

COLOR OF LAW: DEVELOPING THE WHITE MIDDLE CLASS

***The Color of Law* Lesson 3 Book Excerpts 3.1–3.5**

Directions: Read the following excerpts from *The Color of Law* by Richard Rothstein and answer the text-dependent questions that follow.

Excerpt 3.1, pg. 174

These inequities were exacerbated during World War II and its aftermath, when the Office of Price Administration froze rents nationwide. Without violating regulations, landlords subdivided apartments in already-crowded urban areas and then charged more. These higher costs accumulated throughout the twentieth century, making it more difficult for African Americans, even with stable employment, to save. Reduced savings made it less likely they could afford even modest down payments for houses in middle-class neighborhoods—were such homes made available to them.

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Excerpt 3.1 Text-Dependent Questions

1. How did practices such as the ones adopted by landlords during rent freezes contribute to poverty and inequality? _____

2. How did landlords charging high rents for subdivided apartments hurt African Americans? _____

Excerpt 3.2, pg. 188–189

We have invested heavily in highways to connect commuters to their downtown offices but comparatively little in buses, subways, and light rail to put suburban jobs within reach of urban African Americans and to reduce their isolation from the broader community. Although in many cases urban spurs of the interstate highway system were unconstitutionally routed to clear African Americans away from white neighborhoods and businesses, that was not the system’s primary purpose, and the decision to invest limited transportation funds in highways rather than subways and buses has had a disparate impact on African Americans.

Transportation policies that affected the African American population in Baltimore illustrate those followed throughout the country. Over four decades, successive proposals for rail lines or even a highway to connect African American neighborhoods to better opportunities have been scuttled because finances were short and building expressways to serve suburbanites was a higher priority. Isolating African Americans was not the stated purpose of Maryland’s transportation decisions, though there also may have been some racial motivation. In 1975, when Maryland proposed a rail line to connect suburban Anne Arundel County and downtown Baltimore, white suburbanites pressed their political leaders to oppose the plan, which they did. A review by Johns Hopkins University researchers concluded that the residents believed that the rail line “would enable poor, inner-city blacks to travel to the suburbs, steal residents’ T.V.s and then return to their ghettos.” Maryland’s state transportation secretary stated that his office “would not force a transit line on an area that clearly does not want it,” failing to explain how he balanced the desires of a white suburban area “that clearly does not want it” with the desires of urban African Americans who needed it.

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Excerpt 3.2 Text-Dependent Questions

1. What role did racism play in people’s opinions of transportation policy? _____

2. How did limiting access to jobs for African Americans create inequality, whether it was done on purpose or as a side effect of other programs? _____

3. What is the relationship between suburbanization and access to reliable transportation? _____

Excerpt 3.3, pg. 182–183

By the time the federal government decided finally to allow African Americans into the suburbs, the window of opportunity for an integrated nation had mostly closed. In 1948, for example, Levittown homes sold for about \$8,000, or about \$75,000 in today’s dollars. Now, properties in Levittown without major remodeling (i.e., one-bath houses) sell for \$350,000 and up. White working-class families who bought those homes in 1948 have gained, over three generations, more than \$200,000 in wealth.

Most African American families—who were denied the opportunity to buy into Levittown or into the thousands of subdivisions like it across the country—remained renters, often in depressed neighborhoods, and gained no equity. Others bought into less-desirable neighborhoods. Vince Mereday, who helped build Levittown but was prohibited from living there, bought a home in the nearby, almost all-black suburb of Lakeview. It remains 74 percent African American today. His relatives can’t say precisely what he paid for his Lakeview house in 1948, but with Levittown being the least expensive, best bargain of the time, it was probably no less than the \$75,000 he would have paid in Levittown. Although white suburban borrowers could obtain VA mortgages with no down payments, Vince Mereday could not because he was African American. He would have had to make a down payment, probably about 20 percent, or \$15,000.

