

f2 Race discrim.
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Police Keep Order At Church Assembly

By HARRY ROSENTHAL

KANSAS CITY (AP)—A battle around the speakers platform broke out today as the National Baptist Convention, USA, opened amid rival claims for the presidency. *Negro.*

One minister was knocked unconscious as he fell from the platform during the disturbance which touched off the largest police alert here in 25 years.

When the Rev. J. H. Jackson, Chicago, tried to open the convention, the backers of his rival for the post, Dr. Gardner Taylor, Brooklyn began shouting "No, No." Then led by Dr. Taylor they rushed the platform in flying wedge formation.

Wild confusion prevailed for a few minutes amid shouting and scuffling.

* * *

But it died down when the Rev. A. J. Wright, Detroit, fell to the floor unconscious. He was rushed to a hospital.

Later Lt. Col. William Cannady of the police department, warned officials the auditorium would be

closed if there were more disturbances.

Meanwhile, in Jackson County Circuit Court both the Rev. Mr. Jackson and Dr. Taylor were to appear this afternoon for a hearing on an injunction suit.

Seven members of the convention, identified as Taylor backers, filed the action, asking that both men be barred from collecting or disbursing funds and that a master of chancery be appointed.

Police were posted throughout the Municipal Auditorium and the streets outside were lined with squad cars.

Each contends he was elected president at the 1960 convention.

As Jackson completed his opening speech, the opposition began jeering.

The auditorium, packed with about 6,000 delegates and observers, quieted down as Mayor H. Roe Bartle of Kansas City made his welcoming speech. But after he finished there was more jeering.

A devotional program returned the convention to order.

9-7-61

Arkansas County to Separate Freeloaders From Relief Rolls

BLYTHEVILLE, Ark. (AP)—Unemployment may drop in Mississippi County as a result of a move to get able-bodied workers off surplus food rolls and into jobs.

The county welfare director, Floyd Irby, said yesterday 17,000 of the 27,000 persons in the county now receiving surplus commodities will be cut off the list.

State authorities have the right to veto the plan, but Irby said: "They've been silent so far and I guess they must approve."

No deserving person will be taken off the rolls," Irby said, but they will have to show proof of their needs.

* * *

"With the cotton-picking season

at hand," he said, "any able-bodied man ought to be able to find work." at 25¢ an hr?

About 40 per cent of the population of the big cotton-producing county, in northeast Arkansas, now gets free food under a federally - supported surplus commodities program.

Primary reason for the county's action, Irby said, was because of the haphazard attitude toward work by many seasonal laborers.

* * *

Many farmers, he said, complain they are unable to find workers.

The revised lists of recipients, Irby said, will include persons drawing pensions, family bread-

winners who are disabled and widows with children but no male adult support.

* * *

Previous requirements for receiving the free food was a signed statement that the recipient earned less than a certain amount each year. The minimum was \$900 for a single person, \$1,500 for two persons and \$300 additional for each other person in the family.

The number of persons on the rolls has increased steadily, Irby said—"It has snowballed until it has gotten out of hand."

It costs the county \$3,000 or more a month to transport, store and distribute the commodities, he added.

Milwaukee Slum Profit Sifted

By Robert W. Wells
Special to The Christian Science Monitor
Milwaukee

Those who feel that cities move with exasperating slowness in eliminating their slums sometimes ride through the blighted areas, point to the sagging buildings, and declare, "Somebody's making a lot of money out of this misery."

Pressed for details, such criticisms usually must fall back on generalities. But a recent study of a portion of Milwaukee's slums backs them up with some figures.

Arthur D. Sporn, a former University of Wisconsin law professor and now a New York attorney, was able to compute the rate of return for 48 owners

of properties on the city's near north side. He chose the site of the Hillside urban renewal project. His conclusion: "Substandard housing represented a very profitable investment indeed."

The former professor was able to check the rate of profit by studying owners' state income tax returns. Until a few years ago, when the Legislature changed the law, any Wisconsin citizen was permitted to take a look at any other taxpayer's state returns, for reasons ranging from suspected fraud to curiosity.

Loophole Left

When this practice was stopped, the Legislature left a loophole large enough for Mr. Sporn to step through. The statutes permit an agent of a public institution to examine the tax returns. As a professor at the state university, he qualified.

Of the 48 owners whose returns he examined, Mr. Sporn reported, more than one-fourth received an annual return on their capital investment of more than 25 per cent. The average rate of return was nearly 20 per cent.

The owners of the rundown residences on which these handsome profits were received generally live in the white suburbs. The residents of the area are mostly Negroes.

Mr. Sporn hinted that the exploitation of slum properties may be considerably greater elsewhere. In Milwaukee, he pointed out, the health department is more effective than in most cities in forcing owners of substandard property to keep it in repair.

The area in question was, until taken over for the Hillside project, one of the worst places to live in Milwaukee. The old buildings were overcrowded, often with several families occupying quarters designed for one. Crime rates in the neighborhood were high. Recreation facilities were lacking.

Negroes Spread Out

Milwaukee's 50,000 Negroes—in a county with a population of over a million—have been pushing out gradually into white neighborhoods in recent years. Some of the more prosperous have moved into middle-class sections far removed from the near north-side areas, which traditionally have been occupied by their race.

Although the number of Negroes here is still relatively small, the total has about doubled in the last 10 years, with

many of the newcomers arriving from Mississippi and other portions of the rural South. It is generally these new arrivals who wind up in the least desirable houses, such as those surveyed by Mr. Sporn.

Even when the Milwaukee redevelopment authority took over the 24.5-acre area for an urban renewal project, the study indicates, most of the owners continued to do pretty well financially.

Payment for the properties averaged almost three times the owners' invested capital on 39 of the parcels, he reported. In two cases, he said, the authority paid more than six times the invested capital.

Called Not Excessive

Mr. Sporn's figures cover the years 1958 and 1960. He reported that the depreciation claimed on 95 of the properties for income tax purposes from 1949 through 1957 averaged 3.8 per cent a year, which he did not regard as excessive.

He conceded that his study did not demonstrate that income tax laws which allow successive owners to take repeated depreciation deductions contributed to slum development.

He felt that the study did substantiate another hypothesis, however—that the prospect of condemnation proceedings exerts an inflationary effect on the market price for slum property.

The result, he said, is that the "process of public acquisition confers an indirect subsidy upon such property's owners."



The Christian
Science Monitor
Feb 3, 1961

New Race Rule on Housing?

Builders assume Weaver nomination as head of Housing & Home Finance Agency heralds a major Administration attack on discrimination in federally aided housing.

Protests against the nomination of Robert C. Weaver (picture) as administrator of the Housing & Home Finance Agency hit a peak this week as Pres. Kennedy sent his name to the Senate for confirmation. Despite their objections, however, his opponents appeared resigned to the inevitable:

First, to Weaver's confirmation by the Senate after heated hearings before the Banking & Currency Committee, which may start next week.

Second, to an executive order by the President prohibiting discrimination in housing built for sale or rent with federal help—whether the help is in the form of outright subsidies or merely of mortgage insurance or guarantees provided by FHA and VA. Advocates of such an order feel it would make legislation unnecessary.

The furor began New Year's Eve. Kennedy announced his selection of Weaver, then serving as vice-chairman of New York City's Housing & Redevelopment Board after a long career in federal and state housing agencies. Protesting mail—more of it from the North than the South—flooded the Senate committee. It came from men in the building industry and from housewives.

• **Key Issue**—The protests were not aimed primarily at the fact that Weaver is a Negro. The issue is his long agitation for an enforced end to discrimination in housing. Only last August, in an article in *Land Economics*, Weaver had argued that "opening the suburbs to non-whites is one of the necessary prices for attracting and holding middle-income whites in the central city."

This week, as Weaver mingled among them at their annual convention in Chicago, members of the National Assn. of Home Builders who talked to *BUSINESS WEEK* reporters seemed reconciled to his confirmation.

Some called his selection a mistake and others guessed he wouldn't last long in the job. But most were viewing the same straws in the wind as was Chmn. A. Willis Robertson (D-Va.) of the Senate committee who, though opposed to Weaver's selection, forecast that his committee would report Weaver's name favorably and the Senate would confirm it.

• **President's Backing**—Most builders were disturbed about the policies



ROBERT C. WEAVER

Weaver represents, but even on this they showed more resignation than defiance. What they didn't say, but seemed to be aware of, was that Kennedy himself was obviously behind Weaver. Although the President has not spoken out on the subject since his inauguration, he had promised during the campaign to issue the executive order for which Weaver, the U.S. Commission on Civil Rights, and other groups and individuals had clamored.

Such an order would not be the federal government's first effort to do away with discrimination in housing, but it would be the most effective.

During the Eisenhower Administration's tenure, the FHA and the VA began to cooperate with states that had antidiscrimination laws of their own. Eight states now forbid discrimination in sale or lease of homes and apartments built with FHA or VA support: California, Colorado, Connecticut, Massachusetts, New Jersey, New York, Oregon, and Washington.

This collaboration has had only limited effects, however. For one thing, none of the state laws cover all FHA and VA deals; some, for instance, cover only developments of at least 10 houses. In some of the states a complaint must originate with the offended person; the state itself can't start action. Then, too, the FHA and VA have held that they can not move into a case until a builder has been found guilty by a state—and that's a long process.

Still, builders in Chicago acknowledged they have tried to circumvent state laws and succeeded. "A lot of us builders simply say we have contracts or have given options to buyers, and that houses aren't for sale," a New Yorker said.

Hence, the agitation for an executive order to cover the whole 30% of housing starts that are financed with FHA and VA help. Such an order would make the state laws unnecessary for FHA and VA housing, leave states free also to prohibit discrimination in most other kinds of housing—as four do now.

• **Visions of Gloom**—The prospect of such a Kennedy order held out visions of gloom for several builders interviewed. "Open occupancy on a federal basis would kill the project builder," a Texas project builder said. "Such a law would stop housing in its tracks," said another.

The only alternative some saw would be to go 100% into conventionally financed homes. "I would be forced to turn to conventional financing," said an Ohio builder who doesn't want to build for Negroes. "Conventional financing is getting better all the time, anyway," said C. Ray McDaniel of Joplin, Mo.

But to others this was not the perfect alternative. "If you take away the minimum downpayment permitted by FHA and VA financing," noted Glynn Phillips of Arlington, Tex., "you take away a lot of people." Added a Maryland builder: "There's no question we wouldn't be selling the volume we are today."

In these appraisals, the builders have precedent of a sort to go by. Statistics are not available, but lending institutions in states with anti-discrimination laws affecting FHA and VA say they have seen no greater switch there to conventional mortgages than has occurred in the U. S. as a whole.

• **Seeking Ways Out**—The result was a search for other solutions. Some put their faith in the prospect of drawn-out court hearings on the constitutionality of such an order. Others hoped they might be able to ignore it. Still others just supposed "some other way" would be found to finance the construction of homes for a mass market—though as of this week they had no idea how.

Aware that no such solution has yet been unearthed and mindful of what appears to be Kennedy's determination to support Weaver and "open occupancy" in federally assisted housing, many seemed resigned. One Texas builder noted that if Kennedy wants to be tough, he can go a step further. Savings and loan associations handle the largest share of conventional mortgages, he said; if that should become an escape hatch, the President might move against discrimination through the Federal Home Loan Bank System, which provides S&Ls with credit.

Maser That Does Everything

Bell Telephone Laboratories' new tube generates a light beam that opens new communications channels, holds promise as a measurement standard and heat source.

Grinning with quiet satisfaction that betrayed a solid scientific royal flush hand, three of Bell Telephone Laboratories' scientists—all under 35—met with the press this week in a basement room of a midtown New York hotel. What they had to show was a glowing orange tube in a metal frame that stands a good chance of evolving into the most commercially significant scientific development to come out of the giant AT&T research and development arm since the transistor.

The optical-electronic device, called a continuously operating, gaseous optical maser—offers a thousandfold improvement over anything similar in electronics or optics that scientists so far have developed. Its promise lies in its remarkable ability in at least five jobs:

- In communications, it generates an infrared beam that will carry up to a million simultaneous telephone conversations, or hundreds of television channels.
- In space, it can send information—and possibly power—for millions of miles without serious loss of strength as the distance increases.
- For military use, it offers the possibility of aiming a communications channel so accurately that only the intended receiver can even detect it.
- For scientists and industry, it will supply a convenient source of controllable heat that can be focused to almost infinite fineness to produce temperatures in millions of degrees, with uses ranging from study of chemical and nuclear reactions to drilling precise holes in any known material.
- For accurate measurements—a basic requirement of both science and industry—the maser is the most precise standard ever available and one of the cheapest.

• **Deceivingly Simple**—Yet with all these talents, the device itself is not particularly complicated. And it should not be very expensive to make. As in the case of the transistor, the maser's simplicity belies the tremendous scientific effort that preceded its creation out of a quartz tube, two special mirrors, a component of a radio amateur's low-power transmitter, and two infinitesimal whiffs of neon and helium.

These simple parts do a single job. They generate high-intensity electromagnetic waves in or near the visible spectrum. But these light waves have a different quality than light produced

by other means. The maser's light is produced very precisely at a single wave length, and the waves are all lined up in the same direction. Ordinary light, even though it appears to the human eye as pure blue, or pure red, or pure white, is actually made of a batch of mixed frequencies and the waves go off in different directions. Such light is not particularly useful as a substitute for radio waves to carry signals because it consists essentially of noisy, random vibrations.

This is a pity, because the higher the frequency of a wave, the more signals it can carry—and light has much higher frequency than any radio wave. Electromagnetic radiation at the frequency of light or of infrared, ought to carry much more information than the highest practical radio frequencies.

• **Breakthrough**—Light has never been used before for communication because there was no way to generate it at a closely controlled frequency—not until the new device was developed. The device makes use of a basic principle of atomic physics; electrons in atomic orbits always move in jumps—called quantum jumps—from one energy

state to another. The jumps are always the same size in a particular atom.

In Bell lab's gaseous maser, by exciting the molecules of the neon-helium gas with a radio frequency, the quantum jumps give off photons of light of a specific frequency. As this light is bounced back and forth between the mirrors at the end of the tube, it is reinforced until it saturates the tube. The energy going into the tube then makes up for the leakage of a little bit of the light through the mirrors at the tube's ends. And the light that penetrates the mirrors is all of the same wave length and traveling in the same direction.

• **Practical Uses**—There is little doubt that the gaseous maser will be converted into practical devices in a hurry. A continuous source of coherent light has been the goal of dozens of defense and commercial research projects conducted over the last few years. The first demonstration of coherent light was given last summer, by Hughes Aircraft Co. (BW—Jul.16'60,p102). Hughes' device was a solid piece of ruby, triggered by a powerful flash of visible but noncoherent light. It operated only for a fraction of a second. Bell Laboratories and International Business Machines Corp. also demonstrated pulsed masers that could generate coherent light. IBM believes it has found a way to generate continuous light in a solid crystal, but it will have to be kept at temperatures near absolute zero, and therefore cannot handle large amounts of power.

Minuteman Makes the Grade

Successful test promises U. S., sooner than expected, a new, mobile defense weapon almost invulnerable to attack.

Precisely at 11 a.m. on Wednesday of this week, a sleek Minuteman intercontinental ballistic missile rose from its pad at Cape Canaveral and thundered away to impact on target some 4,000 miles away in the South Atlantic.

Civilian and military observers had witnessed two other important U. S. rocket firings this week. First came the successful firing of a chimpanzee in a Mercury capsule (page 60). And second was a Samos (Spy-in-the-Sky) satellite sent into polar orbit. But neither of these had the military and political significance of the remarkable Minuteman shot.

Air Force development teams admit they were gambling heavily on the first range firing of the three-stage, solid-fueled Minuteman. The primary objective of this—the maiden flight of the first truly "pushbutton" rocket—was to test the performance of the Thiokol-built first stage of the 58-ft. rocket. Not only did the first stage fire exactly as

programed, but stages two and three (made by Aerojet-General Corp. and Hercules Powder Co.) also performed perfectly. The Minuteman as it flew this week carried virtually all the components it will contain as a military weapon.

The result should cut more months off the Minuteman's test program schedule. By the spring of 1962, the Air Force should have, in place and at the ready, a weapon that will give the U. S. an important new string in its defense bow—a long-range second-strike, or retaliatory, weapon that serves as a deterrent and is itself all but invulnerable to surprise attack.

• **Technical Merits**—The merits of Minuteman, as compared to other U. S. intercontinental missiles, are many:

- From an engineering and structural standpoint, Minuteman is far simpler than Atlas and Titan.
- It's lighter (weighing one-quar-

Negro Soprano Aided in Climb To Met by White Southerners

NEW YORK, Jan. 26 (UPI)—The Metropolitan Opera opens its doors tomorrow to the daughter of a Negro carpenter who made her way to the musical summit with the aid of a devoted white Southern family.

Five other Negroes have preceded 30-year-old Leontyne Price at the Met, but none has been entrusted with such a heavy first season schedule — five major roles. The soprano will make her debut as Leonora in Verdi's "Il Trovatore" and later portray a gallery of heroines, Donna Anna in "Don Giovanni," Liu in "Turandot," Aida, and Madame Butterfly.

Next fall she will be accorded an honor never before attained by a member of her race. She will sing the title role in an opening night performance at the Met—Minnie in Puccini's "Girl of the Golden West," one of the most fascinating females in opera repertory.

Miss Price's parents, James and Kate Price of Laurel, Miss., will be in the audience at tomorrow's performance. So will Mr. and Mrs. Alexander Chisholm, members of a socially prominent Laurel family, and their daughters, Cynthia, Jean and Peggy.

Miss Price's aunt was a maid in the Chisholm's mansion, and the singer was a childhood playmate of the Chisholm daughters, who called her "sister." The Chisholms assumed financial responsibility for Miss Price's education when she came to the end of family funds in her junior year at Ohio's Central State College.

"The Chisholms always have been my other family," said Miss Price. "The love of Miss Elizabeth (Mrs. Chisholm) has been my proudest possession. She never wanted me to think I'd fail or win because I was colored. Way back she told me it would be wonderful if I succeeded, but even if I failed she always would love me."

From Central State Miss Price went to the Juilliard School of Music in New York where she was "discovered" by composer-critic Virgil Thomson in 1952.

In 1958 she got a bid from the Met but turned it down.

"I felt I wasn't ready," she explained. "Now I think I am. Of course I'm frightened, but I will go out there on the stage with a prayer on my lips, as always. I never doubt God's power in all this."

11-1-60

Survey Reports Race Governs Housing of One American in Six

NEW YORK, Oct. 31 (AP)—One of every six Americans is unable to live where he wants to live because of racial discrimination.

This was the finding today of a three-year study into housing and race in the United States.

Altogether, 27,000,000 Americans are restricted to some extent in choosing a place of residence because of their race or ethnic descent, the report says.

"Racial segregation in housing is sustained by widespread popular attitudes, the practices of the housing industry and policies of government," the report added. "Probably no aspect of racial discrimination in the United States is more institutionalized and resistant to change."

The report, entitled "Residence and Race," is the last of a series of studies prepared by the Commission on Race and Housing set up by the Fund for the Republic, with a \$305,000 grant for research.

The commission's director of research, Davis McEntire, professor of social welfare at the University of California, wrote the report, which is being issued in book form by the university.

It says Americans most severely affected by housing discrimination are 19,000,000 non-whites—chiefly Negroes, but also Japanese, Chinese and Filipinos. Less rigidly restricted are 2,500,000 Mexican-Americans, and a million Puerto Ricans. Occasional housing discrimination also is directed against Jews numbering 5,000,000.

"One of the basic liberties of citizens in a free society is the freedom to move and to choose a place of residence," the report says.

"To exclude persons from residence areas because of their race or ethnic attachment is to deprive them of an essential freedom enjoyed by others. This freedom is appropriately termed basic because it is essential to the enjoyment of many other rights and privileges.

"People who cannot freely choose where they will live are gravely hampered, not only in bettering their living conditions, also in their use of community facilities and institutions and in their participation in community life . . ."

10 Recommendations.

The report offers 10 recommendations for reducing housing discrimination, based on three years of research and consulta-

tion with 50 experts in economics, real estate, sociology, psychology and other fields.

The recommendations for action are:

1. Attack discriminatory conduct rather than attitudes. "It is far easier to change people's actions—by law or the pressure of public opinion—than it is to change their attitudes; their attitudes will change in due course anyway."

2. Change the social situation to influence both decisions and attitudes. "Argument, however convincing, is less effective than experience—economic and legal pressure is more effective than attempts at persuasion."

3. Influence builders, mortgage lenders, real-estate brokers, government agencies, thus concentrating on key points rather than spreading efforts thinly on the general public.

4. Seek legislation giving freedom of action to persons who oppose discrimination. "Many people do not really wish to discriminate but feel compelled to do so by the social pressures. . . ."

5. Mobilize all citizen groups concerned with discrimination to effect changes in law and conduct.

6. Organize with the understanding that most Americans have no firmly fixed convictions about race, and will respond to enlightened leadership. "Though many Americans express racial prejudice, this is often merely what they think is expected of them. . . ."

7. Promote association among members of majority and minority groups of comparable economic and social position.

8. Create community situations in which members of different racial groups can attack common problems.

9. Explain the supply of housing, especially at lower-levels, to reduce competition for housing among racial groups.

10. Do not confuse problems of racial segregation with problems of socio-economic segregation. "Mixing neighborhoods by race does not mean mixing them by social class, too."

Far-Reaching Effects.

"Elimination of racial restrictions on residence would have consequences reaching far beyond the immediate facts of housing," the report says. "Just as residential segregation serves to isolate the segregated groups from the activities of the general population, so integration in housing must stimulate participation in wider areas of community life."

The report notes polls showing a slight majority of whites in the North and West would be willing to live in the same general neighborhood with Negroes, and in the South, about a third of whites would be willing to do so.

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ESDAY, NOVEMBER 15, 1

BELGIUM WARNS OF QUITTING U.N. UNLESS ATTACKS OVER CONGO HALT

**Terms Dayal Report
'An Indictment'—De-
mands Officials of
World Group Exer-
cise Restraint.**

UNITED NATIONS, N.Y., Nov. 14 (UPI)—Belgium today threatened to withdraw from the United Nations unless U.N. officials cease attacks on the Belgian government.

Belgian Foreign Minister M. P. Wigny told a press conference "what they have done is not permitted in my country, even by the head of the opposition."

Wigny said the Belgian people and government were "greatly aroused" by the treatment given his country by U.N. officials. If they don't remember that Belgium is a sovereign country, "it's impossible to co-operate with the United Nations," he said.

Wigny declared that U.N. officials are servants of the world organization's member governments, not their masters.

"We cannot admit it," he said of recent anti-Belgian reports and statements emanating from the U.N.

Rules of Restraint.

"The Belgian government could not see its way to remain in the United Nations if in the future (U.N.) functionaries do not observe the rules of restraint which everywhere are imposed on public officials," Wigny said.

The Belgian Foreign Minister was particularly bitter over a report filed Nov. 2 by Rajeshwar Dayal of India, commander of the U.N. operation in The Congo.

"It is not a report; it is an indictment," he said.

He added that it is "quite dangerous for our organization" for United Nations officials to criticize the activities and intentions of member states.

"Today it is their (Belgian government's) case," he said. "Tomorrow it may be yours."

Wigny, in reply to questions, declared that Secretary General Dag Hammarskjold has "mis-
led" the mandate given to him
and security in

entering public school in New
t-ordered integration program.
deputy United States marshals
bly, her father.

WINDOW WASHER DIES IN 11-STORY FALL DOWNTOWN

**Witness Says Man Was
Walking Ledge in
Rear of Building on
Locust St.**

Leonard Washington, a window washer for the Aetna Window Washing Co., was fatally injured Monday when he fell from an eleventh-floor ledge in the rear of the Locust building, 1015 Locust street, into St. Charles street.

A witness to the accident, C. Thomas, told police he was walking on the eleventh floor of the 12-story building, when he saw Washington, who was working his safety along the

VENBER 15, 1960

SUPREME COURT BACKS NEGROES' BOUNDARY CASE

Shifting City Limits to
Exclude Them From
Tuskegee Is Held
Federal Issue.

WASHINGTON, Nov. 14 (AP) —The Supreme Court ruled unanimously today that federal courts can consider complaints by Negroes against Tuskegee (Ala.) boundary changes which put almost all Negro voters outside the city limits.

Justice Felix Frankfurter wrote the high court's decision which overturned lower court rulings that the matter was not within federal jurisdiction.

The Supreme Court directed that the United States district court in Montgomery, Ala., take evidence and determine whether the Alabama Legislature violated United States constitutional guarantees when it chopped up Tuskegee's city lines.

Frankfurter said the Tuskegee case was not one involving political gerrymandering, which is the cutting up of a political division to the advantage of one party or group.

The Tuskegee case, said Frankfurter, was in "the conventional sphere of constitutional litigation."

Frankfurter went on:

"When a state exercises power wholly within the domain of state interest, it is insulated from federal judicial review. But such insulation is not carried over when state power is used as an instrument for circumventing a federally protected right."

Frankfurter's opinion asserted at another point that when a legislature "singles out a readily isolated segment of a racial minority for special discriminatory treatment" it violates the Fifteenth Amendment.

That amendment, adopted after the Civil War, provides that neither the United States nor the states shall deny anyone the right to vote because of race, color or creed.

Tuskegee once had a population of 5397 Negroes and 1310 white residents. It had 1000 qualified voters, including 400 Negroes.

In 1957 the Alabama legislature reduced the area of Tuskegee and fixed its new boundaries in an irregular shape with 28 sides.

The change excluded from the city all Negro neighborhoods, including the Tuskegee Institute for Negroes. All but four or five qualified Negro voters were re-

moved. No white residents voters were removed.

Action on Other Cases.

In other actions, the Supreme Court:

Upheld 5 to 4 the contempt conviction of Arthur McPhaul of Detroit for refusing in 1952 to produce records of the Civil Rights Congress on demand of the House Committee on Un-American Activities.

Dismissed an appeal by Dr. Willard Uphaus who is serving a one-year jail term in New Hampshire for refusing to name the guests at his World Fellowship summer camp in Conway, N.H. The names had been demanded in a state investigation of subversive activities. Uphaus was held in contempt.

Let stand a lower court decision that the Federal Communications Commission had authority to deny a license to Morton Borrow, a Philadelphia radio operator, who refused to say whether he is a Communist party member. In declining to answer the question, Borrow had contended the FCC had no authority to ask it.

Finns' Chief To Visit Russia

HELSINKI, Nov. 14 (AP)

Finnish President U.

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to the Soviet

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now

VANDERBILT VOTES TO STAY IN LIBERAL COLLEGE GROUP

NASHVILLE, Tenn., Nov. 3 (AP) — Vanderbilt University's student senate has voted to remain a member of the National Student Association "in order to express the minority opinion of the Southern conservative."

That was the reasoning of stu-

dent leaders who last night urged the action despite a 2-to-1 undergraduate vote last spring recommending withdrawal.

The association, which represents about 400 university student governments, has been criticized by student elements at Vanderbilt for its liberal tendencies—particularly its stand for an end to racial segregation in colleges and its support of sit-in demonstrations.

Winterized at Sears

ters

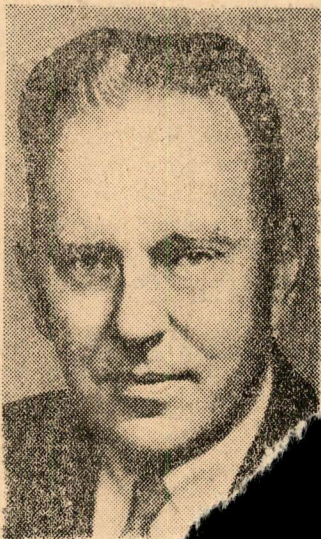
SINGLE AGENCY URGED TO PLAN SECOND AIRPORT

The authority to arrange for and construct a second major airport in the St. Louis area must be vested in a single governmental agency, Milton Kinsey, chairman of the air board of the Metropolitan St. Louis Chamber of Commerce, said Wednesday.

Kinsey said a committee will be appointed to seek agreement on a single authority, and later to seek firm financial support for the airport project.

He spoke at a meeting of government and civic officials in St. Louis, St. Louis county and the East Side who

Elected



HAROLD

Builders Complain, But Miss Some Markets

By EDWARD COWAN

WASHINGTON, D. C. (UPI)—More and more, home builders are complaining that business isn't what it should be.

"The demand just isn't there," says William Levitt. In his new project at Belair, Md., Levitt will start construction only on as many houses as he has orders.

The head of a federal financial agency offers this advance to builders: "Pay a little more attention to what the consumer wants—sell a little harder." This high official and several others think price cutting by builders, automobile makers and other industrial leaders would trigger a wave of consumer buying and put new snap into the economy, which is now stalled but at a high level.

Missing Market.

From two housing sources comes essentially the same piece of advice for builders: Start building for the people you've been neglecting.

Martin L. Bartling Jr., president of the National Association of Home Builders, told a group of builders "we're missing a great big hunk of the market" by not paying enough attention to prospective buyers in the low and middle income brackets. According to Bartling, a Knoxville, Tenn., builder, 36 per cent of the population has incomes of under \$4000 a year but less than

6 per cent of the builders sell houses for less than \$14,000.

A suggestion that builders can boost sales by selling to minority groups, especially Negroes, is made by Manufactured Homes magazine in its current issue.

The magazine surveyed minority housing in nine cities: New Orleans, Chicago, San Francisco, Pittsburgh, Columbus (O.), Atlanta, Indianapolis, Cleveland and Detroit. It's conclusion: "There is a big, untapped market for minority homes in a wide price range."

Despite rising incomes, the magazine found, non-white families "have had few opportunities to buy homes, as the vast majority of builders have shunned this market during the postwar housing boom years for various reasons."

Still a Demand.

It said: "This market, consequently, still offers a pent up demand for homes, in sharp contrast to the sagging demands found today in the regular market in most places."

Building for sales to minority groups is less risky than it once was, and getting financing is much easier, according to the report. "The biggest problem which most minority home builders face today is that of finding suitable land," the magazine commented.

Although it did not say so

specifically, the magazine was discussing housing projects which are intended only for Negroes and not for mixed Negro and white occupancy.

William E. Witt, of Virginia Beach, Va., who builds subdivisions for Negroes, told a group of builders here they are overlooking this market. He reported his is selling in advance of construction.

Financing for minority housing is available, said Robert Tharpe of the Mortgage Bankers Association of Atlanta, because few investors care about race.

Where to Go?

Manufactured homes' interviews with builders found that finding land is their biggest problem in building for minority groups. Commented a Chicago builder: "If I could find the land and no opposition from people living nearby I'd drop what I'm doing now and go into minority housing. We have nearly a million Negroes here; they need homes badly."

"But where do I go outside the city for a project of this kind? No law will stop me, but I'm a small businessman. Good will in the areas where I sell is a necessity."

Charles Brooks of John W. Galbreath & Co., Columbus, seized up the site problem this way: "You have to find a suitable location. Not so much because of objections to the project, it's just that you can't build and sell a house at a low price if you have to pay \$5,000 an acre for land."

Columbia

Missourian

AP and UPI Wire Services
Friday, February 3, 1961

5 Are Acquitted In Sit-In Group

Five members of the Congress of Racial Equality (CORE) were acquitted of criminal trespass today by Municipal Judge Carl C. Wheaton.

The decision was based on the fact that no damage was done to Clark's Luncheonette, 817 East Broadway, where the CORE members were arrested Dec. 10. They had been conducting sit-in

demonstrations and refused to leave until served.

Judge Wheaton said no constitutional issue on the right of a restaurant to refuse service to Negroes was involved, consequently the case could be judged purely on criminal grounds, he said.

HE SAID that for a constitutional decision to be made, there must be state action in violation of personal rights. No state action was involved in the arrest of the CORE members, he added, and state action would not take place until a court had passed down a judgment on the criminal issue.

City Attorney George Nickolaus has 10 days to file an appeal. Nickolaus said that no decision had been reached on the matter.

Acquitted were John D. Schopp, 33, assistant professor of astronomy at the University, Edward Tomich, 42, instructor of sociology, and three students, Julia Ann Skinner, 19, and Miss Carolyn B. Gnojewski, 20, both of St. Louis and Malvin Leer West, 22, Kirkwood. Miss Skinner and West are Negroes.

CRIMINAL TRESPASS, according to Missouri law, means an entry on real property in the possession of another without lawful authority or justification and doing some damage to the property, Wheaton said.

The "not guilty" decision for the five CORE members will pave the way for future sit-ins and negotiations. Paul Green, chairman of CORE's action committee said today. Under the precedent set by the decision, the peaceful demonstrations CORE carries on are not criminal acts, as long as no damage is done to private property.

John D. Schopp, CORE treasurer, said that desegregation negotiations are being continued with Fred Clark, owner of Clark's Luncheonette, 817 East Broadway. Negotiations are underway also for integration of several other Columbia restaurants, Schopp said, but he declined to name the restaurants.

In written opinion, Judge Wheaton stated the reasons behind his decision:

"There is no question that the

defendants entered the complainant's place of business without his consent. They had been told by him that he did not want Negroes or groups of Negroes and whites to come into his restaurant, and that he would not serve them there.

"Hence, the only question involved in determining whether there was a criminal trespass is whether or not the defendants caused any damage to the complainant's person or property.

"THE COMPLAINANT testified that the defendants did no damage to his restaurant. Further, there was no evidence of

(Continued on Page 13)

the White Noose of the Suburbs

by MARGARET H. BACON



IN COMMON with most major American cities, Philadelphia has experienced a tremendous outward expansion since the close of World War II. Stretching out into the five counties surrounding this historic City of Brotherly Love are ring after ring of suburbs, composed mainly of new housing developments, virtually all of which are closed to Negro families.

Within the city itself the immigration of Southern Negroes—another national postwar trend—has brought the Negro population up to twenty-four per cent of Philadelphia's 2,208,000 residents. As more and more white families move out to the all-white suburbs, the proportion of Negro to white in the city grows daily greater. And because much of the new Negro population is in the unskilled class, the result is an increase of density of population in the slums, a drop in tax revenue, and a sharp rise in racial tension, all of which menace Philadelphia's ambitious urban renewal program. Mayor Richardson Dilworth has described his City of Brotherly Love as a city slowly being strangled by a "white noose."

The future health of Philadelphia and its dependent suburbs demands that the strands of this noose be frayed. The solution, many people feel, is to help those middle class Negroes who share the station-wagon, ranch-house aspirations of their white peers to find houses throughout the suburban areas. The present situation, in which Negro lawyers, doctors, teachers, and businessmen can live only in Germantown or in Yeadon, a Delaware county suburb, will lead only to the creation of more ghettos.

The Philadelphia suburbs are not alone in facing this challenge. Sparked in part by the National Council of Churches, volunteer groups are active in New England, in the Midwest, and all along the West Coast, trying to find houses for middle class Negroes in traditionally white areas. In the Philadelphia suburbs volunteer efforts led, more than three years ago, to the creation of a unique business enterprise, Friends Suburban Housing, Inc., a conventional real estate firm with the unconventional aim of making sales to anyone with the taste and the pocket-book for suburban living.

The inspiration for Friends Suburban Housing seemed to come from several directions at once. In the fall of 1955 a Swarthmore group under the chairmanship of Mike Yarrow of the American Friends Service Committee began meeting to discuss how best they might desegregate their all-white neighborhoods. At about the same time Margaret Collins, a Bryn Mawr decorator, began to talk with her Main Line friends about the same problem. Meanwhile the recent establishment of Concord Park, Philadelphia's first integrated suburban housing development, had sharpened the interest of some parents in raising their children in integrated neighborhoods.

During the winter of 1955 all these rivulets of interest began to run together into a series of informal meetings which came to fruition in June, 1956, in the formal organization of Friends Suburban Housing.

MARGARET H. BACON is a free lance writer whose articles have appeared in a number of American publications.

FSH differs from other real estate brokers in that it accepts only listings which are open to all. (It once turned down a house because the owners wanted to sell to Negroes only.) In all white neighborhoods it gives preference to Negroes, while in fringe areas, or blocks in transition, it looks for white buyers in order to stabilize the situation. Although it shows houses openly to either white or Negro buyers, it does not poll the neighborhood for its reaction. After a minority family has moved in, FSH follows up with efforts to promote the successful integration of the family into the community.

While all this sounds simple enough, in practice few of the firm's more than thirty sales have moved along without difficulty. Suitable listings have been hard to find; buyers have sometimes proved excessively particular; mortgage money has been scarce; community reaction—stirred often by some prejudiced individual—has several times flared to the danger point. In one Delaware county community an industrial designer, a Negro who had bought a modest home for his bride, was pressured into immediate resale by threats of mob violence, while in a similar area a skilled Negro worker found his home a mass of smoking ashes the day before he was to move in. The industrial designer withdrew in the face of hostile reaction, but the skilled worker stubbornly stood his ground. He applied for a permit to rebuild, took the case to court when the borough refused him a permit, and after a long series of delays and disappointments rebuilt a better house on the ruins of the old.



This contrast in reactions to hostility points to one of FSH's most interesting findings. The middle class Negro, having fought so hard to win status and respectability, seems unwilling to risk the indignities which might result from moving into a hostile neighborhood. As badly as they want suburban homes for their children, Negro doctors, teachers, and engineers will often withdraw from a contemplated sale if there are signs of adverse community reaction.

The sensitivity to community reaction that makes the middle class

Negro timid causes the middle class white to fear the hostility of his neighbors if he lists his house for sale with the non-discriminatory service. Many persons basically sympathetic with the FSH program have hesitated to use the agency themselves for fear of community or job reprisals. Others who have listed their houses for rent or for sale have withdrawn the listings when the neighbors objected.

It takes courage, the FSH experience has revealed, for a white person to sell his suburban house to a Negro. The fear of reprisal is not entirely imaginary. One man prominent in the organization was called into the office of the large industrial firm for which he worked and told he had no further chance of promotion with the company because of his interracial activities. A college professor moving to a distant city learned that the neighbors had written to his new dean complaining about his listing his house for open occupancy.



Neighborhood hostility is far more liable to be crystallized on the seller than on the buyer. Of the twenty-eight houses sold to Negroes by FSH, in twenty-three cases there was no discernible community reaction, while in the remaining five most of the opposition was expressed before the new family moved in. It has proved true, too, that once a Negro is living in a neighborhood, traditional American patterns of friendliness and fair play are shortly at work to counteract the original fear and suspicion. Nor is there a drop in real estate values, unless a wave of panic selling gets started.

THE CRUEL DECEPTION OF CIVILIAN DEFENSE

by ROBERT MEYNER

single copy	10 cents
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Madison, Wisconsin

This much-debated point is rarely accepted by realtors, who genuinely feel that they must keep minority groups out of suburban areas in order to protect property values. It is this conviction that has kept Philadelphia area realtors from welcoming FSH with open arms. The new service has been ignored generally, although a few firms have fought FSH over particular listings, even stooping occasionally to the practice of soliciting the neighborhood for a cash subsidy to help a white family outbid a Negro buyer.

But if realtors have been cool, prospective buyers have not. In the course of three years more than 300 qualified Negro families have applied for houses in the suburbs in the \$10,000 to \$30,000 bracket.

Under the pressure of a constant backlog of eager applicants, FSH has had to go far afield in its search for suitable houses to sell, picking them up wherever it may in the suburban area. As a result, the organization has turned increasingly to community-wide agencies to help with the job of community education that must parallel the real estate work. The Friends Race Relations Committee of the Philadelphia Yearly Meeting employs a full-time community relations secretary who will work closely with FSH in a community in which a sale is being made.

The validity of teaming up community education with the sale of a house to a Negro in an all-white area is amply demonstrated by experience in Levittown, Bucks County. When the first Negro family bought a house entirely on its own in this huge all-white community, mob violence resulted on such a scale that the story was nationally headlined for days. But when two other Negro families subsequently bought houses through FSH, and the way was carefully prepared in cooperation with interested groups in the area, moving day in each case was entirely without incident.

It is rarely at the completion of a sale, but rather in its initial stages, that FSH runs into trouble. A woman decides to list her house with the agency, but withdraws the next day because the neighbors have complained. After months of searching, a Negro couple sees their dream house, only to find out that it is not for sale to them. Always the story is

the same. "It's not that I'm prejudiced myself, but my neighbors would never stand for it."

"It's time that we all quit hiding behind one another's assumed prejudices," a church official recently said in calling on church members to sign "open occupancy covenants." One of the most encouraging findings of FSH, its friends believe, is that once he stops worrying about what the neighbors will think, or what will happen to property values, the average suburban home owner is able to forget his stereotypes and see his new neighbor as a human being with the same wants, interests, and tastes as himself.

This form of basic neighborhood education is the essence of the FSH program, the very reason for its existence. Even in those cases which do not proceed smoothly, and no sale is made, homeowners and their neighbors have been confronted, perhaps for the first time in their lives, with the fact that there are families of the same economic status as themselves who want green grass and fresh air for their children just as much as anyone else, but who are denied these things because of the color of their skin.



FSH plans to continue its operations as long as it is the only real estate firm in the area to practice non-discrimination. The day that other realtors adopt this practice is perhaps still distant, but possibly a little closer since FSH has been on the scene. "You're here," the head of a realty board recently said to some FSH board members, "so I guess we had better learn how to cooperate with you rather than fight you."

Into the small FSH office come many letters from other groups interested in housing desegregation, asking detailed questions about methods of organization and operation. Whether any of these groups plans to pattern itself eventually after FSH, incorporating as a real estate firm, nobody knows. But it is clear at least that Philadelphia's interracial housing experiment is not alone, and that all across the land is a stirring which must result someday in breaking everywhere the "white noose" of the suburbs.

THE STUDENTS ARE BACK . . .

. . . The new school year has started. The sit-in campaign will assume new vigor in many southern communities whose lunch counters still segregate. While lunch counters in almost 100 southern cities have opened to all since the sit-ins started, the job needs completing. So,

1. If you are in a locality where lunch counters still refuse to serve Negroes, participate in your local sit-ins, boycotts, etc.

