ECONOMIC IMPACT OF RACIAL SEGREGATION IN AMERICA IN THE 1950'S

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Introduction

As early as 1910, discrete black and white areas were created across the four wards that formed the city. Ultimately, it was the federal government's New Deal programs that gave impetus and financial resources to support racial discrimination of Charlotte-Mecklenburg's African-American community. Starting in the 1930s, segregation by race was sanctioned in the New Deal's backing of low-cost mortgages and refinance loans to promote and preserve white homeownership. For white families, who thrived from decades of accrued wealth benefits, these programs spurred one of the largest accumulations of wealth in our country's history. But the same cannot be said for families of color. Federal "red lining" prohibited them from getting loans to buy a home. All neighborhoods where the majority of residents were people of color received the bottom rating for investment. Even middle-class African-American neighborhoods were ranked at the bottom. This set the stage for policies and outlooks that not only deepened economic divides in the Charlotte-Mecklenburg area, but engendered deep divisions based upon race as well.

In the 1950s and 1960s, federal funding came to Charlotte-Mecklenburg for the purpose of demolishing neighborhoods in the name of "urban renewal." The Second Ward's Brooklyn neighborhood, consisting of 1,400 homes and over 215 Black-owned businesses, was razed and no replacement housing provided. The entire community was disrupted. Subsequently, urban renewal targeted Greenville, northwest of Uptown Charlotte, and a large portion of First Ward, both African-American neighborhoods as well.

Displaced individuals from Brooklyn and other levelled areas were pushed to the northwest and central parts of the city into working class neighborhoods such as Belmont, Wesley Heights and Biddleville. White flight ensued. The construction of the two interstates and I-

277 in the 1960s and 70s weakened the already fragile black neighborhoods. Zoning decisions exacerbated the fragility by placing heavy industrial development in areas adjacent to black neighborhoods.

We begin with this cross-cutting factor because it is foundational to everything else. Data clearly emphasizes Charlotte-Mecklenburg's profound segregation by both race and income, and how significant a barrier it is to opportunity. It is also a barrier we—as a community and part of larger American society—have little practice in confronting openly. We will have to ask ourselves, deliberately and regularly, if we are dismantling the effects of segregation and racialization, and if the foundation we are laying for the future is free of them as well.

The most visible impacts of segregation by race and income are:

- Spatial mismatch between jobs in high-opportunity vs. low-opportunity geographic areas. This includes the critical absence of public transportation necessary for people to access jobs and services.
- Lack of affordable housing for workers in opportunity-rich areas of the community.
- Concentrations of low-income students of color in low-opportunity communities and concentrations of higher wealth white students in high-opportunity neighborhoods.
- Disproportionate number of residents in opportunity-poor neighborhoods who lack devices, digital literacy skills, and access to broadband Internet.

Racial segregation, the practice of restricting people to certain circumscribed areas of residence or to separate institutions (e.g., schools, churches) and facilities (parks, playgrounds, restaurants, restrooms) on the basis of race or alleged race. Racial segregation provides a means of maintaining the economic advantages and superior social status of the politically dominant group, and in recent times it has been employed primarily by white populations to maintain their ascendancy over other groups by means of legal and social colour bars. Historically, however, various conquerors—among them Asian Mongols, African Bantus, and American Aztecs—practiced discrimination involving the segregation of subject races.

Racial segregation has appeared in all parts of the world where there are multiracial communities, except where racial amalgamation occurred on a large scale as in Hawaii and Brazil. In such countries there has been occasional social discrimination but not legal segregation. In the Southern states of the United States, on the other hand, legal segregation in public facilities was current from the late 19th century into the 1950s. (See Jim Crow law.) The civil rights movement was initiated by Southern blacks in the 1950s and '60s to break the prevailing pattern of racial segregation. This movement spurred passage of the Civil Rights Act of 1964, which contained strong provisions against discrimination and segregation in voting, education, and use of public facilities.

