



# Segregation Has Never Really Ended: The Link Between Housing and Education

By Richard Rothstein

**The Sidney Hillman Foundation**

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## **i** Education Policy is Housing Policy

We cannot substantially improve the performance of the poorest African American students—the “truly disadvantaged,” in William Julius Wilson’s phrase—by school reform alone. It must be addressed primarily by improving the social and economic conditions that bring too many children to school unprepared to take advantage of what schools have to offer.

There are two aspects to this conclusion:

- First, social and economic disadvantage—not only poverty, but a host of associated conditions—depresses student performance, and
- Second, concentrating students with these disadvantages in racially and economically homogenous schools depresses it further.

The schools that the most disadvantaged black children attend today are segregated because they are located in segregated neighborhoods far distant from truly middle class neighborhoods. We cannot desegregate schools without desegregating these neighborhoods, and our ability to desegregate the neighborhoods in which segregated schools are located is hobbled by historical ignorance. Too quickly forgetting twentieth century history, we’ve persuaded ourselves that the residential isolation of low-income black children is only “*de facto*,” the accident of economic circumstance, personal preference, and private discrimination. But unless we relearn how residential segregation is “*de jure*,” resulting from racially-motivated public policy, we have little hope of remedying school segregation that flows from this neighborhood racial isolation.

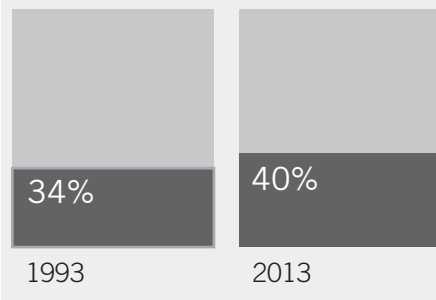
The individual predictors of low achievement are well documented:

- With less access to routine and preventive health care, disadvantaged children have greater absenteeism, and they can’t benefit from good schools if they are not present.
- With less literate parents, they are read to less frequently when young, and are exposed to less complex language at home.
- With less adequate housing, they rarely have quiet places to study and may move more frequently, changing schools and teachers.

- With fewer opportunities for enriching after-school and summer activities, their background knowledge and organizational skills are less developed.
- With fewer family resources, their college ambitions are constrained.

As these and many other disadvantages accumulate, lower social class children inevitably have lower average achievement than middle class children, even with the highest quality instruction.

### Portion of black students attending schools that are ≥90% minority



When a school’s proportion of students at risk of failure grows, the consequences of disadvantage are exacerbated:

- In schools with high proportions of disadvantaged children, remediation becomes the norm, and teachers have little time to challenge those exceptional students who can overcome personal, family, and community hardships that typically interfere with learning.
- In schools with high student mobility, teachers spend more time repeating lessons for newcomers, and have fewer opportunities to adapt instruction to students’ individual strengths and weaknesses.
- When classrooms fill with students who come to school less ready to learn, teachers must focus more on discipline and less on learning.
- Children in impoverished neighborhoods are surrounded by more crime and violence and suffer from greater stress that interferes with learning.

- Children with less exposure to mainstream society are less familiar with the standard English that’s necessary for their future success.
- When few parents have strong educations themselves, schools cannot benefit from parental pressure for higher quality curriculum, children have few college-educated role models to emulate, and they have few classroom peers whose own families set higher academic standards.

Nationwide, low-income black children’s isolation has increased. It’s a problem not only of poverty but of race.

The share of black students attending schools that are 90 percent or more minority has grown in the last twenty years from about 34 percent to about 40 percent.

Twenty years ago, black students typically attended schools in which about 40 percent of their fellow students were low-income; it is now about 60 percent.

In cities with the most struggling students, the isolation is even more extreme. The most recent data show, for example, that in Detroit, the typical black student attends a school where 2 percent of students are white, and 85 percent are low income.

It is inconceivable that significant gains can be made in the achievement of black children who are so severely isolated.

