

**HOUSING AND THE LAW: LESSON 2: HANDOUT 1****HISTORY OF HOUSING DISCRIMINATION**

After the end of slavery and the period of Reconstruction, all-White legislatures in the South created Jim Crow laws. The laws said Black and White people had to be separate in public facilities like restaurants and schools. In their 1896 *Plessy v. Ferguson* decision, the U.S. Supreme Court said these laws were constitutional if **segregated** facilities were “**separate but equal.**” These laws required African Americans and other people of color to create and be in separate facilities for education, transportation, healthcare and other aspects of daily life that were, in reality, often worse than spaces for White people.

These laws had a huge impact on housing discrimination and segregation. Across many states, White lawmakers created racially biased zoning **ordinances** (or policies) that blocked African Americans and other people of color from renting or buying homes in all-White neighborhoods. These policies would be ruled unconstitutional by the U.S. Supreme Court’s *Buchanan v. Warley* decision.

Housing discrimination against African Americans took place across the United States and continued for decades. Between 1916 to 1970, six million African Americans moved out of the South to escape Jim Crow laws, discrimination, violence and **economic exploitation**. They left the South to find a better life, but they faced similar discrimination from White Americans in the North and other parts of the country. Common examples of housing discrimination included **redlining**, **blockbusting**, **racial covenants**, **contract selling** and **lending discrimination**.

These practices maintained segregated communities across the United States. Some people believe segregation happened naturally and that people liked to stay close to others of their own race. In reality, governments, banks and businesses, largely run by White people, made choices that benefited White people and discriminated against Black people, ensuring that segregation and housing inequality continued.

The Civil Rights Movement of the 1960s challenged housing discrimination practices. For example, in 1960s Chicago, working-class whites were violent and hostile to Black people moving into neighborhoods. This type of violence was common across many American cities to keep African Americans from moving into all-White neighborhoods. In response, Dr. Martin



FIGURE 1

Luther King, Jr., James Bevel and Al Raby created the Chicago Freedom Movement (CFM). The CFM rallied Chicago residents through non-violent action, including marches, rallies, and boycotts.

CFM's goal was to draw attention to housing discrimination and create open housing policies that would allow people to live anywhere in the city they chose. They negotiated with the Chicago Housing Authority and eventually secured the building of public housing units in majority-White communities. The movement also proved to be an inspiration for the passage of the **Fair Housing Act of 1968**, which ended discrimination in housing based on race, religion, sex or national origin.



FIGURE 2

The **Housing and Urban Development (HUD) Act** was also enacted in 1968. One goal of the legislation was to support public housing, and it provided funding for building and renovating affordable housing units. However, the federal government was not directly involved in construction and gave this responsibility to private real estate developers. Private real estate developers wanted to keep communities segregated in poor housing because so they could make more money. Therefore, the real estate industry gave African Americans fewer choices, charged more money and made a significant profit.

#### Aftermath of HUD and FHA

While the Fair Housing Act put a formal end to discriminatory practices like redlining and blockbusting, its rules have been hard to enforce over the years. Even though African Americans were included in the housing market, they were still exploited and discriminated against. For example, African Americans often had to pay more for housing than White Americans, even if the property was of the same value or lower value.

Much of the HUD Act was abandoned in the early 1970's when the U.S. faced **economic decline**. In addition, a growing number of conservative politicians did not think the government should create programs to help poor people. The federal government under the Nixon and Ford Administrations cut funds for social services in urban areas. This move caused affordable housing units and employment opportunities to grow smaller and smaller. In addition, the **Housing and Community Development Act of 1974 (HCDA)** gave more power to local governments instead of the federal government to make decisions about housing. Local governments did not have to commit to fighting desegregation.

The **HCDA** also created **Section 8 housing vouchers** (a form of rental assistance for low-income families). The Section 8 vouchers often provide too little money to help people move

out of poor or segregated neighborhoods. Also, many landlords who accepted Section 8 vouchers raise their rents to the highest possible point.

To this day, housing discrimination remains a problem in the United States. The effects of housing discrimination have a negative impact on African Americans. African Americans must deal with poor housing conditions and an inability to build **generational wealth**. In addition, they face bad school options, not enough neighborhood resources (like grocery stores or hospitals), and not enough employment opportunities.<sup>1</sup>

**Figure 1.** NAACP members create signs for protests in Detroit, MI (1962).

**Figure 2.** A march during the Chicago Freedom Movement.

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<sup>1</sup> Retrieved from Jim Crow Museum, <https://www.ferris.edu/jimcrow/what.htm>; <https://www.bostonfairhousing.org/timeline/1917-Buchanan-v-Warley.html>; Isabel Wilkerson, "The Long-Lasting Legacy of the Great Migration," *Smithsonian*; Arnold Hirsch, *Making the second ghetto: Race and housing in Chicago 1940-1960* (Cambridge, MA: Cambridge University Press, 1983); Thomas Sugrue, *The origins of the urban crisis: Race and inequality in postwar Detroit* (Princeton, NJ: Princeton University Press, 1996); Leonard S. Rubinowitz and Kathryn Shelton, "Non-Violent Direct Action and the Legislative Process: The Chicago Freedom Movement and the Federal Fair Housing Act." *Ind. L. Rev.* 41 (2008): 663; Fair Housing Act of 1968, <https://www.justice.gov/crt/fair-housing-act-2>; Keeanga-Yamahtta Taylor, *Race for profit: How banks and the real estate industry undermined black homeownership* (Chapel Hill, NC: UNC Press Books, 2019); John Yinger, "Housing Discrimination and Residential Segregation as Causes of Poverty," in Sheldon H. Danziger and Robert H. Haveman, eds. *Understanding Poverty* (New York: Russell Sage Foundation, 2001). Images retrieved from <https://reuther.wayne.edu/node/7623>; <https://www.blackpast.org/african-american-history/chicago-freedom-movement-1965-1967/>.