

# The Color of Law



## INTRODUCTION

### BRIEF BIOGRAPHY OF RICHARD ROTHSTEIN

Although Richard Rothstein is now best-known for *The Color of Law*, during most of his lengthy career as a historian Rothstein focused on studying education policy and school segregation. He switched to studying housing discrimination in the 2000s and 2010s after realizing that American schools remain segregated principally because American *neighborhoods* are so segregated. Earlier in his career, Rothstein taught for several years at Columbia and Harvard Universities, in addition to writing a column on education issues for *The New York Times* from 1999 to 2002. Rothstein is affiliated with a number of universities, think tanks, and civil rights organizations, including the Economic Policy Institute, the NAACP Legal Defense Fund, and the University of California, Berkeley School of Law's Othering & Belonging Institute (formerly the Haas Institute). He has also received an Honorary Doctorate from the Bank Street College of Education in 2015, and his son Jesse Rothstein is also a professor specializing in education issues.

### HISTORICAL CONTEXT

Since it is a work of history, *The Color of Law* traces its central subject—the history of government-sponsored residential discrimination in the United States—through various iterations, primarily in the 20th century. In the background of Rothstein's account are important events like the Great Depression, during which Franklin D. Roosevelt's administration began implementing the New Deal programs that both radically improved living conditions for many struggling Americans and set the trend of reserving housing and social services solely for the benefit of white people. Additionally, Rothstein explores how World Wars I and II created an acute labor shortage in the United States and led to government-run manufacturing plants hiring African American workers for the first time, at middle-class wages. But Rothstein also contextualizes 20th-century residential segregation in relation to the broader struggle for African American civil rights in the United States, particularly by looking at how it perpetuated the forms of oppression that came before it—namely, plantation slavery and Jim Crow laws. Notably, Rothstein emphasizes that African Americans have not seen continuous progress since the end of slavery—during Reconstruction (the first decade after the American Civil War) African Americans were represented in Congress and Southern state governments, and American cities were in many cases more integrated than they ever became in the subsequent century and a half. However, the backlash to Reconstruction in 1876 led to a long era of segregation,

sharecropping, and white terrorism that kept African Americans politically disenfranchised and disproportionately poor through the mid-20th century. Although the Civil Rights Movement—including the 1968 Fair Housing Act that ended the most egregious forms of *de jure* housing discrimination—represented huge political and economic strides for many African Americans, not only do the effects of segregation linger, but discriminatory policies continue to proliferate under other guises. Ultimately, American racism has far from disappeared, but rather learned to adapt to the times.

### RELATED LITERARY WORKS

Rothstein's earlier work, including the books *Grading Education: Getting Accountability Right* (2008) and *Class and Schools: Using Social, Economic and Educational Reform to Close the Black-White Achievement Gap* (2004), among others, focus primarily on the causes and effects of educational segregation in the United States. In his bibliography, Rothstein recommends Michelle Alexander's [The New Jim Crow](#) (2010), the widely influential study of mass incarceration and the war on drugs, as essential reading for anyone interested in racial justice issues in the 21st-century United States. As essential influences on his work, among others, he cites Robert Weaver's early work *The Negro Ghetto* (1948); Kenneth Jackson's *Crabgrass Frontier* (1985), which largely concerns home financing discrimination in the American suburbs; and Douglas Massey and Nancy Denton's *American Apartheid* (1993), about the deliberate creation of black ghettos through 20th-century urban planning.

### KEY FACTS

- **Full Title:** The Color of Law: A Forgotten History of How Our Government Segregated America
- **When Written:** 2007-2017
- **Where Written:** Berkeley, California
- **When Published:** 2017
- **Literary Period:** Contemporary
- **Genre:** Nonfiction; American History
- **Setting:** The United States
- **Climax:** The Fair Housing Act of 1968 prohibits and largely stops *de jure* residential segregation (though its effects continue to the present day).
- **Antagonist:** Government-sponsored *de jure* segregation
- **Point of View:** Third Person

### EXTRA CREDIT

**Double Entendre.** The title *The Color of Law* refers not only to

the way that government (the “law”) segregated the United States based on race (“color”), but also the legal concept of “color of law,” which refers to an officer of the law abusing their authority as a representative of the government to illegally deprive people of protected rights. The parallel to Rothstein’s book is clear: the government abused its power to violate the Constitution by segregating African Americans into ghettos.



## PLOT SUMMARY

In *The Color of Law*, historian Richard Rothstein notes that every single American city is segregated on racial lines and argues that this segregation is *de jure* rather than *de facto*: it is the deliberate product of “systemic and forceful” government action, and so the government has a “constitutional as well as a moral obligation” to remedy it. Planned and implemented by all levels of American government, residential racial segregation impoverishes and disempowers African Americans by confining them to ghettos and blocking them out of **homeownership**. And this segregation continues well into the 21st century. Since residential segregation pertains to where and how people live their lives, the issue is harder to undo than injustices like the deprivation of voting rights, public services, and equal legal protection to African Americans. To make matters worse, governments, financial institutions, and the real estate industry continue to actively segregate American cities, to African Americans’ disadvantage. Throughout *The Color of Law*, Rothstein traces the history of this phenomenon in the 20th century and explains what the American citizenry and government must do in *this* century to remedy it.

In Chapter One, Rothstein illustrates the problem of *de jure* segregation with the representative story of Frank Stevenson, an African American man living in Richmond, California in the mid-20th century. A former manufacturing town, Richmond grew rapidly during World War II. To keep up with demand, the government built public housing—for white people, it built a comfortable suburb called Rollingwood, but black working families were crowded into “poorly constructed” apartments in industrial neighborhoods, or even left to live on the street. Stevenson worked at a Ford Motor factory, which was soon relocated an hour away to Milpitas after the war. Stevenson was out of luck, because it was impossible for black people to live in Milpitas: Federal Housing Administration (FHA) funds were only allocated to all-white neighborhoods, so while housing options multiplied for white people in places like Milpitas, nobody built housing for African Americans. African Americans were thus confined to certain neighborhoods, and those neighborhoods consequently became entirely African American over time. The government subsequently withdrew services from those black neighborhoods, turning them into the “slum[s]” that they remain today.

Rothstein next dedicates one chapter to each strategy the

government has used to segregate America over time. In Chapter Two, he looks at public housing, which the government began constructing on a large scale during Franklin D. Roosevelt’s New Deal. Under these social programs of the 1930s, the government only constructed segregated housing, and only built white housing in white neighborhoods (and vice versa). All across the United States, federal housing programs specifically targeted integrated neighborhoods for demolition and built segregated projects where they used to stand. From the 1950s onwards, as white residents progressively “depart[ed] for the suburbs”—aided by federal mortgage protections exclusively for them—African American became the primary residents of public housing, and now nearly all new public housing is built in predominantly black neighborhoods.

In Chapter Three, Rothstein shows how zoning laws have been used to segregate American cities block-by-block. In the 1910s, cities invented a wide variety of clever laws to prevent white families from buying on majority-African American blocks, and vice versa. Although the Supreme Court outlawed this practice in 1917, cities continued doing it for more than half a century through more underhanded tactics like banning the construction of apartment buildings in white neighborhoods and zoning African American neighborhoods for “industrial” development (or even “toxic waste”).

In Chapter Four, Rothstein explains how government prevented well-off African Americans from moving into white suburbs. Like public housing, homeownership first became truly accessible through the New Deal. Roosevelt’s government began issuing a new kind of loan that was affordable for middle-class Americans, which gradually turned homeownership into a stepping-stone to the middle class—but only for white people. Roosevelt’s administration redlined African American neighborhoods, refusing to issue loans or insure bank mortgages to anyone who lived there.

But Rothstein notes that loan restrictions were not the only factor keeping middle-class African Americans out of the suburbs: in Chapter Five, he recounts the history of “restrictive covenants,” contractual clauses that prohibited a property from being sold to nonwhite people. Builders, homeowners, and homeowners’ associations used these clauses to keep neighborhood segregated, with the full support of the Federal Housing Administration. In fact, the FHA continued promoting such covenants even after the Supreme Court ruled them unconstitutional in 1948.

In Chapter Six, Rothstein looks at the actual justification for all this policy: the idea that African Americans moving into a neighborhood “would cause the value of the white-owned properties [there] to decline.” Not only is there no evidence for this claim, but all studies actually point to its opposite: because of segregation and discrimination, African Americans have always had to pay more than white people for the same housing, and they actually *increase* property values when they

move into a neighborhood. In fact, this fact is what allowed the shady practice of blockbusting to thrive: real estate agents scared white homeowners with racist threats of “Negro invasion,” bought white people’s homes for low prices, and then sold the same homes for higher prices to African Americans, often on the predatory contract sale system.

In Chapter Seven, Rothstein explains how the tax system enforces segregation: for a century, the IRS has gladly awarded tax-exempt status to segregationist churches and universities, as well as refused to stop racist practices by banks and insurance companies. This continues into the 21st century: the extension of predatory subprime loans to poor Americans was the principal cause behind the 2008 economic collapse, and government investigations have shown that banks specifically targeted black buyers.

In Chapter Eight, Rothstein shows how local governments can stop integration. He returns to Milpitas, California, where a group spent several years struggling to build an integrated suburb for Ford Motor employees in the 1950s. The “delays, legal fees, and financing problems” the suburb faced from landowners, rival builders, and the local government made it prohibitively expensive. This story is common: U.S. local governments have long used “extraordinary creativity” to exclude African Americans. Historically, local governments have rezoned proposed black neighborhoods as parks, built freeways through them, or (in segregated Southern states) shut down all public services for black people in all but a small part of town.

In Chapter Nine, Rothstein looks at the role of “state-sanctioned violence” in campaigns to prevent integration. From the 1950s through the 1980s, it was not uncommon for mobs of angry white people to camp out on the lawns of black people who moved into their neighborhoods. Numerous black families’ houses were burned down, and the police always either supported the mobs or ignored the victims’ petitions for protection. In many cases, black homeowners were themselves arrested and punished.

In Chapter Ten, Rothstein explains why many black people simply cannot afford to move to white neighborhoods. This, too, is a result of policy: for instance, the government prevented African Americans from accessing employment in the decades after slavery, excluded them from New Deal and post-World War II work programs, and failed to enforce nondiscrimination laws against racist companies and labor unions. Local governments systematically overtax African American communities, who often pay several times what they legally should in property taxes. And housing has always been overpriced in African American ghettos: throughout the 20th century, landlords knew black tenants would pay several times more in rent, compared to white tenants.

In Chapter Eleven, Rothstein asks what it would take to address housing segregation in the present day, which will be a

difficult feat because it “requires undoing past actions.” While the 1968 Fair Housing Act removed all legal barriers to integration, the United States remains just as segregated as before, and moving into the middle class remains exceedingly difficult, especially for African Americans. A few additional factors exacerbate this problem: property appreciates more rapidly in white neighborhoods, and most white families bought their first homes before 1973, when wages for most Americans stopped growing. Now, new public housing continues to be built in what are already the poorest and most segregated neighborhoods, and government programs like Section 8 Housing Choice Vouchers only exacerbate these neighborhoods’ isolation, rather than funding residents’ integration into middle-class areas.

In Chapter Twelve, Rothstein asks what can be done about residential segregation *now*. While most Americans are too cowardly or cynical to face history, he argues, it is still possible to push for more integration. He points out easy fixes, like rewriting misleading textbooks and actually enforcing the Fair Housing Act. Then, he offers some concrete policy proposals: the government could sell African Americans homes at lower prices that reflect what they lost out on because of segregation, encourage real estate agents to help integrate neighborhoods, limit localities’ zoning powers, and suspend tax incentives for all-white neighborhoods in order to persuade them to integrate. In fact, some cities have already improved public housing voucher programs on a smaller scale and reaped the benefits of integration in select neighborhoods.

In the Epilogue, Rothstein points out that even the Supreme Court has disastrously misinterpreted American history and declared residential segregation “a product not of state action but of private choices.” This “comfortable delusion,” he concludes, is no longer sustainable, and he summarizes all the profound harms caused by the government’s active segregation of the U.S.



## CHARACTERS

### MAJOR CHARACTERS

**Bill Myers** – A middle-class African American veteran of World War II who tried to move to Levittown, Pennsylvania with his family in 1957, but was met with an angry white mob that camped outside his home for several weeks. The police did nothing, and although the state government finally got the mob to disband, Myers and his family left the neighborhood anyway after four years, since they felt “constantly under threat” living there. His experience demonstrates the extent to which racist violence, condoned by the state, prevented even African Americans of great means from integrating into white neighborhoods.

**David Bohannon** – A white property developer who built all-

white suburbs, including Rollingwood, in Richmond, California during and after World War II. When work was already underway on his Sunnyhills project in Milpitas, California, Bohannon found out that a religious group was trying to build an integrated neighborhood for Ford Motor workers next door. He called on the mayor for a personal favor and nearly got this neighboring project cancelled, but eventually sold Sunnyhills to another developer when he could not. Bohannon's actions demonstrate both the depths of white anxiety about living near African Americans and the disproportionate power that corporate figures had in convincing the government to perpetuate segregation.

**Frank Stevenson** – An African American resident of Richmond, California, whose story Richard Rothstein tells in Chapter One as a way to illustrate and personalize the problem of residential segregation. Stevenson was born in a poor town in Louisiana and grew up working on his family's farm, and then moved to Richmond to work at Ford Motor during World War II. As housing for African Americans was insufficient, at first Stevenson lived in unincorporated North Richmond, where public services were not even available. At Ford, Stevenson joined an "auxiliary" black chapter of the Boilermakers' union, but received essentially no protection. However, he was lucky enough to keep his job after the war—he just had to figure out how to get to the new Ford plant being opened in Milpitas, an all-white town located an hour from his home. Because he could not move to Milpitas, he commuted every day from Richmond with a group of colleagues. This commute ate up much of Stevenson's time, and he and his family were forced to continue living in Richmond's relatively adverse conditions, despite his solid middle-class job. His daughters went to segregated schools with insufficient resources, and in part as a result, even his grandchildren have been unable to get higher education and are now confined to low-wage work. Stevenson's story illustrates how de jure residential segregation disadvantages African Americans, regardless of their class status, and has lasting effects even a half-century after the Fair Housing Act technically outlawed it.

