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Eastern Kentucky University

**Living In a Divided America: The Housing Policies That Have
Segregated Our Country and Oppressed African American Wealth**

**Honors Thesis Submitted
In Partial Fulfillment Of The
Requirements of HON 420
Spring 2022**

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Living In a Divided America: The Housing Policies That Have Segregated Our Country and Oppressed African American Wealth

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Abstract Description: The aim of this thesis is to highlight the wrongdoings that the American government and people have caused through poor housing practices and provide solutions to this expansive problem. This honors thesis investigates the discrimination that has taken place within the housing industry and implications it has had on African American wealth. The findings of this research uncover the lending procedures and zoning that kept black communities segregated and restricted integration.

Discriminatory housing practices have obstructed African American's from home ownership, which is the easiest way to build and pass on wealth. The biggest factors that have increased the wealth gap for African Americans is their inability to obtain home loans and access to neighborhoods in prosperous communities. These practices had a compounding impact on

what opportunities African Americans would be afforded and determined the wealth that is passed to future generations. The inability to access home wealth only stigmatized African American culture which has contributed to systemic racism and bias. Additionally, the honors project determined that today's communities still need extensive work to be sufficiently integrated and substantial investment is needed to bring these gentrified and segregated neighborhoods up to standard if the wealth gap is to be addressed. The solutions that this undergraduate research provided was a focus on mixed-income developments and inclusive zoning that blends demographics in a structure that does not favor only high income neighborhoods.

Living In a Divided America: The Housing Policies That Have Segregated Our Country and Oppressed African American Wealth

The beginning of the 20th century brought with it huge economic change that shifted the transfer of wealth from the wealthy upper class to middle-class hands. The wave of the industrial revolution changed America's landscape for the better and significantly pushed the working class into a leisurely lifestyle. The way to afford this lifestyle of leisure was through extending credit to individuals and pawning the phrase “Buy now, pay later”. However, there was a sect of the population that did not get to fully enjoy the extent of the economic boom; African Americans. They had their own towns and cities of prosperity but they were highly disconnected from the wealth that whites experienced. ‘Separate but equal’ was a blanket statement because there was little equality to be seen when contrasting these communities. The lack of opportunity and ability to grow wealth comparable to that of whites quickly prohibited African Americans from making strides towards their own dreams. For every dollar that white families earned, African Americans earned a measly 6 cents. This separation of wealth that originated early on continues to plague African American pocketbooks. The journal by the State University of New York, stated, “in the 1990s, however, the richest one percent again claimed nearly two-thirds of all income growth (figure 1.3), while the inflation-adjusted median incomes of Black, Latino, and Asian families stagnated or declined (8).” An issue as expansive as the income gap is not just a problem that was

only seen in the early 1900s but continues today due to the discriminatory housing policies that have controlled the distribution of wealth in American communities.

The aim of this research paper is to educate the reader on the modern inequalities that African Americans face and demand change for their right to liberty. While significant strides have been made, the lack of progress within the communities we as Americans share is evident. No American should be denied equity of any sense because of the color of their skin and the system that we all live under has denied them exactly that. There is a reason why our minds have different definitions and feelings toward the words “suburbs” and “ghetto” and will continue to until reinvestment into lower-income communities is able to bring our ghettos up to an American standard. These stereotypes have developed through forces of systemic racism and economic oppression. Just because our communities have looked a certain way for decades does not mean it should be a normal standard or expectation for any community. Americans cannot justify their actions and the state of a community by blaming it on the people when Americans themselves have contributed and allowed the inequality to be present. Within this research paper, I will explain the origination of these housing policies and their impacts, how housing contributes to success, and what struggles African Americans face today due to inequitable housing. This information is important because, without our attention to this topic, we will only disregard people who deserve the same as caucasian communities.

The Beginning of Housing Discrimination

Segregation was a large agenda for public officials as Woodrow Wilson initiated the “Own-Your-Own-Home” program that incentivized many white Americans to buy homes instead of renting. This program aimed to homogenize the communities Americans lived in and convince caucasian Americans to identify themselves only with other caucasian Americans. In Richard Rothstein's book, “The Color of Law” he wrote, “In 1923 another department publication promoted ethnic and racial homogeneity by urging potential homebuyers to consider the ‘general type of people living in the neighborhood before making a purchase (2017, 60).” This propaganda allowed the government to create two separate cultures and people who were strategically set against each other. Real estate agents were allowed to advertise “pick your neighbor” flyers in white neighborhoods and shape cities because of this practice and many more. City councils had the most voice during these times as they could decide what developments would be occupied by which race and what position of the town the developments would be in. While there were progressive movements towards integration, the government was quick to overturn these decisions even at the state level. As stated by Rothstein, “In 1917, the supreme court overturned the racial zoning ordinance of Louisville, Kentucky, where many neighborhoods included both races before twentieth-century segregation (45).” The places in the United States that had begun advancement to equitable and equal housing were overturned by federal policy. African Americans even though free on paper were not able to reap the benefits of their freedom even in the 20th century. This happened all over the United States as communities ruled to keep their homes exclusive. This became