2. If you are in a locality where policy has changed, help make integration successful by patronizing the lunch counters and by commending the local managers.

3. If you are outside the south, participate in a picket line or leaflet distribution, and continue the boycott of the national variety chains. CORE, NAACP and other groups continue to picket variety stores in major cities.

NEW ORLEANS' FIRST SIT-IN

by Ruth Despenza

At 10:35 on September 9, seven of us—five Negroes and two whites of a newly-formed CORE group—entered the Woolworth store at the corner of Canal and Rampart Street for New Orleans' first lunch counter sit-in.

We took adjacent seats and ordered soft drinks. We were told that Negroes are not served. So we settled down for a long wait. We told reporters who were present that we would stay until we were served.

Two hours went by before the manager ordered the lunch counter roped-off. Waitresses removed the packaged food items and started selling them at other counters. We were alone at the counter except for District Attorney Richard Dowling, Police Chief Joseph Giarrusso and other city officials.

At about 3 p.m., the district attorney came over and told us: "You are occupying seats in a closed section illegally and without authority when everyone else has left that section. Now you have a chance to either leave or be arrested. You must make up your mind in five minutes."

When that brief period elapsed, the police chief approached us, asked

Don't miss reading the special inner-fold on The Interracial Action Institute.

CORE-LATOR

Published by the CONGRESS OF RACIAL EQUALITY, 38 Park Row, New York 38
A National Organization with affiliated local groups working to abolish racial discrimination by direct nonviolent methods

James R. Robinson, *executive secretary*

Jim Peck, *editor*



SEPTEMBER, 1960

No. 84

Ministers' Sit-In Helps Win



Forty-four Negro and white ministers participated in this sit-in at Woolworth's in Lexington, Ky. A few days thereafter, lunch counters at four local variety stores and a chain drugstore opened to all, ending a 17-month-long campaign by Lexington CORE.

whether we had understood the district attorney and repeated what he had said. As we started to sound-out each other's opinion of the situation, he became impatient and stated: "I'm not interested in your poll: you are under arrest." Our sit-in had lasted almost five hours.

We were escorted into a patrol wagon and taken to the first district station house. After being booked for "criminal mischief" under one of the new Louisiana laws aimed at preventing sit-ins, we were taken to police headquarters to be fingerprinted and photographed. Then we were taken back to the station house where we were locked up until our release on \$250 bail each.

McCain Arrested

Jim McCain, CORE field secretary and five other persons were arrested Sept. 16 for picketing a New Orleans shopping center in protest over the stores' discriminatory employment policies. The arrests were in line with a ban on picketing imposed by the mayor after a picket demonstration at Woolworth's following the arrest of 7 CORE sit-inners.

A second sit-in, by a CORE interracial group of four on Sept. 17 ended like the first—with arrests.

THE INTERRACIAL

An Intensive Three Weeks

by Gordon R. Carey

Take an interracial group of 40, house them at a non-discriminatory hotel in a far-south city and train them in the practice as well as the principle of nonviolence—this was our task as staff members of CORE's 1960 Interracial Action Institute in Miami. It was a challenging and educational—though very fatiguing—experience over a 3-week period. Many of the participants were not novices: they had been leaders of sit-ins in their own communities. A couple of participants were as young as 17. One of the liveliest of the group was 75. Most were college students.

Miami is a city of changing racial practices where there is no lack of potential action projects. We undertook a number of them in addition to conducting theoretical sessions (Martin Luther King participated in the August 31 and September 1 sessions). We also had the experience of organizing a very successful mass meeting which was attended by a capacity audience of 1200 and was addressed by Jackie Robinson.

Restaurants

Our first project was testing restaurants. Two weeks before the Institute started, the variety store lunch counters and some drugstore counters had abandoned discrimination largely as a result of a sit-in campaign which Miami CORE initiated in April 1959 and in which last year's Institute participated. We tested 40 eating places. We were served in 23. Some of the restaurants were re-tested. In other instances we followed through with negotiations.

Some of these negotiations proved fruitful even before the Institute ended. One eating place which changed policy is located in Frederich's Supermarket only a few blocks from Shell's City Supermarket, which had become the focal point of activity. In fact CORE members took to eating lunch at Frederich's in between picketing shifts at Shell's.

Beaches

In terms of putting integration into practice, our beach project was of particular interest. CORE interracial beach parties were held at two white beaches—the 10th Street public beach in Miami Beach and Crandon Park, a Dade County beach—and at Virginia Beach, entrance of which carries a large "For Colored Only" sign. At the

10th Street beach the comments we heard were predominantly favorable whereas at Crandon Park the opposite was true. However, at neither place was there even the threat of an incident.

When our interracial party went swimming at Virginia Beach we were met with a few surprised glances and expressions of curiosity. Negroes were not accustomed to having whites swimming at "their" beach. However, these feelings of awkwardness dissipated rapidly as soon as our group began swimming and playing in the water. We began "chicken fighting"—riding on one another's shoulders while trying to dump into the surf another similar team. Others started watching and enjoying the sport. Color consciousness was washed away with the waves. After swimming, we went to the Park's open-air dance floor where our presence seemed not only welcome but an incentive to more dancing.

Tests of Miami movies determined that they are still discriminatory in contrast to those in adjacent Miami Beach where our teams were admitted to five of the seven theaters tested. Negroes who sought admittance to the Miami movies were told in most cases: "We have no facilities for you."

On employment we made a number of counts of Negro customers for presentation to managements as an argument for employment of Negroes. We also conducted negotiations with several supermarkets. The results of this preliminary work were turned over to Miami CORE which is considering employment as its next major project.

Voter Registration

Our voter registration project, directed by Jim McCain, CORE field secretary who has worked so extensively on this issue in South Carolina, demonstrated how a dramatic action project such as that at Shell's can spur Negroes to register. As soon as we said we were from CORE, the group involved in the Shell's project, we were warmly welcomed. Of those contacted who agreed that they would register the following day, 60% actually did so. The Institute facilitated the procedure by running a car pool to transport such persons to the registration offices.

The most exciting action project of the Institute was that at Shell's where 18 sit-inners were arrested, but that story is told on the opposite page. The other projects, though less dramatic, were equally significant for participants seeking a well-rounded training in the different areas for nonviolent action.



Institute members came from all parts of the country. They are at home again now and active in their local groups. The training given at the Institute is an important part of CORE's program. The Institute is held annually. If you would like information on how to apply for next year's session write now to CORE. Participants this year came from Louisiana, New York, Virginia, Tennessee, South Carolina, Texas, Pennsylvania, Florida, Illinois, Maryland, Michigan, Missouri, Connecticut, California and Massachusetts.

ACTION INSTITUTE

Jail — Not Bail

by James R. Robinson

(In photo below, he is behind the bars.)

At the Interracial Action Institute, we discussed jail versus bail and concluded that in cases of unjust arrest arising from nonviolent protest action, remaining in jail is effective in mobilizing community support. It also forms a direct protest of itself against segregationist laws. At the same time, each individual should be left free to determine the extent of sacrifice he wishes to make.

In line with this feeling, when arrests occurred during the Institute, 11 accepted bail, while 7 chose to remain in jail until the trial.

The Arrests

The prospect of arrest in Miami had seemed unlikely to us at the Institute. We were mistaken. On Wednesday afternoon, August 17, 18 of us were quietly awaiting service at the coffee shop of Shell's City Supermarket, which refuses to serve Negroes, although many of the supermarket's customers are Negro. When first approached, the manager had retorted: "Can't you see the waitresses are busy?" A half hour later, the police arrived. We were asked our names and addresses and then were escorted out of the restaurant. Not until then were we told we were under arrest. Eight of us were placed in squad cars. The remaining 10 were packed into a small paddy wagon where the temperature must have been as high as 110. Our spirits were high also, however. We sang "We Shall Not Be Moved."

We were taken to Dade County jail, which is located atop a skyscraper in the heart of Miami. In accordance with "local custom" we were isolated into four separate groups: white men, Negro men, white women (there was one in our group) and Negro women. Since there was no means of communication between the four segregated groups, decision-making on bail and other questions of strategy was not easy. Once individual decisions were reached regarding bail, we were only two groups: white men (Tom Roland and myself) and Negro men (Leon Bailey, Tom Gaither, Bernard Lafayette, Joe Perkins and Marvin Robinson). We were locked up 10 days, for our trial was not until August 26.

The Jail

As soon as Tom Roland and I were locked in our whites-only cell block, we were asked by the other prisoners what we were in for. Our answer did not win us popularity. Most of the other prisoners were definitely segregationists. For the first three days we were expecting an assault. It was therefore not too much of a surprise when on the third evening, Roland was beaten. By next morning, however, one of the attackers apologized and from that time on, all was peaceful.

Gradually, we were accepted by many of the prisoners —though not by all. During the long days, they engaged us in a number of discussions of our viewpoint. By the end of 10 days in jail, we were participating with them in the rough-housing, card-playing, cigaret-sharing and TV-watching which constituted the only means of passing the time. There were no books, magazines or newspapers. There were no visits for us, since only relatives are allowed.

Our cell block was filthy. We slept on sheetless mat-

tresses which were dirty and worn-out. Prisoners arrested for drunkenness were hauled into the cell block throughout the night and slept on the floor. Add to the filth, the heat and humidity of Miami in August and one can get an idea of the perpetual stench in the cell block. The food, however, was adequate and quite good.

The Publicity

I was frequently called out for interviews on TV. Since the guard indicated which station, the prisoners were able to switch to it. On one such telecast, I expressed our objection to being segregated from our five Negro fellow-sit-inners and maintained we would be safer in the Negro cell block than in the white section. The atmosphere in the white cell block when the program was shown, made me welcome the approaching hour of the nightly lock-up.

TV as well as newspaper publicity remained considerable throughout the 10 days we were in jail. This publicity prompted strong support for CORE's call for a boycott of Shell's by Negroes, who constituted over a quarter of the supermarket's customers. Patronage declined until there was only the slightest trickle of Negro customers.

On August 26, we were finally tried. In the ante-room in which we were held, there was no segregation. Some of the whites from our cell block conversed freely with the Negroes who had been arrested with us and the atmosphere was friendly. We were brought before Judge George Schulz who imposed suspended sentences on all 18 of us.

The following day we were all picketing Shell's. Six days later Frederick's, a nearby competing supermarket, opened its lunch counter to all. Following conclusions of our Action Institute, the campaign at Shell's was taken over by the local CORE group in Miami.



Checkup on Harvard's Housing List Bares Bias

by Jean Mann

About a year ago, following pressure from within the Harvard University community, Phillips Brooks House started requiring all rooming house and apartment landlords on its college housing list to sign pledges that they would not discriminate. Since then local groups helping Negroes to find living quarters in the area have been recommending the PBH list. But a number of discrimination complaints have resulted. In such instances the landlord is supposedly removed from the list. However, what happens is that PBH frequently awaits substantiation of a single complaint before acting.

Recently Boston CORE recommended that the PBH list, which is handed to room and apartment seekers, include mention of the non-discrimination pledge, and urge that any violations be reported. This suggestion was adopted by PBH.

During the last year CORE followed through with tests in instances of complaints involving landlords on the PBH list. Because of the increasing number of complaints, CORE decided prior to the start of the present school year to test the entire PBH list by phone.

One Harvard student, singlehanded, completed 88 phone calls to landlords listed as having rooms for single male students. Of the 88, 68 confirmed that they had or expected to have vacancies. Of the 68, 23 had a definitely discriminatory policy in the tester's opinion and 18 had a questionable attitude.

The procedure was for the tester to call "for a friend," make an appointment and then say: "This student is a Negro: will that make any difference to you?" Of course, it is difficult to know whether a landlord's reaction on the phone would be the same as when confronted with a Negro applicant in person. However, to test each landlord on the PBH list in person would require an unrealizable amount of manpower and the telephone method therefore proves most helpful.

Rooms and apartments on the PBH list for female students are also being tested. All violations are being reported to PBH with a view toward having all discriminatory landlords removed from the lists.

In addition to checking landlords on the PBH list, CORE is trying to get other colleges and universities in the Boston area to emphasize non-discrimination in their housing lists. A special CORE committee is also trying to get personnel and housing officials of local industries and hospital administrators to issue non-discriminatory housing lists.

IN BRIEF

Louisville CORE recently extended its picketing to Stewart's drygoods store. Several times during the summer the group picketed Kaufman's department store and Taylor's drugstore. Aim of the picketing campaign is to open eating facilities to all.

* * *

POETIC JUSTICE

A New York real estate agent who refused to rent to a Negro, has accidentally acquired this same Negro as a co-tenant in the apartment building where he resides. Many people would be skeptical that such poetic justice could occur by pure coincidence in a big city like New York—but it did.

The real estate agent is Howard H. Silver. The Negro is David Patterson, assistant manager of a sporting goods firm. After being refused an apartment in the building for which Silver is agent, he succeeded in finding one in another building. Little did he realize that one of his co-tenants in that building would be Silver.

Where CORE comes into the story is that the New York group went into action to protest discrimination in the building for which Silver is agent. Gladys Harrington of New York CORE, accompanied by Patterson along with two white CORE members who had been offered the apartment after Patterson had been refused, confronted Silver. All four thereupon engaged in an afternoon-long sit-in at Silver's office.

CAROLINA COPS HARRASS VOTER REGISTRATION TEAM

During the last week in August, six members of CORE working on voter registration in South Carolina were twice arrested and once halted by highway police. The team, headed by Frank Robinson, chairman of Sumter CORE, was interracial, including a visiting white couple.

The first arrest occurred on the morning of August 24 in Florence, as the team started its house-to-house canvassing. The six were held several hours for questioning and were released without any charge against them. The two whites were questioned separately and asked why they were "inciting trouble." Police followed the team closely as they resumed their canvassing in the afternoon. The second arrest, with a similar outcome, occurred two days later in Sumter.

On that same day, Robinson was halted by highway police and threatened with revocation of his driving license. "They've stopped me pretty often," he explained. "I've got six points against my license for violations I never committed, for speeding, loose brakes and things like that. All they need is six more points and I won't be able to do any driving. Anyway, they gave me back the license and didn't charge me this time."

Arrested After Wade-in

A week later, highway police halted two cars in which rode the same white couple and a group of Negroes who had sought to go swimming at Myrtle Beach State Park. Despite their denials, the two drivers were charged with "speeding in inclement weather" and were fined \$100 each. The arrests occurred shortly after the cars had circled the Park and tried to enter.

Immediately after the group sought admittance, the Park was closed "temporarily" by the State Forestry Commission. It was not known when the Park would reopen.

Twenty members of Baltimore CORE picketed Gwynn Oak Amusement Park September 4 in the sixth annual protest over the Park's "All Nations Day" in which Negroes are refused admittance.

* * *

IF YOU DID NOT GET YOUR ANNOUNCEMENT OF CORE HOLIDAY CARDS, GIVING FULL DESCRIPTIONS AND PRICES OF THE VARIOUS CARDS, WRITE FOR ONE FROM THE CORE OFFICE.

Chicago CORE recently picketed the Board of Education urging an end to double shifts in Chicago schools. A survey by the group shows that the double shifts could be abolished "by a sensible utilization of classroom space now available." Most of the double shift schools are in neighborhoods with Negro and Spanish-speaking residents.

10-22-60

RIGHTS VIOLATIONS HERE ARE ALLEGED

Complaints that racially segregated real estate listings, discriminatory financing policies, "containment" of Negroes in certain areas and "scare" tactics of real estate dealers violate civil and human rights were made Thursday to the Missouri Advisory Committee of the United States Commission on Civil Rights.

Mrs. Chester E. Stovall, 932 Catalpa street, presented written complaints of the West End Community Conference in which the organization stated it "believes the spirit of the Supreme Court decision of 1948 is being violated."

The complaints were among several heard by the advisory committee at a public meeting at the St. Louis University School of Law, 3642 Lindell boulevard.

"We further believe that civil and human rights are impinged through misrepresentation of residential use by real estate dealers who ignore zoning ordinances governing occupancy of property," the conference's statement said. "Such misrepresentation is costly to the city, jeopardizes financial security of the buyer and may introduce racial antagonism."

Mrs. Stovall, a member of the conference's executive committee, said that FHA loans are available to Negroes only in Negro or transitional areas. Such loans, she charged, can be obtained only by white persons in all-white areas and are difficult for them to get in integrated areas.

Among recommendations made by the conference was one to study unethical real estate practices. This would include what the organization called "plants" or the "introduction of undesirables to panic a neighborhood and speculate on adjacent property, and eviction of whites to exploit non-whites in rental properties."

A complaint also was received from the Rev. R. Lewis Blackman, president of the Kirkwood Home Owners Protective Association, that boundaries of the Monroe and Fillmore urban re-

newal projects were being drawn to segregate Negroes into one area. The charge was made in a letter from the Rev. Mr. Blackman, who also is pastor of Olive Chapel A.M.E. Church.

Two other complaints were not accepted by the committee because they were not based on discrimination because of race, creed, color or national origin, J. Norman McDonough, dean of

the St. Louis Law School and chairman of the state advisory committee, said.

Those accepted were referred to committees for further study, and findings will be submitted to the Commission on Civil Rights in Washington. Attending the meeting yesterday was Robert Falise of Washington, deputy assistant staff director of the federal commission.

September 20, 1960

The Columbia Chapter of CORE (Congress of Racial Equality) would like to submit to the membership of NAACP this revised list of eating establishments. According to the present information of CORE, these places have policies of no discrimination toward patrons with regard to race, creed, color or national origin. There may exist additional establishments not listed which are also open to all, but about which CORE has no information.

CORE suggests that these establishments be patronized whenever it is convenient. One of the most effective ways to secure a privilege, once granted, is to practice it. CORE is proud to be working in cooperation with the NAACP toward a better Columbia, a city in which all people can live in peace and harmony and enjoy the benefits of democracy.

In the event you are refused service in any of these establishments, CORE would appreciate your notifying:

James Nunnally
208 B E. Worley
GI 3-7111

Anderson's Cafe
Bengal Shop
Blue and White Cafe
✓ Breisch's Restaurant
Burger Chef
Campus Snack
Daniel Boone Hotel
Driv-Eat-Eria
Elite Cafe
Ever Eat Cafe
✓ Gordon's Restaurant
Greyhound Coffee Shop
✓ Harris Cafe
✓ Harwell Manor
✓ Howard Johnson
Italian Village
Jones' Cafe
Kenny and Sue's

Monta's Chicken and Rib Shack
O.K. Cafe
Pantry
Pizza House
Pla-Boy Drive In
Ruggles Cafe
✓ Smiley's Cafeteria
Spudnut
✓ Terrace Grill (Tiger Hotel)
✓ Topic Cafe
Vi's Cafe
Wigwam Cafe
Barnett's
Crown Drug Store
Newberrys
Woolworth
Stein Club

Ernie's ?

Hathman ?

Red Sandwich ?

Clark's ?

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**Economic Development and Changing Consequences
of Race Discrimination in Southern Agriculture**

By Anthony M. Tang

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ECONOMIC DEVELOPMENT AND CHANGING CONSEQUENCES OF RACE DISCRIMINATION IN SOUTHERN AGRICULTURE

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I. Economics of Race Discrimination

DISCRIMINATION against some group or groups on grounds of religion, race, personality, or other non-pecuniary considerations has always been a part of man's recorded history. Yet, the economics of race discrimination has been almost completely unexplored until recently. The definitive work of Gary S. Becker in his book, *The Economics of Discrimination*,¹ provides for the first time a theoretical framework within which discrimination as a market phenomenon may be systematically analyzed and understood. His contribution is all the more worthy in that it is exceedingly rich in empirical content.² Prior to his trail-blazing work, studies on discrimination were for all intents and purposes the exclusive domain of the sociologists and psychologists. Efforts were largely limited to discovering the determinants of the taste for discrimination. The economic question as to exactly how individual tastes for discrimination interact with other variables (such as the distribution of tastes, the relative importance of the group discriminated against, the degree of complementarity or substitutability involved, and the competitiveness of the factor and product markets) and jointly determine observable market discrimination was left unanswered.

If W is the group discriminating against another group called N, market discrimination is measured by Becker as the difference between the ratio of N's and W's wage rates (or incomes) and that ratio which would exist under competitive equilibrium in the absence of discrimination (p. 14). In the special case where W and N are perfect substitutes, market discrimination becomes the simple percentage difference between W's and N's wage rates (p. 9). W is said to have a taste for discrimination against N if he acts as if he incurs "non-pecuniary, psychic costs" in either working with N or employing N or hiring out inputs to N or consuming N's products. Viewed from the standpoint of international trade theory, the economic

* The writer wishes to express particular appreciation to Mamoru Ishikawa for his excellent graduate assistance; to William H. Nicholls and Jack Guenther for their ideas; and to the Rockefeller Foundation for its generous financial aid in support of a continuing study of Southern economic development of which this paper is a part.

** On leave, 1959-60, to Osaka University, Japan.

¹ The University of Chicago Press, 1957, pp. x, 137.

² For example, he was able to estimate that "Individuals in the South appear to have had, on the average, slightly less than twice as much taste for discrimination as those in the North" (p. 102).

consequences are clear. Suppose W and N are two separate societies. As long as resource proportions for W are different from those for N, both groups will find it to their advantage to "trade" their relatively abundant factors for the relatively scarce factors. Under competitive equilibrium with no discrimination, the prices of all homogeneous factors are equalized and equal to their respective marginal productivities. The solution is independent of any distinction between W and N. The incurrence of non-pecuniary costs by W in associating with N in the productive process prevents the equalization of factor prices. The necessary outcomes are reduced factor movement between W and N (i.e., some market segregation arises) and reduced incomes for both W and N.³

Let us now change the model somewhat by taking two farm communities A and B with similar individual tastes for leisure, identical resource proportions, homogeneous factors, identical type of farming, and common technology. By homogeneous factors we mean among other things perfect substitutability between Negro and white labor. Clearly these two communities would realize identical incomes. Suppose A has a completely white population and B a mixed population. The white population has some taste for discrimination against the Negro. Among B's white population capital is relatively abundant; among its Negro population, labor.⁴ Under the close identity between the farm firm and the household, the firm typically employs unpaid family workers only. Market discrimination, therefore, takes the form of more restricted command over resources on the part of the Negro (resulting in less capital and land per Negro-operated farm and per Negro worker) instead of wage differentials between races. The expected consequence is that B's total factor income is reduced such that its per capita income falls below that of A despite the similarity of their given conditions. Note, however, that the argument is completely rigorous only because of the implicit assumption of given and invariant labor (and other) resources. What if discrimination in B gives rise to a substantially larger total labor input than is obtained under no discrimination? The above consequence of discrimination need no longer follow, since B's more intensive use of available labor may now offset its relatively inefficient use of all resources.

³ Except in the unlikely event where free trade of commodities, by permitting specialization along lines requiring varying optimum input combinations, equalizes factor prices without any trade of factors under certain restrictive conditions. In such an event, complete segregation, though not in commodity trade, has no negative income effect. Generally, the incomes of both W and N are decreasing functions of segregation since the unlikely exception is valid only if tastes of discrimination do not influence consumption.

⁴ This is a necessary condition. Otherwise, even slight taste for discrimination leads to complete economic segregation between the two groups. But this will have no income implication whatever on either group or on the community.

The purpose of this paper is three-fold: (1) To consider a theoretical framework within which a discriminatory factor market might produce income implications at variance with those normally expected. (2) To investigate its empirical validity and the role played by economic development in influencing the consequences of discrimination. (3) To gain insight into the role played by a discriminatory educational system in Southern agricultural development.

II. Role of Education

The role of education requires elaboration. If labor's productive capacity is a function of education and if the Southern Negro historically received less and poorer quality education than the white, market discrimination is no longer a necessary condition for the unequal resource command between the two races. Imperfect substitutability alone can lead to smaller Negro farms. But if this were the case, there is all the more reason to expect the normal economic consequence, i.e., relatively low income in Community B. Let c represent the size of the Negro farm or the amount of capital (including land) per worker on the Negro farm and ac that for the white, where a is greater than 1; then the expected income effect against the Negro (and Community B) is greatest if the factor a is accounted for completely by the race difference in productive capacity and smallest if it results altogether from market discrimination. In the latter case, a may be regarded as a measure of market discrimination. If a is a combined result of both, the income effect is somewhere between the two extremes.⁵

However, it can be plausibly hypothesized that, in underdeveloped economies where agriculture is traditional with regard to both crops grown and farming practices, education bears little relationship to productivity. This relationship improves as agricultural and general economic development reaches the stage where dynamic changes in technology and market forces require complex decision-making. Under the hypothesis, the lesser education of the farm Negro might not detract from his productivity in traditional agriculture. Earlier we have argued that the expected income implication of market discrimination may be negated by the family labor

⁵ Under given discrimination a and given resources, the average amount of resources per Negro farm c (and per white farm ac) becomes a function of the relative importance of the number of Negro and white farmers, n_1 and n_2 respectively. It can be shown that if c_0 is the average farm size of a community the average Negro farm size is given by:

$$c = c_0 \frac{n_1 + n_2}{n_1 + an_2}.$$

The average white farm size is of course given by ac .

The above equation means that, if n_1 is infinitely large relative to n_2 , then c tends toward c_0 . If n_1 is infinitely small relative to n_2 , c tends toward c_0/a .

being more intensively employed. As the following section will make clear, this proposition can be more broadly stated as a hypothesis relating the income implication of market discrimination (as distinct from discrimination in education) to economic development. The two hypotheses are thus complementary in that both express economic consequences arising from given amounts of discrimination (in education and at the market place) against the Southern farm Negro as functions of the level of economic development. If these hypotheses are not inconsistent with empirical findings, certain significant conclusions can be drawn from them. The following section presents a theoretical framework within which the labor input response within the firm-household complex may be related to varying amounts of the firm's non-labor resources under the family's given leisure preference.

III. A Theoretical Framework

If we define subsistence wage as that wage which "forces" the working population to offer the maximum amount of labor in order to subsist, the early history of Western Industrial Revolution as well as the experiences of today's over-populated economies amply attest to the empirical validity of the concept. Extremely low wages can bring forth not only maximum working hours but also the participation of child labor in the work force. It is a foregone conclusion as to what will happen to the quantity of labor supplied when wages rise. Children and women drop out of the labor force. Those who remain reduce the offering of their services. As wages continue to increase the former's re-entry together with the latter's increased offerings change the direction of labor supply response. This continues until one reaches the well-known backward bend in the supply function. Although it is plausible to assume shifts in preference in the process, this is not necessary to produce the results indicated. Getting away from the wage system and back to the firm-household complex, the path showing equilibrium output of the firm and equilibrium labor input of the household under varying amounts of firm resources can also assume the general shape of an inverted S.

Fig. 2 shows such a path, RR, as derived from the S-shaped expansion path, EE, in Fig. 1. P_1, P_2 , etc. represent the production possibilities curves where income and leisure are the substitute products. Each curve corresponds to a given amount of non-labor resources. Total labor available for work on family farm is equal to L_0L_1 and invariant with the size of the firm.⁶ I_1, I_2 , etc. represent the farm family's indifference curves. OL_0 shows

⁶ In the study area employed in this paper, Negro farms on the average showed larger family work force (4.3 persons aged 15 or over in 1940) than white farms (3.7). But after allowing for Negroes working on white farms and all members of the farm population on nonfarm jobs, the work force per farm was virtually the same on Negro and white farms (1.7 and 1.5 respectively).

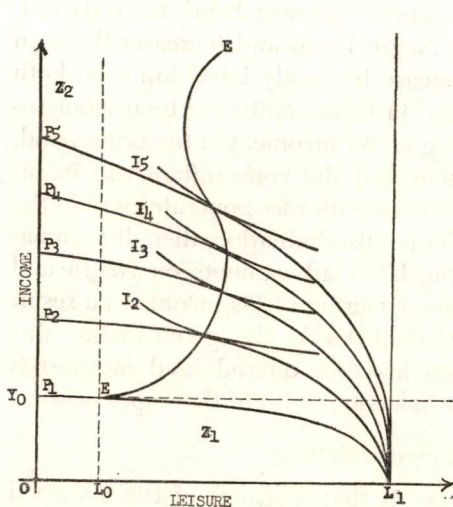


FIGURE 1. EQUILIBRIUM UNDER FIRM-HOUSEHOLD COMPLEX

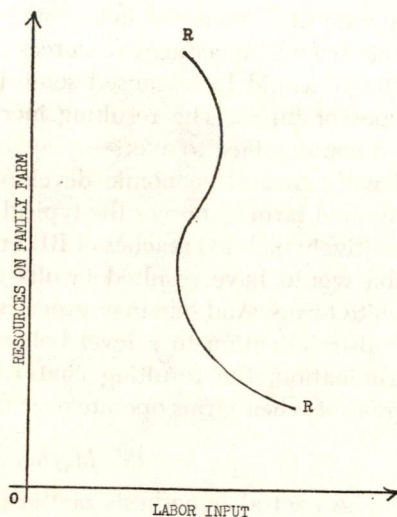


FIGURE 2. EQUILIBRIUM LABOR RESPONSE UNDER VARYING FIRM RESOURCES AND GIVEN FAMILY LABOR FORCE

the absolute minimum requirement for "leisure," while OY_0 represents the minimum subsistence income. Both minima are defined as representing that amount of "leisure" or income below which the marginal rate of substitution of leisure for income is zero or infinite respectively. Thus, the indifference curves do not extend into the zones bounded by the minima lines and the axes. In Z_1 all points with higher income coordinates (regardless of their leisure coordinates) are preferable to some point with lower income coordinate. In Z_2 all points with higher leisure coordinates (regardless of their income coordinates) are preferable to some point with lower leisure coordinate. The general shape of P assumes decreasing marginal rate of product substitution (income for leisure), hence, decreasing marginal productivity of labor. Competition in the market for farm products is assumed, so that physical and value productivities differ by a scale factor representing product price. It should be pointed out that an expansion path such as EE (Fig. 1) does not require indifference maps that violate the consistency and transitivity conditions. Abstracting from seasonal variations in farm labor requirements, P_1 embodies the amount of resources per farm in a truly over-populated country. These resources are such that they require the cooperation of maximum labor input (L_0L_1) to yield subsistence (OY_0) for the existing population. At that point, as the nearly horizontal portion of P_1 indicates, the marginal productivity of labor may be expected to be quite near to zero.

Now, if under no discrimination both white and Negro farms typically

operate at or near the inflection point of RR's lower bend, then discrimination (which reduces resources on Negro farms and increases those on white) would have caused some increase in family labor input on both types of farms. The resulting increase in Community B's total labor input could suffice to avert any lowering of B's income. On the other hand, if with general economic development and the concomitant rise in individual farm resources the typical farm of both races operates within the positively inclined reaches of RR under no discrimination, then discrimination would have resulted in offsetting labor adjustments on Negro and white farms. And one may expect some lowering of B's income as a result of discrimination to a level below that of A's. Under given market discrimination, the resulting contraction in labor offered (and income) is greatest when farms operate near the inflection point of the upper bend.

IV. Methodology and Setting

The central hypothesis of the paper is that, because of the S-shaped path which responses of farm labor to changes in farm resources may take, market discrimination in agriculture, as measured by unequal resource allocation to Negro and white farmers, may produce different income consequences depending on the stage of the economy's development. In "early" stages of development when farms typically operate at near subsistence a given difference in the amount of resources on Negro and white farms may produce little or no impact upon per capita income. As the economy advances, typical farms of both races begin to show positive labor input response to increases in farm resources. At that stage, the same amount of race discrimination will noticeably lower the overall per capita income. These are the consequences of the hypothesis. These consequences are further strengthened by a complementary hypothesis that race discrimination in the field of public education has little effect on productivity in traditional agriculture, but may have important influences in developed economies where decision-making becomes complex even in agriculture.

The historical and empirical setting is provided by studying a group of 21 Southern Piedmont counties⁷ since 1900. Although the level of subsistence need not be invariant with time, there can be little doubt that in 1900 and even in 1940 the typical Piedmont farm, particularly the Negro-

⁷ The group includes 11 Georgia counties (Banks, Barrow, Elbert, Franklin, Gwinnett, Hall, Hart, Jackson, Madison, Stephens, Walton) and 10 South Carolina counties (Anderson, Cherokee, Chester, Greenville, Lancaster, Oconee, Pickens, Spartanburg, Union, York). The counties lie directly between Atlanta, Georgia and Charlotte, North Carolina. They are the same counties the writer has investigated in a number of earlier studies.

operated farm, was much closer to subsistence than it was in the prosperous postwar years. The Piedmont farms relied primarily upon unpaid family workers, so that the absence of a wage system left the way open to increasing input of family labor to where marginal physical labor productivity falls to zero, should the maximization of output become the primary goal under stringent resource conditions. Alternative off-farm employment was rather limited in the short run, so that foregone leisure, not income from alternative employment, constituted the opportunity cost of farm employment for the family labor. The number of workers can therefore be considered fixed to the family farm. Only the intensity of the input of available family workers is variable. These are the conditions that underlie the S-shaped equilibrium labor response curve.

In all years to be investigated, there was substantial market discrimination against the Negro in agriculture as reflected by the differences in the amount of per-family or per-worker land and capital between the two races. Moreover, although available census data are limited, the indication is that the extent of market discrimination, if measured by the ratio of Negro resources per farm or per worker to those for the white, appears to have been relatively constant over time.⁸ Historical county school expenditure data also indicate chronic discrimination in education throughout the period relevant to the study. The rapid narrowing in the race differences in school expenditures per student enrolled took place during the last decade and will not be reflected in economic statistics until sometime later. While for the Piedmont study area as a whole discrimination seems relatively independent of time, important variations among counties have been present in all years in this regard. In general, discrimination appears significantly correlated with the relative importance of the Negro. In both 1940 and 1950, for instance, the correlation coefficient between the percentage of farm population Negro and a number of measures of Negro resources (value and acres of farmland, implements, etc.) relative to white resources per farm and per worker is in most cases significantly negative, ranging from -0.32 to -0.62 .⁹

⁸ Note Becker's findings: "... neither striking increases nor striking decreases in discrimination against Negroes have occurred during the last four decades" (p. 125).

⁹ These statistical relationships, however, do not tell us whether the explanation lies in stronger tastes for discrimination in more heavily Negro-populated counties or in the effect of relative Negro numbers acting independently upon market discrimination under similar tastes in all counties. Relative importance of Negroes exerts independent influences in that (factor) market discrimination is given by the marginal discriminator (factor supplier) whose position in the distribution of individual tastes for discrimination is determined by relative Negro numbers. Thus, even if the distribution of individual tastes were identical in all counties, relative Negro numbers influence market discrimination as long as individual tastes are heterogeneous. (See Becker's monograph, Ch. III.) (*Footnote continued on page 1120*)

It is also to be noted that county variations in discrimination can not be explained by county differences in tenure composition. Negro sharecroppers consistently reported less land and capital than white counterparts. This is the group where landlord tastes for discrimination are given free expression. Consistent differences are also found in other tenure groups. Therefore, the argument that the observed market "discrimination" may be a simple reflection of an imperfect factor market operating against *all* persons without sufficient owned assets is unwarranted, although Negroes do fall more heavily in the "lower" tenure groups.¹⁰

Because of space limitations, the supporting data are not presented here. However, I do not believe anyone familiar with Southern agriculture will seriously dispute these assertions, particularly since the trends in discrimination are consistent with Becker's findings for the nonagricultural

An indirect test can be made to determine whether tastes for discrimination differ among counties provided a particular assumption is made. This assumption is that members of local school boards are representative of the voters regarding tastes for discrimination. On the average then, they tend to represent the average taste in the distribution of the several counties. If tastes were constant among counties, local school boards should show similar tastes in all counties and the effective discrimination against the Negroes in schools should be invariant with their relative numbers.

For both 1900 and 1940, the correlation between relative school expenditures per Negro student (or per capita for Negroes) and relative Negro numbers (all relative to whites) yields highly negative coefficients of -0.71 and -0.67 (-0.78 and -0.75) respectively. This suggests not only that tastes for discrimination varied among counties during 1900-40 but that they appeared to be associated with relative Negro importance. That being the case, one can only conclude that both tastes and relative Negro numbers acted independently on the extent of discrimination in the factor markets serving agriculture.

It is interesting to note that by 1950 the same correlation dropped to virtually zero ($+0.02$). A plausible speculation is that, in the South's general postwar push to put real substance into the slogan "separate but equal facilities," relative expenditures on Negro students no longer reflect differential tastes but some other factor such as the fiscal capacity and policy of local administrative units. The region's efforts to equalize expenditures among races are apparently intended to ward off desegregation by showing nondiscrimination.

¹⁰Race disparity in farm resources is greater among the "higher" tenure groups. This need not mean greater discrimination against Negroes in these groups. Imperfect (but color blind) markets alone can account for this since Negro cash renters, owners, and part-owners generally have fewer owned resources. For this reason resource disparity between the two races in the sharecropper group is probably a purer indicator of the extent of market discrimination, particularly insofar as sharecroppers seldom exercise independent decision-making (hence, differences in educational attainment between Negro and white sharecroppers likely give little rational basis for differential resources among races). In 1940, our estimates based on census returns show that in the Southern Piedmont the value of land and capital per worker on Negro sharecropper farm was 25 percent less than that on white sharecropper farm. This may be taken as a rough measure of the extent of market discrimination against the Negro in Southern agriculture.

sector. What may be the consequences of race discrimination in Southern agriculture as gleaned from the Piedmont setting?

Ignoring our hypotheses, one would expect to find for all years higher farm incomes per worker or per farm person in counties with smaller relative Negro farm population. This is all the more likely in view of (1) the Negro's lower capacity (due to less education received), (2) the historical fact that counties with heavier relative Negro farm population adjusted to lower overall resource-labor proportions, and (3) generally greater discrimination (i.e., greater relative resource differential among races) in counties with heavier relative Negro farm population. (This constitutes a relaxation of two of the *ceteris paribus* conditions in the hypothetical model on p. 1114 as well as a departure from the model's simple dichotomy.) On the other hand, the statistical findings would be consistent with our twin hypotheses if no *net* relationship appears between farm income per worker and the relative number of Negro farm persons in the early years (say, 1900 and 1940) and if this relationship emerges in more recent years (say, 1950 and 1954). The net relationship will be ascertained by the partial correlation technique. The other independent variables acting upon farm income to be statistically allowed for are: the index of industrial-urban development and the index of the type of farming. These are introduced with the view of approximating the *ceteris paribus* conditions stated earlier. Only the deviations from these conditions directly caused by unequal distribution of farm Negroes will be permitted.

The introduction of industrial-urban development attempts to make allowance for the following: (1) variations among counties in prices received and paid by farmers arising from the impact of a differential industrial-urban development upon the counties' product markets: (2) variations among counties in resource proportions and farm size where such variations are attributable to the effect of industrial-urban development (apart from those brought about by relative Negro numbers),¹¹ (3) variations among counties in per capita educational outlays where such variations are accountable by the effect of differential industrial-urban development (rather than by differences in race composition). Type of farming is introduced as a third independent variable to control the influence of short-run variations in yields and relative commodity prices upon the farm income of the counties.

¹¹ The Southern Piedmont area is investigated in this paper because of our earlier intensive studies of the area. In these studies, it was found that industrial-urban development exerted significant influences upon local agricultural organization through its impact upon the functioning of local product and factor markets. See, for instance, my book *Economic Development in the Southern Piedmont: Its Impact on Agriculture, 1860-1950* (The University of North Carolina Press, 1958), especially pp. 210-17.

V. *Empirical Findings*

Let:

X_1 = Farm income per farm worker,

X_2 = Index of type of farming

X_3 = Index of industrial-urban development,

X_4 = Percent farm population Negro.¹²

The correlation coefficients are based on linear relationships which appear quite satisfactory from the scatter diagrams. Although Table 1 contains a number of coefficients that throw light on some interesting side issues, we shall center our attention on the partial coefficient, $r_{14.23}$. This is the coefficient that should cast direct light on our hypotheses. As Table 1 shows, $r_{14.23}$ with values of -0.056 and $+0.176$ for 1900 and 1940 respectively can easily arise from chance alone. For the current decade, however, it shows substantial negative net relationship, -0.618 for 1950 and -0.391 for 1954. Although $r_{14.23}$ is significant only at the 5 percent level in 1954,¹³ it should be noted that the 1954 data, particularly the farm labor and farm income estimates, are quite crude, being derived from a series of estimations often based upon more or less arbitrary projections for want of better alternatives.

The empirical findings are thus consistent with our complementary hypotheses. Can either explain the findings? Or are there other plausible explanations for them? The hypothesis concerning the effect of education on labor productivity in agriculture can at best be a contributing cause for the observed relationship between income and discrimination over time. It alone cannot sufficiently explain the findings since it does not explain the absence of the net relationship during 1900-40. The hypothesis based on variable labor response under changing levels of economic development, on the other hand, can be a sufficient explanation in itself. However, its plausibility is definitely reduced if discrimination in education is taken to be capable of exerting influences on agricultural productivity even under traditional agriculture. It should be added here that the real break from traditional agriculture came to the South only after 1940.

To be sure, the findings can conceivably be explained by other hypotheses. For instance, the failure of market discrimination to reduce farm income during 1900-40 may be explained by specifying certain differences in preference between races with the Negro showing relatively stronger preference for income. The emergence of the negative income effect in recent years can then be explained by supposing that somehow these differences have disappeared or reversed themselves in the interim. When com-

¹² See footnotes to Table 1 for explanations, definitions, and sources.

¹³ A one-tail test is made since the direction of relationship is specified by our hypotheses.

