

## THE CENTER FOR SOCIAL INCLUSION

### BEFORE NEW ORLEANS' LEVEES FAILED

One question regularly posed when over one hundred thousand, mostly Black, people were stranded and abandoned in appalling conditions in New Orleans was whether the faces of the abandoned exposed racism. The short answer is yes, but not in the way we typically think about racism. The way we have structured society—suburbanization, concentrated poverty and the fragmentation of and incapacitation of government—left people of color vulnerable before and after the levees failed. Race has played a central role in how we have structured our communities and nation. And all races, including Whites, are less likely to thrive today thanks to this “structural racism.” Our communities are healthy or weak based on the job market, transportation, physical environment, services and amenities in or near them. Our national policies created isolated communities of color in the first place. National policies disinvested in them and choked them off from opportunities. Then we began to starve the federal government of resources to invest in communities, which hurts communities of color more, but harms opportunity for all communities. We now have a harder time competing in a globalizing economy and we reduce our civic and social capacity to develop our regions and the nation.(1)

For many, this cycle of historical racism and present-day structural barriers to opportunity drives a misplaced belief that communities of color and people of color are a “problem” to be avoided. It also results in public support for reduction or elimination of resources for our public institutions, like schools, public transit, etc. because they are seen as inefficient or a waste of money. Flooded New Orleans challenges us to see that when we allow public systems to fail, eventually all communities will suffer, albeit unequally. Black and other low-income communities of color are not accidental, but created by policy choices. Policies, particularly federal ones created a White middle class in the ‘40s, ‘50s and ‘60s, drove White suburban development and laid the foundation for the make-up of our vulnerable and racially identifiable communities across the country. Prior to the broken levees, according to the 2000 Census, New Orleans’ population was 67.3% Black, 26.6% White, 3.1% Latino and 2.3% Asian. The city was shrinking in population and opportunity. It was not always predominantly Black. As the Brookings Institution has pointed out, in the first half of the 20th Century, New Orleans was a racially and culturally vibrant and heterogeneous city, despite its poverty. In the mid-1970s, if you were Black you probably lived in a community with or near Whites. There were no majority Black neighborhoods. Poverty was still too high, but was not concentrated in certain communities.

After 1970, segregation and concentrated poverty skyrocketed. In fact, New Orleans ranked 29th in the country based on 2000 Black/White racial segregation(2) and second among the 50 largest cities in the country based on the number of extreme poverty neighborhoods. The number of concentrated poverty (or extreme poverty) neighborhoods in New Orleans actually grew by two-thirds between 1970 and 2000, even though the

poverty rate stayed about the same (26-28%).(3)

This happened in large part because half of the city's White population moved to the suburbs between 1970 and 2000. It is a shift that burdens economic growth and makes regional well-being more elusive. For example, the Census Bureau estimated that, in 2004, no population growth occurred in the New Orleans metropolitan region as a whole and the city lost over 22,000 residents.(4)

The nation's suburbs, including New Orleans', were constructed on policy choices, largely federal ones. Government-created incentives targeted Whites and subsidized their flight from cities, and their relocation to the suburbs.(5) The process began with New Deal legislation, like the National Housing Act of 1934, which created the agency that subsidized and insured private mortgages. Federally subsidized mortgage loans often required new owners to refuse to sell to Black people through racially restrictive covenants in deeds.(6) By the 1950s, about half of all home mortgages were federally insured through the Federal Housing Administration (FHA) and the Veterans Administration (VA), but only in segregated neighborhoods.(7) The FHA's underwriting manual required a determination about the presence of "incompatible racial or social groups...".(8) People of color were literally classified as nuisances, to be avoided along with "stables" and "pig pens."(9) The FHA urged developers, bankers, and local governments to use zoning ordinances and physical barriers to protect racial homogeneity.(10) This meant that Blacks had many fewer choices about where to buy a home and no federal support to help them buy homes, as Whites did.(11)

The New Orleans that existed before the 2005 hurricane season suffered from the same suburbanization, shrinking tax base, racial isolation and environmental degradation that has become the trademark of suburbanization policies.

The now famous Lower Ninth Ward in New Orleans is illustrative. Historically, it was undesirable land – a swamp – and the lower portion of a swath of slave plantations. Poor freed Blacks and immigrant laborers from Ireland, Germany and Italy, unable to afford housing in other areas of the city (higher areas), were forced to endure flooding and disease to live there.(12) Over time, suburbanization policies and racial preferences helped Europeans to move to more opportunity. Blacks did not have the same opportunities. Prior to the broken levees, the Lower Ninth Ward was almost exclusively Black and 36% of its residents poor.

So effective were federal incentives to suburbanize that by 1990, two-thirds of the nation's metropolitan population lived outside the central city in 168 census-defined metropolitan areas, compared to 1950, when 60% lived in the old central cities.(13) Moreover, 152 new metropolitan areas sprang up during four decades of suburbanization.

Suburbanization policies, no longer explicitly racist, continued to drive suburbanization. The transportation block grants of the 1980s allowed states to use mass transit dollars to serve those living in distant suburbs commuting by train to the financial city centers, while leaving thousands of city center residents, standing on city streets waiting for

overcrowded buses.(14)

In urban areas, Blacks and Latinos comprise over 54% of transit users (62% of bus riders, 35% of subway riders, and 29% of commuter rail riders). Nationally, only about 5.3% of all Americans use public transit to get to work. Blacks are almost six times as likely as Whites to use transit to get around. Urban transit is especially important to Blacks where over 88% live in metropolitan areas and 53.1% live inside central cities. Nearly 60% of transit riders are served by the ten largest urban transit systems and the remaining 40% by the other 5,000 transit systems. In areas with populations from one million and below, more than half of all transit passengers have incomes of less than \$15,000 per year.(15) Even in the 1990s, when certain federal highway funds were available on a flexible basis for states and regional localities to transfer from highway programs to public transit projects, only 12.5% of the money (\$4.2 billion of the \$33.8 billion available) was actually transferred for transit projects.(16)

These policies not only promoted and expanded racial segregation, they created an invisible wall separating Blacks and other communities of color from jobs, resources and services.