the standard of suburbs and cities across the country to be specifically built for one race and build up stereotypes between each race. In a 2014 study, by Hwang et al, “Racial stereotypes still influence the makeup of a community as said, “Residents, developers, and institutions may make neighborhood selection decisions using neighborhood stereotyping based simply on a neighborhood having a relatively high proportion of blacks, believing they have sufficient “evidence” to make judgments about the neighborhood (744).” There should be housing guidelines within communities to prohibit these practices that are overlooked. Housing development boards are a part of community development and determine who lives in their communities depending on the income levels they build for.

Restrictive zoning was used in combination with these other practices to restrict African American mobility even after these practices had been outlawed. In the article by Shertzer, it is written, “Turning to the use component of the zoning ordinance, we find that neighborhoods with larger shares of Southern-born blacks or first-generation immigrants were more likely to be zoned for industrial uses than comparable neighborhoods with white natives (3).” This type of discriminative zoning has long-term impacts as homes that are based around industrial areas are harder to sell and mostly appeal to lower-income individuals. This makes it less valuable to buyers who are looking for ways to increase their equity and have a financial cushion through their home wealth.

Woodrow Wilson's presidency ran from 1913 to 1921 and he was outwardly against integration as he enforced and supported many of the housing policies that set the tone for the future of America's economies. Beginning as early as 1917 was the practice of blockbusting which was the act of scaring white families into moving once they saw black families moving into their neighborhoods. This was a result of the 1917 court case Buchanan V. Warley that prohibited African Americans from being eligible to purchase homes in white neighborhoods due to the city ordinance established by the ruling. Real estate agents would stage a showing where they would show black families homes in a white neighborhood. Then the real estate agents would spread the word that black families were moving into the neighborhood which caused white families to sell their homes at a discounted price. The agents would then turn around and sell these homes at inflated prices to black families and structure the loan in a way that prevented them from building equity. These white families would be scared into selling and black families would move in thinking they were putting down payments on homes when in reality, they were signing lease options. Lease options are contracts that require down payment and rental payments with the option to purchase the property at the end of the contract. This is what caused the great white flight that segregated Inner cities and made whites run into the suburbs.

Many black families were not educated on this by real estate agents and ended up paying rent for homes they thought they were buying. Black families would be paying on homes that they planned to own but were only paying down the loans for the landlords.

Across the country, Black Americans were signing their financial future away by contributing to programs that never gave them a return on their supposed investment. One of the most notable white towns is Levittown, Pennsylvania as the developer would not sell a home to a single black person even though it was built by black hands. The same hands that spent their days building the country would not be able to see the rewards nor would they be able to pass on the same wealth as their white counterparts.

White Flight and Modern Segregation

In addition to all of the housing practices already discussed, White Flight was the gradual fleeing of whites to suburbs and further segregation of both populations. “In the 1980s whites began to leave in the wake of the city’s efforts to enforce racial integration. The exodus was most pronounced in the 1990s, and by the year 2000 white flight was largely complete (see table 1 in appendix) with only a small number of remaining whites, mostly senior citizens, immigrants, and unemployed or disabled people (2).” This happened in the city of Parkmont which is comparable to Boston, Massachusetts, and is a modern example of how African Americans and whites are still living in different environments. The fact that living in the presence of African Americans is still frightening for many Americans is another disadvantage of the struggle toward housing equality. Per Hanlon’s study, “In 2008, 30 percent of blacks lived in housing projects that were at least 95 percent African American, and over half resided in projects that were at least 80 percent African American (30).” White flight was a geographic shifting of wealth from the inner cities to the suburbs and in its wake, left black communities to pick up the

pieces. Businesses and families left which explains the slum-looking neighborhoods that many cities still bear.

There was a clear distinction between these communities as written by Davis, “..in 1945, West Oakland boomed with women’s clubs, lodges, and churches, while places such as the Seventh Street commercial district thrived with African American–owned businesses and office buildings (39).” As the two races continued to separate, so did their cultures, and the stereotypes that both groups had only intensified. However, there was always the African American community that received the lesser end of the opposition. How can any black individual wish to find success as easily as a white individual if the environments and opportunities given to them are vastly different? This difference in economic inequity means that generational wealth also does not benefit future generations of African Americans to come.