**Franklin Delano Roosevelt** – The long-serving president of the United States from 1933-1945, who is best remembered for implementing the New Deal policies in an effort to rescue the nation from the Great Depression and leading the nation through World War II. Although the New Deal began constructing public housing through the Public Works Administration and promoting **homeownership** through Federal Housing Administration mortgage insurance, Roosevelt had to cooperate with segregationist Democrats from the South to get these laws passed. As a result, African Americans were blocked out of the New Deal's programs and benefits, and Roosevelt's administration constituted the first major push toward residential segregation after Reconstruction.

**Harry Truman** – The president of the United States from 1945

to 1953, and the successor to Franklin Delano Roosevelt. While Truman tried to encourage integrated public housing and ensure "racial equity" through its construction, his efforts failed: his administration (and those after him) continued building segregated public housing, and specifically turned to building the "massive segregated high-rise projects" that are most commonly associated with public housing in the United States today.

**Herbert Hoover** – The president of the United States from 1929 to 1933, during the beginning of the Great Depression, and the Secretary of Commerce from 1921 to 1928. While Secretary of Commerce, Hoover promoted racist zoning laws and founded the Better Homes in America organization, which tried to convince white people to move to the suburbs to "avoid 'racial strife.'" As president, he doubled down on this message and pushed for restrictive covenants that prevented black people from purchasing homes in white neighborhoods.

**Robert Mereday** – An African American man from Hamburg, South Carolina who founded a trucking company after World War II and helped to construct two Levittowns (in New York and Pennsylvania) with the help of his nephew Vince. With Robert's solid middle-class income, he wanted to move to a suburb, but was unable to find one that accepted African Americans. His story illustrates how de jure segregation prevented African Americans from achieving **homeownership**, the most important element of a middle-class life in the 20th century.

**Vince Mereday** – Robert Mereday's nephew, a war veteran who could not get loans from the Veterans Administration because he was African American, and who was barred from buying a home in Levittown. He ended up moving to the African American suburb Lakeview instead, but Lakeview's homes did not appreciate in value nearly as fast as Levittown's did. Vince's story shows how de jure segregation prevents African Americans from reaping the economic benefits of **homeownership**—namely, the ability to make money over time through their home's rising value.

**The Supreme Court** – The highest-ranking court in the United States, which has broad jurisdiction over any case involving the federal government, and is able to invalidate laws it finds to be unconstitutional. While Rothstein calls on the Supreme Court to take concrete action against de jure residential segregation, the Supreme Court has repeatedly and wrongly declared this segregation de facto (and therefore outside the scope of government responsibility). Accordingly, one of Rothstein's aims in *The Color of Law* is to provide the concrete historical evidence that institutions like the Supreme Court need in order to recognize that American residential segregation is *de jure* and remediable by the government. Rothstein notes that the Court has taken a variety of positions on segregation and housing discrimination throughout its history: it has usually defended segregationists and their practices, but it has also

stopped them in instances like the 1917 case *Buchanan v. Warley*, which outlawed explicit block-by-block segregation in city zoning policies, and the 1948 case *Shelley v. Kraemer*, which declared restrictive covenants against black **homeowners** illegal. However, agencies like the Federal Housing Administration have also deliberately circumvented the Court's rulings and continued to segregate American cities despite knowing this to be unconstitutional. Accordingly, Rothstein has mixed feelings about the Supreme Court's role: its intervention is necessary for the United States to fulfill its constitutional commitment to racial equality, and yet is often ineffectual.

**Wilbur Gary** – An African American veteran of World War II who sought to buy a house in Richmond, California in 1952, and then successfully moved into the predominantly white suburb of Rollingwood with the help of a white friend. However, a white mob soon formed on Gary's front lawn, and the police refused to intervene, even on the governor's orders. Gary's story shows both how the government often fails to enforce on-the-books laws and how racist white people in the 20th century would stop at little to prevent integration, even after it became legal.

## MINOR CHARACTERS

**Richard Rothstein** – The author of *The Color of Law*. Rothstein is an acclaimed American historian who spent most of his career studying educational segregation in the United States, before writing this book that focuses on de jure residential segregation.

**John Fitzgerald Kennedy** – The president of the United States from 1961 to 1963, who notably ordered the government to stop insuring mortgages on a discriminatory basis.

**Woodrow Wilson** – The president of the United States from 1913 to 1921. Wilson was an outspoken racist who segregated the U.S. federal government and began promoting **homeownership** as a form of white patriotism.

## TERMS

**Blockbusting** – A sales scheme common during the 20th century. First, real estate agents would try to convince white people that African Americans were planning to move into their neighborhoods. Then, they would buy those white families' houses at prices far below their market values. Finally, agents would sell those same houses to African American families at a huge markup. Blockbusting shows how the real estate industry profited from segregation: blockbusters took advantage of white people's racism and black people's willingness to pay more for the same quality housing. But it also shows how the Federal Housing Administration (FHA)'s economic justification for redlining was a self-fulfilling prophecy. While the FHA

claimed that African Americans needed to be kept out of white areas because they brought property values down, the only reason that a drop in property values often coincided with the entrance of African Americans into a neighborhood was because of blockbusting. In other words, property values only went down because white people sold their houses for cheap, and they only did this precisely because they feared that African American neighbors would bring their property values down. Despite knowing that this logic was faulty, real estate agents gladly continued profiting from it. Blockbusters discovered yet another source of profit when they realized that African Americans, unable to get formal mortgages, would buy houses on the exploitative contract system. Since they were overcharged, these buyers often defaulted without having built any equity in their homes. Blockbusters foreclosed on these African American **homeowners** and resold their homes for profit.

**Boilermakers** – A labor union whose full name is the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers. This union represented a wide range of factory workers in defense manufacturing industries during and after World War II. However, it was completely segregated: no African Americans were allowed to join. Eventually, the Boilermakers opened "auxiliary union chapters" for African Americans like **Frank Stevenson**, but these affiliated chapters provided their members virtually no labor protections, while demanding they pay the same monthly dues. This was typical of white labor unions during the 20th century: it took decades for them to fully integrate, in part because the government chose not to force them to do so any sooner. This led to African American workers losing out on work, pay, and labor protections, which in turn contributed to residential segregation.

**Brown v. Board of Education** – A landmark 1954 **Supreme Court** case in which the Court unanimously rejected the explicit segregation of American public schools and the principle that "separate but equal" services could be provided to white and African Americans. This decision—and especially the desegregation and backlash it spawned—played a crucial role in the American civil rights movement. However, in *The Color of Law*, **Richard Rothstein** shows how local governments managed to segregate schools through other, less explicitly racist tactics, like forcing African Americans into particular ghetto neighborhoods through zoning laws or continuing to maintain the tax-exempt status of segregated private schools.

**Buchanan v. Warley** – A 1917 case in which **the Supreme Court** determined that the city of Louisville, Kentucky violated the Fourteenth Amendment by implementing block-by-block racial zoning laws. As a result of the *Buchanan* decision, local governments began racially discriminating in subtler ways, for instance by zoning African American neighborhoods for "industrial" development or "toxic waste" dumping, as well as by

prohibiting the construction of “apartment buildings in single-family neighborhoods,” which the Supreme Court determined was constitutional. This case shows both the extent and the limits of the Supreme Court’s power to stop racist government policy.

**Contract buying system** – An exploitative system of home financing often used by blockbusters and predatory lenders, which was the only way of purchasing a home for many African Americans through the 1960s, and which still exists in the 21st century, after the 2008 financial crisis destroyed the ability of many (especially African American) families to access credit. In a normal mortgage, a buyer’s monthly payment to the bank includes both interest *and* part of the actual cost (principal) of the home that the bank has already paid to the seller. Therefore, a buyer can build equity in their home over time: every month, they own a little more of their home. However, on the contract system, buyers pay *only* interest every month—usually at a disproportionately high rate—and then are expected to pay the full price of their home all at once, at the end of the loan’s term (usually 15-20 years). This means a buyer builds no equity or wealth over time, and remains at the complete mercy of their bank: specifically, under the contract system, buyers will lose their home if they miss a single monthly payment over 15-20 years, or if they cannot afford to pay the full price of the home at the end of this term. Because blockbusters often sold African Americans homes on the contract system at unrealistically high prices and interest rates, they could evict any family that missed a single payment and resell the same house to a new family, under the same conditions.

**De Facto** – Latin for “by fact,” describing something that exists but without sanction by law. This contrasts with things that are *de jure*, meaning created “by law.” The vast majority of Americans, from high school students to **Supreme Court** justices, assume that residential segregation in the United States is *de facto*, not *de jure*: they think that white people have simply chosen to live in some places and black people in others. This, **Rothstein** argues, is because they do not know the history of housing in the United States: in reality, the government spent endless time and resources deliberately segregating every major city in the United States over more than a century, with cooperation from banks, nonprofit organizations, police departments, corporations, labor unions, and much of the judicial system. Accordingly, Rothstein’s main argument in *The Color of Law* is that American residential segregation is *de jure*, not *de facto*.

**Default** – A verb that refers to a borrower’s failure to repay a loan, which can have various consequences depending on the circumstances. In the case of home mortgages, default can often result in foreclosure. But **Rothstein** also uses the term metaphorically, to talk about how the government has violated its own “constitutional obligations” to citizens.

**De Jure** – Latin for “by law,” a legal term referring to acts, practices, or conditions that are put in place by the law. This contrasts with things that are “*de facto*,” or present because of the decisions of private individuals, and not because of official laws or government action. **Rothstein**’s thesis in *The Color of Law* is that the United States’ system of residential segregation is *de jure*, not *de facto*. In every American city, certain neighborhoods are all (or nearly all) African American and others are all (or nearly all) white, not because of “individual choices,” but because of “racially explicit policies of federal, state, and local governments.”

**Fair Housing Act** – A law passed by President Johnson’s administration as part of the Civil Rights Act of 1968, which prohibits both explicit housing discrimination and any government housing programs with “disparate impacts” on different racial groups. Because it was the first time that “government endorsed the rights of African Americans to reside wherever they chose and could afford,” **Rothstein** explains, the Fair Housing Act has played a crucial part in legal battles aimed at stopping and reversing segregation, and the Act essentially marks the end of the era during which government openly and explicitly pushed for segregation. But this does not mean that racial residential discrimination and *de jure* segregation have stopped: although the Fair Housing Act clearly banned practices like redlining, restrictive covenants, and racist mob violence intended to prevent integration, it has seldom been enforced. Moreover, since the Fair Housing Act’s passage, housing has grown more and more expensive relative to wages in the United States, to the point that since the Fair Housing Act, “unaffordability” is a greater barrier to African American [homeownership](#) than outright discrimination.

**Federal Housing Administration (FHA)** – A government agency, started by **President Roosevelt**’s administration as part of the New Deal, that regulates housing in the United States and insures housing-related loans made by private banks. Although the FHA’s loan insurance was one of the primary drivers behind the 20th century’s explosion in [homeownership](#) in the United States, the FHA also invented redlining both by “includ[ing] a whites-only requirement” on all bank mortgages and ordering real estate agents to treat all African American borrowers and predominantly African American neighborhoods as uncreditworthy in its Underwriting Manual. It is reasonable to say that the FHA is the agent most responsible for ensuring that African Americans could not access the same home financing as white people. In fact, the FHA actively promoted segregation and was explicit about “the racial bases of its decisions,” even when this meant openly ignoring **Supreme Court** decisions (like the 1948 *Shelley v. Kraemer* case, which outlawed the enforcement of restrictive covenants). The Federal Housing Administration is not to be confused with the Fair Housing Act, which has the same initials but was based on opposite principles.

**Ferguson, MO** – A poor, segregated, primarily African American inner suburb of St. Louis, Missouri, which is best-known as the site of the 2014 police killing of Michael Brown, and a hotbed of subsequent racial justice activism. Ferguson exemplifies how gentrification creates a new form of urban segregation in the United States: cities redevelop central urban areas primarily for the benefit of middle-class white people, rather than the working-class and poor minority populations who primarily occupy them. As a result, these minority groups are pushed out to “inner-ring suburbs” like Ferguson.

**Fifth Amendment** – One of the 10 amendments comprising the Bill of Rights, the Fifth Amendment to the United States Constitution guarantees a number of legal rights, including “due process of law,” which **the Supreme Court** has agreed implies “equal protection” for all people. The Fifth Amendment, which guarantees these rights from the federal government, is a precursor to the Fourteenth Amendment, which guarantees people these same rights from state governments. **Rothstein** argues that the de jure residential segregation of African Americans into ghettos, like the federally-enforced deprivation of financial services to African Americans, clearly violates the Fifth Amendment, and therefore should be banned and remedied by the federal government.

**Ford Motor** – A large and historically important American car manufacturer. During World War II, the federal government took control of Ford factories and used them for war-related manufacturing purposes. Although Ford did not hire “Mexican or Black Workers” before this, the shortage of labor during World War II led it to change its policies, meaning that minority workers like **Frank Stevenson** could find stable, middle-class jobs at Ford factories in places like Richmond, CA. However, in an ironic twist of fate, after World War II, the very affordability and availability of cars like Ford’s made it comparatively more lucrative for Ford Motor to build larger factories in more remote areas, as opposed to in more cramped cities like Richmond. In California, Ford opened a new factory in Milpitas, where black people were not able to find housing. Although the United Auto Workers union defended African American Ford workers and allowed them to keep their jobs after the war, the factory’s relocation to Milpitas meant these workers had to commute from faraway Richmond to continue working. This series of events shows both how mid-20th-century manufacturing jobs gave many African Americans a middle-class wage for the first time, but also how discriminatory policies like government-sponsored, de jure residential segregation made it much harder for them to actually convert that wage into a middle-class life.

**Foreclosure** – The process by which a lender seizes the property of a borrower who defaults. In the context of this book, this specifically refers to a bank taking away someone’s house when one fails to pay one’s mortgage.

**Fourteenth Amendment** – Ratified in 1868, the Fourteenth

Amendment to the United States Constitution specifically promises “due process of law” and “equal protection of the laws” to all Americans, guarantees a handful of other rights, and includes a number of other provisions aimed at reuniting the nation after the American Civil War. It is very similar to the Fifth Amendment: the difference is that the Fifth Amendment applies to the federal government, while the Fourteenth applies to state governments. One of the most controversial and contested parts of the United States Constitution, the Fourteenth Amendment was in large part specifically intended to guarantee legal equality for African Americans. **Rothstein** argues that the United States’ de jure residential segregation clearly violates this amendment because it “constitutes unfair treatment” of African Americans relative to white Americans.