TABLE 1. SIMPLE, PARTIAL, AND MULTIPLE CORRELATION COEFFICIENTS FOR SOUTHERN PIEDMONT

 X_1 =Farm Income Per Farm Worker^a X_2 =Index of Type of Farming (as measured by percent improved farmland in cotton)^b X_3 =Index of Industrial-Urban Development (as measured by per capita nonagricultural payroll)^c X_4 =Percent Farm Population Negro^d

Correlation Coefficients	1899-1900	1939-1940	1949-1950	1954
r_{12}	+0.629	+0.531	-0.041	-0.071
r_{13}	+0.242	-0.507	+0.711	+0.401
r_{14}	+0.419	+0.329	-0.030	-0.109
r_{23}	+0.148	+0.035	-0.279	-0.282
r_{24}	+0.670	-0.041	+0.297	+0.364
r_{34}	+0.288	+0.502	+0.359	+0.376
$r_{12.3}$	+0.618	+0.596	+0.233	+0.048
$r_{12.4}$	+0.517	+0.577	-0.033	-0.034
$r_{13.2}$	+0.139	+0.577	+0.729	+0.399
$r_{13.4}$	+0.194	+0.419	+0.774	+0.480
$r_{14.2}$	-0.004	+0.414	-0.019	-0.089
$r_{14.3}$	+0.376	+0.100	-0.435	-0.306
$r_{23.4}$	-0.063	+0.064	-0.433	-0.486
$r_{24.3}$	+0.662	-0.063	+0.443	+0.529
$r_{34.2}$	+0.257	+0.504	+0.482	+0.536
$r_{12.34}$	+0.531	+0.607	+0.527	+0.260
$r_{13.24}$	+0.201	+0.468	+0.843	+0.532
$r_{14.23}$	-0.056	+0.176	-0.618	-0.391
$R_{1.234}$	0.648	0.731	0.843	0.537

^a Farm income corresponds to the census-reported value of farm products sold, traded, or consumed on farms. For 1949 and 1954 where the *Census of Agriculture* reported only value sold, farm consumption is estimated. For 1899 and 1939, income is gross; for the other years, it represents essentially value added by farming (net after fuel, seed, fertilizer, livestock purchased). Although value added is to be preferred, the absence of such major enterprises as broilers in the area before the 1940's meant relatively stable current production expenses as a proportion of gross output in all counties. At any rate, the net relationships between X_1 and X_3 or X_4 will be undisturbed by county differences in the relative importance of current inputs since they would be reflected in X_2 .

The number of farm workers is based on the census-reported number of persons on farms of 14 years of age or over (as reported by the *Census of Population*), adjusted downward to allow for estimated off-farm employment, school attendance, and lower productivity of the female worker. For 1899 and 1954, farm population of 14 or over is estimated.

^b Both improved land and cotton acreages are from the *Census of Agriculture*. The notion of improved land has been abandoned by the Census Bureau since 1940. For 1940 and 1954, total cropland acreage is used, instead, after minor adjustments.

^c Because of data limitation, value added by manufacturing per capita is used instead for 1899. For the other years, nonagricultural payroll represents payrolls originating in the manufacturing industries (*Census of Manufactures*) and in retail, wholesale, and service establishments (*Census of Business*). For 1949, the latter two censuses were not available, and the *Census of Manufactures* of 1947 and the *Census of Business* of 1948 are used instead.

^d Data on total and Negro farm populations are from the *Census of Population*. For 1900 rural populations are used in place of farm populations, unavailable before 1930.

pared with our "labor response" hypothesis—which requires neither the specified race differences in preference nor the particular direction of their historical changes—the above alternatives are clearly in violation of the principle embodied in Occam's razor or Law of Parsimony. Thus, pending future investigations, some claim to validity can be reasonably made for the hypothesis that relates the observed changes in the income implications of race discrimination in Southern agriculture to general economic development (which influences the general resource position of the farm firm of all regions).

VI. *Some Implications of the Findings*

First, a few words of caution are in order. Our findings do not mean that on near-subsistence monoculture farms the grim necessity of eking out a living under limited resources actually forces larger labor input from each family member over the year than is supplied on larger diversified farms. Limited resources usually preclude complementary enterprises that smooth out violent seasonal fluctuations in labor requirement. Thus, traditional small Southern cotton farms, both white and Negro, have always been noted for the strong seasonality of their labor requirement, marked by contrasting periods of hectic activities and almost complete inactivity. The stretching of family labor input takes place, when it does, during periods of already intense labor input. In those periods a really hard pressed farm family intensifies the input of unpaid family labor beyond the point better-off families care to go after weighing increased income against the leisure that must be foregone. This is a point that, unless thus clarified, may rest uneasy with some readers. However, it is merely a refinement of the theory and in no way weakens or modifies its substance.¹⁴

Many of us are familiar with the two outstanding modern economic paradoxes. The first is why the United States, generally understood to be relatively long on capital and short on labor, should (as Leontief has found) export goods that are relatively labor intensive and import goods that are relatively capital intensive. The second has to do with the puzzling phenomenon (commented on at length by T. W. Schultz) that American agriculture should have realized substantial gains in total output in recent decades without anything like commensurate increases in inputs. This is also clearly brought out by Alvin S. Tostlebe in his recent monograph, *Capital in Agriculture: Its Formation and Financing since 1870*.¹⁵ To these two paradoxes may be added a third. In terms of Tostlebe's data,

¹⁴ In general, it is important to distinguish between the resource-imposed "leisure" and the voluntary consumption of leisure at the expense of income.

¹⁵ National Bureau of Economic Research, Princeton University Press, 1957.

the Southeast has shown rather steady gains on the nation as a whole in relative per-worker farm capital during the first half of the century (from 21 percent of the U. S. average in 1900 to 41 percent in 1950). The region's relative gain in farm income per worker, on the other hand, has been negligible (46 percent in 1900 and 50 percent in 1950). In fact, considering all six census years in the period, the region's relative income showed no discernible trend but fluctuated between 46 and 51 percent (Table 2). Looking at the input-output data from a different perspective, we see that the Southeast experienced a nearly fifteen-fold increase in the current value of farm capital per worker (181 percent in real terms) as compared with a seven-fold increase for the nation (110 percent). Income-wise, the per-worker increase for the Southeast was thirteen-fold (267 percent in physical terms), only slightly higher than the twelve-fold increase for the nation (221 percent). Perhaps there are extenuating circumstances—such as increasing regional differences in the relative importance of current inputs¹⁶ and the impact of technology on regional agricultures with widely

TABLE 2. FARM INCOME AND CAPITAL PER WORKER, SOUTHEAST AS PERCENT OF U.S.^a

	1900	1910	1920	1930	1940	1950
Gross Income ^b	46.5%	51.1%	41.9%	47.9%	49.4%	50.3%
Capital ^c	20.8%	22.5%	26.5%	27.4%	34.6%	41.4%

^a Computed from Alvin S. Tostlebe, *op. cit.*, Tables 5, 7, and H-3.

^b Gross value of farm products sold or consumed on farms.

^c Includes value of land and buildings, implements and machinery, and livestock.

different types of farming—which might account in part for the paradoxical findings. But it should be noted that these findings, far from being paradoxical, are exactly what one would expect on the basis of the hypotheses proposed in this paper.

First, if the Southern farmer's lesser attainment in education did not have much effect on his productivity earlier, this very likely has not been the case in more recent years. Second, as the Negro farms gradually increased their resources they moved up the "labor response" curve in Fig. 2 along the lower negatively inclined portion. Thus, the full potential increase in output (either total or per worker) was not realized because of the concurrent decline (or stability) in equilibrium family labor input under given labor resources. However, as Negro farms continue to improve their resource position and move along the positively inclined portion of the curve, the incremental capital input will be accompanied by increased input of available family labor, leading to accelerated output increment. The latter phase apparently has been characteristic of the Northern farm.

¹⁶ Tostlebe's income data are gross while his capital data exclude all current inputs.

If the explanation offered here is valid, Southern agriculture can look forward to greater productivity increases in the future even if the rate of its capital accretion is no greater.

The notion of a low-level equilibrium trap is quite in vogue in current economic development literature in analyzing the unhappy state of today's underdeveloped economies. This analysis lends credence to the theory by adding a new argument to those already marshalled by the proponents of that thesis. To break out of the trap, an underdeveloped economy needs to improve its agriculture drastically in order to enable the typical farm to clear the negative lower reaches of the "labor response" curve in one jump. Otherwise, small gradual increment to non-labor resources, even though in excess of population growth, brings disappointingly small output increment, perhaps only to be overwhelmed later by the Malthusian population response. To clear this barrier in one jump is undoubtedly a difficult though not impossible proposition. Under the circumstances, abstracting from income distribution problems, the greatest output increment would be realized if available new resources (and techniques) are concentrated in that sector of agriculture where already-better-off farms might give positive labor response to improved resources at their command.

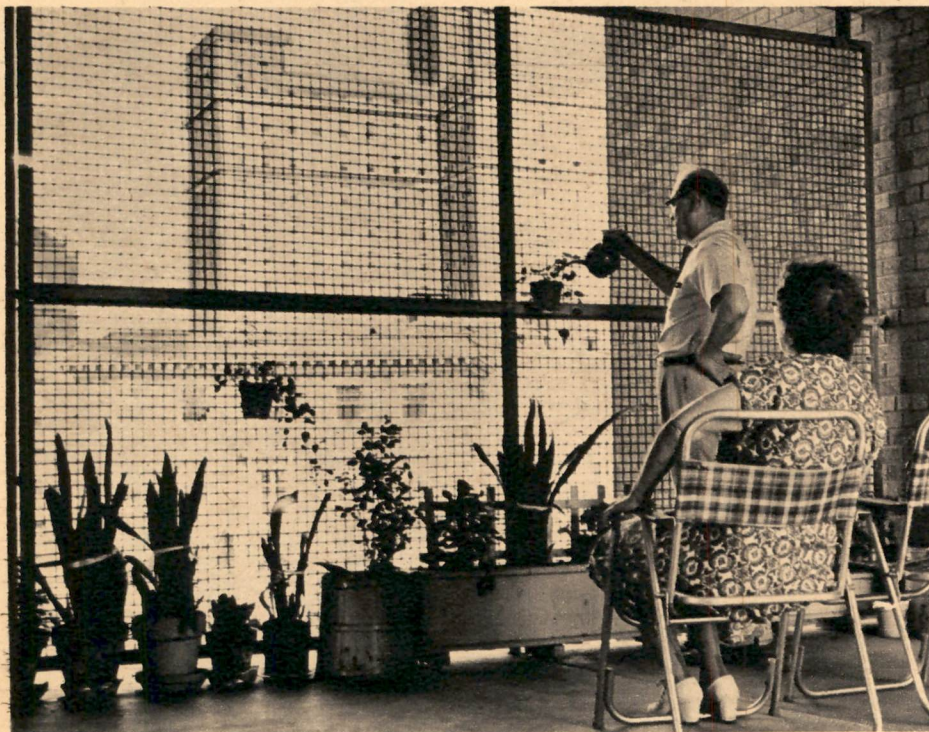
Or, alternatively, if new resources and techniques are to be broadly diffused, possible contraction in subsequent labor input may be prevented and greater output increment assured by increasing land tax with the object of controlling any rise in the "net" (after tax) production possibilities curve. It is perhaps more than a coincidence that Japan, which adopted such a policy (though for quite different reasons) during the Meiji era, should have experienced remarkable increases in farm output, thus laying the groundwork for later rapid general economic development.

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TOWN WITHIN A CITY



Members of the Darst Mothers Club learn a new dance step called the Madison Line—a combination of chorus line routines and square dance steps. The mothers meet monthly to discuss parental problems, to plan recreational activities for their children and just to have a good time.



Samuel Abrams waters his plants while his wife takes in the view; buildings seen through screen are part of City Hospital. Tenants compete at flower growing and have organized garden clubs. Among the residents are medical interns and university students, many of whom are from foreign countries. Breezeways are favorite gathering places in summer months.

By **RICHARD G. GRAY** of the **PICTURES Staff**

WITHIN the impersonal brick and steel of the Darst-Peabody Public Housing Project, which dominates the near south St. Louis skyline, is a spirit of community co-operation and harmony. Nearly 8000 persons of different races and some 40 different national origins are housed in this 15-block area. In most instances, apartments are piled on top of one another nine stories high, but the management and tenants have achieved many of the homely touches of small-town living.

Flowers grace screened-in breezeways, and gardens grow beside doorways. Women gossip over a morning cup of coffee or while hanging up the wash. Neighbors band together to help raise rent money for down-and-outers, to nurse sick friends back to health and to take care of working mothers' children. Residents co-operate in publishing two small newspapers. The project is forming its own baseball league.

Management says that tenant co-operation has been a major factor in building community spirit among residents, combating crime and maintaining property. The tenants of each building elect officers and convene once a month for an old-fashioned New England town meeting to air complaints, debate issues and map projects. At present, plans are under way to provide more playgrounds and crosswalks, solve parking problems and get better lighting for the Peabody area.

Photos by **SAM CALDWELL** of the **PICTURES Staff**



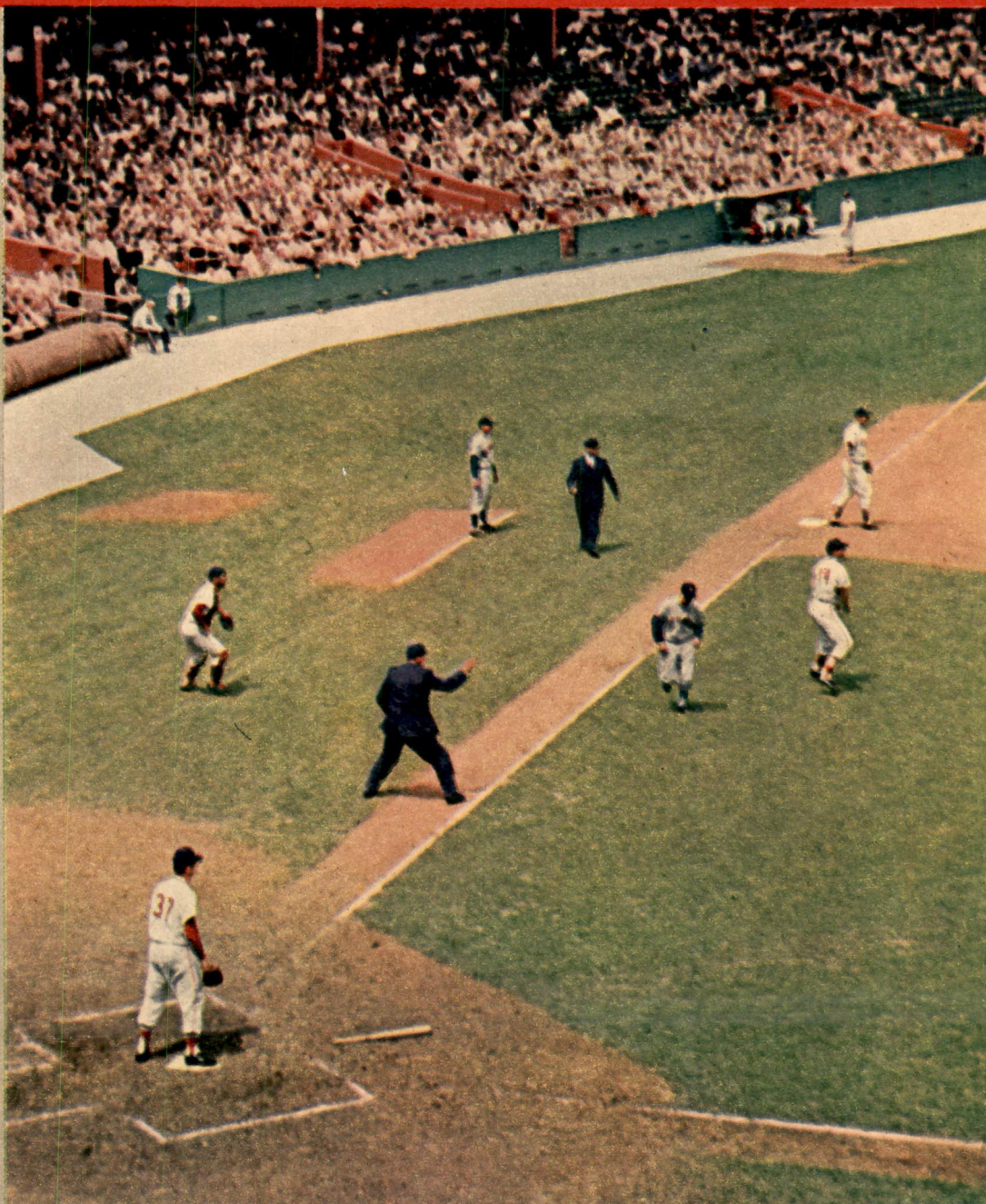
AN UNUSUAL VARIATION of baseball's most exciting defensive maneuver—the double play—turned up in a St. Louis-San Francisco game at Busch Stadium. The deft action helped the Cardinals out of a tight spot after the Giants' hard-hitting Willie Mays came to bat in the third inning with teammate Joe Amalfitano in scoring position on third base and no one out.

Mays tapped to the Cardinal pitcher, Ray Sadecki, who threw the ball to home plate in time to trap Amalfitano as he tried to score. In a quick rundown, Amalfitano was tagged out by third baseman Ken Boyer. Boyer then threw to second base to head off Mays, who had tried to take second while Amalfitano was being run down. The Cards' fleet-footed rookie second baseman, Julien Javier, chased Mays back toward first, tagged him for the second out.

The spectacular play was not enough to save the Cardinals, however. The Giants won, 8 to 0.

Photos by JACK GOULD of the PICTURES Staff

In photo at right, Boyer, on infield grass, throws to second after tagging Amalfitano, who trots toward dugout. He is being motioned out by umpire Ken Burkhart. Pitcher Sadecki covers home and catcher Hal Smith stands to the left of the baseline. Umpire Augie Donatelli and Giant coach Frank Parker watch the action, while Cardinal shortstop Daryl Spencer covers third base. In photo below, Javier has just tagged out Mays to complete the double play. First baseman Bill White raises his hand in agreement with the call by umpire Ed Vargo. Pitcher Sadecki brakes to a halt after running down the first-base line to help out. Wes Westrum of the Giants is watching from the coaching box.



A DOUBLE PLAY, THE HARD WAY

Warm Community Spirit Has Developed in Darst-Peabody Housing Project—Peoples of Different Races and Nations Join Together in Amiable Living, Social Projects



Looking north on Fourteenth street, this panoramic scene takes in part of the Darst project (the light-colored, tall buildings in the foreground and on the right) and a portion of the Clinton-Peabody development (the low, darker structures in front of the smokestack). Kiel Auditorium can be seen in the distance straight down Fourteenth and the Civil Courts building

against the skyline to the right. Darst project was named for the late Joseph M. Darst, mayor of St. Louis from 1949 through 1953; Clinton-Peabody in honor of George Clinton, vice president of the United States from 1804 through 1812, and George Peabody, a nineteenth-century philanthropist who helped found the banking firm carried on by J. P. Morgan.

Continued

Council, Youngsters, Senior Citizens



Representatives from each building attend a meeting of the Darst Central Tenants' Council to plan community projects, voice any complaints. Mrs. Nelse Shellenberger (standing) tells Project Manager Burt P. Steingruber (seated in front row) that residents cannot dry their clothes in the allotted half-day period since the drying rooms have been enclosed with screens. The council recommended that the management install fans to speed the drying process. Council meets once a month, has only advisory power in regard to managerial problems.



Neighbors lend a helping hand to Mrs. Bernice Van Stratten by doing her shopping and cleaning high spots which she cannot reach from her wheel chair. The volunteer helpers are, from the left, Mrs. Michael Stratzki, Mrs. Willie Harris and Mrs. W. E. Stuart.

THE DARST-PEABODY PROJECT is a combination of the new and old under one management. The Peabody development, which is officially titled the Clinton-Peabody Terrace Housing Project, was completed in 1942 at a cost of \$3,600,000. The Darst project was completed in 1956 at a cost of \$17,334,000. Four units now under construction will increase the present 1313 family units by 558 units, cost \$9,500,000. One of the new buildings, which is scheduled for occupancy next October, will house senior citizens exclusively. The first of its kind in St. Louis, it will have special elevator service, guard rails, ramps and non-skid floors as well as recreational facilities for the older people.

Rentals at the project vary from \$40 to \$90 a month for the one-to-five-bedroom units. Each tenant's rent is determined by family income, the number of children in the family and the amount paid out in medical bills. Tenants' incomes range from \$800 to \$6500 a year. Those in the higher income brackets support large families, however.

To qualify for occupancy, tenants must prove their ability to pay rental fees, provide character references and agree to meet sanitation requirements. Each apartment is checked at least once a year for cleanliness. Persons having a sanitation complaint registered against them are given 30 days in which to correct the situation. Parents must make their children observe the project's 10 p.m. curfew.



Boys hold a foot race in a parking area just off Fourteenth street because there are not enough play areas for the estimated 6500 children who live in the development. Project has two baseball teams and equipment for six more teams, which will be organized in the near future. Children are not permitted to play ball on the grounds, however, because lack of space and backstops has caused window breakage in the past.



Senior citizens living in the project have a lounge of their own where they meet to play cards, sew, work puzzles, visit. Free coffee and soda are provided by tenant council. Miss Betty Otey, tenant counselor who co-ordinates the development's activities, stands at center, rear.



Some of the project's younger citizens help police the grounds under the watchful eye of Simon Winnig, a senior resident who has a way with boys. Winnig organizes his moppet helpers into several teams, which compete to determine which group does the best job.

Continued

Raising Money



Members of the Clinton-Peabody Mothers Club serve a chicken and fish dinner to raise money for a summer recreation program for project's youngsters. At 50 cents a person, they served chicken or fish, spaghetti and salad; pies and cakes were sold on the side. The mothers cleared \$73.



Prospective customers eye articles at rummage sale of Darst Central Tenants Council to raise money for a lounge for senior citizens. Everything was sold but two fur coats, which just didn't interest customers on this 95-degree day. Council made \$25 out of the sale.



Housewives meet in apartment of Mrs. Adrian Beasley for a cup of coffee and a few moments of relaxation from house-keeping chores. Talking things over, from the left, are Mrs. Margaret Woodworth, Mrs. Beasley and Mrs. Hope Miranda. Tenants claim that some of best ideas for community projects come out of informal sessions such as this.

End

MEDICINE

"Brown Eyes" Feels Drill More Than "Blue Eyes"

A BROWN-EYED person will be "blue" on the next trip to the dentist to have a tooth filled.

An Australian scientist has discovered that more persons with brown or dark eyes feel the pain of the dental drill than persons with lighter colored irises.

Blue-eyed persons appear best able to endure the drill without the use of a pain killer, Philip R. N. Sutton of the dental school at the University of Melbourne, Australian, reports in *Nature* (July 11).

Very few of those whose irises were grayish-blue or greenish-gray needed analgesic. Continuing along the color scale, 13% of the subjects whose eyes were grayish-green, green or hazel required a pain reliever while 30% of the patients with light brown or brown did. More than 53% of those with dark brown eyes called for an analgesic.

Mr. Sutton examined 403 Australians of European descent whose teeth were being prepared for filling. All cavities were cut with a high-speed drill.

He based his conclusions on observations of at least 40 persons for each eye color except light brown, where there were only 11 subjects, 23 with brown and 28 with dark brown. He then retested 136 of the subjects.

Of these, the same values were obtained for the color of the eyes of 115 while the pain reaction was the same for 114 of these. The discrepancies were not considered to be significant.

The association between these factors is highly significant, but is considered to be due to their joint association with other factors, he concludes.

male villagers. The women, however, were found to be as prone to this type of arthritis as any other American woman.

In addition, the inhabitants of Wainwright, an Eskimo village on the Arctic Ocean coast, were studied. Blood samples and X-rays of the Eskimos' joints were taken to help diagnose cases of definite or probable rheumatoid arthritis. This type of arthritis is extremely painful and causes severe crippling.

Among 211 villagers, two cases of rheumatoid arthritis were found. Both cases were discovered in women who were over 50 years of age.

It is difficult to compute an accurate prevalence figure for rheumatoid arthritis in elderly Eskimos, since very few live past middle age, Dr. Blumberg pointed out. Furthermore, little is known about the prevalence of this type of arthritis throughout the population of the world, as very few studies have been made to date.

However, rheumatoid arthritis appears to be as common among Eskimos as among other Americans. Eskimo men tend to do more manual labor. Hence, they use their hands for heavy work more than the average American, the doctors said.

This study was undertaken to determine if geographical area might affect the rate of occurrence of arthritis.

Science News Letter, October 3, 1959

BACTERIOLOGY

Arthritis Caused by "Staph" Found Rising

ARTHRITIS caused by the germ staphylococcus may be on the rise because of the appearance of staphylococcus strains resistant to penicillin.

This kind of arthritis was thought to have been licked by the widespread use of

UPHOLDS NEGRO PLEA ON INFERIOR SCHOOLS

NEW YORK, Dec. 16 (AP)—Two Negro couples who refused to send their children to schools in Harlem which the parents termed inferior have been upheld in court.

Children's Court Justice Justice Wise Polier dismissed yesterday neglect actions brought by the city against the parents.

In a 32-page opinion, Justice Polier cited surveys and statistics backing up the parents' contention that facilities in schools with predominantly Negro and Puerto Rican student bodies did not measure up scholastically to those in predominantly white schools.

The parents, Mr. and Mrs. Stanley Skipwith and Mr. and Mrs. Charles Rector, refused to send their children to schools in Harlem this fall and had them tutored at home instead.

Justice Polier said there was "a city-wide pattern of discrimination" against schools with 85 per cent or more Negro and Puerto Rican students compared to schools with 85 per cent or more white students.

She said her survey showed that vacancies in the first group of schools were not filled by regularly licensed teaching personnel to the extent they were in the second group.

"That the Board of Education is entirely responsible for the existing discrimination in teacher assignments, there is, in my opinion, not the slightest doubt," Polier said.

She added the board had "let the teachers themselves establish the discriminatory pattern" by allowing them to choose the schools in which they taught.

Justice Polier said that until the board remedied its shortcomings, it had no right to ask the court to punish parents.

"These parents have the constitutionally guaranteed right to elect no education for their children rather than subject them to discriminatorily inferior education," she said.

WILLIAM G. GRIGSBY, Ph.D.
Columbia 1958

The residential real estate market in an area
undergoing racial transition.

331.11 B388e Agri.

Becker.

Eus of Discrimin

305

C 286s

v. 37

Interracial Mges in Wm D.C.

THE VOICE OF THE NEW WEST

Frontier

constant pressure for the past 10 years. These forces
(Continued on Page 18)

FRONTIER

cisely for the reason that a majority of the nation's voters are *not* preoccupied with economic worries, these voters can be moved politically by questions of social justice. Lying never very far beneath the surface of American life is a strong belief in equal rights and fair play. Abraham Lincoln who freed the slaves remains our favorite folk hero. The "smart" politicians who see the civil rights issue merely in terms of gaining the Negro vote in certain "pivotal" states underrate our national concern for social justice. It is necessary of course to arouse this concern—it often lies dormant. But should this concern for social justice be aroused, civil rights could become the number one issue of the campaign. And it is an issue which could win for Adlai Stevenson.

*In prosperity, ec. comp-
w. neg. dec. in.*

NEVADA BARRING OTHER INTER-RACIAL MARRIAGES

RENO, Nev., Dec. 13 (AP)—
The marriage of longshore
leader Harry Bridges and his
Japanese-American bride has
not opened the door to similar
inter-racial marriages in Ne-
vada.

This state's 94-year-old law
prohibiting marriage of whites
and Orientals or Negroes still
stands, and can be finally over-
turned only by a ruling of the
State Supreme Court that the
law is unconstitutional.

The court order which
Bridges obtained applied to
Bridges only. The county
clerk's office reports it still is
refusing marriage licenses for
marriage of whites with other
races.

12-13-58

QUEEN OF ADVICE LIVES

24 D SUNDAY,
NOVEMBER 2, 1958.
ST. LOUIS POST-DISPATCH

REAL ESTATE—Wtd. to Buy 153

WANTED TO BUY
A 35,000 TO 40,000 SQ. FT.
WAREHOUSE BUILDING, ANY-
WHERE FROM KINGSHIGHWAY
TO BALLAS RD., NORTH,
SOUTH OR WEST.
ED SNEED
DICKMANN PA 5-9077

I WANT A FLAT

Northwest or west preferred, will
pay top money with cash.

HUNTING AND FISHING 155

DEER HUNTERS, 860 acres dis-
continued wildlife refuge; deer
plentiful; board and room with
Lloyd Kirkman, Summersville, Mo.
DUCK lake for 3 blinds, \$300;
near St. Charles. HA 7-3500.

KINGS LAKE, Foley, Mo., lake
and river front lots. HA 7-3007.

FARMS WANTED 158

UNIMPROVED, cheap woods or
timberland, within 75 to 100
miles of St. Louis. Box R-348,
Post-Dispatch.

ST. LOUIS AREA F. A. SINGER
WY 3-8534 PA 7-7513 Clayton

**FARMS FOR SALE
ILLINOIS 157**

20 ACRES, 38 miles south of St.
Louis on blacktop road; telephone
and electricity available; no build-
ings. Edwin Braun, Red Bud, Ill.

127 ACRES; modern house, bath,
furnace, stoker, \$16,000; 80 acres,
house, electric, bath, near No-
komis, \$12,000; 100 acres, im-
proved, very productive, \$20,000;
30 acres, modern buildings, near
Hillsboro, fronts on two paved
highways, excellent for subdivi-
sion, \$25,000; 188 acres, semi-
modern house, \$20,000; 40 acres,
house, bath, electric.

**FARMS FOR SALE
MISSOURI 159**

10 ACRES; blacktop road, mod-
ern home, fireplace, illness, must
sell. Brockman, 1/2-mile north of
Wentzville on 61.

35 ACRES, wooded, lake site, on
blacktop, near Wentzville. DEN-
NY, Realtor, 1/2 mile east of
Wentzville on 40.

39 1/2 ACRES. Driving distance;
faces U.S. highway; tractor and
equipment. 4 rooms, semi-modern.
Also has 16x16 cabin. Floyd Davis
Lists, WO 2-5151.

**FARMS FOR SALE
MISSOURI 159**

ARCADIA VALLEY FARM; 160
acres, 60 acres good saw timber;
nice 4-room cottage; electricity;
small barn, poultry house, drilled
well; near good fishing, swimming;
1/2 mile to grade school and high
school bus; \$3500. M. Strever,
Arcadia 3901R, will show. RAY
M. HENLEY, Hillsboro, Mo.

IF YOU are ready to retire, you
should see this place: 2 1/2 acres
at Luebbering; 6 rooms, bath,
basement, hot-water heat, garage,
drilled well, fruit

REAL ESTATE OUT OF ST. L. 161

FOR farm or outing place, 68
acres with creek, some bottom
land, fishing, hunting, on road,
some buildings; only \$3500; half
down. A. T. Dickey R. E. Broker,
Irondale, Mo.

TO BE SOLD AT PUBLIC AUC-
TION November 8, 1958, at 1
p.m.; a new 4-room country home,
located on U.S. No. 40, 1 mile
east of Highland, Illinois, on lot
72x320 feet, ideal rural home.

4-ROOM brick bungalow on 5
acres at Bay, Mo., 80 miles west
of St. Louis, near Highway 50,
6 miles to Gasconade river.

AUTOMOBILES FOR SALE 170 AUTOMOBILES FOR SALE 170 AUTOMOBILES FOR SALE 170

JUST MAKE PAYMENTS!

- NO DOWN PAYMENT NECESSARY
- LIBERAL ALLOWANCE—IF YOU

HAVE A CAR

**BUSINESS AND INDUSTRIAL
PROPERTY FOR SALE 149
WEST**

7382 PERSHING
Beautiful matt brick building
consisting of large store and 2-5
room apartments. Corner of Jack-
son.
ARNER-DIENER RLTY. CO.

**REAL ESTATE AVAILABLE
FOR COLORED 151**

**WE OWN—FOR QUICK SALE
NO FINANCING CHARGES**

5616 Cote Brillante; 5-
room brick bungalow; A1
condition; oil heat; \$1000
down.

3907 Enright; splendid
residence; \$800
down.

**REAL ESTATE AVAILABLE
FOR COLORED 151**

5023 Lotus; exception-
ally fine 2-story brick; 1
or 2 families; 6 rooms, new
automatic heat, modern
plumbing fixtures, alum-
inum storm sash; \$1250
down.

**REAL ESTATE AVAILABLE
FOR COLORED 151**

ATTENTION !!
We sell houses that YOU can pay for with SAFE, LONG-
TERM FINANCING — EASY PAYMENTS — WE TRADE ON
ALL PROPERTIES. LOW DOWN PAYMENTS.

\$15,500
5922 CLEMENS
10-room brick residence; ga-
rage; WILL TRADE.

**REAL ESTATE AVAILABLE
FOR COLORED 151**

5-6 FLAT—\$9250
1612 Semple; \$450 down
\$350 DOWN
5753 COTE BRILLIANTE

**REAL ESTATE AVAILABLE
FOR COLORED 151**

2 FLATS—VACANT
LIKE NEW—BARGAIN \$9750
2817 Belt; 3 and sunroom down;
4 and sunroom up; cabinet sinks;
2 baths; furnace; large yard; ga-
rage; tenant helps pay for your
home in few years; pay like rent.
BURIAN CO., Realtors JE 1-0593
(*)

\$495 DOWN—VACANT
NO CLOSING COST

**REAL ESTATE AVAILABLE
FOR COLORED 151**

Speculators, Attention
3652 EVANS (southeast corner at
Spring); 11 rooms, 1½ baths,
oil heat; carriage house; large
100'x113' lot; owner wants offer.
BOKERN REALTORS GA 1-1755
(*)

SEE THIS DOLL HOUSE
4552 Anderson; dandy 5-room
brick; gas heat; tile bath, kitch-
en; ONLY \$13,750.
JE 5-7370

**REAL ESTATE AVAILABLE
FOR COLORED 151**

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gas heat, clean, immediate pos-
session; will trade.
Rankin Real Estate JE 3-4328
Ask for Harris, CO 1-3414.
AMHERST PL., 1243; beautiful
6-6 matt brick flat; 2 gas fur-
naces, decorated; 3-car garage.
EV 1-1280 HA 8-9107 (*)

1441 ARLINGTON
6-ROOM BRICK BUNGALOW
REAL ESTATE ENTERPRISES
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McPHERSON, 4418; 9-room resi-
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THE HAND OF ESAU

Words change, practices remain in racial covenants

By RALPH GUZMAN

WHEN a home was refused to the famous Dr. Sammy Lee, the Olympic diving champion, newspapers throughout the country and the world carried the story. Indignation blazed from all directions, and leaders of the country denounced the small town of Garden Grove, Calif., because it had refused a home to a famous Olympic star.

Minority groups watched. The cynics said:

"He will get a home. After all, he is Sammy Lee."

In Lynwood, Calif., a similar case involving a Mexican family and a courageous realtor received little attention. There were no famous names and consequently no Vice-Presidential pronouncements.

Yet, the Lynwood incident is more important than the Lee case for it exposes the "new look" in restrictive covenants. It uncovers for the first time how the real estate boards have successfully continued "lily white" policies - in spite of the U. S. Supreme Court's 1950 decision in *Shelley V. Kraemer* outlawing the enforcement of restrictive covenants.

Lynwood, Compton, and South Gate are three small cities lying south of the downtown Los Angeles area. They are generally neat communities with well kept lawns and painted homes. The residents for the most part are Anglos of the Protestant faith. Many are property owners who have at least one car. They have good schools and a good attendance in church on Sundays. But, Mr. and Mrs. Average American do not live in those towns.

There are no Negroes, few Mexicans and fewer Orientals. Minority people, living in the crowded districts of Los Angeles, have been excluded.

Two years ago, Manuel and Mary Portugal commenced escrow proceedings with Merle and Dorothea Stevens for a property on 10851 Alexander Street, Lynwood. Both families knew and liked each other. Their teen-age daughters were friends, and the Stevens were delighted to sell to the Portugals because "We would be glad to have them for neighbors ourselves."

The Stevens had listed their property for sale through the realty firm of Harry Beddoe, who was a member in good standing of the South Gate Realty Board. Beddoe placed the Stevens property on a multiple listing service, which meant that other members of the Realty Board would also advertise the home. This is a lucrative, cooperative system which provides the seller with good fast service. When the property is sold commissions are split between the realtor who first took the listing and the one who made the actual sale.

Ralph Guzman is director of the civil rights department of the Alianza Hispano-Americana, Los Angeles.

The Realty firm of Ardell Thomas found the Portugals interested in the Stevens place and proceeded to show them the property. The transaction moved along its normal course until it suddenly hit a snag - someone had passed the word that the Portugals were Mexican. Agreement had already been reached between the Stevens and the Portugals, but still other prospective customers were being brought around to see the property.

"The place is sold," said Dorothea Stevens. She insisted that no one else be allowed to visit the property.

"They were trying to substitute a buyer," said Merle Stevens. He added that they (the Stevens) had insisted on their right to sell to the Portugals.

"I thought they were stalling for time in hopes that the Portugals would get disgusted and not take the place," Stevens stated.

Neighbors' Protest Halts Sale

When the word was passed, in the form of a letter signed by the neighbors, the transaction came to a halt. An indignant Stevens wrote a letter to the Realty Board demanding that the deal be permitted to proceed according to his wishes. Beddoe, with whom the Stevens family had originally listed the property, agreed to stand by the wishes of his client to sell.

Killing of sales is not uncommon procedure. Loans can be held up until, as Stevens said, the buyers get disgusted. Another method is the complete refusal by the financial institution to lend money.

Sale of the Stevens place was completed in spite of the discovery that the Portugals were Mexican. A year ago, the members of the board of directors of the Southeast Realty Board held a meeting to discuss the transaction. The board summoned its own chairman, Ardell Thomas, whose firm had sold the property to the Portugals; John H. Schroeder, a salesman for the Thomas Realty, and Harry Beddoe.

A fine was levied against Thomas and Beddoe amounting to \$310.85 apiece. Schroeder, the salesman, lost his commission. Thomas promptly paid, but Beddoe refused and unsuccessfully appealed the decision to the same board. Six months later, Beddoe was expelled from membership in the South Gate Realty Board for violating Article 35 of the Code of Ethics of the National Association of Real Estate Boards.

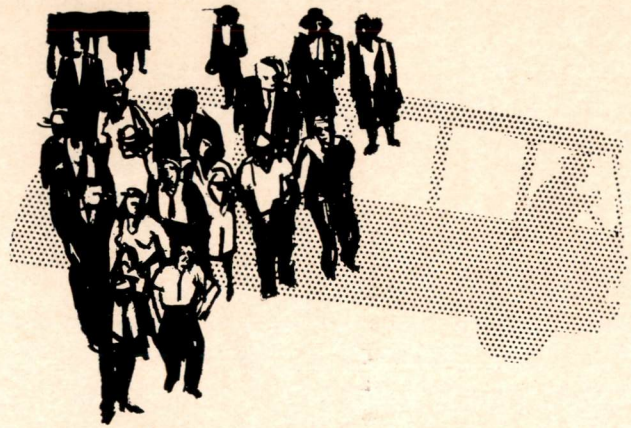
The article reads:

"A realtor should not be instrumental in introducing into a neighborhood a character of property or use which will clearly be detrimental to property values in a neighborhood."

(Continued on Page 16)

By WILSON RILES

The road to equal rights is long and rugged, but despite the headlines, Negroes are making steady progress.



NEW HOPE IN THE SOUTH

THE deluge of reports emanating from the South in recent months telling of violence and near-violence between the races indicates that all progress toward improvement of the status of the Negro in that area has been brought to a grinding halt, but such a sweeping conclusion is erroneous. Though the rate of progress is by no means uniform, in almost every state in the South, the Negro is moving toward an improved position. In some areas it is rapid, in others, painfully slow. Nevertheless, a trend is unmistakable.

The rise of White Citizens' Councils, the murder of Emmett Till, talk of "interposition" and "nullification," the banning of the National Association for the Advance-

FRONTIER *special report*

ment of Colored People in Louisiana, the Autherine Lucy fiasco and the bus boycott in Alabama have shaken the world's faith in American democracy. Few editorials have seen a deeper significance in these examples of lawlessness. There is much evidence to support the theory that these acts of violence are symptoms of the death throes of Jim Crow in the South. The new Negro Ghandi-like militance, and crumbling segregation bars in the border states are driving the Negro toward a steadily improving life.

Some white southern spokesmen—mainly politicians and, unfortunately, a few liberals who know better—are sounding warnings that amity between the races has completely vanished, the implication being that the situation has regressed dangerously close to that of the reconstruction era. The truth is that the white South is no

longer "solid" in its determination to disfranchise the Negro, deny him educational and job opportunities, or even to maintain the segregation of the races. From the border states of Texas, Oklahoma, Missouri, West Virginia and Maryland to the "hard core" states of Mississippi, Alabama, Georgia and South Carolina, the old barriers are slowly but surely dissolving although many white southerners will continue to drag their feet on the issue; a Gallup Poll survey published in March revealed that 55 per cent of the whites in the South believe "the day will come" for complete integration of the races. Thirty-three per cent believed it would not. Almost unnoticed, the number of Negroes eligible to vote has been increasing significantly. Registered Negro voters in the South have increased from 300,000 in 1938 to almost 2 million. The greatest increase, of course, has come in the border states where for many years the Negro has registered and voted without harassment. In Dallas, Negro registrations are up 15 per cent over what they were two years ago.

The same thing is happening in the deep South where politicians have long vied with one another in whipping emotions to a fever pitch around election time by haranguing the hapless, voteless Negro. Last year in Montgomery County, Ala., a politician announced publicly that there were three kinds of votes he didn't want—"the nigger vote, the Negro vote and the colored vote." This writer attended a meeting of the Alabama Coordinating Association for Registration and Voting, April 8, at which 3,000 Negroes were laying plans to accommodate the politician's request. If their goal (to raise the voting strength of Negroes in Montgomery County from 2,000 to 20,000) materializes, this official will not be around following the next election to engage in such speech-making. It is common knowledge in Alabama that one reason for the moderate attitude of Gov. James E. Folsom is the fact that he owes his election, in part, to the support of the Negro at the polls. Not only have Negroes been elected to a number of city council posts in border states, but Negroes are now serving on the school boards of Atlanta and Augusta, Ga.