The generational wealth that had been accumulated by African Americans thus far was drastically eradicated during the 2008 financial crisis. “The disruption caused by unemployment and adjustable mortgage rates and balloon payments likely caused economic hardship and foreclosure for many African Americans. We assume that a mass exodus of middle-class African Americans occurred, as the African American population declined by one third between 2010 and 2016 (15).” The mortgage rates offered to african americans were on either riskier terms that ended up charging them more in the long run. Sub prime mortgage loans caused much of the upheaval of the real estate

market and homeowner equity. Balloon payments were a type of loan that acted like a normally structured loan but at the end of 7-9 years, the payment is due in full. This would be ideal if the owner could refinance and easily pay off the loan but with the crash, African American homeowners ended up defaulting. The stereotypes that arose between the two communities kept both races from being receptive to integration and enforcement of the federal government only instilled more adversity between these races. This meant that POC (people of color) were unable to establish themselves in white culture and break common stereotypes that were held by both groups. Without the ability to effectively communicate and understand each other better, these races were only held back from their full abilities and responsibility to break racial barriers.

Steering was another practice that directly separated African Americans and caucasians from moving into the same neighborhoods. Real estate agents would purposely direct white buyers away from black neighborhoods and advertise them as unsafe places to live. Real estate agents were directly involved in the structuring of these neighborhoods and the advisor to many home buyers on how they should choose their homes. White families that leaned towards buying in African American neighborhoods were heavily opposed by agents and faced more backlash from local authorities and community members.

Redlining was another preventative measure to keep African Americans from populating white neighborhoods. The Home Owners' Loan Corporation (HOLC) was a

federal agency that set neighborhood ranking that loan officers, appraisers, and real estate agents would base their business on. The neighborhoods that were deemed as declining and hazardous were given very few loans and were made primarily up of renters. African Americans and other minorities made up the bulk of these communities and were denied home loans even if they were just as qualified as a caucasian man. These communities that were redlined are still deficient in resources today as they have still not been funded well enough to bring them up to code with predominantly white neighborhoods. If there is no money going into a community, there is little opportunity for economic opportunities and mobility. The black families that were financially able to move into higher-class neighborhoods were still denied loans because of the discrimination federal institutions had. In an analysis done by The Urban Institute, "In either event, lenders will believe that minority applicants are more likely to default than are white applicants with the same observed credit characteristics and they have an economic incentive to discriminate against minority applicants (99)." There have been tighter lending standards and lenders have been known for charging slightly higher interest rates or suggesting different loans that end up co`sting more in the long run. Subprime loans were more common among African Americans during the 2008 financial crisis even if black applicants had better credentials than lower-income white individuals. Per The Urban Institute, "If lenders think that race is a reliable proxy for factors they cannot easily observe that affect credit risk, they may have an economic incentive to discriminate against minorities (5)." The lack of knowledge that these lenders have is not an excuse to discriminate against a whole race.

These subprime loans were only used by lenders to cover the risk of taking on riskier clients and charged significantly higher interest rates. These loans were behind many of the foreclosures that white and black families suffered.

Because of lenient lending standards, there was a lack of awareness of the risks of subprime lending. While many African Americans did default on their loans because they were riskier, those who were well established financially still took the brunt of high-interest rates and faulty lending. The Urban Institute says, “Evidence from litigation suggests that some lending institutions locate their offices in predominantly white areas (16).” Lower-income individuals with the ability to obtain a government-backed loan for low wage earners may automatically disqualify them by income discrimination. An experienced real estate broker can fight for a transaction and be the determining factor behind whether a client goes to closing or not. With this being a factor, it could be the difference between thousands of equity built or paying a landlord. Real estate agents are also able to refuse to work with clients at their discretion and their justifications are not evaluated on a case by case basis.

