTIVE DIRECTOR, CHICAGO URBAN LEAGUE, COMMISSION ON CIVIL RIGHTS, HEARINGS ON HOUSING, MAY 6, 1959, CHICAGO, ILL.

INTRODUCTION

The Chicago Urban League is grateful for the invitation from the Commission on Civil Rights to present an analysis of the many-faceted problems involved in achieving freedom and equality of opportunity in the housing market.

The league is vitally concerned with the housing question. As an interracial organization using research and community education as basic tools, we regard housing as one of the key problem areas in our city. A basic part of the Urban League program, therefore, is related to the establishment of the principle that the right to secure a decent home in a decent neighborhood is a universal right possessed by all—Negro and white alike.

The Chicago Urban League believes that the fulfillment of this principle is not only essential to those Chicagoans now disadvantaged, but is vital to the health and welfare of the entire city.

We, therefore, present this document in hope that it will contribute to the achievement of a wholesome and democratic solution to Chicago's housing puzzle.

SUMMARY AND RECOMMENDATIONS

Chicago is in trouble—serious trouble, and the city will not find a way out unless and until it begins to face up to the problems of providing adequate shelter, in a free and unrestricted market for the nonwhite citizens of Chicago.

This aspect of Chicago's overall housing program must be candidly examined and solutions courageously advanced, which not only provide the requisite housing, but do so in such a manner as to facilitate the realization of a "decent home and a suitable living environment for every American family."

The Chicago Urban League and many other equally concerned groups have attempted to point out the dangers of present policy, or lack of policy, to the future shape of our town. Today, I am going to restate some facts previously presented by the league, and perhaps state a few new ones, in the earnest hope that what is said here will result in the desired changes in policy and practice at all levels of government.

It is commonplace today to suggest that the kind of home and the kind of neighborhood in which one lives has much to do with the kind of citizen one becomes.

A glance at the large map (copy appears in the appendix) I have brought will demonstrate that we have housing segregation in Chicago. You will ob-

serve that Negroes are concentrated in the central south side, the near west side, and a few other areas adjacent to these very large concentrations. Seventy-five percent of Chicago's Negroes live in but 7 of the 75 community areas of Chicago.¹

The almost universal manner in which nonwhites today increase their living space is expansion on the periphery of the present areas of the ghetto. I say flatly and categorically that neighborhoods like Rogers Park, Bridgeport, New City, Beverly, and others which appear in white on the map, are closed to Negroes seeking to purchase or rent the basic shelter for themselves and their families. Likewise, the suburban areas around Chicago, practice the same kind of exclusion, aimed at keeping minorities from these towns. Wherever, Negroes live in the suburbs they live in ghettos.

We know the social and economic causes and results of slums. They are breeding grounds for the ills of crime, poverty, disease, delinquency and more. Great programs are now underway, utilizing Federal aids in an unprecedented way, to eliminate this bad housing. But I must ask if such slum clearance is really effective if it continues the pattern of slum generation, which, in part is fostered by segregation and discrimination in housing.

Are Negro relocatee families at liberty to take advantage of vacancies in Chicago's total housing supply? The answer is "No." What this does to intensify overcrowding and spread blight in Negro communities is obvious.

Today the Negro population of Chicago is increasing by nearly 600 persons each week, and the white population decreases by nearly 300 persons each week. This results in a yearly net population increase of 16,000 persons, due solely to Negro increase. Not free to seek housing wherever their resources or desires may lead them, they must crowd into those areas proscribed for Negro residence and continue the cycle of struggle for decent houses in a good environment.

What are the consequences of this historical system of residential segregation, buttressed by code and custom? The hopeful view is that Negroes (who have practically always lived in America), like their European immigrant brothers of yesteryear, the Jews, Poles, Italians, etc., will, in two or three generations, have acquired the cultural characteristics of the larger group and break away from the habits of their old culture. People tell us that all the problem needs is time. The great American melting pot will boil away the differences for Negroes just as it did for foreigners.

Some Negro Chicagoans are newcomers to the city, but are not immigrants to the country. Some Negro newcomers do need to be helped with the urbanization process, as do many whites. However, this time-acculturation theory is simply not working, has not worked in the past; and those who control the real estate market show no evidence that they intend for it to work—ever. They simply equate Negroes with newcomers, indigents, and slumdweller. This is done to Negroes no matter how long they have lived here; how great their education and cultural achievement; or their ability to pay. The melting-pot-time-acculturation theory plainly has not worked for Negroes in the Chicago housing market because those who consciously control and often purposefully manipulate this market have prevented Negroes from getting into the housing melting-pot and to be recognized on the American basis of individual merit.

As a realistic view, the theory of the melting-pot, when related to Negroes is not substantiated by either history or presently available data. There is nothing statistically significant which would indicate that Negro concentrations will inevitably dissolve. Skin color, or "high visibility" alone is one basis for another course of development.

If I were asked to make a prognosis for the future on the basis of past and present practices, I would have to say that unless the present picture is drastically altered, segregation in Chicago will increase rather than decline. Some walls of the ghetto will show tiny cracks which will affect a small number of Negroes. Lake Meadows and Prairie Shores are outstanding examples of Negroes and whites living amicably together in good housing. This is an interesting experiment and we regard it as a significant achievement. Lake Meadows and Prairie Shores, when complete will provide housing for approximately 3,700 families. In order to achieve this, however, 3,820 families were dislocated. Few, if any, of the displaced families were able to return to live in these projects. So our concern is for the achievement of decent housing for nearly a million Chicago Negroes. Therefore, the future seems to indicate that the largest number of

¹ A community area is defined as a geographic subsection of the city.

Negroes will continue to live in the oldest and worst housing in the segregated city.

I challenge all who disagree with this miserable forecast to work with energy, dispatch, courage, and ingenuity to make sure that this forecast does not become a prophecy fulfilled.

The Federal Government, as the prime dispenser of aid to housing programs has the first responsibility to see that programs under its jurisdiction are administered on an absolutely free and equal basis. Simply evolving "racial equity" formulae, and permitting private industry and local public authorities to continue using Federal aid without concern for true equality is not the answer. The Federal Government must insist that its assistance be predicated on a policy of complete and unqualified freedom of all citizens to avail themselves of housing wherever their resources and desires may lead them.

Accordingly, the Chicago Urban League offers these recommendations as essential ingredients to the effectuation of sound housing policy and the realization of "a decent home in a suitable living environment for every American family."

1. Congress has the first responsibility to act in the creation of laws specifically requiring Federal housing agencies to administer housing programs without regard to race, color, or creed. This means more than "racial equity" formulae; it means that Federal aid will go only to those who accept the principle that every citizen may share the benefits of that program. Where tax dollars are employed for a public purpose, all citizens have a right to share these benefits.

2. We recommend that the President issue an Executive order, directing all Federal housing agencies to establish effective policies and procedures which will provide unqualified equality of opportunity for minority group persons to avail themselves of housing created under the programs of these agencies. This means, for instance, that no builder with a VA guarantee or an FHA insurance commitment can refuse a qualified purchaser because of race, color, or creed. It means that public housing projects shall be available equally to all eligible low-income families. Further, it means that urban renewal grants will be made only where local agencies accept the principle of no discrimination and no segregation in the renewal areas.

3. We recommend the strengthening and reorientation of the racial relations services of the several constituent bodies of the Housing and Home Finance Agency. The HHFA must establish regulations which will make nondiscrimination a fact in the programs of the Federal housing agencies. Under present policies and practices the racial relations services of HHFA can do little to promote integration and prohibit discriminatory housing practices of local authorities and private industry.

The goal of a decent home and a suitable living environment for every American family is one of America's oldest and most important objectives. Under our basic concepts of a democratic social order, the Federal Government has operated to create a climate favorable to the realization of this objective. However, it has fallen short in its efforts relating to minority groups, for whom the goal is still a long way down the road. It is our contention that the segregated and discriminatory living patterns to which minority groups are subjected in a search for a home are neither "decent" or "suitable." Further, the Federal Government can and should provide the necessary leadership to see that every American gets a fair "shake" when it comes to housing.

What are the differences in quality and quantity of housing available to nonwhites and that available to the white population?

In order to properly understand the problem of minority housing in Chicago, let us examine the picture as it relates to present housing statistics.

The percentage of nonwhites in substandard housing :

Chicago's housing supply, 1957

	Number	Percent
Total number of dwelling units.....	1, 164, 768	-----
Total number of substandard dwelling units.....	176, 459	15
Total number of dwelling units occupied by nonwhites.....	214, 141	18
Total number of nonwhite dwelling units, substandard.....	63, 822	31

It is significant to note that Negroes in Chicago occupied only 4,327 fewer substandard units in 1957 than they did in 1950.

Further, Negroes who composed 20 percent of the city's population in 1957 (see population table in appendix), occupied 18 percent of the total dwelling units and 37 percent of all substandard units in the city. In contrast, only 12 percent of all units occupied by whites were substandard. The proportion of all substandard units in the city occupied by Negroes increased from 28 percent in 1950 to 37 percent in 1957.

It is of additional pertinence to note that in 1957 there were 32,083 vacant units in the city of which 21,140 were standard, 10,943 were substandard.

Not all units listed as vacant were on the market for rent or sale. These units broke down thus:

Vacant units not available for rent or for sale.....	17,792
Vacant units available for rent or sale.....	24,291

¹ Of these, 6,739 were already rented or sold and 1,053 were seasonal or temporarily occupied by a nonresidential use.

Source: National Housing Inventory, Chicago Supplement, 1958.

Of these available units, 20,267 or 83 percent are not dilapidated. Of these, only 4,038, or 20 percent, were available to Negroes.

To what extent have Negroes shared in new housing constructed in the period 1950 to 1958?

The following information is based on Chicago Urban League estimates of new housing available to Negroes. In all probability these estimates are high in terms of the total number of units available to Negroes.

There were 115,504 housing units built in Chicago between 1950 and 1958, of which 62,692 (54 percent) were single-family dwellings; 35,096 (31 percent) were private apartments; 10,797 (9 percent) were public housing units; 6,919 (6 percent) were conversions.

Beyond the public housing units very little of the remaining new construction was available for Negro occupancy. Even that which was available was located in the heart of the "Negro Black Belt."

New housing built in Negro-occupied areas totaled 17,269 units, or 16 percent of all new housing constructed. This figure of 17,269 could be broken down, thus: 1,927, or 11.2 percent, were single-family homes; 3,431, or 19.8 percent, were private apartments; ² 10,797, or 56.2 percent, were public housing units; 2,202, or 12.8 percent, were conversions.

In the period 1950-58 the suburban ring outside of Chicago experienced the addition of 276,939 new houses. Less than 1,000 of these units, by Urban League estimate, were purchased by Negroes, and even these were for the most part in segregated developments. This is less than one-half of 1 percent.

The pattern of residential segregation in Chicago

The development of patterns of residential segregation is nothing particularly new or unique to American cities. What makes it a more serious phenomenon is the intensification and freezing of these patterns. Between 1898 and 1950, there was a steady rise in Negro residential concentration, which leveled off between 1940 and 1950 because of a rapid transition of neighborhoods from white to Negro occupancy.³

POPULATION GROWTH OF THE METROPOLITAN AREA

The phrase "exploding metropolis" has achieved widespread currency by everyone concerned with the future of our American metropolitan areas. At first glance one might conclude that this is a phenomenon that began with World War II and has picked up speed with the nuclear age. Actually, this expansion in Metropolitan Chicago has been occurring since the advent of the 20th century.

The following table will indicate the rate of growth of Chicago and the metropolitan area since 1900:

² It is important to note that 2,887 (84 percent) of these were located in Lake Meadows (1,875), Midway Gardens (818) and South Park Gardens (694).

³ David A. Wallace, unpublished thesis, "Residential Concentration of Negroes in Chicago," Harvard University, 1953 (on microfilm at University of Chicago Library).

Year	Chicago		Chicago standard metropolitan area	
	Total	Percentage increase	Total	Percentage increase
1900.....	1,699,000	-----	2,093,000	-----
1910.....	2,185,000	29	2,753,000	32
1920.....	2,702,000	24	3,522,000	28
1930.....	3,376,000	25	4,676,000	33
1940.....	3,397,000	6	4,826,000	32
1950.....	3,621,000	7	5,495,000	13
1957.....	3,746,000	3	6,348,000	16

Since the growth of the Chicago area has been characterized by rapid expansion for over 50 years, there must be other reasons for this current concern with the present stage of development. One obvious reason is the fact that large areas in the city are rapidly becoming deteriorated. New housing has not kept pace with either our population growth rate or the rate at which older housing has become obsolete. In 1957, the Chicago metropolitan area counted 30 percent of its housing as substandard, an increase of 8 percent from 1950. To have maintained Chicago housing at its 22 percent substandard level of 1950, the metropolitan area would have required about 69,000 new units each year—36,000 to accommodate the area's population increase, and 33,000 units to replace (at a 50-year rate) those units becoming obsolete. In actuality an annual average of 43,000 new homes were built and 4,400 substandard units eliminated. It was obvious that this has not been sufficient.

A second reason is suggested by a closer look at the nonwhite increases in population. The nonwhite population of the metropolitan area has increased from 36,000 in 1900 to 896,000 in 1957—a 25-fold increase in the 57-year period. The large-scale movement of Negroes to large cities has been a recent phenomenon. This factor, coupled with the accompanying economic and geographic restrictions placed on where Negroes may live, provides the clue we seek to understand the real basis of concern for our "exploding metropolis." Only by turning our attention to the needs created by this problem can we begin to renew our cities and provide for the orderly growth of Chicago and suburbs.

Chicago's population concentration relative to other cities

It will be recalled that during the hearings of this Commission held recently in New York City evidence was presented which revealed Chicago as having more residential segregation than Birmingham, Ala.

A broader measure of Chicago's concentration is revealed in an index of segregation, conducted by Willis and Bell, which examined Negro residential segregation in metropolitan areas, Chicago rated highest in cities over 500,000 population.⁴

This trend (unless reversed) toward increased metropolitan concentration indicates that four-fifths of the Negro population will be concentrated in the city by 1965, while only one-half the white population will be left in the city, the remainder having been diffused to the suburbs.

Reasons for increased concentration of Negroes

While poverty and self-segregation have some effect on the increased concentration of Negroes, restrictive action, or manipulation, is the key factor involved, according to Wallace.⁵

According to the 1956 National Housing Inventory, the income structure of the Negro population in Chicago was almost three-fourths that of the white population; this indicates there are a significant number of Negroes who are economically capable of moving out of the concentration.

Some suggest that the desire to "be with their own kind" applies to Negro segregation patterns as well as to European groups. For example, after the initial entry of Italian and Polish into some Chicago neighborhoods they had a tendency to diffuse throughout the city. Negroes experienced an opposite

⁴ Wendell Bell and Ernest M. Willis, "The Segregation of Negroes in American Cities: A Comparative Analysis, in Social and Economic Studies." Institute of Social & Economic Research, University College of the West Indies, Jamaica, British West Indies, March 1957. Based on studies conducted at Northwestern University, Evanston, Ill.

⁵ Wallace, op. cit.

trend. Self-segregation among Negroes, where it exists, tends to be the result of restrictive action.

Crowding in dwelling units occupied by Negroes

During the 1940-to-1950 decade the total population increased 6.6 percent and the number of dwelling units 14.5 percent. However, while the white population actually decreased 0.1 percent, whites occupied more dwellings in 1950 than they did in 1940. The nonwhite population increased 80.5 percent while there was an increase of only 72.3 percent in the dwellings that were Negro occupied.⁶

While the nonwhite population increased, the dwelling units occupied by them failed to increase at the same rate.⁷ Whites, on the contrary, decreased in population but increased their number of occupied units. Stated statistically, whites occupied 419.7 dwellings per 1,000 adult population in 1950, an increase of 32.5 dwellings from the previous decade. Negroes, on the other hand, occupied 372 units per 1,000 adult population in 1950, which was a decrease of 11.1 units from 1940. Thus, what was unequal in 1940 was increasingly unequal in 1950.

Between 1940 and 1950 overcrowding and rent rates increased considerably faster for nonwhites than for whites, and nonwhites got less desirable housing than whites. This did not seem to be entirely a function of income, since nonwhites apparently can pay a rent nearly equal to whites for this inferior housing, in spite of the fact that it takes a disproportionate share of the Negro's income.

The change from 1950 to 1957 reveals only slight improvement in the picture on overcrowding. The Chicago supplement to the National Housing Inventory indicated that 28 percent of nonwhite households had more than 2 persons per bedroom and only 15 percent of white households were in the same category.

Residential succession by race related to changes in housing characteristics, 1940-1950

Residential succession of race takes place when one racial category of the population replaces another as residents of an area. The concern here is, of course, with Negro-white relationships.

The expansion of the Negro residential concentration never quite kept pace with the population growth. Once a small area had 10 percent of its residential occupancy reported as nonwhite, it tended to increase this proportion at various rates of increase from a high. When a small area reached between 25 percent and 75 percent Negro occupancy it rather uniformly experienced a large increase (20 percent or more) in its proportion of nonwhite occupancy.

Studies indicate that as Negroes enter an all-white residential area, the residential density increases. However, the increase is slower than in subsequent stages of transition.⁸ Crowding is most severe in the middle stages, and levels off at the later stage, having reached some sort of saturation point.⁹ Rent increases are highest in the early stages. Competition between Negro and white is strongest in the earlier stages.¹⁰

The Migrant.

Most Negro migrants to the Chicago area enter areas of established Negro residence. The movement of Negroes into formerly all-white areas is led by those who have lived some time in the city.

These studies of the nature and extent of increasing Negro residential segregation suggest an implication relating it to the impact of urban renewal. With Negroes not being able to avail themselves of the normal selective process for housing, and the consequent doubling up, the development of the slum cycle is facilitated. Urban renewal, because of its primary impact as presently implemented in areas of Negro concentration aids in this process.¹¹

HOW NEGROES ACHIEVE HOUSING IN CHICAGO

The goal of the homeownership has long been regarded as part of the American ideal. Indeed, America is very rapidly becoming a nation predominantly of homeowners. In the Chicago metropolitan area, the proportion of homeowners increased from less than one-third in 1950 to over half of all families

⁶ Otis Dudley Duncan and Beverly Duncan, "The Negro Population of Chicago," University of Chicago Press, 1957, p. 79.

⁷ Otis Dudley Duncan and Beverly Duncan, *ibid.*, p. 77.

⁸ *Ibid.*, p. 245.

⁹ *Ibid.*, p. 246.

¹⁰ *Ibid.*, p. 252.

¹¹ *Ibid.*, p. 13.

in 1958. Negroes, too, have sought to achieve the rewards of homeownerships and have increased their activity in the purchase of homes. But at what cost?

Faced with these facts, we might now inquire how our nonwhite citizens go about finding shelter for themselves and their families.

To understand this, we must recognize that housing remains the sole commodity in our economy which retains the race tag on its purchase and use.

New housing intended for Negro occupancy in the Chicago metropolitan area is simply segregated housing. This is because there is no apparent willingness on the part of the home building industry to construct any new housing for Negroes in the Chicago area on any but a rigidly segregated basis. Thus, new homes are built for either a white or a nonwhite market with no planning for any other probability. In addition to this comment, the following several points are important to note:

1. Promotional advertising by home builders in the Negro press and that advertising which appears in the metropolitan daily papers is beamed at the Negro market. This is evidenced by the inclusion of photographs of Negroes and/or some other identifying features designed to appeal to the "Negro market."

2. Sites on which minority housing is constructed are often inferior to those selected for all-white developments. For example, one builder in a southwest Chicago suburb has put up two developments, one for whites, the other for Negroes. They are approximately a mile distant from each other. The white project has curvilinear streets, a new school, and a shopping center. That built for Negroes is on a heavily traveled State route, has a gridiron street pattern, and no shopping facilities.

3. We know of no new sales housing in the Chicago metropolitan area which is available except those developments which are specifically for Negroes in a segregated market. In other words, our experiences lead us to conclude that presently a Negro buyer, regardless of his affluence, academic achievement, or moral character, would be refused and discouraged if he attempted to purchase a home in those new developments which cater to the white market.

4. The method by which builders and real-estate brokers exclude potential nonwhite purchasers is extremely varied and subtle. Among those frequently used to dissuade the would be Negro purchaser are:—

verbal deterrents advising the prospective Negro buyer, "You would not be happy here";

price increases to a prohibitive level; or

the Negro buyer is told frankly that no listings are available to him.

As a result, Negroes with little exception, tend to avoid efforts to purchase housing outside of areas already proscribed for Negro occupancy.

The restricted market in housing

Incomes and purchasing power of nonwhites is greater today than at any previous time. In 1957, the National Housing Inventory revealed median incomes of Negro families was 71 percent of whites, \$4,192 to \$5,910. Negroes, however, must compete for shelter only in a rigidly restricted market. Knowing this, real-estate speculators, both Negro and white, are active preying on the fears of whites and the needs and desires of Negroes for housing. In many areas of the city, it is common for properties to be sacrificed to the altar of prejudice and fear and then resold by speculators at exorbitant prices. Involved in this sacrifice is a two-way loss—to both the white seller and the Negro buyer.

The Greater Lawndale Conservation Commission recently reported that in Lawndale, a white homeowner was frightened by a speculator into selling a home for \$6,000, less than the real value. Within days, the speculator resold it to a Negro squeezed for housing, for \$12,000. In another instance again reported by the Lawndale Commission, a house was sold for \$13,000 and then listed for \$23,000. Urban League observation reveals that this story can be repeated over and over again in every community in the city which is undergoing racial change.

The Negro who buys a home under these conditions is cheated on several counts. First, his house is priced at an unrealistic figure. His monthly payments may compel him to forego repairs and maintenance and to overcrowd the building. His ability to bargain for essential insurance coverage at a fair rate is reduced, and he must pay more for this insurance. This makes it more difficult, if not impossible, for him to provide some of the other necessities and luxuries for living. His children will not go to camp, or have music lessons.

All of this affects his ability to be a good citizen in all the ways we regard as significant and desirable.

These additional financial burdens imposed on the purchaser ultimately cause suffering in the total community. Everyone pays the price of such wanton exploitation.

Contract purchase

One has only to look in the classified columns of newspapers intended for a predominantly Negro readership to observe the most flagrant system of exploitation of Negroes in the housing market—the land contract. These ads will describe properties in changing neighborhoods and display exceptionally low down-payments, starting at \$100 and rarely exceeding \$1,500. The full purchase price is never indicated. Some speculators who operate big, may have as many as 20 or more listings at one time.

The Chicago Urban League recently checked the sales history of nine properties, selected at random, that had been sold in transitional neighborhoods. Seven of the homes were sold by speculators. The price increases ranged between 60 and 120 percent above the speculator's purchase price.

The land contract may be a beneficial means of acquiring a home should the seller want extra protection when the buyer's equity is very low. When this is used with fair prices, no one can object, but when it is combined with outrageous prices, effect on the individual purchasers and the socio-economic stability of the community is tragic.

The Chicago Urban League has estimated that half of the houses acquired by Negroes in areas of transition are purchased by land contract. Between 1950 and 1956, Negroes acquired over 20,000 used houses in Chicago. If a low of \$7,000 per house was the average price increase on each of 10,000 homes, then real estate speculators exacted from hapless Negroes \$70 million in the 7-year period.

The color tax in rental housing

The picture is unchanged when we examine rentals for Negroes in transition areas. Landlords in such areas take advantage of the "two-market system" by charging higher rentals to Negro families, compared to rentals white families may pay for similar accommodations.

It is interesting to note how the "color tax" operates through the process of turning the racial occupancy from white to Negro. Hyde Park-Kenwood, a community where residents, both white and Negro, are consciously attempting to achieve "a stable interracial community of high standards," is a good example of this process. Here it is not uncommon to note that landlords, faced with vacancy losses or eyeing increased profits, increase rentals to new Negro tenants and reduce maintenance and service in the changed buildings. The rent increases range from 30 percent to as much as 50 percent beyond the rental paid by previous white tenants. White families who wish to live in an interracial building are forced to move because of the increase in rent and, most important, they can obtain housing at lower rents, thus the ghetto cycle grinds on and the interracial character of neighborhoods like Hyde Park continues to be threatened.

A recent study of the National Opinion Research Center of Hyde Park-Kenwood revealed that in subarea "A" of that community (where greatest clearance will occur under urban renewal), significant rental differentials for white and Negroes occurred. The median rentals for whites were \$54 a month; for Negroes \$68.

In subarea "B", which is an area designated for rehabilitation, rents for whites were \$63 to \$80 per month, \$74 to \$87 for nonwhites in similar housing units.

Often the landlord who "turns" a building permits overcrowding to take place and spends less for maintenance and repairs. Negro tenants in such a situation can ill afford to complain. Their choice of alternates for decent housing is so limited as to be almost nonexistent. Earning 29 percent less and paying approximately 30 percent more than whites, Negroes are doubly disadvantaged. They continue to pay the "color tax" and hope that some day housing costs will not claim such a large portion of their income.

Racial violence and housing

All too often the advent of a Negro family in a previous white block results in attacks on persons and/or property. These attacks take different forms and are sometimes organized, but often spontaneous.

White persons who feel threatened by the presence of Negroes in their community or block may attempt to respond by use of violence—including arson, bombing, window breaking, and gunshots.

An examination of the two tables and the map on the following pages will reveal the nature of this activity. In the 3 years, 1956–58 over 47.7 percent of the reported incidents were attacks on property; of which 39.9 might be attributed to the fact that Negro families had moved into a previously white block or area.

The housing industry

Builders, mortgage financing institutions, and real estate brokers all help to mold and execute housing policy. The Federal Government, too, plays a significant role in the creation of policy, however, we will deal with the Federal Government in a subsequent section.

Although group prejudices of the white population provide a basis and support for residential segregation, specific manipulation, and controls are exercised, by and large, by the building industry. It is through the real estate brokers, builders, and mortgage institutions, that the practice of segregation is maintained. Not all members of these professions are guilty of such practices against Negroes and other minorities; a few are nondiscriminating and some may even be regarded as crusaders for equal rights. However, in general it can be said that the services of these professional institutions are available to nonwhites in a limited fashion and only under special circumstances.

We have seen in an earlier section how builders operate with respect to new housing for Negroes. This practice rigidly recognizes two markets—one white and the other nonwhite.

Real estate brokers

In a recently conducted study of the racial practices of certain areas of Chicago,²² Helper develops what may be considered to be the "racial ideology" of the real estate profession. It can be said, from this study, that racial ideology of the profession has been to a large extent dictated by the group controls exercised by local real estate boards. We present here a quotation from the Helper study which was developed from the so-called code of ethics and other documents from the National Association of Real Estate Boards, real estate textbooks recommended by the NAREB, and interviews with Chicago Real Estate Board officials:

"Homogeneity, particularly of the people, is the basic and natural characteristic of a residential neighborhood. This means that the residents of the neighborhood have a number of characteristics in common. There is likeness in educational background, economic level, social standards, cultural interests,

TABLE 1.—Number of reported incidents of racial violence by type of incident, city of Chicago, 1956 through 1958

Type of incident	Total		1958		1957		1956	
	Incid-ents	Percent	Incid-ents	Percent	Incid-ents	Percent	Incid-ents	Percent
Total number of incidents.....	256	100.0	79	100.0	87	100.0	90	100.0
Attacks on persons.....	134	52.3	35	44.3	54	62.1	45	50.0
Assaults resulting in death.....	5	1.9	2	2.5	2	2.3	1	1.1
Other assaults.....	129	50.4	33	41.8	52	59.8	44	48.9
Attacks on property.....	122	47.7	44	55.7	33	37.9	45	50.0
Arson.....	38	14.8	8	10.1	13	15.0	17	18.9
Broken windows.....	57	22.3	29	36.7	8	9.2	20	22.3
General auto damage.....	12	4.7	2	2.5	7	8.0	3	3.3
Homes bombed.....	3	1.2	-----	-----	-----	-----	3	-----
Gunshots into homes.....	4	1.6	3	3.8	1	1.1	-----	-----
Other property damage.....	8	3.1	2	2.5	4	4.6	2	2.2

Source: Reports of the Chicago Commission on Human Relations.