**Ghetto** – Although “ghetto” is often used pejoratively to denigrate African Americans and other minority populations who live in neglected urban neighborhoods, **Rothstein** uses the word in its original, technical sense: “a neighborhood where government has not only concentrated a minority but established barriers to its exit.” Rather than using euphemistic language that wrongly suggests that African Americans have chosen to live in such neighborhoods, or that such neighborhoods are not as impoverished and underserved as they actually are, Rothstein insists on using the term “ghetto” to highlight the way that the government has intentionally “concentrated” African Americans into certain neighborhoods, then turned those neighborhoods into slums and created “barriers to [African Americans’] exit” from them, through the variety of policy tools he explains in Chapters Two through Nine. The ghettoization of American cities through de jure segregation policies shows how the government has created housing disparities to preserve the United States’ system of racial caste, which dates back to slavery.

**Great Depression** – A worldwide economic downturn that began in the United States in 1929, and ended during different parts of the 1930s in different countries. In the United States, the Great Depression led to widespread unemployment and an enormous shortage in housing, which President **Franklin D. Roosevelt**’s New Deal policies were designed to address. This led to the advent of both public housing and government-backed mortgages for single-family homes in the United States.

**Hamburg, SC** – A now-abandoned town in South Carolina, near the Georgia border, that was the site of the Red Shirts massacre during Reconstruction. **Robert Mereday** and his brother Leroy were from Hamburg.

**Home Equity** – The proportion of a home’s value that a **homeowner** actually owns—or, in other words, the difference between the market value of a home and the amount of debt that an owner owes on their home. Homeowners can build equity both by paying off the value of their home (through an initial down payment, or through monthly payments on a mortgage) and when the market value of their home

appreciates (which generally happens over time, especially in more desirable neighborhoods). Home equity is “the main source of wealth middle-class Americans,” and it provides homeowners with a cushion in case of emergency. But, because of de jure residential segregation over the 20th century in the United States, it has been virtually impossible for most African American families to build home equity, because they could not take out federally-insured mortgages with federal insurance and their homes increased in value much more slowly and less sharply than white people’s (for instance, a home of the same size and quality, purchased for the same price in 1948, is worth three and a half times as much in the white suburb of Levittown, New York as the neighboring black suburb of Lakeview). Ultimately, differences in home equity are the primary component of the wealth gap between black and white Americans, which further shows how residential segregation directly sustains the United States’ system of racial caste.

**IRS** – The United States Internal Revenue Service, the government agency responsible for implementing tax laws and collecting taxes. In Chapter Seven, **Rothstein** notes how the IRS has supported the tax-exempt status of segregationist organizations including “churches, hospitals, universities, neighborhood associations, and other groups,” even though it is legally required to deny this “tax favoritism [to] discriminatory organizations.”

**Lakeview** – A segregated, all-black suburb on Long Island, where **Vince Mereday** was forced to move after he was unable to buy a home in all-white Levittown. Even though Lakeview and Levittown houses both sold for the same price in the 1940s—the equivalent of \$75,000 in 2017—70 years later, Levittown’s houses are worth more than triple Lakeview’s (\$350,000, versus \$100,000). This shows how segregation pays dividends to white people over time, as property appreciates faster in all-white neighborhoods (largely because wealthy home buyers are disproportionately white). Lakeview is distinct from Lakeview Terrace, an all-white housing project built in Cleveland that **Rothstein** mentions in Chapter Two.

**Levittown** – The name of a number of suburban neighborhoods built for white World War II veterans by the famous developer William Levitt. Often considered the father of the postwar housing boom, Levitt was the first to build large-scale neighborhoods full of mass-produced, nearly identical, affordable single-family homes that sold for only a few thousand dollars at the time (or around \$75,000 in 2017 dollars). These Levittowns were intentionally segregated with restrictive covenants, both because of Levitt’s personal biases and because the Federal Housing Administration and Veterans Administration would not insure mortgages for African Americans. As a result, even African American war veterans who helped build the neighborhoods—like **Robert** and **Vince Mereday**—were unable to move to Levittown and had to live in black neighborhoods like Lakeview instead. **Rothstein** points

out that this had severe long-term consequences: while their purchase prices were the same in 1948, a Levittown home is now worth three times much as a Lakeview one.

**Metropolitan Life Insurance Company** – An enormous insurance company from New York that invested substantially in real estate during the 20th century, most importantly by building a number of segregated housing complexes in New York City (including Parkchester and Stuyvesant Town). In an interesting twist, however, an executive at MetLife also agreed to finance an integrated project in Milpitas, CA, as a personal favor to a Quaker group that was seeking to build housing for black Ford Motor workers.

**Milpitas, CA** – A city south of San Francisco, about an hour’s drive from Richmond, where Ford Motor decided to relocate its large factory after World War II. Unlike in Richmond, there was virtually no housing for African Americans in Milpitas, which meant that black Ford workers like **Frank Stevenson** had to choose between leaving their jobs or commuting an hour each way to and from work (he chose the latter, and did so for more than 20 years). One religious group tried to build an integrated suburb for Ford workers in Milpitas, but faced severe delays and cost overruns due to opposition from the local government, rival real estate developers like **David Bohannon**, and the federal government. Although the neighborhood was finally built and merged with Bohannon’s all-white Sunnyhills, it became too expensive for African American Ford workers and ultimately did not achieve its aims. Even today, as a result of this 20th-century segregation, Milpitas has almost no African American residents.

**NAACP** – The National Association for the Advancement of Colored People, a prominent American civil rights and legal advocacy group that has fought against racial discrimination since its foundation in 1909. The NAACP has filed a number of important lawsuits to stop de jure residential segregation by local and federal governments in the United States.

**Neighborhood composition rule** – A principle that **Franklin D. Roosevelt**’s Public Works Administration (PWA) used to segregate public housing built during the Great Depression, through the New Deal. Essentially, the PWA agreed to construct housing for African Americans, but decided that it would only build in neighborhoods that were already predominantly African American (and limit housing for white people to majority-white neighborhoods). Local governments manipulated this rule to destroy integrated neighborhoods: for instance, if a neighborhood was only majority-white by a slim margin, local government would destroy African Americans’ houses and build all-white housing projects where they used to stand, thereby skewing the neighborhood’s population even more toward white people (and vice-versa, in integrated neighborhoods that it wanted to make mostly African American). By exploiting the neighborhood composition rule, then, federal and local governments used public housing to

fight integration rather than promote it. **Rothstein** sees this as clear evidence that housing segregation in the United States is de jure rather than de facto.

**New Deal** – An extensive program of legal reform and public expenditure that **President Franklin D. Roosevelt** and his administration implemented in the United States from 1933 to 1939, as part of a largely successful attempt to alleviate the economic and social devastation caused by the Great Depression. However, nearly all of the New Deal's programs and agencies were strictly segregated by race, and African Americans received worse jobs, benefits, and protections than white people as a result of the New Deal legislation. For instance, while the New Deal spurred the construction of public housing and public provision of mortgages in the United States, all the public housing it built through the Works Process Administration was segregated, and it only provided mortgages to white people through the Home Owners' Loan Corporation and Federal Housing Administration. Work programs like those implemented by the Tennessee Valley Authority and the Civilian Conservation Corps were completely segregated, too. **Rothstein** explains that this expanded the income and wealth gap between black and white Americans, as well as set a precedent for federal legislation to explicitly ignore the needs of black people. He argues that the New Deal's segregation was a product of Roosevelt and his officials' explicit racism, as well as the fact that they needed to form a coalition with segregationist Southern Democrats in order to get the New Deal passed.

**Palo Alto** – A highly-segregated city near Milpitas, in the Bay Area south of San Francisco, and the location of Stanford University. When the Peninsula Housing Association, an integrated co-operative group, tried to buy land to build a subdivision for its members in Palo Alto, it was unable because it could not get insurance from the Federal Housing Administration, and so no bank would loan it money. After one African American family managed to move to East Palo Alto, opportunistic real estate agents started blockbusting, and the neighborhood's African American population skyrocketed: "within six years," the area was "82 percent black." The government stopped investing in the community and segregated its schools, housing values fell, and East Palo Alto became a slum. This typifies the way that segregation led to the formation of ghettos, which gradually deteriorated and impoverished the majority-African American communities who lived in them.

**Peninsula Housing Association** – An integrated housing cooperative comprised of middle-class families, which tried to buy a plot of land in Palo Alto, California after World War II. Because it included black families, the Peninsula Housing Association could not get government financing to build its planned subdivision, and was ultimately forced to disband. This shows how far the Federal Housing Administration was willing

to go to maintain its racist policies: even though nearly all Peninsula Housing Association's members were white and the organization explicitly (although reluctantly) agreed to prevent more African Americans from moving into its planned neighborhood, the government still would not support its construction plans because it was not 100 percent white.

**Public Works Administration (PWA)** – A government agency, created by **Franklin D. Roosevelt**'s administration as part of the New Deal, that was responsible for constructing much of the earliest public housing in the United States from 1933 to 1937. However, because it was dedicated to following the "neighborhood composition rule," the housing that the PWA built was always segregated, and it nearly always helped make existing neighborhoods more segregated than they were before. Unfortunately, the PWA's practice of deliberately segregating public housing became a template for future publicly-funded residential construction projects in the United States.

**Racial Caste System** – A description of the racial hierarchy that has governed American society since its beginnings in the 17th century. Rather than seeing racism as the product of isolated beliefs or actions, removed from a broader social and historical context, the theory of racial caste argues that racism is a hierarchical system that has maintained white supremacy throughout American history by giving different kinds of rights, protections, opportunities, and services to members of different racial groups. Specifically, institutions like slavery and de jure residential segregation are designed to ensure that African Americans remain an inferior and subservient "caste" in relation to white people. The term was popularized by legal scholar Michelle Alexander in her landmark book *The New Jim Crow: Mass Incarceration in the Age of Colorblindness*, in which she argues that, by labeling black Americans as "criminals," the government and society at large justify systematically disempowering them and depriving them of rights and privileges they should be afforded by the Constitution. Following Alexander, **Richard Rothstein** sees his topic—housing discrimination—in the context of the United States' long history of depriving African Americans of freedom and civil rights. Just as it is impossible to understand mass incarceration in the United States without examining the history of systematic antiblack racism and oppression in the United States, Rothstein considers it impossible to study the history of American residential segregation without recognizing its role in a longstanding campaign (by government and economic elites) to preserve the racial caste system.

**Reconstruction** – The period from the end of the American Civil War in 1865 until 1877. During Reconstruction, the United States was reunited under a single federal government, which abolished slavery and extended civil rights to African Americans. In many states, African Americans served in government, and this was arguably the most residentially

integrated period of American history. However, a wave of white supremacist terrorism in the South brought Reconstruction to an end: by murdering and intimidating African Americans to prevent them from voting, white terrorist militias like the Red Shirts guaranteed the election of all-white governments, which then passed segregationist policies and deprived African Americans of the civil rights they had so recently won. These policies perpetuated the American system of racial caste for the next century and set in place the norms of residential segregation that federal and local governments, in addition to government agencies like the Federal Housing Administration, bitterly defended throughout the 20th century.

**Redlining** – The practice of denying services (especially home financing) to all residents of certain, typically African American neighborhoods. This started during the New Deal, when a government lender called the Home Owners' Loan Corporation color-coded neighborhoods and labeled all African American areas red (the worst category), regardless of their actual socioeconomic status. Redlining was perpetuated throughout the 20th century, primarily through restrictions by the Federal Housing Administration and Veterans Administration, which refused to insure mortgages for nonwhite families, but also by banks, restrictive covenants, and the variety of other measures **Rothstein** discusses from Chapters Two through Ten.

**Red Shirts** – A white supremacist terrorist militia that led a massacre of African Americans, with backing and support from the local police department, in Hamburg, South Carolina in 1876. This was part of a wave of such attacks, which were intended to scare African Americans so that they would not vote in the 1876 elections, and so that Southern American states would return to having all-white governments after Reconstruction. These massacres were successful, and the Southern governments that took power in 1877 “instituted a system of segregation and exploitation that persisted for the next century.” In fact, in South Carolina, the Red Shirt terrorists were so popular that their leader, Benjamin Tillman, was elected to the Senate four times (for 24 years).

**Restrictive Covenants** – Paragraphs inserted into property deeds, typically for suburban houses, that prevented the property from being sold to or occupied by anyone who was not white. Real estate agents, neighborhood associations, government agents like the Federal Housing Administration (FHA), and elected officials like **President Herbert Hoover** actively promoted restrictive covenants in order to prevent African Americans from moving into all-white suburban neighborhoods. In the landmark 1948 case *Shelley v. Kraemer*, **the Supreme Court** ruled that restrictive covenants, while not technically unconstitutional in themselves (since they were private agreements among individuals), could not be legally enforced by the government (which would violate the Fourteenth Amendment). Although the government's top attorney then ordered the Federal Housing Administration to

stop promoting these restrictive covenants, which in many cases it required in order to provide buyers with mortgage insurance, the FHA openly ignored the ruling. Although restrictive covenants were never actually enforceable, then, they still played an important part in both private and public campaigns for segregation during the 20th century. Even today, the deeds to many homes still include restrictive covenants from several decades ago, and at the end of his book **Rothstein** offers advice for [homeowners](#) who wish to remove or modify the restrictive covenants on their properties.

**Reverse Redlining** – A common 21st-century discriminatory practice, in which banks specifically target African Americans for predatory subprime loans (rather than specifically denying them loans, as in redlining). These subprime loans are designed to bankrupt borrowers rather than actually help them pay for their homes, and as a result, banks' well-documented and widespread campaign to market these loans to black Americans disproportionately drained the savings and intergenerational wealth of African American families. The government's failure to intervene and stop this practice shows how de jure segregation continues into the present day.

**Richmond, CA** – A city east of San Francisco, in the famously “liberal and inclusive” Bay Area, that **Rothstein** repeatedly uses as an example of de jure residential segregation. Home to **Frank Stevenson, Wilbur Gary**, and numerous other African Americans who fought in or worked in manufacturing plants during World War II, Richmond was strongly divided by government housing policies that ensured comfortable suburban neighborhoods like Rollingwood for white people, while crowding African Americans into inadequate housing in polluted, industrial areas. As the rest of the Bay Area developed through the proliferation of white-only subdivisions, Richmond was left as one of the only cities where African Americans could find a home, and was gradually transformed into a ghetto and slum as the government began divesting from public services and segregating schools there.