Segregation was an issue throughout the whole 20th century and still lingers heavily today in certain parts of the US. In the book written by Woldoff, she writes,

“Soon, however, problems become apparent. Noise, loud music, and hanging out become daily occurrences; litter lingers on neighbors’ lawns; broken screen doors are not repaired, and children begin to outnumber adults on the streets. To some black residents, these concerns are minor. After all, Parkmont is far better than many black neighborhoods in the city, including the communities in which the black residents once lived(5). ”

In this town, White Flight may not be clear as it was a gradual shift in neighborhood demographics and those who lived in these communities were not adverse to the changes that occurred. While there was not a direct change in the neighborhood that is common in gentrified areas, white families soon moved into better school districts. School quality is a big determinant of where families decide to locate as education is a big factor in success. In the study by Chanin, he stated, “They found that faculty desegregation had resulted in educator displacement “of crisis proportions.” throughout the state. Black administrators in desegregated schools were routinely demoted to teaching positions and Black teachers transferred to white schools were not given classrooms to use (3).” While the conditions of the neighborhood in the eyes of some black families may be perfectly acceptable, they may not be attractive to other homeowners and begin deterring families from moving into the neighborhood. It is not the presence of African Americans in the community that drives out white families but the lack of school funding and the reputation of the school which is the direct predictor of community stability. Kendig’s article states, “This early entry into adulthood decreases youth's chances for economic

and financial security because they might not have developed the needed resources or support that appears to benefit their peers who are able to delay adulthood (31). ” What keeps many young black high school and college graduates from being able to gain a stronger financial footing is their need to take care of their family members. When a child goes on to make a good living, they are deemed responsible a lot of the time to financially support their families instead of their families supporting them. This obligates them to be responsible for a whole other set of financial obstacles as they try to equally get ahead financially while giving aid to their lower-income relatives. These subtle changes in the neighborhood only appear to have minimal effects at first but once they have been fully manifested, there is no avoidance of the harsh realities that are left by these gradual shifts in demographics.

There are plenty of examples of this going on in many neighborhoods across the United States. Public officials have long blamed these changes on neighborhood desperation but only when that desperation has come from white mouths. As the study from Born et. al writes, “Over a decade of population growth and development, pressure has made it difficult for Black households to retain their hold on aging single-family homes in the neighborhood when it often makes more sense to sell their properties to developers who can rebuild townhomes or multi-family buildings on the lots (8).” Because African Americans being predominantly in economically disadvantaged neighborhoods, they are more likely to be the target of developers which leaves that community a target for gentrification. When developments in that area begin to pick up

and the community starts to change, the rents in the area rise and the value of home prices rise so people in that community are either able to afford the cost of living or have to move. These changes are the subtle shifts of wealth in these communities that go unnoticed because financial issues are not always identified with race on a daily basis. Gentrification is not always looked at as a disadvantage to the community because the re-developments and developments make the neighborhood look aesthetically much nicer and psychologically appealing to the eye.

The Secret of Sundown Towns

These towns got the reputation of being unsafe for African Americans and even erected signs warning African Americans to stay out of the town after sundown. This was blatant discrimination as they would be physically removed or threatened. Blacks were literally chased from these towns without consideration. The ordinances that were established by these towns allowed these practices to continue and in some towns, this was an issue until the 1990s. For many African Americans, this was a major concern as there was no help if trouble was to occur between a black and white citizen. African Americans were not given the benefit of the doubt as a white man held more respect because of the system that was built in his favor. These towns had heavy influences from the Ku Klux Klan which had enough power to segregate whole towns. These towns were scattered everywhere across the united states and even today there are towns that African Americans do not feel safe living in. In the article, "Sundown Towns and Counties Racial Exclusion in the South" by James W. Loewen he wrote, "Rockcastle County,

Kentucky, had a sundown sign up as late as the mid-1990s and had no African Americans among its fifteen thousand residents(20).” it was not just the southern towns that were responsible for keeping African Americans out of white cities. There are plenty of cities where this was the standard and became an unspoken rule. It is the unspoken rules and general ignorance of racist disdain that’s held on to these wrongdoings. The enforcement of these policies that allowed these towns to get away with building all-white communities are the same that kept the wealth from touching black hands. This is why there’s such a call for the rebuilding of a system that is incorrectly in favor of the white man because it is evident in the infrastructure of cities.

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This flier that came from Mena, Arkansas clearly advertises the absence of black people and is an example of a society exclusive to whites. There were plenty of northern and western cities that even though were think tanks for progressive civil rights movements, certain communities still lacked a place for blacks. An adaptation that many African

Americans came up with was the green book which was a traveler's guide that listed safe places for black Americans to stay, eat, and visit at. America's lack of inclusiveness made a whole demographic live completely separate lives in fear of white power. This separation of wealth was really a separation of power that has escalated racial tension since the enactment of these policies.