²² Helper, Rose, "The Racial Practices of Real Estate Institutions in Selected Areas of Chicago," unpublished doctor of philosophy dissertation, Department of Sociology, University of Chicago, 1958, pp. 564–565.

TABLE 2.—Number of reported incidents of racial violence by type of incident and race of the attackers; city of Chicago, 1956 through 1958

Type of incident	Total			Attacks by whites ¹ on—						Attacks by Negroes ² on—					
	Number of Incidents			Negroes			Others			Whites			Others		
	1958	1957	1956	1958	1957	1956	1958	1957	1956	1958	1957	1956	1958	1957	1956
Total number of incidents.....	90	87	79	61	52	63	11	6	6	17	26	10	0	3	0
Attacks on persons.....	46	54	35	25	29	25	3	1	1	16	24	9	0	0	0
Assaults resulting in death.....	1	2	2	1	2	2	0	0	0	0	0	0	0	0	0
Other assaults.....	43	52	33	24	27	23	3	1	1	16	24	9	0	0	0
Attacks on property.....	45	33	44	36	24	37	8	4	6	1	2	1	0	3	0
Arson.....	17	13	8	13	9	8	3	1	0	1	0	0	0	3	0
Broken windows.....	20	8	29	15	7	24	5	0	4	0	1	1	0	0	0
General auto damage.....	3	7	2	3	5	2	0	1	0	0	1	0	0	0	0
Homes bombed.....	3	0	0	3	0	0	0	0	0	0	0	0	0	0	0
Gunshots into homes.....	0	1	3	0	0	2	0	1	1	0	0	0	0	0	0
Other property attacks.....	2	4	2	2	3	1	0	1	1	0	0	0	0	0	0

¹ Includes 15 attacks by whites on other whites believed to be "friends of Negroes"; 3 attacks on dark-skinned families believed to be Negro at the time of attack and 5 attacks on interracial groups.

² Arsons committed by 2 Negro men on homes occupied by Negro families. The men claimed they were hired by a white man and did not know the homes were occupied by Negroes.

³ Includes 1 incident of altercation between white and Negro teenagers in Grand Crossing Park, persons initiating attack undetermined.

⁴ White youth attacked Negro adult and was shot to death.

Source: Reports by the Chicago Commission on Human Relations.

and race, and to some extent, ethnic and religious background. People are compatible to one another on the whole, and are satisfied with one another's company as neighbors.

"When the homogeneity of a residential neighborhood is maintained, its desirability to the people of the neighborhood and to prospective buyers of similar social standard is preserved. The maintenance of its standards insures its social acceptance. Hence, the desirability of its properties and their value is protected. Homogeneity makes for stability of the residential neighborhood.

"Negroes are a different group from the white people of a stable residential neighborhood of relatively good properties. Negroes are different both racially and in economic and social level. They are one of the low income groups. Their employment is not as secure as that of the white people. When Negroes enter an area, they break down its compatibility and hence its stability.

"The white people do not want to have Negroes as neighbors. Already at the approach of Negroes to a stable residential neighborhood, its property values are threatened because the white market that existed for its properties declines. The neighborhood falls in the eyes of the resident and of prospective buyers. Values decline from the time Negroes begin to approach the area. When they enter, and even before, the white residents sell their homes and move away. The Negro drives the white man out.

"As the best residents leave, and as people of lower economic and social standard take their place in the neighborhood, there is overcrowding, poor maintenance of property, and other ill effects, and the area declines. Its standards have fallen. It is no longer the desirable place to live in that it was. If the area had started declining before Negroes entered it, their entry speeds its decline.

"Racial residential segregation is best for the stability of property values in white residential neighborhoods. 'Natural expansion' or the moving of Negroes into street after street is best way for them to obtain more housing. Furthermore, Negroes and other racial groups prefer to live among their own kind. They would not be happy living where they are not wanted. All people prefer to live with their own kind. 'Birds of a feather flock together.'"

Let us examine the myths contained in this ideology and refute them with the facts of the situation. This refutation is quoted from a pamphlet by the American Friends Service Committee.¹³

Myth.—Property values go down when minorities move into a previously restricted neighborhood.

Fact.—Scientific studies prove that property values do not necessarily go down when the racial composition of a neighborhood changes. In fact, values more often go up.

In October of 1953, "U.S. News & World Report" had this to say in a full-page article on "Restricted Area: Does It Pay": "The value of 'restricted' neighborhoods is getting critical attention now that the racially restricted covenants no longer stand up in court. Some appraisers are arguing that elimination of racial bars to owning property makes it more, not less, attractive. They are asking for a new look at the old belief that when minorities move into an exclusive area, values decline."

Some studies of this situation have shown that—

(a) Market prices in comparable all-white and mixed areas of San Francisco in 1950-52 were on the average the same or higher than prices for similar houses in all-white areas. This was true whether the sales in the mixed areas were to white or nonwhite. (This study was made by Luigi M. Laurenti, economist of the University of California, and was published in the "Appraisal Journal" of July 1952.)

(b) Mixed neighborhoods may increase the desirability of a house as an investment. Mortgage bankers are beginning to regard nonsegregated developments as sound financial investments. (Source: Charles Abrams, nationally known housing expert.)

(c) Assumptions that areas involved in changing racial patterns follow different patterns in real estate values than other areas were largely invalidated in a study in Chicago. The dictates of supply and demand were found to operate in these areas in essentially the same manner as they do elsewhere. (Source: An unpublished study of areas in Chicago for the years 1940-51, made by E. F. Scheitinger.)

¹³ "They Say, That You Say," The Challenge of House and Race, American Friends Service Committee, Philadelphia, 1955.

(d) Colored occupancy increased value in a Philadelphia block of mixed-occupancy housing. (George E. Beehler, Jr., reported this fact in the October 1945 issue of Realty Review.)

If prices do drop temporarily, it is because a large number of houses in a block are put up for sale at the same time, thus glutting the market. In an article for the Review of the Society of Residential Appraisers, Belden Morgan, an appraiser who made a study of areas in Los Angeles, said: "It is the mass exodus that temporarily gluts the market with offerings that depresses prices—not the influx. It is like a bank run engendered by fears. The fears produce an unwarranted condition that could be avoided if people would stay put."

Myth.—If one member of a minority group moves into a neighborhood a multitude will follow.

Fact.—If present residents behave normally and stay put, the neighborhood cannot possibly change radically.

If one lives in a neighborhood one loves, why move? Where people have taken rational attitudes such as this, well-integrated neighborhoods do exist to disprove the myth of invasion.

It is unfortunately true that real estate men often try to urge people to move. Sometimes they actively encourage fears. Realtors may agree not to sell to non-whites until a block already has one or two nonwhite families. The logical effect of this policy is to increase racial pressure on the housing supply and to concentrate it in a given area.

Some groups have successfully resisted such pressures. In a block in a previously all-white neighborhood near the edge of Philadelphia, old residents met the harassment of real estate men by putting signs in their windows saying, "THIS HOUSE IS NOT FOR SALE." Those who wished to start panic selling, in the hope of buying nice houses cheaply and reselling them at a higher price, were not welcome with their message of fear in these homes. This is the type of neighborhood which will keep its value—economic and moral—and in the process will gain some excellent new citizens.

Myth.—Minority-group members do not keep up their property.

Fact.—Minority group members do keep up their property and sometimes do a better job than the former owners.

Looking at neighborhoods which have become integrated is one of the best ways to challenge this myth. Another is to read reports such as one from a Human Relations Committee in an old exclusive area on the edge of Philadelphia. "Our most important evidence," it reports, "that Negro homeowners keep up their property well is right here in Germantown. We can think of many blocks where Negro homeowners have kept up their properties far better than the previous white owners."

Another basic way to explode this myth is to deal with the dangerous business of thinking in stereotypes. Often, when people think of Negro occupancy, they think only of slums, instead of nearby good neighbors. We allow ourselves to go on living with misinformation, or no information at all about a large number of our fellow citizens. And out of this lack of knowledge come stereotypes and prejudices and fears. It is a vicious circle, which must be broken by knowledge and experience. Many of us are gaining some of this knowledge and experience as job opportunities open and stereotypes about minority groups break down.

As for slums, it is important to recognize the difference between owning a nice house in a well-serviced area of town or suburb, and being restricted, whether or not you can afford better, to an overpopulated, already rundown, poorly serviced center-city slum.

As Belden Morgan says in the study previously quoted: "The advancing age of the structure, coupled with the lack of maintenance by indifferent or greedy absentee owners who knew it was not necessary to maintain the properties to hold tenants when the shortage was so acute, was the primary cause of slum conditions—the dwellers were not. Whites observing Negroes living under these conditions are prone to blame the Negro for it, whereas the Negro was the victim, not the cause."

The myths about upkeep do not recognize the fact the minority group person is seeking in his neighborhood the same basic values you yourself sought. His motivation to live as a good, constructive citizen in it will certainly match yours, if not surpass it, because restrictions have made it harder for him to find such a neighborhood.

Myth.—Minority group members will not be able to pay for their homes or keep up their mortgages.

Fact.—Experience shows that minority-group members have buying power and are as good credit risks as anyone else.

Census figures show that the nonwhite population is steadily advancing to better paid occupations and to greater security in jobs, as well as to higher educational levels.

Albert M. Cole, Housing and Home Finance Agency Administrator, says, "Recent studies in a large number of our cities indicate a very substantial waiting market for Negro housing ranging from \$40 to \$90 in rents and from \$6,500 to \$15,000 for sales housing, with a fair number of minority families able to enter the luxury market."

Credit experience with Negro home buyers has been excellent. The president of one of Philadelphia's biggest mortgage companies has written, "Over the years a great segment of the Negro population has obtained the respect of lenders, simply and quietly, by paying their bills when due. Actually, there is no difference in our delinquency records between white and Negro loans and we take pride in our below-average mortgage delinquency record."

This statement was made by Maurice R. Massey, president of the Peoples Bond & Mortgage Co., in the March 1954 issue of the Correlator, a publication of the National Association of Home Builders.

Before a convention of this same group in January of 1953, Frank Horne, of the Housing and Home Finance Agency, said: "According to the reports by lending institutions and surveys by the National Association of Real Estate Boards and the Federal Housing Administration, nonwhite families rate at least as well as credit risks and good maintainers of standards of private properties as other families of similar economic status."

Myth.—Social relationships will create many problems.

Fact.—Those who think of social relationships in a mixed neighborhood in the same terms as they approach them in a less diversified neighborhood have found no cause for alarm.

By thinking of the new neighbors as individuals you can challenge the social myths. Stereotypes of those of another race, place of origin, or faith as all being inferior must be replaced by pictures of them as individuals, based on knowledge of them.

Perhaps a series of questions can help you challenge the social relationship myths.

Do you assume that a new neighbor of your own group will be uninteresting and incompatible before you know him?

No. He will be allowed the same number of likes and dislikes as any other neighbor. He will not be considered a "representative" of any group, bound to accept the shortcomings or share the glories of every other member.

Do you automatically assume that anyone moving into your neighborhood will become your best friend?

No. You choose your closest friends after you have had a chance to know them.

Do you judge your new neighbor in terms of whether his children would make a good husband or wife for your children?

No. Rather, you probably wonder if his children will be just average playmates for your children—vigorous, sociable youngsters.

The myths concerning social relationships all seem to ask you to apply a completely different set of tests to prospective residents of your neighborhood if they belong to another group. This seems unreasonable, unnecessary, and unrealistic.

Myth.—Prestige will be lost if people from other groups live in your neighborhood.

Fact.—Experience shows that this is not necessarily true; that integrated neighborhoods do have prestige in the eyes of those who live elsewhere.

Basically, a neighborhood gains prestige from its appearance and from the stature of those who live in it and the quality of its community life. We have found that appearance need not change in mixed neighborhoods, and the stature of an individual is earned by his professional standing, his economic level, and his leadership in civic activities. These things are not changed.

A community gains prestige from varied activity, energetic and responsible citizens. A community which allows itself to be divided and negative will lose prestige. A community which welcomes the participation in everyday life of persons of all groups will gain enduring prestige.

In Chicago, the policy concerning movement of Negroes was adopted by the Chicago Real Estate Board in 1917. Prior to that time, Negroes had moved into white residential neighborhoods in a somewhat scattered fashion. This new

policy called for the filling up of one block solidly before permitting Negroes to move into an adjoining block. This is documented in the minutes of the regular monthly meeting of the board, April 4, 1917, and contained in the Chicago Real Estate Bulletin, XXV (April 1917).

This practice continues down to the present time. The growth of Negro residential areas in Chicago and suburbs occurs only by accretion to the periphery of the established ghettos.

Membership in real estate boards

The National Association of Real Estate Boards is the spokesman for the white real estate broker. It is an organization with a long history and tradition in the profession. It sets standards of conduct for individual members and local boards with respect to professional conduct. There were 1,229 local boards with 60,875 members in 1957. The Chicago Real Estate Board, one of the largest, had 1,136 individual active broker members. This represented only 14 percent of the 8,000 registered brokers in Chicago. Despite this fact, the leadership of the CREB is accepted by most white brokers.

Today, there are no Negro broker members of the Chicago Real Estate Board. With the exception of eight boards in the United States, Negro brokers have been excluded from membership on local boards. Those which had Negro membership as of 1957 were Pittsburgh, Gary, South Bend, San Diego, San Francisco, Pasadena, New York, and Brooklyn. There is an unconfirmed report that the Philadelphia board recently accepted a Negro member following a court action.

Within the past several years at least six qualified Negro brokers have made formal application for membership in the Chicago board on several occasions. These applications have never been accepted.

GOVERNMENT HOUSING POLICY

The Federal Government exercises broad and far-reaching influence on the operations of the housing market. As a matter of fact, there is no segment of the housing industry which does not rely on some form of Federal participation. The Housing and Home Finance Agency, through its constituent agencies, materially affects the housing developments in every community in America.

The important fact to note in discussing Federal housing policy is that this policy has only advanced to one of *laissez faire* from an earlier position of encouraging and supporting segregation and discrimination in housing. The Federal Government regards the issue of freedom of opportunity in housing as a strictly local matter, to be decided by local public and private officials. The Supreme Court has made it abundantly clear that the Federal Government has an obligation to insure equal protection of all citizens under the Constitution. The HHFA on the other hand, is very specific in most other considerations when dispensing everyone's tax dollars for housing programs. FHA demands high building standards before builders may receive Government mortgage insurance; Federal aid to conservation and renewal is provided only when certain conditions are met by the local community. But the question of providing an absolutely free access to the benefit of Government aid and subsidy is left to the will of the local agencies or private builders and lenders. The Federal Government makes no prohibition in granting its assistance, to local discrimination and segregation. Only in New York and a few other States do we have examples of a lower governmental unit—the States—making explicit under what basis the Federal agency will be permitted to operate in that State. These States specify the basis under which FHA must dispense the benefits of the mortgage insurance program on a nondiscriminatory basis. This is indeed incongruous that a Federal agency must follow the advanced lead of States that are clearly under its jurisdiction. There is no rational excuse for a Federal agency, responsible equally to all citizens, dispensing its benefits unequally to a whole group of these citizens. Government at the Federal level must assume more than a *laissez faire* attitude.

What has been the experience of the various Federal housing policies in Chicago?

The public housing program

The public housing program in Chicago is more than 20 years old. Nearly 20,000 low-rent family units have been built by or for the Chicago Housing Authority. This number is less than 2 percent if compared with the total housing of the city; but it is a substantial addition to the supply of new rental housing available to low-income families.

Based on their relative need for low-rent accommodations in 1950, it was estimated that about 60 percent of all units then planned would be allocated to low-income white families and 40 percent to nonwhite families. The actual occupancy of units by race in 1959 is 85 percent for nonwhite and less than 15 percent for white families. Moreover, white families enjoy access to a wider housing market for all income levels than is true for nonwhite families. But these facts alone cannot explain Negro occupancy in more than three-fourths of all the low-rent units constructed to date.

The normal economic need for low rent public housing by Negro families has been distorted by a variety of public and quasi-public operations in areas of prevailing Negro residence. These have been operations for development, redevelopment and sometimes overdevelopment—all responsible for the displacement of Negro families. Their displacement has not been accommodated by a compensatory reduction or removal of restrictions on their residence in other areas of the city that would provide a freer market in which they could buy or rent. The displacement on one hand and the restrictions on the other, have together inflated the nonwhite demand for low-rent housing. One byproduct of this program is that it discriminates against low-income white families. Another is that it reinforces existing patterns of residential segregation for Negro families, and creates new sources of racial tension and probable friction. Yet this process continues without effective expression of either public or private concern in Chicago.

The present program of building low rent public housing is exclusively confined to Negro neighborhoods. This practice must be viewed in terms of the fact that in 1957 there were 100,000 substandard units in Chicago occupied by white families. The only apparent explanation seems to lie in the practice of public officials to contain the Negro population in proscribed areas. The program is therefore confined to Negro-occupied areas and increasing difficulty in locating suitable sites in such areas is encountered by the Chicago Housing Authority. The most graphic example of this concentration can be seen by looking at "public housing row," a 3½-mile stretch of public housing units, from 22d Street to 55th Street. Except for a half-mile break, between 30th and 35th Streets, public housing developments extend the entire distance. This concentration accounts for 7,213 units, 2.6 percent of all units presently occupied or planned in the city.

Although no officially stated policy exists which gives evidence for "containment," it is apparent that practice by the Chicago Housing Authority and the city council results in this end. If the present practice prevails, therefore, additional public housing construction will be undertaken only in terms of a program which builds such housing within ghetto walls.

The Federal Housing Administration

The Federal Housing Administration has a fundamental influence on the direction and scope of housing programs in Chicago.

Through its credit aids made available to builders and the house-buying public, the FHA has strongly influenced racial patterns, mainly in the direction of increased segregation. In its earlier years, the FHA operated on the policy that mixing of the races in neighborhoods was socially undesirable and a threat to financial stability. It strongly recommended that all land in the vicinity of a mortgage-insured development be covered by race-restrictive covenants. This urging contributed, in large measure, to the spread of such agreements (until they were declared unenforceable by the Supreme Court in 1948).

In the postwar era, FHA retreated from that policy and declared for "equality of opportunity to receive the benefits of the mortgage insurance system * * * irrespective of race, color, creed, or national origin."¹⁴

Open occupancy developments are now officially approved by FHA. However, it does not withhold credit aids in an attempt to discourage or halt the practices of segregation and discrimination by builders or lenders. Thus, the role of the Federal Government remains a major factor in the maintenance of segregated housing patterns in Chicago.

¹⁴ Federal Housing Administration, message from FHA Commissioner to be read by insuring office directors at NAHB local meetings relating to providing homes available to minorities, July 16, 1954.

Urban renewal

This subject is considered at length in the report, "*Urban Renewal and the Negro in Chicago*," published by the Chicago Urban League in June 1958. This document is appended to this statement.

THE URBAN LEAGUE'S CONCERN WITH THE CHICAGO URBAN RENEWAL PROGRAM

The purpose of the Chicago Urban League, broadly stated, is to strengthen the democratic way of life through improvement of race relations, and to establish as a living reality the American creed of "equal opportunity for all."

A basic part of the Urban League program, therefore, is the establishment of the principle that the right to secure a decent home in a decent neighborhood is a universal right possessed by all—Negro and white alike.

The Chicago Urban League believes that the fulfillment of this principle is not only essential to those Chicagoans who are now disadvantaged, but is vital to the health and welfare of the entire city.

The league is, therefore, entering upon the preparation and publication of a series of housing studies which will present and correlate the essential data for a wholesome and democratic approach to solution of Chicago's housing puzzle.

This first report in the series deals with urban renewal, one of the most critical and most widely misunderstood phases of the overall housing problem.

Statement of purpose

For many years, Chicago has been faced with an even more severe housing crisis, centered particularly in certain areas and affecting, for the most part, certain groups of citizens.

In its attempt to meet this crisis, the city has not only failed to find a general solution, but even worse, has not been able to keep the crisis from becoming more serious, year after year.

In this report, the Chicago Urban League is assaying one of the major implements which Chicago has employed in its attempt to alleviate the housing crisis by the clearance of the most seriously blighted areas—the urban renewal process. We are considering here the balance sheet of gains and losses which urban renewal has thus far given the city, with a view to making it more wholesomely productive.

Like other large cities, Chicago, faced with an unprecedented rate of decay in its housing, has been making increased use of the "tear-down-and-rebuild" technique to try to clear away its slums. This method has been almost universally accepted as a necessary process for saving our cities from the decay, deterioration and potential death caused by blight, outmoded transportation and decreasing tax revenues, and is quite generally considered as a necessary basic step in rebuilding our cities.

The Urban League concurs in this general evaluation of urban renewal.

However, the Urban League must retain a critical point of view on the specific methods which Chicago employs in its urban renewal program. The league must ask whether urban renewal, as now practiced in Chicago, may not actually be creating new slums faster than it is tearing down old ones. The league must consider whether gains made by building the shining new areas may not be more than offset by the hurt which they create in terms of human values. The league must assay very carefully the far-reaching effects of urban renewal on the lives of the many families it displaces, especially the Negro families, who most often become the D.P.'s, and who, on the whole, have been hurt far more than they have been helped by urban renewal.

Facing these questions, the Urban League can only conclude that urban renewal, as conducted up to now, in Chicago, is working great and undue hardships on the Negro population, and, on balance, is working more and more harm on the city as a whole. Basically, this conclusion arises from observation of the results of the pattern of racial segregation which Chicago now practices to an extent unmatched by any other large American city, North or South. So long as this pattern persists, urban renewal cannot achieve its great potential for good because residential segregation distorts the fundamental purpose of urban renewal by making it function within artificially restricted limits,

and without the necessary utilization of citywide resources. Thus the principle of "land clearance" is perverted to "Negro clearance," and the great principle of renewing the city's physical structure, and rebalancing and increasing its housing supply is inevitably defeated. With residential segregation, and the consequent ghetto-ization of the fastest growing segment of the city's population, slum clearance tends to spread blight, rather than to cure it—and urban renewal, despite its good intentions and its great possibilities, becomes a distortion and a false promise.

In this report, the league analyzes urban renewal in Chicago from this point of view.

The report will review the basic population trends underlying the housing problem, the patterns of Negro residential placement, the effects of residential segregation on Negroes, the effectiveness of the city's efforts to find housing for families displaced by urban renewal, problems of code enforcement, the administrative structure of the responsible agencies, the responsibilities of government leaders, and related matters.

Specific emphasis, here, will be on the development of "the workable program" in housing—and the related need for a comprehensive, master plan for Chicago, in which the solution of the housing puzzle will no longer be considered as a separate, isolated problem, but as a part of the larger problem of correlating all phases of the task of building a wholesome, prosperous, democratic community for all Chicagoans.

The essential facts, in brief

What are the essential elements of the situation which Chicago now faces in its efforts to make urban renewal provide maximum benefits in Chicago's efforts to provide housing in adequate supply and decent quality for all its citizens?

The gist of the situation, stated as briefly as possible, is that the hundreds of millions of dollars which Chicago spends on urban renewal cannot produce the necessary results so long as the city has no adequate plans for the provision of replacement housing for the families it dislocates—and that urban renewal is critically handicapped so long as Negroes, who constitute the overwhelming majority of the displaced, do not have equal access to the entire housing market. Therefore, Chicago must face the fact that urban renewal as now practiced here is canceling out much of its great potential for good by forcing new slums to develop in place of those it clears.

Supporting this view is the very clear chain of 11 basic facts which follow (and which are amplified and supported by more complete data in the body of this report).

1. Chicago has become the most segregated major city (over 500,000 population) in the United States.
2. Negroes in Chicago live in much less satisfactory housing than whites, and this condition has become worse in the years since 1950. Moreover, Negroes pay more than whites for equivalent kinds of housing.
3. There is a distinct geographic coincidence between Chicago's urban renewal programs and areas of Negro residential concentration. (See accompanying map.)
4. An important element of the workable program is that its activity be part of an officially stated comprehensive plan for the development of the city. Such a plan does not now exist.
5. In the period from 1948 to 1956, approximately 86,000 persons were displaced by various urban renewal projects. It is estimated that 67 percent of these relocatees were Negro. This means that over 11 percent of the Chicago Negro population of 1950 was forced to relocate in an 8-year period.
6. Chicago's approved and planned (1958-59) urban renewal program envisions the future additional displacement of 131,000 persons. Negroes will comprise approximately 86,000 persons of this staggering total (in addition to the other increments of increased demand for housing—the Negro population increase by excess of births over deaths of about 14,000 per year, plus the Negro immigration of about 18,000 per year).
7. Program projections of relocation prospects have been based on a vacancy rate for the entire city. To Negroes, this is tragic hypocrisy. Not being free to take advantage of the total available vacancies they double up in areas of transition, thereby facilitating the slum cycle through more extensive use.
8. There is no substantial program, even in the formative stage, to provide the necessary homes available to Negroes, either by private enterprise or public action.

9. Negroes in Chicago who are able to buy or build homes are largely cut off from normal selection and normal financing.

10. Chicago Negroes who seek to rent are limited to a restricted area, and within this ghetto must compete with each other for the artificially restricted supply, thus compounding the existence of overcrowding.

11. The emphasis which urban renewal has placed upon slum clearance has resulted in no new housing construction on predominantly vacant land, except for some public housing units. This has helped to create the overcrowding and conditions of blight in areas adjoining clearance areas. Moreover, no net gain in available housing units has resulted from this emphasis on clearance, rather than vacant-land construction.

These 11 points are amplified and supported by comprehensive factual data in later pages of this report.

The Chicago Urban League's recommendations for action

Facing the conditions just outlined, the Urban League must now present specific recommendations for action.

These recommendations are presented here, for the first time, in the form of statements of principle on each of the critical aspects of the situation.

Following these statements of principle and policy, the league will subsequently develop more detailed recommendations for the approach to specific areas, projects, and plans.

Broadly stated, the league's recommendations aim to chart a path for both immediate and long-rang progress, on the basis of three fundamentals:

(a) As to the housing problem, in general, we believe that the creation of a free housing market is an absolute essential without which there can be no adequate cure for the city's housing ills.

(b) As to urban renewal as a cure for the slum evil, we believe that the focal difficulty in making urban renewal deliver its full potential for good is found in the fact that the overwhelming majority of those affected by urban renewal are Negroes and that, consequently, urban renewal within a pattern of residential segregation can for the most part serve only to compound the slum situation.

(c) As to relocation, results of the program as it is now being carried out in Chicago fall far short of its assigned goals. Achievement of these goals cannot be attained without major reorientation of policy on an open-market basis and reorganization of administration based on new definition of authority and centralization of administration.

With these three points of basic policy in view, the league offers 11 governing points for improvement of the process of urban renewal and relocation in Chicago.

1. The present urban renewal policy of building only in the areas where it tears down should be replaced by a policy which includes the use of available vacant-land areas to provide decent housing for those displaced by clearance prior to demolition. To implement such a policy, the appropriate government agencies such as the Land Clearance Commission and Chicago Dwelling Association should proceed at once, consonant with established law, to assemble tax-delinquent and other vacant lands for this specific purpose.