**Rollingwood** – A huge, publicly-funded suburb built by **David Bohannon's** company in Richmond, California. Rollingwood was explicitly segregated by government policy: it was reserved for white people, both by FHA and VA loan requirements and by restrictive covenants in housing deeds. This contrasts with the substandard, crowded housing African Americans received in industrial areas during the same period.

**Section 8 Housing Choice Voucher Program** – A federal program that gives low-income families vouchers to support their rent payments. Although the program remains very controversial, it is essentially the only large-scale housing support the federal government currently gives to low-income Americans, and **Rothstein** emphasizes that the program is far too small to reach the number of people who need and apply for assistance. Families who rent apartments using Section 8 vouchers face a number of problems: landlords can legally

discriminate against them, for instance, and in almost all cases Section 8 vouchers do not provide families with enough funds to rent in middle-class or integrated neighborhoods, which Rothstein argues is crucial to achieve housing justice and desegregate American cities over the long term.

**Sharecropping** – An often exploitative system of semi-indentured labor, in which landless workers pay landowners for the right to farm their land. In the United States, a sharecropping system replaced slavery in the Southern United States after the Civil War, and left many freed slaves working the same backbreaking agricultural jobs on plantations, often for their former owners. Rather than being the legal property of plantation owners, under the sharecropping system African Americans were simply charged more than their total income by landowners, and forced into progressively deeper cycles of unpayable debt as a result.

**Shelley v. Kraemer** – A landmark case in which **the Supreme Court** determined that the enforcement of racially discriminatory restrictive covenants would violate the Fourteenth Amendment and therefore be unconstitutional. Since restrictive covenants themselves are private agreements between homebuyers, the Court decided, they are not necessarily unconstitutional in themselves—but *enforcing* them would be unconstitutional, since it would mean enlisting the government to guarantee racial discrimination. However, after this decision, the Federal Housing Administration (FHA) continued to promote these restrictive covenants, to the point of making them a requirement for receiving mortgage insurance. This continued even after the federal government directly told the FHA to stop, which illustrates the limits of court decisions' capacity to actually control policy and executive branch action.

**Slum** – An often derogatory word with a wide range of meanings and connotations, which generally refers to a densely-populated, badly-maintained, impoverished, and/or informally-constructed urban neighborhood with poor access to government services and infrastructure. In an American context, the word is often used synonymously with “ghetto” to refer to urban neighborhoods primarily inhabited by poor members of minority groups, especially African Americans. However, while **Rothstein** agrees that many African Americans live in neighborhoods that are both “ghettos” and “slums,” he carefully distinguishes these two terms from each other and uses them as objective descriptors of neighborhood conditions, rather than derogatory labels for the places inhabited by the most disadvantaged Americans. He specifically uses the word “slum” to refer to the disrepair and poor physical condition of many urban neighborhoods and illustrate how these poor conditions are the direct result of government action—both federal segregationist policies that forced African Americans into clearly-defined neighborhoods and local governments' divestment from public services in those neighborhoods.

**Subprime loans** – A loan given to someone who would not ordinarily be considered creditworthy, or who is unlikely to be able to repay. The proliferation of subprime housing loans in the United States—especially to African Americans and other reverse redlined minority groups—was one of the central factors that led to the 2008 global financial crisis. While **Rothstein** agrees that it is necessary to extend credit to low-income African American families who have historically been shut out of **homeownership**, he notes that subprime loans actually do the opposite: they prey on these families by promising them homeownership, then charging them unmanageable, unpayable interest rates and fees that all but ensure that borrowers default, get foreclosed on, and lose their future access to credit. Banks recognized they were doing this and openly celebrated the opportunity to profit by lying to African American buyers. And regulators knew about and approved the whole process, which leads Rothstein to conclude that subprime mortgages constitute a new, sinister form of 21st-century de jure housing discrimination.

**Tax-exempt status** – An official designation by the IRS that reduces or completely eliminates an organization's obligations to pay taxes to the government. This status is intended to help charitable, religious, and other not-for-profit organizations, and in theory the IRS is legally required to deny tax-exempt status to “discriminatory organizations.” However, the IRS made an exception for organizations that promoted housing segregation and discrimination against African Americans, and virtually always preserved these organizations' tax-exempt status during the 20th century.

**Tennessee Valley Authority (TVA)** – A government corporation formed during the Great Depression as part of **President Franklin D. Roosevelt's** New Deal. Its purpose was to build infrastructure and create economic opportunities in the hard-hit Tennessee Valley region, and it was relatively successful—but only at helping white people in the area. The TVA was completely segregated and provided no desirable jobs to African Americans. This reflects the broader pattern of racial segregation during the New Deal, which **Rothstein** sees as the product of both the political compromises necessary for its passage and the specific racist beliefs of President Roosevelt and others in his administration.

**Thirteenth Amendment** – Ratified in 1865 at the end of the American Civil War, the Thirteenth Amendment to the United States Constitution abolishes slavery—“except as a punishment for crime”—and gives Congress the “power to enforce [the abolition of slavery] by appropriate legislation.” In 1866, Congress passed such “appropriate legislation”—a Civil Rights Act that banned anything that “perpetuated the characteristics of slavery.” Because the United States' de jure residential segregation “perpetuate[s] the characteristics of slavery,” **Rothstein** thinks this practice clearly violates the Thirteenth Amendment (in addition to the Fifth and Fourteenth

Amendments). **The Supreme Court** originally disagreed with this conclusion, but changed its mind in 1968.

**Underwriting Manual** – A guide published by the Federal Housing Administration, which set rules for real estate agents to assess the value and creditworthiness of different homes and neighborhoods. The Underwriting Manual explicitly promoted segregation, defended restrictive covenants, and ordered real estate agents to do the same. For instance, it directed real estate agents to rate neighborhoods as less creditworthy and desirable if they included “inharmonious racial or nationality groups”—by which it specifically meant African Americans. This shows why African Americans’ inability to buy homes in the 20th century was not the (de facto) result of private choices by banks or the real estate industry, but rather the (de jure) result of specific orders from the federal government.

**United Auto Workers (UAW)** – A large and historically powerful labor union, which played an essential role in the rise of the American middle-class in the 20th century by promoting the interests of car factory workers. Employees at the Ford Motor plants in Richmond and Milpitas, California were members of the UAW, which defended their rights and helped African American workers like **Frank Stevenson** keep their jobs after World War II. Crucially, the UAW also tried to build integrated housing so that African Americans could live near the Milpitas factory. This culminated in the construction of the Sunnyhills subdivision, but years of opposition from the government and white builder **David Bohannon** delayed the project and ultimately made Sunnyhills homes unaffordable for the black Ford workers they were intended to house.

**United Service Organizations (USO)** – A nonprofit organization that provides entertainment services and private clubs to American war veterans. The USO was officially segregated for many years and actively promoted residential segregation in the areas where it operated.

**Veterans Administration (VA)** – The predecessor to the present-day Department of Veterans Affairs, an agency in the executive branch of the federal government of the United States, which is responsible for providing social benefits to veterans of the United States military. After World War II, however, African American war veterans were essentially blocked from receiving many of these benefits. Most relevant to **Rothstein’s** work, the Veterans Administration was supposed to subsidize mortgages for veterans to buy houses, often with low or zero down payments. However, because it followed the Federal Housing Administration’s Underwriting Manual, the VA ended up denying mortgages to African American veterans and contributing to de jure residential segregation.

**White flight** – The pattern of white families “fleeing” city centers and moving to the suburbs. Although generally imagined as a de facto process, the result of individual white

families choosing suburban comforts over deteriorating urban neighborhoods, **Rothstein** shows that all dimensions of the process—from the construction and affordability of suburban homes that drew white attention to the racial animosity and urban deterioration that pushed them out of cities—were created and exacerbated by deliberate government policy. Therefore, he concludes, white flight was actually a deliberate, de jure process intended to segregate the United States and sustain the white supremacist system of racial caste.



## THEMES

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### DE JURE VS. DE FACTO SEGREGATION

In *The Color of Law*, historian Richard Rothstein’s central argument is that, from the 1870s to the present day, federal, state, and local governments in the United States have systematically and intentionally segregated American cities. While most Americans assume that their country’s pervasive pattern of racial segregation is the de facto product of individual decisions and market conditions, Rothstein argues that this is incorrect: American residential segregation is de jure, a product of unconstitutional policies. Not only has the government consistently supported pervasive racial discrimination by America’s financial institutions and real estate industry, but in fact the government initially *mandated* much of this discrimination, and undoing housing segregation requires first understanding and accepting this fact.

Most Americans wrongly believe in what Rothstein calls “the *de facto* segregation myth.” While virtually all Americans are familiar with the “nationwide system of urban ghettos, surrounded by white suburbs” that characterizes almost every city in the United States, most assume that this has happened because white residents independently chose to leave urban neighborhoods, while African Americans could not afford to leave them. Many people know about racist real estate agents and bank redlining (the discriminatory refusal of home financing to African Americans), but few realize that these were actually products of official policy, not exceptions to it. In fact, Rothstein clarifies, the history of American *de jure* segregation has been deliberately and effectively erased. Popular high school history textbooks wrongly blame segregation on things like “unwritten custom or tradition,” rather than the government policies that actually caused it. And even the Supreme Court is ignorant about this dimension of American history: Chief Justice John Roberts has written an official

Court decision that segregation was “a product not of state action but of private choices,” a claim that Rothstein’s book is dedicated to proving false. Roberts’s error shows how pervasive “the *de facto* segregation myth” has truly become: Americans, particularly those in power, tend to accept and perpetuate this myth without ever measuring it up to reality.

Rather than accepting this dominant narrative, Rothstein shows in *The Color of Law* that American residential racial segregation is actually *de jure*, the product of government policy rather than “private choices.” Each of Chapters Two through Ten focuses on a different way that government has created, advanced, or unconstitutionally failed to stop residential segregation. In Chapter Two, for instance, Rothstein shows how, in places like Atlanta, St. Louis, and Cleveland, the federal Public Works Administration destroyed integrated neighborhoods and built segregated public housing on top of them. Similarly, in Chapter Four, Rothstein examines how Presidents Wilson and Hoover encouraged white people to buy homes in the suburbs by promising this would distance them from African Americans, and then the Federal Housing Administration (FHA) kept these suburbs all-white by mandating redlining in its Underwriting Manual. Each of Rothstein’s chapters highlights a different way in which the U.S. government has mandated segregation, which shows that it cannot simply be blamed on people’s personal housing choices.

In each chapter, Rothstein also explains why the government action he describes constitutes *de jure* residential segregation. While this is relatively obvious in the cases of segregated public housing, explicitly racist zoning by local governments, and redlining by the FHA, Rothstein also looks at cases in which the government deliberately ignores its constitutional obligation to stop segregation by private individuals. For instance, while the IRS did not *cause* segregation by giving tax-exempt status to segregationist groups, this decision is unconstitutional because the IRS is legally “obligat[ed] to withhold tax favoritism from discriminatory organizations.” Similarly, throughout the 20th century in U.S. cities such as Chicago, angry white mobs frequently attacked black families who moved into their neighborhoods. While government was not responsible for sending in the mobs, when police forces refused to protect black homeowners or arrest mob members, this counted as “state policy that violated the Fourteenth Amendment” (which declares that state governments must ensure “equal protection of the laws” to all Americans). Through such examples, Rothstein makes it clear that the government’s actions were unconstitutional—which means it is obligated to undo them.

In order to reverse housing segregation, Rothstein argues, Americans must first understand the reality that this segregation is *de jure*. His book is an attempt to set the record straight and fight against collective amnesia: although in the 1970s most people knew that the government actively pursued segregation in American cities, today this is far from common

knowledge. This profound misunderstanding of the past is an injustice in itself, and also has severe consequences in the present: because people do not realize that the government is responsible for segregation, they blame African Americans for living in deteriorated neighborhoods and conclude that the government has no obligation to help them. Due to this kind of thinking, the United States’ white majority does not recognize the wrong that needs to be righted in the first place, making the solutions that Rothstein proposes in Chapter Twelve not yet “politically possible.” Without truly learning about the history of segregation, Rothstein concludes, Americans will never take action to stop it. Such political action is crucial not only to undo existing segregation, but also to stop the segregationist practices that continue in the present day—one example of which is government-sanctioned reverse redlining, in which banks target prospective African American homebuyers with predatory loans that are aimed to bankrupt them, rather than support them. Only citizens armed with knowledge of history, Rothstein insists, can force the government to learn its lesson and start following its constitutional obligation to treat all Americans equally. As Rothstein reveals in his Epilogue, he sees his book as a first step toward an “incomparably difficult” task of righting historical wrongs. But unless Americans “contemplate what we have collectively done” and choose to “accept responsibility” for *de jure* segregation, the problem will never be solved.



## SEGREGATION AND THE PRESERVATION OF RACIAL CASTE

While readers familiar with 20th-century American history will immediately understand the importance of integrating American cities, others might wonder why segregation is necessarily a bad thing. As Rothstein notes, some might even ask why he wants “to force [Americans] to integrate.” In response to this question, Rothstein explains that the systematic segregation of American cities sustained the American system of racial caste—by forcing African Americans to live in ghettos, the government ensured that they would remain second-class citizens in their own country. Because of residential segregation, as compared to white people, African Americans have less access to quality services and resources; greater exposure to violence, prejudice, and toxic pollution; and fewer opportunities to enter the middle class or build intergenerational wealth.

Rothstein emphasizes throughout *The Color of Law* that residential segregation has wide-ranging negative effects on African Americans. Most visibly, segregation has deteriorated black neighborhoods: government consistently prioritizes suburban construction over improving urban areas, and often actively withdraws public services and funding from the under-resourced neighborhoods that need it the most. Such neighborhoods gradually fall into disrepair and, in extreme

cases, turn into slums. Moreover, throughout the 20th century, African Americans paid more than white Americans for lower-quality housing, simply because they had far fewer options. For example, Rothstein notes that during the 1920s, Chicago landlords evicted white families and charged black families “50 to 225 percent” more for rent in the same apartments. Additionally, black families consistently pay far more in property tax, relative to the value of their homes, than white families. Together, these factors mean African Americans, on average, have less money for property maintenance and are more likely to be forced into overcrowded conditions in order to pay rent. This difference is just as pronounced in public housing: a group of investigative reporters found in 1984 that “every predominantly white-occupied project [in the United States] had facilities, amenities, services, and maintenance that were superior to what was found in predominantly black-occupied projects.” Moreover, well into the 21st century, the government still builds nearly all new public housing in segregated African American neighborhoods, which further impoverishes and segregates those areas.