African American Wealth During 2008

The wealth that blacks had accumulated through homeownership was wiped away during the financial crisis and took away many opportunities like HELOCs and secondary mortgages. After the financial crash, African Americans were less likely able to afford home loans because they took the bulk of the crash compared to white homeowners. Subprime loans were predominantly under the names of black homeowners even if the homeowners were less risky than their white counterparts. "Foreclosure, though, forms only part of the post-recession wealth gap's functional infrastructure. Its twin in this destructive coupling is residential segregation. Since subprime lenders specifically targeted Black areas, foreclosures were often concentrated in majority-Black neighborhoods, meaning that millions of Black homeowners who avoided foreclosure still lost substantial value on their homes (Rugh and Massey, 2010; Faber, 2013; Hyra et al., 2013). Foreclosures and attendant home price depreciation, then, combined to erase over 50% of the Black wealth in the US during the financial crisis (312)." The 2008 financial crisis took away the American dream for many black homeowners and failed to reduce the wealth gap. It is difficult for many black Americans to feel accepted by their

own country when they still face systemic and financial corruption. Foreclosures are the biggest destroyer of wealth as it leads many people to bankruptcy. With bankruptcy, the terms can keep people from obtaining favorable financial terms for at least 3 to 4 years after filing for bankruptcy.

These lending practices have led to a denial of homeownership for decades and as a result, this has sharpened the gap between black and white wealth. When a renter pays every month, they never see their rent money again while a homeowner pays down their mortgage and puts equity into their property. Equity is the biggest wealth builder as a home equity line of credit (HELOC) can be taken against the equity and used at the homeowner's discretion. The HELOC is better than any type of bank loan because it has low-interest rates and flexible loan terms. This makes paying off high-interest debts substantially easier as they can be consolidated into a HELOC. Additionally, the money from a HELOC can be used as an investment tool or to purchase other goods and services. This money is inexpensive to borrow and can add substantially to one's financial portfolio if used correctly. This opportunity has given millions of Americans the chance to use their equity for any wealth building purposes they choose and this advantage only comes with homeownership. This advantage only comes with homeownership because renters don't have a title to the place they rent and will never reap the rewards of the money they gave to pay down the landlord's mortgage.

Renters are able to avoid the upfront costs of buying a home but over the long run, end up paying more as rents increase and the effects of inflation raise the overall price of goods. With a home mortgage, the payment remains the same over 30 years and while inflation increases, the dollars that are paying down the home loan are paid back to the bank with cheaper dollars. Because this money is worth less, the homeowner is getting a better deal as banks are getting deflated money while homeowners are getting a better return. So when looking at the communities that were redlined and denied loans, these communities went years before they had the opportunity of even gaining access to equity. There is the concept of the American dream that everyone wants to partake in and African Americans are not excluded from this dream. Communities that are predominantly populated with renters are more mobile and less money is staying in the community compared to well-established neighborhoods with homeowners. Home purchases require more investment as there isn't an option to call a landlord and have them handle it. The average time someone lives in their home is 13 years which means there is a higher demand for settled businesses. Renters are not responsible for the property they are renting from as they are only furnishing the space and don't have large home expenses. A homeowner demands more out of a community and local economy because of long-term economic needs the homeowner will have. Renters are more mobile and likely to move than homeowners and therefore are not as dependable on the economy as a homebuyer would be. When homeowners have families as well, this demands many more goods than before and businesses have to meet that demand. The benefits of raising a child in a stable environment rather than moving from one apartment to another without

the feeling of owning one's own home has different effects on a child's perception of themselves. From an early age, there is a hierarchy of the type of home a child grows up in and how other children view them. The quality of one's living environment is often discussed through adolescence and kids begin to recognize their starting point and upper hand in society. An African American child who has grown up in the 'hood' for their entire life will learn that they lack a lot of privileges that many other kids do have. Growing up with fewer resources and opportunities is discouraging to students and children as they try to make sense of themselves.

Homeowners that decide to settle down also determine their location based on the schools within that district. The financial decisions and overall choice of raising a child in an established residence compared to an apartment correlate with higher success and child development. In the Journal by Dantzler and Reynolds, they write, "As such, any particular theory of private property infers a particular concept of personhood. Since Black people have historically been excluded from fully becoming property owners, their personhood has never been fully achieved (159)." People that have control over their resources are better equipped to build wealth and have overall better lifestyles because they are able to keep the goods they worked for and have maintained. As these kids continue to grow up and learn about their place in the world, they learn about the prejudices towards African Americans and carry it with them into their adult years. During their college year especially is when many African American adults gain a real-world understanding of how they are viewed. Soloranzo explains, "Racial

microaggressions in both academic and social spaces have real consequences, the most obvious of which are the resulting negative racial climate and African American students' struggles with feelings of self-doubt and frustration as well as isolation. As mentioned in Jones et al, "For Black undergraduate students at predominantly White institutions (PWIs) in the U.S., experiencing institutional and interpersonal racism is common (Choi et al., 2015; Solo'rzano et al., 2000) and hinders students' psychological well-being and academic success (67)." Even as America has made great strides toward equality and equity for African Americans and other minorities, it still has plenty of work to calm the minds of African Americans that fear they will never be able to enjoy the same liberties as white Americans.