2. In the selection of sites for public housing, the Chicago Housing Authority and the city council should plan and act in the interest of the city as a whole, without surrender to the demands of special-interest groups or organizations which seek to restrict the right of free movement of minority-group citizens. Thus, a major objective of public housing site selection must be to minimize, rather than to intensify, the concentration of Negroes in line with the legally declared policy of the city as enunciated, by the city council itself, in the Municipal Code of Chicago, chapter 21, which reads:

"The city council finds that prejudice and the practice of discrimination against any individual or group because of race, color, creed, national origin, or ancestry menace peace and public welfare. * * *."

3. All public agencies engaged in seeking housing for relocation families should abandon their present policy of limiting the relocation of displaced Negro families to the so-called Negro areas and should proceed to utilize the total Chicago housing market for relocation of these families.

4. Wherever government action involves redistribution of population, it should aim to make such redistribution help in reducing not only the population density but also the concentration of racial groups and the resultant preponderance of segregation in education and in other community activities.

5. The express intent and action of all government bodies and officials should be clearly aimed toward the end of residential segregation in the establishment of a free market, and the leaders of government bodies should assume full responsibility for enunciation and implementation of this policy.

6. As the public officials who have the responsibility for enforcement of the policy enunciated in the Municipal Code of Chicago, chapter 21, the mayor of Chicago and other appropriate leaders of government should declare and promote a policy of open occupancy and a free market in housing; should assume leadership in calling upon such key groups as the homebuilders, the lending agencies, the real estate operators, and others to back the program of increasing Chicago's housing supply by demonstrating private housing developments with open occupancy in all areas of the city.

7. Relocation activities in Chicago, now divided between several agencies within the city, should be centralized in one relocation authority. Because of the frequent lack of correlation as to site needs, timing of demolition and construction, and relocation of the families involved, Chicago's relocation activities should be systematically timed by this central authority, with all these elements in mind.

8. In order to prevent relocation from causing further overcrowding of slums or the spreading of overcrowded slum conditions into presently standard adjacent areas, the municipal housing code and the governing regulations set up by Federal authority should be strictly enforced. Such enforcement should be thoroughly policed by all responsible government agencies, at all levels, with resort, whenever necessary, to the powers of the U.S. Comptroller General's Office, which is directly charged by Congress with the responsibility for policing relocation expenditures to insure conformity to Federal standards and recommendations.

9. When urban renewal involves the acquisition of owner-occupied homes, a large proportion of the displacements affect Negro homeowners, who are seriously disadvantaged in their search for and purchase of suitable replacement homes. Under the present practice of enforced sale, the appraised market value is grossly inadequate for these families to acquire comparable housing. These families suffer undue hardships. Hence, the acquiring agencies in such cases should apply the rule of "fair replacement value" in determining its purchase price, in order that its clearance actions may not hinder or discourage the highly desirable objective of continued homeownership among the families being relocated. If additional legislation is needed to accomplish this, it should be enacted.

Explanatory note

Officers of the league have ordered further study on recommendation No. 9 only. The league recognizes the very serious extra financial burden placed upon the Negro homeseeker in Chicago who, with rare exceptions, must pay an inflated price for shelter inside the ghettos and outside and both in terms of rental and purchase.

When urban renewal involves the acquisition of owner-occupied homes of Negroes, these persons are seriously disadvantaged. Their homes are appraised and taken for a fair market price but they must pay for replacement (because they wear the badge of color), an amount well in advance of the fair market price.

Specific recommendations for remedy of this unfair practice will await further Chicago Urban League board action.

Therefore, item No. 9 as it appears above is not to be considered a part of the recommendations at this time.

10. The Department of City Planning should give priority to the development of a comprehensive plan for overall physical development, of which housing, urban renewal, and relocation are integral parts. Progress reports on such planning should be publicly submitted, at least annually, and qualified citizens' groups should be encouraged to study and discuss developments with the Department of City Planning and the mayor.

11. In connection with the above proposals, an official Citizens Committee on Urban Renewal and Relocation should be formed, for the purpose of examining the policies and operation of all phases of the urban renewal and relocation program, advising the Government agencies concerned, and reporting its findings to the public. This committee should be organized by the mayor as a delegate body, such as the Mayor's School Board Screening Committee, with representation from a broad range of civic organizations, organizations concerned with intergroup relations, minority groups, social agencies, business, and labor.

Population and Negro residential concentration

The significance of population characteristics in discussing housing is a vital one. The pressure created by increasing population movements in and around the city demand an understanding of these characteristics. Moreover, the picture for nonwhites, who constitute the overwhelming majority of this increase, exacerbates the problem.

Housing will become an increasingly vital issue in the years to come. A glance at the expanding population which must be sheltered demonstrates this. (See population table in appendix.)

The total population of Chicago was estimated to be 3,789,000 in 1955.²⁵ The nonwhite population of the city approaches the one million mark. By 1965 it is estimated that the city will contain 929,000 and the entire metropolitan area 1,119,000 nonwhites. This will be out of a total estimated 1965 population of nearly 4 million in the city and 7 million in the Chicago metropolitan area.

Nonwhites as a proportion of the city's total population has increased greatly. In 1900 nonwhites were 1.8 percent of the total city population; in 1950 they were 14.1 percent of the total; in 1956 they were 19 percent; and by 1965 it is estimated that they will be 23 percent—almost one-fourth.

In the suburban area the proportional picture has been more static than in the city. In 1900 nonwhites were 1.3 percent of the total population; in 1950 they were 5.1 percent of this total; in 1956, 5.7 percent, and by 1965 it is estimated that they will be 6.4 percent of the total population.

*Negro residential concentration in Chicago*²⁶

Between 1898 and 1950 there was a steady rise in Negro residential concentration, which leveled off between 1940 and 1950, because of a rapid transition of neighborhoods from white to Negro occupancy.

*Chicago's concentration relative to other cities*²⁷

In an index of segregation, conducted by Willis and Bell, which examined Negro residential segregation in metropolitan areas, Chicago rated highest in cities over 500,000 population.

This trend (unless reversed) toward increased metropolitan concentration indicates that four-fifths of the Negro population will be concentrated in the city by 1965, while only one-half of the white population will be left in the city, the remainder having been diffused to the suburbs.

*Reasons for increased concentration of Negroes*²⁸

While poverty and self-segregation have some effect on the increased concentration of Negroes, restrictive action, or manipulation, is the key factor involved, according to Wallace.

Although the income structure of the Negro population is less than one-half that of the white, there are still a significant number of Negroes who are economically capable of moving out of the concentration.

Some suggest that the desire to "be with their own kind" applies to Negro segregation patterns as well as to European groups. However, after the initial entry of Italian and Polish born into Chicago, they had a tendency to diffuse. Negroes experienced an opposite trend. Self-segregation, where it exists, is the result of restrictive action.

*Crowding in dwelling units occupied by Negroes*²⁹

During the 1940-to-1950 decade the total population increased 6.6 percent and the number of dwelling units 14.5 percent. However, while the white population actually decreased 0.1 percent, whites occupied more dwellings in 1950 than they did in 1940. The nonwhite population increased 80.5 percent while there was an increase of only 72.3 percent in the dwellings that were Negro occupied.

²⁵ These are high projections of population done by the Chicago Community Inventory and the Scripps Foundation. The 1955 and 1965 projections are based on Donald J. Bogue's, "An Estimate of Metropolitan Chicago's Future Population: 1955 to 1965," University of Chicago and Miami University, 1955.

²⁶ David A. Wallace, Unpublished thesis, "Residential Concentration of Negroes in Chicago," Harvard University, 1953. (On microfilm at University of Chicago Library.)

²⁷ Wendell Bell and Ernest M. Willis, "The Segregation of Negroes in American Cities: A Comparative Analysis," in "Social and Economic Studies." Institute of Social and Economic Research, University College of the West Indies, Jamaica, British West Indies, March 1957. Based on studies conducted at Northwestern University, Evanston, Ill.

²⁸ Wallace, op. cit.

²⁹ Otis Dudley Duncan and Beverly Duncan, "The Negro Population of Chicago," University of Chicago Press, 1957, p. 79.

While the nonwhite population increased, the dwelling units occupied by them failed to increase at the same rate.²⁰ Whites, on the contrary, decreased in population but increased their number of occupied units. Stated statistically, whites occupied 419.7 dwellings per 1,000 adult population in 1950, an increase of 32.5 dwellings from the previous decade. Negroes, on the other hand, occupied 372 units per 1,000 adult population in 1950, which was a decrease of 11.1 units from 1940. Thus, what was unequal in 1940 was increasingly unequal in 1950.

Between 1940 and 1950 overcrowding and rent rates increased considerably faster for nonwhites than for whites, and nonwhites got less desirable housing than whites. This did not seem to be entirely a function of income, since nonwhites apparently can pay a rent nearly equal to whites for this inferior housing, in spite of the fact that it takes a disproportionate share of the Negro's income.

Fifty three percent of Negro housing was substandard or dilapidated, while 15 percent of white housing was of this nature.

Residential succession by race related to changes in housing characteristics, 1940-50

Residential succession of race takes place when one racial category of the population replaces another as residents of an area. The concern here is, of course, with Negro-white relationships.

The expansion of the Negro residential concentration never quite kept pace with the population growth. Once a small area had 10 percent of its residential occupancy reported as nonwhite, it tended to increase this proportion at various rates of increase from a low to a high. When a small area reached between 25- and 75-percent Negro occupancy it rather uniformly experienced a large increase (20 percent or more) in its proportion of nonwhite occupancy.

Studies indicate that as Negroes enter an all-white residential area, the residential density increases. However, the increase is slower than in subsequent stages of transition.²¹ Crowding is most severe in the middle stages, and levels off at the later stage, having reached some sort of saturation point.²² Rent increases are highest in the early stage of transition, and decline in subsequent stages.²³ Competition between Negro and white is strongest in the earlier stages.

*The migrant*²⁴

Most Negro migrants to the Chicago area enter areas of established Negro residence. The movement of Negroes into formerly all-white areas is led by those who have lived some time in the city.

These studies of the nature and extent of increasing Negro residential segregation suggest an implication relating it to the impact of urban renewal. With Negroes not being able to avail themselves of the normal selective process for housing, and the consequent doubling up, the development of the slum cycle is facilitated. Urban renewal, because of its primary impact as presently implemented in areas of Negro concentration aids in this process.

URBAN RENEWAL AND THE WORKABLE PROGRAM

Urban renewal and Negro residential segregation

The increase in nonwhite population in the city and the consequent increase in residential segregation has special meaning and impact on the workings of urban renewal. And since urban renewal has, up to now, had primary impact upon the communities of high Negro density, the Chicago Urban League has a special concern for understanding urban renewal and its implications.

This section of the report will be concerned with probing the workable program and these elements of it:

Codes and enforcement.

Housing for displaced persons.

A comprehensive physical plan for the general development of the community.

²⁰ Otis Dudley Duncan and Beverly Duncan, op. cit., p. 77.

²¹ Ibid., p. 245.

²² Ibid., p. 246.

²³ Ibid., p. 252.

²⁴ Ibid., p. 13.

Definition of renewal

The definition of urban renewal to be used here is roughly the one implied by the map in the appendix. The map includes not only projects supported by Federal funds, but all major projects falling under this definition:²⁵

"* * * the revision or replacement of an existing land use and population distribution pattern through the acquisition of a predominately built up area, and the clearance and rebuilding of this area * * *"

We accept the above definition of urban renewal tentatively in order to establish an operational basis for analysis of urban renewal. The Metropolitan Planning and Housing Council of Chicago is the source for urban renewal project information on the map.

In summary, the map indicates the location of such items as expressways, major developments, slum clearance areas, public housing, and publicly assisted middle-income housing as being urban renewal. Conservation areas were separated out as projects to stem the growth of blight and are not necessarily total renewal under our definition. However, they are presented because conservation programs seem to be intimately tied to the general renewal program.

The workable program

The workable program was devised to assure that certain aspects of the urban renewal program aided by Federal funds would be safeguarded. In other words, that slum clearance would not, in effect, cause more slums. The workable program when certified by the Federal Government for an area is a necessary prerequisite for the granting of Federal funds.

The President of the United States included in his message to Congress recommendations now embodied in the Housing Act of 1954 which said in part:

"In order to clear our slums and blighted areas and to improve our communities, we must eliminate the causes of slums and blight. This is essentially a problem for our cities. However, Federal assistance is justified for communities which face up to the problem of neighborhood decay and undertake long-range programs directed to its prevention."

The workable program which was implied in the above quotation from the President is explained in a report entitled, "How Localities Can Develop a Workable Program for Urban Renewal." This Government document is an excellent frame of reference with which to understand the impact of renewal.²⁶

Codes and enforcement

One of the keys to the success of any renewal program is the enforcement of codes and standards set up by local public agencies. Pressures by certain private interest groups (owners of slums or near-slums) to break down the enforcement pattern must always be dealt with. Following is some evidence of the breakdown of code enforcement.

The Comptroller General of the United States has issued a report on the efficiency of local public agencies in the control of slum generation in Chicago. A few quotes on these findings are illuminating:²⁷

"URA (Urban Renewal Administration) officials also expressed concern regarding the inadequacy of the city's code enforcement and conservation programs which failed to fully (a) protect racial transition areas from overcrowding through code enforcement, (b) encourage conservation programs for more of the racial transition areas, and (c) prevent further overcrowding of areas adjacent to slum clearance areas. URA officials recommended, as a prerequisite to the execution of capital grant contracts for these projects, that the LPA (Local Public Agency) submit full information on the city's plans and programs for correcting the previously mentioned adverse conditions."

One more piece of evidence indicated that code violation reporting was not being followed up. The Comptroller General of the United States reports further:²⁸

"Our review of the relocation records of the Michael Reese Hospital project showed that some families had voluntarily moved from the project area into accommodations, near or immediately adjacent to the project area. These accommodations did not meet the LPA standards for decent, safe, and sanitary

²⁵ Based upon F. Stuart Chapin, Jr., "Urban Land Use and Planning," Harper & Brothers, Publishers, New York, 1957, p. 231.

²⁶ Published by the Housing and Home Finance Agency (December 1955).

²⁷ These quotes are from Report on Audit of Chicago Regional Office, Office of the Administrator, Housing and Home Finance Agency. For the Fiscal Year ended June 30, 1955, Comptroller General of the United States.

²⁸ Ibid.

permanent housing. No evidence was found in the LPA's relocation records to indicate that the substandard condition of the dwellings had been reported to the city's code enforcement units.

Further inquiry on the subject produced a statement that verbal reports were made to local code enforcement officials, but that nothing else was done. An exchange of letters between the office of the Comptroller General, the Acting Commissioner of the Urban Renewal Administration and the Regional Administrator of LPA programs failed to reveal any real plans for notifying in writing code enforcement officials when relocatees were housed in substandard dwellings.

The above data at least indicates that code enforcement is not one of the more important tools being used to create standard housing for the people of Chicago. The important questions that we must ask and get meaningful answers to are:

1. How many dwellings in the city of Chicago are standard (including occupancy) in terms of city codes?
2. How many dwellings are substandard?
3. What is the rate by which dwellings are becoming substandard?
4. What penalties have been imposed in the enforcement of the city codes?
5. How many dwellings have been brought up to standard through code enforcement?
6. What has been the trend toward substandardness in the Negro residential concentration relative to the white areas? What picture do we get in terms of residential areas in transition from white to Negro?
7. Where answers are available to these questions are they in a form so that interested agencies may use them for references in their day-to-day work?

While these pieces are just fragments of the total picture, they are sample enough to encourage a full-scale investigation of the problem.

Housing for displaced persons

Number of persons displaced by program

One of the most dramatic aspects of the renewal program deals with the displacement of persons living on clearance sites designated for public improvement of one kind or another. The mere description of the number of persons involved indicates the magnitude of the problem.

Based on a report by the Office of the Redevelopment and Housing Coordinator, it is estimated that 23,894 families and 7,101 individuals had been displaced from 1948 through 1956 in the total physical renewal program. This includes the programs from 1948 of the Board of Education, Chicago Dwellings Association, Chicago Housing Authority, Land Clearance Commission, Chicago Park District, De La Salle Institute, Department of Buildings, Highway Departments, Illinois Institute of Technology, Medical Center Commission, Michael Reese Hospital, and the Veterans' Administration. This conglomerate of organizations, with varying standards for the relocation of persons displaced by their individual programs, have displaced an estimated 86,000 persons. A number of persons equal to or greater than the 1950 population of the capital of Illinois—Springfield.

Of this number, approximately 58,000 or about two-thirds are estimated to be nonwhite. Exact figures on the proportions that are nonwhite are not available from the organizations doing the displacement and relocation.

One big question is whether these figures are correct estimates in terms of total numbers and the proportion that is nonwhite. Certain sources state that an area that has been designated for clearance is emptied almost immediately by some residents. Generally, the person moves so quickly that he is not counted as a relocatee but he is nevertheless a part of the displacement problem. Some interpret this early evacuation as an indication that there is not too much of a housing problem. Others interpret this as being a case of recognition by some of the displaced persons that there is a housing problem and they leave early in order to get the best of the available supply. In any event, there are grounds for thinking that the above estimates of the reported population displaced are less than the actual population displaced.

Another big question is the allocation of resources for the proper relocation of displaced persons. Symbolic of this is the almost total lack of adequate reports on the characteristics of the relocatees. One exception to this is the report by the Chicago Housing Authority entitled "*Relocation of Site Residents to Private Housing*," November 1955. Relatively comprehensive reports like

the one cited do generate more public confidence in relocation activities of agencies.

The current relocation load of all agencies will create a demand for rehousing greater than that of the period from 1948-56. It is anticipated²⁹ that between January 1, 1958, and December 31, 1959—a 2-year period, a total of 36,000 families will be compelled to seek housing from sites that are approved or will be approved during the period. If the normal family size of 3.3 persons obtains, we can project the total to 119,000 persons. No estimates are available for unrelated single persons, however, past relocation experience indicates that these individuals represent approximately 10 percent of the total relocation population load. Thus, 12,000 single person households will be similarly affected. This staggering total of 131,000 Chicagoans will be displaced and require housing. This is equal to the 1950 population of Gary, Ind. Of this 131,000 relocatees, it is estimated by the Office of Housing and Redevelopment Coordinator that 55 to 65 percent are nonwhite. This means that between 72,000 and 85,000 Negroes will require rehousing.

The above facts support the need for an insistence on the most elaborate type of organization of both people and facts in order to satisfactorily effect the relocation of these displaced persons. They further support the need for an insistence on the presentation of the total facts to the people and their agencies so that a constant appraisal may be made of the renewal program in terms of population displacement.

Symptoms of poor relocation policy and practice

The Chicago Plan Commission in a recent report plays up some of the significant aspects of the relocation problem. A summary of some of the ideas generated in this report are as follows:³⁰

A significant number of persons, who have been removed from areas because of the urban renewal clearance program, have not been relocated in satisfactory housing.

Considerable economic stress has been laid upon a significant number of families displaced by the relocation process. This economic hardship has the potential for creating serious problems, e.g., the doubling up of families to pay high rents.

The great majority of displaced families were nonwhite, for whom the quest for adequate housing is nearly always a problem.

There is substantial evidence that the relocation process is contributing to the further concentration, enlargement and institutionalization of the present Negro residential concentration.³¹

One of the necessary elements of the workable program is that there be adequate rehousing of families displaced by urban renewal. This is a prerequisite to the disbursement of some federal funds for urban renewal.

Further problems were revealed in the Comptroller General's report previously cited. In a section of the report entitled "Adequacy of LPA's [local public agency's] Relocation Activities Not Determined by URA [Urban Renewal Administration]" the following facts were revealed:

1. The Comptroller General's office was concerned with getting some sort of sample of the situation.
2. Examination of eight families which were designated as self-relocated and in private-rental standard housing uncovered errors in record. Five of the families were actually in substandard dwellings.
3. The local public agency declared that it was in error but declined to say a review of its program might be in order.

The need for a comprehensive master plan for the growth of the city

Life in present-day America is very much predicated on the concept of planning. Million dollar corporations market new products only after extensive research and planning. The Federal Government, in all its operations is involved in the planning process. Municipalities, large and small, conceive and execute rebuilding schemes after intensive planning. Thus, planning as a means to the "better life," is an acceptable and essential tool.

What have the planners—or, more correctly, those who control planning policy and direction—designed for the citizenry of Chicago? Chicago has not

²⁹ By Housing and Redevelopment Coordinators Office, 1957.

³⁰ Based on Rept. No. 2, Chicago Plan Commission, A Report On Relocation, Chicago, 1957, p. 22.

³¹ Substantiation of this will be found in the Comptroller General's report cited above and in the Chicago Housing Authority report cited in this section.

yet achieved a comprehensive city plan showing in outline form the future development, indicating how areas should be treated (clearance, rehabilitation, conservation), and showing the ways in which neighborhoods should be redeveloped and renewed. In the meantime, decisions regarding urban redevelopment, public and private housing, commerce, industry, transportation, and community facilities are often being made without regard to the standards required for sound future growth and in a pattern which may not readily fit into the comprehensive plan, if and when it is completed. Densities in public housing projects, for instance, are so high and public open spaces so lacking that these projects will almost certainly be regarded as substandard 20 years hence and, in fact, are so regarded today by many. Also, the selection of sites on which public housing is built seems to be motivated by a desire to contain Negroes, who occupy the bulk of public housing, within the walls of the existing Negro ghetto. This is not sound planning.

Analysis of urban renewal project data shows that instead of a comprehensive master plan we are presented with spotty programs aimed at the alleviation of conditions within a given community and without adequate relation to their effect on neighboring areas or the city as a whole. Often the decision as to which neighborhood gets a program is dependent upon the concern of its local citizenry and the expression of that concern into a demand for action. Today in Chicago there are many community areas with high concentrations of substandard housing which remain untouched by urban renewal or other programs.

In order to document this lack of planning, the following excerpts of a speech by Dennis O'Harrow, executive director of the American Society of Planning Officials, are offered. This expert on planning spoke before the annual meeting of the South Side Planning Board on May 2, 1957. He said:

"The willingness and desires of the citizens of Chicago to use planning to produce a better city are about as clear as they could possibly be. In fact, I cannot think of any city in the United States in which there is one-half as much citizen activity along the line.

"I said before that effective planning requires agreement by both citizens and the city government that they want it to be effective. It seems to me that the citizens have demonstrated their interest over and over again. What about the city government?

"I must confess that it has not been equally clearly demonstrated that the Chicago city government has either the desire for or faith in planning that the Chicago citizens have * * * there is no stated plan by the city government looking toward a greater Chicago. * * *

"There must be a positive, aggressive, forward-looking interest, if Chicago is to grow by plan and not by chance. * * *

O'Harrow's concept is amply supported in a Public Administration Service report entitled "Reorganizing Chicago's Redevelopment and Housing."³³ It asserts "that organizational and administrative improvements hold promise of making accomplishment easier where the people of the city want the programs and where responsible public officials support them with informed and active leadership."

In summary, there are millions of dollars that are being spent and are going to be spent for schools, roads, housing projects, and industrial developments for the declared purpose of renewing our central city—Chicago. However, there does not seem to exist what is needed most; namely, an officially stated, comprehensive, long-range, general plan for the physical development of Chicago.

Consonant with the need for sound, long-range, comprehensive physical planning is the requirement for the same type of social planning. While much of the details of physical planning encompass elements of the social planning process, there is often a disregard for the effects of planning on the social fabric of the urban setting.

In concluding comment on this section, it may be important to note why sound physical and social planning is important to the Chicago Urban League. In the first place, it would allow the league, along with other interested agencies, to make reasonable forecasts of the human consequences of the actions indicated by the plan. Secondly, it would enable the league to make constructive contributions to the solutions of the social problems generated. The league has a vested interest in the good organization of the urban renewal program. A better pattern of planning than we have presently would make it possible for the Chicago Urban League to use its resources and activities to a greater advantage than that of merely exposing symptoms of disorganization and faulty planning.

³³ A summary of a report to the Committee on Housing of the City Council of Chicago, Public Administration Service, Chicago, 1952.

TABLE 1.—Population in the city of Chicago, by color—Enumerations, 1900–1950; estimates 1951–57; and projections, 1965–80

Population group	Year	Population ¹			
		Total	White	Nonwhite	Percent nonwhite
Enumerated population as of April ²	1900	1,699,000	1,668,000	31,000	1.8
	1910	2,185,000	2,139,000	46,000	2.1
	1920	2,702,000	2,589,000	113,000	4.2
	1930	3,378,000	3,137,000	239,000	7.1
	1940	3,397,000	3,115,000	282,000	8.3
	1950	3,621,000	3,112,000	509,000	14.1
Estimated population as of July ³	1951	3,637,000	3,100,000	537,000	14.8
	1952	3,649,000	3,083,000	566,000	15.5
	1953	3,656,000	3,060,000	596,000	16.3
	1954	3,685,000	3,050,000	636,000	17.3
	1955	3,701,000	3,039,000	663,000	17.9
	1956	3,723,000	3,019,000	704,000	18.9
	1957	3,746,000	2,997,000	749,000	20.0
	1965	3,973,000	3,044,000	929,000	23.4
Projected population as of April ⁴	1970	4,083,000	(⁵)	(⁵)	(⁵)
	1975	4,213,000	(⁵)	(⁵)	(⁵)
	1980	4,217,000	(⁵)	(⁵)	(⁵)

¹ Figures rounded to the nearest thousand.

² From the U.S. census taken every 10 years.

³ Estimates for 1951 through 1954, June 1956 press release issued by the Housing Redevelopment Coordinator's Office, City of Chicago. Revised estimates for 1955 and 1956 and first estimate for 1957, "Population Growth in the Chicago Standard Metropolitan Area," estimates and projections series No. 2, Chicago Community Inventory, February 1958.

⁴ 1965, high projections from Donald J. Bogue's "An Estimate of Metropolitan Chicago's Future Population: 1955 to 1965," University of Chicago and Miami University, 1955; 1970 through 1980 from P. M. Hauser's and G. S. Neuman's "Projections of Population for the Chicago Standard Metropolitan Area to 1980," 1955.

⁵ Not computed.

Compiled by the research department of the Chicago Urban League, 2410 South Michigan Ave., Calumet 6-0600, July 1958, revised from August 1957.

TABLE 2.—Population in the Chicago standard metropolitan area, by color—Enumerations, 1900–50; estimates, 1951–57; and projections, 1965–80

Population group	Year	Population ¹			
		Total	White	Nonwhite	Percent nonwhite
Enumerated population as of April ²	1900	2,093,000	2,057,000	36,000	1.7
	1910	2,753,000	2,701,000	52,000	1.9
	1920	3,522,000	3,393,000	129,000	3.7
	1930	4,676,000	4,392,000	284,000	6.1
	1940	4,826,000	4,491,000	335,000	6.9
	1950	5,495,000	4,890,000	605,000	11.0
Estimated population as of July ³	1951	5,593,000	4,949,000	644,000	11.5
	1952	5,691,000	5,008,000	683,000	12.0
	1953	5,789,000	5,067,000	722,000	12.5
	1954	5,881,000	5,120,000	761,000	12.9
	1955	6,061,000	5,267,000	794,000	13.1
	1956	6,208,000	5,395,000	843,000	13.6
	1957	6,348,000	5,452,000	896,000	14.1
	1965	6,956,000	5,837,000	1,119,000	16.1
Projected population as of April ⁴	1970	7,440,000	(⁵)	(⁵)	-----
	1975	8,008,000	(⁵)	(⁵)	-----
	1980	8,382,000	(⁵)	(⁵)	-----

¹ Figures rounded to the nearest thousand.

² From the U.S. census taken every 10 years.