Housing segregation also perpetuates deep income and wealth disparities between African Americans and white Americans. Because banks refused to give black Americans mortgages for most of the 20th century (a practice called redlining), they are “ten times more likely to live in poor neighborhoods” than white Americans today. Not only is “neighborhood poverty” more harmful to the next generation than simply “being poor,” but leaving a poor neighborhood is also “typical for whites but an aberration for African Americans.” As a result, the disadvantages of “neighborhood poverty,” including worse school systems and employment opportunities, disproportionately fall on African Americans’ shoulders. Segregation also affects black Americans’ ability to build wealth. Many white families rose into the middle class after World War II through government programs, like Veterans Administrations-backed mortgages, that were unavailable to African Americans. Now, home equity “is the main source of wealth for middle-class Americans.” But while white families have seen their homes’ value skyrocket, African Americans have a significant disadvantage because most could not buy suburban homes until the Fair Housing Act was passed in 1968. To add insult to injury, most Americans’ wages stopped growing in 1973, while home prices have kept rising. Affording a home has become far more difficult since the 1970s, and this has hit African Americans hardest of all. Ultimately, these elements of *de jure* (legally-mandated) segregation help explain why the average African American family only makes 60 percent of what an average white family does in the United States, and only has 10 percent as much household wealth.

Segregation not only constitutes inequality; it also leads to a self-perpetuating cycle of *expanding* inequality. Forced to live in dangerous and polluted ghettos, African Americans have

gotten “the image of slum dwellers in the eyes of whites.” This image “contributed to white flight” by leading white people to fear African Americans (rather than empathize with them) and government policies to punish African Americans for, rather than alleviate, their poverty. In this way, government used the poor conditions of American inner cities as an excuse to further worsen those conditions. And neighborhood segregation also engenders other forms of segregation. For instance, although the Supreme Court outlawed school segregation in 1954, American schools remain just as segregated as they were then, *precisely because* neighborhood segregation (and thus racially-divided school zoning) continues to worsen.

Rothstein emphasizes that *de jure* residential segregation cannot be understood as an independent phenomenon; rather, it is an important piece in a complex puzzle of government-sponsored racial hierarchy in the United States. Specifically, segregation serves to maintain African Americans’ “second-class citizenship,” or subordinate place in a racial caste system. Since its earliest days, the United States has treated African Americans as an underclass. After two centuries of slavery and a brief period of Reconstruction, another century of severe segregation sustained many of slavery’s traits until the 1960s. When Rothstein wrote *The Color of Law* in 2017, the country had scarcely seen a half-century of formal legal equality between black and white citizens. Congress has recognized the continuity between the U.S.’s legacy of slavery, 19th- and 20th-century segregation, and the present day by clearly outlawing policies that “perpetuated second-class citizenship that was a relic of slavery.” However, in spite of this recognition, these policies continue to exist. Despite the advances achieved through the Civil Rights Movement, Rothstein argues that the battle for racial equality in the United States is far from over, and that residential segregation is one of the issue’s most important dimensions. Compared to other forms of inequality, “residential segregation is so hard to undo” because resolving it requires changing where and how people live their lives, rather than simply granting them rights they were previously denied. But Americans can only recognize the true importance of fighting residential segregation by seeing its place in the longer history of racial caste in the United States.



### RACISM, PROFIT, AND POLITICAL GAIN

While it is easy to see how *de jure* (legally-mandated) residential segregation reflects an underlying, systemic racism in American government and society, this does not explain why any individual—a white congressperson, real estate agent, government regulator, homebuyer, or police officer—would defend and perpetuate racist policies. Though not everyone historically responsible for these policies has necessarily been motivated by personal racist *beliefs*, all of these people’s *actions* are undeniably racist, because they contribute to systematic

discrimination against black people. Rothstein shows how both individuals and organizations, in private and official capacities alike, advance racist discrimination when they eschew concerns of morality and equality for the sake of personal profit or political power. This quest for power and profit creates a gulf between people's attitudes toward others and their actions' effects on others, and this process illustrates how many Americans are responsible for perpetuating unjust and unjustifiable structural racism, even when they may not actually hold racist beliefs of their own.

In the 20th century, numerous people, private organizations, and government agencies promoted segregation because of straightforward racism. Presidents Wilson and Hoover were outspoken racists and actively promoted white **homeownership** so that white people could separate themselves from African Americans, whom Hoover said had "ignorant racial habit[s]" from which white people needed "protection." Similarly, violent white mobs that attacked integrating middle-class African American families—as well as the police officers who defended and joined these mobs—were clearly motivated by hatred toward black people. Even churches frequently appealed to racist stereotypes and "'master race' theory" to justify opposing integration. In all these cases, white supremacist beliefs and racist hatred were white people's primary motivation for pursuing racist housing policies that specifically discriminated against African Americans.

In addition to those who were outwardly racist, however, many people and companies furthered residential segregation because it was in their economic interests to do so—not because they necessarily cared about who lived where. For decades, the Federal Housing Administration (FHA) refused to insure mortgages for black homebuyers, which essentially blocked African Americans from obtaining the financing necessary to buy single-family homes in suburban areas. But the FHA's justification was not explicitly racist: it was *economic*. The FHA believed that African American neighbors would lower the value of white people's houses and painted its refusal to extend credit to black people as part of an attempt to protect white homebuyers' investments. While real estate agents might not have been personally prejudiced against African Americans (although many certainly were), virtually all of them went along with the FHA's requirements because it was in their best interests: an agent who sold to African Americans would have their career destroyed. Similarly, construction companies were happy to make money by constructing new suburbs—regardless of whether those suburbs had to be segregated.

The common practice of "blockbusting" shows even more clearly how the real estate industry's racism was driven by profit. "Blockbusters" profited by convincing white families that African Americans were moving into their neighborhoods, then

buying those families' homes for cheap and selling them to African Americans for above-market rates. Clearly, blockbusters were happy to do business with both white and black people, and did not particularly care about a neighborhood's racial composition. Rather, they supported the FHA's segregationist rules precisely *because* this injustice was what allowed them to profit extravagantly. Ironically, the FHA's belief that black neighbors reduced the cost of white people's houses was only true *because* blockbusters bought up white people's homes for less than they were worth. The FHA's logic was circular: because white people feared that their property prices would drop, they sold for cheap to blockbusters, and these sales are what actually made their property prices drop—until middle-class black residents moved in and made home prices skyrocket. In short, while the FHA used economic reasoning to justify its racist policy, in fact racist policy *caused* the economic effects it observed. By disguising racist discrimination as smart economics, the FHA made it seem legally and morally acceptable. And by giving the real estate industry clear financial incentives to discriminate, the FHA essentially institutionalized segregation and racism in American housing.

Despite knowing that it was wrong and illegal, people acting in official capacities also frequently endorsed segregation, usually because fighting it would have hurt their political careers. For instance, the benefits of President Franklin Roosevelt's New Deal were almost exclusively reserved for white people because Roosevelt needed the support of racist Southern Democrats to get them passed in Congress. Throughout his career, in fact, Roosevelt sacrificed protections for African Americans in order to secure them for white people, because he perceived the cost of securing racial equality as too high. Similarly, even today, government agencies almost always construct industrial plants and public housing projects in primarily poor and black neighborhoods, not because they want to further disadvantage those populations, but simply because white suburban neighborhoods would veto such construction, while urban black neighborhoods lack the political power to do so. Again, these government agents' refusal to take a politically costly stand for equality ultimately contributes to segregation, regardless of their underlying motivations.

Ultimately, Rothstein's book demonstrates how self-interested individual actions with no clear racial motive can still add up to a racist system. Many people involved in perpetuating segregation—from white homeowners who believe discriminating against African Americans is in their family's best economic interest, to policymakers willing to sacrifice racial equality to get important legislation passed—may disagree with the system in theory, but eagerly perpetuate it in practice. In fact, this is why Rothstein prefers to use "liberal and inclusive" enclaves like the San Francisco Bay Area or

Cambridge, Massachusetts as his examples of segregation: these places show not only the pervasiveness of *de jure* segregation, but also the way that well-meaning liberals who may not consider themselves racists end up perpetuating discrimination when their self-interest differs from the demands of racial equality. The implication, then, is clear: because racism is systemic in the United States, inaction is equivalent to complicity.



## SEPARATION OF POWERS, LEGAL ACTIVISM, AND MINORITY RIGHTS

In his Preface to *The Color of Law*, Richard Rothstein notes that the U.S. government only truly began addressing *de jure* (legally-mandated) segregation in 1968, with the Fair Housing Act, even though it had already been ostensibly illegal for more than a century, since the ratification of the Fifth and Fourteenth Amendments (which require “equal protection” for all people by federal and state governments, respectively). Why did it take so long for the American government to begin following its own Constitution? Having antidiscrimination laws on the books, Rothstein emphasizes, does not mean discrimination will not occur, whether by private individuals, corporations, or the government itself. In fact, Rothstein shows how the American system of government is both stronger and weaker because of its separation of powers: the executive branch can essentially ignore laws unless it is stopped by the courts, which usually only act after the discriminatory deed is done, and so can seldom reverse unconstitutional executive action. Rather, to truly undo residential segregation and protect the rights of African Americans and other minority groups, legislation must be passed with the support of public opinion: this is the only way to keep government constitutional and protect minority groups’ rights in the United States.

Throughout the 20th century, the executive branch and local governments strayed widely from the law, and were only reined in by the courts—and only to a limited extent. Zoning laws are an excellent example of this process. Even though the Fourteenth Amendment banned cities from subjecting different racial groups to different laws, not only was pervasive legal segregation widespread in the South for nearly a century after the end of Reconstruction, but cities like Baltimore, Louisville, and Atlanta passed explicitly racial zoning ordinances that reserved certain blocks or neighborhoods for only white or black residents. Until the 1960s, the Fourteenth Amendment was an ideal seldom reflected by reality—precisely because local governments and the executive branch of the federal government decided against implementing it. In the 1917 case *Buchanan v. Warley*, the Supreme Court decided that Louisville’s block-by-block segregated zoning policy was unconstitutional—but it was too late, as the policy had essentially already been put into place. Similarly, the Atlanta

city government continued using a segregated neighborhood map “for decades” after the Supreme Court deemed it unconstitutional. Other cities also found ways to racially segregate themselves without violating the Supreme Court’s specific ruling—most commonly, they implemented zoning laws that prevented the construction of apartment buildings in white suburban neighborhoods. All these examples show how, when told by the Supreme Court that their laws were unconstitutional, local governments sought ways to technically follow the Court’s orders but continue violating the Constitution’s *intent*. Something similar happened with the Federal Housing Administration (FHA) after the Supreme Court ruled restrictive covenants—paragraphs in property deeds that prohibited a house from being sold to nonwhite people—to be unconstitutional in the 1948 case *Shelley v. Kraemer*. In response, the FHA exhibited “massive resistance” to the Court’s decision and openly flouted the ruling by continuing to support restrictive covenants. Even though the Court determined these covenants unconstitutional *because* they were racist, the director of the FHA publicly announced that he was looking for a new, “objective” way to ban people from getting mortgages “because of race.”

These examples show why, although the court system can rein in executive agencies and local governments when they stray too far from what is constitutionally permitted, judicial action is not enough to actually reverse segregation. Rather, this requires action by the legislative branch. In many cases where the Supreme Court does intervene, Rothstein notes, it is already “too late” to stop segregation: people have already moved into segregated housing in segregated neighborhoods, and the Court’s decision serves only as a footnote, marking what has happened as unconstitutional. For instance, in Miami, the Court did not stop discrimination in Section 8 vouchers until 1998, several decades after this discrimination began. Similarly, near San Francisco after World War II, the California Supreme Court did not rule on behalf of illegally-fired African American shipyard workers until “the shipyards [had] shut down.” This is a constant pattern: because the damage of segregation is already done and embedded into the American urban landscape, Rothstein argues, it is too late to “provide adequate justice” for the damages caused. This does not mean that it is not worth trying to reverse segregation—only that stopping *future* segregation through the courts does nothing to repair the harms caused by *past* segregation. Rather, Rothstein concludes that truly reversing segregation—to whatever extent this is possible—“will require a national political consensus that leads to legislation.” In other words, the public needs to pressure Congress to take affirmative and definitive steps toward integrating American cities.

In addition to providing a detailed history of 20th-century housing segregation, then, *The Color of Law* also addresses two important questions about the nature of government. First,

how can a government be forced to follow its own rules? And secondly, how can a democratic system ensure that it protects the rights of its minorities? However, Rothstein does not provide definitive answers to either of these questions: he notes that the judiciary's purpose is to resolve these problems and to defend the rights of minorities by keeping executive agencies and lower-level (state and local) governments within the bounds of the laws that protect them. But the courts do not always succeed in doing this, and are often too slow to effect the necessary change, which means that the majority are often able to trample on the rights of minorities (and especially those of African Americans). Ultimately, Rothstein's attention to the wide gap between the American government's laws and its actions leads him to call for "the American community" as a whole to take collective responsibility for its crimes against African Americans, historical and present, and pressure Congress to integrate American cities through legislation. While the government will never function perfectly, it is citizens' responsibility to push it toward constant improvement.

Homeownership therefore represents the dream of middle-class life, but also the way this dream was systematically and deliberately denied to African Americans through discriminatory, de jure segregationist policy. Now, since home prices have risen much faster than wages since 1970, homeownership is increasingly out of reach for most poor and working-class Americans. In fact, the cultural premium placed on homeownership is actually exploited in order to *prevent* African Americans from ever owning a home through reverse redlining: banks conduct government-approved bait-and-switch campaigns, using the promise of homeownership to lure African Americans into taking out subprime loans on which they are likely to default.



## QUOTES

Note: all page numbers for the quotes below refer to the Liveright edition of *The Color of Law* published in 2017.