Wilson Riles is on the board of directors in Los Angeles of the American Civil Liberties Union and is a member of the National Association for the Advancement of Colored People. He is secretary of the Fellowship of Reconciliation for So. California, Arizona, and New Mexico.

Economically the southern Negro, of course, still remains well below his white counterpart; especially is this true in farm areas. His median income is 25 per cent below that of the nation as a whole as compared to the southern white, whose income is 10 per cent below the national figure. But the gap is gradually closing. In the first place, the Negro is bidding farewell to the plantations at the rate of 130,000 per year. In the newly industrialized southern cities his pay envelope is four times fatter than it would have been in 1940. Comparatively, the southern white worker earns only two and a half times as much as he did 16 years ago. Secondly, the Negro is developing techniques designed to up-grade himself in industry. One of the most hopeful illustrations of this is the work of the Dallas Job Opportunity Project, initiated by the American Friends Service Committee and headed by Almita Robinson, a Negro woman who has learned to speak the language of the Dallas business executive. When she informs an employer that employment discrimination costs American business and industry in actual dollars and cents some 30 billion dollars annually, he invariably sits up and listens. As a result of her efforts, an imposing list of Dallas firms have made steps toward employment on merit.

Business Community Cooperates

Of perhaps even greater significance, however, is the fact that important community businessmen are solidly behind the project. For two years the program had been financed by foundation grants. When it became known recently that funds for the project were no longer available, a number of the city's outstanding business and industrial leaders decided to underwrite the project themselves.

Southern threats to scrap public school systems and to "oppose the Supreme Court by lawful means" must be balanced against the fact that half of the state-supported institutions of higher-learning in southern and border states, 104 in 17 states, have integrated. In Texas, 65 public school districts out of a total of 1,000 have integrated, and more have announced plans to abandon segregation in the fall. Texas' Gov. Allan Shivers, while publicly advocating "interposition," sends his son to a mixed high school in Austin. All in all, some 256,000 southern Negro school children, 10 per cent of the total Negro enrollment in 17 southern and border states, are now attending integrated schools.

Some aspects of the practice of segregation in the South are ludicrous. Grover Hall, Jr., who edits the *Montgomery Advertiser*, which prints a separate edition for Negroes and whites, reports that there is not a segregated elevator in Montgomery. Observes Hall, "Vertically we are desegregated, but riding horizontally, for some reason, it's quite different."

Rulings of courts and the Interstate Commerce Commission have obliterated Jim Crow signs from El Paso to Wilmington, Del. This writer could find no "Colored Passengers Only" waiting rooms in Dallas, New Orleans, Richmond, or Baltimore — not even in Orangeburg, S.C. Compulsory segregation in interstate travel has been illegal for 10 years, and on April 23 the Su-

preme Court took action which banned segregation in public transportation. Thirteen southern bus companies immediately announced they would comply. The reasons for these advances are many. Recent rulings of the courts have upset the entire legal basis for segregation, but there are numerous, if less dramatic, other influences as well. Air travel, for instance, has never been segregated in the South.

Many informed persons tend to feel that the high court's ruling striking down separate schools because of race is responsible for increased tensions in the South, but the southern white man has always found it convenient to talk of "outside interference" whenever his racial policies have been criticized or challenged. What is really causing the tension is the fact that for years the southern white has labored under the fallacy that he alone understood the Negro, when the truth of the matter has been that, over the years, the southern Negro had, for obvious reasons, told the white southerner what he knew he wanted to hear. Now the white southerner is faced with a new, articulate Negro who, backed by legal and moral sanctions, is telling the truth in the deep South for the first time. Two years ago, Gov. Hugh White of Mississippi called together 100 Negro leaders of that state, clear in his own mind that they would go along with a voluntary Jim Crow plan which would circumvent the Supreme Court's ruling on school segregation. The governor was visibly shaken when his plan was rejected by a vote of 99 to 1. "The only solution to the school problem that Mississippi can morally and financially afford, and at the same time meet the approval of the United States Supreme Court, is to consolidate and integrate the present schools on all levels," the Mississippi Negro leaders told White.

Another characteristic of the Negroes' "New Look" in the South is their ability to remain calm and determined in the face of violence. Ed Nixon, an active labor leader in Alabama, says that he is surprised if a week goes by without at least one threat being made on his life. On the night of Jan. 30, 27-year-old Rev. Martin Luther King stood on the steps of his dynamited home and exhorted several hundred angry Negroes to refrain from returning violence for violence.

"He who lives by the sword will perish by the sword," he warned. "Love those who persecute you. Let no man drive you so low as to hate him!"

Although more than a million Negroes left the South between 1940 and 1950 headed for the industrial centers of the East and West, there is increasing evidence that this migration will soon level off. Particularly is this true of the southern Negro leaders and intellectuals. Rev. Ralph D. Abernathy, one of the leaders in the Montgomery Improvement Association, puts it this way: "Please don't ask me to leave Alabama. I love my state. My father and mother are buried here. I intend to stay here and make it as fine a place for Negroes to live as California!" Time was when Negroes used such phrases



as "white schools" and "colored schools." The United States was referred to as the "white man's country." Today, however, the new southern Negro speaks of "our schools," "our parks," "our state," "our country." It's no wonder that throughout the South, confused whites are asking, "What's happened?"

The greatest accomplishment of the Citizens' Councils, to date, has been to silence the white "liberals" and "moderates" in the deep South. A number of "liberal" clergymen and educators who dared speak out have been released from their posts. Others have, naturally, felt it expedient to remain silent for the time being.

Church Is Assuming Leadership

However, recent events point to the fact that this trend may soon be reversed. White clergymen are meeting quietly in the deep South and laying plans to "regain the moral initiative" for the church, and rebuild the "middle ground." On April 10, 28 leading clergymen of the largest church body in the South—the Southern Baptist Convention—issued a statement that made it plain that the only "Christian solution" is one of complete racial equality. A number of Negro leaders in the South are expressing the hope that the non-violent aspects of the "Walk to Freedom" movement in Montgomery can be adapted and its moral and spiritual leverage brought to bear in other areas of southern injustice. They point out that such a movement led by ministers, who are virtually beyond economic pressure, can succeed in avoiding violence, even if provoked, and relieve some of the anxieties of many whites who, feeling threatened, would tend to become even more extreme if other kinds of pressures are used. This Gandhian approach has dulled the economic threats of the Citizen's Councils, who now realize that the economic boycott is a double-edged instrument. Word has been passed around transportation circles in several southern cities to refrain from any acts that might provoke Negro passengers into any further walk-a-thons. Thus, though there may be many more Autherine Lucy cases before ultimate victory, the Negro in the South is finally catching a realistic glimpse of his soul's deepest yearnings—stated tersely by Dr. Harry Richardson, the white president of a Negro theological seminary, in a recent speech in Atlanta:

- "1. He wants that every southern child shall be able to live and grow and learn *in the South*, without having the stigma of inferiority stamped on his skin or burned into his soul.
- "2. He wants the right to secure any kind of work of which he is capable, without being denied because of his skin.
- "3. He wants access to every public privilege or service to which a citizen is entitled, without having to crawl in through back doors or to stand behind screens like an outcast or a dog.
- "4. He wants an American's participation in the processes of his government, receiving all rights and protections, and bearing all responsibilities.

"This is what he wants, this is all that he wants, and he believes that under God this is fair."

DISCRIMINATION (Continued from Page 13)

This is the little known enforcement aspect which keeps realtors from selling to anyone who is not of the proper pigmentation, religious faith or national background. If the realtor insists on his right to sell to anyone he is fined, suspended, and possibly expelled from the realty board.

Beddoe is not the first to be punished. Another realtor, Earl Wing, was expelled in May, 1955, for selling to an Italian couple. The expulsion was ordered by the same South Gate Realty Board.

Wing received no hearing and his dismissal was not widely publicized. Shortly thereafter, the Italian couple sold their Lynwood home and moved away.

Before *Shelley v. Kraemer* the same article 35 read:

"A realtor should not be instrumental in introducing a character or use of property for occupancy by members of any race or nationality or any individual whose presence will be detrimental to the neighborhood."

Membership in the realty board brings important economic security through the multiple listing service. To be expelled means a considerable loss of business. The realtor can continue his business, but few people will risk dealing with someone who has been expelled. Before his removal, Harry Beddoe was in line for the chairmanship of the South Gate Realty Board having served a term as vice-president.

A whispering campaign started against him. Beddoe's real purpose in dealing with Mexicans, it was said, was to open the gates to the Negroes. Beddoe, one of the most outstanding and reputable realtors in the state, was hard hit. Friends quietly urged him to keep up the fight, but few stepped forth to say it publicly.

Harry Beddoe, who spent many of his years as a Seventh Day Adventist Missionary in Africa and the Caribbean, has turned the other cheek. He insists that he did no wrong; that he merely fulfilled his ethical obligations.

Legally, Beddoe and his attorney, Mark F. Joseff, of Downey, Calif., are pioneering new law.

A suit for damages totaling \$42,000 and charging restraint of trade, under the Cartwright Act, California's little Sherman Anti-trust Law, has been filed. Last month Attorney Joseff won a small victory. Judge Maurice C. Sparling of the South Gate Superior Court refused the South Gate Realty Board's request to dismiss the case and gave Attorney Joseff an opportunity to file an amended complaint.

The litigation is expected to reach the federal courts. In the meantime, the proceedings are being carefully watched by the National Association for the Advancement of Colored People, the Los Angeles Community Service Organization, and scores of other civic groups.

There is one happy note to this incident: the neighbors who signed the letter opposing the presence of the Portugals have changed their minds. They now say that the Portugals "are nice people." However, Harry Beddoe continues his struggle for economic survival, determined to bring his case before the United States Supreme Court for an appraisal of the "new look" in restrictive covenants.

DEMOCRACY IN ACTION

UAW'S interracial housing project in California

By G. W. SHERMAN

HOUSING has been, and still is, America's number one problem since the war. Bad enough for white families, the situation has been even worse for non-white families. According to housing expert Charles Abrams, less than 1 per cent of the new dwellings constructed in the United States during the 17 years between 1935 and 1952 has been for non-white families. These constitute 10 per cent of the population; the discrimination is obvious.

Moreover, Negroes and other racial minorities have not only been charged higher rents by landlords but also higher prices for lots by landowners and higher financing costs by banks and savings-and-loan companies. There is a solution for this problem, however, that has worked out successfully where it has been tried, and that is gaining wider acceptance by proven experience: Interracial living.

The latest example of interracial living is *Sunny Hills*, an unsegregated subdivision of 400 homes on a 100 acre tract, sponsored by the United Auto Workers of America (UAW-CIO), with the assistance of private capital and civic-minded groups, now being completed at Milpitas, Calif., just north of San Jose. *Sunny Hills* grew out of the need of autoworkers' families for homes. About two years ago the Ford Motor Company purchased an industrial site in Milpitas and announced that it was moving its Richmond (Calif.) assembly plant there. Some 200 of Ford's 2,100 skilled employees were Negroes, most of whom owned their own homes in Richmond. Commuting for an extended time between the two towns—a distance each way of some 50 miles—was unfeasible. Realizing that more than machinery was involved in the move, the UAW union enlisted the help of experienced community planners. Together they set to work on some of the complicated problems, mainly housing and racial tensions, that were anticipated as a result of the change. They didn't want to repeat the mistake made in Morrisville, Pa., where the United States Steel Company had built a new plant without any provision by the community or the company for the shelter of its employees.

The result was *Sunny Hills*. It is not a company town, however; other people besides auto-workers, regardless of color, may buy homes there. And it isn't an ordinary subdivision, but a special kind of homeowners' community embodying the UAW's belief that people who work together on the job can live together off the job. There have

been other interracial rental communities before, both privately and publically sponsored, like Metropolitan Life's Stuyvesant Town (New York) and Aliso Village (Los Angeles), originally built to house aircraft workers. There are only two interracial homeowners communities, however. The first one was *Concord Park* (Prevose, Pa.), sponsored by the American Friends, or Quakers. The second is the UAW's *Sunny Hills*, which has the distinction, according to Arnold Callan, educational director and PAC organizer (Oakland), of being the first union-sponsored interracial homeowners' subdivision in America. Both the CIO and the AFL have long been fighting racial prejudice among their members, and UAW's national president Walter Reuther has been especially interested in interracial housing as a positive approach to the problem. So, UAW's sponsorship of *Sunny Hills* is the realization of a long cherished ideal.

How the Unique Project Began

One of the unique things about *Sunny Hills* is the cooperative way in which plans for it were formulated and carried through from the start. The Union made a canvas of its Richmond members needing homes and the types of dwellings they preferred. The American Friends Service Committee in San Francisco sent its representative, Phil Buskirk, into the area as coordinator with the California Federation of Civic Unity in San Jose to inventory the community's housing resources. Various service, church and welfare organizations cooperated in the program of preparing an agricultural community for its transition into an industrial one. Committee members canvassed real estate listings and uncovered a few realtors without racial prejudice but fewer still without fears of property devaluation from mixed occupancy. San Jose and its neighboring towns have a large Mexican-American population (some 30,000 in Santa Clara county) but very few Negro inhabitants. A bad situation had to be faced of Negroes with jobs coming into a community without suitable homes. There were sub-standard dwellings, of course, occupied by racial minorities with low incomes, more fit for slum clearance than for habitation. The Negro arrivals were skilled employees with steady jobs and good incomes. The majority of them already owned their own homes in Richmond. They did not have to limit their purchases to the hand-me-down houses of the low income class. Any white breadwinner with such a credit rating would have experienced no difficulty

G. W. Sherman writes frequently on minority problems.

the other way and say kind words about the wonderful job Nixon was doing, certain persons high in the party were known to be worried. They felt Mr. Nixon's campaign methods had alienated many independent voters and Democrats whose votes may be decisive in a close election.

Nixon's Performance in 1954

Nixon repeated his 1952 performance in 1954.

Campaigning in the west, Nixon declared in a Montana speech that the "Communist strategy of infiltrating the Democratic Party" was succeeding. In Pocatello, Ida., he charged that five Democratic candidates for the Senate were members of the "left-wing of their party." He said in Cheyenne, Wyo., that there was an alliance between the Communist Party and "left-wing" Democrats to defeat Republican candidates for Congress.

Nixon's tactics, during a period of intense anxiety over Communism, were effective, at least insofar as his personal political ambitions went, but he may have over reached himself. Many political observers, Republican as well as Democratic, believe that his past mud-slinging has impaired his chances to obtain the Republican nomination if Eisenhower does not run and have made it unlikely that he could be elected if nominated.

With Nixon providing the example, the Republican Party in many sections of the country employed the smear as standard tactics in the 1954 elections.

A Republican advertisement in Utah was headed:

**"LEST WE FORGET"
3 GREAT WARS**

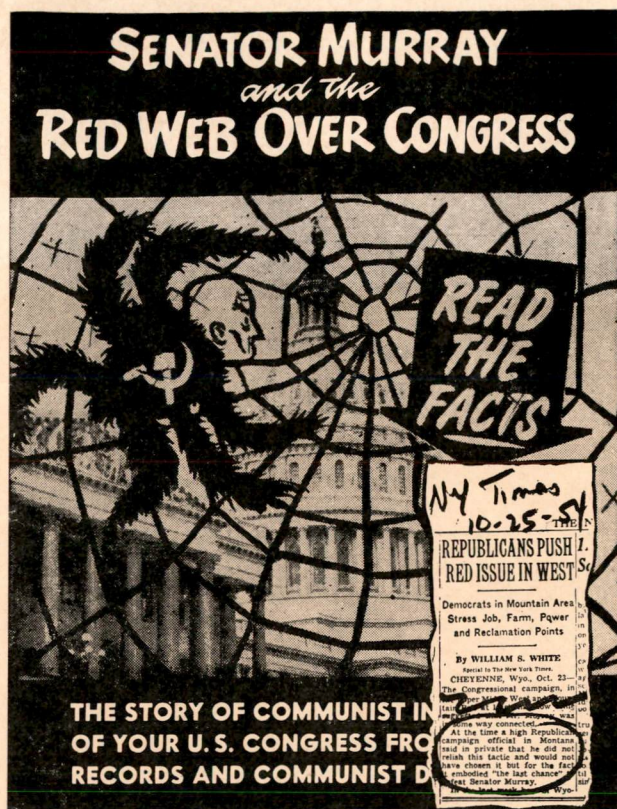
A paragraph below read: "Three great wars with the horror, the heartaches, the cruelly maimed bodies, the widows and orphans and sorrowing Mothers. Three great wars in our generation during the terms of THREE Democratic Presidents, each of whom had an in-his-pocket Democratic House and Senate."

Urging readers to "vote straight Republican," the advertisement declared, "The SON You Save May Be Your OWN."

Montana Republicans attempted to link the venerable Sen. James Murray with Communism. The New York Times reported: "A high Republican campaign official in Montana said in private that he did not relish this tactic and would not have chosen it but for the fact that it embodied 'the last chance' to defeat Senator Murray." Senator Murray was reelected despite the smear.

Sen. Joseph C. O'Mahoney faced a similar campaign in Wyoming. After his defeat in 1952, Senator O'Mahoney established a law office in Washington. Acting upon his conviction that any American has a right to an attorney, Senator O'Mahoney, risking his political future, participated in the defense of Owen Lattimore.

His Republican opposition in 1954 declared in a large advertisement: "Do YOU agree that this man, Joseph C. O'Mahoney . . . should be vested with the great responsibilities as United States Senator, as YOUR representative in Washington, when he . . . with his eyes open accepted such a man as Owen Lattimore as his client?" Apparently the voters did agree, for Senator



Democratic Digest

Montana Republicans conducted a virulent smear attack against liberal Senator Murray two years ago but failed to defeat him

O'Mahoney was elected. The charges against Lattimore subsequently were dropped.

Several Republican politicians are still known to be jittery about Communism as a campaign issue. When Attorney General Brownell made his sensational charge in November, 1953, that Harry S. Truman, while President, had promoted the late Harry Dexter White in government service, knowing that White was a Soviet espionage agent, there were immediate and embarrassing repercussions. After the smoke had cleared away, numerous political writers reached the conclusion that Brownell had committed a serious political blunder.

Six days after he had made the accusation in Chicago, Brownell issued an amplifying statement, explaining he had "no intention of impugning the loyalty" of Mr. Truman. He said he only believed Mr. Truman guilty of "laxity." This squirming backdown on the Truman charge indicated a top-level realization that the Red Smear is truly a dangerous weapon, and that the user, too, may get hurt by it.

So Republicans are going to try to give this weapon a new look in the coming campaign. They wish to avoid backfire. This also explains why Nixon is trying to put on a new face.

But if Nixon is the GOP nominee, you can bet your last dollar on one thing: Either he or his crew of hatchmen, probably disguised as "Democrats for Nixon," will campaign actively against Alger Hiss. This is one line that he and Chotiner consider sure-fire GOP medicine. And remember, the Republicans ran against Jefferson Davis for thirty years after the Civil War.

Mars Hill Dean Is Named

MARS HILL, Sept. 10 — The Rev. William L. Lynch, currently serving on the Board of Directors for the Biblical Recorder, has been named dean of students at Mars Hill College.

The work is new for both the college and the Rev. Mr. Lynch. The two-year Baptist school has had deans of men and women for many years, but recently added the office of dean of students in order to place more emphasis on student guidance.

The Rev. Mr. Lynch completed graduate work in patient counseling at the Baptist Hospital under the direction of Dr. Richard K. Young, head of the Department of Pastoral Care.

The new dean was graduated from Wake Forest College in 1932 with a B.A. degree. He received a B.D. degree from Colgate - Rochester Divinity School in 1936 and a Th.M. degree from the Southern Baptist Seminary in Louisville, Ky. in 1946.

His first pastorate was at the Mars Hill Baptist Church from 1936 to 1944 and from there he went to Durham to serve as superintendent of missions for the Baptist Council of the city.

Active in the state Baptist program, Rev. Mr. Lynch has served on both the General Board and



REV. WILLIAM L. LYNCH.

the Executive Boards of the State Convention

Previous to assuming his work at the Baptist Hospital in November of 1955, Rev. Mr. Lynch served the First Baptist Church of Siler City as pastor for a period of seven and one half years.

The Rev. Mr. Lynch and his wife, Nona Faye, have three sons: David, 15; Albert, 9; and Edward, 7.

might be discussed by the Council when brought before it.

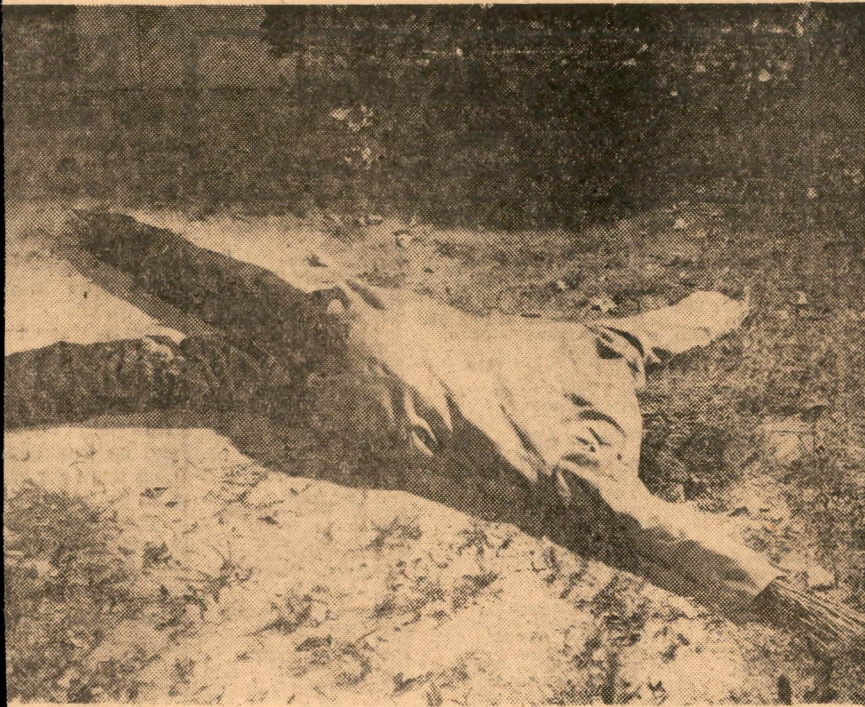
Richards has told a Caraleigh property owner, according to the mayor, that he will abandon plans for the Negro housing development if there is opposition. Richards could not be reached for comment last night.

City Planning Director A. C. Hall Jr. said the subdivision plans have not been approved by the

City Planning Commission, which is not scheduled to meet in regular session until September 24. The Council would have to approve the plans after they are acted upon by the Commission.

The tract is part of the Methodist Children's old farm property.

Consult the Want Ad pages regularly; there's bargains galore offered for sale every day.



VERNOR? — Governor Hodges was hanged in effigy last night. This, presumably representing the governor, was found by photographers near shrubbery off the steps leading to the Educational Building. (Staff Photo).

Voice Objections Negro Housing Project

ns for a residential subdivision on South Saunders Street, beyond Caraleigh, for Negroes have run into opposition.

A number of white citizens have filed a petition, left with City Manager W. H. Carper, in opposition and the matter was laid before the City Council yesterday. Willis P. Holding of Raleigh.

N. Richards, who has been connected with a number of residential developments here, submitted plans for the project on Sept. 29 to the City Planning Department. Planning Director A. C. Hall said that they call for

117 lots on a 44.4-acre tract south of Gilbert Street and on the east side of South Saunders Street.

In discussion of his plans, Richards has been quoted as saying the houses for Negroes would be in the \$10,500-\$12,000 price range and have three bedrooms and bath. They would be of brick veneer and financed through the FHA and VA, it was stated.

Holding told the Council yesterday that residents of Caraleigh and Carolina Pines, some 500 of them, are opposed to a Negro section being located between

those two white areas and Hertford Village on Highway 15-A.

He said that the citizens wanted to be heard before the Council, but he was informed by Mayor Wheeler that "we don't have any right to hold a hearing on it. The race issue has no business before the Council."

Holding had said that Caraleigh property owners would not give permission for an eastern outlet to Highways 70 and 15-A, South, through their property as the developer planned. The only other way an outlet could be obtained, he said, was through city-owned property at the water filtering plant. The mayor said that the question of an outlet through city property from the subdivision

What's Doing



COMEDY TEAM — The youthful comedy team of the Double Johns, Labrecque and Gray, make their first appearance in "Ice Capades of 1957" as one of the 20 acts and 10 production numbers that comprise the show. Ice Capades will play at the Reynolds Coliseum here, Sept. 24-29.

The big do on television tonight, "I'll Always Love You, Natalie" will be the presentation in modern dress of "Antigone," based on the light Playhouse will present tonight

Tuesday Radio

Network Stations.

The Schedules Below Are Furnished by the Stations.

WKIX-MBS — ABC — WKIX — 850 — WKIX-FM 96.1

6:00 News	10:45 Streets	6:30 News
6:05 Klack Watchers Klub	11:00 Ed. Cantor Show	6:35 Mel Allen
7:00 News	11:30 Queen For Day	6:45 Song and Star
7:15 Tommy Steele	12:00 Briarhopper	7:15 Quincy Howe
7:30 Klack Watchers Klub	12:15 Phone Quiz	7:30 Gabriel Heater
7:55 News-Weather	12:30 Cincinnati at New Yk.	7:45 Edward P. Morgan
8:00 Klack Watchers Klub	3:00 Campus Bandstand	8:00 Mystery Time
8:10 Bulletin Board	4:55 News	8:25 Late News
8:15 Klack Hatters Klub	5:00 Bob & Ray Show	8:30 Am. Music Hall
9:00 B'fast Club	5:45 Eddie Fisher	8:55 People In News
10:00 My True Story	6:00 Fulton Lewis	9:00 Bob Dupree
10:30 Girl Marries	6:15 Sports Page	12:00 Sign Off

NBC — WPTF — 680 — WPTF-FM 94.7

6:00 News-BJ	12:30 Tobacco Mkt.	6:15 Supper Show
6:15 Markets	12:45 Sam Beard	6:45 News
6:30 BJ Show	1:00 Party Line	7:00 Alex Drier
6:40 Tarneel Farmer	1:30 Farm Hands	7:15 Big Four Roundup
7:00 News	2:00 News - Beard	7:30 Morgan Beatty
7:15 Daily Breau	2:15 Music For	7:45 Man's Family
7:30 BJ Show	2:30 Pressly	8:00 X Minus One
7:45 Music-News	3:00 5-Star	8:30 News - Biography
8:00 News Roundup	3:30 Hilltop	8:45 In Sound
8:15 Weatherman	3:45 Pepper	9:30 Ted Heath
8:30 B. J. Show	4:00 The Woman	10:00 News-Chet Huntley
9:00 News	4:15 McBride	10:15 Ferrell Dobbs
9:15 Gabfest	4:30 Fred Waring	10:30 Our Best
9:30 Time Out	5:00 Supper Show	11:00 News - Scores
10:00 Bandstand	5:30 Weather - show	11:15 Our Best
12:00 News - Mkts.	6:00 News - Stocks	11:30 To You
12:15 Farm Hour		

CBS — WDNC — 620 — WDNC-FM 105.1

6:00 Study-Brown	12:45 Eddy Arnold	5:45 Blackwood
6:45 Blackwood	1:00 Nora Drake	6:00 News - Wea.
7:00 Wake Up	1:15 Aunt Jeffy	6:30 Percy Faith
8:00 News	1:30 Dr. Malone	6:45 Lowell Thomas
8:15 Wake Up	1:45 Road of Life	7:00 Perry Como
8:30 Back To Bible	2:00 News-Happiness	7:15 Dixieland
9:00 News	2:15 Mrs. Burton	7:30 Ring Crosby
9:30 News-Crosby	2:30 Strike It Rich	8:00 Amos - Andy
9:45 F. Jarman	2:45 Pat Butteram	8:30 Rock 'n Roll
10:00 A. Godfrey	3:00 Houseparty	9:00 Know Artist
11:20 F. Jarman	3:30 Back Stage Wife	9:30 Campaign
11:45 Howard Miller	3:45 Helent Trent	10:00 Skyline Patrol
12:00 Wendy Warren	4:00 Gal Sunday	11:00 News-Reporter
12:15 News	4:30 Farrington	11:15 Spts-Music
12:30 Pioneers	5:30 Commuters	

Tuesday Television

Network Stations.

The Schedules Below Are Furnished by the Stations.

WNAO-TV — Channel 28, Raleigh

6:45 Almanac	11:30 Church in Home	2:45 "28" Presents	7:30 Navy Log
7:00 Will Rogers	12:00 News	3:00 Afternoon	8:00 Joe - Mabel
9:00 Garry Moore	12:10 Stand Up	3:15 Secret Storm	8:30 Calvacade
8:00 Kangaroo	12:30 Summer Scene	3:30 Edge of Night	8:45 Theater
9:15 "28" Presents	1:00 Johnny Carson	4:00 Bar "28"	9:00 \$64,000
10:30 Strike It Rich	1:30 "28" Presents	4:30 Kiddie Kapers	9:30 Trust Wife?
11:00 Valiant Lady	2:00 Big Payoff	6:00 Kukla, etc.	10:00 Movies
11:15 Love of Life	2:30 Bob Crosby	6:15 Doug. Edward	11:30 Beulah
		6:30 Name Tune	12:00 Signoff
		7:00 Phil Silvers	

WTVD — Channel 11, Durham

7:00 Today	12:30 Cockeye	6:30 G. G. G.	9:30 Big Town
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Ear

LAS VEGAS—The story about the guy winning — but kept looking at his watch.

Nobody knew the guy . . . nor what was with the watch.

But he was winning very big at blackjack in downtown Vegas. Thirty-six thousand and he was clipping them for, at 8 in the morning.

They have penny slot machines downtown now you can blow a dime just like that.

"But this guy wasn't a penny plunger," said Sammy Renick who unfolded his tale, "He had hit a race horse pool for several hundred.

"So the guy decides to try a little blackjack."

He didn't go up to the glamorous places on The Strip like the Elmer Inn where they have Peerce.

"He stayed in one of the joints around here," Sammy Renick said to me. We were wandering around downtown Vegas looking for the town over.

"You know how luxurious the places on The Strip are," Sammy Renick said.

I did. I'd been in to hear Peerce myself. Last time I seen him was July 4 in Moscow and now he was singing in Vegas, and telling the audience when they asked for "There's one thing I've learned

in buying a home of his choice. Theoretically, Negroes have had the right to purchase and dispose of real and personal property since 1866 by the Civil Rights Act of that year, but actually they are deprived of these rights in practice. Although racial prejudice has lessened in recent years, in the North at least, the myth of property devaluation still persists as an alibi for "lily-white" neighborhoods.

In view of these facts, there was only one solution to the problem, as the UAW saw it. That was to build a subdivision of their own. The main difficulty was to find a financial backer. None could be discovered in California, according to Mr. Buskirk, to underwrite the project without making a special charge because of the plan for mixed occupancy. This was racial discrimination in its most objectionable form.

After several discouraging attempts, the planners finally approached the Metropolitan Life Insurance Company, sponsors of Stuyvesant Town, which once refused Negroes as tenants but now admits a few. Finally, on February 3, 1955, the Metropolitan Life agreed to put up the necessary money (\$2,777,150) on reassurances from Jack Conroy of the UAW that the autoworkers knew about the mixed occupancy plan, that over 200 members, both white and Negro, had already signed applications for homes, and that the International Union was unanimously behind the project.

400 Fine Homes on 100 Acres

With the money guaranteed, the Union could go ahead. On April 6, without ceremony, the foundations of the first two model homes were poured, and a name, *Rancho Agua Caliente* (Rancho Hot Water), was given to the subdivision. The name somehow expressed the difficulties encountered so far, but a Spanish name for an interracial project was appropriate in other ways. If you have ever heard Negroes speak Spanish as a social worker friend has heard them speak it in the San Bernardino valley, you know what is meant. The planners were ready for building operations to begin, when they ran into other problems. A private development of 130 homes adjoining the Union's 55 acre Kaufman tract was already in the process of construction, and the developer didn't like the idea of an unsegregated subdivision so close to his. This was resolved with the Union's buying out the private development of *Sunny Hills*, name and all.

As a result, *Sunny Hills* will be a larger and better subdivision than the original plans called for. Instead of 268 homes on 55 acres, there will be 400 homes on 100 acres, with room for a total of 1,500 homes in the Union's long-range view, as the need warrants them. Autoworkers at the Ford plant have priority on home purchases, of course, but other people needing homes regardless of color, will be eligible to buy them. There are two types of homes available: the conventional and contemporary style. The prices of the first will range from \$10,700 for those with one bath and single garage to \$12,500 for those with two baths and double garage. Both have three bedrooms. The prices of the contemporary style homes will range from \$10,500 to \$11,700, with a

few four-bedroom homes at \$12,500. The prices of both types of homes are about \$800 less than those of comparable housing in the area. Planned by architects Wurster, Bernardi and Emmons of San Francisco and constructed by the Corporation of 20th Century, also of San Francisco, the homes will offer a variety of design in exterior and floor plan. There will be adequate storm and sanitary sewers. Harold Wise of Oakland will handle the site-planning, and the Fidelis Realty Company of Oakland, the purchase sales. Albert McKee states that FHA and GI terms are available at par. Ordinarily financing costs for interracial tracts run higher.

Streets Named for Labor Leaders

Nothing has been overlooked by the planners of *Sunny Hills*, not even the subdivision's nomenclature, which will perpetuate labor history. The entrance to the subdivision off the Oakland highway will be known as Reuther Drive, and the streets will be named after labor leaders and other persons who have worked to make *Sunny Hills* a reality.

One-hundred-thirty homes have already been completed, and 270 more will be ready for occupancy early in the spring. UAW members who have been commuting between Richmond and Milpitas (100 miles round trip) by bus and car-pools will be glad when the fatiguing ordeal is over.

With the guaranteed annual wage (GAW) won last summer by the UAW, autoworkers will have secured incomes that are the best guarantee they can pay for their new homes in *Sunny Hills* and give their children some of the advantages which many of them were deprived of themselves. An elementary school is already under construction between the subdivision's two units for *Sunny Hills'* children. A Union Hall with swimming pool and recreational facilities for workers' families is contemplated for next year on an adjoining 8-acre tract purchased by the Union recently. In short, *Sunny Hills* will offer a favorable environment for work and play for workers' families.

The benefits are not limited to autoworkers' families alone; the community as a whole has already profited in numerous ways. The coming of the automotive industry to the Santa Clara valley has boomed the stagnant village of Milpitas and stimulated interest in San Jose's lagging technical high school.

Most important of all to the community has been the example set by the UAW, the American Friends Service committee and the church and civic groups in planning *Sunny Hills* and the experience gained from active participation in it. *Sunny Hills* stands as one solution to the minority housing problem and an example of the democratic way of achieving it. Moreover, it is an experiment in interracial living that the rest of the country might well emulate. The achievement of UAW's *Sunny Hills* has been well summarized by William Oliver, Negro administrative assistant to Walter Reuther: "We feel this development will give our union and other people across the nation a chance to uphold our philosophy that people who work together can live together and play together."

SHOWMAN SAINT OF TEMPLE STREET



Sheriff Eugene Biscailuz of Los Angeles:

**For nearly half a century, the colorful
symbol of law enforcement — with a smile**

By **ROBERT E. G. HARRIS**

ASK almost any resident of the Los Angeles area — even the latest newcomer — to name the greatest showman in the region's public life and he'll unhesitatingly answer, "Gene Biscailuz." In fact, Biscailuz' reputation as a showman has threatened, at times, to obscure his solid accomplishments as an elected official. He not only justly claims the title of "Mr. Los Angeles County," but comes pretty near to being "Mr. California" himself.

From his memento-filled office in the bulking Hall of Justice, Biscailuz holds sway over the largest Sheriff's department in the world. The unincorporated area policed by his deputies encompasses 3,325 square miles. It includes more than a third of the 5,500,000 people in mushrooming Los Angeles County. The office he directs operates on an annual budget in excess of \$13 million. Its personnel totals 2,380, of whom 1,810 are badge-wearing deputies. Only one other locally elected official — the Mayor of Los Angeles — is responsible to more citizens. And the Mayor, unlike Biscailuz, has to share his authority with a complex of boards, bureaus, commissions, and a sometimes recalcitrant City Council.

What and who is this phenomenon the Los Angeles newspaper fraternity refers to as "the Sainted Gene"? Why the halo around his head? Why, for 48 years of practically continuous service in the Sheriff's department, has this man led a charmed life, relatively free from the contumelious treatment the public, in good part, deals out to its politicians?

"I have good press relations," says the Sheriff, "because I treat all the newspaper boys fairly." But this explanation doesn't tell the whole story. Gazing at you from across his desk, his alert Latin eyes and quick gestures diminishing his 72 years, the "Sheriff of the New West," as his biographers Lindley Bynum and Idwal Jones have tagged him, gives a hint of some way of the spirit few politicians have mastered. This is why, in order to understand Biscailuz' success, he himself has to be understood first as a politician.

The office he holds is one of the oldest in the Anglo-American political structure. It dates back a thousand years. In Saxon England, when Edward the Elder and his sister Ethelfleda of the Mercians set about conquering the Danelaw, they divided the country into shires, moulding each shire around some Danish borough. To govern the area they established two officials: an ealdorman and a shire-reeve. It was a garrison system. From it down through the centuries has developed the office of sheriff and his authority to summon the *posse comitatus*, or power of the county, and to pursue and take all traitors, murderers, felons and other misdoers and commit them to jail for safe custody.

Varied Duties of the Office

Today, the *posse* is rarely summoned, but the office of sheriff continues. In all but one of the 48 states — Rhode Island — it is an elective office. And with more than 3,000 counties in the U. S. there are a lot of sheriffs. Some are bumpkins with no training in police work. Some are venal. Some serve for two years, some for four. But each is the chief conservator of the peace in the county in which he serves, and each is the State's representative for that purpose. Each is in charge of the county jail — in most areas a dismal, unsanitary institution. Each serves all the writs and orders of the local court — summonses, subpoenas, writs of attachment, and

The New "Gresham's Law of Neighborhoods"— Fact or Fiction

By Charles Abrams



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The New "Gresham's Law of Neighborhoods"—Fact or Fiction

By Charles Abrams

There is more than one view as to what creates neighborhood values. In this article Mr. Abrams dissents with many generally-held concepts, and skillfully defends his position.

A CURIOUS NOTION has developed in the appraisal profession which may be described as a new "Gresham's Law of Neighborhoods." It puts people in the same class with dollar bills and holds that just as bad money drives out good, so people of certain color, race, or status debase real estate values and drive out their betters.

Typifying this notion is a recent article by Arthur A. May¹ who insists that values rise or fall "because of the behavioristics (sic), the traits, the living habits, and backgrounds of the people who lived in the neighborhood." He then advises a wise home buyer to "calibrate" certain facts; and his own "calibrations" lead him to illustrate his theory by a homely bit of advice to a customer who had asked him if a certain lot was worth \$2500.00.

I told him I didn't know and couldn't answer his question until he could tell me who lived in the block (which was about fifty percent built up) on either side of the street. . . . Thus, he had to satisfy himself that these people were of about his same economic level, that culturally they were approximately his equal, and that they were of his same race and preferably his same religion in order to assure him that the

interests and living habits of himself and his neighbors would lie parallel.

He then maintains: "What we should have in mind is the homogeneity of the people who live within the area, their sameness of income and their sameness of social habits . . ." where the "infiltration of the antipathetic racial groups begins to gnaw at the edge, it will not be long until direct access will be had to the very core of the neighborhood itself."

The thesis carries out what Mr. May has said in his book *The Valuation of Residential Real Estate*,² in which he generalizes that "in the city that houses a large percentage of people of foreign birth, of their children, or that contains a substantial minority percentage of people of races other than white, residential real estate values in the older districts bordering those at present inhabited by the minority peoples will exist in a state of threatened status quo."

Were Mr. May deliberating his theory in solitude it could be ignored as a harmless abstraction. But not only do his views carry prestige in the profession, but they echo

¹ Arthur A. May, "Appraising the Home," *The Appraisal Journal*, January 1951, pp. 19-25.

² Arthur A. May, *The Valuation of Residential Real Estate* (New York: Prentice-Hall, Inc., 1942), p. 75. (Italics author's)

New "Gresham's Law of Neighborhoods"

what is appraisal gospel in respectable quarters.

Stanley L. McMichael, in his book *Real Estate Subdivisions*,³ applies the May theory to "Caucasians." (Undoubtedly he means the ancient folk, not their successors in the Caucasus who are now doing their own special type of neighborhood infiltration to the dismay of the peace-loving world.) Says McMichael:

That the entry of non-Caucasians into districts where distinctly Caucasian residents live tends to depress real estate values is agreed to by practically all real estate subdividers and students of city life and growth. Infiltration at the outset may be slow, but once the trend is established, values start to drop, until properties can be purchased at discounts of from 50 to 75 per cent.

Happily, McMichael concedes that "later, when a district has been entirely taken over, values tend to re-establish themselves to meet the needs and demands of the new occupants."

McMichael also quotes with favor from the Code of Ethics of the National Association of Real Estate Boards:

A Realtor should never be instrumental in introducing into a neighborhood a character of property or occupancy, members of any race or nationality, or any individual whose presence will clearly be detrimental to property values in the neighborhood.⁴

He then outlines various devices which may be employed to circumvent the Supreme Court decision which outlawed enforcement of racial covenants.⁵ McMichael's theory amplifies his earlier work (with

Robert F. Bingham), *City Growth and Values*,⁶ in which he declares:

Frankly, rigid segregation seems to be the only manner in which the difficulty can be effectively controlled. The colored people certainly have a right to life, liberty and the pursuit of happiness, but they must recognize the economic disturbance which their presence in a white neighborhood causes and forego their desire to split off from the established districts where the rest of their race lives.