³ Estimates for 1951 through 1954, June 1956 press release issued by the Housing Redevelopment Coordinator's Office, City of Chicago. Revised estimates for 1955 and 1956 and first estimate for 1957, "Population Growth in the Chicago Standard Metropolitan Area," estimates and projections series No. 2, Chicago Community Inventory, February 1958.

⁴ 1965, high projections from Donald J. Bogue's "An Estimate of Metropolitan Chicago's Future Population: 1955 to 1965," University of Chicago and Miami University, 1955; 1970 through 1980 from P. M. Hauser's and G. S. Neuman's "Projections of Population for the Chicago Standard Metropolitan Area to 1980," 1955.

⁵ Not computed.

Compiled by the research department of the Chicago Urban League, 2410 South Michigan Ave., Calumet 6-0600, July 1958, revised from August 1957.

TABLE 3.—Population in the Chicago standard metropolitan area (excluding Chicago), by color—Enumerations, 1900–1950; estimates, 1951–57; and projections, 1965–80

Population group	Year	Population ¹			
		Total	White	Nonwhite	Percent nonwhite
Enumerated population as of April ²	1900	394,000	389,000	5,000	1.3
	1910	568,000	562,000	6,000	1.1
	1920	820,000	804,000	16,000	1.9
	1930	1,300,000	1,255,000	45,000	3.5
	1940	1,429,000	1,376,000	53,000	3.7
Estimated population as of July ³	1950	1,874,000	1,778,000	96,000	5.1
	1951	1,956,000	1,849,000	107,000	5.5
	1952	2,042,000	1,925,000	117,000	5.7
	1953	2,135,000	2,007,000	126,000	5.9
	1954	2,195,000	2,070,000	125,000	5.7
	1955	2,360,000	2,229,000	131,000	5.6
	1956	2,485,000	2,346,000	139,000	5.6
	1957	2,602,000	2,455,000	147,000	5.6
Projected population as of April ⁴	1965	2,983,000	2,793,000	190,000	6.4
	1970	3,357,000	(⁵)	(⁵)	-----
	1975	3,795,000	(⁵)	(⁵)	-----
	1980	4,165,000	(⁵)	(⁵)	-----

¹ Figures rounded to the nearest thousand.

² From the U.S. census taken every 10 years.

³ Estimates for 1951 through 1954, June 1956 press release issued by the Housing Redevelopment Coordinator's Office, City of Chicago. Revised estimates for 1955 and 1956 and first estimate for 1957, "Population Growth in the Chicago Standard Metropolitan Area", estimates and projections series No. 2, Chicago Community Inventory, February 1958.

⁴ 1965, high projections from Donald J. Bogue's "An Estimate of Metropolitan Chicago's Future Population: 1955 to 1965," University of Chicago and Miami University, 1955; 1970 through 1980, from F. M. Hauser's and G. S. Neuman's "Projections of Population for the Chicago Standard Metropolitan Area to 1980," 1955.

⁵ Not computed.

Compiled by the research department of the Chicago Urban League, 2410 South Michigan Ave., Calumet 6-0600, July 1958, revised from August 1957.

TABLE 4.—Nonwhite population of the Chicago standard metropolitan area, by major divisions—Enumerations, 1900–1950; estimates, 1951–57; and projections, 1965–80

Year	Total, Chicago standard metropolitan area		City of Chicago		Metropolitan area outside of Chicago	
	Number	Percent	Number	Percent	Number	Percent
1900.....	36,000	100	31,000	86.1	5,000	13.9
1910.....	52,000	100	46,000	88.5	6,000	11.5
1920.....	129,000	100	113,000	87.6	16,000	12.4
1930.....	284,000	100	239,000	84.2	45,000	15.8
1940.....	335,000	100	282,000	84.2	53,000	15.8
1950.....	605,000	100	509,000	84.1	96,000	15.9
1951.....	644,000	100	537,000	83.4	107,000	16.6
1952.....	683,000	100	566,000	82.9	117,000	17.1
1953.....	722,000	100	596,000	82.5	126,000	17.5
1954.....	761,000	100	636,000	83.6	125,000	16.4
1955.....	794,000	100	633,000	83.5	131,000	16.5
1956.....	843,000	100	704,000	83.5	139,000	16.5
1957.....	896,000	100	749,000	83.6	147,000	16.4
1965.....	1,119,000	100	929,000	83.0	190,000	17.0
1970.....	-----	100	-----	-----	-----	-----
1975.....	-----	100	-----	-----	-----	-----
1980.....	-----	100	-----	-----	-----	-----

Source: See population tables 1, 2, and 3 compiled by the research department of the Chicago Urban League. These tables show the population for each area by race.

TABLE 5.—White population of the Chicago standard metropolitan area, by major divisions—Enumerations, 1900–1950; estimates, 1951–57; and projections, 1965–80

Year	Total, Chicago standard metropolitan area		City of Chicago		Metropolitan area outside of Chicago	
	Number	Percent	Number	Percent	Number	Percent
1900.....	2,057,000	100	1,068,000	81.1	389,000	18.9
1910.....	2,701,000	100	2,139,000	79.2	562,000	20.8
1920.....	3,393,000	100	2,589,000	76.3	804,000	23.7
1930.....	4,392,000	100	3,137,000	71.4	1,255,000	28.6
1940.....	4,491,000	100	3,115,000	69.4	1,376,000	30.6
1950.....	4,890,000	100	3,112,000	63.6	1,778,000	36.4
1951.....	4,949,000	100	3,100,000	62.6	1,849,000	37.4
1952.....	5,008,000	100	3,083,000	61.6	1,925,000	38.4
1953.....	5,067,000	100	3,060,000	60.4	2,007,000	39.6
1954.....	5,120,000	100	3,050,000	59.6	2,070,000	40.4
1955.....	5,267,000	100	3,039,000	57.7	2,229,000	42.3
1956.....	5,365,000	100	3,019,000	56.3	2,346,000	43.7
1957.....	5,452,000	100	2,997,000	55.0	2,455,000	45.0
1965.....	5,837,000	100	3,044,000	52.2	2,793,000	47.8
1970.....		100				
1975.....		100				
1980.....		100				

Source: See population tables 1, 2, and 3 compiled by the research department of the Chicago Urban League. These tables show the population for each area by race.

TABLE 6.—Number of families and single persons living on clearance sites as of Dec. 31, 1958

Agency	Total households	Families	Single persons
Total (all agencies).....	25,902	17,008	8,894
Chicago Housing Authority.....	3,656	2,295	1,361
Chicago Land Clearance Commission.....	8,158	6,240	1,918
Highway departments.....	3,820	3,075	745
Community Conservation Board.....	9,123	4,371	14,752
Board of Education.....	118	71	47
Veterans temporaries, University of Chicago.....	253	253	
Department of Buildings.....	63	29	34
Neighborhood Redevelopment Corp.....	711	674	37

¹ Includes 4,288 persons living in "group" households consisting of unrelated single persons.

Source: Relocation tables; D. E. Mackelmann, Department of City Planning, January 1959.

TABLE 7.—Relocation of families (F) and single persons (SP), 1948 through 1958

Agency	1948-58		1957-58		1950-56		1948-49	
	(F)	(SP)	(F)	(SP)	(F)	(SP)	(F)	(SP)
Total.....	30,704	9,421	6,810	2,320	21,954	6,321	1,940	780
Board of Education.....	889	346	530	169	359	177		
Chicago Dwellings Association.....	78	16			78	16		
Chicago Housing Authority.....	9,822	2,665	1,385	477	8,194	2,185	243	3
A. Permanent.....	7,464		1,385	477	5,836	2,185	243	3
B. Veterans temporary.....	2,358				2,358			
Chicago Land Clearance Commission.....	5,750	2,127	1,142	538	4,509	1,589	99	
Chicago Park District.....	489	294	27	78	462	216		
De La Salle Institute.....	60	11			60	11		
Department of Buildings.....	407	181	229	128	178	53		
Highway departments.....	9,144	3,133	3,094	911	5,460	1,445	590	777
Illinois Institute of Technology.....	1,300	429			1,080	429	220	
Medical Center Commission.....	1,934	86	384	8	1,250	78	300	
Michael Reese Hospital.....	367	122			324	122	43	
Veterans' Administration Hospital.....	445						445	
Corporation counsel ¹	19	11	19	11				

¹ Municipal parking lots.

Source: "Status of Urban Renewal and Public Housing Projects as of December 31, 1958," by D. E. Mackelmann, consultant department of city planning, Jan. 22, 1959, and "1956 Relocation in Chicago," 3d annual report by the Office of the Housing and Redevelopment Coordinator, April 1957.

Mr. JACKSON. Our next witness is Mr. Julian H. Levi, executive director of the South East Chicago Commission.

TESTIMONY OF JULIAN H. LEVI, EXECUTIVE DIRECTOR, SOUTH EAST CHICAGO COMMISSION

Mr. LEVI. Father Hesburgh, Dean Johnson, Dean Storey, my name is Julian Levi. I am executive director of the South East Chicago Commission, a voluntary citizens' organization. Because the time available has not permitted my board to clear this statement, I hope you take it as what I say to you personally, and I immediately disclaim any particular expertness.

I am neither a sociologist nor an expert in race relations. I am a lawyer, active in business. I have dealt with the problems that we are confronted with in one community for the past 7 years.

The South East Chicago Commission from its very inception has been composed of citizens of all races and creeds. The members of that Board of Directors, incidentally, are members because of their personal distinctions and qualifications, not because of the accident of race or color. This is completely within the long established traditions of our communities. The Hyde Park Council of Churches and Synagogues is the oldest interfaith organization in the United States.

At its last Thanksgiving service choirs of children, young men and children, came into Rockefeller Chapel at the University of Chicago attired in the robes of five or six denominations of the Protestant church as well as several Jewish synagogues. The choir boys and girls were of all races and creeds. In many communities in this country

an event of this character would be remarkable and noteworthy and a fact acclaimed as great evidence of good will.

In the Hyde Park community a joint Thanksgiving service of this kind has been traditional for more than the last half century. These communities have been places of work and study for gifted students and scholars the world over. The turban, the sari, and the robes of many foreign lands are familiar sights on our streets and walks for generations.

Community organizations within our community build their programs around the goals of a stable interracial community of high standards. It is therefore a fair statement that if programs of community stability do not succeed in the Hyde Park-Kenwood area, they probably will not succeed anywhere else at this time.

I skip in the statement from a description of our urban renewal because I want to deal with what in the last 7 years certain aspects of our problem have become pretty clear.

First, deterioration and obsolescence is not a racial problem. Community deterioration by reason of the age of structures, their poor maintenance, the inadequacy of city housekeeping services, the lack of adequate public facilities such as schools, parks, and playgrounds, and parking compounds for automobiles will and does occur irrespective of the race or color of those living there.

In the Hyde Park A and B projects, the first of our slum clearance programs, of the 1,167 families in the area at the time of the proposal of the project, 1,032 were white and only 84 were Negro and 51 Oriental, or classified as census does, otherwise nonwhite.

In the larger urban renewal plan of the 4,371 families to be relocated, 1,837 or 42 percent are white, 2,534 or 58 percent are nonwhite.

Second, the problems of any one community are inevitably affected by events elsewhere. Our problems originate at least within the total Chicago metropolitan area, and an enlightened, understanding community is inevitably touched and handicapped by bigotry elsewhere. The Board of Education of the city of Chicago in administering to the schools of our communities is enormously handicapped by the deficiencies in educational programs in the rural South. Deficient educational programs elsewhere in this country not only waste the talents of Chicago teachers in time of shortage, but even worse, handicap the youngster of skill and promise at a time when the national interest requires the encouragement of every child to the maximum of his ability. So long as our suburbs seek to sketch what Mayor Dilworth of Philadelphia calls the white noose around our central cities, we will be confronted by abnormal and often overwhelming problems. These problems are not all alike. The community that opposes an entrance of any particular group into its midst not only has problems of its own, but it generates a different kind of problem

for its sister communities, and I would like to note in passing, this was as true in the days of Adolph Hitler or Joseph Stalin as it is with their spiritual successors.

Third, a generalized tolerance and good will accompanied by a willingness to say all of the right things in all of the right tones at all of the right times are not enough. The platitudes, speeches, and film shorts about brotherhood originating in suburbia and the gold coast during Brotherhood Week of every year really make no constructive contribution whatsoever.

Fourth, our efforts to solve these problems are complicated by groups of people in this country today who delight in confusion and difficulty about race because of their dislike of our form of government. I do not believe that the Communist Party of Illinois appeared in opposition to the Hyde Park-Kenwood urban renewal plan because of a concern about the merits of the plan or an interest in those affected. Fellow travelers and their addeleated friends can be counted upon to keep the pot boiling at all times. Problems of housing put some strange bedfellows on the same mattress, worn with cliches, rumors, and illogical views.

Fifth, the solution of the problems of an open community within the Hyde Park-Kenwood context can be achieved only in terms of community excellence. We think, for instance, that the way to insure the success of an integrated school is to make that school a great educational institution. In all candor I sometimes think that the superb mathematics teacher at Hyde Park High School does more for integration in her training of scholars in an integrated school than a ton and a half of human relations experts. I think the best way to insure successful development of integrated housing is to provide values and finances comparable with the best found on the market. There is substantial evidence, some in our own community, that proves this. There is no substitute for effective law enforcement in all phases within a community. Many people today associate minority groups with the stereotype of the overcrowding of buildings and the lax enforcement of the law.

The statement which I make to you which refers to the enforcement of single family occupancy standards in Kenwood, this has been done on a completely nondiscriminatory basis, and it has been effective, and it has resulted in a community being maintained as an integrated community.

We do find that a blunt insistence upon community excellence in renewal and redevelopment and upon effective law enforcement can form the basis for long-term community improvement. Under the leadership of Mr. George Dovenmuehl, chairman of the Urban Renewal Committee of the Chicago Association of Commerce and Industry, and the officers of the Cook County Association of Insured

Savings & Loan Associations, a fund of \$30 million is being assembled to assist owners in the purchase, rehabilitation and improvement of properties in the Hyde Park-Kenwood Urban Renewal Area. Already 15 savings and loan associations have announced their desire to process these loans. This all occurs against the known fact that the Hyde Park community is and will be nondiscriminatory.

The most valued help that our community can obtain in this regard at this moment would be for the Federal Housing Administration to really implement section 220. It is a fact that over the past decades Federal mortgage loan insurance has been granted speedily and often as a matter of course for the developers of large-scale suburban housing projects. At the same time, owners of city properties, when they seek Federal mortgage insurance assistance, are greeted like the character in Scott's "Quentin Durward," "But patience, cousin, and shuffle the cards 'till our hand is a stronger one."

From its inception the office of the South East Chicago Commission has been the listening post and complaint box of our community. We found over the past 7 years that the residents of our community on the whole have the same likes, the same dislikes, the same concerns, and the same aspirations. The long hearings preceding the adoption of the Hyde Park-Kenwood urban renewal plan made it abundantly clear that the people of our community were not determining the issues on racial grounds. We cannot, of course, solve all the problems of community renewal within our boundaries. Given a chance, however, we might justify the wry comment of Aldous Huxley, "There is only one corner of the universe you can be certain of improving, and that is your own self."

Commissioner HESBURGH. Thank you very much, Mr. Levi. We would like to ask you just a very few brief questions.

What would you suggest in the way of really implementing 220 of FHA?

Mr. LEVI. That the underwriters in FHA, specifically in the Chicago office, have got to be instructed that these applications have to have top priority in handling and processing and that it is reasonable to expect an answer to a request for loan insurance in, say, 30 days instead of much longer, which is what we are confronted with today.

Commissioner HESBURGH. What is your experience in the way of time now?

Mr. LEVI. Well, it is so discouraging that the private savings and loan associations, Father, are the ones who are filling the gap. We are told that it will take them anywhere from 90 days up to 6 months to indicate what they are and are not ready to insure.

Commissioner HESBURGH. The law is written, the money is available. It is just a question of a judgment, isn't it?

Mr. LEVI. Yes; that is right.

Commissioner HESBURGH. What do you think caused the delay, just bureaucracy?

Mr. LEVI. I think it is partly that. I think it is partly the fact that the program is new, and I think also that there is a basic necessity for education of people in both the real estate and in the mortgage and loan business as to what you can do in an excellent community situation.

You may be interested, Father, in one detail. It will be announced rather shortly that the first of a group of houses totaling some 40 in the Hyde Park A renewal project have been sold. Let me tell you a little bit about these purchases. The purchasers of these particular houses are people of all races and colors and creeds, but there is something else that is even more significant, and in my way of thinking, furnishes the kind of solution to this problem. I don't know another part of the city of Chicago where you will find in this two blocks as many people in "Who's Who In America," as many people in "American Men of Science," as many people who are making enormous contributions to the future of our civilization, and this is true, incidentally, not only of the white purchasers, it is true of the Negro purchasers.

There was a meeting last night where they met to work with the architect. You know what they were talking about? Not any of this sociology or race relations or anything of that kind. They were talking about how the landscaping and the gardening could be most effectively done to reflect the greatest value on what they have achieved.

I think these are the kinds of solutions you have to look to. You look to them in terms of excellence.

Commissioner HESBURGH. I will buy that.

Dean Storey?

Vice Chairman STOREY. Mr. Levi, I assume that the University of Chicago is within your commission area; is it not?

Mr. LEVI. It certainly is, sir.

Vice Chairman STOREY. You are familiar with the location of the American Bar Center and you know about it.

Mr. LEVI. I certainly am, Dean.

Vice Chairman STOREY. You may recall that a few years ago when some of us had the responsibility for locating the American Bar Center, there was a great deal of resistance even among the members of the bar, your professional brethren and mine, from Chicago, saying that it should not be located there because of the blighted area. You recall that?

Mr. LEVI. I recall it precisely.

Vice Chairman STOREY. I think it is only fair to say from what I know about that area and your commission, you have made tremendous progress in the fields in which you are working. I think you are probably too modest to admit that, but your work discloses that.

What I am getting at is this—I wasn't here yesterday. I have read some of the material, but throughout this testimony I continually hear about this group and that group, the religious groups and others, and nearly every one of them have made recommendations calling for some overall citywide solution of this problem, and that there should be leadership on the local level and dynamic leadership.

In your opinion what should be done in the whole Chicago area to obviate some of these problems that have been discussed here, in light of your experience in southeast Chicago?

Mr. LEVI. Well, the first thing, Dean, is this: This problem has got to be attacked on a metropolitan area basis.

Vice Chairman STOREY. How would you do it?

Mr. LEVI. Well, I would do it in this way, for one thing. I would find a way to consolidate the Cook County Housing Authority with the Chicago Housing Authority, and I think I would begin by pretty well laying down as a principle that I was not going to locate very much public housing in the future in the city of Chicago, but I would begin to reach into suburban land.

There is a reason for that. This land is far cheaper than land in the center of the city.

Vice Chairman STOREY. It is available, too, isn't it?

Mr. LEVI. It is available, and in addition to that, it permits then the kind of thing which we now can't do with public housing in the city of Chicago. When you build public housing with high density, which is what we have to do today, the fact is, we are no longer building lower income housing. What we are doing is we are building the equivalent of the Cook County Welfare Fund in which we aggregate families that are broken, in which we compound all of the problems together. This isn't good for the youngsters involved, it isn't good for the schools, it isn't good for the community. What we have to do is to find a way to eliminate city density on some of these things, and we have to begin to look at these problems on a complete metropolitan basis.

Dean, I wonder if you will pardon one other comment I have to make. I find that property owners who live in property behave much differently than those who do not. I find that property owners who live in Hyde Park behave much differently about their property than owners who do not live in Hyde Park, and I get very, very provoked at times at hearing our friends from Winnetka, Lake Forest, et cetera, saying all of the right things to us, while I know that they, them-

selves, are contributing to the problem in the way that they manage and handle their own property.

Vice Chairman STOREY. Thank you, sir.

Commissioner HESBURGH. Dean Johnson?

Dean JOHNSON. Just one or two questions. I gathered from your testimony and also from the material you submitted that you are very familiar with this Hyde Park area, and in your studies have you found whether or not there is any correlation between bad housing and crime or juvenile delinquency?

Mr. LEVI. There is no question about that. One of the statements that I took out because we were pressed for time was that the bad area basically consists of about 20 percent. Now this 20 percent, which we are having to clear, contributes about 57 percent of our crimes of violence in the total renewal area and is the place of residence for approximately that many of those arrested for that purpose. There is a definite correlation. It is so close, in fact, that we can take certain crimes, put them on a map, and speculate pretty well as to the character of housing which is there.

Dean JOHNSON. One other question. To what extent do you think that Federal legislation is needed to help solve this complex problem?

Mr. LEVI. I think that it is needed to this extent. We willingly and gladly have said that whatever assistance we get in urban renewal, we pay the price for it in complete covenants against non-discrimination. I am shocked at communities which are built in outside cities, complete FHA insurance, which end up with complete exclusion of certain groups.

Commissioner HESBURGH. I might implement, Mr. Levi, by telling you that someone testified in New York that 1 percent of all federally financed housing, only 1 percent, goes to nonwhite groups, and in the consideration of this as public money, this is something that can really shock you.

Mr. Tiffany, would you like to make a statement?

Mr. TIFFANY. Since I wasn't here for the entire hearing, Father Hesburgh, I think it would be presumptuous for me to engage in questions. I would simply offer the comment, when I was younger, we used to be told that the largest room in the world was the room for improvement. It seems to have some special application in the field of housing today.

Commissioner HESBURGH. Thank you, Gordon.

Thank you, Mr. Levi. We appreciate your coming and the information you have left with us.

EXCERPT FROM STATEMENT OF MR. JULIAN H. LEVI, EXECUTIVE DIRECTOR, SOUTH-EAST CHICAGO COMMISSION NOT INCLUDED IN ORAL TESTIMONY

These favorable factors within our communities have been constantly supported and aided by the assistance of the responsible authorities of both the

State of Illinois and the city of Chicago. Under the leadership of Governor Stratton, the Illinois Legislature led the United States in the enactment of community conservation legislation such as the Illinois Urban Community Conservation Act. Under the leadership of Mayor Daley, the City Council of Chicago has enacted a series of essential ordinances culminating in the recent approval of the Hyde-Park-Kenwood Urban Renewal Plan.

The climate for thoughtful public discussion and legislative consideration has been insured by the remarkable coverage which the Chicago metropolitan press has given to these projects. This is one of the few cities in the country where every newspaper has a reporter assigned to such news and hundreds of inches of copy have been devoted to the subject.

The result of this effort is to channel in excess of \$135 million of new public and private investments into the area.

At all times these legislative measures have been supported by legislators, assemblymen, and aldermen of all races and creeds.

The express terms of the various redevelopment plans prohibit discrimination by reason of race, color, and creed. Those making and committing for the new private investment do so with the full knowledge that discrimination is forbidden.

These programs have of course, been highly controversial. The major problems of city deterioration and obsolescence admit to no perfect or easy answer. Although only 20 percent of the area will be completely cleared and rebuilt, thus preserving the balance of 80 percent, there is a substantial displacement of people and business with consequent hardship and problems.

The approval of the plan came after nine public hearings held in the neighborhood before the local Conservation Community Council as provided by law, and after prolonged hearings before the committees of the Chicago City Council. More than 2,500 citizens of all walks of life, and again, of all races, color, and creed, participated in these hearings. The approval of the renewal plan in city council, by a vote of 44 to 0 is indeed significant.

Mr. JACKSON. Father Hesburgh, the concluding witness is Mr. Ralph D. Robinson, who is the first vice president of the Cook County Industrial Union, CIO.

TESTIMONY OF RALPH D. ROBINSON, VICE PRESIDENT, COOK COUNTY INDUSTRIAL UNION COUNCIL, CIO

Mr. ROBINSON. Father Hesburgh, Dean Johnson, Dean Storey, Mr. Tiffany, my name is Ralph D. Robinson, assistant director of region 4, United Automobile Workers and testifying in my capacity as vice president of the Cook County Industrial Union Council, which represents a quarter of a million union members in the Cook County area.

We feel much encouraged from the fact that you gentlemen have come to Chicago of your own will, and on your judgment, to study the experiences of Chicago citizens in the area of civil rights in housing. We believe you will find here, if you care to, the heart and mind of the professional denial of equal opportunity in housing, and the national leadership in this regrettable professional skill.

Chicago was the leader in practice and application in the now outlawed restrictive real estate covenants. That form of contract and neighborhood property covenant was not only more widespread in our city, but was more effectively used here than any place in our Nation that we know of. It effectively bottled up the nonwhite population of our city for generations, and laid the foundations for

Chicago's present serious problems of slum removal, and upheaval, incident to our need to replan and rebuild so much of our city.

With the death of the restrictive covenant, Chicago again leads the Nation in its successor technique—the “gentlemen’s agreement—with teeth”—which controls the area real estate industry and our political life as well. The objective and result is the same as in the old restrictive covenant; namely, containment of the Negro and other nonwhites, preventing some white racial and religious groups from invading some areas, and even the concentration of certain religious and racial groups in given areas.

Evidence of the existence of the condition we speak of is self-evident from a quick look at any map of Chicago, showing the racial or religious concentration of people in neighborhoods.

I believe Mr. Berry’s map there has made some indication to that effect, and therefore I will not read that portion of our statement.

The Chicago gentlemen’s agreement is well known, freely admitted, but so far as we know, it is not an official document available to us to present to you. In essence it is an understanding that no real estate dealer will sell or rent to a nonwhite in any block, until the block has been “cracked” by the presence of a Negro family there by some other means. The real estate dealer who violates this agreement is punished severely by the industry. He finds his financial services leave him, and he may be driven out of business in short by what follows. Some few who have violated the agreement report that they are suddenly hit by insurance cancellations, rigid building code enforcement, sudden, fierce competition for their listings, and even social ostracism. Behind all this is an efficient gestapo-like information gathering system that reduces to a bare minimum the possibility of sneak sales, or even private sales to nonwhites. Most such sales are known to the industry while they are in progress, and their completion interfered with in every way possible.

So effective is this system that in Chicago a nonwhite rarely if ever moves into a neighborhood of whites, other than at the border of the existing Negro neighborhoods, in spite of the fact that there are in our city many white owners who deplore our pattern of segregation and would like to sell their own property in a manner to break it up. Instead, social pressures, political pressures, financial and business pressures, and the incipient mob have proved so effective that Chicago has yet to experience successful practice of a free and equal real estate market.

The “gentlemen’s agreement” has to date effectively prevented the construction in this city of labor-sponsored housing projects. The Cook County Industrial Union Council several years ago sought to secure a site for construction of nonsegregated housing, but insisted that the site not be in an all-Negro neighborhood. It has to date

failed to secure such a site. We are aware that a number of international unions, which have contributed to the welfare of cities such as New York by building good housing for middle income people, have made official and unofficial inquiry in Chicago and have failed to find acceptable sites in our city for nonsegregated housing. They have had no cooperation from local government, but have had severe discouragement from neighborhood political leaders.

An obvious example of the Chicago situation is the fact that in recent years, all public housing built in our area has been built in all Negro areas, or adjacent to all Negro areas. A current publication of the American Friends Service Committee, entitled "Trumbull Park," stated on page 11:

On January 17, 1958, Alvin Rose, the present executive director of Chicago Housing Authority, addressed an open meeting of the Planning and Housing Committee of the City Club of Chicago. Among other statements, he said, "We are not going to use public housing as a wedge (to integrate all-white neighborhoods). Our role must be one of friend to the community."

Mr. Rose, just quoted, is a public official in the city of Chicago, different from many others only in his degree of tact.

