

# Civil Rights and Economic Rights

**Guiding Question:**

**How are civil rights and economic rights interdependent?**

The views expressed in this presentation are those of the presenter and do not necessarily reflect the views of the Federal Reserve Bank of Atlanta or the Federal Reserve System.

# Three Periods of American History

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## Great Depression

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## World War II and post-war period

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## Civil Rights Movement

# Great Depression



# New Deal Housing Legislation

- **Home Owners' Loan Act (1933)**
  - Created Home Owners' Loan Corporation (HOLC)
  - Provided financial assistance to homeowners and the mortgage industry
- **Alley Dwelling Authority (1934)**
  - Improved housing for low-income residents of Washington, DC
- **National Housing Act (1934)**
  - Created the Federal Housing Administration (FHA) to guarantee mortgages with banks
  - Created the Federal Savings & Loan Insurance Corporation to act like Federal Deposit Insurance Corporation for Savings and Loan institutions
- **United States Housing Act (1937)**
  - Created U.S. Housing Authority (USHA) to build public housing

<https://livingnewdeal.org/about/>

# Home Owners' Loan Act (1933)

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Mortgage defaults and home foreclosures created a crisis

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Act created the Home Owners' Loan Corporation

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Made loans from 1933 to 1936

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One million loans totaling \$3.1 billion

# National Housing Act of 1934

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Established the Federal Housing Administration

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Revolutionized mortgage market by creating mortgage insurance

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Homes had to be evaluated before mortgage insurance was provided

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Evaluations were conducted according to the Underwriting Manual

(55)

# UNDERWRITING MANUAL

UNDERWRITING AND VALUATION PROCEDURE  
UNDER TITLE II  
OF THE  
NATIONAL HOUSING ACT

*U.S.* FEDERAL  
HOUSING ADMINISTRATION

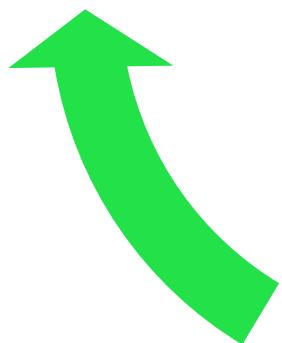


With revisions to November 1, 1936

WASHINGTON, D. C.

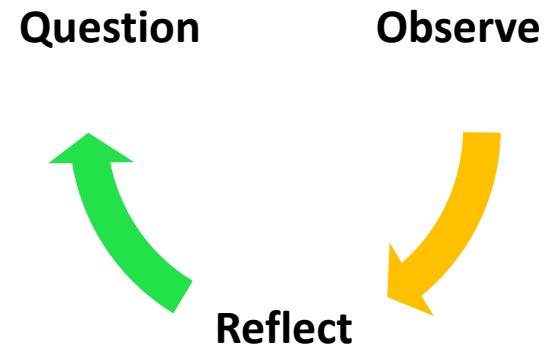
Question

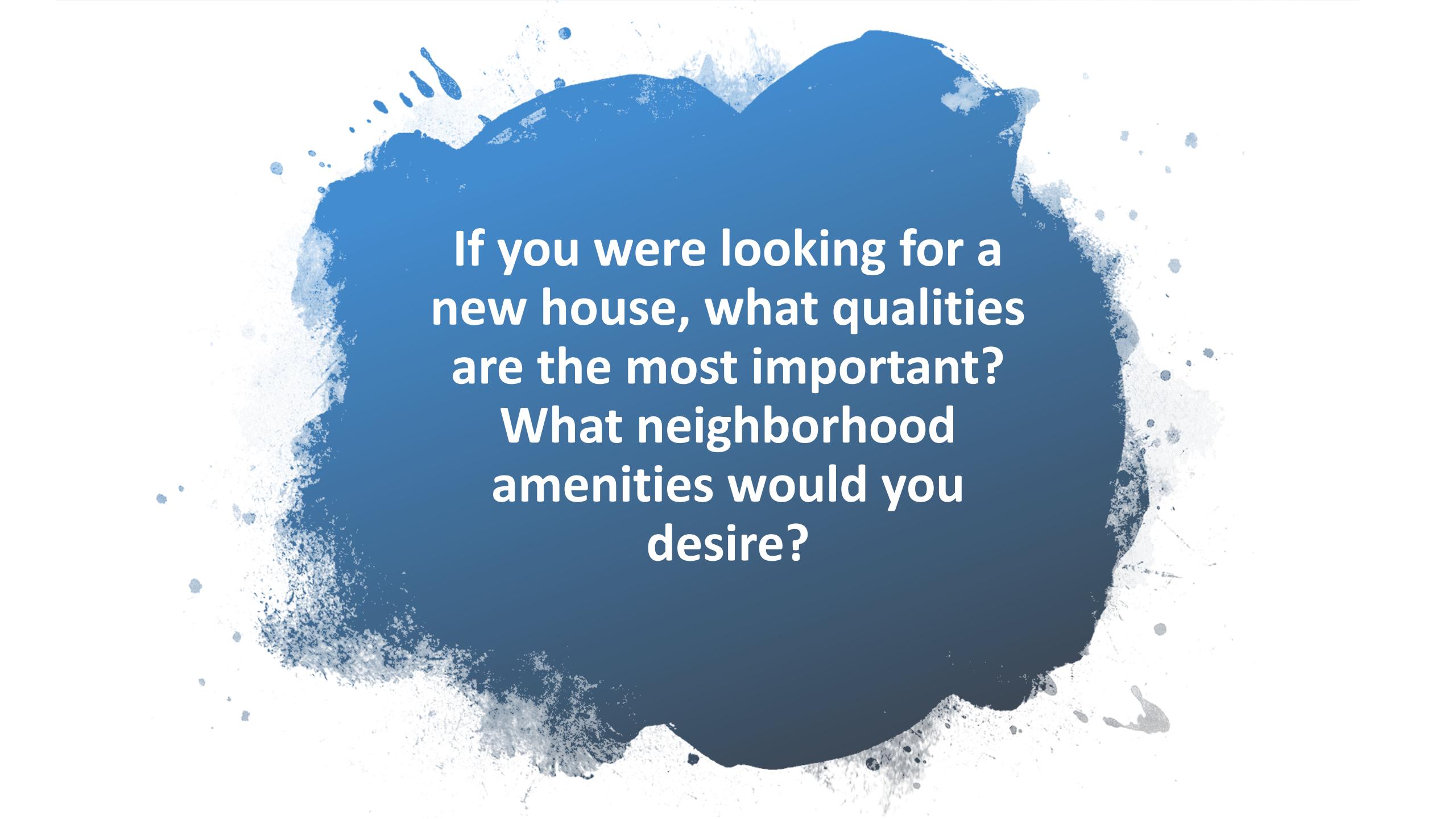
Observe



Reflect

**289 (1). Adequacy of Civic, Social, and Commercial Centers.**—These elements of comfortable living usually follow rather than precede development. Those centers serving the city or section in which the development is situated should be readily available to its occupants. Schools should be appropriate to the needs of the new community and they should not be attended in large numbers by inharmonious racial groups. Employment centers, preferably diversified in nature, should be at a convenient distance.