Homogeneity the Current Trend

This rather substantial qualification of the right to life, liberty, and the pursuit of happiness has not as yet been accredited by the Supreme Court of our country. Yet curiously it re-echoes former FHA policy and is still espoused by influential appraisers and government officials besides Mr. May. It follows, in fact, an unsavory trend toward homogeneity of every kind that seems to be besetting the world's neighborhoods which until recently were open to anyone who could pay the going price. A recent effort by a deceased dictator to restrict German neighborhoods to those of "Aryan" blood was defeated at the cost of considerable blood of all types. The contemporary program in South Africa, of suspiciously similar odor, segregates Europeans, Asiatics, and native blacks into separate neighborhoods under force of law.

'Segregation heritage of Middle Ages. The process is not new. It has its roots in the Middle Ages when compulsory ghettos were set up for Jews who, it was feared, might contaminate Christians.⁷ The scheme

³ Stanley L. McMichael, *Real Estate Subdivisions* (New York: Prentice-Hall, Inc., 1949), p. 204.

⁴ This has recently been amended to read: "A Realtor should not be instrumental in introducing into a neighborhood a character of property or use which will clearly be detrimental to property values in that neighborhood." But there is no evidence that the modification has changed the general position of Realtors.

⁵ *Shelley v. Kramer and McGhee v. Sipes*, 334 U. S. 1.

⁶ Stanley L. McMichael and Robert F. Bingham, *City Growth and Values* (Cleveland: McMichael Publishing Co., 1923).

⁷ There are many Realtors and suburbanites who still dread Jews and on boring weekends at their country clubs, find it comforting to lift themselves up by tearing the Jew down. All too often, a Jew is an image—contrived in one's mind and signifying one's own fears and insecurities. On analysis, the defamers haven't the slightest idea as to what a Jew is, any more than I have. I returned from Israel last August. There I saw

changed for the better with the waning of ecclesiastical authority. We made further progress when an Industrial Revolution shifted the emphasis from status to money, and an American Revolution guaranteed the pursuit of happiness to all, without discrimination as to race, color, or religion. Both these revolutions were world revolutions. They shattered systems of caste wherever their influence was felt. Cities grew up where people of all kinds lived near each other and supplied each other's needs. They stopped fearing each other just because they were different.

One of the most important aspects of these revolutions was the abolition of primogeniture and entails which had stratified land ownership abroad. Another was the birth of freehold tenure which gave all men the opportunity to buy and sell real property without medieval entailments or restrictions.⁸ In 1865, any doubt that the Constitution protected colored men was resolved by the Fourteenth Amendment and by a federal law which declared that "all citizens shall have the same right in every state and territory as is enjoyed by white citizens

thereof to inherit, purchase, lease, sell, hold and convey real and personal property."

Heterogeneity product of Industrial and American Revolutions. Thus, profit not prestige became the ruling force in the market. Land was distributed and became the heritage of the little men in the economy. A social fluidity resulted which was unparalleled in world history. A farmer didn't care whether his neighbor was a Quaker or a Baptist, though during certain phases his political credo might have made a difference.

The Industrial Revolution and the growth of cities continued the pattern of tolerance. It was labor that was needed to fell the trees and lay the ties, mine the ores and run the machines, and the race or creed of the laborer made little difference. The borders were opened to the hungry, the oppressed, the Irish Catholic, the Jew, the Protestant. Within a few blocks in the new cities, would be found the Jewish grocer, the Chinese laundryman, the Greek restaurateur, the Negro superintendent, and the Italian barber. Any of them could live with his own countrymen or not, as he chose. But no one thought it an assault on neighborhood dignity if the worker or tradesman lived in the same area with those he served. It was more the type of house not the type of people that denoted social status. Old and young, Catholic and Protestant, Negro and white, well-born and humble, wise and unwise, tutored and untutored, all lived in the same general area without loss of face or position.

The advance of transportation changed things. Chinese came to the West to work on railroads. Negroes moved up from the South to take jobs. Mexicans came up to the Southwest to pick crops. (Latterly, Puerto Ricans have been moving up to New York from their hard-pressed little country.) As a growing country called for their labor,

Ethiopian Jews who are dark black; Iraqis who are like Turkish warriors; a Chinese Jew; native Italian Jews who were once Gentiles; Yemenites who are polygamous, squat on floors and smoke big water pipes with their women; and a native, tall blonde Nordic type that would grace a Hollywood movie lot. The "sabra" or native Israeli is completely perplexing in his robustness and handsomeness. Though a Jewish nation, Israel is now one of the most heterogeneous in the world. A Jew, as one expert says, is anyone who calls himself a Jew or whom others call a Jew. (Melville J. Herskovits, *The Jews*, ed. by Louis Finkelstein, Jewish Publication Society of America, 1949, Vol. IV, p. 1151). After a single generation in America, the Jew is far different from his immigrant father and, in fact, is becoming barely distinguishable from anyone else. A Jew may be a race, a religion, or just an emotion. Barring Jews from a neighborhood is like barring everyman.

⁸ Charles Abrams, *Revolution in Land* (New York: Harper & Brothers, 1939). See also, Charles Abrams, "Evolution of Governmental Restrictions on Free Use of Real Estate," Report of the Proceedings of the Section of Real Property, Probate and Trust Law, American Bar Association, Chicago, September 1944.

New "Gresham's Law of Neighborhoods"

they came en masse. The houses they lived in were bad and there was never enough of them.

Housing Shortage Cause of Segregation

The migration to the cities and housing shortage were not confined to America, but were a world phenomenon that followed industrialization. The building industry never could rise to the occasion as other industries were doing.⁹ A keen competition for dwellings became marked everywhere. With this was noted a disappearance of the old way of life and a new trend toward social stratification in neighborhoods. In America, racial segregation is one aspect of the general trend and by far the most dangerous. But elsewhere segregation of other kinds has become noticeable and the mixed neighborhood has begun to wane.

In Holland, Catholic cooperatives build large neighborhoods for Catholic tenants; Protestant co-ops build for Protestants. Separate neighborhoods have been built for only the young or the elderly in Scandinavia and England. The chief architect of Stockholm in 1948 thought that poor and rich should be separated. We ourselves began to build housing projects for a one-age group when we earmarked all new housing for war veterans only. By building millions of "Economy Houses" composed of one and two bedrooms, we have built for a one-class mythical-average young family to consist of not more than two children, both of whom presumably will be of the same sex and everlastingly compatible. In our public housing projects we build for a single-income group, dispossessing the family when its income exceeds a prescribed limit.

⁹ Charles Abrams, *The Future of Housing* (New York: Harper & Brothers, 1946), Ch. 9. Also, "The Residential Construction Industry," *The Structure of American Industry*, Walter Adams, ed. (New York: The Macmillan Company, 1950).

From neighborhoods representing families of all classes, ages, and sizes, the world is heading toward an isolationism by earmarked classifications. May would extend it to America, embrace economic status and religion, including even the children of immigrants; and both May and McMichael would divide neighborhoods by color.

Advantages of Mixed Neighborhoods

The mixed neighborhood had many virtues. One could grow old in it without having all of one's neighbors age with him, as is bound to be the case in all our "veteran preference" projects. There was variety in people, in function, and in spirit. In fact turbulent rumblings may already be heard wherever segregation of any sort has been effected abroad. The elderly in their neat new apartment projects object to seeing so many of their own age dying among them, want to see more children, and are succeeding through their protests in shifting policy to communities of mixed age-groups. In Holland and Sweden, a vigorous opposition is heard against the neighborhoods segregated by religion or economic status.

In the veterans' housing projects in America too, many veterans tell me they miss the counsel of the elderly; and worse still, are tied down to their kids in isolated neighborhoods with no elderly person available for baby-sitting. In the public housing projects, segregation by income has penalized the diligent by disqualifying them for occupancy when they get a raise in pay. Nor can a lass conceal her economic status from a prospective suitor long enough to permit him to fall in love with her on her merits; while snooping is encouraged.¹⁰

¹⁰ All this could be cured if the neighborhoods were for middle as well as for low-income families, but the political opponents of public housing have successfully confined them to a one-class group by constantly attacking housing authorities which do not quickly dispossess their higher-income families.

Segregation by age or income is bad enough, but if we divide the country's neighborhoods on the basis of religion, race, color, and culture as well, I for one would be bored stiff and so, I venture, would May and McMichael. "Fields and trees teach me nothing," said Socrates, "but the people in a city do." What has made cities bearable is the variety of people one sees in them. It would be sad indeed if the land of the free were turned into an agglomeration of prudish suburbs in which the homes of the brave would be reserved only for the brave of pre-ordained status, race, or color.

My first difference with May and McMichael, therefore, is that they assume too much. Though McMichael insists that "all students of city life and growth" agree to his theory of value decline, he is, I insist, not speaking for me. Nor am I alone, for there is a growing weight of respectable opinion to the contrary.¹¹

As for May, I believe his statement that people should live in homogeneous neighborhoods with those of their own race, religion, and economic status is a social judgment, not a real estate appraisal. I am not saying that some appraisers may not be good sociologists or even astrologers. Indeed, Christopher Wren was both a good architect and astronomer; a land surveyor named George Washington was also an excellent

general and statesman; Thomas Paine, pamphleteer, was a good bridge designer, and a philosopher named Benjamin Franklin was one of our first electricians and best stovemakers.

But if appraising is to maintain its status as a profession, the appraiser should realize the limits of his calling. The function of the appraiser is to ascertain the value of a property at a given time and place. The function of an economist is to determine why the property is worth what the appraiser finds it to be worth at that time.¹² The function of the sociologist is to determine the forces which regulate human society and to treat with the general structure and laws of its development. Finally, the social psychologist has the job of interpreting collective psychology and mass motivations.

In determining what is the value of the lot at a certain time, an appraiser functions as an appraiser. But in setting down a rule of "behavioristics" he embraces not only dollar values but social values. In asserting that "it is people who make value" and then concluding that people like to live with their own pre-cut prototypes, he is speaking in the multiple role of appraiser, economist, social psychologist, and expert in social discrimination, social organization, and the whole gamut of the social sciences. I do not object to an appraiser dipping into alien fields, and often he must to determine what makes that strange thing called "value." However, considering the complications in determining why people behave in certain ways individually and collectively, or what is most socially desirable for people, one should not blandly assume that he speaks for "all students," as McMichael has, nor call other people's judgments "absurd, if not downright silly" as May does.

¹¹ Oscar I. Stern, "Long Range Effect of Colored Occupancy," *The Review of the Society of Residential Appraisers*, January 1946, p. 5. Stern says, "It is a fact, the axiom that colored infiltration collapses the market is no longer true." Robert Weaver, *The Negro Ghetto* (New York: Harcourt, Brace and Company, 1948), Ch. XV. George W. Beehler, Jr., "Colored Occupancy Raises Values," *The Review of the Society of Residential Appraisers*, September, 1945, pp. 3-6, 12. Beehler says, "Neighborhood values in areas newly occupied by colored people have sharply increased and will continue to increase." In a fine analysis, Lloyd Rodwin demonstrates that fashionable areas are often bounded by families of low social standing. ("The Theory of Residential Growth and Structure," *The Appraisal Journal*, July 1950.) Compare, also, Negro proximity to fashionable houses in Georgetown, Washington, and in Baltimore.

¹² James C. Bonbright, *The Valuation of Property* (New York: McGraw-Hill Book Company, Inc., 1937), Vol. I.

Need for Research

In fact, I have found that while appraisers venture into strange sociological waters, the appraisal field lacks an available body of relevant research. Too often appraisal degenerates into a process of transposing psychic equities into vested illusions.¹³

As far as I have been able to determine from the limited evidence available, there are at least eight different value reactions (not one or two as claimed) when a minority or class different from the occupiers moves into an area. These are

Status	Value
Original area.....	100
I After infiltration.....	100—
After inundation.....	100+
Original Area.....	100
II After infiltration.....	100—
After inundation.....	100—
Original area.....	100
III After infiltration.....	100+
After inundation.....	100+
Original area (already long occupied by minority).....	100
IV Infiltration by majority.....	100+ or —
After inundation by majority.....	100+ or —
Original area.....	100
V After infiltration.....	100—
Area stabilized—no inundation.....	100+ or —
Original area.....	100
VI After infiltration.....	100+
No inundation takes place.....	—
VII Original area with originally mixed area settled in pattern.....	100
VIII Original area (inhabited by minority).....	100
Infiltration by another minority.....	100— or +
After inundation by minority.....	100— or +

¹³ See Charles Abrams, "New Social Trends in Land Utilization," an address before the American Institute of Real Estate Appraisers, November 14, 1940; reprinted in *The Appraisal Journal*, October 1941, pp. 331-345.

I cite these to put in issue the blunt conclusions rendered ex cathedra about the "antipathetic racial group" inevitably driving down values or "threatening" real estate security. It is not the race, religion, or color of a group that affects value, but a complex of factors which differ in each case, with each locality, with each minority,¹⁴ with the numbers of the minority and the quantity and quality of their housing, and with the economic and social status of the other groups within the community. These attitudes, moreover, depend upon the character of the particular minority as a social entity and its capacity for social assimilation with the community.

What many Realtors forget is that there are among all minorities, good and bad folk, cultured and ignorant, socially acceptable and socially abominable—in fact the very same types we see at our country clubs and probably in the same proportions. But we are more apt in the case of those who look different to raise ourselves up in our own estimations by levelling them down. This might normally be a harmless exercise but for the sanctions it levies upon the minorities affected.

The attitudes toward Poles, Irish, Jews, Puerto Ricans or Mexicans, moreover, will vary within each region. A Chinese can live anywhere in New York City but not in San Francisco. Occupancy by the Negro may be more challenging than that of Poles, Mexicans, or Jews, because of the difference in appearance, yet Negro occupancy may sometimes not disturb a community in one

¹⁴ I use "minority" for want of a better word. For the fact is most Americans are minorities of one sort or another, including Mormons, Indians, Jews, Chinese, "foreign-born," Catholics, Negroes, "hillbillies," reliefers, white-collar workers, rural labor, just to mention a few. A "minority" in fact may be a "typical American" and the suburb full of middle class folk struggling to keep itself "pure" may on closer scrutiny turn out to be little more than a ghetto of a sort, bravely struggling to be something it is not.

Southern or Northern city while it does elsewhere.¹⁵

Shortage may intensify competition for dwellings and boom values, while simultaneously intensifying antagonism between the competing groups. Whether values rise or fall may also depend upon the ability of the newcomers to bid up prices. Thus, no one can say that the influx of Jews into Miami, Long Island, or the Westchester suburbs has depressed values. One FHA insuring office observes that "the infiltration of Negro owner-occupants has tended to *appreciate* property values and neighborhood stability in contrast to its depreciating use by white families as a rental area."¹⁶

Nor do values automatically collapse because the minority is of a lower economic status. A group can be of lower economic but of higher social status, and vice versa. Even when there is both economic and social inferiority, the value of the area they live in may not be affected by their presence. This is illustrated by the many sections where Negro, Chinese, or other nonwhite groups have occupied quarters near their social and financial betters for years without affecting the neighborhood's status.¹⁷

On the other hand, values may decline if there is a wholesale removal of existing occupants and a substantial influx of minority members. But what may accelerate the diminution of value is not solely the mass influx but the mass exodus. This gluts the market with houses for which there is a demand only by deprived groups who can now meet

the depressed prices. Usually, if the market has not been suddenly glutted, the values will maintain themselves.

Three Common Patterns

The three most common patterns affecting values are those of (1) white areas bordering on overcrowded nonwhite areas; (2) "panic" areas; (3) obsolete or run-down areas.

In the first, the bulging nonwhite population, prevented from diffusing into other parts of the city, presses for additional dwellings upon the immediately adjoining section. The bordering white areas may decline in value temporarily as the general market of buyers stops bidding for its properties. Often, slackening of buyer demand also curtails repairs. Some white owners may hold out against sale or rental to their nonwhite neighbors; others may accept the bids. The property thereafter may go up in value as a new crop of buyers appears in the market from among the minority. The nearest adjoining street may be similarly affected as it submits to the same process of initial decline and subsequent readjustment.

The panic area suffers decline in value the moment a few minority members buy into it. Because buying and selling of real estate contain more epidemic characteristics than other commodities, the fear of "invasion" spreads through the whole area. While panic selling of stocks may be neutralized by shrewder security-holders, the discrete nature of real estate and the inability to determine precise values at a given moment subjects it more readily to a spiral of rumor, a sudden glut of offerings, a dwindling of buyers, a collapse of values, and subsequent purchase by the minority members who may be the only buyers who will meet the prices asked.

Deteriorated neighborhoods have become the most susceptible candidates for the se-

¹⁵ For example, the presence of Negroes may affect Boston, but not adjoining Cambridge. This is partly because Cambridge is a university town, the Negro population only 5 percent and the residents' social position not affected by Negro neighbors. Residents felt honored, in fact, when Ralph Bunche accepted a post at Harvard. I was told by the Civic Unity Council that Bunche would be welcomed as a resident in the most fashionable part of the city.

¹⁶ Rufus S. Lusk, *Washington Business Review*, Annual number, 1948, Washington, D. C., pp. 17-19.

¹⁷ Rodwin, *supra*.

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quence of desertion, infiltration, and influx by low-income minorities. These sections are cheaper and their owners more anxious to sell. This pattern of infiltration may apply to new substandard houses as well as old, for many of the new ones were ripe for the wrecking crew when built. The owners finding themselves on the treadmill of everlasting repairs become anxious to salvage their investment and find that underprivileged nonwhites are the only ones who will bail them out.

Under the circumstances it seems presumptuous for developers to build slums and then blame them on the minority that moves into them. This is blaming father's degeneration on baby. It may in fact be more than an accident that the developer widened his exclusion practices at about the same time the standards of his houses went down. As he introduced the "Economy House," he simultaneously proceeded to plaster his deeds with racial restrictions, selling his home buyers on the idea that the more minorities he excludes, the more exclusive will be his development. Had he built good houses in the first place, he would have had no pretext for blaming the general deterioration on the minorities. The influx was not the cause of the decline but the effect.

An unwholesome and burdensome sequence is coming to characterize some of our neighborhood patterns. It starts with the building of a cheap white area which soon deteriorates and is taken over by a minority group. After such occupancy, it is soon dubbed a slum and condemned for a new white development in the name of "slum clearance," or "urban redevelopment." These devices have become the pitiless pretext for kicking minorities about or crowding them into remaining areas. If perchance, in their abject homelessness they "invade" a new area (for which I cannot blame them in the slightest), the hue and cry of "Negro

invasion" is heard and troublemakers sound the alarm, beat their breasts, or burn crosses. It is an unhealthy succession with an inevitably unhealthy ending. It is time we found out why this happens and tackled it intelligently.

Mixed Communities Long Typical Pattern

The transition from the mixed to the segregated pattern is due mainly to the housing shortage for minorities, particularly for nonwhites for whom the proportion of overcrowding is now four times as high as for whites, and for whom the proportion of substandard housing is six times as high.¹⁸ Intensification of that shortage has been caused first by the failure of the builder to provide housing for those with low incomes; second by successful opposition of builders and Realtors to an expansion of public housing; and finally by the very exclusion practices of the builder which have shortened the housing supply for the minorities affected.

In many areas of the South there are large concentrations of Negroes in some sections, plus small or even heavy scatterings throughout. The presence of these "non-Caucasians" has not disturbed values. "We couldn't do business without them," a Southern businessman told me recently. In Washington, Negroes are located throughout the city and values remain stable, though indeed some in the nation's capital prefer to live in the outskirts with their prototypes. According to surveys, a goodly proportion don't even know who their neighbors are.

In Northern cities, mixed communities inhabited by a variety of social, racial, and religious groups were long the typical communities. In some parts of New England they still are. There was never any fear of

¹⁸ *The Housing Situation—1950*. (Washington: Housing and Home Finance Agency, February 1951) p. 5, 7.

any race or religion and, in fact, the Negro or Chinese servant would often live in the same house, eat with the children, travel with the family, be part and parcel of the very household.

I know a physician in a Southern city of 5,000 population. His neighbors complain that one of the factors most damaging to their local comforts and to realty values is the distance Negroes live from their white neighbors. It upsets the normal operations of households and city services. They are obliged to drive their servant to and from their home, find it difficult to recruit domestic labor for menial work, and insist that none of the neighbors would be discomfited by Negroes living in the same general section.

I recently visited the Virgin Islands, inhabited by some 1000 whites and 30,000 native Negroes. The whites are the same whites we see in the Northern suburbs. The Negroes are the same variety which annually migrates to Detroit, New York, and Chicago. Yet the whites vie with each other to live in the Virgin Islands, and when I was seen in the company of a prominent Negro at the swankiest hotel, I found myself strangely popular among the curious Northern visitors. As for the Negroes, they don't seem to be disturbed by the "inundation" of the new minority of whites.

Insecurity Cause of Segregation

The fact is that the more insecure people are, the more they herd with their stereotypes; the more secure they are, the less they seem to mind mixed neighborhoods. The insecurity which made immigrants flock with their own kind in urban ghettos because they were unfamiliar with our language and customs, plagues the lower and middle-class suburbanite who flees the moment a person of dark skin or Semitic origin ventures into his domain. Just as the immigrant had no

confidence in his ability to master his environment, so the Babbit has no confidence in himself and his ability to stand on his own feet. The really secure have no fear of the lowly. The sheep will always prefer living in the sheepfold.

Behind the insecurity of the existing residents are three fears—fear of loss of social status, of neighborhood associations, and of monetary value. They are complex fears that can be more easily generated than eradicated. They exist most strongly in the homogeneous substandard suburbs now being built, many of which are ripe for early invasion. If there were no fear by the existing occupants, there would be no exodus. Mass exodus is like a bank run or currency flight. The fears per se produce an unwarranted condition which could be avoided if people would stay put. Before the mass influx of Negroes to the North after 1914, Negroes were represented in many fashionable sections of our cities without challenge to neighborhood dignity. In cities where the minority—Negro, Chinese, or Mexican—is not in sufficient numbers to offer a threat, patterns are stable and races live side by side.¹⁹

Homogeneity not Synonym for Stability

Yet homogeneous communities are far from stable socially or financially. They have, in fact, characteristics which make them undesirable for living:

1. *Homogeneous neighborhoods monotonous.* They are dull. They lack diversity.

¹⁹ Georgetown, South Carolina has "one of the most democratic interracial housing situations in America," according to the Catholic *Interracial Review*. "There has not been a serious racial conflict in Georgetown in 40 years. Would it be wishful thinking to say that this is largely due to the fact that the Georgetownians, white and colored, have dwelt so near each other in this 'democratic' neighborly housing situation." (J. C. P. Johnson, "Georgetown's Democratic Housing," *Interracial Review*, October 1944, pp. 153-155.)

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There is something terribly depressing about agglomerations of people cut out of a single stencil. They give one the feeling of the one-industry company town. People have little opportunity for improving their cultural status and for whetting their curiosity through contact with people of different experiences in life. A sprinkling of poor artists, frustrated poets, plus a few good restaurants run by some foreigners with culinary talent, might be a tonic relief to a neighborhood of bank clerks and shopkeepers, though their intrusion might violate Mr. May's pattern of equal economic levels. I have never seen people so happy as when they have somebody "different" in the neighborhood to talk about. And when they get their two-weeks vacation, many of them flock to New York, the most polyglot city on earth.

2. *One-class neighborhoods bad for children.* Homogeneous neighborhoods mean homogeneous schools. Personally, I don't want my children to be brought up in a stratified community in which they will see only children of their own kind, color, race, or culture. If they never see a Negro, Jewish, or Catholic child, they will be more apt to fear him when they grow up. Any honest modern educator will tell you he must reach out with scholarships and other inducements to attract children who will give him a representative rather than a one-class school. I acknowledge the right of parents who disagree with me to do otherwise, to live in snob ghettos or slum-ghettos, and to isolate their children if they wish. I am only saying what I want for my children, and I believe I speak for a large number of intelligent Americans.

3. *Homogeneous neighborhoods flout American tradition.* From the beginning, America was the world's great haven offering escape from persecution, poverty, and famine. For more than two centuries mil-

lions poured into farms, villages, and cities, imbued with a sense of freedom and hope—the yeomen of England who brought us the will for freedom, the Pilgrims who gave us the knowledge of self-government, the Baptists from whom separation of Church and State was first derived, the Quakers who first practiced real equality. America brought together the victims of Irish famines and Italian poverty, Russian feudalism and Polish pogroms; refugees from the terrors of Europe and from the rigors of Asia. It not only offered asylum but created a blend of cultures out of which the American character was wrought. The ghetto was here at the beginning. But as Irishman, Jew, Swede, or Italian improved his circumstances or his children became Americanized, he moved without restraint to better areas. There was no zoning ordinance or racial covenant to hem him in. His children attended the same public schools, he went to the same libraries; he was privileged to go to the same restaurants if he could afford them. He could mix with and emulate the teacher, artists, writer or trader, the better-born or worse-born; he was free to observe and improve. He never feared the Negro or Catholic or Jew as neighbors. Benjamin Franklin saw America as a "general happy mediocrity,"²⁰ and as late as 1861, Lincoln could still describe us as a nation where no worker was permanently fixed to a condition of life but could move from a lower to a higher status under our "just and generous and prosperous system which opens the way to all—gives hope to all, and consequent energy and progress and improvement of conditions to all."²¹ Suburban snobbism was not yet born. Vertical mobility was possible.

²⁰ Mediocrity was then a complimentary term meaning "of moderate excellence" and had not yet been snobbishly turned to mean inferiority.

²¹ Message to Congress, 1861.

The May-McMichael system of homogeneous neighborhoods would constrict social mobility, stratify living patterns, lose us the precious democratic dividends of free contact, free movement, and fluidity of cultures which are the nub of the Americanization process. Implicit in the May-McMichael thesis is the doctrine that undesirable social traits are the attributes not of the individual but of his race or religion. It would deny the free choice of home to a Walter White, a George Washington Carver, a Lin Yutang, or a Louis Brandeis. May would apply his thesis also to children of foreign-born, or some 30,000,000 persons in all, many of them representing the best there is in America.

4. *Homogeneous neighborhood un-American.* One-class neighborhoods offend American principles if not American law as well. The American Constitution bars all religious and racial discrimination where government aid is involved. The Fourteenth Amendment has broadened it to embrace color. The pursuit of happiness is thus assured on the basis of toil not pigment, skill not skull.

Today, virtually all new neighborhoods are being erected with government aid—FHA, urban redevelopment, public housing. The credit extended, the mortgage insurance written, the condemnation power exercised, the subsidy advanced belong to all the people, not a few. These may not be used for one race to the exclusion of another. To government, the skins of men should be a monochrome. The government employee or agency who puts racial policies into practice violates his trust, for his ethics must be that of the constitution not the marketplace. Though restrictive practices may be legal between private owners, they violate American principles when these projects are made possible by government aid, insurance, or power, as they now are.

5. *Homogeneous neighborhood unrealistic.* A neighborhood of 1000 of the same folk, aside from being a bore, could never be guaranteed continued homogeneity. The lot which Mr. May cited as a desirable one for his client was in an area only 50 percent developed. Who will divine the type of people who will ultimately build on the balance of the lots? What assurance that one's neighbors may not sell to a successful boot-black of Catholic faith or (horror of horrors!) to an East Indian diplomat? So long as we are free of feudal tenures, and the fee simple vests the right to deal with whom ever one pleases, Mr. May's home-owning friends must remain at the mercy of a neighbor's peculiar whims and preferences. There will always be a few birds more eager to feather their nests than preserve their neighborhood's "purity." So long as homeowners die or are foreclosed, their property will be struck down on the auction block to the highest bidder; and the color of the money, not the race, will count.

The homeowner would have less to fear if his neighborhood were heterogeneous from the start. He might feel terribly disturbed if his all-white, all white-collar Protestant neighborhood were rudely invaded by a few home-hungry minority members who might be the precursors of a general inundation. But he would feel less disturbed if his neighborhood were a miscellany of creeds and cultures from the start. Stabilized heterogeneity is a better investment in the long run than unstabilized homogeneity. There are hundreds of such sections in America that have gone on securely for generations, and thousands of others could be built if we could ease the housing shortage for minorities. Some have even had the unique quality of moving up from slum status: Greenwich Village and Yorkville in New York City, Georgetown in Washington, and parts of San Francisco are examples.

Cure for Minority Pressure

I do not deny, however, that in the present housing famine, a large group of excluded people of one color or class may exert pressure upon a nearby area and disturb its equilibrium. But if the exclusion practices were abandoned and there were ample accommodations made available, no such threat would exist. The hotels of Miami (Florida) feel the pressure of Jews from New York, and because they are excluded from non-Jewish resorts elsewhere, they tend to congregate in all-Jewish resorts. San Francisco feels the pressure of its Orientals; the Southwest its Mexican-Americans. Yet a Jew will feel as little restriction in San Francisco as an Oriental will in New York. The hotels of New York, though barred from discriminating by law, have never been "invaded" by either Jew, Negro, Chinese, or Catholic. So too, it is not the race of the occupants but the fear that one form of homogeneity may be replaced by another that causes panic sales and brings about the May-McMichael sequence.

On analysis, we are afraid not of the race but of homogeneity itself, i.e., that an area which is white-occupied or Christian may become *all* Negro or *all* Jewish. If it is settled from the start we do not object to a mixed pattern per se.

Relieve the shortage for nonwhites and other minorities, remove the restrictions—and the fear of influx into the challenged neighborhoods will fade. So long as segregation and the shortage of accommodations remain, the threat against some areas will continue. The restrictive practice in the end defeats itself by helping create the shortage which causes the pressure.

Program of Alleviation

What can we do about it? *First*, build more public low-rent and middle-cost hous-

ing and make it available to all groups.²² *Second*, build good private housing in well-planned neighborhoods that will resist blight and degeneration. *Third*, cut out restrictive practices that keep housing from minorities and thereby intensify the shortage for them. If you choose not to conform to the biblical command to love thy neighbor, at least do not deprive him of his right to a home. Above all don't take it out on his children. *Fourth*, don't create ghettos. They are a greater threat to social and financial stability than mixed areas. Minorities can and should be part of the community. *Fifth*, stop tearing down houses occupied by minorities during the shortage. They may be slums, but they are better than turning people out into the street or overcrowding them with others. *Sixth*, stop scaring people with statements that Negroes and whites don't mix, and that when a Negro moves into the neighborhood it will soon be all-Negro, or that if a Negro lives in the neighborhood he will inevitably marry your daughter, if not debauch her first. Stop generalizing about Jews, Catholics, or any group; there are good and bad Jews and Catholics, humble and great ones, just as there are good, bad, humble, and great Protestants. *Seventh*, keep informed on how mixed patterns of living have worked and why, and extend the successful pattern to other areas. The government should disseminate information on the successful projects to private and public builders, instead of hiding it under a bushel.

Since 1935, we have been presented with a real opportunity to build democratic neighborhoods. With FHA, public housing, urban redevelopment, and large-scale investment housing, we have advanced from

²²How this can be done within the framework of private enterprise is outlined in my address before the Mortgage Bankers Association of America, reprinted in Mortgage Bankers Association Yearbook, 1947, Chicago, Illinois.

petty developments toward neighborhoods that can create their own environments. In such neighborhoods, people of all economic positions, races, and cultures can be included without fear of minority invasion, panic-selling, or loss of status or value. In rental projects, any movement toward homogeneity can of course be controlled. In owned housing, the existence of confidence will help insure its own stability, particularly if the shortage is eased for minority groups.

Where Program Has Worked

In New York City, the public housing program has had substantial numbers of Negroes in every project for more than ten years. There has been no exodus of whites, no interracial tensions engendered.

There has been no tendency for neighborhood people to move away because of the projects. The projects are well built and are well maintained. Business in the neighborhood improves. With rare exceptions the tenants are good neighbors. . . . in general, the older the projects and the longer families live together the better friends and neighbors they become.²³

In 1949, a group of businessmen sponsored a six-million dollar mixed cooperative project in Queens, New York, a middle-class, conservative Republican community. The sponsors were neither dreamers nor radicals. They included Howard C. Shepherd, president of the National City Bank; Gerard Swope, chairman of the board of General Electric; Howard S. Cullman, banker; Louis H. Pink, president, Associated Hospital Service of New York; Beardsley Ruml of Macy's; Bernard F. Gimbel of Gimbel Brothers; David Sarnoff of RCA; the Very Rev. E. Roberts Moore of St. Peter's Church, and former Secretary of the Treasury, Henry Morgenthau, Jr. Some

700 individuals with incomes ranging up to \$6990 annually have made down payments of \$600 per room, and weren't worried about having twenty Negro families living in the project. The project was openly advertised as nondiscriminatory, yet was oversubscribed. The Mutual Life Insurance Company gave a mortgage of 80 percent of cost. The project is now so popular that a new addition has been announced.

In another section of Queens is a project for United Nations personnel of every creed and color. The buildings erected more than six years ago are composed of small, private dwellings, mostly two stories high. The color or racial composition of the surrounding area has not been disturbed. The land around the project has more than trebled in value.

Abraham Kazan of Amalgamated Houses, another nondiscriminating project, says, "Not one of the tenants, old or prospective, has ever objected to mixed occupancy." The policy of taking in Negroes, he says, "does not hazard the investment of either the mortgage lenders or the cooperators."

Today in New York City there is altogether a billion dollars of mixed publicly-sponsored housing built or building. In addition, nondiscriminatory private housing projects involve a total of more than a quarter of a billion dollars, and this is only a start. In New York City, four investors have just announced their willingness to invest another \$70 million in four nondiscriminatory projects.

An interesting shift of opinion has taken place among mortgage lenders because of these experiences. The two leaders in the financing of nondiscriminating private projects in New York City have been the Mutual Life Insurance Company and the Bowery Savings Bank. The Bowery alone has now lent about \$13 million on non-discriminating projects. Henry Bruere,

²³ Thomas F. Farrell, "Object Lesson in Race Relations," *The New York Times Magazine*, February 12, 1950, p. 37.

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chairman of the board, told the writer he considers its loans are "well secured," and that "our approach is pragmatic and not governed by prejudice or unawareness of new social habits." Moreover, the New York City experience has demonstrated a growing public resentment when discrimination is practiced by those who benefit from public aid. Citizens feel that public credit or subsidy belonging to all the people should not be used to benefit only a single class. When developers accept tax subsidies or FHA insurance and openly discriminate, they flout the public sense of fair play.

I do not expect this article to undo the May-McMichael thesis, for it has been gospel in the profession too long. But I hope I have at least put it in issue. The social process is more complex than capitalizing Woolworth taxpayers. It deals with deep emotional ties, with the mores and habits of people, with all the aspects of family life, and the welfare of American children. It is not a *valuation* but also a series of *values*—spiritual, emotional, and social. I am sure there is enough curiosity in the appraisal profession to appraise its own dogma and enough courage to discard it.



Segregation in Public Apartments

Legality of Housing Policy Questioned

Legality of San Francisco's segregation policy for public housing units was challenged yesterday by Dr. Frank S. Horne, special assistant to Federal Housing Administrator Raymond S. Foley.

"Since the Supreme Court decision ending restrictive covenants in the sale of property, there have been several legal attacks on segregated housing," Dr. Horne said. "One suit now under way in Detroit may make segregation illegal in any public housing units anywhere."

"It has already resulted in a

change of policy in Detroit."

San Francisco and Oakland are among the last — in fact, possibly the only two — Pacific Coast cities which continue segregation in their housing projects, Dr. Horne said.

Los Angeles and Seattle started out without segregation he said. Portland and Sacramento have discontinued such policies.

San Francisco's policy has been to "preserve the neighborhood pattern" in its present housing projects and the ones now under construction, Dr. Horne noted. Only the projects still on the drawing boards are to be opened on an unsegregated basis.

John W. Beard, director of the San Francisco Housing Authority, said the "neighborhood pattern" consists of giving preference to

families already residing in the area to conform with "social, economic and religious" characteristics of the region.

Two projects planned subsequent to the war—Hunters Point and the Western Addition—will not follow the "neighborhood pattern," Beard said. A policy of first-come, first-served for tenants has been established by the Board of Supervisors for these projects, he said.

Dr. Horne is touring the Pacific Coast to check on the housing of people in racial minority groups. He will speak at a public meeting at 8 o'clock tonight of the San Francisco Council for Civic Unity at the American Friends Service Committee Center at 1830 Sutter street.

Dr. Horne said he has found that public housing authorities which have dropped segregation — often with considerable misgivings—have been pleased to discover "no more management problems than if everybody belonged to one racial group."

The idea that unsegregated housing will result in trouble or in lower property values has been found to be incorrect by the Federal Housing Authority, which made extensive studies in the field, Dr. Horne said.

"Sometimes real estate operators deliberately incite panic in order to buy up property at below its true value," he asserted.

And sometimes, he added, the talk about "trouble" is thrown in simply as an additional obstacle by people opposed to public housing.

"The trouble is, the slums are still profitable. If you could sweat the profits out of the slums, they would go."

Eventually many of those in public housing units "graduate" to private homes and apartments as their incomes increase and they become ineligible for subsidized housing, Dr. Horne said.



Dr. Frank Horne



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Women's World

CCCCAA PAGE 13
San Francisco Chronicle
THURSDAY, MAY 8, 1952

New Footwear To Be Previewed

New footwear styles for teen-age girls will be introduced at a press party tomorrow afternoon at 4 o'clock in Macy's lounge on the eighth floor. More than 65 high school and college editors from the Bay Area and professional fashion writers and radio commentators will be honored guests.

To be premiered are "Hollywood Skooters," the gayest, brightest footwear to hit the sidewalks and school yards in years. Seymour Fabrick, 36-year-old creator of the "Skooters," will tell the assembled editors about the influence of teenagers in setting shoe styles.

A nostalgic touch will be the "Hollywood Showcase," an exhibit of historic shoes worn by motion-picture stars in famous films. Another feature will be Macy's version of Grauman's Chinese "foot-print court," where each honor guest will be invited to leave her footprints in wet cement for permanent record.—NINON.

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Perfume That Clings

Q.—Dear Penny: I adore perfume, but for some reason or other its fragrance just does not last on me. I have told several of my friends that I want a new perfume, but first I must find out about a lasting one.—Mrs. A. W.

A.—A particularly good idea for women who claim that perfume does not "stay with them" is a Liquid Skin Sachet. It smooths on the skin very easily, and lingers longer because of its sachet base. It has a slower rate of diffusion and evaporation than any other type of fragrance.

Alien Land Law

Fuji vs Cal 38 Cal2d

Barrows v Jackson

112 ACA 618

Aug. 18

Makato, Tenteaka

Commonwealth Club

Last printed repr of club,

c. Aug. 20

Copenhagen
Futbølklubben i Danmark.

North Beach Housing to Ban Negroes

By JOHN CALENE

Negroes will not be admitted to the North Beach housing project that will open next month, Chairman E. N. Ayer of the San Francisco Housing Authority, announced yesterday.

Under the board's long-standing "neighborhood pattern" policy, some Chinese may be admitted later, Ayer declared, but occupancy of the project is to be predominantly white.

About 100 families are scheduled to move into the project September 15. Another 127 families will be accommodated when construction is completed two or three months later.

Ayer's announcement followed a Housing Commission meeting at which Arthur J. Cohen Jr., president of the Council for Civic Unity, asked how the authority intended to select tenants for the project.

AN OLD POLICY

The neighborhood pattern, Ayer replied, will be followed. The policy was set in 1942, he said, and was reaffirmed in a 1950 agreement with the Board of Supervisors.

(The San Francisco Housing Authority is set up under State law. Its members are appointed by the Mayor of San Francisco.

(It depends for 90 per cent of its funds on the Federal Government and the Federal Government will not advance any money unless the authority can submit a "co-operation agreement" with the city which indicates all is harmony on the operating level. In the writing of the "co-operation agreement" the city has some influence over the authority.

(The agreement provided that the neighborhood pattern would not affect 3000 planned new units—but would apply to projects deferred from before the war and to 1741 units being built, North Beach Place is a deferred project.)

Asked by Cohen to define the neighborhood pattern, Ayer said it provides for selection of occupants to conform with "the predominance of the (area) residential composition at the time the project site was selected."

"Does that mean," asked Cohen, "that since the residents of North Beach are predominantly white, the tenants will be entirely white?"

"They will be white," said Ayer. "There may be variations, but they will be predominantly white."

NO HAIR SPLITTING

In a letter to the authority, the Council had inquired about the methods that would be used to define the neighborhood boundaries and the racial distribution of residents.

To this, Ayer replied: "I'm not going to split hairs . . . by describing the area block by block or mile by mile . . ."

In a discussion of the merits of the neighborhood pattern, Cohen said, "the Council feels there can't be equal treatment of citizens on a segregated basis. The only fair way is to take the qualified applications in the order in which they come."

Ayer said neighborhood pattern has "contributed materially to the very thing you're talking about—civic unity . . . we've put certain people in certain buildings for good and sufficient reason . . . not for disunity."

Commissioner Al F. Mailloux informed Cohen: "The people you are talking about are being taken care of . . . If we do what you have in mind we may find ourselves in a year or so with our funds shut off. We're trying to keep out of controversial problems . . ."

Ayer added: "I agree with your . . ."

Continued on Page 2, Col. 3

Ike Supports 'Middle Way' Government

By EARL C. BEHRENS

Political Editor, The Chronicle

BOISE, Idaho, August 20—General Dwight D. Eisenhower today called upon the country to follow a middle way in meeting the problems of the Nation, and not to adopt either a "leftist" or "reactionary" course.

To a crowd estimated at almost 20,000, the Republican nominee for the Presidency hammered away at the "centralization of power" in Washington and at the "complacency" of the heads of our Government in uprooting corruption in high places.