In 1954 a "Citizens' Committee," headed by the former chairman of the board of the University of Chicago, and having as members bank presidents, Chicago Real Estate Board officials, and utility company presidents, reported to Mayor Kennelley as follows:

The mayor's housing coordinator (James Downs) has often and correctly stated that the overcrowded Negro areas of Chicago must be "de-densified" by moving sizable portions of their occupants to new sites both inside and outside the city. This calls for unrestricted access to land, both vacant and improved, in accordance with the functioning of a free housing open occupancy idea, which in turn must rest on widespread educational campaigns supported by an official city and suburban policy of removing, rather than fostering, discriminatory barriers. Local organizations working close to the people and guided by an enlightened new local leadership must assume a large portion of this task. But certain steps can and should be taken on a citywide level.

The Committee recommends—

That the mayor call together leaders of industry, labor, and various civic groups to formulate a means of enlisting citywide cooperation in making land available for the housing needs of the nonwhite population. To the extent that the problem is a moral issue, the cooperation of the archdiocese, the Rabbinical Association, and the Church Federation of Chicago and other religious groups should be sought.

Some of the signers of this document, which was presented to the mayor at a huge public meeting, were president of the Continental Bank, president of the Commonwealth Edison Co., president of the Illinois Bell Telephone Co., president of the Peoples Gas, Light & Coke Co., president of the University of Chicago, president of Sears, Roebuck & Co., and of five associations of mortgage lenders.

It is significant that no move has been made to implement this proposal, though those who sincerely believed in it have urged action. No mayor has called such a conference, and no local government has

an active policy of aiding open occupancy or a free housing market. Instead, Chicago is rigidly ruled by the "gentlemen's agreement."

One certain reason for the above situation is the fact that denial of equal opportunities to the consumers of housing in Chicago is a very lucrative business of the owners and operators of real estate and one of the basic tools of political leadership in this area. Residential and voting segregation is to a high degree the foundation of many local political organizations and fear, scientifically disseminated, the means of maintaining that stability. Overcrowding in nonwhite areas means many added dollars in the pockets of real estate operators.

I will move down through this because I see I have only 5 minutes left.

"Education" is no cure for the evil of our "gentlemen's agreement." That agreement is firmly entrenched in the profits that flow from it, and supported by the kind of morality that does not question the source of a dollar's income that is "legally" legitimate, Chicago's problem needs to be solved by the kind of governmental morality that put an end to child labor, and before it, human slavery, and which currently questions the right of a union officer to misuse the funds in his union treasury, and punishes manipulation of the stock market. No new level or morality is needed, but the broadening of the existing higher levels of governmental morality made applicable to this problem are sufficient to solve it.

The concern of Government in the prevention of race riots; the equality in the spending of the tax dollar; in equal preparation for citizenship; in equal opportunity to escape disease, and morality-destroying environment, give Government a "police power" justification to tackle the situation which exists in Chicago.

While the Federal Government cannot supplant local government in Chicago, of course, it has in Chicago the opportunity to supply strong persuasion to the city to do its share to solve the problem. Chicago, a city making a desperate effort to match with rebuilding the speed of decay and slum growth, is inescapably dependent on Federal funds for its programs. Federal standards embodying mandatory fair practices as the condition for receipt of Federal funds is the most direct and immediate means of accomplishing the leadership we hope for from the Federal Government. We believe you can ill afford to do less.

We cannot in this presentation offer our detailed suggestions for the manner in which the Federal Government may, by Executive order and legislation, accomplish the purposes indicated, but we offer to cooperate in planning such action if our assistance is wanted.

Commissioner HESBURGH. Thank you very much, Mr. Robinson, and I am sure that your statement brings our appearance to a fitting conclusion. We are also delighted to hear that you and your organi-

zation are willing to cooperate with all of the other good forces in this community to bring this problem to some more fruitful conclusion.

Does anyone have a question?

Vice Chairman STOREY. No.

Dean JOHNSON. No.

Commissioner HESBURGH. Thank you very much, Mr. Robinson.

If I might take about 2 minutes for a final summary of these hearings, since we have a meeting of our Commission imminently, I would first of all like to give very sincere thanks to all of the gentlemen who have taken time to prepare the testimony for the hearings that have lasted this past day and half, for all of the imaginative, constructive ideas that have been brought to focus upon this problem, for the wonderfully frank discussions we have been enabled to have here to clarify the issues, and particularly I want to thank our staff who have worked long and hard to make this hearing as successful as it has been.

I move around the table, Mr. Rufus Kuykendall, Robert Amidon, Harris Wofford, Mr. Eugene Jackson, and under the leadership up to this point of our good friend, Dean George Johnson, whom we look forward to be a Commissioner within the next week.

We think that these people have worked really constructively and hard to bring to bear upon this problem all of the information that was necessary.

In particular we wanted to bring to bear all of the agencies, all of the voluntary groups, all of the religious groups, all of the professional groups that have some bearing upon this problem. Particularly we look for those that are concerned with the construction and the sale and the occupancy of homes.

Fortunately we were able to have representation from the real estate boards and brokers, from the mortgage bankers, savings and loan associations. The only single group that did not respond to our invitation was the Home Builders Association of Chicago, and we feel we have had a lack here—perhaps that will be supplemented by the testimony we had from the homebuilders in New York City.

* I think perhaps I could summarize our reactions to what we have found here in retrospect by recapping for you two paragraphs of what I said in my opening statement on behalf of our Commission.

Congress has declared in the Housing Act of 1949 that a decent home and a suitable living environment for every American family is the goal of our national policy. We believe as a Commission that housing is central to the problem of achieving the goal of equal opportunity so well and beautifully stated by our Constitution.

We might well say that the justice involved in equal protection of the laws under the Constitution, like charity, must begin at home

and in local communities. If certain Americans, because of their color, race, religion, or national origin, grow up and live in conditions of squalor, crossed off from equal opportunities to have good homes and good neighborhoods, then all of America is the poorer for this, and the promise of the Constitution, the promise of our great American dream, is not really being fulfilled in its totality.

One meaning of the constitutional rule of equal protection must be that the homeless shall have homes and equal opportunity to good homes. To the extent that racial discrimination in housing exists in our midst in this and other communities throughout the United States, the progress that is made on other problems such as protection of voting rights or the desegregation of public schools will be in great jeopardy, may even indeed create greater problems. For crowded racial slums threaten to turn our schools into blackboard jungles and to form a breeding ground for political demagoguery that can make a mockery of the right to vote.

I think if one great factor has emerged from the hearing of the past day and a half it has been simply this; that we have seen here in your community of Chicago, first of all, some progress, and for that we are grateful. We have also seen some wonderful ideas, some imaginative and creative leadership on the part of individuals, who have the desire and the willingness to move forward toward ever greater progress.

We think it is your problem, rather than ours, to see that this leadership is somehow assembled and galvanized into action, and we feel that, if the leadership that has been apparent in the past days of this hearing is brought together, the effect will be tremendous for the whole community and its total metropolitan area.

We would like to say in conclusion that we have found in our various hearings that the Commission has held here and there about the country that the problem of civil rights is indeed a total problem. One cannot segregate from this problem simply housing or voting or education or public administration of justice or transportation or any other single aspect. This is a total problem, because the problem is centered in an individual who is a person with the dignity and the rights and the spiritual nature that is not granted by our Constitution but by God and recognized beautifully in our Constitution.

We think that the duty fundamentally to promote civil rights, while it is buttressed by law and by custom within a community, must come from the hearts of the individuals that make up a community, and we would hope that if any one impression endures from what you have heard here during the past day and a half, it will be that there is a great and anguished concern in your own community for this problem which is not simply endemic to Chicago but exists throughout the whole United States, and our wish to you in concluding

is that you may bring all of your intelligence and all of your good will and all of the forces of your community to bear upon its solution because, insofar as we solve this problem, America becomes what the Constitution promises.

That it might become that in its fullness as soon as possible is, I am sure, the wish of this community and this hearing. So, with this, the meeting is adjourned.

(Whereupon, at 12:25 p.m., the hearing was adjourned.)

STATEMENT ON HOUSING BY AMERICAN JEWISH COMMITTEE

The Chicago Chapter of the American Jewish Committee is one of the 45 chapters of this national educational organization which was represented by our president, Irving M. Engel, when he appeared before your Commission on February 3, 1959, in New York City. While our chapter has primarily focused its attention to civil rights problems in the Chicago area, our approach to these matters has been that outlined for your Commission by President Engel.

Relying on our basic premise that the welfare and security of Jews are inseparably linked to the welfare and security of all Americans whatever their racial, religious, or ethnic background may be, we wish to focus our attention on the most critical area of discrimination as it exists in Chicago's housing market today; namely, that practiced against Negroes.

The solution of the housing problems lies in the equality of treatment of all persons in a combined attack on every front, both public and private, and in the realm of governmental action on all levels, Federal, State, and local. Your Commission has already received a number of constructive suggestions of action to be taken at the Federal level. We join with them in recommending the following:

1. Federal legislation guaranteeing free and unrestricted access for all citizens, regardless of race, religion, or national origin, to all housing assisted by the Federal Government.
2. An Executive order establishing a policy of nondiscrimination and nonsegregation for all Federal housing programs.
3. Strengthening of the racial relations service in the Federal housing agencies.
4. Incorporation in all future Federal housing legislation of an explicit nondiscrimination provision.

We endorse these proposals as methods of carrying out the basic principle that anyone who receives Federal aid for housing should be required to render service to everyone otherwise qualified to receive such service or product, without regard to race, color, or creed. We believe such action on the Federal level is necessary and must be accompanied by effective action also at the State and local level.

Laws must be enacted also to set up proper enforcement or corrective machinery to eliminate discrimination in the rental or sale of privately owned housing, whether or not Federal or other governmental aid is involved.

We look forward to the time when a family seeking housing will be offered accommodations based on its ability to pay and its ability to peacefully occupy such premises as good neighbors.

ALBERT K. ORSCHEL,
Chairman, Chicago Chapter.

STATEMENT OF AMERICAN JEWISH CONGRESS

One of the most difficult and pressing problems confronting all urban communities, and particularly Chicago, is racial, ethnic, and religious segregation in residential neighborhoods. Lack of a free or open market, particularly for Negroes, in the rental or purchase of housing in most neighborhoods and suburbs has resulted in the creation of a large Negro ghetto in Chicago. This area of high-density population with its overcrowding and high rents produces widespread slums affecting the entire city. The Negro ghetto creates communities of substandard, unhealthful, and unsanitary living conditions which lead to

increased mortality, morbidity, juvenile delinquency, risk of fire, and intergroup tensions, among other evils.

Numerous solutions have been proposed from time to time to alleviate the problem of racial and religious discrimination in housing. These solutions revolve around the creation of "open occupancy" or a housing market unrestricted for all people regardless of race, color, or creed. Some of these solutions involve the instrumentality of local or State government. But the Federal Government can and must play an important role in ending the evil of racial and religious discrimination in housing. Toward that end we offer the following recommendations:

All housing that is built with the assistance of Federal funds must be available to all people regardless of race, creed, color, or national origin.

Racial discrimination has no part or place in any Federal housing program. This includes both the public housing program and private housing developments built with Federal aid. In line with the 1954 decision of the Supreme Court of the United States outlawing public school segregation, the Federal Government must play a positive role in breaking down the false barriers of racial and religious discrimination in housing built with the assistance of Federal funds.

One of the most important Government agencies in this respect is the Federal Housing Administration. The FHA is instrumental in providing private builders the initial money needed for land and preparatory operation and permits homebuilders and mortgage lenders to construct rental units or cooperative housing with little or no financial risk. The FHA today plays a dominant role in influencing the patterns of American neighborhoods and, being an agency of the Federal Government, it has a duty to positively act to break down discrimination by those who build homes with FHA assistance. This also applies to the Veterans' Administration, the Federal National Mortgage Association, and the Home Loan Bank Board, all of which are Government agencies set up for the public purpose of Government assistance to housing.

It is true that FHA has removed discriminatory requirements formerly contained in its manuals. However, FHA borrowers continue to practice racial and religious discrimination in fact. We believe that the precedent of antidiscrimination Government contract clause should be followed in the housing field by FHA.

Every Government contract must and does contain a provision obligating the contractor not to discriminate against any employee or applicant for employment because of race, color, religion, or national origin. The contracting agency is directed to take appropriate action to obtain compliance with that non-discrimination provision, and many agencies have forced private companies to discontinue discriminatory employment practices.

Following this example, the American Jewish Congress recommends that all FHA and VA mortgages be required to contain a clause proving that racial and religious discrimination in renting or selling units by the developer or anyone operating the housing thus built with a FHA loan shall constitute a default entitling the lender to accelerate payment of the loan and demand full repayment of the loan. Such a standard provision used in FHA and VA mortgages as uniformly used in Government contracts would go far to eliminate racial and religious discrimination in the housing field and would insure that Government funds and Government guarantees are used to benefit all Americans regardless of race, creed, color, or national origin.

Respectfully submitted.

AMERICAN JEWISH CONGRESS,
CHICAGO COUNCIL,
By ELMER GERTZ, *President*.

HOUSING FOR CHICAGO'S FUTURE—AN INFORMATION REPORT ON "OPEN OCCUPANCY"
LEGISLATION AND THE PROBLEM OF SEGREGATED HOUSING, COMMISSION ON LAW
AND SOCIAL ACTION, AMERICAN JEWISH CONGRESS. SUBMITTED FOR RECORD OF
COMMISSION ON CIVIL RIGHTS HOUSING HEARING, CHICAGO, ILL.

INTRODUCTION

One of the most difficult and pressing problems confronting all urban communities, and particularly Chicago, is racial segregation in residential neighborhoods. Lack of a free or open market for Negroes in the rental or purchase of housing in most neighborhoods and suburbs has resulted in the creation of a large

Negro ghetto in Chicago. This area of high density population with its overcrowding and high rents produces widespread slums affecting the entire city. The Negro ghetto creates communities of substandard, unhealthful, and unsanitary living conditions which lead to increased mortality, morbidity, juvenile delinquency, risk of fire, and intergroup tensions, among other evils.

It is not difficult to appreciate that the problem of housing segregation concerns every citizen. Numerous solutions have been proposed from time to time to alleviate this problem. Many of the solutions revolve around the creation of "open occupancy" or a housing market unrestricted for all people regardless of race, color, or creed. Numerous suggestions have been made as the means to achieving this goal, one solution being the enactment of a law prohibiting racial and religious discrimination in the rental or sale of housing accommodations. Last December, New York City enacted such a "fair housing law" prohibiting discrimination based on race, religion, or national origin in multiple dwellings (i.e., three or more apartments) and in one- and two-family homes sold in projects of 10 or more contiguous houses.

It has been suggested by several aldermen and numerous community groups that Chicago enact a similar law. Chicago has been called the most segregated city in the North; with only a few southern cities having a more comprehensive segregation pattern in their housing facilities.

On January 20, 1958, the Chicago Council of the American Jewish Congress endorsed the principle of "open occupancy" legislation and called upon Mayor Daley and the Chicago City Council to take the leadership in enacting such legislation. To date, no specific ordinance has been introduced in the city council.

It is the purpose of this memorandum to provide American Jewish Congress leaders and members with the necessary background information and material to assist them in assessing the serious questions that will arise as they consider the problems of housing segregation, and to help reflect on any specific ordinances or other proposals that may be suggested for alleviating such segregation from Chicago.

What are the effects of housing segregation?

"* * * Within the central cities the first result is the spreading of the slums. The Negro population always increases faster than the living space available to it. The new areas that open up to Negro residence become grossly overcrowded by conversions of one-family houses to multiple dwellings and the squeezing of two or more Negro families into apartments previously occupied by a single white one. Though complete statistical evidence is lacking, it is likely that Negroes pay substantially more rent for given accommodations than whites, and the higher rent itself makes for higher density. Housing occupied by Negroes is always more crowded, more dilapidated, and more lacking in amenities such as private baths than housing occupied by whites with equivalent incomes.

Income factors alone account in significant part for the slum conditions in which urban Negroes live. Negroes are heavily overrepresented in low-income jobs, in menial service, in unskilled and semiskilled factory labor and in dirty work generally. In this respect they are not unlike some earlier immigrants to our cities: the Irish and the Poles, for example, also settled mainly in slums. Aside from low income, movement into the unaccustomed city environment tends to break down whatever stability of attitude and habit the Negro brings with him from the rural South. Family disorganization among Negro city dwellers is high, as measured by such indexes as broken marriages, families headed by females, and unrelated individuals living in the same household. How does a mother keep her teenage son off the streets if an entire family must eat, sleep, and live in a single room? What opportunity for quiet or security is there in a tightly packed, restless neighborhood? The slum encourages rowdiness, casual and competitive sexuality, a readiness for combat, disease and crime rates soar.

"The boundaries of the Black Belt are often sharply defined by the racial antagonisms of its surrounding neighborhoods. These are usually inhabited by low-income groups whose condition borders on that of the Negroes themselves. * * *

"Studies have shown that the greatest animosity is found on the edge of the expanding Negro district, where whites live in fear of the "invasion". A young white resident of one of those neighborhoods recently beat a Negro to death with a hammer. 'I just wanted to get one of them,' he explained. 'Which one didn't matter.' With the exodus of middle and upper classes to the suburbs, the white

population of the city is made up in larger part of low-income groups, who generally exhibit more racial prejudice. In consequence, racial passions are on the rise and find less community restraint."

—"Metropolitan Segregation" by Morton Grodzins, "Scientific American," October 1957.

"The elimination of discrimination and segregation in housing is long overdue. Discrimination in housing prevents persons from moving into desirable areas solely because of their origin. An evil in itself, this produces evil effects. Ghetto patterns in housing necessarily spread to other aspects of the community, causing segregation in education, welfare services, public accommodations, and community organizations. In addition, housing discrimination frequently forces minority groups to pay more for housing in the ghettos to which they are restricted than they would have to pay for similar housing in the open market. They are forced to accept substandard housing even where they are able to pay for the better housing that is available to others. Finally, the tension and overcrowding caused by these factors accelerate the creation of slums in the hearts of our cities; breed disease, crime, and delinquency; raise the cost of police, fire, health, and welfare services; and increase the burden of taxes on the community at large. Discrimination in housing is unjust, uneconomical, and indefensible."

—"Statement of Principles on Equality of Opportunity in Housing," adopted by Executive Committee of the National Community Relation Advisory Council, June 30, 1953.

Can interracial neighborhoods succeed?

Although the evidence in this respect is somewhat limited, yet there is some evidence of the social effects of interracial communities.

"Evidence indicates that integration proceeds fairly rapidly in the area of childhood play activities. * * * This racial interaction continues in the schools, as evidenced by the high degree of integration achieved in Connecticut both in curricular and extracurricular activities.

"Interaction on these age levels undoubtedly holds the greatest promise for the future. * * *

"Integration among adults varies in intensity according to the type of contact. On the exclusively conversational level, both Negro and white testimony indicated relatively frequent contacts, especially among very close neighbors.

"Large proportions of the respondents felt that contacts in the preschool and grammar school years were desirable. These attitudes were consistent with the high proportion of their children who engaged in such activities.

"White attitudes on the 'annoyance' questions showed definite, favorable improvement after the respondents had had the opportunity to live in the neighborhood with Negroes.

"Although a substantial proportion of white neighbors felt that property values had decreased with the arrival of a Negro family in the neighborhood, there was evidence to indicate that this belief diminished in intensity according to the length of time that Negro families lived in the neighborhood. Furthermore, there was very little, if any, evidence that white neighbors felt that their Negro neighbors allowed their property to run down.

"The fact that one-half of the white respondents had moved into the neighborhoods after Negro families were already in residence indicates that interracial stability can be achieved in private residential neighborhoods. The favorable attitudes implicit in their willingness to select nonsegregated neighborhoods became more explicit in their interracial attitudes revealed during the course of interviewing.

"The fact that the sample of white respondents in this study showed relatively little deviation from the white tenant sample in public housing with respect to generalized attitudes toward living in interracial neighborhoods may indicate that different segments of the population move at approximately the same rate of speed in the direction of racial integration."

—"Private Interracial Neighborhoods in Connecticut," Connecticut Commission on Civil Rights, Hartford, 1957.

“* * * Although no records are kept of the race, religion, or national origin of the residents, it is the consensus of informed opinion that approximately 3 percent of the households are nonwhite. While most of these are Negro, there are also a few oriental families. Approximately 75 percent of the white population is Jewish. * * *

“* * * Several factors contributed to the success of open occupancy in Queensview. First, the development was soundly conceived and well executed. Second, its ready accessibility to central Manhattan enabled it to draw upon an extensive housing market area. Third, monthly carrying charges were from \$20 to \$40 less than rents of comparable apartments elsewhere. Thus any reluctance that a potential cooperator may have felt because of the open-occupancy policy was usually counterbalanced by the opportunity to obtain an excellent apartment in a well located development at extremely reasonable total housing costs.

“Since the development was first occupied, only 35 families (34 white and 1 nonwhite) have moved, principally because of change in employment, purchase of a new home, or for reasons of health. Only one family in this group left because of its dissatisfaction with the project. * * *

—“Report on the Queensview Cooperative,” p. 10 of excerpts, gathered for study in connection with proposed “open occupancy” legislation, Chicago Commission on Human Relations, January 1958.

Are there positive benefits from an “open occupancy” housing policy?

“The most serious mischief of the homogeneous pattern is the group conflicts it engenders. The homeowners place undue emphasis on the importance of keeping minorities out, rather than on the real values which make a neighborhood sound. Bias is encouraged, violence often invited. Children cannot be happily raised where they are taught to hate or fear people who are different, vandalize their property, or fight them with stones or fire.

“Where minorities are excluded, the psychological effects of the new homogeneity upon excluders and excluded are equally harmful. Where there is participation between groups, mutual understanding and respect are apt to evolve. Two fiercely passive needs—property and sex—appear to be the final bastions of conservatism. In a life where mature adjustments in these regions are not worked out, and where anxiety dwells, there seems to be a higher probability of rigid, exclusive, suspicious character formation.’

“A poll of leading psychologists and sociologists, eliciting 272 replies from the psychologists and 96 from the sociologists, showed that 92 percent felt that enforced segregation had detrimental effects on the segregated groups. Four percent had no opinion and another 4 percent did not answer the question. Eighty-three percent of the respondents believed that enforced segregation had detrimental psychological effects on the group which enforces the segregation. Only 4 percent thought it did not, 9 percent had not formed an opinion, and 5 percent did not answer the question. Factors which play a disruptive part, according to some of those polled, were feelings of guilt, deterioration of moral values, the requirement to act according to an irrational and inconsistent moral standard, impairment of the grasp of reality, the distortion of sound perceptions, the illusion of security, and the frustrations which reality brings.”

—“Forbidden Neighbors,” Charles Abrams, p. 283, 1955.

“The integrated projects have demonstrated that if Negroes and whites live in self-contained communities without segregation, make daily contact with each other in the communal facilities, enjoy the same privileges and share the same responsibilities, initial tensions will tend to subside, differences become reconciled, and an unstrained cooperation ensues.

“The conclusion is supported by many reports from housing authorities that have ventured into mixed occupancy. Children are found playing together with no consciousness of their differences; community responsibilities are accepted by tenants without favoritism or discrimination.”

—Ibid. 314.

As the National Executive Committee of the American Jewish Congress stated on June 17, 1957:

"* * * the attainment of full equality for all Americans is a challenge for all parts of the country, North as well as South. The chief obstacle in the path toward that goal is discrimination in housing, which is also responsible for the segregation pattern that still exists in northern cities—in schools, employment, recreation, and other activities.

"Opponents of the fair housing bill have used threadbare arguments that stand refuted by the conspicuous success of the many antidiscrimination laws that have been adopted in the past 12 years. These arguments serve only to conceal an apparent desire to preserve the racial and religious homogeneity of 'exclusive' neighborhoods."

Why haven't private developments led to interracial neighborhoods?

"The crux often is financing. A Negro buying a house on which the mortgage has been fairly well paid off may have to refinance it. He will have a hard time doing so, since a lender is unlikely to grant a mortgage for this "blockbusting"—or indeed to grant one on any property in a neighborhood in transition until a pattern becomes evident. (The average lender won't give a mortgage in such cases either to a white person or a Negro. In an area becoming integrated, he will wait to see what happens, or, at the least, will discount the mortgage.)

"If a Negro is able to make a private deal with the white seller and take over an existing mortgage, it becomes a different question. But few can make that arrangement."

—"Business Week", August 31, 1957, pages 32-33.)

Mr. JACOBS (Dearborn Real Estate Board). * * * Mr. Lewis, you mentioned that you had built maybe upward of a thousand homes. Isn't it possible for you as a builder and others of similar background to develop an integrated housing project in Chicago and set the pace?

Mr. LEWIS (President of Park Terrace Corp.). Yes, very easily, all we need is the mortgage money * * *

Mr. JACOBS. It won't be easy to do it.

Mr. LEWIS. No, sir. I have been looking for it for 10 years and I haven't found one dollar of it yet. * * * unfortunately, we can't build without money. Money is the root of our problem right now * * * if we don't have land available now, we go out and make some . . . We go out and take open land and make our own rules. That is a very simple thing—all we need is the money."

—Discussion from housing session, Conference on Solving the Problems of Chicago's Population Growth, sponsored by Chicago Commission on Human Relations, May 29, 1957.

Also, see "The Myths of Racial Integration" prepared by the National Program Department of the American Jewish Congress, November 29, 1957. This study discusses each of the many fears and myths that exist regarding interracial neighborhoods. On the basis of sociological research the study proceeds to destroy the foundation of these myths.

The continued existence of many of these myths have caused and resulted in large-scale flights and panic selling of homes in neighborhoods into which Negroes are moving. Too often real estate interests exploit these "myths" in order to profit by the change of the neighborhood and the resulting real estate sales. (Copies of this study are available at American Jewish Congress office.)

What does the New York City law provide?

Effective April 1, 1958, discrimination based on race, religion, or national origin in multiple dwellings that contain 3 or more apartments and in 1- and 2-family homes sold in projects of 10 or more continuous lots is prohibited. Religious organizations that prefer to provide housing accommodations in real estate that they operate for members of their own denominations are exempted from the law.

A procedure for filing complaints with the Commission on Intergroup Relations and then through a Fair Housing Practices Panel has been established.

This panel can hold hearings and issue subpoenas. If conciliation of the complaint fails and the board decides that discrimination exists, it may direct the corporation counsel to bring proceedings for enforcement of the law. (For a full report, see "A Study and Analysis of New York City's New Fair Housing Law" prepared by the Commission on Law and Social Action of the American Jewish Congress. Available at American Jewish Congress office.)

Is there a need for such legislation in Chicago?

In the city of Chicago there was an estimated total population of 3,745,000 as of July 1956, with an estimated nonwhite population of 706,000 or 18.9 percent. It has been projected that by 1965, the percentage of nonwhites in Chicago will be 23.4 percent of the population. However, as to the suburban areas, it has been estimated that whereas in 1956, nonwhites composed 5.7 percent of the total suburban population, the estimate for 1965 is that the percentage of nonwhites will be only 6.4 percent of the total suburban population, indicating a more static situation than in the city.

As to the degree of segregated living in Chicago, statistics for 1950 show that over 78 percent of the Negroes in Chicago resided in neighborhoods where the population was over 75 percent Negro, whereas over 84 percent of the non-Negro population lived in neighborhoods with less than 1 percent Negro population.

It has been estimated that 53 percent of Negro housing in 1950 in Chicago was substandard or dilapidated, while 15 percent of white housing was of this nature. Homeownership of single family units was four times as great among whites than nonwhite families.