Nationally, only 7% of White households own no car, compared with 24% of Black households, 17% of Latino households, and 13% of Asian-American households. Two in ten households in the Louisiana, Mississippi, and Alabama areas hit hard by Hurricane Katrina had no car. People in the hardest hit areas were twice as likely as most Americans to be poor and without a car. Over one-third of New Orleans' Blacks did not own a car. Over 15% of New Orleans' residents relied on public transportation as their primary mode of travel.(17)

People with less means and no car did not benefit from public funds for transportation while those with some means did. Jobs followed suburbanization and those without cars could not follow the jobs. According to the Brookings Institution, in 1970, New Orleans had 54% of its region's population and 66% of its jobs. By 2000, it had only 36% of the region's population and 42% of its jobs.(18)

Highway dollars also drove the environmentally and financially unsustainable growth of sprawling suburbs, left cities weakened from a reduced tax base and contributed in myriad ways to environmental degradation through air and water pollution, consumption of open space and increased automobile use which, in turn, contributes to global warming, one of the explanations for the increase in the severity of our hurricane seasons.

In large part, the stresses on our communities through the high costs of services, the degradation of the environment, and the sorting and division of our people are driven by policies that started out as racist and have created structures that appear neutral, but operate to discriminate. This "structural racism" represents the racially driven failure of the nation to invest in Blacks, Latinos, Native Americans and Asian Americans as important human resources for the country's future.

In fact, a calamity similar to New Orleans with similar faces of abandonment would befall any metropolitan area hit by a storm that tested its infrastructure and resilience. The National Oceanic and Atmospheric Administration (NOAA) predicts eight to ten hurricanes in the North Atlantic Ocean this hurricane season. As many as a half dozen of them, NOAA says, may be at least category 3 hurricanes, like Hurricane Katrina. So, New York is New Orleans. Or could be. As climate change makes clear, what happens to one community can happen to all communities. Our fates are linked across neighborhoods, cities and across regions. We compound these problems by reducing the resources and capacity of government to invest in communities and people. For example, in 2004, the richest 10% of Americans received tax cuts worth two times what the government would spend on job training, college Pell grants, public housing, low-income rental subsidies and child care.<sup>(19)</sup> Our people, our communities and our nation cannot afford these cuts.

- (1) Manuel Pastor, Jr. et al., *Regions that Work: How Cities and Suburbs Can Grow Together* (Minneapolis: University of Minnesota Press, 2000).
- (2) CensusScope, "[Segregation: Dissimilarity Indices](#)."
- (3) Alan Berube and Bruce Katz, "[Katrina's Window: Confronting Concentrated Poverty Across America](#)," The Brookings Institution, October 2005. Concentrated poverty neighborhoods (also referred to as extreme or high poverty) are census tracts where 40% or more of the population is living at or below the federal poverty line. Ibid.
- (4) The Brookings Institution, "[New Orleans After the Storm: Lessons from the Past, a Plan for the Future](#)," October 2005, The Brookings Institution.
- (5) Ibid. at 51
- (6) Richard Thompson Ford, "The Boundaries of Race: Political Geography in Legal Analysis," 107 *Harvard Law Review* 449, 451 (1995).
- (7) David Rusk, *Inside Game/Outside Game: Winning Strategies for Saving Urban America* (1999), 86-88.
- (8) Michael H. Schill and Susan M. Wachter, "The Spatial Bias of Federal Housing Law and Policy: Concentrated Poverty in Urban America," 143 *University of Pennsylvania Law Review* 1285, 1286-90 (1995).
- (9) Ford, 451 (citing Charles Abrams, *Forbidden Neighborhood: A Study of Prejudice in Housing* (1955), 231).
- (10) Rusk, 87 (citing Irving Welfeld, *Where We Live: A Social History of American Housing* (1988)).
- (11) Maya Wiley and John A. Powell, "Tearing Down Structural Racism and Rebuilding Communities," *Clearinghouse Review*, 40, no. 1-2 (May-June 2006): 68.
- (12) Greater New Orleans Community Data Center, "[Lower Ninth Ward Neighborhood Snapshot](#)," Greater New Orleans Community Data Center
- (13) Rusk, 67.
- (14) Robert D. Bullard, "Addressing Urban Transportation Equity in the United States," 31 *Fordham Urban Law Journal* 1183, 1196 (October 2004).
- (15) Robert D. Bullard and Beverly Wright, "[Legacy of Unfairness: Why Some Americans Get Left Behind](#)," September 29, 2005, Environmental Justice Resource Center.
- (16) Robert Puentes, "[Flexible Funding for Transit: Who Uses It?](#)" 1-2, May 2000, The

Brookings Institution.

(17) Bullard and Wright.

(18) The Brookings Institution, “New Orleans After the Storm: Lessons from the Past, a Plan for the Future.”

(19) David Sirota, “Welcome to New Orleans,” *In These Times*, 37, October 24, 2005.

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