Elsewhere, racial segregation was practiced with the greatest rigour in South Africa, where, under the apartheid system, it was an official government policy from 1950 until the early 1990s.

Breaking Down Barriers

The Task Force believes breaking down barriers to equality and forging new bonds that will enhance and strengthen our community are within our collective capacity. Our world is more interconnected than ever; we must recognize our own successes are uniquely tied to the success of others in our community. By building communities where people of all socioeconomic backgrounds have access to quality housing, high-level education, jobs and transportation, we ensure all of us thrive together.

Some of us make decisions out of worry that the success of others comes at our expense. This perceived zero-sum game has been most evident in recent debates surrounding CMS student reassignment. While many fear school integration will threaten achievement for students in affluent neighborhoods, research demonstrates that all students, regardless of their background, receive profound benefits from an education in an integrated environment. Similarly, diversity in our neighborhoods and communities ensures all of our citizens receive the benefits and resources that are currently only afforded to a few.

Hypersegregation

In an often-cited 1988 study, Douglas Massey and Nancy Denton compiled 20 existing segregation measures and reduced them to five dimensions of residential segregation.[32] Dudley L. Poston, Michael Micklin argue that Massey and Denton "brought conceptual clarity to the theory of segregation measurement by identifying five dimensions".[33]

African Americans are considered to be racially segregated because of all five dimensions of segregation being applied to them within these inner cities across the U.S. These five dimensions are evenness, clustering, exposure, centralization and concentration.[34]

Evenness is the difference between the percentage of a minority group in a particular part of a city, compared to the city as a whole. Exposure is the likelihood that a minority and a majority party will come in contact with one another. Clustering is the gathering of different minority groups into a single space; clustering often leads to one big ghetto and the formation of hyperghettoization. Centralization measures the tendency of members of a minority group to be located in the middle of an urban area, often computed as a percentage of a minority group living in the middle of a city (as opposed to the outlying areas). Concentration is the dimension that relates to the actual amount of land a minority lives on within its particular city. The higher segregation is within that particular area, the smaller the amount of land a minority group will control.

The pattern of hypersegregation began in the early 20th century. African-Americans who moved to large cities often moved into the inner-city in order to gain industrial jobs. The influx of new African-American residents caused many European American residents to move to the suburbs in a case of white flight. As industry began to move out of the inner-city, the African-American residents lost the stable jobs that had brought them to the area. Many were unable to leave the inner-city, however, and they became increasingly poor.[35] This created the inner-city ghettos that make up the core of hypersegregation. Though the Civil Rights Act of 1968 banned discrimination in sale of homes, the norms set before the laws continue to perpetuate this hypersegregation.[36] Data from the 2000 census shows that 29

metropolitan areas displayed black-white hypersegregation; in 2000. Two areas—Los Angeles and New York City—displayed Hispanic-white hypersegregation. No metropolitan area displayed hypersegregation for Asians or for Native Americans.[37]

Racism

Cultural

For much of the 20th century, it was a popular belief among many whites that the presence of blacks in a white neighborhood would bring down property values. The United States government began making low-interest mortgages available to families through the Federal Housing Administration (FHA) and the Veteran's Administration. Black families were legally entitled to these loans but were sometimes denied these loans because the planners behind this initiative labeled many black neighborhoods throughout the country as "in decline". The rules for loans did not say that "black families cannot get loans"; rather, they said people from "areas in decline" could not get loans. While a case could be made that the wording did not appear to compel segregation, it tended to have that effect.[citation needed] In fact, this administration was formed as part of the New Deal to all Americans and mostly affected black residents of inner city areas; most black families did in fact live in the inner city areas of large cities and almost entirely occupied these areas after the end of World War II when whites began to move to new suburbs.

In addition to encouraging white families to move to suburbs by providing them loans to do so, the government uprooted many established African American communities by building elevated highways through their neighborhoods. Because these properties were summarily declared to be "in decline," families were given pittances for their properties, and were forced into federal housing called "the projects". To build these projects, still more single family homes were demolished.