The above statistics are contained in Duncan & Duncan, "The Negro Population of Chicago," where at page 83 the authors summarized some of their impressions as follows:

"In summary, nonwhite housing conditions are less satisfactory than white; the difference appears to have increased, if anything, over the 1940-50 decade (though relevant data are scanty); and the difference is by no means accounted for solely by the relative economic advantage of the white population. Going somewhat beyond a strict interpretation of the data, one infers that nonwhite housing conditions reflect both the economic disadvantage of the Negro and the noneconomic restrictions on his access to the housing market. Partly in order to pool incomes and partly because of the limited housing supply, Negroes resort to doubling-up of families and incorporation of nonfamily members into their households. By expending a larger proportion of its aggregate income for rent, the average Negro household can pay a rent nearly equal to that of the average white household. But the quality of housing received for this expenditure is inferior, and the Negro household must more often endure a crowding of the dwelling unit to a degree that is generally recognized as undesirable. It does not seem farfetched, therefore, to attribute some of the irregularity in Negro family life and the social-personal disorganization related thereto to the predicament of the Negro engaged in the search for adequate living quarters. No doubt the casual relationships in this situation are complex, but it can hardly be doubted that the housing problem is integrally related to other problems of Negroes in the metropolis."

The difficult aspect of a Chicago ordinance revolves around the power of the city of Chicago to enact any such legislation. Thus, while the State of Illinois would have no difficulty in enacting the ordinance, the problem is somewhat different in Chicago. Power for the city to enact this type of law must be found in the provisions of the Cities and Villages Act (chap. 24, Illinois Revised Statutes). Proponents of the "open occupancy" ordinance rely on the section of this act giving a municipality the power to do all acts necessary or expedient for the promotion of health or the suppression of disease. It is their contention that the passage of this ordinance would be valid as a health measure.

There are some who favor the principle of the ordinance, who, however, feel that unfortunately the city of Chicago lacks the constitutional power to pass any such ordinance. Of course, such a decision cannot be finally decided until the enforcement of the ordinance is carried to the courts. We know that in the course of judicial history the courts have often changed their interpretations as to what are proper constitutional powers.

As to the enforceability of such proposed ordinance, experience has taught that most people, generally, obey laws. While the proposed ordinance probably would not immediately change the neighborhood patterns of Chicago, pro-

ponents feel that it could act as a positive force toward providing greater housing facilities for all residents.

True, in the beginning, there would probably be some evasion and violation of the law—that happens to all laws. Although the problem of proving that a landlord has practised discrimination is not difficult to demonstrate in any clear and conclusive case.

The immediate passage of an "open occupancy" ordinance could focus attention on the problems of Chicago as "America's most segregated metropolis." Proponents say that it could bring into play all the community and business forces and city agencies to take immediate steps to eliminate discrimination and toward having landlords change their discriminatory habits. A landlord who now wishes to rent to all groups, but does not through fear of community pressure, would have the law to support his action in ending discrimination in his renting practices.

Does this ordinance have national and international effects?

The proponents feel that every advance on civil rights in Chicago works for greater civil rights in this country and improves our relationship with peoples of the world. The world is two-thirds colored. Denial of civil rights based on race, creed or color imperils our national position in the world by creating enemies and distrust abroad. It is important for this country to demonstrate that the incidents of Little Rock last fall are not the regular pattern of this country. The proponents believe that the passage of this ordinance would be a positive demonstration of the Nation's concern for the civil rights of all inhabitants.

What about a State law for Illinois?

A bill to outlaw discrimination in the sale or rental of all publicly assisted housing accommodations was introduced in the State legislature in 1957. It passed the House 152 to none but was defeated in the Senate. The Illinois Legislature does not meet until 1959. In addition, the severe problems caused by housing segregation are more pressing in Chicago than in most downstate areas. Therefore, many of the Representatives and Senators from other areas are not as concerned with this problem as are Chicago legislators and thus may not respond to the need for such legislation.

Should not an "open occupancy" law be limited to housing built with public funds?

New York State and New York City have had such laws for many years. An attempt to enact a similar ordinance (Carey ordinance) in Chicago failed in 1949. However, in the interval, nondiscriminatory conditions have been drafted into most of the State laws dealing with urban renewal and community conservation. It is the feeling of many at this time that a law limited to publicly assisted housing accommodations would not reach the crux of the problem. It is the feeling of many that the serious problem facing Chicago concerns the area of private housing accommodations.

What would the proposed Chicago "open occupancy" ordinance provide?

The aldermen who have suggested that such an ordinance be introduced have not yet agreed upon the definite wording or provisions of such a law. In the past few months they have been seeking the counsel and advice of numerous organizations concerned with these problems as to the terms to be incorporated. The extent and coverage would probably be similar to the New York law. The methods of enforcement may be somewhat different due to the different organization of our city government.

What will be the effect of the passage of an "open occupancy" ordinance?

Overnight, probably none. But the ordinance can become the basis for breaking down the huge Negro segregated community. In the long run such a law would tend to decrease the Negro ghetto. True, some people may move to the suburbs on the excuse of the "open occupancy" ordinance, but the movement to the suburbs is caused by other powerful influences independent of the racial problems existing in the city of Chicago. The passage of an "open occupancy" ordinance could quiet the flight to the suburbs as the fear of an expanding ghetto would be removed.

Remember, such a law would also prohibit discrimination against members of religious and nationality groups who are often discriminated against in their search for housing accommodations. We must remember that the passage of

laws will not solve problems overnight. However, law, itself, is one of the great educational devices. Its passage would set public policy and all acts of the city in relation to housing and residence would be aimed at ending the segregated ghetto.

Is such a law constitutional and enforceable?

It seems clear that an open occupancy law is within the police power of a state. Antidiscrimination legislation has been repeatedly upheld by the United States Supreme Court and by the highest courts of numerous States. It thus appears that legislation prohibiting racial or religious discrimination in the sale or rental of housing accommodations is within the State's power and not violative of the "due process provisions" of Federal and State constitutions.

STATEMENT OF JEWISH LABOR COMMITTEE

The Jewish Labor Committee in Chicago, as consultant to the organized labor movement in civil rights, helps labor bodies to initiate, carry on and to participate in programs on civil rights issues. The activities and program of the Jewish Labor Committee complements that of the AFL-CIO Civil Rights Committee and the Department on Civil Rights.

Each year our work culminates in a Chicago area Labor Conference on civil rights which has not only the endorsement of the Chicago Federation of Labor and the Cook County Industrial Union Council, but also the cooperation of the Illinois State AFL-CIO, the AFL-CIO regional office, and the four trades and labor assemblies in the far South Side.

In 1958, nearly 100 local labor leaders worked with us to prepare the Fourth Labor Conference on Civil Rights, held on Saturday November 8, in the Hotel Sherman. More than 400 local union delegates from the Greater Chicago area participated actively in the conference itself.

A fairly full report of this conference is contained on the following pages. The presentations, discussion, and recommendations of the discussion group, Equal Housing Opportunities, is reported on the following pages. The recommendations that were made to all the delegates in general session, and which were adopted, are directed mainly to future action by the labor unions and by the Jewish Labor Committee.

Some of the facts presented to the delegates were:

"* * * there are still 165,000 substandard (housing) units * * * of which at least one-third were rundown, unsafe, or both."

"The greatest need arises in that area of Chicago population which does not have enough income for new homes or apartments or luxury housing—those with 'middle income.'"

"So far, private enterprise has not been able or willing to build middle income housing."

"There are two housing markets for the Chicago citizen. They are separate and distinct markets. A white person who goes looking for an apartment to rent, or a house to buy, either does not seek housing in 'Negro area' or if he does, he is steered elsewhere by Negro or white real-estate agents. The same is true of the Negro person. The two markets are like schools in the South—separate, and not equal."

"Unequal housing opportunities also hurts the white section of the community. Since the nonwhite market is expanding, and whites exclude themselves from it, they are easily led to panic and flee from the entire area when nonwhites approach. The result is being forced to sell at a lower price than normal and facing rising prices for new housing."

"Property values, however, are not adversely affected by integrated neighborhoods, they are affected by ghettos."

The Jewish Labor Committee, therefore, fully supports the comprehensive housing program of the AFL-CIO as it relates to substantially increased housing supply, emphasis on middle-income housing, adequate public housing, nondiscrimination in housing, and loans for housing to the end that all persons have equal access to the kind of dwelling space that meets the needs of their families.

These recommendations are included in the AFL-CIO 13-point program that the Illinois State AFL-CIO reported to its members in its "Weekly Newsletter" on January 31, 1959. One of the points urges the "Establishment of standards requiring that all housing built with the aid of Federal funds or credit or any other form of financial assistance or guarantee should be made available on an equal basis without regard to race, creed, color, or national origin."

DISCUSSION GROUPS VIEW DIFFERENT CIVIL RIGHTS PROBLEMS

Housing

*Discussion Leader:*¹ Maynard Wishner, attorney and consultant in the field of slum clearance and improved housing. Wishner is the former acting director of the Mayor's Committee on Human Relations. He discussed "Legal Tools in Chicago We Can Work With."

Panel Members: Agnes Douty, assistant director of the Labor Education Division of Roosevelt University. She talked about "The Needs for Middle Income Housing and the Legal and Practical Methods Used Elsewhere for such Housing." Jerome Belson, co-ordinator of Housing Affairs for the Amalgamated Meat Cutters and Butcher Workmen of North America. His topic was "What has been done in New York for Middle Income Housing." Tom Nayder, business manager of Glaziers Local 27. He viewed "Labor Costs of New Housing and the Practical Aspects of Reducing Building Costs." Theodore Robinson, chairman of the Housing and City Planning Committee of the Cook County Industrial Union Council. He discussed "Discrimination and the Need for Housing and the Problem of Relocation."

Secretary: Harold Schwartz, assistant regional director, Ladies Garment Workers.

Research for this workshop was handled by Jack Wann, professor from the University of Illinois Institute of Labor and Industrial Relations.

Since 1950, according to the special U.S. Housing Census made in Chicago in 1957, considerable progress has been made over previous periods in both the quality and quantity of housing. The total number of homes has increased by 5.3 percent, the overall population by 3 percent. Vacant units in 1950 were less than 0.8 percent; in 1957 they were 1.7 percent. Of these, 17,000 were for rent and 3,200 were for sale.

Nonetheless, there were still 165,000 substandard units; 155,000 of these for rent of which at least one-third were run down, unsafe, or both. In 1957 10 percent of white families lived in 100,000 substandard homes or apartments and 32 percent of the nonwhite population still lived in 66,000 substandard units. The figures, however complete, cannot show the extent to which minority groups are subject to overcrowding and slum conditions.

Virtually no housing problem exists for the wealthy or well to do. Planners feel that Chicago's housing program, for the time being at least, is adequate for the low income groups. The greatest need arises in that area of Chicago population which does not have enough income for new homes or apartments or luxury housing—those with "middle income."

Middle income has been defined for Chicago as the range between \$4,500 and \$7,500 family income a year. The definition ranges from city to city and from State to State.

So far, private enterprise has not been able or willing to build middle income housing. Eleven States have passed laws designed to increase the supply of middle income housing. The basic approach has been through State aid to limited dividend or nonprofit housing companies for such developments. Illinois is not among those States. They are Connecticut, Massachusetts, Missouri, Pennsylvania, Delaware, Michigan, New Jersey, Wisconsin, Minnesota, and New York. Between 1950 and 1958, 45,000 units of cooperative housing have been financed with federally insured mortgages, out of the existing total of 100,000 co-op units.

Several international unions have gone into this field. Most of this kind of union activity has been in and around New York City, where city, State and Federal aid has been taken advantage of to build moderate-priced housing. Pension and welfare funds have, in some cases, been used for such building.

As of 1957, union sponsors of co-op housing include the New York Building Trades Council, Amalgamated Clothing Workers of America, International Ladies Garment Workers Union, International Brotherhood of Electrical Workers Local 3 and Joint Mediation Board, Carpenters District 9, Meat Cutters, New York Hotel Trades Council, Brotherhood of Painters, Bakery Workers (independent), Textile Workers Union. In other States unions are beginning to start this kind of housing activity.

But Chicago and Illinois are barren of such action. Why? Because Illinois laws on taxes and financing are considered too hard for this kind of program.

¹ John Yancey, representative from the AFL-CIO regional office, was scheduled to chair this workshop, but could not attend because of illness.

Chicago unions have investigated the field and are said to feel that the situation is unworkable.

Thus far, we have centered on the material and statistical aspects of housing. The most important factor is the human being. The kind of housing he can afford, the kind of housing he is allowed to rent or buy, the neighborhood he lives in or is allowed to live in affect his life in all ways.

The Negro is suffering from inadequate housing in Chicago. Whites have some difficulty; but not like that of minority groups.

There are two housing markets for the Chicago citizen. They are separate and distinct markets. A white person who goes looking for an apartment to rent, or a house to buy, either does not seek housing in "Negro areas" or if he does, he is steered elsewhere by Negro or white real estate agents. The same is true of the Negro person. The two markets are like schools in the South—separate and not equal.

In the Negro market, the most influential fact is that there are far more people seeking housing than there is a supply of suitable housing. The second most important factor is the fact that almost all of the housing is older, or is public housing for low income families. The result is prices are raised above true value and similar shelter for the "white market." People must double up and be overcrowded to keep within their means. This is readily seen in the population and housing figures presented above. The white market, on the other hand, has vacancies—source of supply—and while prices may be inflated above true value, they are not as high for similar units in the Negro market.

The effect on those in the minority or Negro market is that ability and willingness to buy does not produce supply. The supply is artificially kept far below demand. Since most new superhighways, slum clearance projects and city renewal projects are designed to rescue the worst sections in the city, or they pass through these sections; and because they are near the central areas of the city, a disproportionate number of housing units in the most overcrowded sections are destroyed. We then get more overcrowding since some 60 percent of the people who have to be relocated because of housing and other projects are in the minority market and cannot go elsewhere.

The city suffers from inequalities in housing and slums. Blighted areas turn into slums faster than redevelopment money can be found. The tax load on the citizenry grows. New slums grow through no plan but through the pressure of people finding and making do with the best housing they can afford. One effect of the two-market system is that city planning has been hurt. City planning, as we have it, accepts the existence of the two housing markets as basic factors, and statesmanship is absent from the resulting planning to a substantial degree because the need to accommodate race prejudices forces modification of the best physical, economic, and civic planning.

Unequal housing opportunities also hurt the white section of the community. Since the nonwhite market is expanding, and whites exclude themselves from it, they are easily led to panic and flee from the entire area when nonwhites approach. The result is being forced to sell at a lower price than normal and facing rising prices for new housing. The white landlord in areas other than those to which flight takes place operates in an abnormally low pressure situation resulting from low pressure of demand on price levels. Property values, however, are not adversely affected by integrated neighborhoods. They are affected by ghettos.

Report to conference

On the basis of the above opinions, observations, facts, etc., the Workshop on Equal Housing Opportunities found that equal housing opportunities cannot exist as long as any portion of the city has blighted or slum areas, as long as there exists segregation practices which limit the housing of racial groups to confined areas. The problem of relocation needs to be solved and adequate and proper housing provided for families whose homes have been destroyed in the process of slum clearance.

Delegates in this workshop believe that each person should have the right to live where and in the manner he chooses; that it is common knowledge that this right is denied to many of the residents of Chicago.

We feel it is unlikely that anyone would wish to live and rear a family in a slum; yet 10 percent of white families in Chicago do live in substandard housing and 32 percent of the nonwhite population lives in substandard housing. Meanwhile, there are more than 20,000 vacant units outside of the blighted

areas, safely outside, which are unrented or unsold because in most instances the owners, do not rent or sell to nonwhites. Even if these vacant units were utilized, this would not fill the need for adequate housing.

An intensive, wholehearted slum clearance program is needed. This program should be combined with a likewise intensive program of new construction. In all these programs, the basis should be on need, not race or religion—not only under civic law but under moral and ethic persuasion. This cannot be done through private investment. We are aware that a primary source of private funds in housing has been labor unions. We are also aware that labor unions in Chicago have thus far been unable to invest in cooperative housing. Taking all these things under consideration, the workshop recommends the following to the conference:

1. That the Jewish Labor Committee appoint a permanent committee on housing; said committee to be composed of responsible delegated representatives of Chicago area labor.

2. This committee should—

- a. Make a thorough and immediate investigation of the legislation of those States which offer an inducement to private capital to invest in middle income housing.

- b. Upon the completion of this investigation the permanent committee, in conjunction with the labor movement and the political arm of the labor movement, and with other citizen groups, draft, and propose to the legislators of the State of Illinois such legislation as would most likely aid in removing slum areas and rebuilding with private capital and eliminating all discrimination in such housing.

- c. Make an intensive study of the problem of relocating families forced out of their homes and apartments by slum clearance, and thereafter make appropriate recommendations to the proper city officials and housing agencies; such recommendations to be made through and with the full force influence of the labor movement in the Chicago area.

- d. In concert with the Chicago Federation of Labor and Cook County Industrial Union Council make the same diligent efforts to eliminate segregation in housing.

- e. Urge upon the local labor unions in this area to enlist the aid of their international unions, to the end that the international unions shall invest funds of the union, and wherever possible, money from the pension and welfare trust funds in which they participate, in projects of non-segregated middle income housing in the Chicago area.

The conference accepted the report of the Workshop on Equal Housing Opportunities and referred it to the Jewish Labor Committee of Chicago for consideration and action.

STATEMENT OF CHICAGO SECTION, NATIONAL COUNCIL OF JEWISH WOMEN

The National Council of Jewish Women, in its preamble to its resolutions, which sets the framework of our thinking and forms a living blueprint for our program, strives to protect our democratic way of life which carries with it, the responsibility to contribute our share in implementing the democratic processes of efficient government, to safeguard the constitutional rights of the individual and to foster measures which insure full civil rights and provide greater social, economic, and cultural opportunities for all.

We are dedicated to promote an integrated program of education, service, and social action, and to stimulate and educate the individual and the community toward their responsibility in advancing human welfare and the democratic way of life.

It is this feeling of responsibility which leads us to this statement.

The facts on discrimination in housing in Chicago virtually speak for themselves. What remains for thoughtful citizens to do is to evaluate their meaning to the whole community and to determine what must be done.

WHAT ARE THESE FACTS?

While many groups in Chicago suffer the indignities of discrimination, the most intense, the most complete and longest continuing pattern of segregation and discrimination has been experienced by the Negro citizens.

The vast majority of Negroes in Chicago live in areas which are practically 100 percent Negro; the percentage of Negroes living in such areas has increased steadily in the last 50 years.

With the increasing Negro population, inevitably new communities are made available to Negro occupancy, but these areas have rapidly become mainly or all Negro.

Since 1950, all new areas of Negro occupancy have been adjacent to the existing Negro areas and have been essentially merely extensions of the segregation pattern.

Not only do the residents of these areas suffer from segregation, but they often inherit the most crowded and the most decayed housing. While Chicago had in 1950 an average of 17.2 people per square mile, three concentrated areas of the South Side Negro Belt ranged from 37.7 to 65.1 persons per square mile. Although 15 percent of the total dwelling units in Chicago were classified as substandard in 1957, 53 percent of the units in the Negro area referred to were so classified.

What does the creation and the maintenance of these segregated slums cost the city?

The largest share of the bill is borne by the residents of these segregated areas. Terrible slum fires; high disease and death rates; overcrowded and inadequate schools; shortage of play space; increase in tensions and emotional problems; disproportionately high rents for these "privileges"; increase in delinquency and crime resultant from slum environment; but, above all, all Negroes, regardless of economic, social, and cultural level, are deprived of the right to choose where, how, and with whom they may live.

All citizens, however, pay and dearly, through higher taxes to support increased need for public services; menace to health and safety, as crime, disease, and decay do not respect the invisible barrier of segregation; the perpetuation of the disease of prejudice and the rearing of our children in an atmosphere which has seen race hatred explode into violence; and, above all, we are depriving ourselves and our children of the opportunity to associate in a democratic fashion with our fellow man. What can we do? Of course, as individual citizens, we can and should attempt to end this pattern of segregation, and should welcome and encourage all efforts to establish integrated communities, such as in Hyde Park.

But individual or community efforts need the reinforcement of public policy. While you cannot legislate human attitudes, the expression of such public policy through law does set conditions under which attitudes will change more quickly.

STATEMENT OF THE AFL-CIO

On November 7, 1958, the Executive Council of the AFL-CIO adopted a resolution on housing which dealt with discrimination in this field. This resolution says in part:

"Discrimination and segregation in housing because of race, creed, color, or national origin are contrary to the democratic way of life and should be eliminated as quickly as possible. To this end, standards should be established requiring that all housing built with the aid of Federal funds or credit or any other form of financial assistance or guarantee should be made available to minority families on an equal basis with all other families."

The authority of this resolution affords a base for the views which we express on the specifics of the subject as they relate to Chicago.

Chicago, the metropolis of mid-America, is not unlike many other urban centers that, by the very force of economic pressures, have found an increasing population far beyond their power of immediate assimilation. The thousands that are pouring into these urban centers to feed the demands of industry and to flee a declining agricultural labor market are not the poor and the down-trodden of an old continent; they are largely the economic indigents of our own Nation. They are of all races and creeds, but those of the Negro race are in the majority.

What has this done to Chicago, with its socially restricted communities? The unofficial but well-defined boundaries of Negro neighborhoods have been overrun. There has been an accelerated movement of Negroes south, southeast, southwest, and west and to the near North Side. This has been matched by an

ever-increasing movement of white families to the limits of the corporate boundaries and beyond.

A special U.S. housing census was conducted in Chicago in 1957. This census recorded a 5.3 percent increase in the total number of houses and an increase of 3 percent in the population. It revealed a change in the vacancy ratio from 0.8 to 1.7 percent, but offered only a modicum of relief to Negro families living in communities which for many years housed more people per square mile than any other part of the city.

Racial discrimination in housing is an ever-present spectre on the doorstep of every Negro family. If it continues residence in the old ghetto, it is subjected to all the evils of overcrowded living. If it seeks to better its environment, it is adroitly steered to another ghetto or to an area with all the makings of a new ghetto by real estate agents who are participants, willingly or unwillingly, in the unofficial plan of containment. But whether a Negro family moves or reconciles itself to living in a deteriorated neighborhood, it is the victim of exploitation caused by a demand for which there is a minimum supply.

For many years, beginning with World War II and until 1957 the vacancy ratio in Chicago was below 1 percent. When controls were lifted, materials were available for new construction but very few new homes were available for nonwhite families. Conventional mortgages were difficult to secure and FHA insured loans practically nonexistent if the applicant was a Negro.

For a renting Negro family, the situation was worse. Rent charges mounted each year. Illegal conversions became the order of the day for the unscrupulous, and kitchenettes increased by the thousands. The result is neighborhood deterioration which even Chicago's ambitious rebuilding and rehabilitation program cannot stem so long as discrimination in housing exists.

The Chicago Housing Authority, administering the low-cost housing program, has been a haven for many a beleaguered Negro family. However, the Chicago Housing Authority, desperately trying to carry an open-occupancy policy against odds, has not been able to achieve this policy completely or to overcome the racial antipathy of certain neighborhoods. Witness the concentration of public housing in the so-called Negro wards, with others planned or under construction in the same neighborhoods, and one of its older projects that has never had a Negro occupant.

The Chicago Planning Commission is a live and vigorous agency. Its plans for Chicago's growth are materially sound but socially unrealistic. It works and plans under the same unofficial unwritten neighborhood race restrictions under which every housing agency in Chicago labors. Without relief from the blanket of discrimination, its plans and efforts will in the end become self-defeating. Chicago cannot carry the growing tax burden for neighborhood rehabilitation unless a change in the housing policy is established. Neighborhoods are deteriorating more rapidly than they can be reclaimed.

Testimony will undoubtedly be offered before this Commission which will, in its essence, attempt to show the problem of housing discrimination and discrimination in general in the city of Chicago is a phase through which every nationality or racial group entering the community must pass. This is an erroneous theory, an oversimplification of the problem.

The casual observance of the facts will confirm its oversimplification. In the first instance, the Negro is not a newcomer to American life. In the second place, he does not have a language difference. He has a pigmentation difference. Over a period of time, nationality and language differences disappear by process of evolution. When this occurs the group becomes completely assimilated and prejudices die. For those with a pigmentation difference, there is no expectation or any hope of an elimination of this difference by time. The identification is permanent and always remains as the real source of racial discrimination.

There will be others who will testify before this Commission who will point out, through statistics, the number of new structures completed over a span of years in the city of Chicago. Such testimony will not show the very small percentage of new structures available for Negro occupancy. Neither will it show that, in the process of building and rebuilding, relocation of persons displaced has been made outside of the unofficial containment policy.

It is our opinion that these things are highly significant. We would not dare place ourselves in position of criticizing statistics which grow out of a sound base formula, but, in the day-to-day administration of the affairs of labor unions, members of this federation, we say without hesitation the base formula is unsound.

The real problem of racial discrimination in housing in the city of Chicago and with other forms of discrimination, which are not presently under consideration by this Commission, grows out of an antiquated city governmental structure. This has been voiced many times because it has affected other phases of the administrative needs of this city. So long as the city of Chicago, through its corporate powers, operates on the responsibility of an alderman to his ward constituents alone, just so long we will have a tendency on the part of aldermen to ignore the total needs of the city of Chicago. The ward structure creates, by its very political nature, a feeling on the part of an alderman that he is, first, responsible to the wishes of the citizens of his ward and, secondly, to the interest of the city of Chicago if the two do not conflict. It is opposition from ward constituents which controls his vote as to the location of low-rent housing projects and controls the freedom of movement and relocation of displaced Negro families.

The AFL-CIO recommends—

1. State legislation and a city ordinance requiring open occupancy.
2. The use of city or State bond issues for new housing, redevelopment, or rehabilitation only on projects of nondiscriminatory nature.
3. That FHA and VA administer their program on a nondiscriminatory basis.
4. The enactment of a Federal statute requiring all Government housing and lending agencies and any federally assisted housing plan or program to be administered on an open-occupancy basis.
5. The Federal Government pass a comprehensive housing bill designed to provide aid in the development of housing for middle-income as well as low-cost housing.

The picture we have presented is a bleak one, but it can take on a promising hue if there is good will and sincerity behind our efforts to correct it.

We of the AFL-CIO are dedicated to the cause of human betterment, and discrimination in housing is an important phase of this ideal.

We offer these views and these recommendations in the spirit of helpfulness and with the hope that this Commission can focus the eyes of Congress on a social evil that is undermining our communities and our Nation.

TRUMBULL PARK, A PROGRESS REPORT, APRIL 1959—PUBLIC HOUSING, A CONCERN—
SUBMITTED FOR RECORD BY AMERICAN FRIENDS SERVICE COMMITTEE, HOUSING
OPPORTUNITIES PROGRAM

INTRODUCTION

In March 1957, the American Friends Service Committee issued a progress report on Trumbull Park homes to acquaint Chicagoans with developments in this long-troubled area. This report reflected the impressions and evaluations of staff, based on weekly visits to the homes of Negroes and whites in the project and South Deering community since 1954. These visits grew out of AFSC's belief in the dignity of each individual and a concern to remove the indignity and injustice of discrimination based on race. Our staff has offered friendly support and tangible assistance wherever possible and has attempted to serve as a channel of friendship from people all over the city who share these democratic and religious values.

This small effort has been taken out of concern for the individuals caught in this troubled situation. But it has also been an effort to speed the day when no family would be excluded from a home because of race or creed. We believe that discrimination in housing is immoral. The evidence is clear that it is dangerous as well. It is apparent that crowding of minority citizens into restricted areas of the city has tragic effects on every aspect of life and growth of the city and on the people who live there. It is increasingly obvious that free access to housing is one of the essential keys to solution of the urgent problems of decay and rebuilding in our city.

Weekly visits to Trumbull Park homes have continued. Our experiences and observations since the March 1957 report indicate the necessity for a review of the Trumbull Park homes situation. This review reveals many positive developments, but also indicates some factors which seem to us to place these developments in jeopardy.