If you were looking for a  
new house, what qualities  
are the most important?  
What neighborhood  
amenities would you  
desire?

(55)

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## UNDERWRITING MANUAL

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### PREFACE

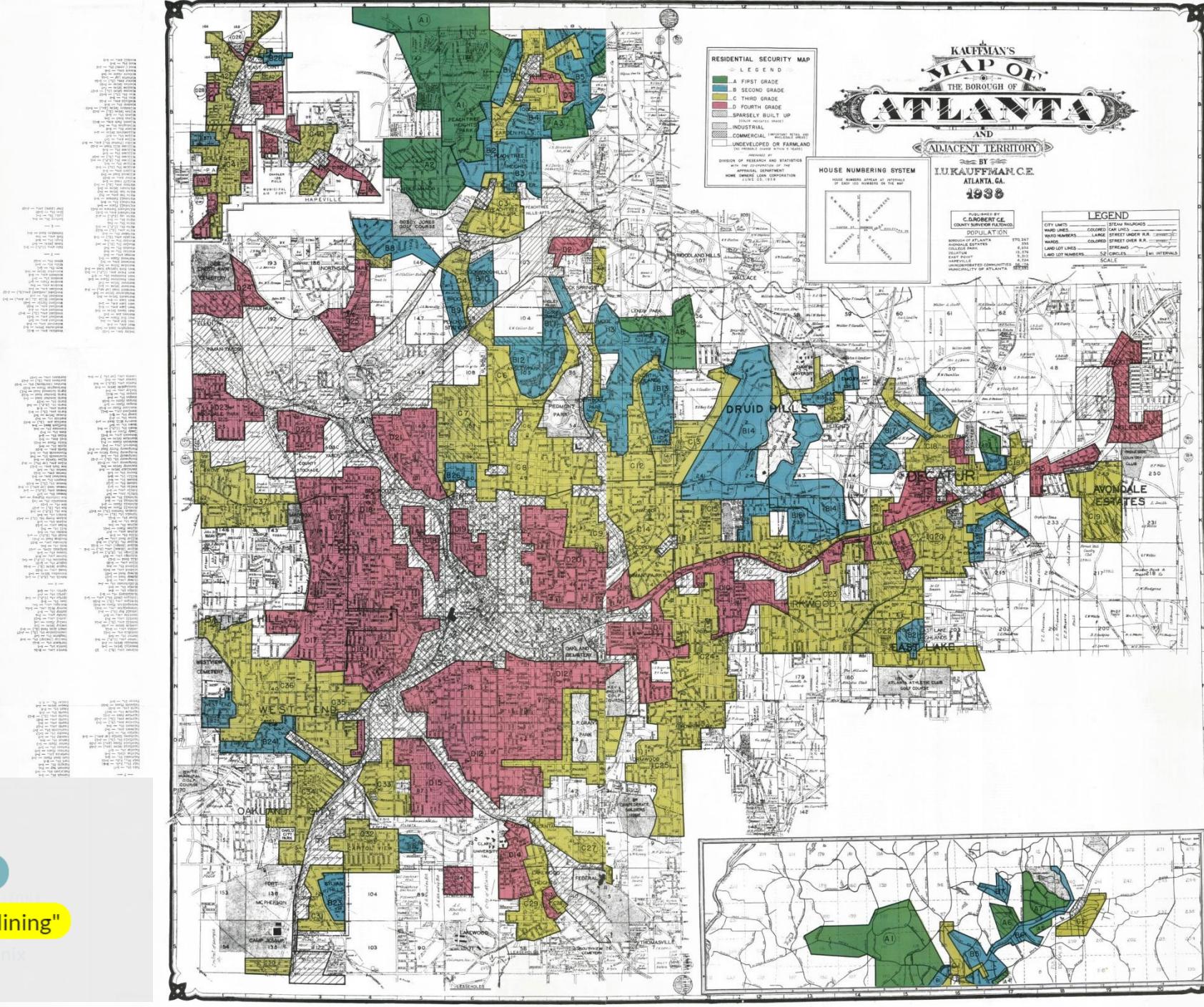
1. This Underwriting Manual is issued by the Federal Housing Administration. It contains instructions and regulations governing the procedure to be followed by Underwriting Departments in Insuring Offices.

2. The Manual describes the techniques used by the Federal Housing Administration to determine whether or not mortgages are eligible for insurance under Title II of the National Housing Act. Eligibility is determined by risk rating. This process consists of an examination of mortgage risk and embraces valuation.