President Woodrow Wilson did not oppose segregation practices by autonomous department heads of the federal Civil Service, according to Brian J. Cook in his work, Democracy And Administration: Woodrow Wilson's Ideas And The Challenges Of Public Management. White and black people would sometimes be required to eat separately, go to separate

schools, use separate public toilets, park benches, train, buses, and water fountains, etc. In some locales, in addition to segregated seating, it could be forbidden for stores or restaurants to serve different races under the same roof.

Public segregation was challenged by individual citizens on rare occasions but had minimal impact on civil rights issues, until December, 1955, in Montgomery, Alabama, Rosa Parks refused to be moved to the back of a bus for a white passenger. Parks' civil disobedience had the effect of sparking the Montgomery Bus Boycott. Parks' act of defiance became an important symbol of the modern Civil Rights Movement and Parks became an international icon of resistance to racial segregation.

- Segregation of facilities included separate schools, hotels, bars, hospitals, toilets, parks, even telephone booths, and separate sections in libraries, cinemas, and restaurants, the latter often with separate ticket windows and counters.[59]
- Laws prohibited blacks from being present in certain locations. For example, blacks in 1939 were not allowed on the streets of Palm Beach, Florida after dark, unless required by their employment.[60]
- State laws prohibiting interracial marriage ("miscegenation") had been enforced throughout the South and in many Northern states since the Colonial era. During Reconstruction, such laws were repealed in Arkansas, Louisiana, Mississippi, Florida, Texas and South Carolina. In all these states such laws were reinstated after the Democratic "Redeemers" came to power. The Supreme Court declared such laws constitutional in 1883. This verdict was overturned only in 1967 by *Loving v. Virginia*.[61]
- The voting rights of blacks were systematically restricted or denied through suffrage laws, such as the introduction of poll taxes and literacy tests. Loopholes, such as the grandfather clause and the understanding clause, protected the voting rights of white people who were unable to pay the tax or pass the literacy test. Only whites could vote in Democratic Party primary contests.[61] Where and when black people did manage to vote in numbers, their votes were negated by systematic gerrymander of electoral boundaries.
- In theory the segregated facilities available for negroes were of the same quality as those available to whites, under the separate but equal doctrine. In practice this was

rarely the case. For example, in Martin County, Florida, students at Stuart Training School "read second-hand books…that were discarded from their all-white counterparts at Stuart High School. They also wore secondhand basketball and football uniforms…. The students and their parents built the basketball court and sidewalks at the school without the help of the school board. 'We even put in wiring for lights along the sidewalk, but the school board never connected the electricity.'"

Acknowledge the significant role segregation and racialization have played in our current opportunity narrative and commit to becoming a more inclusive, fair and just community.

Key Recommendations

1. Provide more opportunities to include all voices, especially those who have been marginalized or excluded, in genuine community engagement and change efforts.
2. While we recognize that "inclusionary zoning" may be the goal that many seek (and may ultimately provide the long-term solution in Mecklenburg County and across the state), we must take action *today* to ensure we dramatically increase the creation of mixed-income housing *throughout* Mecklenburg County.
3. De-concentrate high poverty schools and create an educational environment in which all students can thrive. (See Special Note about the Reduction of High Poverty Schools)
4. Build and support community efforts to increase transportation options and establish more efficient routes for people who live and work in different parts of the city and county.
5. Ensure children, youth and families in all areas of the community have the devices and digital literacy training to connect with broadband Internet.
6. Urge governmental, educational, philanthropic, nonprofit, and faith-based organizations to make funding, programmatic design, and policy decisions through the lens of equity and opportunity.
7. Engage more of our governmental, educational, philanthropic, nonprofit and faith-based organizations, as well as residents at large, in initiatives and opportunities that, A) elevate

awareness and understanding of the impacts of segregation, racialization, and inequality and, B) provide tools to help change behaviors and action.

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