We have grown increasingly concerned over the practices of the Chicago Housing Authority regarding integration in Chicago's public housing projects. It is our judgment that, in respect to Trumbull Park homes and three other projects, the authority falls short of its minimum duties. We feel a sense of responsibility to share this judgment with other concerned groups and individuals, and to attempt to document our belief.

We hope also to indicate several clear steps which lie within the power of CHA. These steps would provide the moral basis for establishing the leadership of the authority in a sounder and more effective program of public housing. They should have the full and vigorous support of elected officials, beginning with the mayor of the city, and of concerned citizens. If these steps are undertaken, the tragedy which Trumbull Park has come to symbolize all over the world may yet bear the fruits of freedom.

CONTINUING PROBLEMS IN SOUTH DEERING

The March 1957 report ended: "What exists now in Trumbull Park and South Deering is more or less an armed truce. In the event of an upturn in racial incidents this summer, it might be well to view these incidents in the context of the total situation. Those forces operating in the situation which seem positive are not static, of course. They can move either backward or forward, depending on a complex of factors. But as time goes by and as increasingly Negroes and whites engage together in ordinary, normal activities and living, peace must become an actuality."

Racial tensions and violence

Summer, 1957.—The "upturn in racial incidents" during the summer of 1957 culminated in the Calumet Park riots on Sunday, July 29, which spilled over into Trumbull Park homes. Mobs gathered in the project that evening (the fourth anniversary of the Donald Howards' move into the project) and attacked a Negro resident who was walking through the grounds. He escaped across the prairie after being severely stoned, requiring hospital treatment. The mob then broke into the home of the William Griffins, whose three small children were sleeping in an upstairs bedroom while the parents were further down the block with another Negro resident who had been attacked earlier on his way to work. The mob broke all windows, destroyed most of the downstairs furniture, including a new television set and radiophonograph. They turned on the gas jets, blew out the flames, and set fire to the livingroom curtains. Police, who were called by neighbors, did not respond until much later. The entire area was aflame with incidents of mob violence against Negroes—busdrivers, workers in neighboring steel mills, autoists passing through the area. High tensions, rumors, and physical attacks continued for several more days.¹

Racial violence spread to other areas of the city. Police and court action (with the notable exception of Judge Norman Eiger) was dilatory and indecisive, and at times prejudicial to Negro victims. Most of the rioters who were arrested, charged only with misdemeanors, were released after a brief court appearance or were fined \$25. In many cases the fines were paid by local improvement associations. Two park district policemen were finally given brief disciplinary suspensions after strong civic protest, for refusal to give adequate protection to Negro victims.²

In the project itself, the attacks were followed by a sober "morning-after" reaction, which had lasting and profound effects. White tenants, including many who were not previously sympathetic to their Negro neighbors, condemned mob action. Editorials and letters-to-the-editor appeared in the "Daily Calumet" and "Southeast Economist" condemning violence. Several local steel unions

¹ A Preliminary Report on Racial Disturbances in Chicago for the Period July 21 to August 4, 1957—Chicago Commission on Human Relations (by permission).

² William Ray, manager of News and Special Events Department, NBC Central Division and station WMAQ, in his broadcast "Ray Views the News" on August 11, 1957, reported these events and added: "This all had a familiar ring to it, so I reread the report that the Chicago Commission on Human Relations made on the Trumbull Park riots for the period August 4, 1953, to June 30, 1955. I found there were similar indignation meetings then. That police were ordered to stop treating with kid gloves people who throw bricks at fellow citizens * * * and that municipal judges were exhorted to stop letting people off with mild admonitions. * * * Thus, we are going to have this violence every summer unless our authorities crack down. The police will have to crack down. The corporation counsel will have to crack down. The State's attorney had better begin charging these people with the serious crimes their actions merit as violations of State laws."

called for an end to racial tensions and urged their members to practice democracy in their communities as well as in their union halls and shops.

In Trumbull Park homes, the most damaging aftermath of the riots was the subsequent exodus of Negro families, who felt no confidence in the desire or ability of the city's law enforcement agencies to protect their persons or property. Nine families moved out of the project during the 4 months immediately following the riots.

Fall 1957 to present.—Since this period, overt acts of violence against project residents have been sporadic but have abated to the degree that the police headquarters established in a project unit since 1953 was closed. Several times windows of apartments occupied by Negroes have been stoned. No arrests have been made, although tenants believe the culprits to be known to police.

The only major racial incident since July 1957 occurred at Oglesby and 100th Street on the evening of October 8, 1958, when two Negro tenants were assaulted by a group of teenagers as they attempted to buy groceries in a neighboring Jeffery Manor delicatessen. The two men were set upon with pipes and baseball bats, suffering fractures and bruises, and their car windows were smashed. Members of the gang are believed to live in South Deering. Again, police were slow to arrive, and then questioned the Negro victims in an abusive and threatening way. No arrests were made.

Aerial bombs

During the early years of racial tension in South Deering, as many as 100 aerial bombs were exploded in a night—shattering nerves and, occasionally, windows. These explosions have now virtually ceased.

South Deering Bulletin

This inflammatory newsheet was originally published on a weekly basis and distributed free in the area. It has now been reduced to a twice-a-month publication and is sent only to subscribers, one of several indications of diminishing community support. Spokesman for a small hard core of organized diehards, the Bulletin still concentrates on illiterate editorials attacking Negroes as "savagely and uncultured" and reprints excerpts from southern White Citizens Council newsletters.

Only 4 days prior to the attack on the Griffin apartment, the Bulletin published an article reporting an incident in which this family had been involved with a white neighbor. The article made public the Griffins' address in the project, although it did not do so for the white family.

The issue following the Calumet Park riots stated: "The recent riots occurring on the South Side of Chicago are causing much concern to our 'City Fathers.' They have a bull by the horns and don't know what to do with it." "Even after the bitter lesson they got in the Trumbull Park homes situation, in which the city of Chicago has spent more than \$6 million for police protection for a few Negro [sic] families to reside in Trumbull Park . . ." The Bulletin blamed Chicago's Negroes for inciting racial clashes by demanding their rights, and called for "one big Confederate camp."

Vernon's Community Church

Another expression of this small diehard group is "Reverend Vernon's Community Church," which was organized in South Deering as an "independent Protestant Church" in May 1957. Its pastor, William Vernon, is chaplain of the South Deering Improvement Association, which sponsored the church. Upon its organization, he was dismissed from the Methodist denomination, in which he had been ordained only as a deacon, having never received final ordination as an elder. He had previously served as a student pastor at the South Deering Methodist Church.

Neither Vernon, nor any of his church's officers, nor the majority of its small congregation live in or near the South Deering community which they purport to serve. The church presently meets in the headquarters of the Progressive Steel Workers Union (independent) and makes frequent use of the Bulletin for publicity and promoting its views.

Bus service

Early in 1958, the Chicago Transit Authority rerouted its Jeffery buses to serve the project (Bensley and 106th Street). This eliminated the long, inconvenient walk previously necessary for project tenants, one-third of whom are aged and all of whom have to do their major shopping out of the area.

Shortly thereafter, on March 13, 1958, the South Deering Bulletin printed the following article:

"* * * It is for the general opinion of many that the bus route would be of better use if it would come down Torrence Avenue to either 109th or 112th Street, instead of its present route down Bensley Avenue. Torrence Avenue is the main street in South Deering, and we believe all transportation should be kept on this main thoroughfare; in this way all can benefit and many in our factories, steel mills would have access to this fine transportation. Our suggestion to the CTA officials would be to route the bus down Yates to 103d Street east on 103d Street to Torrence Avenue, south on Torrence Avenue to a suitable stopping place. Eliminate Bensley Avenue and east 106th Street as it presently is."

The CTA following a visit of a delegation from the South Deering Improvement Association, carried out the Bulletin's advice to the letter.

Petitions signed by 500 project residents urging restoration of bus service were presented to the CTA board in September 1958 by David Fison. Representatives of the Commission on Human Relations and AFSC were also present to argue for restoration of the routes. The board promised to reconsider the matter. To date, it has not yet fulfilled its promise to communicate an answer to this delegation, nor has bus service to the project been restored.

PROGRESS AND ACHIEVEMENTS

Communications group

In January 1957, representatives of most of the churches and agencies in the area began a series of informal monthly get-togethers. The group included the pastor of South Deering Methodist Church, the assistant pastor of St. Kevin's Roman Catholic Church, the principal of Bright School, the project manager, staff of the South Chicago Community Center and its Trumbull Park branch, officers of the East Side police station, representatives of the Chicago Commission on Human Relations, and the AFSC. The local park district superintendent (who attended once or twice), the local American Legion posts, the South Deering Improvement Association, the Southeast Lions, and the Progressive Steelworkers local were also invited to participate, but declined.

The major purpose in meeting was the sharing of information and concerns as well as hopefully developing positive working relationships among these groups, all involved in the Trumbull Park situation in one way or another. The group met intermittently for slightly more than a year, and finally discontinued meeting, feeling that its purpose of establishing communication had been achieved. It can be called together by any of its participants whenever they may feel that an issue requires its convening.

South Deering Methodist Church

Establishment of this church's first parsonage in the community (in a home purchased by the Rock River Conference) resulted from the eviction of Rev. David K. Fison and his family from a South Deering apartment in late spring 1957. A new church building (the old one burned in December 1955) was completed and dedicated this Easter (1959). It is widely used by the congregation for its varied programs. Boy Scout and Girl Scout troops, adult and youth choirs, and a senior citizens group have been added in the past year by the indefatigable church staff to already functioning youth fellowships, released-time classes, Sunday school, and women's society. All these activities are integrated. Six Negro adults from the project have joined the church while others attend occasionally. In addition, the church ministers to almost all the project's Negro children. A Negro was elected a trustee of the church board 2 years ago.

The Fisons have in the main been accepted as a permanent part of the community, despite an occasional snub by some South Deeringites. Ground-breaking and cornerstone ceremonies at the new church were marred by some harassment, and the church remains under 24-hour police guard because of bomb threats made last summer. Pastor Fison feels that "a new building has given us status in the community." Its construction, half a block from the project, has extended interracial activities into the community itself. The steadfast presence of the Fisons and the church's ever-expanding activities are a great source of strength and support to both Negro families and friendly white families in project and community.

Community center

The Trumbull Park branch of the South Chicago Community Center continues to be one of the major factors in the development of constructive and normal relationships. Negro and white children and parents are brought together in a wide range of activities for all age groups, from nursery to oldsters. A library depository, completely manned by a parent committee, has been in existence ever since our last report, and is widely used.

Approximately one-third of the participants in center programs are South Deering youngsters, primarily Mexican-American, who live outside Trumbull Park Homes. A number of their parents are also involved in adult activities. Considering the jibes and threats of the South Deering Bulletin, which calls the staff "race-mixing social workers" who "must go", this is no small achievement.

Over 500 youngsters are involved in projects like Easter egg hunts, Valentine parties, Christmas tree-burning ceremonies (the last was featured this year on the front page of the formerly hostile *Daily Calumet*). Adult groups which included Negroes played several baseball games last summer in the prairie behind the project. In addition to the nursery, social clubs, library depository, men's basketball team, movie benefits, teenage dances, athletic events, the center has organized a scholastic achievement group and a weekly study den to encourage educational efforts among local parochial and public school youngsters. Adult and youth groups also write and issue their own monthly newsletter.

A parents committee was set up 2 years ago, with its hoped-for goal the increasing assumption of responsibility for planning, organizing, and supervising activities. The parents have held periodic bake and rummage sales, have sold chicken dinners and Mexican tacos to raise funds for these programs.

While only a small percentage of project adults are involved in these affairs, it is among these individuals that the ground was broken for normal personal relationships. A far larger proportion of Negro women are active than are white women, and nearly all the Negro children are reached by one or more aspects of the programs. For the first 2 years after the center's inception, these relationships were scarred by fear of provoking violence, by suspicion on both sides—at worst, by tension, and, at best, uneasy tolerance. But change has become most evident in the past year, and this has been verbalized by both Negro and white women. Many homes which were once closed to Negro children are now freely visited, and white children often visit Negro homes. While relationships may not be the most natural in an absolute sense, in the context of this area's history they must be seen as miraculously warm and constructive.

Bright Public School

The special stresses and tensions which once characterized this school have been relaxed to a great extent. Nonetheless, occasional discriminatory and humiliating incidents occur from time to time in classroom and playground, just as they do in most situations involving Negro-white relations in this ambivalent society.

Approximately 40 Negro children now attend the school, the first having graduated in June 1958. Tensions rose among her classmates shortly before graduation when some of them threatened to boycott the ceremony. She was subjected to physical bullying and intimidation twice during this period, but firm handling by the principal deterred incidents during the ceremony, which went off quietly. This youngster now attends Chicago Vocational High School and has traveled back and forth by bus since September without difficulty.

The parent-teacher club (not affiliated with the parent-teachers' association) holds meetings in the school auditorium which are increasingly attended by white and Negro project women. Representation on the board or on committees by project residents, however, is firmly discouraged by the present leadership by a variety of methods, for fear of permitting greater Negro participation.

An evaluation of the total situation in the area would have to conclude the following: Considering the unparalleled duration of the tensions, which began on July 29, 1953, with the move-in of the Howard family; considering the periodic recurrence of violence and the threats made to whites in the area who "transgressed" racist practice in one way or another; considering the absence of a strong and unwavering policy by the city administration at any point in these 5 years, and the role of the police, which was more often sympathetic to the white mobs than not * * * considering all these factors, the present im-

proved situation is a tribute to the innate decency of most white residents in both project and community; to the steadfast courage and forbearance of the Negro tenants; and to those agencies and groups which refused to compromise their principles in the face of violence and intimidation.

Given these indications of progress toward normal human relationships in the area and the strengthening of the forces of good will, it is a matter of great concern, not only to the AFSC but to other human relations agencies and church groups, that these gains are being jeopardized by the present policy of the Chicago Housing Authority, which is falling short of its moral and legal responsibilities to move toward complete integration of all its facilities. These responsibilities have been clearly recognized in the policy statements of the authority.

CHICAGO HOUSING AUTHORITY POLICIES

These policies were stated in 1946 in regard to the veterans' temporary housing projects. At that time, the authority in conjunction with a citizens advisory committee composed of representatives of all veterans organizations, determined that these units would be made available to all veterans on the sole basis of need, without regard to race, creed, or color. While most of these projects were integrated peacefully, serious rioting broke out upon the housing of Negroes in Airport Homes (60th and Karlov) in November 1946 and in Fernwood Homes (104th and Lowe) in August 1947.

Following the Fernwood Homes period of violence, a legal opinion was requested by the authority of their general counsel, the late Edward J. Fruchtmann, concerning eligibility requirements for all public housing projects in Chicago. This opinion called "attention to the legal obligation of the authority to maintain a strict policy of nondiscrimination based on race, creed, or color. Section 128k of the Illinois Criminal Code provides in substance (1) that no officer or employee of the Chicago Housing Authority 'shall deny or refuse to any person, on account of race, color, or religion, the full and equal enjoyment of accommodations * * * facilities * * * or of any property under his care.' I interpret this section to mean that compliance therewith cannot be had by adoption of a policy of segregation. This section cannot be satisfied by housing whites in one project and Negroes in a separate distinct project. Such segregation would be a denial, based on race or color, of the 'full and equal enjoyment' of the accommodations under the care of the Chicago Housing Authority."

On January 11, 1950, the commissioners of CHA formally adopted a resolution (No. 50-CHA-17) stating that: "In the selection and admission of families to the projects now and to be operated by the authority, families shall not be segregated or otherwise discriminated against on grounds of race, color, creed, national origin, or ancestry."

On October 27, 1952, in Resolution No. 52-CHA-234, the commissioners reaffirmed this policy and added the following: "This policy envisions the practice of granting the applicant first in order on the list the choice of whatever vacancies may exist in the project where he wishes to live. If no vacancies are available in such projects, he is entitled to know where vacancies of suitable size do exist. * * * In no instance must an applicant be discouraged from or encouraged to move into any vacancy submitted to him."

At their August meeting in 1953, following the outbreak of racial violence at Trumbull, the Commissioners were advised by the legal firm of Tenney, Sherman, Bentley & Guthrie that: "It is our conclusion from the Illinois decisions and the enactments of the Illinois legislature that our courts will not sustain a policy which denies to anyone because of his race or color, admittance to public facilities."

As a consequence, the CHA Commissioners "resolved that families of minority groups who apply for housing in four CHA projects heretofore occupied solely by white persons shall be admitted. The projects affected are Julia C. Lathrop Homes * * * Trumbull Park homes * * * Lawndale Gardens * * * and Bridgeport Homes."

A resolution was passed by the CHA Commissioners on September 14, 1953: "*Be it resolved by the Chicago Housing Authority, That the Executive Secre-*

tary be and is hereby directed to move families of minority groups into the four projects which have heretofore been occupied solely by white persons." (No. 53-CHA-197) It should be noted that this resolution followed the move-in of the Donald Howard family in Trumbull Park by 6 weeks.

On August 24, 1953 (in Res. No. 54-CHA-174), the Commissioners stated: "The commissioners of the Chicago Housing Authority hereby reaffirm its basic policy that race is not a determination of eligibility for residence in public housing. Further, that public housing must be made available to all eligible citizens purely on the basis of need. It is contrary to both the laws and spirit of the laws of the city, State, and Country to enforce racial covenants. There shall be no racial barriers to a home in public housing." And: "The commissioners of the Chicago Housing Authority condemn the use of mob violence to protest the occupancy of a home in Trumbull Park homes by a Negro family. The Commissioners are opposed to this display of undemocratic and unAmerican activity and refuse to be pressured by this kind of rowdiness from its duty to the people of Chicago to administer the public housing program in a lawful and unbiased manner."

On January 11, 1954, the CHA Commissioners resolved that "* * * it is imperative that the support of the Chicago Housing Authority in the implementation of this policy ("a tenant selection policy of nondiscrimination") be maintained and that as a public body the action of Chicago Housing Authority in its selection of tenants under this policy be submitted to public scrutiny."

On October 15, 1954, Gen. William B. Kean, who became Executive Director of CHA on October 1, issued a statement to the press "dispelling any doubts on this policy matter. * * * The 22 Negro families already in the project (Trumbull) will continue to live there. Others will be given apartments in the regular order of application." This statement, made at the height of the disorders, concluded: "I am confident a way will be found to provide integrated housing."

On January 17, 1958, Alvin Rose, the present executive director of CHA, addressed an open meeting of the Planning and Housing Committee of the City Club of Chicago. Among other statements, he said: "We are not going to use public housing as a wedge [i.e. to integrate all-white neighborhoods]. Our role must be one of friend to the community." Is this statement a departure from the resolution of August 24, 1953, in which the commissioners publicly stated that CHA would "refuse to be pressured by this kind of rowdiness from its duty to the people of Chicago to administer the public housing program in a lawful and unbiased manner"?

CHICAGO HOUSING AUTHORITY PRACTICES

Let us see how the resolution to move Negro families into the four all-white projects has been implemented:

Lawndale Gardens.—This project, at 25th Street and South California, received its first Negro family about 2 years ago. Out of a total 128 units, there have never been over a total of 2 Negro families in occupancy.

Lathrop Homes.—The first Negro families were admitted to this project at Clybourn and Damen in November 1954. Out of 925 total units—twice as many as at Trumbull Park homes—there are (in April 1959) 21 Negro families. There has been little turnover among these families, and the number has remained static for the past year and one-half.

Bridgeport Homes.—This project of 141 units is at 31st Street and Lituanica, near the home of Mayor Daley. Negro families have never been admitted to this project.

Lathrop Homes Extension.—This first "housing for the elderly" to be built in Chicago, will be ready for occupancy by this summer. This means that families must be interviewed and processed now. In the light of CHA practice at Lathrop Homes, questions must inevitably be raised as to what the policy of tenant selection will be for Lathrop Extension. If this project begins on an all-white basis, or with only token integration, it will be twice as hard to develop meaningful integration in the future.

Trumbull Park Homes.—The following figures are based on AFSC staff observations and records, and may be considered reasonably accurate. They indicate the rates of Negro occupancy in this project since 1953:

Date	Moveins	Moveouts	Total number Negro families (at end of period)
End of—			
1953.....	+4	0	4
1954.....	+24	-2	26
1955.....	+9	-6	29
1956.....	+6	-10	25
1957.....	+8	-11	22
1958.....	+3	-6	19
As of April 1959.....	+3	-3	19

Since the Calumet riots, 18 Negro families have left the project; 7 have been placed. At the time of the riots in July 1957, approximately 30 Negro families were in residence. Two months later, when the present executive director of CHA took office, the number was 25. One month later, the figure was 22. By March 1958, the number was down to 19, and the level of Negro occupancy has fluctuated around 20 families (less than 5 percent of the total number of 454 dwelling units) since that time. At the date of this report's publication (April 1959) the number is 19 families.

The significance of these figures lies not only in their effect on the morale of Negro tenants, which diminishes with each succeeding moveout. It is a fact that all elements of the local population engage in this "countdown" * * * the community is sensitive to each moveout or movein. It is intensely number-conscious. To the Negro families, each moveout is more than a number on a chart. It means one less family to share whatever burden still clings to Negro residency in this project. It may mean one less pre-teenager in a lonely group which bears the major brunt of social isolation. It is among the teenage children that the tensions set free in this community so many years ago are most manifest, and CHA's practice of not housing families with teenagers in Trumbull Park homes works great hardship on those few who have grown up in the project.

The significance of these figures to South Deering residents is indicated by conversations overheard by AFSC staff or directly reported statements to the effect that "no more Negro families will be placed in the project, and the improvement association thinks it can sit back and wait for all the ones who are still here to leave. They feel they've won the fight, so they don't need to raise Cain any more." Or, "there's no problem here any more. We have them on the run. There are only 19 families left, and CHA isn't going to put any more in, so why should we make trouble?"

Rumors have always abounded in this tense community. The significance of the present situation is that an uneasy truce exists in the Trumbull Park area which apparently rests on the belief of the organized segregationist forces that only token integration will be permitted at the project. In the absence of positive statements of policy by CHA and in the apparent maintenance of the status quo, advocates of violence can believe that their tactics work.

The Chicago Housing Authority is a public agency. Its practices are a symbol of public policy. In addition, these practices are of crucial importance in determining whether or not our city makes steady progress in removing the barriers of discrimination in the private sector of the housing market. The written policy statement of the CHA are, as we have seen, unequivocal. It is legitimate and necessary that citizens consider the implementation of those policies at the present time.

On February 3, 1959, staff of AFSC met with Alvin Rose to present our concern over this question, and to ask clarification of the authority's position on integration. The following is a summary of this meeting as authorized by Mr. Rose:

"Mr. Alvin Rose, in an interview with an AFSC staff member on February 3, pointed out that Trumbull Park homes is presently integrated and will continue to be integrated. He said that Negro occupancy at this project has continued at approximately the same level as existed when he assumed his present position

as executive director at CHA. Mr. Rose spoke of the tenant selection policies of the authority based on eligibility requirements, priorities and stated preferences of applicants for particular projects. In this regard, he noted that eligible families were very reluctant to move out to Trumbull Park and therefore there has been no occasion to increase significantly the number of Negro occupants at this project. He further stated that the history of racial violence at Trumbull Park homes and the lack of acceptance of public housing by the community are contributing factors to this situation and further integration of the project at this time."

According to authority figures, there is a waiting list of 20,000 applicants for its projects. Between 80 to 85 percent of these are Negro. It seems unlikely that although "eligible" families could be found for Trumbull Park Homes at the height of the disorders, in the present normalized situation none can be found from among a waiting list of 17,000 Negro families. Nor can the lack of vacancies at Trumbull Park Homes be given as a reason for the diminishing number of Negro families, for the fact is that two-bedroom units are often vacant at the project for as long as several weeks, which is unusual for CHA projects.

The authority still maintains its artificial "special criteria" for selection of Negro tenants for Trumbull, Lathrop Homes, and Lawndale Gardens. These criteria in regard to Trumbull Park include: families who (1) do not have children of high school age (despite the fact that both local high schools have integrated student bodies), (2) have both husband and wife in the household (despite the fact that a high percentage of white and Negro applicants for public housing are without one parent in the home); (3) are employed in the general Southeast Side industrial area (despite the fact that many of the white families at the project are employed in other areas of the city).

It is our judgment that while mature and stable families who have been thoroughly oriented before placement, in the special problems inherent in the Trumbull Park situation will have a better chance of adjustment, necessity for other criteria is obsolete.

A study of the list of 30 housing developments operated by the authority reveals the following approximate occupancy pattern: 11 projects or extensions have all-Negro occupancy; 2 (Bridgeport Homes and Lawndale Gardens) are all-white or practically all white; 16 have integrated occupancy patterns to one degree or another. These figures reflect a number of factors: That because of economic discrimination against Negroes, and the disproportionate pressures for housing created by segregation, 85 percent of the total tenants in public housing are Negroes, and that new projects are being built in segregated Negro communities which do not attract more mobile white applicants.

CONCLUSIONS AND RECOMMENDATIONS

It is not our purpose here to develop a detailed analysis and program for public housing.³ While there are complex problems involved, requiring thoughtful study, the problem of racial segregation is a key one, and tends to forestall action on all the others. It seems clear that the present policies of the authority in respect to tenant assignment in some of its projects and in respect to sites proposed for new public housing promote segregation, rather than progress toward the democratic ideals of equality.

Any public administrative agency has a clear responsibility to convey to the lawmaking body—and thus to the people—the basic facts and needs regarding problems within its jurisdiction. Its role is to recommend program on a non-racial basis, according to these facts and needs, and not to anticipate the negative response of the lawmakers. In the case of site selection, the authority surrenders its power of choice to the city council by anticipating a veto in all but segregated Negro areas. By concentrating its projects in these segregated areas, the authority is perpetuating segregation when it should be providing leadership in ending it.

We know the situation at Trumbull Park homes best. The patience and determination of people of good will has triumphed in that troubled community

³ For two recent excellent studies and proposals for public housing, see: (1) "A New Look at Public Housing," "Issues," November 1957, published by the Philadelphia Housing Association, 1717 Sansom Street, Philadelphia 3, Pa.; (2) "A New Look at Public Housing," issued in 1958 by the National Federation of Settlements and Neighborhood Centers; 226 West 47th Street, New York 36, N.Y.

to create the present situation of relatively normal relationships. These hard-won gains stand in jeopardy if official practices do no more than maintain present token integration.

We recommend that the Chicago Housing Authority relax any special criteria for selection of Negro families for Trumbull Park homes as a sound and practical step toward the full implementation of existing policies of nondiscrimination.

We believe that steps should be taken in respect to Lathrop, Lawndale, Lathrop Extension, and Bridgeport, so that tenant assignment to these projects would be free of the artificial limitations of token integration or segregation. Careful, well-planned steps should have the full backing of the city government and would have the complete support and cooperation of voluntary human relations agencies.

We urge the Chicago Housing Authority to exert its rightful leadership in proposing sites for public housing in the most feasible and desirable locations without regard to race.

We make these recommendations humbly, mindful of the heavy responsibilities carried by the officials who must make these decisions. The problems of housing in Chicago, complicated as they are by the widespread practice of discrimination, will not be easy to resolve in any case. They will be harder to resolve if delays and compromises halt progress toward full integration which is the inevitable final solution. Consistent, principled action is required of all of us; we must require it of our public agencies.

SUPPLEMENTARY STATEMENT OF SAUL D. ALINSKY, PERTAINING TO HIS PROPOSAL FOR RACIAL QUOTAS AS A MEANS TO STABILIZE NEIGHBORHOODS

Criticisms of the "morality" of my proposal of opening white neighborhoods to quotas of Negroes overlook or ignore its basic principle of achieving a nondiscriminatory, open occupancy in housing everywhere.