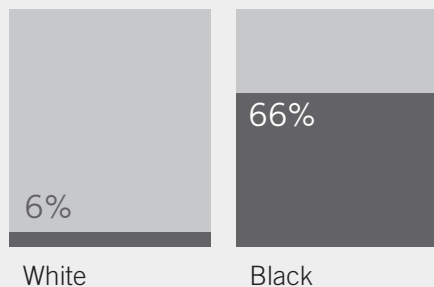
As noted, this school segregation mostly reflects neighborhood segregation. In urban areas, low-income white students are more likely to be integrated into middle-class neighborhoods and less likely to attend school predominantly with other disadvantaged students. Although immigrant low-income Hispanic students are also concentrated in schools, by the third generation their families are more likely to settle in more middle-class neighborhoods.

The racial segregation of schools has been intensifying because the segregation of neighborhoods has been intensifying. Analysis of Census data by Rutgers University Professor Paul Jargowsky has found that in 2011, 7 percent of poor whites lived in high poverty neighborhoods, where more than 40 percent of the residents are poor, up from 4 percent in 2000; 15 percent of poor Hispanics lived in

such high poverty neighborhoods in 2011, up from 14 percent in 2000; and a breathtaking 23 percent of poor blacks lived in high poverty neighborhoods in 2011, up from 19 percent in 2000.

In his 2013 book, *Stuck in Place*, the New York University sociologist Patrick Sharkey defines a poor neighborhood as one where 20 percent of the residents are poor, not 40 percent as in Paul Jargowsky's work. A 20-percent-poor neighborhood is still severely disadvantaged. In such a neighborhood, many, if not most other residents are likely to have very low incomes, although not so low as to be below the official poverty line.

### Portion of young people (13 - 28) who live in poor neighborhoods



Sharkey finds that young African Americans (from 13 to 28 years old) are now ten times as likely to live in poor neighborhoods, defined in this way, as young whites—66 percent of African Americans, compared to 6 percent of whites. What's more, for black families, mobility out of such neighborhoods is much more limited than for whites. Sharkey shows that 67 percent of African American families hailing from the poorest quarter of neighborhoods a generation ago continue to live in such neighborhoods today. But only 40 percent of white families who lived in the poorest quarter of neighborhoods a generation ago still do so.

Considering all black families, 48 percent have lived in poor neighborhoods over at least two generations, compared to 7 percent of white families. If a child grows up in a poor neighborhood, moving up and out to a middle-class area is typical for whites but an aberration for blacks. Black neighborhood poverty is thus more multigenerational, while white neighborhood poverty is more episodic.

From the perspective of children, think of it this way: black children in low-income neighborhoods are more likely to have parents who also grew up in low-income neighborhoods than white or Hispanic children in low-income neighborhoods. The implications for children's chances of success are dramatic: Sharkey calculates that "living in poor neighborhoods over two consecutive generations

reduces children's cognitive skills by roughly eight or nine points...roughly equivalent to missing two to four years of schooling."

And Sharkey has a final finding in this regard that is most startling of all: Children in poor neighborhoods whose mothers grew up in middle-class neighborhoods score only slightly below, on average, children whose families lived in middle-class neighborhoods for two generations. But children who live in middle-class neighborhoods yet whose mothers grew up in poor neighborhoods score much lower. Sharkey concludes that "the parent's environment during [her own] childhood may be more important than the child's own environment."

Integrating disadvantaged black students into schools where more privileged students predominate can narrow the black-white achievement gap. But the conventional wisdom of contemporary education policy notwithstanding, segregated schools with poorly performing students cannot be "turned around" while remaining racially isolated. And the racial isolation of schools cannot be remedied without undoing the racial isolation of the neighborhoods in which they are located.

## ii The Myth of De Facto Segregation

In 2007, the Supreme Court made integration more difficult when, in the *Parents Involved* case, it prohibited the Louisville and Seattle school districts from making racial balance a factor in assigning students to schools, in situations where applicant numbers exceeded available seats.

The plurality opinion by Chief Justice John Roberts called student categorization by race unconstitutional unless designed to reverse effects of explicit rules that segregated students by race. Desegregation efforts, he ruled, are impermissible if students are racially isolated, not as the result of government policy but because of societal discrimination, economic characteristics, or what Justice Clarence Thomas, in his concurring opinion, termed "any number of innocent private decisions, including voluntary housing choices."