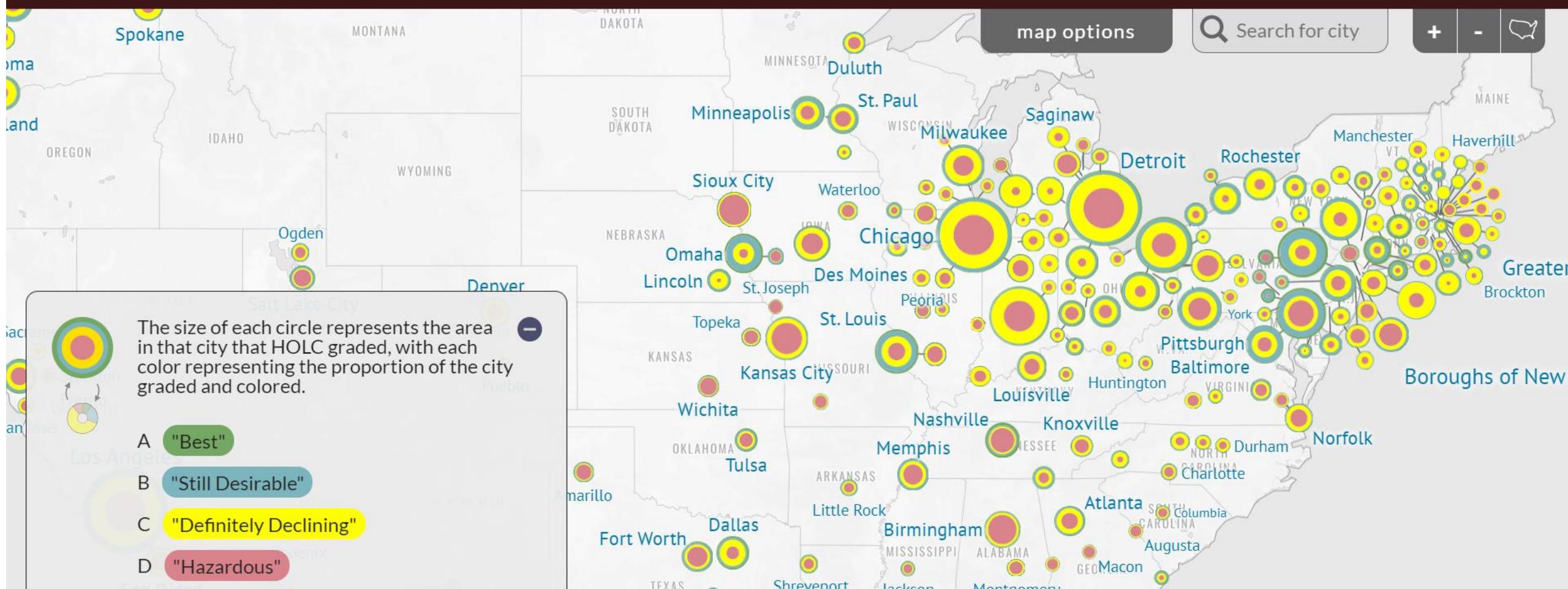
233. The Valuator should investigate areas surrounding the location to determine whether or not incompatible racial and social groups are present, to the end that an intelligent prediction may be made regarding the possibility or probability of the location being invaded by such groups. If a neighborhood is to retain stability it is necessary that properties shall continue to be occupied by the same social and racial classes. A change in social or racial occupancy generally leads to instability and a reduction in values. The protection offered against adverse changes should be found adequate before a high rating is given to this feature. Once the character of a neighborhood has been established it is usually impossible to induce a higher social class than those already in the neighborhood to purchase and occupy properties in its various locations.

284 (3). Recorded deed restrictions should strengthen and supplement zoning ordinances and to be really effective should include the provisions listed below. The restrictions should be recorded with the deed and should run for a period of at least twenty years. Recommended restrictions include the following:

- (a) Allocation of definite areas for specific uses such as single or double-family houses, apartments, and business structures.
- (b) The placement of buildings so they will have adequate light and air with assurance of a space of at least ten feet between buildings.
- (c) Prohibition of the resubdivision of lots.
- (d) Prohibition of the erection of more than one dwelling per lot.
- (e) Control of the design of all buildings through requiring their approval by a qualified committee and by appropriate cost limitations.
- (f) Prohibition of nuisances or undesirable buildings such as stables, pig pens, temporary dwellings, and high fences.
- (g) Prohibition of the occupancy of properties except by the race for which they are intended.
- (h) Appropriate provisions for enforcement.

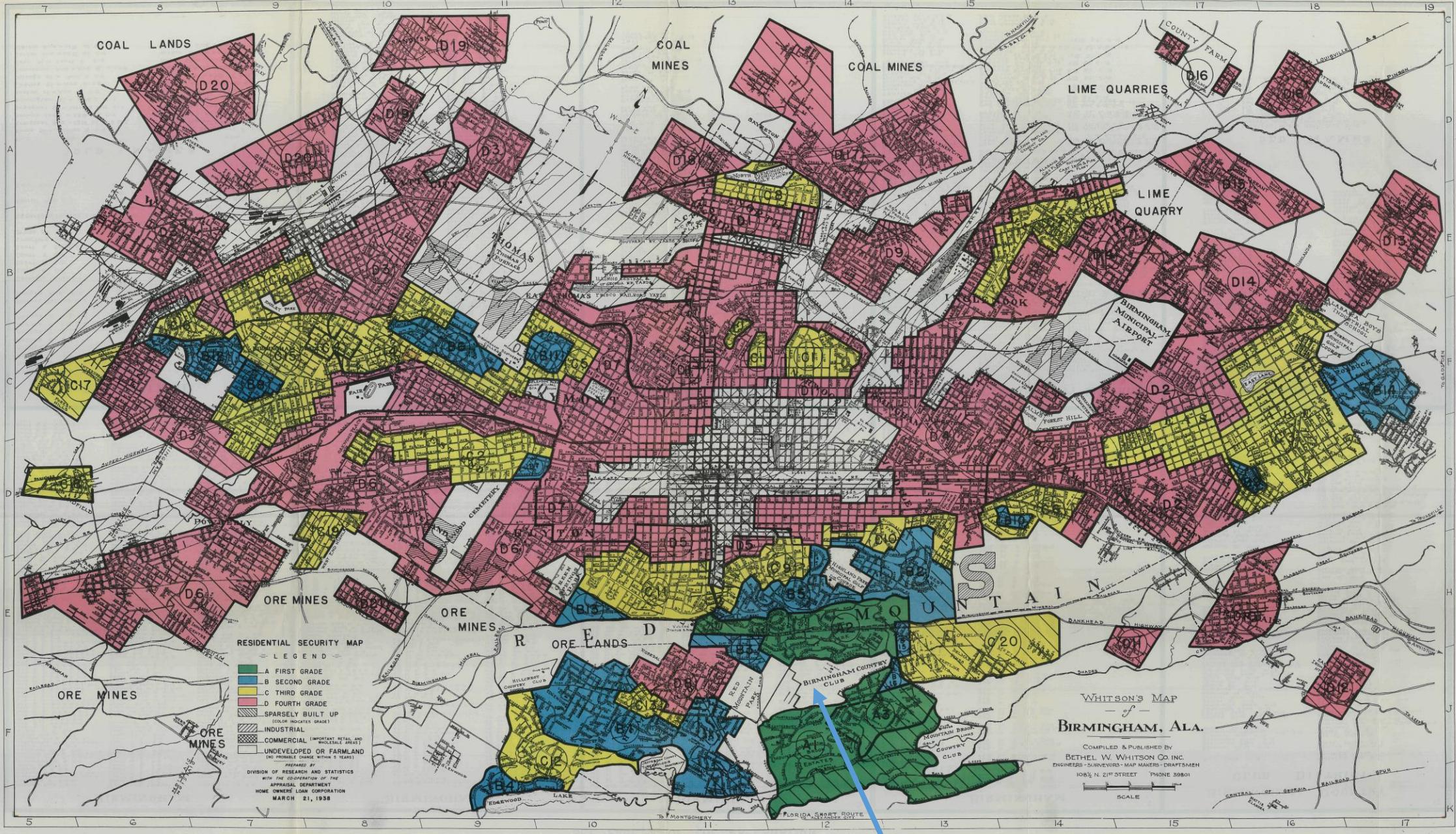


- A "Best"
- B "Still Desirable"
- C "Definitely Declining"
- D "Hazardous"