Qualifying for Loans

As noted by The Urban Institute, "Due to data constraints, Berkovec et al. examine the reverse, arguing that the pool of minorities who cannot receive a conventional mortgage, but qualify for a FHA loan has a higher average quality than the pool of white applicants in the FHA sector (113)." Even when minorities are at a better risk than white applicants, they are told they qualify for FHA loans instead of conventional loans. Compared to conventional loans, FHA loans end up costing more in the long run as they have a fee known as a mortgage insurance premium that is wrapped into the payment of the loan. FHA loans are established to allow lower income or lower credit individuals to receive affordable home loans. However, because minorities are more likely to be accepted for these loans than conventional ones, that means more money is tied up in

paying fees instead of contributing to equity. Even if it may be a 1% increase in addition to a mortgage payment, this 1% accumulates substantially over the course of 30 years.

Even a black man who looks the same on paper as a caucasian man would have been denied a loan even in the neighborhoods where loans were plentiful. These neighborhoods, therefore, were not stable enough to support quality employers or support small businesses. Black Americans were denied the ability to build their wealth through home equity, which is the biggest determinant of stability. Even when white homeowners attempted to sell or rent their homes to an African American, they too were punished by being targeted by local government and loan federations. And it was not isolated to southern cities as Rothstein cites the director of San Francisco's loan program saying, 'This is to advise you that any application for mortgage insurance under the programs of this administration by you or any firm in which you have ten percent interest, will be rejected on the basis of an Unsatisfactory Risk Determination made by this office on April 30, 1959 (67).' The reprimanding that went on to discourage loan approval of this white homeowner was a slap in face of black progression. This goes to prove that segregation was a nationwide struggle for African Americans even in the most liberal cities. In Archer's journal, he writes,

Crime-free ordinances are a step in the evolution of exclusionary localism. Though the ordinances vary in form and force, their common theme is keeping "undesirable" people out of rental housing. At the voluntary end of the spectrum, a municipality may

offer a certification program for rental properties, which allows landlords to advertise their properties as “crime-free” if the landlords or property managers attend a training session and take measures the municipalities claim will improve the safety of their properties,

such as conducting criminal background checks. Additionally, background checks are optional and may be performed on any individual if a landlord chooses.

These crime-free ordinances eliminate applicants who have even had minor faults in the criminal justice system. Without the ability to gain access to quality housing, applicants have to settle for absent landlords who take negligent care of their properties. In the end, a perfectly suitable applicant has to settle for a home that is less than adequate and over the long run, can be damaging to their health.

The same system that puts black people into crime is keeping them in it because these ordinances keep communities from eradicating crime and fully integrating. This may be expressed through sanitized lexicons but the message is clear that US neighborhoods diagnosed as places of concentrated poverty are not only classed but typically racialised, as Black spaces (1376). ” This is why there are still residential biases today because those who live in safe neighborhoods all too often associate African Americans with a dangerous lifestyle that would threaten their quality of living. When renting out an apartment, property owners and managers are under the laws that protect tenants from being rejected upon discrimination. However, there are plenty of occasions

where landlords are able to deny an applicant based upon other reasons that may not be race related but with the underlying intention of selective discrimination. When multiple applicants are interested in a property the landlord can have a preference for who they rent to. While the practice of background checks does allow management companies to keep serious offenders out of their communities, there is no set of standards for what determines an unacceptable criminal record. This means that anyone with a criminal record is subject to judgment that could be racially motivated.

These safe neighborhoods are modern segregation and an unacceptable way of solving our issues with racial relations. Prohibiting African Americans and other people of color from renting due to criminal records does nothing to solve our crime rates. The neighborhoods that have higher levels of crime will continue to raise children in these environments and expose them to dangerous habits associated with crime. A person's environment determines a lot of their actions and being exposed to an environment of chaos will have a higher risk of introducing children to criminal activities that they are much more likely to pick up than children in safe neighborhoods. This modern form of segregation directly impacts the wealth and success of African Americans as they are not given a second chance in the system that is built in the favor of the white man.