In Roberts' terminology, commonly accepted by policymakers from across the political spectrum, constitutionally forbidden segregation established by federal, state or local government action is *de jure*, while racial isolation independent of state action, as, in Roberts' view, like that in Louisville and Seattle, is *de facto*.

It is generally accepted today, even by sophisticated policymakers, that black students' racial isolation is now *de facto*, not only in Louisville and Seattle, but in all metropolitan areas, North and South.

Even the liberal dissenters in the Louis-

ville-Seattle case, led by Justice Stephen Breyer, agreed with this characterization. Breyer argued that school districts should be permitted voluntarily to address *de facto* racial homogeneity, even if not constitutionally required to do so. But he accepted that for the most part, Louisville and Seattle schools were not segregated by state action and thus not constitutionally required to desegregate.

This is a dubious proposition. Certainly, Northern schools have not been segregated by policies assigning blacks to some schools and whites to others; they are segregated because their neighborhoods are racially homogenous.

But neighborhoods did not get that way from "innocent private decisions" or, as the late Justice Potter Stewart once put it, from "unknown and perhaps unknowable factors such as in-migration, birth rates, economic changes, or cumulative acts of private racial fears."

In truth, residential segregation's causes are both knowable and known—twentieth century federal, state and local policies explicitly designed to separate the races and whose effects endure today. In any meaningful sense, neighborhoods and in consequence, schools, have been segregated *de jure*.

Massey and Denton's *American Apartheid* is the title of one book describing only a few of these many public policies. The title is no exaggeration. The notion of *de facto* segregation is a myth, although widely accepted in a national consensus that wants to avoid confronting our racial history.

## iii De Jure Residential Segregation by Federal, State, and Local Government

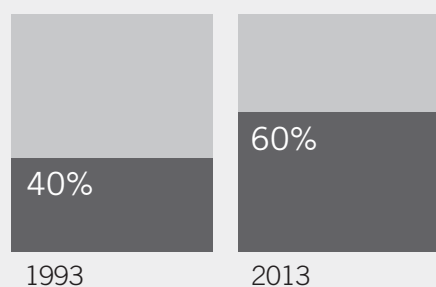
The federal government led in the establishment and maintenance of residential segregation in metropolitan areas.

- From its New Deal inception and especially during and after World War II, federally funded public housing was explicitly racially segregated, both by federal and local governments. Not only in the South, but in the Northeast, Midwest, and West, projects were officially and publicly designated either for whites or for blacks. Some projects were "integrated" with separate buildings designated for whites or for blacks. Later, as white families left the projects for the suburbs, public housing became overwhelmingly black and in most cities was placed only in black neighborhoods, explicitly so. This policy continued one originating in the New Deal, when Harold Ickes, President Roosevelt's first public housing director, established the "neighborhood composition rule" that public housing should not disturb the pre-existing racial composition of neighborhoods where it was placed. This was *de jure* segregation.

- Once the housing shortage eased and material was freed for post-World War II civilian purposes, the federal government subsidized relocation of whites to suburbs and prohibited similar relocation of blacks. Again, this was not implicit, not mere “disparate impact,” but racially explicit policy. The Federal Housing and Veterans Administrations recruited a nationwide cadre of mass-production builders who constructed developments on the East Coast like the Levittowns in Long Island, Pennsylvania, New Jersey, and Delaware; on the West Coast like Lakewood and Panorama City in the Los Angeles area, Westlake (Daly City) in the San Francisco Bay Area, and several Seattle suburbs developed by William and Bertha Boeing; and in numerous other metropolises in between. These builders received federal loan guarantees *on explicit condition* that no sales be made to blacks and that each individual deed include a prohibition on re-sales to blacks, or to what the FHA described as an “incompatible racial element.”

This was *de jure* segregation.

**Portion of low-income students in schools attended by average black student**



- In addition to guaranteeing construction loans taken out by mass production suburban developers, the FHA, as a matter of explicit policy, also refused to insure individual mortgages for African Americans in white neighborhoods, or even to whites in neighborhoods that the FHA considered subject to possible integration in the future. This was *de jure* segregation.
- Although a 1948 Supreme Court ruling barred courts from enforcing racial deed restrictions, the restrictions themselves were deemed lawful for another 30 years and the FHA knowingly continued, until the Fair Housing Act was passed in 1968, to finance developers who constructed suburban developments that were closed to African-Americans. This was *de jure* segregation.
- Bank regulators from the Federal Reserve, Comptroller of the Currency, Office

of Thrift Supervision, and other agencies knowingly approved “redlining” policies by which banks and savings institutions refused loans to black families in white suburbs and even, in most cases, to black families in black neighborhoods—leading to the deterioration and ghettoization of those neighborhoods.