Eisenhower spoke from the steps of the Capitol building here as the climax to a day of conferences with the Republican Governors of the West. Governor Earl Warren was chairman.

Eisenhower junked most of his prepared talk and spoke extraneously from notes.

The general paid high tribute to the Governors who, he said, were symbols of the middle of the road progress the Nation must make. He said they were men of vision, not

Continued on Page 13, Col. 1

Rescue Efforts In Swiss Cave

MUOTATHAL, Switzerland, Aug. 20 (UP)—Daring rescue workers today floated nearly one mile into "Hell Hole" cavern trying to rescue a Swiss professor and three Boy Scouts trapped six days by rising water several hundred feet underground.

Six volunteers entered the Hoelochgrotten (hole of hell) in rubber lifeboats in an effort to rescue Professor Alfred Boegli of Hitzkirch, who entered the virtually unex-

Negro Nearly Had Teaching Job

BREMERTON, Wash., Aug. 20 (AP)

The Kitsap county school board has fired a Negro school teacher before he put in a day's work. One member explained:

"There's our school bond issue election to think of."

The teacher, Ester Wilfong, 22, of La Grande, Ore., was not present at the meeting which reversed last week's decision to hire him. He was to teach the sixth grade in the Central Kitsap Junior High School at Silverdale near this Navy yard city.

Wilfong said he still intends to teach there, and will show up at the appointed time. "I have a valid contract and I intend to hold the school board to it," he said.

The board wrangled several hours last night before voting unanimously to rescind the contract despite the protests of the county school superintendent, Carl F. Jenne.

The closed board session followed a meeting with 37 persons who had been invited by telephone to attend. Mrs. Inez Solie, a junior high school teacher, spoke in behalf of Wilfong. She said only seven of the 37 present spoke against the hiring.

"When the meeting adjourned," she said, "I thought the board had decided to retain Mr. Wilfong, but I learned today they made their decision after everyone else was gone."

Ole Svenson, a board member, said a majority of those attending the meeting seemed to favor the dismissal.

"We want to have as much harmony as possible because we have a bond issue coming up," he said.

Frank C. Whitaker, president of the school board, said that since Wilfong doesn't now have the contract in his possession he can't consider himself hired.

(The contract was mailed in by Wilfong with his signature, as is the practice when teachers are hired.)

North Beach Place Hearing

No Negroes Allowed, Says Housing Authority

Negroes are not eligible to live in North Beach Place no matter how much better their qualifications are than those of white applicants, E. N. Ayer, chairman of the San Francisco Housing Commission, testified yesterday.

He appeared at a hearing before Superior Judge Melvyn I. Cronin. Two Negroes have charged that they and 14 other applicants for low-cost public housing are being denied consideration solely because of their color.

Ayer was questioned after George O. Bahrs, attorney for the authority, contended the Negroes had no right to bring court action because they had not "exhausted all administrative means of appeal." He said they should have appealed to the commission itself if they felt they were being treated unfairly.

"If a Negro family were rejected and it appealed to the Housing Authority, would your Authority send it to any project other than West Side Courts?" Loren Miller of Los Angeles, an attorney for the National Association for the Advancement of Colored People, asked

Ayer. (West Side Courts is the low-cost housing project in San Francisco restricted to Negro tenants.)

"He would be assigned to West Side Courts," Ayer said.

NO NEGROES

Miller asked, "Under your present policy would a Negro, no matter how qualified, be admitted to North Beach?"

Ayer shook his head and replied, "No."

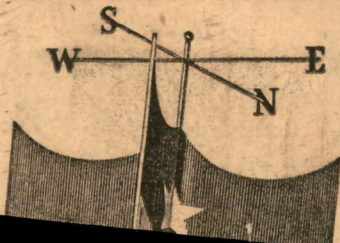
In earlier testimony yesterday, the Housing Authority claimed it was excluding the 16 Negro applicants on the grounds that they were individually not qualified, rather than because of its "neighborhood pattern" policy.

Presiding Superior Judge Albert C. Wollenberg last month ordered the Authority to abandon its policy of excluding Negroes from some projects or show cause. Last week Judge Cronin ruled that the Authority's policy is unconstitutional.

John W. Beard, executive director of the authority, testified yesterday that all 16 of the applicants failed to qualify. He said that James Charley Jr. of 2353 Bush street, one of the applicants bringing suit, was not qualified because he was a "bad credit risk"—citing as evidence the fact that judgments had been issued against Charley in eight suits in Municipal Court for non-payment of debts.

Beard also testified he has

Continued on Page 2, Col. 3



Case history: Revived affection of a French Original. Famous beauties of the Mauve Decade carried their jewels in it!



SILK

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89.95

Herskovits, Myth of Negro Past

NOV. 17, 1952
MONDAY

334 U S 1 - Reservist Case

Tallulah



San Francisco

THE CITY'S ONLY HO

VOL. CLXXVII, NO. 101 CCCCAAAB SA

Hopeful Progress in Korea

Truce Talks Are Reopened 13 More Yanks Released And the Reds Say 7

**Both Sides Offer Plans
On What to Do With
The Reluctant Prisoners**

**684 All
Were Ex
---149 o**

By the United Press

PANMUNJOM, April 26—The Korean truce negotiations reopened today (Sunday) with both sides offering detailed plans for settling the prisoner exchange issue, on which the talks broke down last October.

The U. N. and the Reds had agreed in principle earlier that prisoners unwilling to go home should be turned over to a neutral nation.

According to a Communist correspondent, the Reds proposed at the second meeting of the negotiators today, which lasted from 4 to 4:21 p. m., that the prisoners should be sent to a neutral state for six months.

During that time, said the spokesman, Wilfred Burchett of L'Humanite of Paris, the nation from which they came should be able to send representatives among them to explain matters pertaining to their return home.

United delegation, Burchett

By the Associated Press

PANMUNJOM, April 26—The American sick and wounded returned to freedom today.

It brought to the attention of the Reds included in the



**CECIL PRESTON
First Bay POW to talk**

A Survey of Racial Bias in Bay Area

By NATE HALE

Most whites in the Bay Area really don't care whether or not Negroes or Orientals move into their neighborhoods, according to a recent opinion survey.

This and a number of other little-heard conclusions on the problem of segregation were presented last week at a Council for Civic Unity panel discussion.

The conversation of the group of experts and the audience ranged from the extent of segregation here to its effects on person's lives, and produced these other ideas:

1—Only 20 per cent of the people in a community are likely to object to non-whites moving in—but they are a very noisy 20 per cent.

2—In San Francisco, most non-whites are confined to old, run-down areas, and have shared little of the city's new housing, though the situation is improving somewhat.

3—Real estate and banking people often refuse Negroes loans to purchase housing outside those areas. Consequently Negroes have set up their own co-operative bank for that purpose.

4—The most neighborly people in the old fashioned sense are those least likely to feel prejudice.

These conclusions resulted from a series of questions propounded by the audience, which had broken into groups of six to get to know each other and discuss problems to present to the experts.

"The 50,000 non-whites who have come to San Francisco in the last ten years have been excluded, for the most part, from a share of the city's new housing, private and public," said Dr. Davis McEntire of the University of California's Social Welfare faculty.

"They have been concentrated in the older, run-down areas—a type of segregation fostered by policies of the San Francisco Housing Authority."

Jacqueline Smith of the San Francisco Urban League noted that San Francisco drew up the

Nation's first restrictive covenant (against Chinese) in 1890, a type of agreement in vogue across the country until outlawed by the Supreme Court in 1948.

"San Francisco real estate and financial people make it hard for non-whites to finance home purchases in non-segregated areas. Negroes have had to form their own bank to buy homes in those sections," she said.

Edward Howden, Council secretary, said that according to the latest census one-third of the city's blocks have non-white families—an indication of a growing trend toward integration.

McEntire interrupted to say that this trend is not so evident in suburban subdivisions.

He continued, outlining a study of attitudes about segregation he and students at UC had learned from a survey of Bay Area neighborhoods where a few non-whites had moved.

"Eighty per cent of the residents of these areas were favorable or indifferent to non-whites moving in.

"Twenty per cent were bitter, noisy and prejudiced against it. Another 20 per cent were quieter, but strongly for civil rights and the right of anybody to move into the area.

"But remember, these were impersonal urban areas, where few people know their next door neighbors. We found that people who actually were neighbors of non-whites were most favorable to them."

Trudy Baum of Larkspur said she had conducted a poll of 110 families in Marin county and had come up with exactly the same percentage distribution of opinions.

"I found that the most sociable people, the ones who had most contacts with their neighbors, were the least antagonistic to non-whites," she said.

"You know, the more noise that is made about non-whites moving in, the harder it is for communi-

ties to accept them," said Dr. Hilda Taba, professor of education at San Francisco State College.

"That kind of noise arouses fears, and people are most afraid of something they don't know anything about. Actually children, for example, are aware of differences, but unless they are taught, they have no positive prejudices."

Mrs. Smith offered: "Segregation causes a feeling of fear and suspicion because it means that people don't get to know each other. They develop fantasy figures about the other group. They think of them in terms of their own fears, not in terms of facts."

Dr. Taba gave an example of what Mrs. Smith had been saying. She said that in St. Louis segregation was so severe that no white child could ever be taught by a Negro teacher.

"The results of segregation were saddening. I have seen Negro youngsters about to graduate from high school literally cry from the

frustration of knowing that so few jobs would be open to them."

PHI BETA KAPPA ALUMNI

Non-Political Pacts Cementing Korean Relations



EAST-WEST ROMANCE: In palace grounds in Seoul, favorite sparking spot for GIs and their Korean girls, William Fulwider Jr., Zanesville, O., holds hands with his date.



EAST-WEST MERGER: Sgt. Richard Marquis, of Parkersburg, W. Va., lives in Seoul with Korean wife and daughter.

GI Romance Often Leads To Marriage

By FRED SPARKS
NEA Staff Writer

SEOUL, Korea — (NEA)—We are cementing our South Korean relations with a non-political pact: Marriage.

During these idle hours of truce our GIs, being human, so far from home and so lonesome, are forming friendships that will end at the altar. Each week the number of applicants multiplies.

(Old Soldier says: "When an army is on the move, infantrymen collect chickens; when garrisoned they collect wives.")

A good example is Sgt. Richard Marquis, 22. As a combat engineer during his first months in Korea he built roads and bridges under the fire of Chinese snipers. When the fighting sputtered down during truce talks he was shifted to floor walking in the Seoul PX.

DOLL'S FIGURE

It took him exactly two days to pay attention to Miss Kyung Sook, a salesgirl with a slight acquaintance of English. She has a doll's figure. Long thick lashes around her almond eyes meet like a venetian blind and the sergeant wondered what, if anything, she could see.

She saw him, all right. Faster than you can spell Syngman Rhee they were strolling evenings through Duk Soo Palace as moonlight shimmered on the lotus pond—or jitterbugging in the EM Club of the 55th M. P. Battalion.

This was no sailor-in-a-port affair. Marriage seemed inevitable despite East and West, Kyung sitting on the floor and Richard in a chair, Kyung's rice and Richard's potatoes, Christianity and Buddhism.

The army didn't quite see it that way. Taking our young men to far off places has made it worry about spring and romance as well as Communists and firepower. The army denies no trooper the right to wed, but reserves the right to warn.

A chaplain frankly explained the problems of inter-racial mar-



WAITING: Soon Soong of Seoul is waiting to join her U. S. husband, Capt. Zigmund Zabuski of Springfield, Ill., now stationed at Camp Atterbury, Ind.

★ ★ ★

riages; how Kyung would have trouble adjusting herself in his native Parkersburg, Va.; how their children would be marked "different" and suffer the awful persecution of young schoolmates.

Richard also noted that Kyung's family and friends were bitter that she dated a GI, questioning the intentions of all soldiery. Furthermore, in this land ancient custom forbids a single girl to have boy friends and parties; marriage is a matter arranged by the elders.

A SORRY SCENE

Sgt. Marquis retreated (as so many do) before the two-sided pressure. In a sorry scene, in the

mid-day shadow of a Seoul pagoda, he said goodbye to Kyung Sook.

As his army career was closing he went to Inchon Harbor to catch a ship home. While waiting his mind was tortured: "What right have others to interfere with our happiness? Shall we bow before common prejudices?"

The next morning, startling the embarkation officer, he re-enlisted and volunteered to remain in Korea another year. He pleaded with Kyung to forgive him. She interpreted his appeal to her father, who consented.

They were married in a simple ceremony, he attended by GIs in combat boots, she by slippered brown girls in white robes. Korean wine and U. S. rations mixed equally after the rites.

Today Marquis is one of few GIs here living a family life. With his seven-month-old baby, Ada Leona, they live in a neat house with sliding papered walls.

WISH BOOK CLOTHES

Enroute to his home through the narrow busy alleys of Seoul, his jeep scrapes past oxcarts, past the shattered skeletons of half this destroyed capital, vendors selling second hand army clothes, and GIs with rifles strapped to their backs, walking hand in hand with girl friends.

Dick still takes his meals in the army mess hall; Mrs. Marquis can't handle his cooking tastes, although she carefully studies an imported recipe book. She herself still prefers the violently garlicked native dishes and the inevitable rice.

Her clothes come from the "Wishing Book," local slang for U. S. mail order catalogues which the girls thumb through, pointing and saying: "I wish I had that . . . wish I had this . . ."

Soon they will sail together for

the U. S. for be a trying happiness an

Kyung's friends tried our soldiers to the mixed reports turned, admitted back here a woman, is a gage on the all.

But the mined, some Kipling was is East and

☒ **EQUAL ECONOMIC OPPORTUNITY.** A report by the President's Committee on Government Contract Compliance dealing with discrimination in employment under Government contracts, and suggests way and means of obtaining broader compliance with the nondiscrimination in employment clause, included in Government contracts. It is the Committee's conviction that its proposals will aid defense production by promoting the most effective use of the Nation's manpower, and that conformance with these proposals will serve another worthy purpose: that is, to emphasize the national philosophy that all citizens have the right to enjoy the privileges as well as the obligations of American citizenship. 1953. 111 p.

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Catalog No. Pr 33.17/2:953

FHA Says Non-White Residents Often Raise Property Values

By **GEORGE de CARVALHO**
 Washington Correspondent, The Chronicle
WASHINGTON, May 4 — The Federal Housing Administration has some news for California homeowners and, especially, the residents of Southwood in South San Francisco.
 Southwood voted against a Chinese family's entry for the stated reason that non-white residents lower neighborhood property values. Actually, say FHA, the contrary is often true.

Minority families generally pay more than market value for decent homes, according to FHA figures, and their purchases often raise property values in California urban neighborhoods.
 The FHA has declined to make public the texts of its studies, but Frank S. Horne, special assistant to Federal Housing Administrator Raymond Foley, says that one report on an unnamed California neighborhood stated: "The infiltration of Negro owner-occupants has tended to appreciate property values and neighborhood stability."
 This report has been confirmed by several other FHA surveys, Horne said.

OLDER AREAS AIDED
 "In all our reports and surveys from the West Coast I have seen no evidence whatsoever of neighborhood property values being lowered by non-white home buyers," he said.
 "In some cases non-white newcomers have rehabilitated older areas. In several instances property values rose above prevailing levels as non-whites moved into neighborhoods both new and old."
 FHA's findings were confirmed recently by a report published by the society of residential appraisers and written by Belden Morgan, past president of the society's Los Angeles chapter.

"Twenty years ago it was commonly believed that the presence of Negroes or other minorities in a neighborhood was a serious value-destroying neighborhood," Belden writes. "Conditions have changed."
 "When Negroes enter a heretofore all-white neighborhood the whites sometimes become panic-stricken and try to sell out in a hurry."
 "After the first hysterical selling phase passes prices become stabilized, then gradually increase . . . people are learning this."

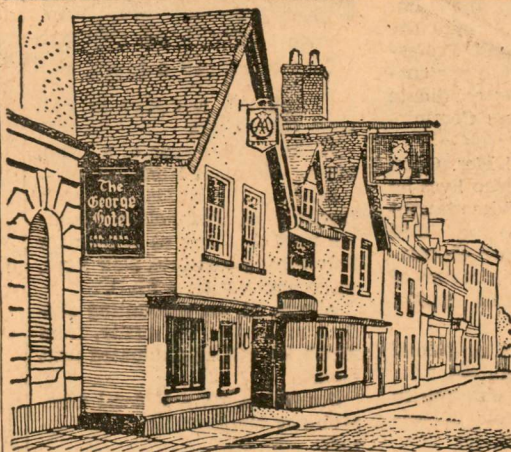
BROADENED MARKET
 "Many districts today go through a transitional period without any signs of hysteria or without any collapse in prices."
 "The only effect from an economic viewpoint is a broadening and strengthening of the market created by virtue of the increased demand . . . Negro families have responded readily to the standards of good neighborhood living."
 "The condition within

(old Negro) areas were unbelievably bad and a disgrace to the country. The problem was a complex one of low income . . . plus a housing shortage within those areas.
 "This resulted in overcrowding, congestion and blight; slums were created or accentuated . . . whites observing Negroes in those conditions are prone to blame the Negro."
 "The Negro was the victim—not the cause."

'HARD-HEADED'
 Thus opposition to non-white neighbors in Southwood, in San Pablo's Rollingwood tract, and elsewhere has been based publicly on an economic delusion.
 The FHA itself once insisted on covenants against non-whites in FHA-financed residential projects.
 "The FHA, which is a very hard-headed financial agency, has changed its racial attitude completely in the last few years," Horne said.
 "For the FHA has learned, as a practical business matter, that non-white home buyers don't threaten property values. Minority families are a good, profitable market es-

pecially in California."
 One reason for this is that California Negroes need housing desperately. Since 1950 the State's total population has increased 51 per cent, while the Negro population has more than doubled. Obviously, the crowded old Negro neighborhoods cannot hold them all.
 Moreover, more Negroes than ever before have money enough to buy their own homes. In 1939 the median Negro income was only \$489 a year. In the next 10 years, while average white income increased 137 per cent the median Negro income more than tripled.
 On a national basis, the south included, median Negro income is still only half the white average.

Best News Photo
GALVESTON, Texas, May 4 (AP)—Charles L. Scott of the Binghamton (N. Y.) Press was announced today as winner of the newsphoto contest at the annual convention of the National Press Photographers Association. His winning picture showed firemen on a ladder battling a spectacular Binghamton fire.



THE GEORGE
 in Wallingford
 (Berkshire)
 England.

One of many,
 British Inns
 in the lovely
 Countryside
 welcome at
 the Travel

Traditionally British

Classic as the fine country air of British
 beautiful English & Scottish Woollens
 in that timeless London-manner. For
 for Town wearing, for Travelling

FOR LADIES

Classic Tweed Suits
 Authentic Tartan & Scotch
 Imported Cashmere
 Liberty of London

Suits
 Coats

'Mother of the Year'--- From Canton, China, to A Laundry in Maine

By the Associated Press

NEW YORK, May 4 —A native of China who reared eight children while operating a laundry in Portland, Me., was named today as the "American Mother of 1952." Mrs. Toy Len Goon was selected for the honor by the national jury of the American mothers committee of the Golden Rule Foundation.

Each year, just before Mother's Day, the jury chooses an "American Mother" from nominations submitted by committees in the 48 States, the District of Columbia, Alaska and Puerto Rico. The Golden Rule Foundation is a nonprofit organization to promote greater giving for charity.

The 57-year-old Portland mother came to this country from Canton, China. She is now a citizen of the United States. Her children, ranging in age from 15 to 29, all were born in this country.

"She has proven herself a wonderful mother, a good citizen and is highly regarded in the community in which she has lived for 38 years," said the Portland Business and Professional Women's Club in presenting Mrs. Goon as its candidate for the Maine Mothers Committee.

"I can recommend Mrs. Goon highly as a mother who lives by the Golden Rule and has taught her children to do so," said Mara L. Soule, former elementary supervisor and director of public schools in Portland.

Mrs. Goon has had no formal education, the committee said, but she encouraged her children in their studies and their participation in civic affairs.

This while fully occupied with the laundry which she operated with her husband, Dogan Goon, after World War I. She ran the business alone and was called to serve in the community again took it over when her husband was discharged when the war ended. He was a soldier, and she has raised her eight children.



MRS. TOY LEN GOON.
She operated a laundry

Carroll, 29, a doctor in Salt Lake City, Utah.

Richard, 28, owner of a Lynn, Mass., television store.

Edward, 26, a Massachusetts Institute of Technology graduate now teaching at Rensselaer Polytechnic Institute, New York, while working on a Ph.D.

Albert, 24, an accounting student at Boston University, from which he will be graduated next month.

Josephine, 22, a Federal Government employee in Washington.

Arthur, 20, a sailor at the U. S. Naval School in Washington.

Doris, 18, now working in the laundry hoping to earn enough money to go to the Stenotype Institute of Boston next September.

Janet, 15, a student at Portland's Deering High School.

Mrs. Goon is expected to arrive in New York Thursday for a luncheon in her honor the following day.

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VOL. CLXXV, NO. 111

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Ike View on NATO Army Is Revealed

By the Associated Press

WASHINGTON, May 4—General Dwight D. Eisenhower does not believe it is economically feasible to match Russia division for division, hitherto secret Senate testimony showed today.

The testimony was given March 24 by General Alfred M. Gruenther, Eisenhower's chief of staff, before the Senate Foreign Relations Committee.

Gruenther appeared in support of the foreign aid bill. His testimony and that of other witnesses heard in closed session was made public today with security material deleted. The measure comes up in the Senate tomorrow.

"General Eisenhower's philosophy," his principal aide told the Senators, "in meeting this (Russian) threat is that if we try to meet the Soviets division for division and plane for plane, we are going to lose the battle from an economic viewpoint."

'EFFECTIVE RESERVE'

"He wants to have a relatively small active force and a very effective reserve force."

Secretary of Defense Robert A. Lovett conceded in closed-door testimony that Russia is ahead of the United States in monthly plane production.

"The Russians never let down at the end of the war," he explained.

Water Quell Riot

and firemen fought the

back to their

aged cell-

Factories in the Field, Carey McWilliams, Boston, Little Brown, 1944.

→ 1870 depression, change to fruit begins. Greater wheat competition helped cause it. And railroad opening, for fruit could not last the boat trip. Extension of fruit culture as freight rates fell.

Burbank improperly rewarded for his efforts. So? ~~1885, irrigation~~

1885, irrigation development becomes rapid. Brought agric. under direct control of financial institutions. So?

1893, sugar beets introduced. (depression seems to stimulate change out here. So?) *(No, that's just McW.'s bias.)*

1880-1900, average size reduced from 462 to 397 acres.

1840s & 50s, Chinese, feeling vs them by labor bad. Post civil war & 14-15th amendments became illegal, but no difference. San Franciscans by riot and labor union boycott forced employers of Chinese to discharge them. Chinese driven to farms. Ideal labor. Small employers who couldn't use Chinese also vs. them. Their use allowed large employers to expand.

1882, first Federal Exclusion Act. 1893, Geary Act, requiring Chinese to register & leave if illegally here, not enforced, "rural people" then drove Chinese from fields. Successful: Chinese went to cities. $\frac{1}{2}$ m acres turned idle, until Japs came.

Chinese shipped large moneys home: 10m\$/yr.

In Const. of 1879 had written: "The holding of large tracts of land, uncultivated and unimproved, by individuals and corporations, is against the public interest, and should be discouraged by all means not inconsistent with the rights of private property." But nothing had been done. Also wrote that land should be granted only to actual settlers, & only 300 acres. (But was too late probly)

→ 1890s, rough for fruits. Then sugar beets appeared. Spreckels in Hawaii had sugar going, had opposed annexation to avoid having coolie labor excluded. Started mill in Cal., Watsonville. Fought Am. Sugar Refining Co. 1889-1901. Merged then, built big mill at Salinas.

→ Dingley Tariff, 1897, started big sugar beet industry here. 79% on imported sugar. Large growers took over small, small being "at mercy of sugar trust". (?) Jap & Hindu labor in fields, white in factories, Mex in s. Cal. Company came to own much land for sugar beets, American farmers being poor sugar beet farmers and I guess being outbid for land. 1911, 1/4 beets grown on land owned & oper. by trust. Rented some other lands, & operated them.

→ Est. that 44 times the labor per land used in sugar beets, all things considered, than wheat. i.e. incl. processing.

Land values greatly increased where sugar could be grown.

Factories moved to field side, good roads built to them. Strawberries & apple orchards. former using Jap stoop labor in off season.

→ Ft. Romie experiment of settling whites on land to grow sugar beets. Spreckels inaugurated. But coming of Japs made it unnecessary. Got their beets without a settled agric. pop.

1915, large growers found it better to hold their land & farm it business like than sell it to small owners. i.e. they made more than small owners could or would pay. Evidently large scale production more efficient there, even after counting in residential value to small owners.

→ When Japs settled on land & began to own some, were promptly excluded. He attributes this to their being a threat to the integrity of large holdings. I doubt it. No one had to sell if he didn't want to. Probably were opposed by whites whom they outbid.

Leg.

Ph.D. diss., U Chic., Becker,
Ec. of Race Discrim.

(via Cliff Clark)

Recently, rich have objected to immigration. (because of relief?) Then, they encouraged it. Went east to drum up labor. Got special r.r. rates. '35, 14% of all transients supported by u.s. govt were in Cal: 77,000.

AFL tried to organize farm labor. It migrated, was hard. & wouldn't pay dues. Japs had their own organization, didn't want unions.

From "The West Coast Land Grabbers", Bailey Millard, Everybody's Magazine, May, 1905, says "this grabbing of large tracts has discouraged immigration to Cal more than any other single factor." p.103

→ Availability of coolie labor discouraged subdivision.

→ Japs didn't "colonize", as Chinese did, scattered about state.

Didn't drive whites out of employment, but created new forms of agriculture.

Weren't hired so much by small farmers, but big ones.

Introduced rice on land formerly waste in Sac. Valley. Reclaimed delta.

Worked for less than Chinese & Hindus at first. Small farmers opposed them because they let big farmers produce cheaper.

When Japs got to own land, they employed only Japs. *Cause of alien land law?*

By 1907 their wages rose above other groups, they were highest paid ag labor in state. So big growers began to oppose them too.

(can one generalize that persecuted groups are originally disliked by labor, whom they underbid, & as they advance are disliked by employers, & then employers join with labor vs. them, labor not seeing that their previous hatred is now unfounded?)

When Japs became landowners, feeling vs. them really got going.

→ They ceased to be ideal laborers. Alien Land Acts of 1913 & 1919, & *Lost support of big growers. Strained ed competing as emig, made new enemies.*

→ Jap. Exclusion Act of 1924. Large owners favored these because they forced Japs to continue working for them.--& to make them sell the land they reclaimed, I guess. Small farmers of course opposed them because they raised land values by outbidding them. both to buy & lease land.

→ Japs had a "spontaneous organization" that made them less tractable than Chinese. Tricky about contracting to work, then threatening to strike at harvest time unless a raise. No sense of honor, loyalty to employers, like Chinese.

Exclusion Act worked, as it was only first generation Japs who were such good laborers. 2d generation went to cities more. Alien Land Act drove them there too. Mex & Filipinos employed more after 1920. Alien Land Law a dead letter, & Japs own much, esp. in SC. But when first created it was used to rob Japs of much.

1907, Hindu use started. (about contemp. with Japs then) Various racial groups segregation encouraged by employers, to prevent their getting together. Antagonisms fostered.

Became landowners rapidly. 1917 immigration act barred further ones, & sent most of others, who were males, home, to get wives.

Alien Land Act hit them, too.

→ Armenians free from Alien Land Act. Very good at raisin growing, outbid others for land there.

1923, Sun Maid Raisin Growers Ass. tried to organize industry.

Today, under "pro-rate" laws, could, in effect, force farmers to join. (not so I think)

→ Then, pressure applied. Papazian case, bank threatened to foreclose if he didn't sign up, & night riders threatened him. (Markamian mentioned "when they were beating people up" they got 80% about membership.)

Portuguese, mostly from Azores & Canaries. Higher % tenants than among other groups. e.g., Armenians about 20% tenants, Portuguese 70%. (man carrying me to Le Moore said Portuguese didn't care for land like others.) Coast towns esp. Portuguese. Dairying, n. & central Cal. Swiss, Port., & Italians, moved into backward areas & occupied as tenants what original settlers had deserted. (after mining?)

Italian-Swiss wineries originally coop, now run by Di Giorgio.

1921, Di Giorgio owned 20,000 acres, best fruitlands. Arvin & Delano his towns. (around Bakersfield). His corp now has 40,000 acres in U.S. & more abroad.

W.w. 1, Mexicans started to be used muchly. Immigration Law of 1924 stopped Eur. immigration, encouraged Mex. 1930, est. 250,000. 1920-30, est. 200,000 agric workers, mostly mex. Probly 80% have entered illegally & could be deported.

1928, Mex earning c. 35¢/hr, wages at peak. Depression, 15-14¢.

Box & Harris Bills, 1924-5, to keep Mex out, defeated, but scared growers. & scared Mex, who left state in depression. (it never seems to occur to this unspeakably stupid bastard that perhaps they left because wages were lower) In depressions, cities began to rebel, wouldn't support all the social welfare cases they had. shipped them to Mex. 1928, Mex started to organize somewhat, so kicked out more & more, by 1934 not used so much.

Filipinos. Worked under padrone system, labor contractor supplying men.

Their isolation kept their wages down (i.e., they had no alternatives).

Fundamental to this all: keep them in the fields at low pay until they become acclimatized, discover alternatives)

In asparagus fields, their lower wages made it possible to have fields gone over more thoroughly.

Agitation to exclude Flips, but they were nationals, couldn't be.

But, '34, with independence promise, could be, & some pressure & arrangements for it.

Flips organized readily, no longer personae gratae. *Only Chinese could not be organized, then.*

Chap 7: social consequences.

Vigilantism, xenophobia involved, rich use this to stir up poor vs. foreigners, identify them with Reds. (the simple leftist interpretation of all the ills to which flesh is heir: the rich do it)

Ec. competition between Flips & white workers, resentment vs. Flips, riots. Large growers no longer with him because he strikes. Arrested in El Centro if seen with white girl. Have no vote, hence are pushed around. Filipinos cannot marry white girls in Cal. Flips therefore see prostitutes etc.

Hindus, like others, forced to deal with each other mostly, & are celebrated for getting into court battles with each other.

Now, white dust bowl refugees replacing foreigners. But from 1860-1930, most migrator workers were foreign, & ineligible for citizenship. (talk about the slave culture of Athens, etc!)

Incidence of tenantry among foreign farm operators much higher than among native. Imperial, 1922, 85% ownership absentee. *Altho a bonded ID?*

Elwood Mead was pres. of state Land Settlement Board, wanted to settle whites on land, to end menace of alien ownership & unamalgamated communities.

36% of "large scale farms" in u.s. are in Cal. (If farms were smaller, there would be no demand for the foreign coolie labor? Maybe yes, maybe

no.) In cal, 57% all persons gainfully empl. in ag were paid hired laborers; u.s., 26%.

Ch. 9: The Wheatland Riot.

c. 1914, San Diego took over 4,000 acres of idle land, paid unempl. 50¢/day to improve it. Abandoned 1916. August Vollmer, in Chr. Sc. Monitor, advocated extending plan thruout state, said 11m acres could be so used.

Describes Wheatland riot, c. 1914, & General Kealey's march on Sacramento.

Ch. 10: The war speed up.

*War break
monop.* Sept, 1917, Fed. prosecutions vs. IWW, knocked it out. Part of program to keep farm wages low, but let farm owners make very high price. & this was done thruout war. Fed. Res. Bank of SF issued statements that wages should be kept low, to keep costs down, etc. (this spiral nonsense plays into landowners etc hands, no wonder they don't object to it)

State coop. to send school children, deaf mutes, etc, into fields to work. (but nobody stopped farmers from charging higher prices, or taxed their land, or anything. This is partly inherent in the nature of the situation: you can increase labor supply---well, I mean wages are more institutional than other prices, the others being residuals. however ---- ?) only part

Napa, using schoolchildren, 2m\$ prune-grape crop harvested/for 20,000\$, or 1%. --Pacific Rural Press, Jan 5, 1918. Women used too, ended postwar.

Growers tried to reopen to importation of orientals, & suppress saloons.

Ch. 11: Postwar decade

*Monop. &
bus. cycle
Big owners
monopolize.* 1925 defl. hit, attempts to organize farmers to reduce production came immediately. (makes Piotrowski sound right) "Exchanges". These had existed for years, but wartime expansion kept them from exerting power. Deflation had liquidated many small growers, and small growers had always been unfriendly to exchanges.

Sun Maid organizing campaign, Armenians chief holdouts, xenophobia tried, & "Today the dominance of the Sun-Maid Raisin Growers Ass. over the raisin industry is complete." Why isn't he sued?

*Banks &
monop.* Large growers & exchanges are "creatures of the banks", banks have used credit whip over non-members.

"An examination of each crop industry in Cal today would disclose that the dominance of the particular exchange is practically complete." 75-90%. Large growers benefit most from it.

Wartime prices continued until 1925: wartime wages dropped in 1919. (according to FR Charts, farm wholesale prices dropped violently in 1920-21, along with others, rose notably to 1925, fell to 1927, rose to 1928, level to 1929, fell to 1933, and in 1933 they were about 5/8 of 1914, while other wholesale prices were about the same as 1914. Retail food prices however, while following same general pattern, were in 1933 about the same as in 1914. Which illustrates about as well as anything how the investor's gap varies, affecting real returns to paid factors)

1933, 12½-15¢/hr for field labor. (if these are as unreliable as his other statements they aren't worth much)

Industrial Welfar Commission, est. to enforce minimum wage laws. for women. 1931, consented to reduce cannery wage from 33½ to 30¢ to 27¢. 1932, Farmers paying 15¢. (no wonder manuf. prices couldn't fall,

that would A
pressure on urban
trades.

Ch. 13: The Great Strikes. 1929-35, largest agric. strikes in history of country. AFL never eager to organize farm labor. But it started ~~to~~ to organize spontaneously and CP moved in to help things along. Vigilantes fought them. He describes with an exciting fanaticism that gives one the feel of the "mind" of the organizer. How much more gripping this is than studying ways of solving problems peaceably. He obviously loves it, even perhaps with a certain masochism in all the beatings his side took. All semblance of rational thought is abandoned.

Ch. 14.

Cal farmers have always been organized. Coop marketing e.g., were first in country. Control State Senate.

1926, "Western Growers Protective Ass." formed.

1934, Ass. Farmers, now 40,000 members. Brady wrote of it

"The Fascist Threat to Democracy" in Science & Society, vol II #2.

Utilities & banks control AF, farmers front it. Members agree to appear with pick handles where trouble arises.

Describes strikes at length.

Some study, by LA Cty Relief Adm & WPA, under Dr. Towne Nylander. Said of some farmers, 1935, costs were 33% wages; 12% rent; 7% water charges; 11% fertilizer. Most land owned by banks & leased to Japs. Jap growers make Mex work harder & pay less than whites. He thinks bankers make them do this. & also keep them immune from Alien Land Act.

Cal Fruit grower' exchange markets, also buys raw materials etc for growers.

Value, total, Cal farm products: 1928, .6b\$; 1932, .37; 1936, .6.

Union stagnation - "trade union officials, themselves entrenched in power, have feared the democratizing effect of the org. of farm labor".

I must say that the behavior of Cal. farm prices in depression does not suggest the monop. price fixing & control that McWilliams freely asserts.

Fed. Emerg. Relief Act, 1933, residence required, reduced mobility of labor. Aided strikers. Growers tried to get control of relief, to use it as a subsidy to tide labor over in off seasons, rather than as something they had as an alternative to employment.

Growers control unempl. services, fed & state, use them to recruit labor. These tell relief agencies they have work for their cases, send them into the fields. McW. objects. Got relief suspended to put labor to work in fields. McW. represents this as some sort of crime.

Camps provided now for migratory labor by fed govt to some extent. Growers try to get control, have them financed by govt but on private prop so they can be raided for organizers etc.

He seems to think it very dangerous that the farmers organized militantly vs. unions. But since the unions were themselves using force, i.e. picket lines, this seems to me just natural. This aspect of the farmers' character doesn't necessarily mean they would oppose land taxes by force. ---tho I certainly think we must recognize they would squirm in every way possible, law of the jungle prevailing. But it depends on the attitude. I don't think they are almost anybody except a Levantine landlord is deaf to sweet reason. Let them realize that one proposes to exempt their capital, just tax sites, & approach it all reasonably, & they won't see red as quick as when you hold a gun at them & take things away for a few other individuals, as labor unions do.

Integration: The Academic Side

4-9-60
Christian Science Monitor: To a certain extent, both extreme segregationists and moderate white Southerners have had one fear in common: that school integration would lower academic standards.

It is a fear that is not limited to the South nor to racial problems. Northern parents will recognize it in their concern about children from "across the tracks" lowering the quality of public school education.

Now concrete evidence is beginning to collect to answer this legitimate concern.

Last Fall the superintendent of Louisville public schools reported after three years of integration that careful measurements indicated both white and Negro pupils had speeded up their learning.

Earlier testimony from 12 administrators of desegregated school systems in the "border states" jibed with this assessment.

However, cities such as Wilmington, Baltimore, and Louisville do not provide the acid test. They indicate, but certainly do not prove, that desegregation might be academically successful in heavily Negro areas.

The case of Washington, D. C., comes much closer to fitting conditions in the Deep South. Washington public school enrollments showed 74 per cent Negro students in 1958.

A report on the city's school made to the Southern Regional council shows strictly measured before-and-after results from five years of integration. The study was made by Prof. Frank H. Stallings of the University of Louisville. It utilized national educational tests and the college entrance board examinations.

It showed that immediately after integration in 1954 there was a drop in academic achievement, because previous "separate but equal" schools had not been equal for Negro pupils.

But five years later this deficiency (born not of integration but of unequal segregation) had been made up in dramatic fashion in every subject tested at every grade level. Academic achievement improved at the same time as the proportion of Negro students rose from 60 to 74 per cent.

It would be fatuous to say that all communities would get the same results from integration. Washington school officials had to work hard to raise standards. Certainly neither integration nor segregation will improve academic standards without similar work. But the Washington results do go a long way toward proving that integration cannot be realistically feared or fought against on purely academic grounds.

Court Rules Integration For All Transportation

WASHINGTON (AP) — The Supreme Court ruled unanimously today that no state may require racial segregation of transportation facilities.

Its ruling applies both to intrastate facilities, that is wholly within the state, as well as interstate, or travel across state lines.

The court said the question had been settled by its previous decisions and is no longer open to litigation.

* * *

It directed the U.S. District Court in Mississippi to rule on protests by Freedom Riders who were arrested in Jackson, Miss.

The Supreme Court told the District Court to dispose of the case expeditiously, "in the light of this (today's) opinion."

Chief Justice Earl Warren read

the court's unsigned opinion which said:

"We have settled beyond question that no state may require racial segregation of interstate or intrastate transportation facilities. The question is no longer open; it is foreclosed as a litigable issue."

The case went to the Supreme Court on an appeal by the riders from a ruling by a special three-judge U.S. District Court in Jackson last Nov. 17.

The special court at that time refused to enjoin state and city officials from enforcing racial segregation under various state laws.

* * *

It also refused to order a halt to prosecutions of the riders, saying the issues raised by the riders had to be decided first by state courts.

The Supreme Court today disagreed with this.

It said there was no need for a three-judge court and a single U.S. District Court judge could rule on the riders allegation that state segregation laws affecting transportation were unconstitutional.

The Supreme Court said a three-judge court is required only when an injunction is sought on the ground of unconstitutionality of a statute. But it added, "There is no such ground when the constitutional issue presented is essentially fictitious."

Involved in the appeal is prosecution of about 220 persons arrested in transportation terminal waiting rooms in Jackson that were reserved for white patrons. They were charged with disturbing the peace.

2-26-62



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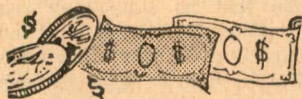
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The challenge of open occupancy

At this writing, in mid-October, almost everyone in housing—and in politics—expects President Kennedy to sign an executive order aimed against bias in the sale and rental of housing. This article is written on the assumption that such an order will be issued and that it will be sweeping in scope—affecting all builders, brokers, and lenders and covering both new and existing homes.

The challenge is not only to the homebuilding industry but to everyone in America. The President's anti-bias edict will be aimed primarily at the industry, but its effectiveness will depend more on how the public—white and non-white—reacts than on what the builders, sellers, and lenders do. The effect will vary from city to city and neighborhood to neighborhood according to local custom and market conditions. The impact of the executive order will be felt at once in some areas, only a little or not at all in others.

The immediate result of the anti-bias order may be to slow down sales, slightly in some cities, drastically in others. Although very few Negroes will rush to buy houses in white neighborhoods anywhere, white buyers may postpone buying while they wait to see what happens. So some builders, brokers, suppliers, and lenders will suffer temporarily. But others will not be hurt at all—and some may even be helped.

The long-range result of the anti-bias order will not become clear in most metropolitan markets for several months, perhaps not for a year or longer in some. But one result can easily be predicted now, even before the content of the order is known: builders, brokers and lenders who refuse to panic, who get prepared for the new set of ground rules, will be in a position to adjust to the new rules. Those who don't face up to the changes will be at a marked disadvantage.

An astounding ignorance of the facts about desegregated housing pervades all segments of the housing industry. Few industry people have given much time to study the problem, although the possibility of forceful government action in the matter has been realized for many years. Last year NAHB's executive committee asked the President not to issue an order until NAHB could "make an immediate factual study of the economic impact" that would be caused by an integration order. Yet this study turned out only as an opinion survey (H&H, Sept). Its main finding: many—about half—of the builders were scared, and the bigger the builder, the more scared.