The issue is the means of implementation of the principle. This is the purpose of the proposal. Today the white residents assume that the appearance of the first Negroes moving into the community means that the neighborhood will shortly become all Negro. The whites leave the area, which consequently does become all Negro, and so the restricted, segregated pattern continues and expands.

The proposal attempts a realistic approach whereby whites can be assured that the entrance of Negro families will not result in this total community change, and that therefore the whites will remain. The quota proposal further attempts to secure a non-threatened, nonhostile situation where Negro and white families would have the opportunity of getting to know each other as human beings rather than as faceless racial symbols. This would open the door to a situation where integration would become more than a word.

There has been significant reaction to the use of the word "quota". All proponents of integration accept the fact of controls in what they choose to call achieving a "balanced population". The limited integration in schools and rare residential islands is rooted in various selective devices, including redistricting, to maintain a certain balance or proportion. Whether we call it ratio, percentage, balance, proportion, or stabilization it all comes to the same; a quota by any other name spells the same.

The Supreme Court of the United States, in its decision against segregation in the public schools of the land, held firm on the principle of desegregation, but realized that implementation required a realistic acceptance "with all due and deliberate speed" of a gradual compliance with the law. The lower courts became the control points and the process of integration in the southern schools has now begun by a selected number of proportions, ratios, percentages, or just plain quotas, of Negro students. This is accepted as a realistic approach towards the fulfillment of the basic principle of non-segregation.

Do the critics of the "morality" of the quota proposal regard the Supreme Court decision as immoral? Those who carp about the "morality" of the proposal offer no alternative. They cry "let there be open occupancy" and there is no open occupancy. They say the quota is restrictive, when the situation is one of total restriction, and the quota system would open closed communities.

The passage of a local open occupancy law would still confront us with the same issue, of securing compliance, as faced the Supreme Court. Implementation of such a law would demand the use of a "ratio", "percentage" or quota device, just as does the desegregation of schools. Those who state a moral principle and avoid the hard, grimy reality of implementataion have a museum mentality where morality is nothing more than a show piece. It is well for us to reflect on the words of Edmund Burke, "The triumph of evil is possible only when good men do nothing."

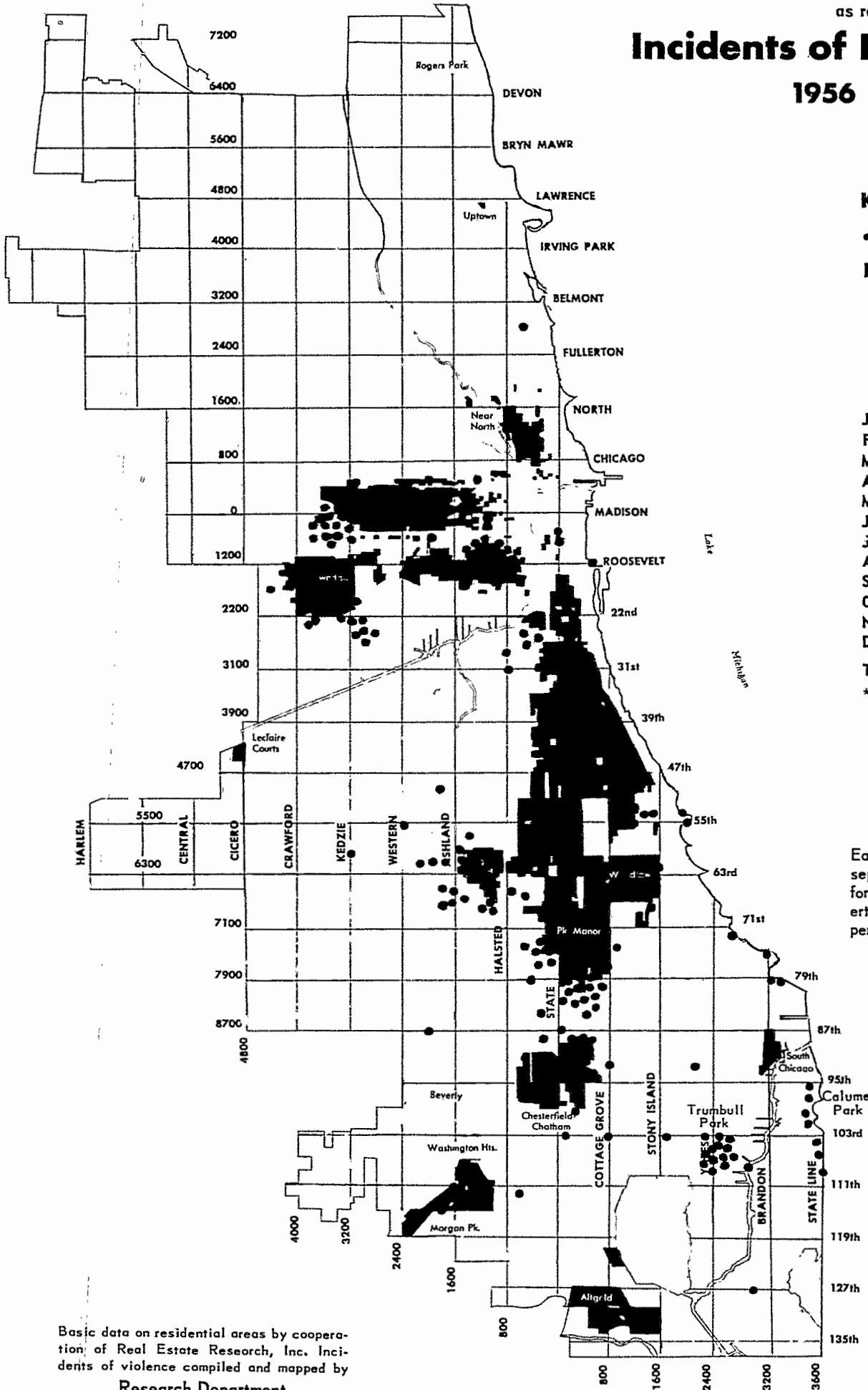


CHICAGO'S NEGRO RESIDENTIAL AREA

as related to

Incidents of Racial Violence

1956 . . . 1957



KEY

- Each dot represents 1 incident
- Negro residential areas

1956		1957	
January	7	January	6
February	7	February	4
March	9	March	16
April	17	April	7
May	5	May	1
June	5	June	9
July	6	July*	23
August	6	August	9
September	5	September	4
October	5	October	2
November	6	November	3
December	1	December	1
TOTAL	79	TOTAL	85

*Includes Calumet Park race riot of July 28, 1957

Each incident of "racial violence" is a separate case of exertion of any physical force against a person or persons or property, because of the race of the affected person or persons.

Basic data on residential areas by cooperation of Real Estate Research, Inc. Incidents of violence compiled and mapped by

Research Department

CHICAGO URBAN LEAGUE

Where does Chicago build?

These new Urban League maps represent the extent and location of new residential construction in Chicago for the year 1956 only. However, they are typical of recent years.

Obvious conclusion, as a quick reading will show:

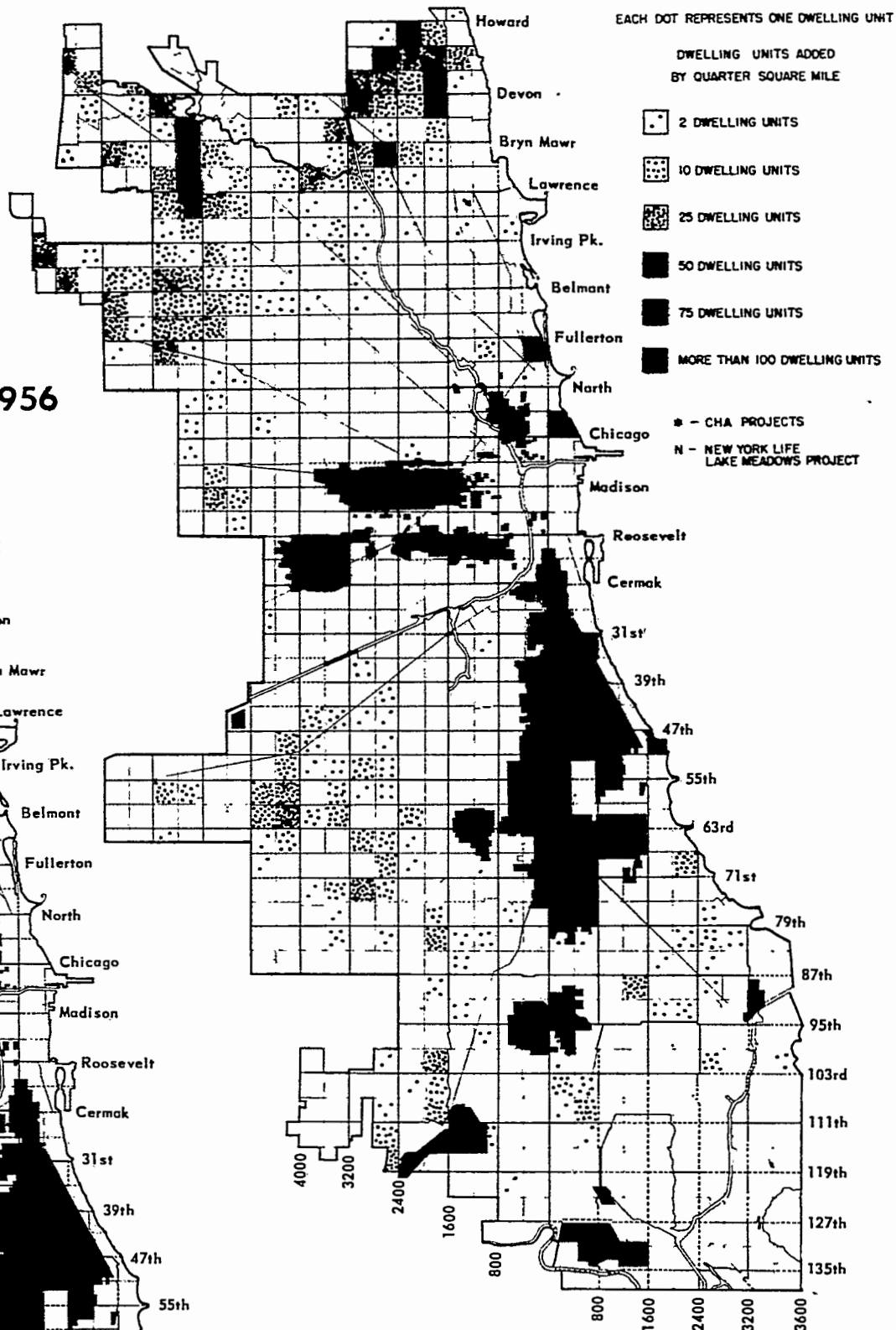
Chicago builds many new homes in the "all-white" areas, where population is less dense, and declining.

But Chicago builds practically no new houses in the Negro areas where population is most dense and is still soaring.

WHY?

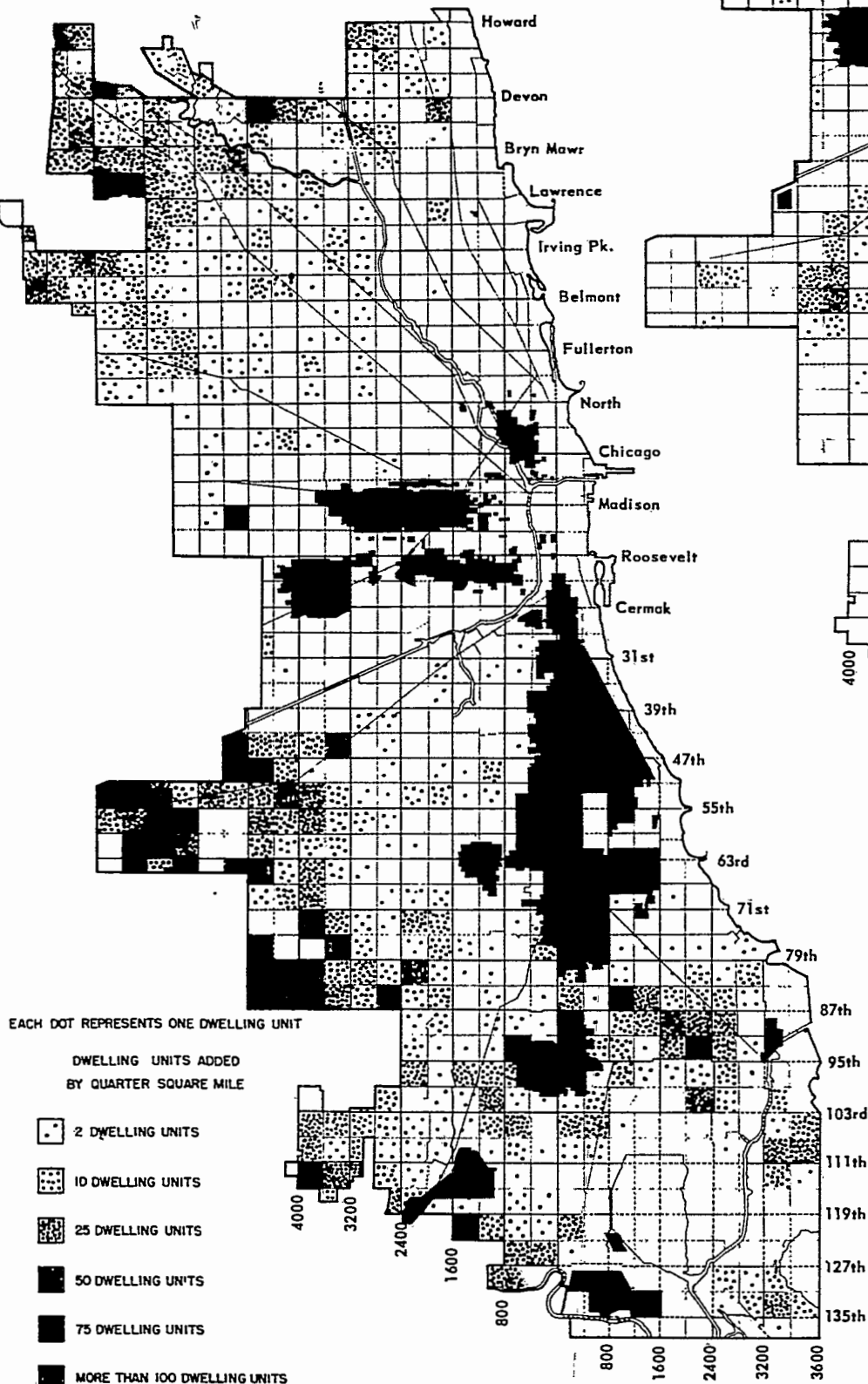
CHICAGO RESIDENTIAL CONSTRUCTION, 1956

MULTI-FAMILY UNITS



RESIDENTIAL CONSTRUCTION, 1956

SINGLE FAMILY UNITS



In these maps, Chicago is divided into its sharply defined all-white and non-white areas.

Population in the white areas in 1956 continued to decrease. Yet 10,225 new units of housing were built here.

The non-white areas had a 1956 population increase of about 30,000. Yet the number of non-government home units built in these areas was only 794.

(Public housing, which supplied 2,706 new family units in 1956, is available to only a small portion of the population.)

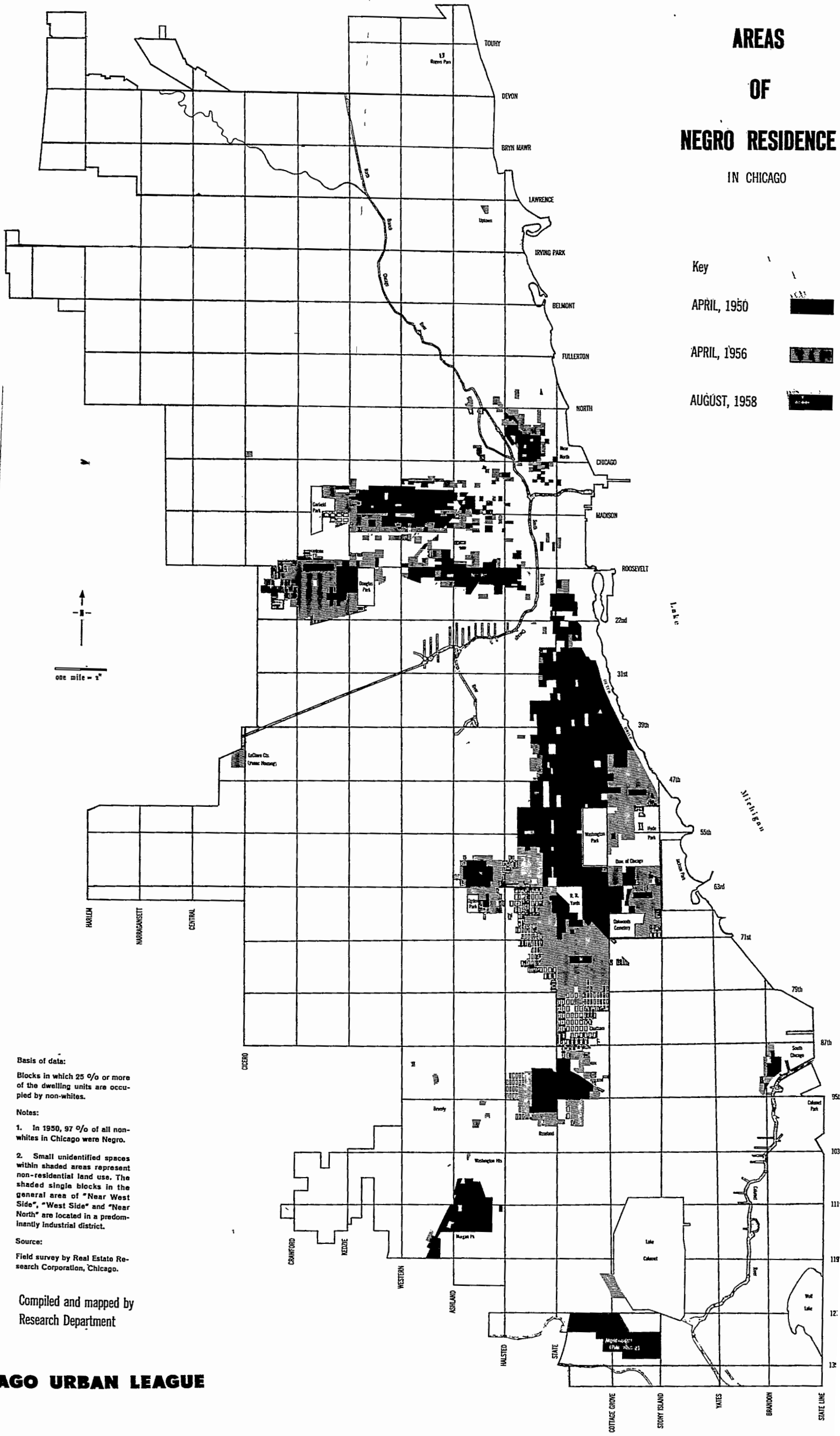
PUBLISHED BY

CHICAGO URBAN LEAGUE

Compiled by - Research Department, May, 1958.

SOURCE: Areas of Negro Residence, 1956 - Real Estate Research Corporation. Location of New Construction, 1956 - Office of the Housing and Redevelopment Coordinator.

AREAS OF NEGRO RESIDENCE IN CHICAGO



Key

APRIL, 1950

APRIL, 1956

AUGUST, 1958

Basis of data:

Blocks in which 25 % or more of the dwelling units are occupied by non-whites.

Notes:

1. In 1950, 97 % of all non-whites in Chicago were Negro.
2. Small unidentified spaces within shaded areas represent non-residential land use. The shaded single blocks in the general area of "Near West Side", "West Side" and "Near North" are located in a predominantly industrial district.

Source:

Field survey by Real Estate Research Corporation, Chicago.

Compiled and mapped by
Research Department

KEY



Urban Renewal Projects



Conservation Areas

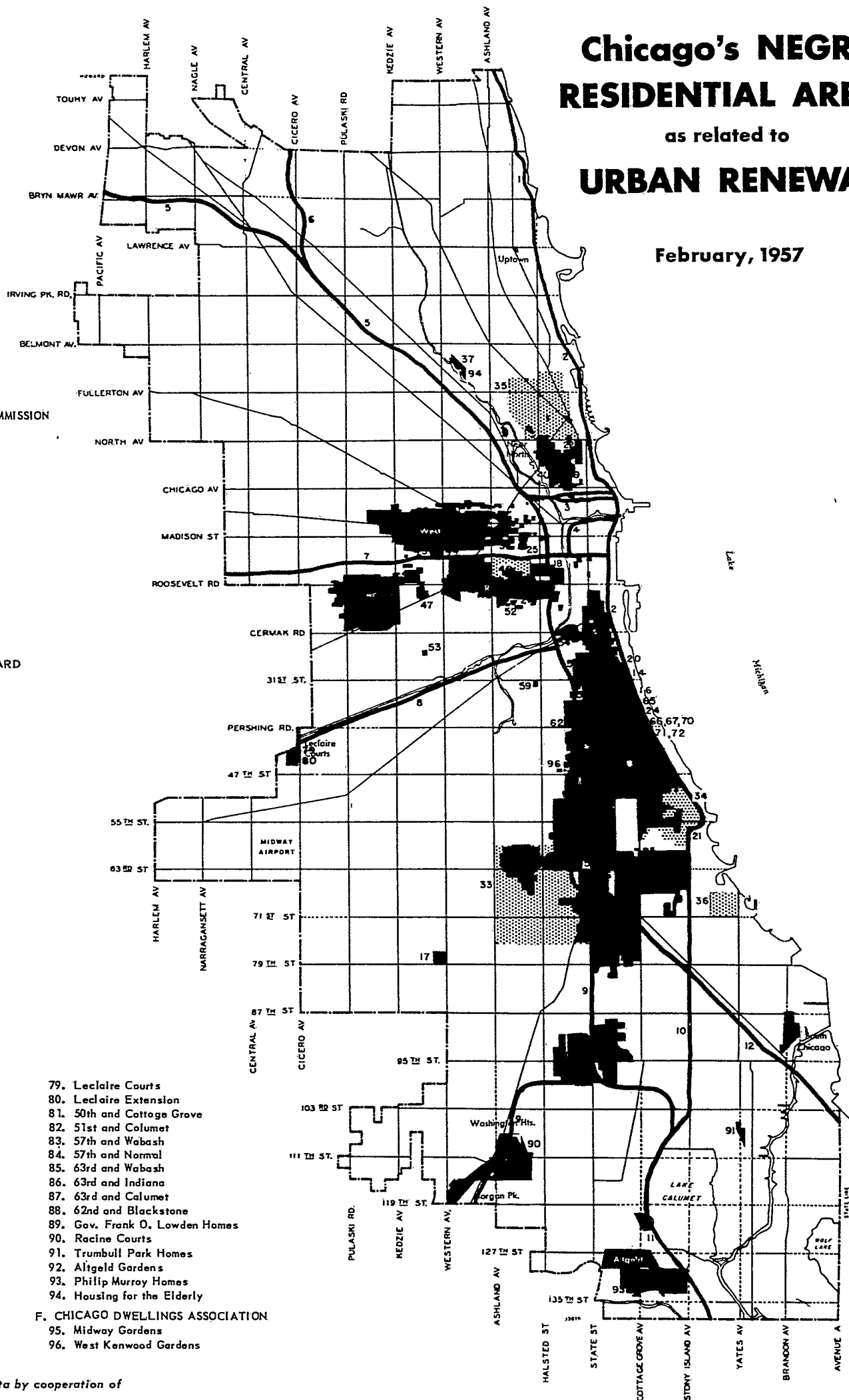


Negro Residential Areas

Chicago's NEGRO RESIDENTIAL AREAS as related to URBAN RENEWAL

February, 1957

- A. EXPRESSWAYS
 - 1. North Route
 - 2. Lake Shore Drive
 - 3. Erie Street Branch
 - 4. Wacker Drive
 - 5. Northwest Route
 - 6. Edens
 - 7. West Route
 - 8. Southwest Route
 - 9. South Route
 - 10. Stony Island Branch
 - 11. Calumet Branch
 - 12. Calumet Skyway
- B. PRIVATE
 - 13. West Side Medical Center
 - 14. Michael Reese Hospital
 - 15. Illinois Inst. of Technology
- C. CHICAGO LAND CLEARANCE COMMISSION
 - 16. Lake Meadows
 - 17. 79th-Western
 - 18. West Central Industrial Dist.
 - 19. 6A
 - 20. Michael Reese
 - 21. Hyde Park A and B.
 - 22. North-LaSalle
 - 23. Illinois Inst. of Technology
 - 24. 37th-Cottage Grove
 - 25. Harrison-Halsted
 - 26. 13th-Blue Island
 - 27. 6B
 - 28. 6C
 - 29. 6D
 - 30. Lake-California
 - 31. Lake-Maplewood
- D. COMMUNITY CONSERVATION BOARD
 - 32. Near West Side
 - 33. Englewood
 - 34. Hyde Park-Kenwood
 - 35. Lincoln Park
 - 36. South Shore
- E. CHICAGO HOUSING AUTHORITY
 - 37. Julia C. Lathrop Homes
 - 38. Ogden-Division
 - 39. Cabrini Extension
 - 40. Frances Cabrini Homes
 - 41. Gov. Henry Horner Homes
 - 42. Lake and Damen
 - 43. Monroe and Campbell
 - 44. Rockwell Gardens
 - 45. Maplewood Courts
 - 46. Harrison Courts
 - 47. Ogden Courts
 - 48. Grace Abbott Homes
 - 49. Jane Addams Houses
 - 50. Robert H. Brooks Homes
 - 51. Roosevelt and Blue Island
 - 52. Loomis Courts
 - 53. Lawndale Gardens
 - 54. Archer Courts
 - 55. Harold L. Icker Homes
 - 56. Dearborn Homes
 - 57. Prairie Avenue Courts
 - 58. Prairie Ave. Courts Extens.
 - 59. Bridgeport Homes
 - 60. 32nd and Prairie
 - 61. 35th and Calumet
 - 62. Wentworth Gardens
 - 63. Stateway Gardens
 - 64. 37th and Calumet
 - 65. 35th and Cottage Grove
 - 66. 37th and Ellis
 - 67. Wells Extension
 - 68. Ida B. Wells Homes
 - 69. 38th and Cottage Grove
 - 70. Lake Park
 - 71. Victor A. Olander Homes
 - 72. Olander Extension
 - 73. Ookenwald School Area
 - 74. 40th and Langley
 - 75. Pershing-47th South Park
 - 76. 40th and State
 - 77. 44th and Cottage Grove
 - 78. 45th and Champlain
 - 79. Leclair Courts
 - 80. Leclair Extension
 - 81. 50th and Cottage Grove
 - 82. 51st and Calumet
 - 83. 57th and Wabash
 - 84. 57th and Normal
 - 85. 63rd and Wabash
 - 86. 63rd and Indiana
 - 87. 63rd and Calumet
 - 88. 62nd and Blackstone
 - 89. Gov. Frank O. Lowden Homes
 - 90. Racine Courts
 - 91. Trumbull Park Homes
 - 92. Altgeld Gardens
 - 93. Philip Murroy Homes
 - 94. Housing for the Elderly
- F. CHICAGO DWELLINGS ASSOCIATION
 - 95. Midway Gordens
 - 96. West Kenwood Gardens



Basic data by cooperation of
 Real Estate Research, Inc.
 and Metropolitan Housing Planning Council

Compiled and mapped by Research Dept., CHICAGO URBAN LEAGUE