This was *de jure* segregation.

- Although specific zoning rules assigning blacks to some neighborhoods and whites to others were banned by the Supreme Court in 1917, racial zoning in some cities was enforced until the 1960s. The Court’s 1917 decision was not based on equal protection but on the property rights of white owners to sell to whomever they pleased. Several large cities interpreted the ruling as inapplicable to their zoning laws because their laws prohibited only residence of blacks in white neighborhoods, not ownership. Some cities, Miami the most conspicuous example, continued to include racial zones in their master plans and issued development permits accordingly, even though neighborhoods themselves were not explicitly zoned for racial groups.

This was *de jure* segregation.

- In other cities, following the 1917 Supreme Court decision, mayors and other public officials took the lead in organizing homeowners associations for the purpose of enacting racial deed restrictions. Baltimore is one example where the mayor organized a municipal Committee on Segregation to maintain racial zones without an explicit ordinance that would violate the 1917 decision.

This was *de jure* segregation.

- In the 1980s, the Internal Revenue Service revoked the tax-exemption of Bob Jones University because it prohibited interracial dating. The IRS believed it was constitutionally required to refuse a tax subsidy to a university with racist practices. Yet the IRS never challenged the pervasive use of tax-favoritism by universities, churches, and other non-profit organizations and institutions to enforce racial segregation. The IRS extended tax exemptions not only to churches where such associations were frequently based and whose clergy were their officers, but to the associations themselves, although their racial purposes were explicit and well-known.

This was *de jure* segregation.

- Churches were not alone in benefitting from unconstitutional tax exemptions. Consider this example: Robert Hutchins, known to educators for reforms elevating the liberal arts in higher education, was president and chancellor of the tax-exempt University of Chicago from 1929 to 1951. He directed the University to sponsor neighborhood

associations to enforce racially restrictive deeds in its nearby Hyde Park and Kenwood neighborhoods, and employed the University’s legal department to evict black families who moved nearby in defiance of his policy, all while the University was subsidized by the federal government by means of its tax-deductible and tax-exempt status.

This was *de jure* segregation.

- Urban renewal programs of the mid-twentieth century often had similarly undisguised purposes: to force low-income black residents away from universities, hospital complexes, or business districts and into new ghettos. Relocation to stable and integrated neighborhoods was not provided; in most cases, housing quality for those whose homes were razed was diminished by making public housing high-rises or overcrowded ghettos the only relocation option. This was *de jure* segregation.
- Where integrated or mostly-black neighborhoods were too close to white communities or central business districts, interstate highways were routed by federal and local officials to raze those neighborhoods for the explicit purpose of relocating black populations to more distant ghettos or of creating barriers between white and black neighborhoods. Euphemisms were thought less necessary then than today: according to the director of the American Association of State Highway Officials whose lobbying heavily influenced the interstate program, “some city officials expressed the view in the mid-1950’s that the urban Interstates would give them a good opportunity to get rid of the local ‘niggertown.’”

This was *de jure* segregation.

State policy contributed in other ways.

- Real estate is a highly regulated industry. State governments require brokers to take courses in ethics and exams to keep their licenses. State commissions suspend or even lift licenses for professional and personal infractions—from mishandling escrow accounts to failing to pay personal child support. But although real estate agents openly enforced segregation, state authorities did not punish brokers for racial discrimination, and rarely do so even today when racial steering and discriminatory practices remain. This misuse of regulatory authority was, and is, *de jure* segregation.

Local officials have played roles as well.

- Public police and prosecutorial power was used nationwide to enforce racial boundaries. Illustrations are legion. In the Chicago area, police forcibly evicted blacks who moved into an apartment in a white neighborhood; in Louisville, the locus of *Parents Involved*, the state prosecuted and jailed



a white seller for sedition after he sold his home in his white neighborhood to a black family. Everywhere, North, South, East, and West, police stood by while thousands (not an exaggeration) of mobs set fire to and stoned homes purchased by blacks in white neighborhoods, and prosecutors almost never (if ever) charged well-known and easily identifiable mob leaders.