### Preface Quotes

☝☝ *De facto* segregation, we tell ourselves, has various causes. When African Americans moved into a neighborhood like Ferguson, a few racially prejudiced white families decided to leave, and then as the number of black families grew, the neighborhood deteriorated, and "white flight" followed. Real estate agents steered whites away from black neighborhoods, and blacks away from white ones. Banks discriminated with "redlining," refusing to give mortgages to African Americans or extracting unusually severe terms from them with subprime loans. African Americans haven't generally gotten the educations that would enable them to earn sufficient incomes to live in white suburbs, and, as a result, many remain concentrated in urban neighborhoods. Besides, black families prefer to live with one another.

All this has some truth, but it remains a small part of the truth, submerged by a far more important one: until the last quarter of the twentieth century, racially explicit policies of federal, state, and local governments defined where whites and African Americans should live. [...] Segregation by intentional government action is not *de facto*. Rather, it is what courts call *de jure*: segregation by law and public policy.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**  

**Page Number:** vii-viii

### Explanation and Analysis

Rothstein begins his Preface by outlining the thesis of his



## SYMBOLS

Symbols appear in **teal text** throughout the Summary and Analysis sections of this LitChart.



### HOMEOWNERSHIP

Since the 20th century, owning a home has been the most reliable path to and indicator of middle-class status in the United States. Even now, "equity that families have in their homes is the main source of wealth for middle-class Americans," and for this American middle class, buying a suburban home is a symbolic rite of passage and evidence of having achieved the so-called "American Dream."

But Rothstein shows how this ideal of homeownership is also predicated on exclusion: during the 20th century, white people moved to the suburbs *precisely because* African Americans could not. Presidents Wilson and Hoover were the first to push Americans toward homeownership, which they presented as a way for white people both to fulfill their "patriotic duty" to fight communism by owning private property, and to "avoid 'racial strife'" by living in segregated, all-white enclaves far from minority groups. For the next century, homeownership became a signifier of inequality, as it was federal, state, and local governments' primary weapon in their bitter campaign to segregate America. By denying black Americans access to homeownership and the financing necessary to achieve it through redlining, the government ensured that homeownership rates and household wealth among white families would remain significantly higher than among black ones.

book: residential segregation in the United States is *de jure*, not *de facto*. The mistaken belief that American segregation is the *de facto* product of private choices is not only widespread to the point of being standard—it is also deeply dangerous, because it leads citizens and policymakers alike to reject solutions that involve active steps toward integration. If the government did not force people to segregate themselves, this thinking goes, then it cannot force them to integrate, either.

The problem is that the government *did* forcibly segregate American cities, which means it *does* have an obligation to integrate them, in order to provide equal protections and services to all Americans. All the factors Rothstein cites in this passage were very real, but none of them were the products of private choices: “white flight” was a widespread phenomenon, but it occurred when the government incentivized white families to move to the suburbs by offering them loans that were not available to African American people; redlining by banks and real estate agents consistently kept African American people out of suburbs, but was legally mandated by the federal government; and African American people do have lower levels of education, income, and household wealth than white Americans—but this, too, is a direct result of policies that purposefully prevented black people from accessing these advantages.

☛ By failing to recognize that we now live with the severe, enduring effects of *de jure* segregation, we avoid confronting our constitutional obligation to reverse it. If I am right that we continue to have *de jure* segregation, then desegregation is not just a desirable policy; it is a constitutional as well as a moral obligation that we are required to fulfill.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**  

**Page Number:** xi

### Explanation and Analysis

After introducing his central argument in *The Color of Law*—that residential racial segregation in the United States is *de jure*, not *de facto*—Richard Rothstein emphasizes the weighty implications of rethinking the issue as he does. Specifically, if Americans accept the convincing evidence that their government has intentionally, systematically, and unconstitutionally discriminated against African American people in housing markets and policies throughout the 20th century—and, to a lesser extent, continues to do so

today—the inescapable conclusion is that the government must right its wrongs and undo the damage it has created. Even if segregation is only *de facto*, there is little question that integration would be a better and more just state of affairs, which the government should pursue. But if segregation is *de jure*, then the government is *obligated* to pursue integration in order to try and remedy the unjust harms it has caused African American people. If segregation is *de facto*, then it is fine, in theory, for the government to do nothing. But if it is *de jure*, failing to act means sustaining and upholding the violation of citizens’ constitutional rights. Because it carries the sense of moral *obligation*, the conclusion that segregation is *de jure* implies that the courts must uphold strong government action aimed at promoting integration, even in many cases when it appears to violate the individual rights of certain people who have benefited from segregation in the past.

☛ Half a century ago, the truth of *de jure* segregation was well known, but since then we have suppressed our historical memory and soothed ourselves into believing that it all happened by accident or by misguided private prejudice. Popularized by Supreme Court majorities from the 1970s to the present, the *de facto* segregation myth has now been adopted by conventional opinion, liberal and conservative alike.

**Related Characters:** Richard Rothstein (speaker), The Supreme Court

**Related Themes:**   

**Page Number:** xii

### Explanation and Analysis

Whereas Americans like to narrate their country’s history as a story of continuous progress and gradual enlightenment, throughout *The Color of Law* Richard Rothstein points out that, in many respects, the United States continues moving *backwards* when it comes to issues of housing segregation. For instance, many American cities were more integrated in the 1870s than they are today, and until the 1970s it was both widely known and widely accepted that the government mandated American cities segregated, *de jure*. Many white people took no issue with this at the time, but now most Americans agree on the injustice of systematic racial discrimination. However, just as many seem to erroneously believe that American cities are only segregated *de facto*, because of individual choices that are completely independent of government or legal

involvement.

How and why can the origins of American segregation be forgotten in a single generation, not only by the public but even by the Supreme Court? Rothstein offers a number of possible explanations. As he says here, the myth “soothe[s]” privileged people with a moral compass: it is easier to believe that a large number of families, whether acting out of racist sentiments or out of what they erroneously believed to be self-interest, independently moved to the suburbs. This makes white racism, not the government, the arch-enemy (although, in reality, it’s both). The problem is that one of these is much harder to stop than the other: if the government is responsible for segregation, the obvious solution is to change policy, but if the problem is simply racist individuals, then the path forward is much less clear. In this way, the myth of *de facto* segregation serves the government by justifying its inaction and serves the white middle and upper classes by suggesting that they can do nothing, and ought to do nothing, to undo segregation and help create a more equitable balance of income, wealth, and opportunity in the United States. This new myth of *de facto* segregation is, in short, a way of obscuring history in order to blame the victim for the crime.

Over the past few decades, we have developed euphemisms to help us forget how we, as a nation, have segregated African American citizens. We have become embarrassed about saying ghetto, a word that accurately describes a neighborhood where government has not only concentrated a minority but established barriers to its exit. We don’t hesitate to acknowledge that Jews in Eastern Europe were forced to live in ghettos where opportunity was limited and leaving was difficult or impossible. Yet when we encounter similar neighborhoods in this country, we now delicately refer to them as the inner city, yet everyone knows what we mean. (When affluent whites gentrify the same geographic areas, we don’t characterize those whites as inner city families.)

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**   

**Page Number:** xvi

### Explanation and Analysis

Just as white middle-class liberals who consider themselves not to be racists are likely to believe in the comforting myth of *de facto* segregation, many Americans—but most of all white liberals—fixate on the specific terms they use to refer to African American people, as though the right word would

undo historical injustices. Rothstein, who is himself a white liberal, by no means denies the importance of language in shaping people’s perceptions of and attitudes toward others—and, of course, he considers it essential to talk about African American people with respect. But he also thinks that many white people use respectful language as a substitute for meaningful action, or even as a distraction from, or an excuse to ignore, the way they themselves contribute to segregation and inequality. (A classic example is middle-class white professionals who claim to love and respect African American culture, while displacing black people from their neighborhoods through gentrification.)

In contrast to this dominant tendency towards vague, foggy, feel-good language that covers up the depth of the historical injustices that white Americans have committed against their nonwhite fellow Americans, Rothstein insists on speaking clearly and using terms in their proper technical sense. While the word “ghetto” is often considered derogatory because it is associated with poverty, crime, and urban blight, Rothstein reminds the reader of its original meaning. In this passage, he explains that, in a technical sense, many urban neighborhoods with predominantly African American populations are *literally* ghettos, because they have been created by the government to house a minority group in substandard conditions. While the word “inner city” sounds less harsh and has fewer negative connotations, Rothstein’s point is that words like “ghetto” take on a negative connotation precisely because of the racism in American society and the government’s centuries-long campaign of discrimination against African American people. So if using words like “inner city” is a way to erase the history of segregation, confronting uglier words like “ghetto” is a way of acknowledging and committing to reversing it.

## Chapter 1 Quotes

Within six years the population of East Palo Alto was 82 percent black. Conditions deteriorated as African Americans who had been excluded from other neighborhoods doubled up in single-family homes. Their East Palo Alto houses had been priced so much higher than similar properties for whites that the owners had difficulty making payments without additional rental income. Federal and state housing policy had created a slum in East Palo Alto.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**   

**Page Number:** 13

### Explanation and Analysis

In his first chapter, Rothstein focuses on demographic changes in the San Francisco Bay Area during and after World War II. Although the area's African American population exploded during this period as a result of the job opportunities provided by the wartime manufacturing industry, the local and federal governments carefully segregated the region to ensure that white and black residents did not live in the same places. Specifically, African American people were confined to a limited number of overcrowded, underserved areas like Richmond, while everything else turned into suburbs that, following government regulations, were only open to whites.

This state of affairs—an acute shortage of housing for African American people but an abundance of high-quality housing options for white Americans, as a direct result of government-mandated segregation—was common virtually everywhere in the United States throughout the 20th century. It also had a number of devastating effects on African American people: because of the lack of supply, black renters and homebuyers paid significantly more than white ones for the same quality property; black neighborhoods became overcrowded, both because of this lack of supply and because the high price of housing often forced multiple families into a single home; and when African American people first managed to get a foothold in a given neighborhood, it tended to become majority-black in just a few years, with the help of the profiteers known as “blockbusters,” who preyed on whites’ racism to convince them to sell their houses for cheap, and then took advantage of the scarcity of housing for African American people by reselling the same houses to them at much higher prices.

This is what happened in East Palo Alto from 1954 to 1960: white people moved out rapidly, the neighborhood became overcrowded because landlords exploited the new African American residents (who had few other places to go), and then the government started reassigning resources elsewhere, leading the quality of public services and education in East Palo Alto to drop precipitously in just a few years. While many Americans blame black people themselves, whether individually or collectively, for the state of such ghetto neighborhoods, Rothstein shows how the government *deliberately* degraded and impoverished these neighborhoods *after* middle-class African American people had already moved there. In other words, the market and the government alike racially discriminated against African American people by deliberately turning black neighborhoods into slums.

### Chapter 2 Quotes

☞ The biracial character of many neighborhoods presented opportunities for different futures than the segregated ones that now seem so unexceptional. Yet those opportunities were never seized.

**Related Characters:** Richard Rothstein (speaker), Franklin Delano Roosevelt

**Page Number:** 24

### Explanation and Analysis

In Chapter Two, Richard Rothstein looks at one of the most heavy-handed techniques that governments at all levels (federal, state, and local) used to segregate American cities: the construction of public housing. Essentially, the federal government began supporting the construction of public housing on a large scale during President Roosevelt’s “New Deal,” but from these earliest days it mandated that all such housing be segregated—designated all-white or all-black—and built in a neighborhood whose majority was of that same race. By following this so-called “neighborhood composition rule,” the government not only further segregated homogeneous neighborhoods rather than integrating them; it also deliberately targeted integrated neighborhoods for demolition and built segregated housing projects to replace them. Therefore, this policy not only passively supported segregation as a matter of course—say, to avoid political controversy. Rather, it *actively* imposed segregation on places that were not yet segregated, and this is what Rothstein laments in this passage. He points out that the government has immense power to shape the human geography of American cities through tools like the construction of public housing—and, in theory, it could use this power in either direction, to integrate as well as to segregate. But, in practice, it has virtually always chosen to segregate. By pointing out that things could have been otherwise, and that the same planning tools the state has used to implement segregation can also be used to reverse it, Rothstein points the way forward for activists interested in advancing integration and racial equity in the United States.

●● The director of the Federal Housing Administration supported Tenerowicz, stating that the presence of African Americans in the area would threaten property values of nearby residents. Foreman was forced to resign. The Federal Works Agency then proposed a different project for African Americans on a plot that the Detroit Housing Commission recommended, in an industrial area deemed unsuitable for whites. It soon became apparent that this site, too, would provoke protests because it was not far enough away from a white neighborhood. First Lady Eleanor Roosevelt protested to the president. The FWA again reversed course and assigned African Americans to the Sojourner Truth project. Whites in the neighborhood rioted, leading to one hundred arrests (all but three were African Americans) and thirty-eight hospitalizations (all but five were African Americans).

**Related Characters:** Richard Rothstein (speaker), Franklin Delano Roosevelt

**Related Themes:**    

**Page Number:** 26-7

### Explanation and Analysis

This shocking turn of events demonstrates how deeply entrenched racist ideology was in the federal government during the mid-20th century. When a white congressman (Tenerowicz) heard that a housing project for African American people was being planned for his district, he was so offended that he called the Federal Housing Administration and convinced it to put pressure on the Public Works Administration that was building the housing project to fire its director (Foreman). Astonishingly, this worked, and whole federal agencies were reshuffled because one congressperson could not stand to see his black constituents get apartments. From neighborhood residents to the First Lady herself, white people were so horrified at the prospect of having to live near African American people that they mobilized politically to get this new project built as far away as possible, and then took violent action (clearly with police support) to warn its prospective residents against integrating the neighborhood.

This story offers a representative, if demoralizing, picture of how smaller-scale prejudice and discrimination added together to make finding decent housing virtually impossible for African American people. Although it was nowhere written in the law that they could not get public housing, virtually all the white people in this story were willing to use whatever informal power and authority they had to fight virulently against something they knew to be legal.

These white racists pretended their reasoning was economic, but this had absolutely no basis in fact. The FHA made the same argument: for decades, its justification for systematically discriminating against African American people was its attempt to preserve the value of white people's homes—it did not care about the value of anyone else's homes or the overall distribution of wealth, but specifically about preserving the financial advantages of white property holders. As if this were not already absurd enough, the FHA turned out to be completely wrong about what actually happens when African American people move into a white neighborhood: because black homebuyers generally pay more for the same quality housing, white people's home values actually go *up* over time (as long as they do not sell out to blockbusters).