## Mapping Inequality: Redlining in New Deal America

<https://dsl.richmond.edu/panorama/redlining/>



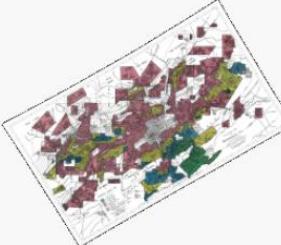
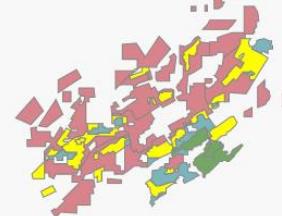
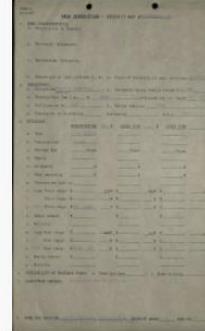
# Birmingham Country Club

# Data and Maps on Birmingham, Mobile, and Montgomery

Alabama

Birmingham

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Scan	Georectified Image	Shapefile or GeoJSON	Area Description Images
			

Scenic Hills

## Montgomery, AL



## Areas by Grade

Area Grade

8% A "Best"

8% B "Still Desirable"

30% C "Definitely Declining"

53% D "Hazardous"

## Demographics

78,084 Total Population (1940)