One-bath homes in Lakeview currently sell for \$90,000 to \$120,000. At most, the Mereday family gained \$45,000 in equity appreciation over three generations, perhaps 20 percent of the wealth gained by white veterans in Levittown. Making matters worse, it was lower-middle-class African American communities like Lakeview that mortgage brokers targeted for subprime lending during the pre-2008 housing bubble, leaving many more African American families subject to default and foreclosure than economically similar white families.

Seventy years ago, many working- and lower-middle-class African American families could have afforded suburban single-family homes that cost about \$75,000 (in today’s currency) with no down payment. Millions of whites did so. But working- and lower-middle-class African American families cannot now buy homes for \$350,000 and more with down payments of 20 percent, \$70,000.

The Fair Housing Act of 1968 prohibited future discrimination, but it was not primarily discrimination (although this still contributed) that kept African Americans out of most white suburbs after the law was passed. It was primarily unaffordability. The right that was unconstitutionally denied to African Americans in the late 1940s cannot be restored by passing a Fair Housing law that tells their descendants they can now buy homes in the suburbs, if only they can afford it. The advantage that FHA and VA loans gave the white lower-middle-class in the 1940s and ’50s has become permanent.

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Excerpt 3.3 Text-Dependent Questions

1. How did the initial lack of access to suburban homes hinder African Americans’ access to better housing in the long term? _____



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2. Why do working class African Americans hold less wealth than whites today? _____



Excerpt 3.4, pg. 168–169

In the mid-twentieth century, job seekers depended on state employment offices for referrals to vacancies and training programs. As a war measure in 1942, these agencies were put under the control of a federal organization, the U.S. Employment Service, which generally refused to enroll African Americans in training for skilled work. Its instructions to local offices advised that if a company failed to specify a racial exclusion in its request for workers, the office should solicit one, assuming that the firm might have overlooked the opportunity to state it.

These practices continued after the war, when placement and training services were returned to state control. In 1948, for example, 45 percent of all job orders placed with the Michigan State Employment Service were for whites only, despite a severe labor shortage during much of the postwar period; although African Americans were available, many jobs went unfilled. Michigan did not adopt a Fair Employment Practices law until 1955, and even then it was poorly enforced.

A 1960s executive order covering contractors on federally funded construction projects prohibited racial discrimination and required affirmative action to recruit African Americans. Yet when a new central post office was authorized for Oakland, California (on land cleared by displacing more than 300 families, mostly African American), not a single black plumber, operating engineer, sheet metal worker, ironworker, electrician, or steamfitter was hired for its construction. When the Bay Area Rapid Transit subway system (BART) was built in 1967, not a single African American skilled worker was hired to work on it. The Office of Federal Contract Compliance blamed the unions, all certified by the NLRB, for not admitting black members. The BART general manager allowed that although BART was “committed to equal opportunity,” it was unwilling to insist on nondiscrimination because that might provoke a union work stoppage and “[o]ur prime responsibility to the public...is to deliver the system...as nearly on time as we possibly can.” Although federal regulations provided for termination of a contractor for failing to comply with the nondiscrimination order, no penalty was imposed.

Even today African Americans continue to have lesser rights in NLRB-certified unions. In 2015, New York City’s sheet metal workers union began paying thirteen million dollars in compensation to African Americans who, although union members, received fewer job assignments than whites from 1991 to 2006. Ongoing litigation over similar discrimination by NLRB-certified unions that also participate in government contracts involves Chicago pipefitters, Philadelphia operating engineers, and New York City ironworkers. For many African American workers, the discrimination meant that, unlike white unionists, they were never able to afford housing in integrated middle-class communities.

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Excerpt 3.4 Text-Dependent Questions

1. How did federal and state policies affect African American employment? _____



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2. How does this text challenge the “bootstrap” mentality that continues to persist in American society today? _____

Excerpt 3.5, pg. 179–180

Note: This excerpt is to be used for the end of this lesson.

Yet unlike the progress we anticipated from other civil rights laws, we shouldn't have expected much to happen from a Fair Housing Act that allowed African Americans now to resettle in a white suburb. Moving from an urban apartment to a suburban home is incomparably more difficult than registering to vote, applying for a job, changing seats on a bus, sitting down in a restaurant, or even attending a neighborhood school.