●● The waffling of San Francisco's elected leaders and housing administrators about whether to segregate public projects, like similar waffling in Boston and elsewhere, makes sense only if these officials knew that the segregation they imposed was wrong, if not unconstitutional.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**   

**Page Number:** 29

### Explanation and Analysis

Although it has long been recognized as one of the most progressive and diverse cities in the United States, San Francisco had at least its fair share of *de jure* segregation during the 20th century, especially in the period that followed World War II. Although some city officials consistently pushed for integration and plans often went back and forth, ultimately, the housing projects that actually got built in San Francisco were completely segregated, just like in the rest of the United States. Most were for white people (who already had more than enough housing), and the one project that was supposed to be integrated quickly became all-black, as all its white residents moved out as soon as possible. When one part of the city government finally mandated “nondiscriminatory” and “nonsegregat[ed]” housing, another part of it simply stopped building new housing.

While it is easy to see the inequity and discrimination in San Francisco's midcentury housing policy, Rothstein looks further and sees something else: a moral conscience. Namely, he notes that, while the policies that San Francisco

ultimately put in place were clearly examples of government-led *de jure* segregation, it was also obvious that the policymakers who implemented them recognized that they were wrong, both morally and legally. This helps explain their “waffling,” or inconsistent, back-and-forth decision making process: whether caught between conscience and racism, seeking a way to discriminate without explicitly violating the law, or simply looking for a way to obscure their true motives, San Francisco city planners clearly went back and forth on the question of whether to segregate public housing because they knew that this segregation would, one way or another, be wrong. This makes their decisions even more egregious: they explicitly chose to ignore the rights protected in the Constitution, and this shows how much of the history of residential segregation in the United States relied on the unfaithful or discriminatory *enforcement* of policies that were perfectly legal in theory.

●● In 1984, investigative reporters from the Dallas Morning News visited federally funded developments in forty-seven metropolitan areas. The reporters found that the nation’s nearly ten million public housing tenants were almost always segregated by race and that every predominantly white-occupied project had facilities, amenities, services, and maintenance that were superior to what was found in predominantly black-occupied projects.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:** 

**Page Number:** 35

### Explanation and Analysis

Some readers might occasionally wonder if it is possible to achieve social equality without integrating American cities, or even why Rothstein assumes that integration is always a good thing. While the famous doctrine of “separate but equal” is possible in theory, it has never happened, and probably will never happen, in practice in the United States. This is because white people have monopolized political and economic power since the nation’s beginning, while African American people have always had their human rights trampled upon. Accordingly, in American history, separate can never be equal—and segregation is a way of creating two, unequal social systems: one that applies to and systematically benefits white people, and another that provides inadequate resources and services to African

American people. The Dallas Morning News’s investigation provides undeniable evidence of this fact: when building its housing projects, the government not only *tended* to make conditions better for white than black residents—rather, it did so in *every* measurable instance. In order to fix this gap in the quality of life and services, jobs and income, education and infrastructure, and so on, the United States *must* integrate to the fullest possible extent, according to Rothstein, so that it does not allow the two-tiered social system to continue existing.

●● This policy change, mostly complete by the late 1960s, ensured that integrated public housing would cease to be possible. It transformed public housing into a warehousing system for the poor. The condition of public projects rapidly deteriorated, partly because housing authority maintenance workers and their families had to leave the buildings where they worked when their wages made them ineligible to live there, and partly because the loss of middle-class rents resulted in inadequate maintenance budgets. The federal government had required public housing to be made available only to families who needed substantial subsidies, while the same government declined to provide sufficient subsidies to make public housing a decent place to live. The loss of middle-class tenants also removed a constituency that had possessed the political strength to insist on adequate funds for their projects’ upkeep and amenities. As a result, the condition and then the reputation of public housing collapsed. By 1973 the changeover was mostly complete. President Richard Nixon announced that public housing should not be forced on white communities that didn’t want it, and he reported to Congress that many public housing projects were “monstrous, depressing places—rundown, overcrowded, crime-ridden.”

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**  

**Page Number:** 37

### Explanation and Analysis

At the beginning of his chapter on public housing, Rothstein notes that public housing’s true origins in the United States are very far from the images most commonly associated with it today: high-rise housing for the (largely African American) urban poor. Instead, at first, public housing was for the middle class, and it was not at all subsidized. But this all changed after World War II, due to the confluence of two main factors: the government divested drastically from public and social services (including housing), and the real

estate industry lobbied aggressively to stop the government from building any more housing that would compete with its own. Contemporary public housing was born out of this period and remains deeply segregated. While the government's original public housing was dignified, once it decided to shirk its responsibilities to provide equally for all citizens, it became content to let private companies take over the provision of decent housing and instead focus on building second-class housing for the poor.

## Chapter 3 Quotes

☛ In the wake of the 1917 *Buchanan* decision, the enthusiasm of federal officials for economic zoning that could also accomplish racial segregation grew rapidly.

**Related Characters:** Richard Rothstein (speaker), The Supreme Court

**Related Themes:**   

**Page Number:** 51

### Explanation and Analysis

In his third chapter, which focuses on the history of explicitly racist zoning laws in the United States, Rothstein notes that cities' first instinct was to simply designate certain areas for white people and certain areas for black people, and to prevent people who did not correspond to these designations from buying homes in the relevant areas. However, in the 1917 case *Buchanan v. Warley*, the Supreme Court decided that this practice, as implemented in Louisville, Kentucky, constituted unconstitutional discrimination. Notably, however, this was not because it ensured inferior housing for African Americans (although it did)—rather, the government's justification was that Louisville's policy discriminated against homeowners by restricting to whom they could sell their houses. Still, the *Buchanan* decision prevented local governments from explicitly using race to draw segregation maps (although many cities, like Atlanta, continued doing it anyway). Instead, local governments found a convenient alternative: because single-family homes were essentially only accessible to middle-class white people at the time, city governments decided to reserve huge areas for *only* single-family homes and prohibit the construction of apartment buildings in these neighborhoods. When combined with federal restrictions that denied mortgages to African American people, this policy effectively ensured that the

government could make certain neighborhoods all-white. This shift to other, less openly racist kinds of zoning laws reveals how government officials in the United States have consistently appealed to economic explanations and interests in order to hide the racial underpinnings of their policies. Similarly, the Federal Housing Administration claimed that its denial of mortgage insurance to African American people was based on economic necessity, and even though this argument was demonstrably false, it allowed the agency to continue discriminating systematically for decades.

This example also points to the challenges of relying on the courts to protect minority rights and ensure integration: namely, although court decisions can stop unconstitutional discrimination after it has already begun, they do little to prevent future discrimination, because agents of the government can simply find alternative justifications for imposing the same discriminatory policies. This, in part, is why Rothstein advocates for strong legislative action and political activism as the most effective ways to stop segregation.

☛ The frequent existence of polluting industry and toxic waste plants in African American communities, along with subdivided homes and rooming houses, contributed to giving African Americans the image of slum dwellers in the eyes of whites who lived in neighborhoods where integration might be a possibility. This, in turn, contributed to white flight when African Americans attempted to move to suburbs.

Zoning thus had two faces. One face, developed in part to evade a prohibition on racially explicit zoning, attempted to keep African Americans out of white neighborhoods by making it difficult for lower-income families, large numbers of whom were African Americans, to live in expensive white neighborhoods. The other attempted to protect white neighborhoods from deterioration by ensuring that few industrial or environmentally unsafe businesses could locate in them. Prohibited in this fashion, polluting industry had no option but to locate near African American residences. The first contributed to creation of exclusive white suburbs, the second to creation of urban African American slums.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**   

**Page Number:** 56-7

### Explanation and Analysis

One of the most common practices that American city governments use to promote segregation is selectively zoning certain neighborhoods—almost always African American ones—for “industrial” development or “toxic waste.” This ensures that these areas are less desirable and remain poor, but also, more importantly for city governments, keeps these undesirable kinds of development away from white suburbs. While it is understandable that nobody would want a toxic waste dump site built next to their house, ultimately white neighborhoods have the political power and social capital necessary to fight such construction, whereas poorer African American neighborhoods often do not. This practice results in a dangerous pattern: “polluting industry and toxic waste plants” are usually located in impoverished African American neighborhoods (to the point that this association is automatic in many Americans’ minds). This environmental racism not only explains the disproportionate rates of certain diseases like asthma in African American communities, Rothstein explains, but also “contribute[s] to giving African Americans the image of slum dwellers in the eyes of whites” and makes integration less desirable to them. In other words, environmentally racist zoning is both a product of and a contributor to segregation, and by concentrating negative health outcomes in African American areas, it perpetuates the white supremacist system of racial caste that has forced African Americans to live in consistently worse circumstances, with fewer rights and privileges, throughout American history.

associated with private companies like banks and real estate agencies. But Rothstein clarifies that this assumption is a mistake: in reality, the government not only invented redlining, but also forced it upon such private companies. Specifically, this happened in the 1930s, when President Roosevelt’s administration created the Home Owners’ Loan Corporation (HOLC) as part of the New Deal. The HOLC was supposed to help struggling homeowners obtain more reasonable mortgages, and it actually started the trend of offering amortized loans (ones in which homeowners pay off their houses over time, in addition to interest), which were responsible for the explosion in homeownership during the mid-20th century.

But there was also a dark side to the HOLC: it only offered these loans to white people. The HOLC created a systematic process to ensure that people it deemed risky and uncreditworthy could not get loans, and it decided that *all* African American people—regardless of their job, income level, or credit history—would be considered risky investments and so ineligible for loans. This practice gave birth to the term “redlining” because, as Rothstein explains here, in the maps it created to guide real estate agents, the HOLC colored all neighborhoods with African Americans as red (not creditworthy). This government policy set the stage for African Americans to be categorically excluded from federally-backed mortgages for several decades and is an important landmark in the history of American *de jure* segregation.

## Chapter 4 Quotes

☛☛ The HOLC created color-coded maps of every metropolitan area in the nation, with the safest neighborhoods colored green and the riskiest colored red. A neighborhood earned a red color if African Americans lived in it, even if it was a solid middle-class neighborhood of single-family homes.

**Related Characters:** Richard Rothstein (speaker), Franklin Delano Roosevelt

**Related Themes:**  

**Related Symbols:** 

**Page Number:** 64

### Explanation and Analysis

In most Americans’ minds, redlining—the deliberate refusal of financial services to ethnic minorities and people who live in ethnic minority neighborhoods—is most commonly

## Chapter 5 Quotes

☛☛ The Supreme Court decision in *Shelley v. Kraemer*, banning court enforcement of restrictive covenants, had been unanimous, 6-0. Three of the nine justices excused themselves from participating because their objectivity might have been challenged—there were racial restrictions covering the homes in which they lived.

**Related Characters:** Richard Rothstein (speaker), The Supreme Court

**Related Themes:**  

**Page Number:** 91

### Explanation and Analysis

Rothstein focuses his fifth chapter on restrictive covenants, which were racially explicit clauses inserted into property deeds that prohibited anyone nonwhite—except “domestic servants”—from ever purchasing or living in a house. Although their legality was dubious, these contracts were

incredibly popular, and government agencies and the real estate industry eagerly promoted them to white homeowners.

In the 1948 case *Shelley v. Kraemer*, the Supreme Court agreed that this practice was unconstitutional—specifically, the covenants themselves were not unconstitutional, since they were only private agreements among private individuals, but it would constitute unequal protection of the laws and violate the Fourteenth Amendment if the government were to step in to enforce restrictive covenants. However, Rothstein notes that the trial was only presided over by six of the nine Supreme Court justices because three had “racial restrictions covering the homes in which they lived.” This demonstrates not only how widespread such restrictive covenants were, but also how central racism and racially discriminatory policies are to institutions and structures of power in the United States.

As with the *Buchanan v. Warley* decision and so many others, although the Supreme Court recognized the unconstitutionality of discrimination in this case, its decision unfortunately had almost zero impact on segregation in the future: homeowners, builders, real estate agents, and neighborhood associations continued writing restrictive covenants into house deeds, and all these same actors, in addition to religious organizations and the federal government, aggressively lobbied for more and more of them. The court did its job, but this was not enough to stop future discrimination, precisely because government agencies took great care to avoid crossing the fine line set by the Court. So discrimination continued, *de jure*, producing the same effects through slightly different methods.

## Chapter 6 Quotes

☛ The full cycle went like this: when a neighborhood first integrated, property values increased because of African Americans’ need to pay higher prices for homes than whites. But then property values fell once speculators had panicked enough white homeowners into selling at deep discounts. Falling sale prices in neighborhoods where blockbusters created white panic was deemed as proof by the FHA that property values would decline if African Americans moved in. But if the agency had not adopted a discriminatory and unconstitutional racial policy, African Americans would have been able, like whites, to locate throughout metropolitan areas rather than attempting to establish presence in only a few blockbusted communities, and speculators would not have been able to prey on white fears that their neighborhoods would soon turn from all white to all black.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**   

**Related Symbols:** 

**Page Number:** 96

### Explanation and Analysis

In this chapter, Rothstein addresses the myth that the Federal Housing Association, banks that worked with it, and many white homeowners maintained about their reasons for discriminating against African American people: that when black people move into a neighborhood, property values in that neighborhood begin to fall. In reality, this could not be further from the truth: because African American people consistently have fewer housing options than white Americans, they nearly always pay more for housing of the same quality. This means that when they begin integrating a neighborhood, they likely pay more than homes are actually worth—and housing prices in the area go up. While this excuse demonstrates how white people tend to conveniently replace racial explanations of discrimination with economic ones, to give their actions the appearance of legitimacy, it also reveals how, in the American housing market, racism is largely what determines prices in the first place.

In this quote, Rothstein summarizes the practice of blockbusting: white real estate agents and investors would create racist panic in white communities, often by paying African Americans to walk around a neighborhood or pose as potential homebuyers, and then exploit this panic to convince white people that they needed to sell their houses as soon as possible—lest their property values fall. Because whole white neighborhoods could sell out to blockbusters in a matter of months, property values appeared to fall, which led credence to the blockbusters’ initial pitch. But when blockbusters turned around and sold those same houses to black homebuyers, they made huge profits because, again, African American people paid extra because the supply of available housing for them was limited. These blockbusters therefore profited at once from white people’s racism towards black people, white people’s fears about their homes losing value, and the actual racial dynamics of the housing market, which were that black people would pay more for houses because of segregation. Whether or not they were racists themselves, blockbusters were certainly delighted to see racism lining their pockets, and their successes demonstrate how discrimination and the economics of real estate are inextricably intertwined in America.