55% Native-born white

44.2% African American

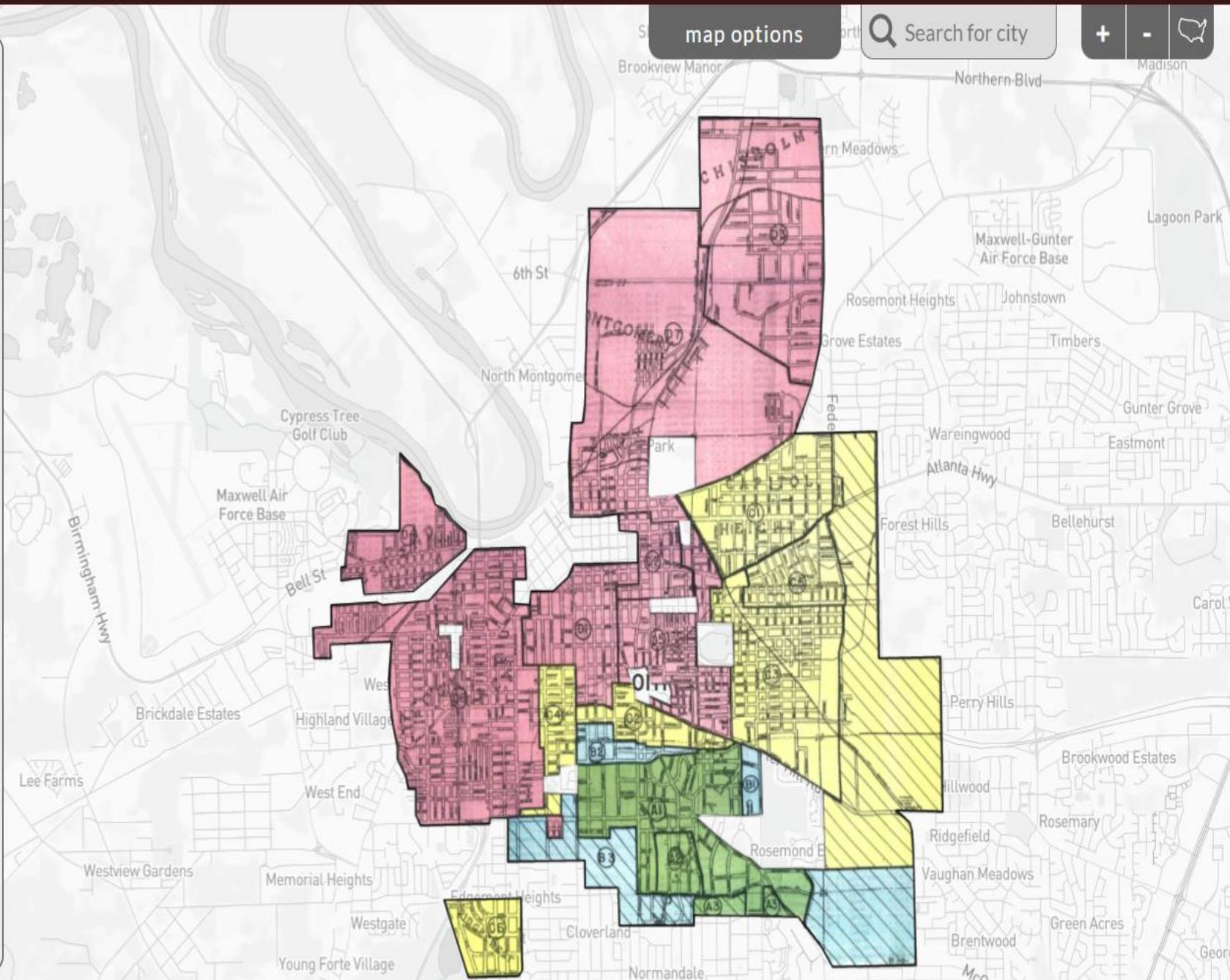
0.8% Foreign-born white

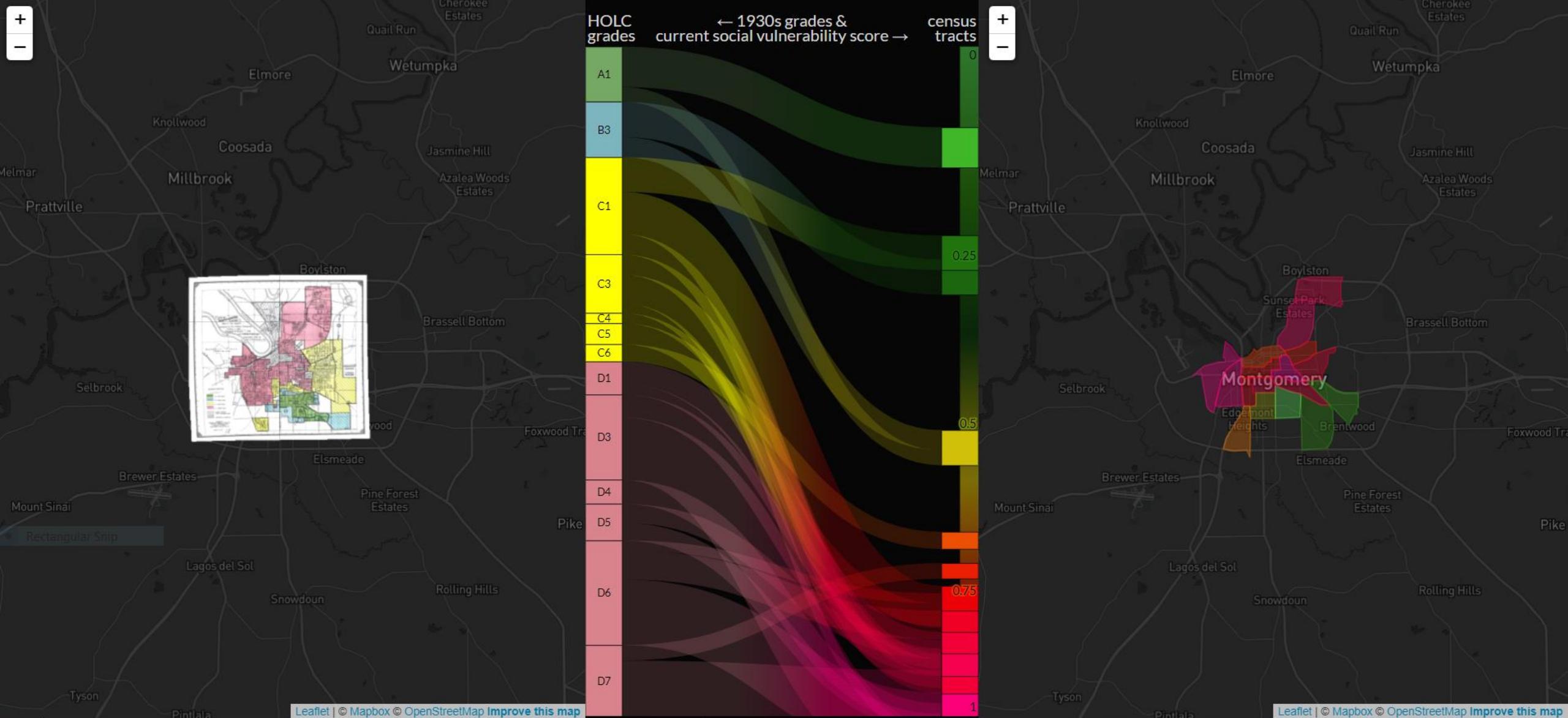
## Area Descriptions

click to select

map options

Search for city





# Not Even Past: Social Vulnerability and the Legacy of Redlining

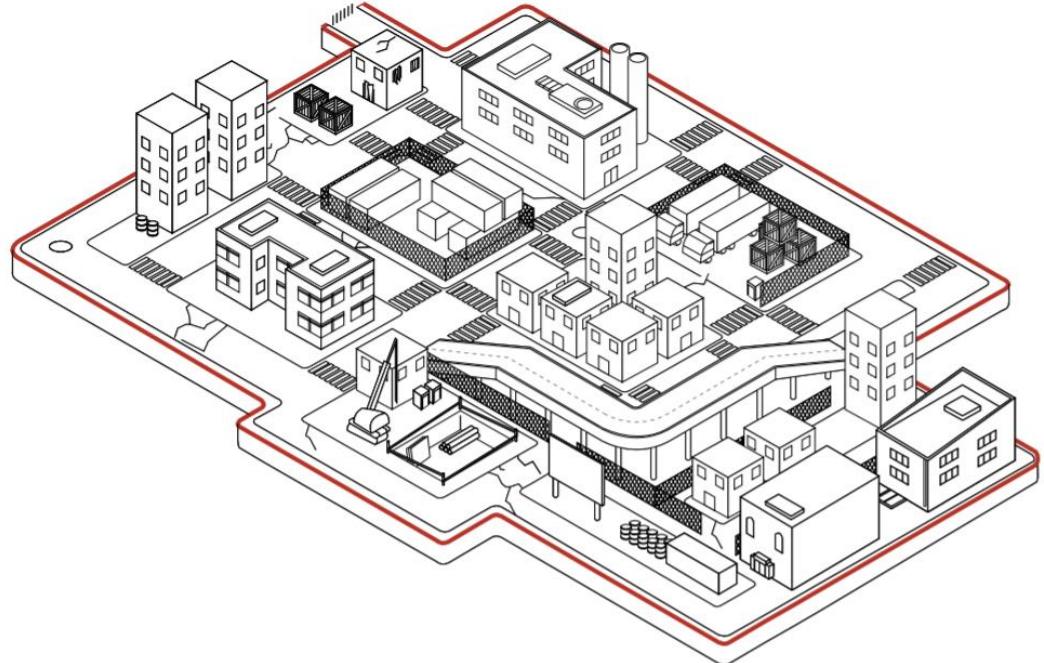
<https://dsl.richmond.edu/socialvulnerability/>

## **Compelling Question**

How does where you live influence how you live?

## **Supporting Questions**

1. What is “redlining”?
2. What wealth inequalities exist now because of redlining?
3. What health inequalities exist now because of redlining?



**High School Lesson Plan on Redlining**

# Employment in the New Deal

- Programs designed to create and strengthen a middle class were designed to exclude agricultural and domestic household workers
  - Minimum wage
  - Social Security
  - Unemployment insurance
  - Workmen's [sic] compensation
- Blacks were overrepresented in these fields

# World War II



How many Black  
service members  
served in World  
War II?

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EXECUTIVE ORDER

REAFFIRMING POLICY OF FULL PARTICIPATION IN THE DEFENSE PROGRAM BY ALL PERSONS, REGARDLESS OF RACE, CREED, COLOR, OR NATIONAL ORIGIN, AND DIRECTING CERTAIN ACTION IN FURTHERANCE OF SAID POLICY.