The Drawbacks of Section 8

Property management companies and landlords have authority over who they rent to including section 8 tenants which falls under another form of discrimination. Section 8

is a government subsidy that pays for a certain amount of rent for low-income earners while guaranteeing rent for landlords. Section 8 can also pay for part of one's home mortgage and can be applied for at any point in one's financial age. The type of people that are in section 8 must earn an income that is low compared to the local economy they are in and they also must be free of any criminal related evictions. The housing voucher should not be mistaken as only attainable for poor applicants but it is for anyone who may be in between jobs or recovering from a job loss.

Section 8 is a critical way for qualified applicants to get access to affordable housing without sacrificing other necessities in order to pay their rent. But, contrary to popular belief, having a section 8 voucher does instantly guarantee someone a place to live. Many landlords do not rent to section 8 applicants because the applicants have a reputation for being unsuitable for the current neighborhood. Even though many section 8 tenants have clean rental records, they are still denied for the fear of being unsafe. Another prohibitor of section 8 is the hassle of having an appraiser inspect the landlord's property and rent which can be time-consuming and annoying to many companies. An appraiser has to check the property every 6 months to make sure the property is still up to standard according to the rental agreement. Stated in the study by Schwemm,

“And to the extent that landlords choose not to participate, a voucher user's housing search becomes that much more difficult. The result is an uncertain system in which most

vouchers are mainly used in low-income, low-opportunity areas, a practice that reinforces ethnic and income-based segregation (590).”

The vouchers that are issued for applicants are suitable only for a handful of apartments that accept section 8 applicants. Because African Americans are in the majority when it comes to section 8 applicants, they are often displaced and systematically at a disadvantage. For many section 8 applicants, they are looking for residency where they can gain access to quality jobs and communities where they can feel safe. Those landlords that do allow section 8 must not neglect the properties they rent out and should uphold their section 8 units to that of higher income. Mixed-income housing is lacking in these communities and would be the best solution for segregated cities. With mixed-income housing, there would be a mix of incomes and needs that businesses could provide for. By mixing these classes, there is a blending of all ethnic backgrounds and income levels which pushes people to be more open-minded and accepting of the differences in others.

The term section 8 has even become a slur for African American housing because black applicants make up almost 50% of the section 8 population. In many major cities, African Americans make up a majority of public housing and they receive the brunt of discrimination as low income is associated with skin color. If the slur is not section 8 then ghetto would suffice in many African American neighborhoods. A person should not be denied housing because of the generalization that low-income means poor quality tenants.

Rental applicants should be judged on their rental history and their responsibility of paying rent instead of a reputation.

The type of house one lives in has a large impact on their health and overall financial success. The types of classes that classify neighborhoods are A, B, and C classes. The A-class neighborhoods are well-established neighborhoods that are close to public transportation, and community resources and overall are nicer places to live with well unkempt infrastructure. B-class neighborhoods are slightly unkempt compared to class A neighborhoods and typically consist of working-class individuals who don't demand the luxury neighborhoods comparable to class A. There is a strong correlation between the type of housing one lives in and their overall health. It is already known that the type of neighborhood one lives in is normally valued on the relation of the neighborhood to community resources.

Taxation Does Mean Representation

Schools receive their funding from property taxes and the higher a property is valued at, the higher the taxes will be. Tax rates are also higher the closer they get to city limits as population increases and demand for housing increases. There is a higher demand for better quality homes as they are closer to resources and higher-paying employers. It is a tradeoff between being able to get into good schools and being able to pay your property taxes to keep the schools running well. Better schools are the key to a great education and a better financial future as that increases students' ability to get access

to higher education and more career options. These poorer neighborhoods house poorer schools with teachers that don't have the resources to succeed or are inferior in their profession. The lack of good schools for African American students is problematic for providing good education and access to educational advantages. Classes are not as rigorous as students don't have all the resources at home or at school to be prepared for advanced topics or higher grade levels. As mentioned before, their state of housing also contributes to poor self-esteem and approach toward school. As a society, there cannot be a judgment based on comparison as the playing field is not even. All of these obstacles are harder to tackle in youth because these kids will struggle to build a solid foundation for their future endeavors. Many students who lack adequate education are less likely to attend college and work in low-paying jobs or have harder chances of getting into better-paying jobs.

The Health Consequences of Poor Housing

Quality of living is based on the infrastructure that a person resides in and the upkeep and quality of a home is crucial to a person's well-being. There is a strong correlation between the type of housing one lives in and their overall health. It is already known that the type of neighborhood one lives in is normally valued on the relation of the neighborhood to community resources. Taylor writes, "a report on the causes of the Black rebellion in Philadelphia in 1964 found that 100 percent of rat bites reported in the city (and the resulting deaths) happened in segregated Black neighborhoods. From lead poisoning to a lack of indoor plumbing to general dilapidation, urban housing

occupied by African Americans was overwhelmingly in substandard Condition (5).” More minorities are living in low-income or subsidized housing and this housing normally gets the least amount of attention since there is less profitability. Poor housing leads to many issues with child development and long-term health. The attitudes towards the black community have been instilled in the generations today and have kept America from being a true ‘melting pot’.