This officially sanctioned abuse of the police power also constituted *de jure* segregation.

- An example from Culver City, a suburb of Los Angeles, illustrates how purposeful state action to promote racial segregation could be. During World War II, the local state's attorney instructed the municipality's air raid wardens, when they went door-to-door advising residents to turn off their lights to avoid providing guidance to Japanese bombers, also to solicit homeowners to sign restrictive covenants barring blacks from residence in the community.

This was *de jure* segregation.

Other forms abound of racially explicit state action to segregate the urban landscape, in violation of the Fifth, Thirteenth, and Fourteenth Amendments. Yet the term "*de facto* segregation," describing a never-existent reality, persists among otherwise well-informed advocates and scholars. The term, and its implied theory of private causation, hobbles our motivation to address *de jure* segregation as explicitly as Jim Crow was addressed in the South or apartheid was addressed in South Africa.

Private prejudice certainly played a very large role. But even here, unconstitutional government action not only reflected but helped to create and sustain private prejudice. In part, white homeowners' resistance to black neighbors was fed by deteriorating ghetto conditions, so that white homeowners had a reasonable fear that if African Americans moved into their neighborhoods, these refugees from urban slums would bring the slum conditions with them.

Yet these slum conditions were supported by state action, by overcrowding caused almost entirely by the refusal of the federal government to permit African Americans to expand their housing supply by moving to the suburbs, and by municipalities' discriminatory denial of adequate public services. In the ghetto,

- garbage was collected less frequently,
- predominantly African American neighborhoods were re-zoned for mixed (i.e., industrial, or even toxic) use,
- streets remained unpaved,
- even water, power, and sewer services were less often provided.

This was *de jure* segregation, but white

homeowners came to see these conditions as characteristics of black residents themselves, not as the results of racially motivated municipal policy.

## iv

### The Continuing Effects of State Sponsored Residential Segregation

Even those who understand this dramatic history of *de jure* segregation may think that because these policies are those of the past, there is no longer a public policy bar that prevents African Americans from moving to white neighborhoods. Thus, they say, although these policies were unfortunate, we no longer have *de jure* segregation. Rather, they believe, the reason we don't have integration today is not because of government policy but because most African Americans cannot afford to live in middle class neighborhoods.

This unaffordability was also created by federal, state, and local policy that prevented African Americans in the mid-twentieth century from accumulating the capital needed to invest in home ownership in middle-class neighborhoods, and then from benefiting from the equity appreciation that followed in the ensuing decades.

Federal labor market and income policies were racially discriminatory until only a few decades ago. In consequence, most black families, who in the mid-twentieth century could have joined their white peers in the suburbs, can no longer afford to do so.

- The federal civil service was first segregated in the twentieth century by the administration of President Woodrow Wilson. Under the rules then adopted, no black civil servant could be in a position of authority over white civil servants, and in consequence, African Americans were restricted and demoted to the most poorly paid jobs.
- The federal government recognized separate black and white government employee unions well into the second half of the twentieth century. For example, black letter carriers were not admitted to membership in the white postal service union. Black letter carriers had their own union, but the Postal Service would only hear grievances from the white organization.
- At the behest of Southern segregationist Senators and Congressmen, New Deal labor standards laws, like the National Labor Relations Act and the minimum wage law, excluded from coverage, for undisguised racial purposes, occupations in which black workers predominated.
- The National Labor Relations Board certified segregated private sector unions, and unions that entirely excluded African Americans from their trades, into the 1970s.

- State and local governments maintained separate, and lower, salary schedules for black public employees through the 1960s.

In these and other ways, government played an important and direct role in depressing the income levels of African American workers below the income levels of comparable white workers. This, too, contributed to the inability of black workers to accumulate the wealth needed to move to equity-appreciating white suburbs.

Segregation is now locked in place by exclusionary zoning laws in suburbs where black families once could have afforded to move in the absence of official segregation, but can afford to do so no longer, with property values appreciated.