WHEREAS it is the policy of the United States to encourage full participation in the national defense program by all citizens of the United States, regardless of race, creed, color, or national origin, in the firm belief that the democratic way of life within the Nation can be defended successfully only with the help and support of all groups within its borders; and

WHEREAS there is evidence that available and needed workers have been barred from employment in industries engaged in defense production solely because of considerations of race, creed, color, or national origin, to the detriment of workers' morale and of national unity:

NOW, THEREFORE, by virtue of the authority vested in me by the Constitution and the statutes, and as a prerequisite to the successful conduct of our national defense production effort, I do hereby reaffirm the policy of the United States that there shall be no discrimination in the employment of workers in defense industries <sup>or Government</sup> because of race, creed, color, or national origin, and I do hereby declare that it is the duty of employers and of labor organizations, in furtherance of said policy and of this order, to provide for the full and equitable participation of all workers in defense industries, without discrimination because of race, creed, color, or national origin;

And it is hereby ordered as follows:

1. All departments and agencies of the Government of the United States concerned with vocational and training programs for defense production shall take special measures appropriate to assure that such programs are administered without discrimination because of race, creed, color, or national origin;

- 2 -

2. All contracting agencies of the Government of the United States shall include in all defense contracts hereafter negotiated by them a provision obligating the contractor not to discriminate against any worker because of race, creed, color, or national origin;

3. There is established in the Office of Production Management a Committee on Fair Employment Practice, which shall consist of a chairman and four other members to be appointed by the President. The chairman and members of the Committee shall serve as such without compensation but shall be entitled to actual and necessary transportation, subsistence and other expenses incidental to performance of their duties. The Committee shall receive and investigate complaints of discrimination in violation of the provisions of this order and shall take appropriate steps to redress grievances which it finds to be valid. The Committee shall also recommend to the several departments and agencies of the Government of the United States and to the President all measures which may be deemed by it necessary or proper to effectuate the provisions of this order.

THE WHITE HOUSE,

June 25, 1941.

THE NATIONAL ARCHIVES  
FILED AND MADE AVAILABLE  
FOR PUBLIC INSPECTION

JUN 25 12 17 PM '41

IN THE DIVISION OF THE  
FEDERAL REGISTER

8802

# Executive Order 8802

## EXECUTIVE ORDER

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Seventy-eighth Congress of the United States of America;  
At the Second Session

Begun and held at the City of Washington on Monday, the tenth  
day of January, one thousand nine hundred and forty-four

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**AN ACT**

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To provide Federal Government aid for the readjustment in civilian  
life of returning World War II veterans.

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*Be it enacted by the Senate and House of Representatives of the  
United States of America in Congress assembled, That this Act may  
be cited as the “Servicemen’s Readjustment Act of 1944”.*

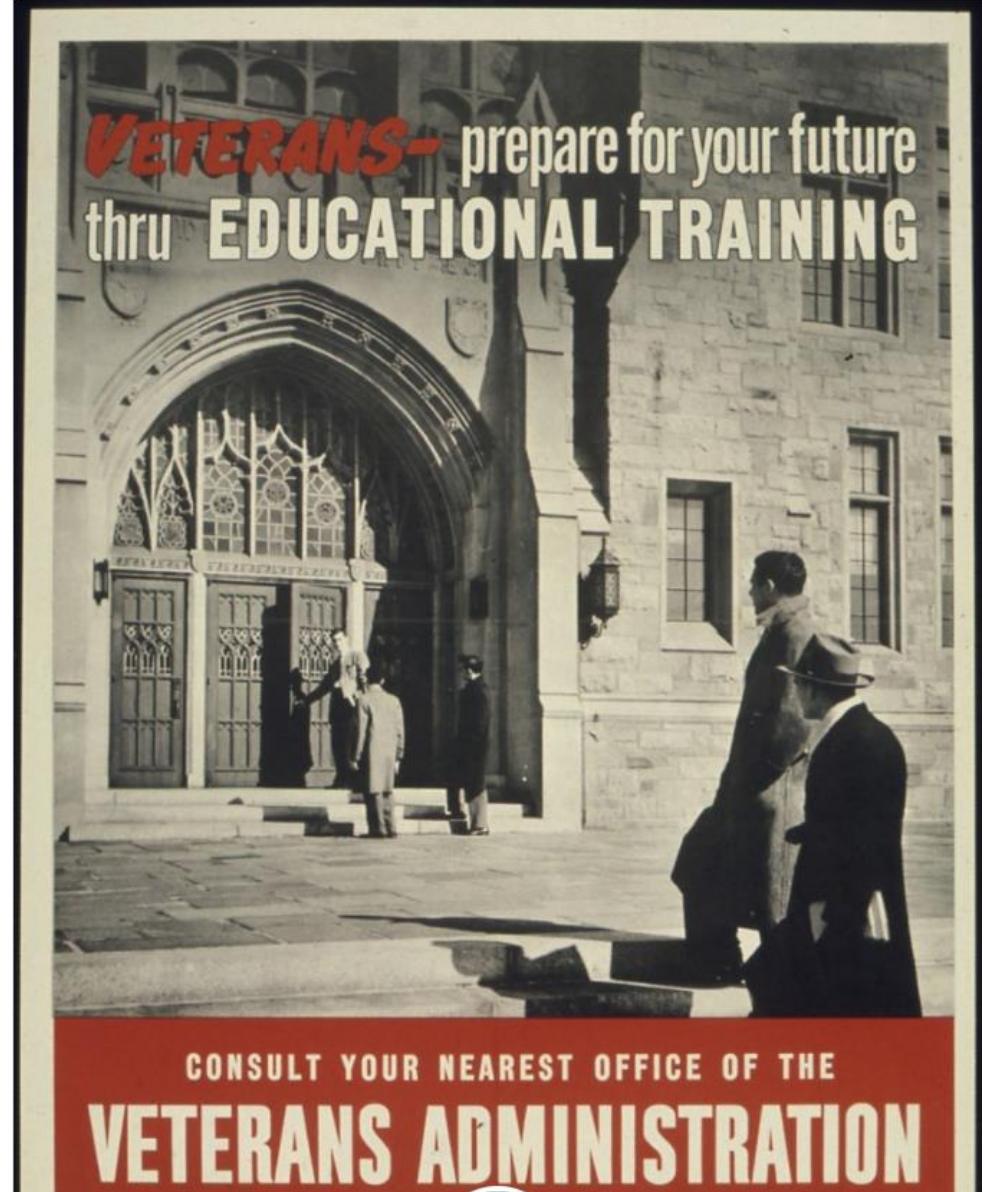
Servicemen's  
Readjustment  
Act (1944)  
also known as  
the "G.I. Bill of  
Rights" or  
"G.I. Bill"