Landlords are allowed to defer maintenance to an extent and the federal government will ignore the carelessness as the private sector is in charge of low-income housing. Since landlords are allowed to defer maintenance, they can also do it to the extent of displacing tenants at the tenant’s cost. This does not give much opportunity for tenants to build up funds for relocation or take the time to find a place in a short amount of time. Other issues of deferred maintenance can lead to health problems that normal homeowners and higher-income renters do not have to deal with by choice. The presence of mold in the home can lead to breathing issues like asthma and lung disease in children. Poorer housing leads to many health issues and contributes to heart disease, which is the number one killer of Americans. These issues do not always seem to arise to the ears of politicians or the average American because ugliness is preferably kept under the scope of the American eye. Murray’s article says, “Colorblindness gives the illusion that we are all on the same playing field, while ignoring how slavery, redlining, Jim Crow, inadequate schools, inadequate healthcare, and other systemic and structural racist practices continue to limit Blacks economic mobility and financial gains (43).” Cheaper

apartments also lack adequate lighting and low levels of light lead to mental health issues and heightened levels of depression. Homes with poorer lighting are psychologically more harmful to a household because the more natural lighting a place has, the better it is for one's mental health. Children that come from homes and communities with fewer resources have more barriers to cross as there are financial setbacks that other children do not have to be concerned about.

Modern Forms of Segregation

In Golash-Boza's article, "The Mayor, Anthony Williams, announced his plans to attract 100,000 new residents to the city. His goal was to attract people who contribute significant taxes yet use few resources—young, childless, high-income people—many of whom would be White (Asch & Musgrove, 2017). Williams' plan worked: Between 2000 and 2010, DC residents with lower educational and financial resources were more likely to leave than those with higher educations and incomes (1273)." The ordinances and zoning plans that local authorities and governments put into action even though there may be an improvement for the community from an economic standpoint are beneficial, they are creating communities that predominantly white professionals can afford. Public officials do not understand that if they were to enforce policies and economics based on equality, there would be even more productivity with the increase in black wealth.

More expensive housing means higher taxes and less affordability for lower-income individuals which is an automatic deterrent to integration. When

communities are being established and re-developed, to promote integration and economic opportunity, mix-income housing should be a priority for developers. This allows people of color to gain access to better financial opportunities and resources while living in diverse communities. These decisions that are still being made in the 21st century have substantial impacts on the communities that have been established and constrict the abilities of many African Americans to have access to the same success as white Americans.

A Path to Equity

The financial sector is responsible for the reparations of this country and there are many solutions to creating equitable communities. Mitchell's article states, "Large and small local banks can also play a role by supporting the development of housing and finance options that accommodate the retention of low- and moderate-income families in the community, rather than excluding them (6)." The issue that many aspiring home buyers face is the lack of lower-end loans for smaller home purchases. Small home loans less than \$100,000 are harder to come by as they are not as profitable for lenders who make their income based on the percentage charged on the sale of the home. The lender also can charge higher mortgage fees to make up for their lack of profit on a small loan which is disadvantageous to the buyer. Homes that are found in this range are also a lot easier for real estate investors to pay cash for and flip to sell or use as a rental. Both of these options are what keep African Americans from gaining access to homeownership.

The inaccessibility of these loans is a financial obstacle to low-income families which African Americans and other minorities predominantly make up.

With all of this research in mind, there is an enlightening of an enormous issue that has long been swept under the noses of politicians and housing authorities. The unmonitored progression of the policies that originated in the early 1900's played a large hand in the structure of the housing market. In some communities, it isn't clear where the line of segregation lies and in others, the only proof one needs is to drive down side-by-side neighborhoods and compare a white neighborhood to a black one. While there has been much progression for black equality, the wealth gap is enough proof that America still has a lot of work to do.

To re-emphasize the solutions to this expansive problem, there must be a drive for multi-income housing and accessible lending policies. An abundance of diverse housing will chip away at the wall of inequality that African Americans face. Our communities would be filled with a blend of demographics and provide opportunities to people in the area regardless of their socioeconomic status. The zoning that goes on in these communities must also address biases and have an awareness of how the community is structured. Additionally, having lending policies and regulations that make it more accessible for lower income individuals to obtain mortgage loans will be the milestone to a pathway towards black wealth building.

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