Residential segregation is hard to undo for several reasons:

- Parents' economic status is commonly replicated in the next generation, so once government prevented African Americans from fully participating in the mid-twentieth-century free labor market, depressed incomes became, for many, a multigenerational trait.
- The value of white working- and middle-class families' suburban housing appreciated substantially over the years, resulting in vast wealth differences between whites and blacks that helped to define permanently our racial living arrangements. Because parents can bequeath assets to their children, the racial wealth gap is even more persistent down through the generations than income differences.
- We waited too long to try to undo it. By the time labor market discrimination abated sufficiently for substantial numbers of African Americans to reach for the middle class, homes outside urban black neighborhoods had mostly become unaffordable for working- and lower-middle-class families.
- Once segregation was established, seemingly race-neutral policies reinforced it to make remedies even more difficult. Perhaps most pernicious has been the federal tax code's mortgage interest deduction, which increased the subsidies to higher-income suburban homeowners while providing no corresponding tax benefit for renters. Because *de jure* policies of segregation ensured that whites would more likely be owners and African Americans more likely be renters, the tax code contributes to making African Americans and whites less equal, despite the code's purportedly nonracial provisions.

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Teacher copy with suggested answers to text-dependent questions

Directions: Read the following excerpts from *The Color of Law* by Richard Rothstein and answer the text-dependent questions that follow.

Excerpt 3.1, pg. 174

These inequities were exacerbated during World War II and its aftermath, when the Office of Price Administration froze rents nationwide. Without violating regulations, landlords subdivided apartments in already-crowded urban areas and then charged more. These higher costs accumulated throughout the twentieth century, making it more difficult for African Americans, even with stable employment, to save. Reduced savings made it less likely they could afford even modest down payments for houses in middle-class neighborhoods—were such homes made available to them.

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Excerpt 3.1 Text-Dependent Questions

1. How did practices such as the ones adopted by landlords during rent freezes contribute to poverty and inequality?
By subdividing apartments, landlords were able to make more money without breaking the law. Tactics by landlords put African Americans into overcrowded areas which were already crowded. Charging higher rents meant that residents could not save money to relocate to better housing as easily.
2. How did landlords charging high rents for subdivided apartments hurt African Americans?
Charging more in rent made it harder for African Americans to save up for down payments on homes in less crowded areas.

Excerpt 3.2, pg. 188–189

We have invested heavily in highways to connect commuters to their downtown offices but comparatively little in buses, subways, and light rail to put suburban jobs within reach of urban African Americans and to reduce their isolation from the broader community. Although in many cases urban spurs of the interstate highway system were unconstitutionally routed to clear African Americans away from white neighborhoods and businesses, that was not the system’s primary purpose, and the decision to invest limited transportation funds in highways rather than subways and buses has had a disparate impact on African Americans.

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Excerpt 3.2 Text-Dependent Questions

1. What role did racism play in people’s opinions of transportation policy?
Many suburbanites opposed public transit that would have given African Americans access to jobs in the suburbs because they believed that “poor, inner-city blacks” would “travel to the suburbs, steal residents’ TVs and then return to their ghettos.” The bias and prejudice against African Americans led the state transportation secretary to “not force a transit line” on people who did not want one there, even if their reasoning was based on racist ideas.
2. How did limiting access to jobs for African Americans create inequality, whether it was done on purpose or as a side effect of other programs?
Access to better jobs allowed white people to accumulate wealth more rapidly, while not providing similar opportunities for African Americans resulted in an unlevel playing field that continues to benefit white people more than African Americans.
3. What is the relationship between suburbanization and access to reliable transportation?
When white people moved to the suburbs, cities prioritized building highways and roads for commuters to drive into cities for jobs. They did not invest in systems such as public transportation to provide access to jobs for people who didn’t own cars; building highways for suburbanites was a higher priority.