# Servicemen's Readjustment Act

- After the war, 15 million men and women who had been serving in the armed services would be unemployed
- Serviceman's Readjustment Act unanimously passed both chambers of Congress, and FDR signed it into law on June 22, 1944
- Act offered Federal aid to help veterans adjust to civilian life in many areas
  - Medical care
  - Purchase of homes and businesses
  - Education

# Education

- 
- Provided tuition, subsistence, books and supplies, equipment, and counseling services for veterans to continue their education in school or college
    - 2,300,000 attended colleges and universities
    - 3,500,000 received school training
    - 3,400,000 received on-the-job training.
  - The number of degrees awarded by U.S. colleges and universities more than doubled between 1940 and 1950



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John Rankin (D),  
Mississippi

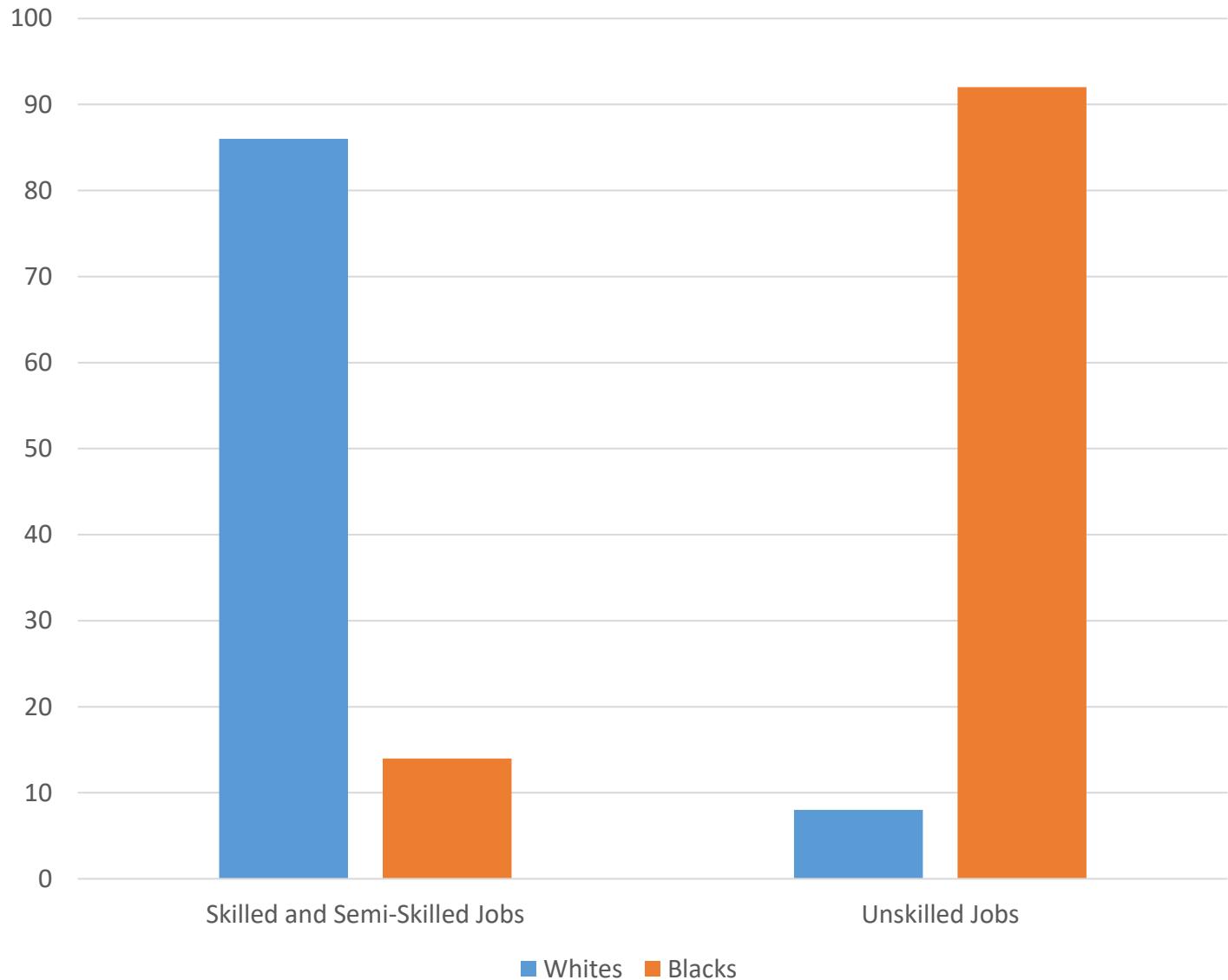
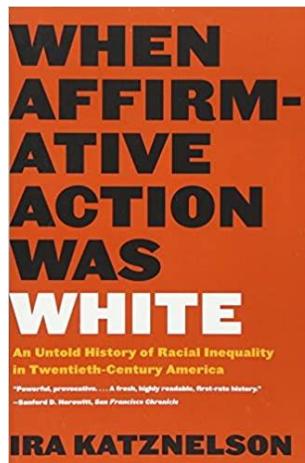
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“No Department or Agency, or Offices of the United States in carrying out the provisions of this part, shall exercise any supervision or control whatsoever over any state educational agency.”



# Outcomes of the G.I. Bill

- Oct. 1946 in Mississippi
- 6,500 former soldiers had been placed in non-farm jobs by employment services