Mid-twentieth century policies of *de jure* racial segregation continue to have impact in other ways, as well. A history of state-sponsored violence to keep African Americans in their ghettos cannot help but influence the present-day reluctance of many black families to integrate.

Today, when facially race-neutral housing or redevelopment policies have a disparate impact on African Americans, that impact is inextricably intertwined with the state-sponsored system of residential segregation that we established.

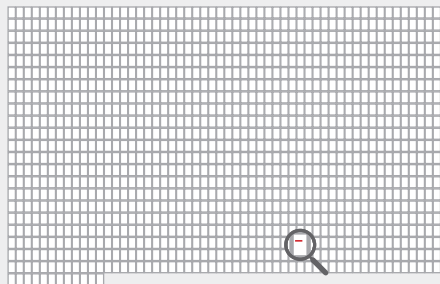
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### Miseducating Our Youth

Reacquainting ourselves with that history is a step towards confronting it. When knowledge of that history becomes commonplace, we will conclude that Louisville, Seattle and other racially segregated metropolitan areas not only have permission, but a constitutional obligation to integrate.

But this obligation cannot be fulfilled by school districts alone. In some small cities, and in some racial border areas, some racial school integration can be accomplished by adjusting attendance zones, establishing magnet schools, or offering more parent-student choice. This is especially true—but only temporarily—where neighborhoods are in transition, either from gradual urban gentrification, or in first-ring suburbs to which urban ghetto populations are being displaced. These school integration policies are worth pursuing, but generally, our most distressed ghettos are too far distant from truly middle-class communities for school integration to occur without racially explicit policies of residential desegregation. Many ghettos are now so geographically isolated from white suburbs that voluntary choice, magnet schools, or fiddling with school attendance zones can no longer enable many low-income black children to attend predominantly middle class schools.

McDougal Littell's popular high school textbook, *The Americans*: **1200 pages**



Portion devoted to government-enforced residential segregation: **one sentence:**

*“African Americans found themselves forced into segregated neighborhoods.”*

Instead, narrowing the achievement gap will also require housing desegregation, which history also shows is not a voluntary matter but constitutional necessity—involving policies like voiding exclusionary zoning, placing scattered low and moderate income housing in predominantly white suburbs, prohibiting landlord discrimination against housing

voucher holders, and ending federal subsidies for communities that fail to reverse policies that led to racial exclusion.

We will never develop the support needed to enact such policies if policymakers and the public are unaware of the history of state-sponsored residential segregation. And we are not doing the job of telling young people this story, so that they will support more integration-friendly policies in the future.

Elementary and secondary school curricula typically ignore, or worse, mis-state this story. For example,

- in over 1,200 pages of McDougal Littell's widely used high school textbook, *The Americans*, a single paragraph is devoted to 20th century “Discrimination in the North.” It devotes one passive-voice sentence to residential segregation, stating that “African Americans found themselves forced into segregated neighborhoods,” with no further explanation of how public policy was responsible.
- Another widely used textbook, Prentice Hall's *United States History*, also attributes segregation to mysterious forces: “In the

North, too, African Americans faced segregation and discrimination. Even where there were no explicit laws, *de facto* segregation, or segregation by unwritten custom or tradition, was a fact of life. African Americans in the North were denied housing in many neighborhoods.”

- *History Alive!*, a popular textbook published by the Teachers Curriculum Institute, teaches that segregation was only a Southern problem: “Even New Deal agencies practiced racial segregation, especially in the South,” failing to make any reference to what Ira Katznelson, in his 2013 *Fear Itself*, describes as FDR's embrace of residential segregation nationwide in return for Southern support of his economic policies.

Avoidance of our racial history is pervasive and we are ensuring the persistence of that avoidance for subsequent generations. For the public and policymakers, re-learning our racial history is a necessary step because remembering this history is the foundation for an understanding that aggressive policies to desegregate metropolitan areas are not only desirable, but a constitutional obligation. ||



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This pamphlet draws from previously published work by Richard Rothstein, available at [www.epi.org/people/richard-rothstein](http://www.epi.org/people/richard-rothstein).

Source citations for all claims made in this pamphlet can be found in publications at that site or upon request from the author.



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