Excerpt 3.3, pg. 182–183

By the time the federal government decided finally to allow African Americans into the suburbs, the window of opportunity for an integrated nation had mostly closed. In 1948, for example, Levittown homes sold for about \$8,000, or about \$75,000 in today's dollars. Now, properties in Levittown without major remodeling (i.e., one-bath houses) sell for \$350,000 and up. White working-class families who bought those homes in 1948 have gained, over three generations, more than \$200,000 in wealth.

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Excerpt 3.3 Text-Dependent Questions

1. How did the initial lack of access to suburban homes hinder African Americans' access to better housing in the long term?

African Americans had to remain in rental properties or in depressed neighborhoods, so they did not gain equity from their properties. This lack of equity accumulation prevented many from advancing to the middle class.



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2. Why do working class African Americans hold less wealth than whites today?

White people, who had access to owning homes in suburban communities, gained equity. African Americans living in rentals or depressed neighborhoods were not able to gain as much (or in some cases, any) equity from property. While white people were gaining wealth, African Americans were largely stuck. White people were able to pass down larger and larger amounts of wealth from one generation to the next, and while some African Americans did have wealth they could pass down, it did not increase at nearly the same rate as it did for white people.

Excerpt 3.4, pg. 168–169

In the mid-twentieth century, job seekers depended on state employment offices for referrals to vacancies and training programs. As a war measure in 1942, these agencies were put under the control of a federal organization, the U.S. Employment Service, which generally refused to enroll African Americans in training for skilled work. Its instructions to local offices advised that if a company failed to specify a racial exclusion in its request for workers, the office should solicit one, assuming that the firm might have overlooked the opportunity to state it.

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Excerpt 3.4 Text-Dependent Questions

1. How did federal and state policies affect African American employment?

Actions such as the U.S. Employment Service’s refusing to enroll African Americans in skilled job training and local governments ignoring executive orders prohibiting racial discrimination, even in the face of labor shortages, prevented African Americans from gaining job experience or training, earning wages and building wealth.



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2. How does this text challenge the “bootstrap” mentality that continues to persist in American society today?

Many will claim that their wealth and achievements are self-made, that they “pulled themselves up by their bootstraps.” In fact, certain people benefitted from large-scale government programs that should have been made available to everyone, regardless of race. These programs granted access to benefits including jobs and job training programs. So, while they might have worked hard, they had help getting ahead before they even started.

Excerpt 3.5, pg. 179–180

Note: This excerpt is to be used for the end of this lesson.

Yet unlike the progress we anticipated from other civil rights laws, we shouldn't have expected much to happen from a Fair Housing Act that allowed African Americans now to resettle in a white suburb. Moving from an urban apartment to a suburban home is incomparably more difficult than registering to vote, applying for a job, changing seats on a bus, sitting down in a restaurant, or even attending a neighborhood school.

Residential segregation is hard to undo for several reasons:

- Parents' economic status is commonly replicated in the next generation, so once government prevented African Americans from fully participating in the mid-twentieth-century free labor market, depressed incomes became, for many, a multigenerational trait.
- The value of white working- and middle-class families' suburban housing appreciated substantially over the years, resulting in vast wealth differences between whites and blacks that helped to define permanently our racial living arrangements. Because parents can bequeath assets to their children, the racial wealth gap is even more persistent down through the generations than income differences.
- We waited too long to try to undo it. By the time labor market discrimination abated sufficiently for substantial numbers of African Americans to reach for the middle class, homes outside urban black neighborhoods had mostly become unaffordable for working- and lower-middle-class families.
- Once segregation was established, seemingly race-neutral policies reinforced it to make remedies even more difficult. Perhaps most pernicious has been the federal tax code's mortgage interest deduction, which increased the subsidies to higher-income suburban homeowners while providing no corresponding tax benefit for renters. Because *de jure* policies of segregation ensured that whites would more likely be owners and African Americans more likely be renters, the tax code contributes to making African Americans and whites less equal, despite the code's purportedly nonracial provisions.

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