# Housing

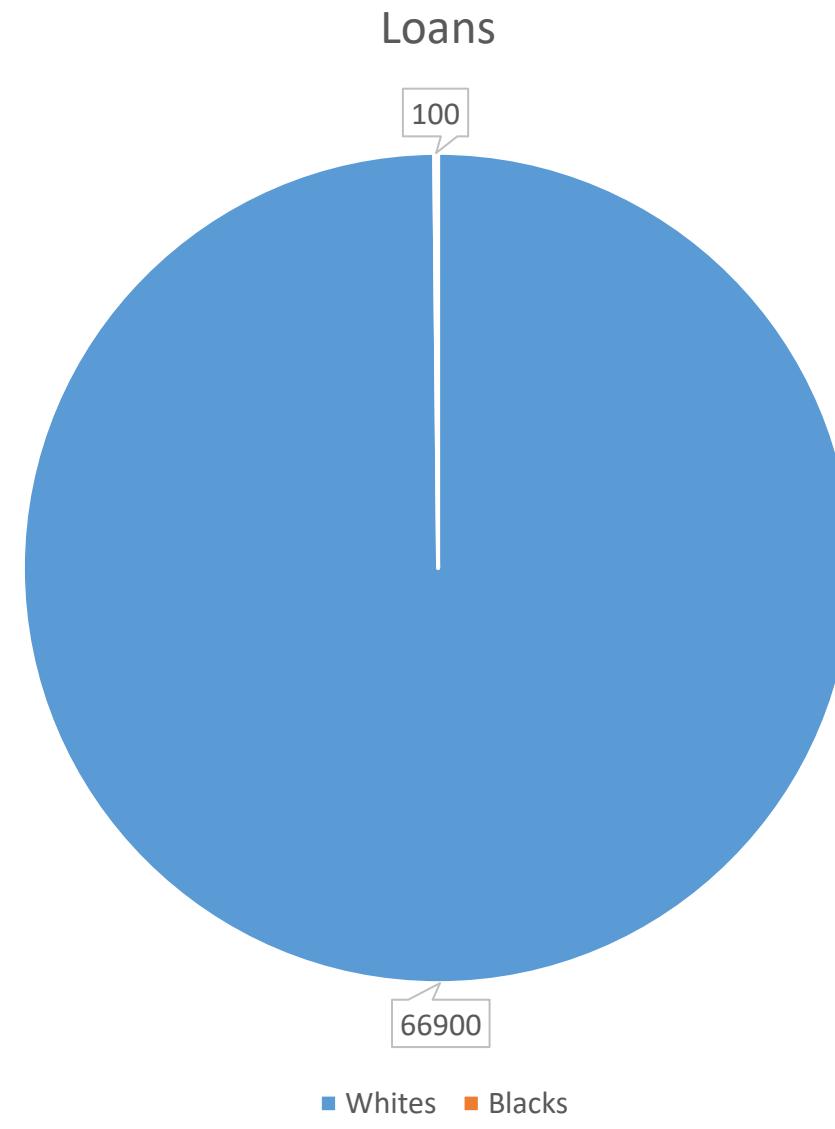
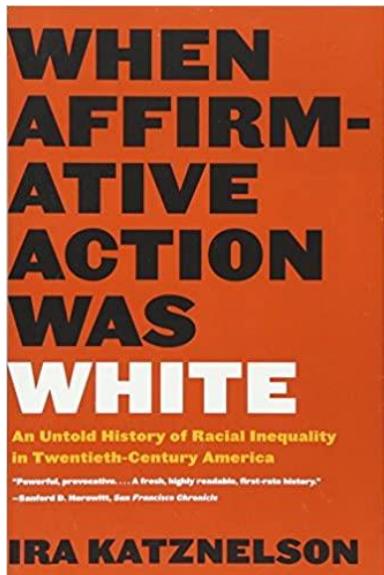
- By 1955, 4.3 million home loans had been granted, with a total face value of \$33 billion
- Veterans were responsible for buying 20 percent of all new homes built after the war



# Outcomes of the G.I. Bill

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- Mortgages insured by the G.I. Bill in New York and southern New Jersey



# Levittown, New York

- Eugene Burnett, military veteran who sought to buy a house in Levittown, but he was turned away because he was Black
- Homes were leased for one year with the option to buy
- Clause 25 of the lease stated that the house could not "**be used or occupied by any person other than members of the Caucasian race.**"



# Civil Rights Movement



# **MARCH ON WASHINGTON FOR JOBS AND FREEDOM**

**AUGUST 28, 1963**

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## **LINCOLN MEMORIAL PROGRAM**

# MARCH ON WASHINGTON FOR JOBS AND FREEDOM

AUGUST 28, 1963

## LINCOLN MEMORIAL PROGRAM









# How are civil rights and economic rights interdependent?

## WHAT WE DEMAND\*

1. Comprehensive and effective *civil rights legislation* from the present Congress—without compromise or filibuster—to guarantee all Americans
  - access to all public accommodations
  - decent housing
  - adequate and integrated education
  - the right to vote
2. Withholding of Federal funds from all programs in which discrimination exists.
3. Desegregation of all school districts in 1963.
4. Enforcement of the Fourteenth Amendment—reducing Congressional representation of states where citizens are disfranchised.
5. A new *Executive Order* banning discrimination in all housing supported by federal funds.
6. Authority for the Attorney General to institute *injunctive suits* when any constitutional right is violated.
7. A massive federal program to train and place all unemployed workers—Negro and white—on meaningful and dignified jobs at decent wages.
8. A national *minimum wage act* that will give all Americans a decent standard of living. (Government surveys show that anything less than \$2.00 an hour fails to do this.)
9. A broadened *Fair Labor Standards Act* to include all areas of employment which are presently excluded.
10. A federal *Fair Employment Practices Act* barring discrimination by federal, state, and municipal governments, and by employers, contractors, employment agencies, and trade unions.

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\*Support of the March does not necessarily indicate endorsement of every demand listed. Some organizations have not had an opportunity to take an official position on all of the demands advocated here.

1. Comprehensive and effective civil rights legislation from the present Congress — without compromise or filibuster — to guarantee all Americans:

- Access to all public accommodations

A.

Title II of the Civil Rights Act of 1964 outlawed discrimination based on race, color, religion, or national origin in hotels, motels, restaurants, theaters, and all other public accommodations.

Title III prohibited state and local governments from denying access to public facilities on grounds of race, color, religion, or national origin.

B.

Part of the Civil Rights Act of 1968, called the Fair Housing Act, prohibited discrimination concerning the sale, rental, and financing of housing based on race, religion, national origin, sex. Other protections were added later.

C.

Title I of the Civil Rights Act of 1964 prohibited unequal voter registration requirements. These protections were strengthened in the Voting Rights Act of 1965.

D.

Title IV of the Civil Rights Act of 1964 enforced the desegregation of public schools and allowed the U.S. Attorney General to go to court to enforce desegregation.

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## 2. Withholding of Federal funds from all programs in which discrimination exists.

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Title VI of the Civil Rights Act of 1964 prevented discrimination on the ground of race, color, or national origin, by programs and activities that received money from the federal government.

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Title IV of the Civil Rights Act of 1964 enforced the desegregation of public schools and allowed the U.S. Attorney General to go to court to enforce desegregation.

C.

The Fair Labor Standards Act was amended to require equal pay for women in 1963. It was later expanded to federal workers, farm workers and others, who were not included in the original law.

D.

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# Questions?

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