Thus at mid-October, on what appeared the eve of a strong anti-bias order, it was not surprising to find builders and lenders very much at sea about what they should do. One heard industry people talk of quitting homebuilding, shifting to remodeling, shifting to conventional financing (on the assumption the order would only affect FHA and VA mortgages), or simply planning to try to get around the order one way or another.

But these comments were in the minority: Most industry people said they planned to accept whatever happens and adapt themselves to the changes. And a few were already well set to sell and lend to minorities, in the South as well as North.

To see what effects an anti-bias order might have on the industry, consider the main questions now being asked—and some of the probable answers.

What bright side is there for the industry?

► Uncertainty will be ended by issuance of the order. Some industry leaders feel this has hurt sales as much as would issuance of the order itself. And since most people expect such an order

Continued

to be issued within a year or two at latest, better perhaps to have it come now than hang fire. This view also suggests that the sooner the order is issued, the sooner the industry and public alike will adapt to it and work out solutions that may be necessary.

▶ Issuance of the order will put an end to one aspect of publicity that has hurt homebuilding. Many critics of the industry, including the US Commission on Civil Rights, have said the industry is largely responsible for bias in housing. If industry spokesmen are right in their claims that the public is to blame for discrimination, a sweeping anti-bias order will take them off the hook.

▶ Negro buyers will bring more money into the existing house market which should, in turn, enable owners to trade up to new houses (and increase sales of new houses in the over \$15,000 range). Says HHFA's Milton Semer: "Most likely the anti-bias order will work fastest in areas where there are a lot of little two-bedroom postwar houses. Until 1958, inflation built up equities and enabled owners to sell and trade up when they wanted. But now many cannot get their equity out since there is an ample supply of new homes available. The order may tip the owners of these houses to sell to Negroes who heretofore have been unable to get financing."

▶ For the many builders and developers who have long struggled with the extra problems in building for minority groups, an anti-bias order will create a more favorable business climate.

Semer sums up the bright side arguments: "The purpose of the executive order is to provide equal access to housing for all people. It aims to provide equal access to financing for builders who have wanted to build for minorities but haven't been able to so far. There have been artificial barriers created by zoners, banks, and so on. The executive order will let the free enterprise market work. Economics will be the principal motivation. Lenders cannot just sit this situation out. If, after an anti-bias order, the alternative to lending is letting money sit in vaults, lenders will simply lend. However, the order will not immediately produce world-shaking results. The order will facilitate change where economic conditions permit."

Will an anti-bias order offer any escape hatches?

It undoubtedly will. Nobody in government, including President Kennedy or HHFA Administrator Robert Weaver, expects that such an order would revolutionize housing overnight in every nook and cranny of the country. Much depends on enforcement measures. Possibly court tests will delay effective enforcement for a time. Charles Abrams, president of the National Committee Against Discrimination in Housing, points out that state anti-bias laws, "with far broader coverage" than an executive order would have, don't seem to prevent many builders from prospering.

State laws exist in Alaska, California, Colorado, Connecticut, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, Oregon, Pennsylvania, the Virgin Islands; and New York City, Pittsburgh, and Toledo. Most are relatively ineffective because of poor enforcement by administrative agencies or the need for lengthy court action. However, many of the laws will probably be strengthened. They have all been enacted since 1958, and more areas will very likely follow the trend.

Big escape hatches, however, will probably not exist. If the order applied only to FHA and VA housing, it might cover only 25% of new construction. But such an order would merely erase FHA and VA from the picture, solving none of the discrimination problem. If the order were to include loans made by savings and loan institutions insured by the Federal Savings & Loan Insurance Corp., S&Ls would be severely damaged in their competition with banks. So the order is expected to cover not only S&Ls but federally-insured banks. The government cannot order insurance companies and some savings institutions (i.e. those without federal deposit insurance) to avoid discrimination against minorities,

because there is no direct federal tie to them, but this does not worry government officials. They point out that insurance companies need an interstate vehicle like FHA or VA to limit their risk, and the uninsured banks and S&Ls are too few to matter. Mutual savings banks will go along with the executive order. Earl Schwulst, chairman of Bowery Savings Bank (the largest mutual) and former chairman of the Commission on Race and Housing, has asked the President to issue a broad anti-bias order as soon as possible. And Grover Ensley, executive vice president of the Natl. Assn. of Mutual Savings Banks, says: "I support a sweeping order, and I am confident savings bankers generally feel that, if an order is issued, it should be broad."

How many non-whites can afford to buy new houses?

This requires a look at population and income figures. The 1960 Census showed that in urban areas—where most of the demand for new houses exists—12% of the population was non-white (12 out of 13 of the 13,808,000 non-whites were Negroes). The Census figures also showed that 26% of urban non-white families had incomes of \$6,000 or more (vs. 52% of urban white families). Extension of these and other figures indicates that about a million non-white families have sufficient incomes to afford new and livable older homes in urban areas. There can be little doubt that if the industry could indeed tap this market, total demand for new housing would be spurred.

However, adequate present incomes do not tell the whole story about non-whites' qualifications as buyers. Many potential buyers cannot pass credit examinations because they have neglected to pay commercial debts in past years (see below).

How many non-whites will buy new houses in the suburbs?

Very few at first will buy houses in new developments in predominantly white neighborhoods. There are several reasons:

1. *Low incomes.* Although Negro incomes are rising substantially, few can yet afford the prices of most new houses now going up in metropolitan areas. The 1960 Census showed the median income of non-white families was \$3,233, only 55% as high as the \$5,835 median income of white families. These statistics for the nation mean little, however, in individual markets.

2. *Poor credit records.* Many Negroes are disqualified by credit checks which show them to be slow payers or non-payers (see above). However, nearly everyone now trying to sell to Negroes agrees that those able and anxious to buy homes should not be penalized for poor credit records over three to five years old or for failure to pay small bills long ago. The effect of FHA's crackdown on credit reports (see NEWS) has drastically decreased sales to Negroes in many markets, including Louisville, Wilmington, Dallas, and Atlanta. (Builders specializing in the Negro market seem to be in agreement that most of their prospects with poor credit records are victims of high-pressure stores and loan companies—and even of credit reporting agencies whose main business is making collections. Some builders and lenders insist that credit reports are deliberately falsified to keep Negroes "in hock" to local merchants. FHA Commissioner Neal Hardy has heard much of this and has directed an investigation.

3. *Skepticism.* Floyd Covington, the race relations advisor for FHA in Los Angeles, predicts, "Not many Negroes will take advantage of an anti-bias order unless it is well merchandised by the government and Negro leaders. Many poorly educated Negroes will not understand the significance of the order. Many Negroes will doubt its meaning. They have heard of orders before, and state laws, and movements of various kinds, and they will doubt this one is any more effective."

4. *Prejudice.* In the North as well as South, most Negroes will prefer to avoid the unpleasantness they might expect in white neighborhoods. This can range all the way from violence to subtle daily rejection by white neighbors and local institutions

5. *Land problems.* Most Negroes prefer living relatively close to Negro enclaves, if not within them. But these areas are most often some distance from buildable land. Thus, an anti-bias order may not change the difficulty builders have faced in the past when they have sought to build open occupancy housing in the suburbs.

6. *Distrust.* Several builders acknowledge that Negroes have been so often bilked by white merchants that they will not buy from a white builder unless and until they become completely convinced of his integrity.

What happens to house values when minorities move in?

This is a critical question. Fear that neighborhood as well as house values will drop has provided one of the main motivations for those who refuse to live side-by-side with minority families and for those who refuse to sell to them. (Various studies have shown that this socio-economic reasoning is a greater cause of discrimination than outright prejudice or fear of losing status, at least in areas outside the South.)

Homebuilders are particularly troubled by this problem, more so than other industry segments. A builder who has tied up a lot of money developing a tract feels he risks everything if even one Negro family buys a house. He fears that white families will stop buying in large numbers and that there will not be enough minority families to buy the remaining houses even if lenders and others throw up no barriers to selling to these families. The bigger the builder, and the more he has tied up in his development, the greater his fear.

NAHB's survey neither proves nor disproves this belief. When NAHB surveyed its 15,000-plus builder members on their views about the effects of an anti-bias order, only 175 replied that they had ever sold houses to Negroes that had been intended for whites—and the survey report does not indicate whether these builders had been hurt or not in doing so.

In existing neighborhoods, considerably more evidence is available on the effect of open occupancy on values. It is generally conceded that prices often drop abruptly as white families hurry to sell "while they can still get their money out." This creates an over-supply temporarily and a consequent drop in market prices.

But what happens to prices over the long run, after the initial panic selling? The best documented answer is contained in a book devoted wholly to this subject, "Property Values & Race," by Dr. Luigi Laurenti (University of California Press, \$6). The book is required reading for everyone who faces the problem of selling or financing houses in racially mixed areas. (For other references, see box below.)

Laurenti's exhaustive studies of existing neighborhoods lead to this answer: after non-whites move into previously all-white neighborhoods, prices of houses tend to go up more often than down, in comparison with prices in closely similar areas that re-

main all-white. Laurenti made 34 detailed comparisons of prices in areas of Philadelphia, San Francisco, and Oakland, and found this to be equally true in areas into which only a few non-whites moved and in areas into which many moved. All the test areas were in suburbs of the three cities. Similar results have been recorded by other researchers in other cities.

Laurenti predicts that, as more areas open to Negroes and other minorities, prices will not be affected so much by race. This will be particularly true of areas where only a few non-whites move in. He says: "A study of several dozen 'infiltrated' neighborhoods in San Francisco and nearby cities supports the conclusion that the presence of one or two non-white families in a neighborhood, after a period of time, usually [goes] unnoticed."

What happens in the future will depend on many factors and local conditions. The available evidence seems to bear out what HHF Administrator Robert Weaver said 14 years ago in his classic study, "The Negro Ghetto": "The effect of Negro occupancy upon property values varies from one section of the city to another and from one time to another . . . The arrival of a few Negroes may be the signal for a great decline in selling prices or it may lead to an appreciable increase. Much depends upon the state of the total housing market and the manner in which colored people enter an area . . . There is no one universal effect of Negro occupancy upon property values."

But, the fact remains that, because all evidence to date is limited to experience in existing neighborhoods, many builders of new houses still view the executive order with apprehension.

What special techniques are needed to sell to Negroes?

No one knows much what they are. But this much seems sure: the Negro market is many markets, and some techniques are needed that vary sharply from selling to white buyers.

Example: When Arch Hermanns opened his furnished models in Chicago last fall, one model furnished in colonial style simply didn't sell. Prospects didn't indicate why. Later, when new models were added, the colonial furniture was put in another model. Result: the model that hadn't sold before became a best seller and the model with the colonial furniture became a white elephant. Says Hermanns: "It taught us that Negroes don't look back toward colonial times with any great sense of delight." The same finding was made by Joe Bolker in Oxnard, Calif.

Example: Market Researcher Sanford Goodkin has learned from extensive research that upper-income Negro families are extremely concerned about the quality of schools because only through good public school education can their children hope to surmount the barriers their race faces. Thus many of the growing number in the professional class prefer to live in areas where schools are not dominated by Negro attendance—which historically indicates poorer schooling.

Example: Many builders specializing in sales to Negroes agree

Continued

Further reading

► Heading the list is the US Commission on Civil Rights' 1961 report on "Housing," No. 4 in a series of five volumes. The 206-page report summarizes the commission's findings since its creation by Congress in 1957, contains considerable material on industry practices, and makes recommendations that sweeping financial controls be established to prevent bias. Superintendent of Documents, Washington 25, D.C. \$1.

► Of nearly equal importance are several reports published by the Commission on Race and Housing in 1960. They include: "The Demand for Housing in Racially Mixed Areas: A Study of the Nature of Neighborhood Change," by

Chester Papkin and William G. Grigsby; "Privately Developed Interracial Housing: An Analysis of Experience," by Eunice and George Grier; "Studies in Housing and Minority Groups," edited by Nathan Glazer and Davis McEntire; "Residence and Race: Final and Comprehensive Report to the Commission on Race and Housing," by Davis McEntire, research director of the 1955-1960 project; and Dr. Laurenti's volume described earlier. Each is available at \$6 from the University of California Press, Berkeley 4, Calif.

► "Forbidden Neighbors," Charles Abrams, Harper & Bros. 1955. \$5.

► "But Not Next Door," Harry and David Rosen. Ivan Obolensky Inc., New York. 1962, \$3.95. An account of the Deerfield, Ill. case.

► "Human Relations in Interracial Housing," Wilner, Walkley & Cook, University of Minnesota Press, 1955. \$4.

► "Where Shall We Live?," Commission on Race and Housing. University of California Press, 1958. \$1.50.

► "Trends in Housing," bi-monthly publication of the National Committee Against Discrimination in Housing, 426 W 58 St., New York. \$2 yearly.

that a house means more in status and security to Negroes than to whites. Chief reasons: few have had a chance to buy houses, and the home is one place where they are secure from contact with prejudiced whites.

Example: When Builder Matt Jetton and two other builders took over a slow-selling Negro development outside of Tampa last year, they thought they could stimulate sales by the usual device of putting in a \$75,000 swimming pool. Luckily, they made a survey and learned that the swimming pool was No. 7 on a list of what the prospects wanted. No. 1 was street lights.

Merchandising aimed at the growing minority market is obviously in its infancy. Builders say there is more need for market research in this area than almost any other area of housing. Acting on this theory, Los Angeles Researcher Goodkin has set up a special market advisory council composed of eight prominent Negroes. He has already undertaken several market surveys in Las Vegas, Los Angeles, and other markets across the country, using Negro pollsters to call on Negro prospects. Among his findings:

- ▶ Negro buyers do not want to feel that a "special pitch" is being made to them in a deceptive or insincere manner.
- ▶ Negroes do not want to move from one ghetto to another.
- ▶ A housing project must be offered as a normal project. They dislike use of terms like "open occupancy" or "unrestricted".
- ▶ Negroes are impulsive buyers but insist on quality because they know quality and seek its status. (Comments Arch Hermanns: "Our Negro buyers move in with far better home furnishings, including top-grade appliances, than our white buyers. Half the Negro buyers in our new southside tract own pianos.")

Should quota systems be set up for integrated projects?

This problem still perplexes builders. Says John Tolan of Barrett Construction Co., who builds integrated projects in Richmond, Calif: "Negro leaders are divided among themselves on whether quotas, avowed or invisible, are a good thing. Most of them are against bunching on a street or in a neighborhood, yet it's hard to keep buyers from tending to do this."

In Wilmington, Del., Leon Weiner has changed his mind in recent years from letting an open occupancy development take its natural course to favoring a quota system. He and other builders have proposed an urban renewal project for the city, including 105 townhouses, 170 garden apartments, and 380 high-rise units, but Weiner's group won't go ahead until Negro leaders agree to a quota of about 15% Negro and 85% white (about equal to the proportion of Negroes and whites in the area). Says Weiner: "One Negro leader insists that if we use a quota we'll discriminate against Negroes—but another says that we'll create a Negro ghetto if we don't. There aren't enough Negroes to fill the units, and if we don't announce a quota we can stick to, no white families would move in."

The question of whether quota systems are necessary has been important in the past, but it may not be so after an anti-bias order is signed—or may even be outlawed by the order. Economics may alone determine whether a new open-occupancy tract of houses or apartment projects will fill up heavily with one race or another—or not fill up at all.

All the answers to the major questions about open occupancy seem to add up to this: industry members should not panic and should, instead, learn all they can about this problem that will be with the industry for a long time to come.

And one of the best ways to learn is to take a look at the experiences homebuilders, lenders, and brokers are now having in different markets around the country, which begin at right.

What homebuilders are now doing

Nearly everywhere builders have adopted a wait-and-see attitude, mainly because they don't know what else to do. One eastern home builder association has met with Negro leaders and made a tentative proposal: all association members have agreed to sell to any qualified Negro buyer, and the hope is that Negro leaders will try to find enough buyers in each price class so that competitive builders will all be selling to Negroes at about the same time to start with. St. Louis, Philadelphia, and other local associations are trying to get an agreement from all members that none will try to take advantage of a new anti-bias order at the expense of competitors.

Following is a spot check of industry opinion and activity around the US:

Gainesville, Fla. Perhaps the most exciting and hopeful program to house minority families now under way is in Builder Philip Emmer's 285-acre Lincoln Estates. When Emmer came from Miami two years ago, Census data painted this dreary picture: there were 10,000 Negroes in this city of 50,000, and nearly two-thirds were renting slum dwellings. Only 100 Negro families had been able to buy new houses in the 15 years since World War II. But now the picture is different: Emmer has already transformed 100 ill-housed and usually debt-ridden families into owners of new homes in his well-planned community. The houses sell for \$8,750 to \$11,500 under FHA Sec. 221 financing with FNMA assistance. So far, only two owners have ever been as late as 15 days in their payments; only 10% have been more than five days late.

Emmer has accomplished this (and expects to sell 100 houses a year from now on) despite seemingly impossible odds. About a quarter of his prospects have had bad credit ratings, often through no fault of their own. Many were up to their ears in debt to finance companies, paying 36% interest a year on what they owed. The unique part of Emmer's work is the help he gives families in working their way out from these debts, straightening out their



TYPICAL STREET in Phil Emmer's Gainesville community of houses averaging \$10,040. Emmer is equipping playgrounds for children.

domestic problems, and setting their sights on the new opportunity of becoming homeowners. Says Emmer: "It's hard to sell this way. But it's satisfying, and it's profitable."

St. Petersburg, Fla.: No one is building for Negroes. However, since early 1961, more affluent Negroes have been able to buy existing homes in a 72-block area south of 17th Ave., the old "committee line" established by bi-racial agreement. Negroes say that lenders stall on FHA and VA loans, but that white owners offer to take back mortgages with about as good protection clauses and terms as FHA or VA mortgages.

Atlanta: Several leading homebuilders report that they are deeply worried over the President's executive order. Atlanta n

about open occupancy

has some of the finest Negro subdivisions for higher-priced houses in the country—new, suburban subdivisions where upper-income Negroes can buy houses from \$20,000 to \$50,000 or more. There are also a number of Negro subdivisions where new housing is priced at around \$12,000 and less. "There is good housing here for Negroes who can qualify. We are not worried about the typical Negro buyer as he would rather live in his own areas. What we are worried about are the few Negroes, backed by pressure groups, who will buy a house in a white subdivision. When that happens, our white buyers are going to quit buying," said one prominent builder.



BEST-SELLING MODEL in Bill Kerr's Columbus tract has 1,477 sq ft of living area plus garage, basement. Price: \$14,900 on \$2,200 lot.

Columbus, Ohio: W. K. Kerr & Sons has sold about 600 houses in a 1,000-unit open-occupancy community in the past three years. The Kerrs make no attempt to count how many whites and Negroes buy but believe the ratio is about 50-50. Until last year sales were at \$9,800 to \$12,000 financed under FHA Sec. 221 but are now \$11,800 to \$14,900 under Sec. 203b.

Cleveland: Probably fewer than 200 homes are being built for Negroes this year. Of these, about 115 are built by Bernard Gilman's Federal Homes. Says Gilman: "We are not building 'Negro housing.' We're building for anybody, but virtually all the buyers are Negroes." Albert Taborn, Negro real estate broker, says too-stringent credit requirements are holding down construction for the Negro market.

Knoxville: Builders here report that incomes among Negro families are so low that few can qualify for new houses now being built. So they believe that almost none will try to buy in existing subdivisions. Builders are worried however about "test cases" where a few Negro families "financed by Negro organizations" will move into new subdivisions.

Madison, Wisc.: Builders are unworried about an anti-bias order. Negroes reportedly can buy in various price classes in both Negro and non-Negro neighborhoods, from various builders. Jacob Sinaiko has built about 450 houses since 1949, all having open or mixed occupancy. One tract of 125 homes adjacent to a Negro enclave is 70% occupied by whites. Another of 100 houses has only one Negro family, despite Sinaiko's efforts to find and qualify others. His main problem is to induce Negroes to move into the non-Negro areas.

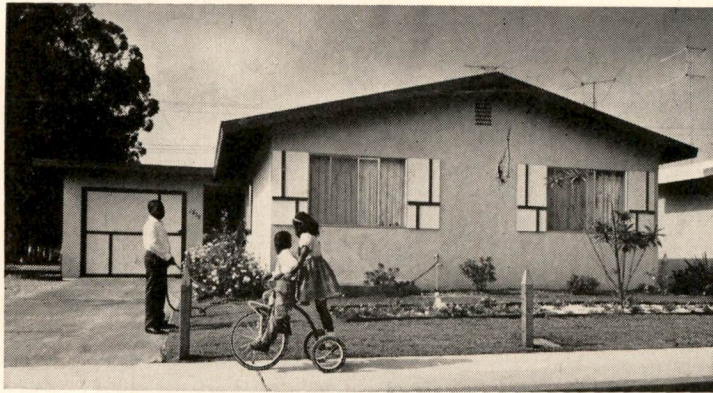
Chicago: Builder Arch Hermanns, president of the Illinois Home Builder's Association last year, is doing a land-office business selling \$14,800 to \$20,200 houses to Negroes on Chicago's almost all-Negro south side. Since opening his development a year ago, 223 families have moved in and sales are far ahead

of starts. He expects to complete his 1,200-lot tract in three years. Hermanns' only competition in new houses are mostly scattered-lot homes being sold at \$5,000 above his. When Hermanns first sought financing, lenders were asking 11 points, but he has obtained adequate VA and conventional financing "at better than average discounts."

St. Louis: There is virtually no new home construction for Negroes in this area. Two or three builders with poor locations—next to slums—are selling very slowly to Negroes. Some expensive houses are going up in scattered and generally isolated areas, and are usually sold for cash. One bank official concedes that loan applications from Negroes are checked "much more carefully" than applications from whites.

Dallas: Vernon and James Smith, the city's biggest homebuilders (723 houses at \$9,000 to \$25,000 last year), have built 200 houses a year for the past four years around a Negro college on the southeast side of Dallas. Though FHA has recently made its credit requirement so strict that the Smiths' Negro prospects cannot qualify, records show only four foreclosures in the 800-house tract in the four years. Biggest problems: many good risks with inaccurate credit reports and many prospects with adequate income but large debts.

San Antonio: Builder Roy Pletz, a pioneer builder for Negroes and Latin Americans, has recently sold 35 homes to Negroes in a new open-occupancy community planned ultimately for 275 houses priced at \$13,700 to \$30,000 and expects to sell soon to at least one white family. Says he: "This community of ours offers Negroes the first chance they've had in San Antonio to build or buy a new house and feel protection against encroachment of slums." Pletz' open-occupancy tract provided one of the five sites for the San Antonio Parade of Homes in September.



WELL-KEPT LAWNS are encouraged by Builder Joe Bolker who gives buyers landscaping plans plus a set of garden tools, hose, fertilizer.

Los Angeles: Builder Joe Bolker last fall opened an integrated "All-American" community and by last summer had sold out his first section of 130 houses (at \$10,450 to \$11,950). His buyers were Negro (45%), Spanish American (35%), and white (15%). Current sales to whites in his second section are running somewhat higher. The tract is in Oxnard, west of the city.

In the north part of Los Angeles, the San Fernando Valley Board of Realtors, headed by Clare Short, has assured Negro leaders that the board will encourage all broker members to treat Negro buyers the same as white buyers in the sale of existing houses. The real estate men say they will not offer a home to a Negro if the seller objects, but this is not expected to be important—in the first two months of the new policy, only two owners are reported unwilling to sell to Negroes—ROBERT MURRAY



Gaffney

BUREAU OF
BUSINESS AND ECONOMIC
RESEARCH

EFFECTS OF NONWHITE
PURCHASES ON MARKET PRICES
OF RESIDENCES

By

LUIGI M. LAURENTI

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BUREAU OF BUSINESS AND ECONOMIC RESEARCH

The Bureau of Business and Economic Research is a department of the University of California maintaining offices on the Berkeley and Los Angeles campuses of the University. It exists for the purpose of stimulating and facilitating research into problems of economics and of business with an emphasis on problems of particular importance to California and the Pacific Coast, but not to the exclusion of problems of wider import.

The main results of its researches are in general published in its Monograph Series, a list of which appears on the back cover of the reprint. In the course of a study, designed ultimately to lead to the publication of a monograph, collateral results very frequently appear as published articles in periodicals or other publication media. The Reprint Series is designed to make available to all interested persons the collateral results of the Bureau's principal investigations.

This reprint contains materials from one of a group of special studies in the field of Real Estate and Urban Land Economics, support for which was made available from the State Real Estate Fund by appropriation of the California Legislature in 1950. The special financial assistance from the State Real Estate Fund has made it possible to undertake investigations in the fields of real estate and urban land utilization and related areas currently so important in the rapid and continued development of the State of California.

Effects of Nonwhite Purchases on Market Prices of Residences

By Luigi M. Laurenti



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Effects of Nonwhite Purchases on Market Prices of Residences

By Luigi M. Laurenti

This article describes and analyzes the price behavior of single-family residences in selected areas of San Francisco which have experienced new nonwhite home ownership and occupancy.*

PRIOR TO 1940 the nonwhites in San Francisco were concentrated in two areas—Western Addition and Chinatown.¹ Furthermore, they lived not as home owners in single-family dwellings, but as tenants in multi-family, and usually old, converted properties. Overcrowding and substandard conditions closely approximated those in the long-established racial areas of Chicago and New York, except that nonwhites by no means outnumbered whites in the Western Addition.

Events of the decade following 1940 led to significant changes in the density, racial composition, and personal income of San Francisco residents, ushering in new pat-

terns in nonwhite residential locations and home ownership. Responding to the employment opportunities arising from the defense effort, more than five million persons streamed westward. The Negro population alone increased more than three-fold in the eleven Western states, rising from 171,000 to 576,000. San Francisco's total population increased 22.2 percent to 775,357 in 1950, while the nonwhite population rose 137 percent, reaching a total of 81,469.² The shift in the Negro group was clearly the most dramatic, amounting to an eleven-fold increase over 1940. The Chinese figure is estimated to have remained fairly stable, whereas the Japanese group, which was dispersed by the wartime relocation orders, had not been sufficiently augmented by individuals returning to San Francisco to regain even its 1940 strength. The net effect of these changes was to place a heavy strain on housing capacity in those areas of the city where nonwhites had previously been concentrated, causing them to seek shelter in other quarters. The nonwhite demand for housing was further intensified by the considerable rise in personal income levels experienced by most nonwhites.³ It was inevitable that nonwhite families would

* This is a preliminary report on a study begun in early 1951 under the direction of the Bureau of Business and Economic Research, Real Estate Research Project, University of California, Berkeley. Completion is planned for late spring of 1952.

As used in this paper, the term "nonwhite" refers to persons included in the following racial or national origin groups: Negro, Chinese, Japanese, and Mexican. The last named are not considered as nonwhite by the Bureau of the Census except as to persons who are "definitely Indian or of other nonwhite race." However, in California, at least, the residential pattern of the population of Mexican origin is similar to that of the nonwhite groups; hence, they are considered with the latter for purposes of the present study.

¹ For this reference and all others see Reference Notes page 327.

filter into residential areas which had formerly been occupied solely by whites and that they would do this not as tenants but as home owners.⁴

Statements have often been made concerning the repercussions of changed racial patterns upon property values and market prices. The majority of property owners, appraisers, brokers, lenders, and sideline observers agree that neighborhoods decline and values are harmed by what is termed an "invasion" by nonwhites. Their opinions differ only regarding the *degree* of injury.

Opinions prevailing in the San Francisco area were revealed through interviews with 45 real estate brokers and salesmen, constituting the great bulk of those engaged in any transactions with nonwhites. Of those interviewed, only five believed that introduction of nonwhites into white neighborhoods would *not* result in property devaluation. The rest insisted that losses of 10 to 20 percent—about \$1,500 to \$2,000 in the price ranges of houses investigated in this study—unequivocally follow nonwhite entry. Out of 15 interviews with top spokesmen for banks, savings and loan associations, and insurance companies, covering the significant sources of institutional credit for home financing, 13 recorded opinions that property values would be adversely affected, with the degree of damage asserted to range from "destroyed" to about a 20 percent discount. One interviewee held that values would suffer only if owners insisted on selling to whites.⁵ The prevailing opinion was summed up by another spokesman:

The effect of racial infiltration are often discussed among the lending fraternity, and, although we have no factual evidence to present in summary form, we are unanimous in the opinion that it harms values. It depresses the neighborhood and thus decreases the amount we will loan on any particular property in that

neighborhood. A single Negro in a block in the Sunset district (an all-white, middle-class area) would be like a caution flag to us to note the trend of the neighborhood and would probably be sufficient to influence our loans downward in that area.⁶

As for white private home owners, both in and out of areas undergoing racial change, all but a handful of those interviewed took the position that the value of their property had been, or would be, lowered by reason of that change.⁷

Leading authorities in housing have called attention to the shortage of definitive studies of racial effects upon property values.⁸ This is exemplified by the following comment of Robert C. Weaver:

A review of the arguments designed to prove or disprove an inevitable adverse effect of Negroes' presence upon property values indicates that both sides have often arrived at sweeping conclusions without adequate factual basis to sustain their generalizations.⁹

This same observer emphasizes that no investigation will yield propositions that can be applied for all times and places to the behavior of property values in areas undergoing racial change:

The effect of Negro occupancy upon property values varies from one section of the city to another and from one time to another. Within a given area, the initial result of the arrival of a few colored people may be imperceptible or it may lead to panic among white occupants; the arrival of a few Negroes may be the signal for a great decline in selling prices or it may lead to an appreciable increase. Much depends upon the state of the total housing market and the manner in which colored people enter an area. Or, again, prices may fall with large-scale Negro introduction only to recover again as the transition is completed. Out of all these possibilities—and the literature is full of examples of each—a separate and obviously incomplete theory of the relationship between racial occupancy and property values could be formu-

lated. No such theory would be sound. *There is no one universal effect of Negro occupancy upon property values.*¹⁰

Charles Abrams places himself alongside Mr. Weaver in this opinion, holding that:

As far as I have been able to determine from the limited evidence available, there are at least eight different value reactions (not one or two as claimed) when a minority or class different from the occupiers moves into an area.¹¹

Despite the clouded picture as to what actually does happen to property values and market prices when all-white residential neighborhoods are newly entered by nonwhites, majority opinion rather confidently asserts that entry as tenants, and particularly as owners, damages or even "destroys" values. It is explained that this comes about in either or both of two ways:

1. Nonwhites physically deteriorate their residences by overcrowding and by failing to engage in adequate maintenance—hence the entire neighborhood is pushed, or led, into decline.
2. White residents who do not wish to have nonwhite neighbors (for any of many reasons) destroy the former equilibrium in the local real estate market by putting up an unusual number of homes for sale, the price-softening effects of such an extension in supply being further aggravated by a weakening on the demand side, since many white prospective customers will turn away from the neighborhood because of the new racial pattern.

Such assertions call for careful investigation of areas experiencing racial change to ascertain, (1) the behavior of prices, (2) the standards of property maintenance, and (3) the presence of any "abnormal" market psychology.

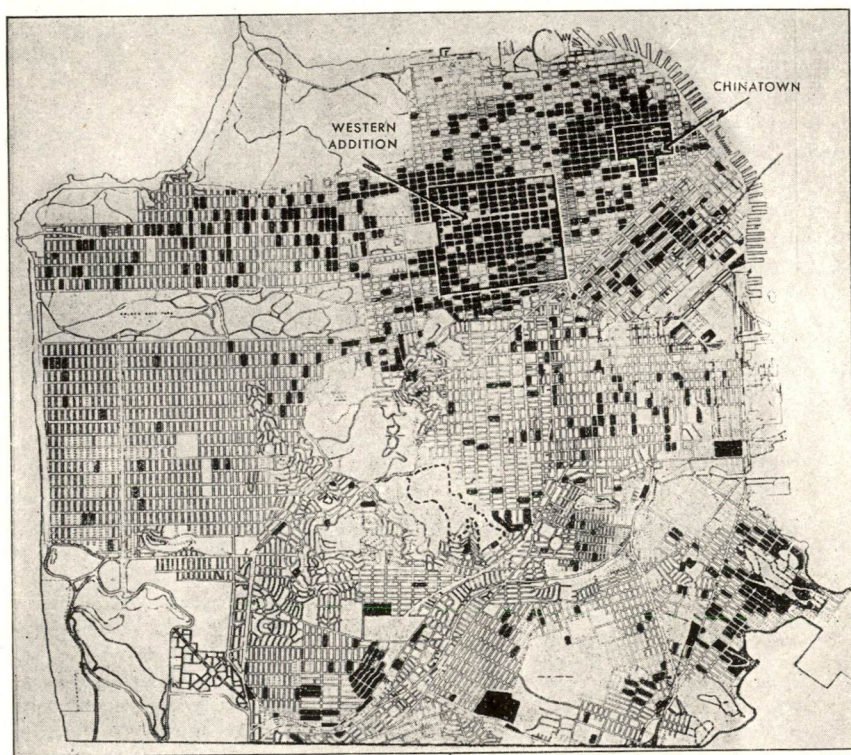
The primary aim of this study was to measure the impact—if any—of changed racial patterns upon market prices of residential real estate.¹² To accomplish this it was necessary to hold constant those price factors other than race.

Method of Measuring the Racial Impact

The basic approach employed was to make comparisons between market prices of single-family residences which were deemed to differ only in the race of the occupants (or in the proximity to nonwhite occupancy). It was argued that, given two neighborhood areas that displayed clearly comparable characteristics in terms of topography, relation to urban center, land-use pattern, age, type and cost of dwelling units, income class of occupants, and general development over time, there would be no reason for significant differences in price behavior as between the two. If, then, one area experienced nonwhite entry and occupancy, and the other did not, any price differentials could properly be ascribed to the consequences wrought by the only unique factor—race.¹³ It is difficult to see how the racial factor in the behavior of real estate prices could be isolated by any other technique, since any method that does not hold the important price-shaping variables constant cannot single out the effects, if any, of racial changes.¹⁴

In order to determine the sections of San Francisco which experienced nonwhite entry since 1940, data were gathered indicating the street addresses of all determinable nonwhite residency outside such "established" nonwhite areas as the Western Addition and Chinatown.¹⁵ As the accompanying map (Map I) on Minority Occupancy in San Francisco reveals, the important areas of recent nonwhite occupancy are preponderantly in the southern sections of the city. Detailed inspections of these areas, coupled with repeated consultations with persons intimately acquainted with the population and construction history of those sections, made it possible to select particular "test areas;" that is, neighborhoods which had been all-white in 1940

MAP I

*Minority Occupancy in San Francisco **

[Redevelopment Agency of the City and County of San Francisco June 16, 1951]

Blocks shown in solid black are those on which one or more minority families (Chinese, Japanese, Negro) are living or have lived at some time since Jan. 1, 1949. Residences connected with business or established by household servants are excluded. Residences within Public Housing Projects are included.

* This is not a complete enumeration. It represents a "minimum" tabulation based on the information that was obtainable.

and had subsequently experienced non-white entry under varying circumstances. Chart A lists these test areas together with certain items concerning their location, character of housing, racial characteristics, and the amount of sales information obtainable. Three price classes were arbitrarily defined: low, \$3,000–\$7,000; middle, \$7,000–\$13,000; high, above \$13,000. All test areas had houses in the middle-price class—some in fact, had nothing else. But some areas displayed a range of prices as indicated by the chart.

The next step was to find areas similar to the test areas in every respect except that nonwhite entry was not experienced. Chart B lists and describes these comparable areas, hereafter referred to as “control” areas. Map 2 shows the location of both the test and control areas. The comparability of the control areas with the test areas was checked against the judgment of qualified brokers, appraisers, lenders, and city assessors.¹⁶

Obtaining and Analyzing Price Data

Price information which would reveal the market behavior of both nonwhite and white-occupied homes in the test areas as compared to market behavior in the control areas was then obtained from several sources. The primary source of actual sales prices was the files of the Multiple Listing Service in San Francisco, covering the period June 1949 to July 1951. These were supplemented by price data obtained directly from real estate brokers operating in the selected areas.¹⁷

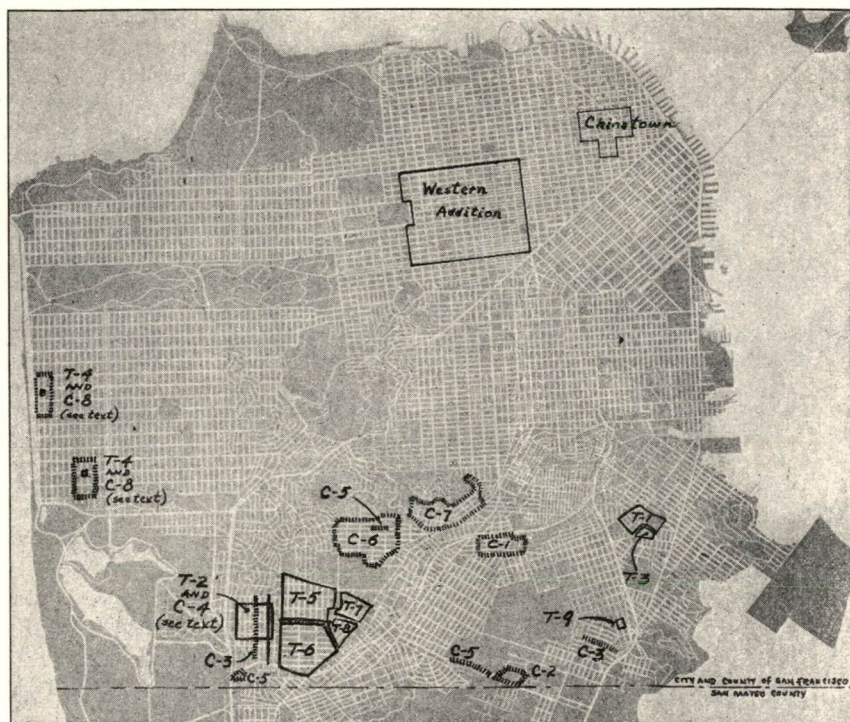
Individual price comparisons were then set up between every house in the test areas for which a selling price was obtained and a comparable house in the control areas. An excess of test-house price over comparable house price was labelled as a *plus difference*. If the test house was less, the dis-

crepancy was classed as a *minus difference*. This was the crucial step in the whole method because it required a judgment on the comparability of the two houses involved. As a first step, comparisons were made on the basis of recorded information on the properties concerned. Thus, such obvious factors as age, date of sale, number and size of rooms, garage facilities, and the like were matched. Final comparability of the houses was judged in terms of condition, topography, view, and special features which bear upon market value. This was done by personal inspection of the properties.¹⁸ Wherever possible, the sales of two or more comparable properties in the control areas were averaged in order to provide the best obtainable yardstick.¹⁹

Chart A shows that complete sales information was collected in the test areas for 50 homes sold to nonwhites and 254 sold to whites. It was possible to find comparable sales in control areas for 44 of the nonwhite and 121 of the white test sales. While these are not large samples, particularly in the case of the individual areas examined, no quantitative or qualitative evidence could be found to indicate they were not typical of all sales to nonwhite and white buyers in single-family neighborhoods entered and occupied by nonwhites. Since most brokers are reluctant to sell to nonwhites in what they regard as their “home territory,” whereas they can avoid local censure if the sale is made by a broker from another part of town, there appears to be a mounting tendency towards use of multiple listing as a method of reaching the nonwhite market. If this is indeed the case, the sample sales obtained represents a higher proportion of all sales occurring in the areas studied than would be indicated by the proportion accounted for by all multiple listing sales, which amounted to some 20 percent. In the control areas, out of a total of 320 sales

MAP 2

Location of Nine Test Areas and Eight Control Areas in San Francisco, for a Study of Racial Ownership and Real Estate Market Prices



TEST AREAS

- | | |
|-----------------------|-------------------------|
| T-1 Silver Terrace B | T-6 South of Lakeview |
| T-2 Ingleside Heights | T-7 North of Ridge Lane |
| T-3 Silver Terrace A | T-8 South of Ridge Lane |
| T-4 Parkside-Sunset | T-9 Goettingen |
| T-5 North of Lakeview | |

CONTROL AREAS

- | | |
|-----------------------|---------------|
| C-1 Silver-Alemany | C-5 Standard |
| C-2 Geneva | C-6 Sunnyside |
| C-3 Arch | C-7 Glen Park |
| C-4 Ingleside Heights | C-8 P |

* Consult Chart B for a description of which test and control areas were compared.

Source: Based on extensive field investigations.

CHART A

DATA RELATING TO SELECTED TEST AREAS ENTERED BY, OR IN PROXIMITY TO, NONWHITES—IN SAN FRANCISCO

Designation of Test Area	General Location in S.F. District	Specific Area Bounded by	Character of Housing									Racial Characteristics ³	Entry Date of 1st NW	No. of NW ⁴ Home-owners July 31, '51	No. of Sales for which Full Information Obtained ⁵			
			% Homes by Age (Yrs.)			Condition ¹ Penalty Pts.			Price ² Class						To NW	To W		
			Under 10	10-20	Over 20	Under 20	20-29	30-49	50-100	Low	Middle						High	
T-1. Silver Terrace B	Bayview	Topeka, Bridgeview, Ledyard, Silver, Quesada, Newhall	80	20		x					x		No NW, but adjacent to "light" NW area	—	0	—	8	
T-2. Ingleside Heights	Ocean Avenue	Garfield, Head, Sargent, Byxbee	100			x					x		No NW, but adjacent to "medium" NW area	—	0	—	54	
T-3. Silver Terrace A	Bayview	Topeka, Thornton, Bridgeview	100			x					x		"Light" NW	2/18/50	6(N)	6	21	
T-4. Parkside—Sunset	Parkside—Sunset	48th Avenue between Moraga and Pacheco; 42nd Avenue between Taraval and Wawona	50	50		x					x	x	"Very light" NW	3-47	3(C)	0	15	
T-5. North of Lakeview	Ocean Avenue	Lakeview, Orizaba, Ashton, Ocean, Harold	40		60	x	x				x	x	"Light" NW, adjacent to "medium" NW	1948	5 (3C)	0	55	
T-6. South of Lakeview	Ocean Avenue	Lakeview, Summit, San Jose, Alemany, Orizaba	40		60	x	x				x	x	"Medium" NW, adjacent to "heavy" NW	1948	9 (2C)	5	62	
T-7. North of Ridge Lane	Outer Mission	Ridge Lane, Harold, Ocean, Tara, Niagara, San Jose	45		55	x	x				x	x	"Medium" NW, adjacent to "very heavy" NW	12/12/47	36 (1C) 36 (1J)	20	29	
T-8. South of Ridge Lane	Outer Mission	Ridge Lane, San Jose, Summit	20		80	x	x	x			x	x	"Very heavy" NW	1945	190 (90%N)	11	8	
T-9. Goettingen	Bayview	Goettingen between Ward and Harkness	100			x					x		"Heavy" NW	7/18/49	12 (N)	8	2	
																	50	254

¹According to a report prepared by the San Francisco Department of City Planning on "Condition of Residential Areas," October, 1949, supplemented by field work. More than one cross indicates a mixture of the indicated conditions.

²Price classes arbitrarily defined: low, \$3,000-\$7,000; middle, \$7,000-\$13,000; high, above \$13,000.

³"Very light" NW, 2 or less within a 5-block area; "light" NW, between 3 and 6 within

a 5-block area; "medium" NW, between 7 and 50 within a 5-block area; "heavy" NW, over 50 within a 5-block area.

⁴Figures given are minima, except when underlined, in which cases they represent exact counts. (N) Negro; (C) Chinese; (J) Japanese.

⁵It was not possible to utilize every one of these because no comparable control sales could be found for some of them. The total number of "usable" sales was 165, of which 44 sales were to nonwhites and 121 to whites.

CHART B

DATA RELATING TO SELECTED CONTROL AREAS HAVING NO NONWHITES

Designation of Control Area	General Location in S.F. District	Specific Area Bounded by	Character of Housing									No. of Usable Sales for which Full Information Obtained	Test Area for which Used	
			% Homes by Age (Yrs.)			Condition Penalty Pts.			Price Class					
			Under 10	10-20	Over 20	Under 20	20-29	30-49	50-100	Low	Middle	High		
C-1. Silver-Alemany	Outer Mission	Silver, Congdon, Alemany, Cambridge	100			x					x		30	Silver Terrace <i>A</i> Silver Terrace <i>B</i>
C-2. Geneva	Visitación Valley	Geneva, Parque, Velasco, Santos	100			x					x		19	do., also for Ingleside Hgts.
C-3. Arch ¹	Ocean Avenue and Visitación Valley	Arch, between Randolph and Garfield; Head, between Randolph and Garfield; Campbell, 100 and 500 blocks	100			x					x		21	Silver Terrace <i>A</i> Silver Terrace <i>B</i>
C-4. Ingleside Hts. ²	Ocean Avenue	Garfield, Head, Sargent, Byxbee	100			x					x		54	Silver Terrace <i>A</i> Silver Terrace <i>B</i>
C-5. Standard ³	Mixed	Geneva, San Luis, Orizaba, Joost	100			x					x		8	Goettingen
C-6. Sunnyside	Partly Inner Mission, partly Outer Mission	Genessee, Melrose, Baden, Circular, Havelock, Judson	40		60	x	x			x	x		38	North of Ridge Lane North of Lakeview South of Lakeview
C-7. Glen Park	Outer Mission	Burnside, Surrey, Miguel, Bernal, Bosworth	15		85	x	x	x		x	x		23	South of Ridge Lane South of Lakeview
C-8. <i>P</i>	Parkside-Sunset	Selected streets in general area within Noriega, Sunset, Wawona, 48th	50	50		x					x	x	21	Parkside-Sunset
													Total 214	

¹This is a "composite control area" formed by taking sales on streets with characteristics similar to test area, but drawn from three separate neighborhoods.

²This was originally chosen as a test area adjacent to a medium nonwhite area, but it was later employed as a control area after determining that it had undergone no price reactions due to race.

³Another "composite control area," but built up by noting sales of "standard-built" homes with identical floor plans, constructed on comparable streets in comparable neighborhoods.

for which full information could be obtained, 214 were "useable" in that they involved properties closely comparable to properties in the various test areas.

As described above, pairs of comparable sales were then listed (that is, one test area sale and one control sale) for each test area and its appropriate control area, taking every possible precaution that the matched sales were indeed comparable. Plus and minus differences were tabulated not only in the case of actual list prices, but also for "adjusted" prices resulting from transactions involving secondary financing held by sellers.²⁰

Summary of Price Comparisons

These summaries of price comparisons are set forth in Table I showing the dollar differences between listed sale prices, Table II showing dollar differences between sales prices after appropriate adjustment for secondary loans held by sellers, and Table III showing adjusted dollar differences expressed as percentages of adjusted selling prices. Tables I and II also present the tabulations of dollar differences before and after adjusting for secondary financing held by sellers.

The first point to be made is that, with the exception of sales to nonwhites, the adjustment for secondary financing appears to affect the distribution of dollar differences only slightly. Inspection of Table II shows that for sales to whites the percentages of sales above zero difference was slightly raised by the adjustment, from about 54 to 57 percent. This resulted from the fact that test sales to whites, by comparison with control sales, had relatively fewer cases of secondary financing held by the seller. The writer was not able to discover the explanation for this phenomenon. The adjustment for secondary financing in the case of sales to nonwhites,

however, reduced the percentage of positive sale price differences from 77 to 64 percent. This reflected the greater necessity for nonwhites, by and large, to have recourse to secondary financing.²¹ This necessity holds, of course, not only as contrasted with sales to whites in the test areas, but also with sales to whites in the control areas.

It is commonly argued by persons engaged in the business of selling real estate, and by property owners themselves, that losses suffered because of changes in the racial character of neighborhoods are intensified because of the *preponderantly* greater use of seller-held secondary financing. This does not seem to be borne out by the analysis insofar as all sales considered together are concerned. It may well be true for individual transactions that whether or not a seller must "take a second" will determine whether he realizes a profit. However, there seems to be no overwhelming evidence that significant amounts of losses could result from this cause for all property owners as a class.

The second, and more basic, point to be developed from an inspection of the distributions is that they do not appear to support assertions that nonwhite entry and occupancy depress values. If those assertions were true, we should expect to find the distribution of dollar differences concentrated on the "below zero" side. In fact, they are rather evenly tapered out on each side of the zero-difference point. This was also the case for each test area considered individually. For this reason, and because of space limitations, results for each test area are not shown in this paper. It is well worth noting, however, that the *degree* of nonwhite entry appeared to make no difference in the behavior of prices. In the case of sales to nonwhites, however, the largest concentration of differences is slightly on the plus side, as contrasted with

TABLE I

DISTRIBUTION OF DOLLAR DIFFERENCES BETWEEN SALES PRICES OF PAIRS OF COMPARABLE HOUSES

(One in Test Area, One in Control Area)

Before Adjusting for Secondary Financing held by Sellers:
All Areas

Category of Sales	(. MINUS Differences:)						(. PLUS Differences:)					Percentage Below Zero		Mean Difference, in Dollars
	Test House Price Less than Control House Price						Test House Price Greater than Control House Price							
	Total Sales	\$-1999 to \$-1500	\$-1499 to \$-1000	\$-999 to \$-500	\$-499 to \$-1	0	\$1 to \$499	\$500 to \$999	\$1000 to \$1499	\$1500 to \$1999	\$2000 to \$2499			
To Nonwhites	44	..	..	3	6	1	21	9	2	1	1	20.4	77.4	+\$335
To Whites	121	2	9	15	28	1	27	28	8	2	1	44.6	54.5	+ 87
Total	165	2	9	18	34	2	48	37	10	3	2	38.2	60.6	+\$153

Sources: Multiple Listing Service and individual brokers' sales records.

TABLE II

DISTRIBUTION OF DOLLAR DIFFERENCES BETWEEN SALES PRICES OF PAIRS OF COMPARABLE HOUSES

(One in Test Area, One in Control Area)

After Adjusting for Secondary Financing held by Sellers:
All Areas

Category of Sales	Total Sales	(. MINUS Differences:)					(. PLUS Differences:)					Percentage		Mean Difference, in Dollars
		Test House Price					Test House Price					Below Zero	Above Zero	
		Less than Control House Price					Greater than Control House Price							
		\$-1999 to \$-1500	\$-1499 to \$-1000	\$-999 to \$-500	\$-499 to \$-1	0	\$1 to \$499	\$500 to \$999	\$1000 to \$1499	\$1500 to \$1999	\$2000 to \$2499			
To Nonwhites	44	..	1	4	10	1	18	4	2	2	2	34.0	63.6	+\$256
To Whites	121	4	9	15	23	1	28	30	6	4	1	42.1	57.0	+ 91
Total	165	4	10	10	33	2	46	34	8	6	3	40.0	58.5	+\$135

Sources: Multiple Listing Service and individual brokers' sales records.

sales to whites. The mean difference is plus \$256 for nonwhites and \$91 for whites. This undoubtedly reflects the differential "fee" that nonwhites who come into a white area are sometimes required to pay by certain sellers who feel that they can extract extra amounts for extending the privilege of residence in such areas. This differential is also tied up with the secondary finance situation because a seller may charge somewhat more in order to make up for the possibility of having to discount the second mortgage that he takes back on the transaction. He thereby hopes to emerge with the same amount of cash in hand as he would have had in the absence of such necessity. It may be noticed that, after adjusting for such secondary financing, the symmetry of the distribution is improved, showing that a portion of the differences above zero were not real differences in cash in hand to sellers.

The differences between test house prices and control house prices, before and after adjustment, averaged as follows:

	Before Adjustment	After Adjustment
Sales to nonwhites . .	+\$335	+\$256
Sales to whites	+ 87	+ 91
All sales	+ 153	+ 135

These results suggest that, if anything, prices in the neighborhoods undergoing racial change were slightly enhanced, especially for sales to nonwhites. To be sure, the average differences were computed from sample data and may differ to some extent from results that might obtain if it had been possible to collect information on every sale that occurred. However, on the basis of tests commonly employed to evaluate the significance of sampling results, it turns out that for none of the three categories above do the sample results cast doubt on the hypothesis that test-house prices, on the average, exceeded control-house prices.

In other words, it is highly unlikely that market prices were driven down in the areas studied; rather, the hypothesis that prices were slightly higher in the test areas may be held with considerable confidence that it corresponds to fact.

Thus, the over-all picture of comparative market prices should be reassuring to those who fear nonwhite entry will harm prices. Approximately half of all sales are within \$500 of the prices brought by comparable properties in all-white neighborhoods and are quite evenly divided on each side of zero difference within that range. Random variations of as much as \$500 can easily arise as between the sales prices of two identical houses because of unique buyer-seller circumstances and attitudes. Therefore, it may be considered that all the sales within plus and minus \$500 of zero difference occurred at substantially "identical prices."

Approximately one-fourth of sales in all categories fell into the difference bracket of plus \$500-999, and roughly one-tenth into the minus \$999-500 group. The remaining sales were scattered fairly symmetrically above and below zero. (Sales to nonwhites displayed a few cases of large positive differences.) The reduction in sales prices resulting from the adjustment for secondary financing shown in Table II confirms the observation from the unadjusted sales prices that no significant differences in price behavior are observable in the test as compared with the control areas.

Such statements as the following, therefore, would not be applicable to the price behavior noted in San Francisco:

That the entry of non-Caucasians into districts where distinctly Caucasian residents live tends to depress real estate values is agreed to by practically all real estate subdividers and students of city life and growth. Infiltration at the outset may be slow, but once the trend is

established, values start to drop, until properties can be purchased at discounts of from 50 to 75 percent. [Italics Supplied]²²

Conclusions of Study

It would appear that the principal contention as to the effects of race upon property values is subject to modification. In San Francisco during the period 1949-1951, areas which experienced nonwhite purchase and occupancy during or shortly before that period did not display the price behavior which the popular theory would predict. Instead, transactions took place at prices closely corresponding to those in comparable all-white areas, although a small fraction of sales differed by plus or minus amounts which may have reflected unusual circumstances: (1) a premium price extracted from a nonwhite buyer anxious to get into that particular locality, (2) a sacrifice price agreed to by a seller desirous of dumping a property in an area believed by him to be on the verge of rapid deterioration.²³

Sales to whites involved homes which naturally varied in their distances from nonwhites within the test area. To test the hypothesis that price behavior for test sales to whites might be related to distance from nonwhites, sales to whites in each test area were divided into two groups: sales within two blocks of nonwhite residence and sales more than two blocks away from nonwhite residence. This distance was chosen because it was the one most often mentioned by white homeowners in response to the question, How close would a nonwhite purchase have to be for you to feel concerned?

Inspection of the test sales to whites after being so grouped revealed no regular behavior one way or the other. In all cases, the average difference came out much the same for both groups, with one group or the other displaying a slightly larger figure. It was con-

cluded that the data do not indicate that location within the test area had a differential effect on test sales to whites.

Table III compares the percentage differences in sales between "test" and "control" areas after adjustment for secondary financing. It can be noted from Table III that well over one-half of the total number of sales to both whites and nonwhites showed price differences of less than plus or minus 6 percent. As in the unadjusted price data, a slightly higher proportion of the sales to nonwhites showed plus differences than for sales to whites.

The 11 transactions involving white buyers in the test areas, which occurred at selling prices 12 percent or more below comparable sales in control areas, accounted for 9.1 percent of all sales to whites. Investigation into the circumstances surrounding these sales disclosed that the sellers had reacted strongly to the nonwhite entry into their neighborhood. In several instances, the investigator received the impression that the sellers had been so anxious to move that they would accept almost any price for their properties. Interviews with some white owners in similar circumstances, but who had not yet sold, indicated that they were impelled either by their reluctance to have nonwhites as neighbors or by their sincere belief that property values would be seriously harmed and they would lose heavily if they delayed selling. It was not uncommon to find both reasons motivating a seller. Clearly, such a seller psychology operating upon the local market, with—very possibly—a white buyer informed as to the racial situation and intent on taking advantage of this in his bidding for the property, would swing the bargaining advantages heavily in favor of the buyer.

On the plus difference side, sales to whites and nonwhites did not differ significantly in their comparability with control sales, except for two sales to nonwhites

TABLE III
DISTRIBUTION OF PERCENTAGE DIFFERENCES
BETWEEN ADJUSTED SALES PRICES OF COMPARABLE HOUSES
(one in test area, one in control area)

Percentage Differences of Adjusted Selling Prices		Sales to Nonwhites		All Areas	
		No. of Sales *	Per Cent of No. of Sales	No. of Sales †	Per Cent of No. of Sales
26 and under	28				
24 and under	26	2	4.5		
22 and under	24				
20 and under	22				
18 and under	20				
16 and under	18	1	2.3	2	1.7
14 and under	16	2	4.5	4	3.3
12 and under	14	2	4.5		
10 and under	12			2	1.7
8 and under	10	1	2.3	7	5.8
6 and under	8	1	2.3	8	6.6
4 and under	6	4	9.1	20	16.5
2 and under	4	5	11.4	8	6.6
0 and under	2(a)	10	22.7	17	14.0
0 and under	-2(a)	2	4.5	11	9.1
-2 and under	-4	4	9.1	12	9.9
-4 and under	-6	4	9.1	4	3.3
-6 and under	-8	4	9.1	3	2.5
-8 and under	-10	1	2.3	5	4.1
-10 and under	-12	1	2.3	7	5.8
-12 and under	-14			6	5.0
-14 and under	-16			2	1.7
-16 and under	-18			1	0.8
-18 and under	-20			1	0.8
-20 and under	-22			1	0.8
Total Sales.....		44	100.0	121	100.0
Percentages					
under 0 difference.....			36.4%		43.8%
over 0 difference.....			63.6%		56.2%

* Range: -10.4 to 24.9; Interquartile Range: -3.5 to 5.0

† Range: -20.7 to 17.6; Interquartile Range: -4.0 to 5.3

(a) Zero differences were evenly apportioned between the classes 0 and under -2 and 0 and under 2.

which showed unusually large plus differences. Evidences pieced together from field interviews and other sources points strongly to the conclusion that these two sales were handled by speculators and involved considerable skillful and advantageous manipulation of the psychological situation.

Conclusions based upon examination of percentage price differences are similar to those derived from comparisons of actual dollar differences. Some minor differences in the frequency distributions can probably be traced to the adjustment technique used, although differences were random in nature

and did not alter the fundamental structure of the distributions.

Summary

To summarize, the bulk of all sales in the test areas, whether to whites or nonwhites, brought prices slightly above those in control areas, except for two minor qualifications:

1. About 9 percent of the sales to white buyers took place at prices which were between 12 and 22 percent lower than those for comparable properties in control areas, whereas no sales to nonwhites fell in this range.
2. About 4 percent of the sales of nonwhite buyers took place at prices which were between 22 and 26 percent higher than those for comparable properties in control areas, whereas no sales to whites fell in this range.

These results do not show that any deterioration in market prices occurred following changes in the racial pattern. They should,

however, be weighed in the light or environmental conditions previously noted: a large increase in total population; an even larger relative increase in the number of nonwhites; a relative gain in nonwhite personal income; and a severe housing shortage throughout the period of observation. In addition, it may well be that the traditionally polyglot nature of San Francisco's population has produced somewhat unique racial attitudes as contrasted with communities which never experienced a nonwhite influx. However, San Francisco's cosmopolitan attitude in racial relations may not be unique when contrasted with those apparently now prevailing in some northern cities. According to some experienced observers widespread nonwhite entry into formerly all-white neighborhoods is proceeding apace in such cities as Detroit and Chicago, with no discernable repercussions.

REFERENCE NOTES

1. See Map 1 for the location of these areas. The 1940 Census of Population tabulated a total city population of 634,536, of which 32,136 (or 5 percent) were nonwhite. It was estimated by the San Francisco Public Housing Authority that the nonwhite total included about 18,000 Chinese, 5,000 Negroes, and 5,300 Japanese.
2. Of this total it is estimated by the San Francisco Redevelopment Agency and other reliable observers that about 55,000 (67 percent) were Negro, 20,000 (25 percent) were Chinese, and the balance predominately Japanese.
3. "Incomes have shot up faster for the average Negro than for the average white person. Actually, incomes of Negro families average only half as much as incomes of white families. Yet the typical Negro family, living on a wage or salary, now has more than three and a half times as much income as it had in 1940. The typical white family, on a wage or salary, has two and a half times as much income as it had in 1940." Special Report, U.S. News and World Report, November 16, 1951.
4. Those opposed to nonwhite entry into white neighborhoods have usually been successful in persuading white owners not to rent to nonwhites, but they have not been able to block home purchases by nonwhites completely. A typical comment on this phenomenon is the statement of a Chicago broker: "Of course, if they [Negroes] come in as tenants, we can handle the situation fairly easily, but when they get a deed, that's another matter." Chicago Commission on Race Relations, *The Negro in Chicago* (Chicago: University of Chicago Press, 1922), p. 206.
5. Even this special limitation does not lead to supporting evidence of price decline following nonwhite entry and occupancy. The distribution of price differences for sales to white, as will be noted later, is obviously not negatively skewed. Even if it were, this would hardly support the theory advanced above, which would lead one to expect the bulk of such sales to be made at prices far below comparable sales in all-white areas. The data show that this has not happened.
6. Interview June 6, 1951. From one of a systematic series of interviews with persons in the field of real estate, conducted during the summer of 1951.
7. The opinions concerning property depreciation probably arise from two sources: (1) observation of older, rundown, multi-family unit areas where nonwhites have entered subsequent to the downturn in the neighborhood's evolution, but have been blamed for it; (2) desire to promulgate the belief that such depreciation takes place, inevitably, for the purpose of profiting by the resulting market psychology.
8. Studies on the racial factors in property value movements include: Elsie Parker, "Both Sides of the Color Line," *The Appraisal Journal*, January 1943, pp. 27-34; July 1943, pp. 231-49. George W. Bechler, Jr., "Colored Occupancy Raises Values," *The Review of the Society of Residential Appraisers*, September 1945, pp. 3-6, 12. Paul F. Cressey, *The Succession of Cultural Groups in the City of Chi-*

- ago (unpublished Ph.D. thesis, University of Chicago, 1930). Oscar I. Stern, "The Long Range Effects of Colored Occupancy," *The Review of the Society of Residential Appraisers*, January 1946, pp. 4-6. Homer Hoyt, *One Hundred Years of Land Values in Chicago* (Chicago: University of Chicago Press, 1933). Richard Marks, "The Impact of Negro Population Movement on Property Values in a Selected Area in Detroit," mimeo, summary and conclusions, January 16, 1950, 2 pp., based on an unpublished study made for the Mayor's Interracial Committee of the City of Detroit. Egbert F. Schietinger, *Real Estate Transfers During Negro Invasion: A Case Study* (unpublished M.A. thesis, University of Chicago, 1948), 118 pp. Belden Morgan, "Values in Transition Areas: Some New Concepts," *The Review of The Society of Residential Appraisers*, March 1952, pp. 5-10.
9. Robert C. Weaver, *The Negro Ghetto* (New York: Harcourt, Brace & Co., 1948), p. 279. Chapter XV contains an excellent analysis of these attempts.
 10. *Ibid.*, p. 293.
 11. Charles Abrams, "The New 'Gresham's Law' of Neighborhoods—Fact or Fiction," *The Appraisal Journal*, July 1951, p. 329.
- Abrams then proceeds to list these different value reactions, to "put in issue the blunt conclusions rendered ex cathedra about the 'antipathetic racial group' inevitably driving down values or 'threatening' real estate security." *Loc. cit.*
12. Definitive answers to questions involving standards of property maintenance or market psychology will require separate research efforts. In the opinion of the writer, no difference in standards of property maintenance as between nonwhites and whites was discernible during the course of the extensive field work undertaken. One rather informal method of putting this generalization to the test was to attempt to pick out homes occupied by nonwhites before obtaining their precise addresses, by noting the condition of all properties in the neighborhood. In only three instances did the writer find the owner of a below-neighborhood-standard home to be a nonwhite.
 13. Such consequences might involve "evacuation" by prejudiced whites, property deterioration through changing maintenance patterns, avoidance of the neighborhood by white prospective buyers, or other developments influencing value.
 14. True, this method of "comparable sales" did not permit the investigation of the effects of race upon property values in the older urban areas where nonwhites have long resided, population densities are very high, very few single-family homes exist, and land uses are manifold. This is because, for such older areas, no comparable all-white areas could be found. Thus, no "control sales" could be set up for comparison with sales in the racially-affected areas. However, this limitation was not too damaging, in that the older areas are not the ones about which concern is expressed as to real estate price movements. It is the "invasion" of all-white neighborhoods that arouses present fears and resentments, and for such cases the method is quite suitable.
 15. Map 1 summarizes these data, which were based upon city birth and death records, health records, racial directories, and information furnished by real estate brokers and others. Its collection involved the arduous efforts of several city departments and agencies, notably the Redevelopment Agency of San Francisco. Even had the 1950 Census data been classified by race on a tract and block basis at the time the study was started, it would still have been necessary to obtain detailed information on nonwhite occupancy by street address and date of first occupancy.
 16. Similarity in assessed valuations prior to any racial changes assisted in evaluating area comparability.
 17. These sources by no means permitted a complete tabulation of all transactions: sales passing through multiple listing constitute about 15-20 percent of all sales, and the added information from real estate files brings the proportion of observed sales to about 25 percent of all those occurring in the chosen areas. Also the Multiple Listing System was not started until June 1949, so that the development of historical price series was precluded. On the other hand, these sources did permit compiling detailed information about each property, including age, number and size of rooms, special features, types of construction, size and shape of lot, and specific terms of sale. Recorded deeds, to which are affixed federal documentary tax stamps in the amount of \$0.55 for each \$500 of consideration received, or portion thereof, were not used. Stamps are required only on the difference between sales price and the amount of any assumed loan. Well over half of all transactions involve assumption by the buyer of the existing loan or loans. A sample check revealed that price computed on this basis of the tax stamp figures varied, on the average, by about 5 percent from the known selling prices, with some variations running much higher. Such variations would mean that errors of \$500 or more could be present in the comparisons between houses in test areas and control areas and could easily conceal or exaggerate actual price differences. In addition to this objection, recorded deeds do not reveal the terms of sale, which directly and considerably affect not only the recorded price but the net amounts received by the seller and paid out by the buyer.
 18. Inspection consisted of careful evaluation of the properties from the outside, in most cases. This was supplemented by interior inspections resulting from 30 interviews with nonwhites and whites in test areas and some spot checks in the control areas.
 19. This technique tended to remove unique deviations due to any peculiar buyer-seller behavior.
 20. There is some evidence that average cash down is considerably less for nonwhite buyers. This naturally increases the incidence of second and third mortgages. In cases where sellers held this paper, some adjustment of the recorded sales price seems indicated, since it is not equivalent to the sellers receiving their equity (defined as the difference between existing loans and the sales prices as agreed upon) in cash. Investigation revealed that discounting of such paper customarily occurred at rates ranging between 20 and 40 per cent below face value, with a model

rate of 30 percent. Accordingly, this 30 percent rate was applied to all secondary financing held by sellers, and the resulting product deducted from the listed selling price to obtain an "adjusted price," equivalent to an all-cash deal.

21. Racial differences in cash down payments and differences in the extent and size of secondary financing held by sellers will, it is hoped, be examined in detail in a later paper.
22. Stanley L. McMichael, *Real Estate Subdivisions* (New York: Prentice-Hall, Inc., 1949), p. 204.
23. However, the theory given for the premium prices to some nonwhites loses some of its explanatory power when it is observed that a *higher* proportion of the sales to whites—34 percent—showed positive price differences exceeding \$500 than in the case of sales to nonwhites—23 percent. The theory concern-

ing sacrifice prices, on the other hand, is indeed strengthened by the evidence, for about 23 percent of the sales to whites showed negative price differences greater than \$500, whereas only 11 percent of the sales to nonwhites were in this category of differences. Why white buyers should be willing to buy at prices higher than the modal one for the particular type of dwelling involved, when this behavior is usually ascribed to nonwhites who are eager to "buy in" to an area new to them is not readily explainable. Perhaps the answer is that such prices typically occur in a certain proportion of transactions, regardless of the race of buyer, because of buyer ignorance of a "fair market price." Variations also probably reflect to some extent real differences in the test versus control houses, arising from the impossibility of perfectly matching all pairs of houses.

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124 Miles to School

Housewives stalked outside Arizona's capitol building in Phoenix, their faces stony as they brandished rough posters (UNFAIR, UNFAIR!). Residents of Glen Canyon City, Utah, a wind-bitten trailer site on the Utah-Arizona border, these picketing women were furious—and understandably. Instead of schooling their children in Page, a model community in Arizona, just across the state line, they have been forced for the past month to pack them off by bus to the nearest Utah town, Kanab—a dusty, 124-mile round-trip away.

The women, mainly the wives of workers on the Glen Canyon Dam, had turned a trailer-camp washhouse into a first-grade to fifth-grade schoolroom. But the washhouse burned down last month, and the mothers asked Page school authorities to enroll the 90 children. They were turned down. Incensed, Mrs. Dale Brown spoke up for her fellow trailer-camp residents: "My husband works in Arizona, pays Arizona income tax, and we spend all our money in Page." Her point was clear: "We have a moral right to use the Page schools."

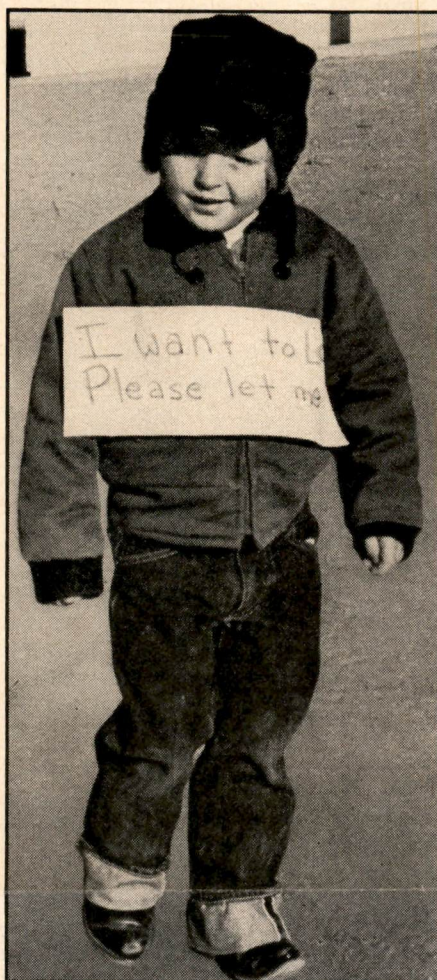
To win that point, Mrs. Brown and her cohorts started picketing in Arizona towns; occasionally, they even used their children as pickets (photo). At the same time, the education authorities, stung by editorials supporting the irate parents, met to thrash out the issue. The ruckus was resolved finally last week. Utah agreed to pay Arizona an annual \$443 per pupil. In turn, Page opened its schools to the trailer-camp youngsters. Although the pickets have won, problems remain. The two Page school buildings are already so jammed that the town has started double sessions.

Retreat in Georgia?

Among the Confederate gray columns of the House chamber in Atlanta, the Georgia Legislature sat in joint session one evening last week, soberly waiting for Gov. S. Ernest Vandiver. At 7 p.m. sharp, his face slightly flushed in the glare of the television floodlights, the neatly tailored governor strode briskly to the speaker's rostrum. His voice was measured as he began to speak, but it carried an emotional undertone.

"I am addressing you not only as your chief executive," said Vandiver, "but as a devoted father with one son and two daughters in the classrooms of our public schools. I am speaking to them about their future, as much as I am speaking to you and your children about yours." He looked around the hushed chamber, then announced firmly: "We meet together to proclaim to the whole world that public education will be preserved."

His meaning was clear not only to all



Jean Duffy

Moppet picket: No bus for him

Georgians but to the rest of the Deep South. Long a staunch segregationist, the 42-year-old governor—who early this month requested that he not be considered for the post of Secretary of the Army in President Kennedy's Cabinet—was making a significant decision. Profoundly disturbed by the riot at the University of Georgia (NEWSWEEK, Jan. 23), in which the first two Negro students enrolled in a Georgia school were temporarily driven off the campus, he had decided that the state must not defy, by "any thought, sug-

gestion, hint, or encouragement" Federal court orders to integrate. In other words, there must be no mass educational shutdown to block desegregation. But with his eye still shrewdly fixed on the Georgia voters, Governor Vandiver offered some specific recommendations loaded with loopholes for segregationists. Among them:

►Students should have the right to appeal their assignment to a school. In short, a white student should be able to switch legally from an integrated to a segregated institution.

►If white youngsters withdraw from an integrated school, they should be eligible for state grants-in-aid. One idea behind this suggestion: Such grants would help a dissident white student pay for his private education.

►Local communities should have the option either to obey the courts or to close their schools.

Despite these substantial hedges, Governor Vandiver was clearly seeking a realistic solution to the school crisis that threatened, he said, to "blight our state." That crisis, he pointed out in his speech (interrupted twenty times for applause), is "like a cancerous growth. It will devour progress—consuming all in its path—pitting friend against friend—demoralizing all that is good—stifling the economic growth of the state—and denying the youth of Georgia their proper educational opportunity."

The legislature will undoubtedly debate Vandiver's message rigorously, but it is almost certain to follow his lead in deciding to live with at least a certain measure of integration. "The governor took us off the low road to Louisiana," said Rep. James MacKay of DeKalb County, "and put us on the high road to North Carolina." In sum, Georgia is taking a hefty stride toward cutting its long-standing ties with diehard segregationists of the Deep South.

Symbolically, the two young Negroes at the University of Georgia, Charlayne Hunter and Hamilton Holmes, faced a vastly subdued campus at Athens last week. They heard not a single jeer.

U. S. Money? The Cardinal Speaks Up

"It is unthinkable that any American child be denied the Federal funds allotted to other children."

With these pointed words, Francis Cardinal Spellman, addressing a fund-raising meeting for the New York Archdiocese parochial schools, took issue last week with the task force on education appointed by President John F. Kennedy. In its pre-inaugural report, the task force

had excluded Catholic and other denominational schools from its recommended \$9.4 billion in Federal aid to public education. In Washington, the nation's first Catholic President had no comment on the cardinal's remarks. But Mr. Kennedy has consistently opposed government aid to parochial schools, on the ground that it would violate the principle of church-state separation.

ADMINISTRATION:

Boss of the Atom

To command one of the most crucial outposts on the New Frontier, President Kennedy last week called upon Glenn T. Seaborg, 48, to head the Atomic Energy Commission, a vast enterprise that spends \$2.6 billion a year and numbers 122,000 government and contractor employees on its payrolls. On the face of it, it would be hard to find a man better trained for the job. As a scientist* and chancellor of the influential University of California at Berkeley since 1958, Seaborg has been dealing with tiny atoms and big organizations most of his adult life.

The tall, gregarious physicist, who was educated at UCLA, has already had one taste of Washington politics. Between 1946 and 1950, he served as a member of the AEC. When his term was over, Seaborg returned to the Berkeley campus and his lab, working primarily on the development of artificial elements until the school made him chancellor.

A confirmed sports lover, Seaborg builds up as much enthusiasm on the golf course as in his lab. This passion has made him the hero of the neighborhood kids in his home town of Lafayette. He has converted the big lot alongside his house into a playground, laying out a baseball diamond and tennis and basketball courts for the benefit of all comers, often joining in the games himself.

Typically, he was voicing worries over his own children last week, in between conferences. "I'm here for a series of meetings," he said, "then I'll dash home for a couple of weeks, pack up a few things, then return. I've got six children, five in school, and you can't move them just like that. It's a real problem in logistics."

In his new post, Seaborg will be faced with many delicate and difficult questions.

►**Test Suspension:** For the moment, the U.S. is continuing its moratorium on nuclear blasts, despite failure to reach a test-ban agreement with Russia. Should the U.S. suspend testing indefinitely, risking the possibility of Soviet advances in surreptitious underground tests? Or should the country resume its own weapons tests and diminish the possible chances of a U.S.-Soviet arms-control agreement?

►**Power:** The dreams for competitive nuclear power, so bright a decade ago, have failed to materialize. The outgoing Administration earmarked \$250 million for development of ci-

vilian power reactors in its last budget, but there's increasing sentiment for a new approach, trying out new types of smaller, less costly reactors which industry could expand into big plants later on.

►**Nuclear Safety:** The commission has come under fire for setting safety rules for its own projects. These deal with handling civilian power reactors, "hot" isotopes, and radioactive wastes. Seaborg will have to walk a narrow line to satisfy safety demands and still leave AEC with enough room to conduct its work.

►**Propulsion:** The costly push to provide atomic power for planes and ships hasn't paid off, despite the resounding success with submarines. Seaborg will have to revamp these programs, perhaps diverting more funds to the Rover nuclear space rocket.

►**Atoms for Peace:** Ike's program to promote international interest in the non-military aspects of nuclear energy has bogged down. What's more, news that Israel is building a reactor of its own to make weapons-grade plutonium has soured a number of congressmen on the whole idea of helping other nations

develop their own nuclear technology.

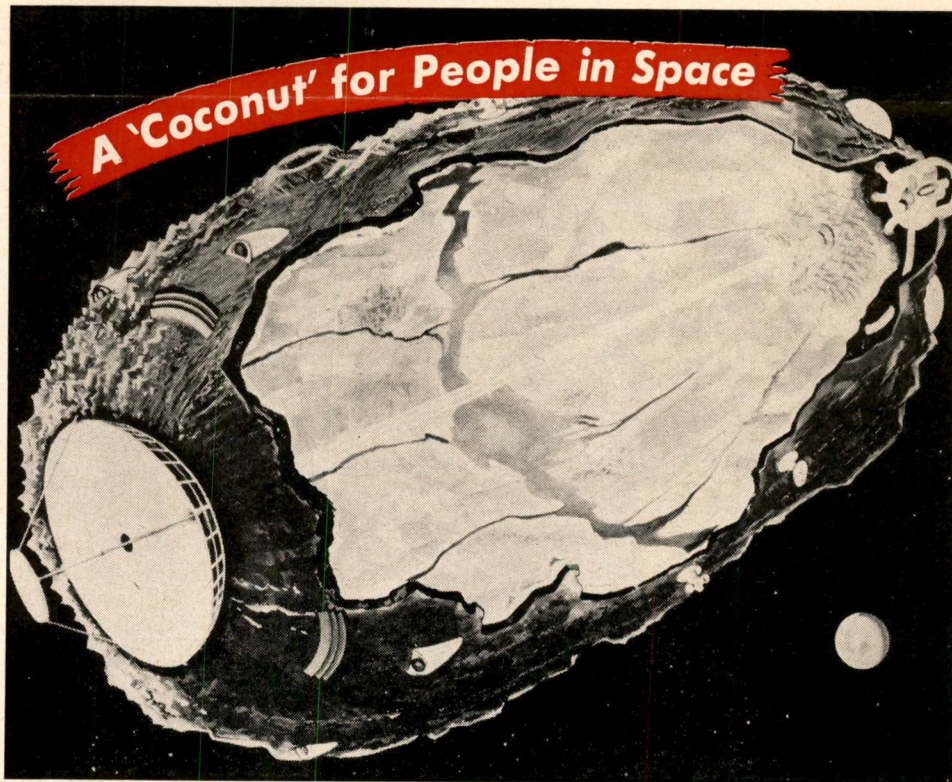
Despite the program's lackluster history, however, Seaborg still has hopes for it: "I believe that in time—not right away—the peaceful uses of atomic energy will mean a great deal to the average person. Many of the benefits of the atom probably have not even been thought of yet."

DISCOVERY:

Einstein—More Proof

The young German physicist ran a hand through his hair and in a soft voice explained why he was in New York. His name was Rudolf L. Mössbauer, and he had come from his native Munich, via Pasadena, Calif., to accept a \$5,000 award from the Research Corp. (a science foundation).

Mössbauer won this prize for his discovery of what physicists now call the Mössbauer Effect—a super-accurate scientific yardstick that they have been searching for ever since 1915, when Albert Einstein first propounded his all-



“**W**E ARE moving rapidly toward a beehive world in which the people will become indistinguishable as individuals ... Unless we accept the threat and defend against it, much of our freedom and the cherished ‘sanctity of the individual’ will be lost.”

As a hypothetical model of what this world might be like, Dandridge H. Cole of General Electric's Missile and Space Vehicle Department offered the far-out

idea illustrated above. It is a rough-skinned asteroid, hollowed and fashioned into a miniature world. In Cole's view, the people of the colony would be driven to the point where, to survive, they would have to live and work more like bees than people, operating in such close coordination that they would turn into mere cells in a single giant being, with no individual liberties, no freedom. In fact, just one big buzz.

*He won the Nobel Prize in 1951 with Edwin McMillan for discovering plutonium and has played a key role in the creation of eight more artificial elements, stretching the periodic table to Element 102.

Negroes Rap Loan Policies

Seek More Funds

New York, N. Y.—UPI—Wall Street, the nation's staid symbol of financial responsibility, has been accused of following a policy of racial discrimination in granting mortgage credit.

Forty Negro mortgage bankers and real estate men mapped plans here last week to seek a much larger share of Wall Street's mortgage money. They hope to secure commitments for 75 million dollars or more from big insurance companies and banks as a token of good intention.

"If we don't get it, we may take action in the federal courts, charging the major mortgage financing community with deliberate racial discrimination," said Dempsey Travis, Chicago, president of United Mortgage Bankers of America.

Denied Admission

Travis said his association was formed in Dallas, Tex., last August after a group of Negro mortgage bankers tried to gain admission to the Mortgage Bankers Association of America. They failed.

The Negro group, which now has 65 members in 25 states, already has obtained commitments for 10 million from "five eastern savings banks," said Travis.

But Travis wants 10 million from Wall Street for Negro home financing in Chicago alone, and if initial commitments for a substantial sum can be obtained, the money also will be funneled into mortgage financing for Negro homes in Dallas, Atlanta, New Orleans, Houston, Knoxville, Louisville, Denver, Detroit, Los Angeles and Seattle.

The Negro bankers emphasized that they are opposed to "block busting."

"Outrageous" Profits Hit

"We want nothing to do with the type of speculator who moves into an all white neighborhood in order to start panic selling, buy up the homes cheaply and then resell them to



Built in the form of an arc to follow the gentle curve of the Lake Merritt shore line in Oakland, Calif., this 28 story building is the headquarters of 60 affiliated

Kaiser Steel Corp. firms. Some 80% of the materials used in the structure were products or byproducts of the firms housed in it.

—United Press International

List New Officers of Credit Union

New officers of the Milwaukee Realty Credit Union, which has been organized for members of the Milwaukee Board of Realtors and their employees, were announced last week.

Raymond A. Marotte, executive vice-president of Wauwatosa Realty, has been named president. Other officers: William J. Blake, realty salesman for Rice-Powell, Inc., vice-president; Harriet Moertel, saleswoman for Dwyer Realty, Inc., secretary; Charles A. Harris, senior vice-president of the Marine National Exchange bank, treasurer.

Directors for the organization

also will include Clifford A. Robedaux, past president of the realty board and organizer of the credit union; Eugene Scholler, vice-president of Homefinders Realty, Inc., and Richard F. Tyson, an attorney.

Tyson said the credit union was being patterned after several others started by realty boards in Detroit and Salt Lake City. It will provide funds "at a price lower than can be obtained from consumer credit firms for persons in the real estate business," he said.

"It could facilitate trades by providing equity financing which might not be available from other lenders," he added.

Negroes at outrageous profits," Travis said.

"In fact, by persuading or compelling the regular sources of mortgage money to let the Negro have his fair share of the credit, we will put the block buster out of business," he said.

For Even Spacing

To get close, even spacing of planks when building a wood deck, drop a large spike between the planks as they are pushed together and nailed in place. Just lift the spikes out as you progress.

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