## Chapter 7 Quotes

☛☛ The consequences of racially targeted subprime lending continue to accumulate. As the housing bubble collapsed, African American homeownership rates fell much more than white rates. Families no longer qualify for conventional mortgages if they previously defaulted when they were unable to make exorbitant loan payments; for these families, the contract buying system of the 1960s is now making its return. Some of the same firms that exploited African Americans in the subprime crisis are now reselling foreclosed properties to low- and moderate-income households at high interest rates, with high down payments, with no equity accumulated until the contract period has ended, and with eviction possible after a single missed payment.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**    

**Related Symbols:** 

**Page Number:** 113

### Explanation and Analysis

Although Rothstein's book focuses on discrimination during the 20th century, he emphasizes that this discrimination is far from over: obtaining quality housing remains much more difficult for African American people than for white Americans in the 21st century, and *de jure* segregation is alive and well. The 1968 Fair Housing Act made huge strides toward stopping discrimination, but did not do nearly enough to stop *segregation* or to prevent government agencies, private institutions like banks, and the real estate industry from finding technically-legal ways to continue systematically discriminating against African American people and, in many cases, profiting from that discrimination.

The phenomenon of reverse redlining offers a clear example of this. While “redlining” refers to governments and corporations selectively denying home financing and public services to African American neighborhoods, “reverse redlining” refers to how certain government agencies and banks selectively *target* African American people with bogus services like predatory loans, in order to make a profit. This phenomenon was largely responsible for the collapse of the American housing market in 2008: banks gave low-income people—disproportionately African American people—mortgages despite knowing that these borrowers could not afford them. In many cases, these loans had low interest rates at first, but sky-high ones after a while. Because borrowers could not pay once the interest rates

rose, and could not get a new loan because their houses did not increase in value as much as they had anticipated, many defaulted—or failed to repay—which led banks to foreclose on their homes. When the housing market collapsed, more and more people started falling into this trap and losing their homes.

The recent history of reverse redlining shows not only how financial institutions continue to specifically discriminate against African American people in order to make a profit from cheating them, but also how the government knew about this unconstitutionally discriminatory process—including the fact that it was specifically targeted based on race—but explicitly agreed to let it continue, which makes reverse redlining a *de jure* policy. Even worse, while virtually none of the banks responsible for reverse redlining met serious consequences for their actions, many of the black homeowners they defrauded did: now, they are forced into the even more predatory system of contract buying, in which losing their homes is even easier. Together, these catastrophic events show both the long-term effects of the government denying equitable home financing to African American people (and supporting discriminatory home financing by banks), and the need for greater, racially equitable and pro-integration government regulations over home financing.

## Chapter 8 Quotes

☛☛ The Milpitas story illustrates the extraordinary creativity that government officials at all levels displayed when they were motivated to prevent the movement of African Americans into white neighborhoods. It wasn't only the large-scale federal programs of public housing and mortgage finance that created *de jure* segregation. Hundreds, if not thousands of smaller acts of government contributed. They included petty actions like denial of access to public utilities; determining, once African Americans wanted to build, that their property was, after all, needed for parkland; or discovering that a road leading to African American homes was “private.” They included routing interstate highways to create racial boundaries or to shift the residential placement of African American families. And they included choosing school sites to force families to move to segregated neighborhoods if they wanted education for their children.

Taken in isolation, we can easily dismiss such devices as aberrations. But when we consider them as a whole, we can see that they were part of a national system by which state and local government supplemented federal efforts to maintain the status of African Americans as a lower caste, with housing segregation preserving the badges and incidents of slavery.

**Related Characters:** Richard Rothstein (speaker), David Bohannon

**Related Themes:**    

**Page Number:** 122

### Explanation and Analysis

When a Quaker religious group tried to sponsor the construction of an integrated suburb for Ford Motor workers in Milpitas, California, it met an incredible amount of resistance from both private individuals (like builders, landowners, and a rival property developer named David Bohannon) and the local government itself. As a result of these opponents' years of obstruction, when the integrated Sunnyhills neighborhood was finally built, it was too late for it to be truly integrated (most of the prospective white homebuyers had already given up and moved elsewhere) and too expensive for black Ford employees to afford (due to the cost of overcoming all the delays).

These events shows how numerous smaller-scale instances of discrimination add together to create a legally sponsored discriminatory *system* that denies African American people their constitutional right to equal protection under the law. This is why Rothstein says that separately, these actions do not necessarily seem unconstitutional, but together, they are clearly systematic and illegal. He specifically talks about *caste* and the legacy of *slavery* because these point to the enduring effects of this discrimination, which—as an overall system—sustains the deep racial inequality in American society. Even if none of the individual cogs in the machine hopes to prevent African American people from attaining legal equality, the machine as a whole does so quite effectively. This obviously violates the constitution, as Congress has interpreted the Thirteenth Amendment to ban things that “preserv[e] the badges and incidents of slavery,” which Rothstein carefully points out by using this same phrase. Responding to the individual pieces of discrimination separately, through the courts, will never change the machinery as a whole—this requires a Congressional push for definitive pro-integration policy.

## Chapter 9 Quotes

☝ “N\_\_\_\_\_ have moved into Levittown!”

**Related Characters:** Vince Mereday, Robert Mereday, Bill Myers

**Related Themes:**   

**Related Symbols:** 

**Page Number:** 141

### Explanation and Analysis

When Bill Myers, a black middle-class World War II veteran, moved his family into the New York suburb of Levittown—which was built for World War II veterans, but only white ones—the local postman started yelling this phrase, racial slur and all, as he made his rounds of the neighborhood. Soon, an angry mob formed on Myers's doorstep, and even after it disbanded, Myers eventually left because he was frequently threatened in Levittown.

The postman's message demonstrates the extraordinary degree of casual racism among white people in the 1950s and illustrates how it had immediate, profound effects—although any individual white person's racism would not have necessarily made Levittown a hostile environment for the Myers family, the fact that white neighbors quickly organized to voice their hate clearly did. The postman's words also show the fine line between informal and formal racism: Rothstein notes that the postman was a federal employee, on the job, and should have been punished for using a racial slur. Although this was not *de jure* racism because it was only the action of a single government agent, the postman's superiors refused to discipline him, which *does* constitute the law *supporting* racism.

☝☝ State-sponsored violence was a means, along with many others, by which all levels of government maintained segregation in Louisville and elsewhere. The Wades and Marshalls were only two middle-class families confronted with hostile state power when they tried to cross the residential color line. How many other middle-class African Americans in Louisville were intimidated from attempting to live in neighborhoods of their own choosing after hearing of the Wade and Marshall experiences? Did the next generation imbibe a fear of integration from their parents? How long do the memories of such events last? How long do they continue to intimidate?

**Related Characters:** Richard Rothstein (speaker), Wilbur Gary, Bill Myers

**Related Themes:**  

**Page Number:** 151

**Explanation and Analysis**

Rothstein acknowledges that his subject in this chapter—the angry, violent white mobs that formed on the lawns of integrating African American “pioneer” families, started riots in cities like Chicago whenever neighborhoods started to integrate, and burned down numerous African American families’ houses in the process—does not obviously constitute *de jure* segregation by American government, at least not at first glance. While it is clearly a hate crime, it is not clearly *de jure*, and it is not clearly *segregationist*, either. However, he emphasizes throughout the chapter (including in its title) that this violence was clearly *state-sponsored*, and that this state sponsorship constitutes *de jure* policy. Specifically, the government sponsored racist violence by refusing to stop it when it was clearly illegal, by actually participating in it firsthand, and by taking legal action against the black families who were the victims of mob violence, rather than the white men who caused it, even when their identities were known.

Rothstein also emphasizes that this state-sponsored violence constituted pro-segregation policy. It was a *policy* because it was not just individual police officers who sponsored the violence, but police departments as a whole, including supervisors and their legal superiors. And it was *segregationist* because it was intended to prevent integration not only by convincing individual families to leave their new houses, but also by creating a climate of fear among African American people who were hoping to improve their lots by leaving segregated neighborhoods and buying a house. Here, Rothstein emphasizes this intangible element of fear and the psychological incentives for segregation and barriers to understanding that it brought about.

**Chapter 10 Quotes**

☛☛ It is certainly true that one cause of segregation today is the inability of many African Americans to afford to live in middle-class communities. But segregation itself has had a high cost for African Americans, exacerbating their inability to save to purchase suburban homes. Income differences are only a superficial way to understand why we remain segregated. Racial policy in which government was inextricably involved created income disparities that ensure residential segregation, continuing to this day.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**   

**Related Symbols:** 

**Page Number:** 175

**Explanation and Analysis**

In this chapter, Rothstein explains that the most common element of the “*de facto* segregation myth”—the idea that African American people do not live in predominantly white suburban areas because they lack the income and wealth to buy single-family homes—is completely true, but just not *de facto*. Rather, the income and wealth gap between black and white Americans is the product of deliberate government policies stretching back to slavery. In fact, segregation is *itself* one of these impoverishing policies that reduces black wealth, and in this way it cyclically perpetuates itself: segregation worsens poverty, which worsens segregation.

Although Rothstein’s mission in this chapter is, in part, to explain the specific dynamics by means of which segregation entrenches poverty—it reduces educational and job opportunities, creates transportation issues for people who need to commute to other neighborhoods, and depresses the value of property (and increases the property taxes) in black neighborhoods—he also seeks to emphasize how shallow and misguided narratives about segregation are in general, because they are based on superficial information and judgments about people, rather than history. Many white people argue that African American people live in segregated neighborhoods because they are irresponsible or otherwise *unworthy* of the advantages that white people have, and this common racist trope is based not only on ignorance about the history of American society, but also on the white supremacist assumption that it is possible to assess and rank the value of different human beings. This argument’s function is to perpetuate segregationist policies and further entrench inequality by withdrawing resources and social services from the (disproportionately African American) people who are blamed for their own poverty.

## Chapter 11 Quotes

☛☛ As it has turned out, schools are more segregated today than they were forty years ago, but this is mostly because the neighborhoods in which schools are located are so segregated. In 1970, the typical African American student attended a school in which 32 percent of the students were white. By 2010, this exposure had fallen to 29 percent. It is because of neighborhood segregation that African American students are more segregated in schools in states like New York and Illinois than they are anywhere else. Throughout the country, not just in the South, busing of school-children was almost the only tool available to create integrated schools—because few children lived near enough to opposite-race peers for any other approach to be feasible. Were housing segregation not pervasive, school desegregation would have been more successful.

Yet unlike the progress we anticipated from other civil rights laws, we shouldn't have expected much to happen from a Fair Housing Act that allowed African Americans now to resettle in a white suburb. Moving from an urban apartment to a suburban home is incomparably more difficult than registering to vote, applying for a job, changing seats on a bus, sitting down in a restaurant, or even attending a neighborhood school.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**   

**Related Symbols:** 

**Page Number:** 179

**Explanation and Analysis**

Although Rothstein explains that the Fair Housing Act essentially outlawed racial discrimination in real estate in 1968, he notes that, even with *discrimination* illegal, *segregation* has not changed (and in some cases has gotten worse). This is because, although discrimination causes segregation, a *lack* of discrimination does not *reverse* segregation (or cause *integration*). Rather, affirmative policy action is necessary to integrate America, and this is precisely because housing is so fundamental to people's lives and is thus significantly harder to change than something like "registering to vote, applying for a job, changing seats on a bus, sitting down in a restaurant, or even attending a neighborhood school."

The example of housing segregation's influence on school segregation is not just a way of showing that residential segregation has a ripple effect and keeps in place many of

the injustices that the Civil Rights Movement was intended to stop; it is also Rothstein's original motive for writing this book. He was a historian of school segregation for many years, and he eventually realized that school segregation continues to worsen in the United States precisely because of residential segregation, which needs to be *reversed through policy* in order for justice to truly be served.

☛☛ The Fair Housing Act of 1968 prohibited future discrimination, but it was not primarily discrimination (although this still contributed) that kept African Americans out of most white suburbs after the law was passed. It was primarily unaffordability. The right that was unconstitutionally denied to African Americans in the late 1940s cannot be restored by passing a Fair Housing law that tells their descendants they can now buy homes in the suburbs, if only they can afford it. The advantage that FHA and VA loans gave the white lower-middle class in the 1940s and '50s has become permanent.

**Related Characters:** Richard Rothstein (speaker)

**Related Symbols:** 

**Page Number:** 183

**Explanation and Analysis**

In his penultimate chapter, Rothstein emphasizes the notion that simply *stopping* discriminatory policies does not *reverse* discrimination in all cases, and most of all with housing. Because the products of housing discrimination are built into the physical environment of the United States and affirmatively *integrating* housing requires allowing African American people to build wealth—something they have been systematically denied for centuries—something more than the cancellation of past policies is necessary. This is particularly crucial since the 1970s, when a series of privatization policies and changes in the global market ensured that virtually *nobody* in the American middle and working classes who does not already have a home can *truly* build wealth. As Rothstein explains here, now "unaffordability" is a more important factor than discrimination. Because of affirmative government action in the 1940s and 1950s, like advantageous loan conditions from the FHA and VA, at the time even returning World War II veterans with zero savings could buy homes, pay them off over time at reasonable rates, and leave some wealth for their children. As of the late 2010s and early 2020s, housing prices have continued to rise for half a

century, while wages for most Americans have stayed the same or decreased over the same period. In most cases, owning a house *two generations ago* is the only reliable way to build wealth in the United States, and since this has been largely impossible for many African American people, it remains very difficult for many to move into the middle class through homeownership.

●● Actions of government in housing cannot be neutral about segregation. They will either exacerbate or reverse it. Without taking care to do otherwise, exacerbation is more likely.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**  

**Page Number:** 190

### Explanation and Analysis

As he concludes his second-to-last chapter, Rothstein emphasizes his book's key implication for government policy: simply stopping housing discrimination will never be enough. Rather, policymakers and the citizen activists who support and inform them must pass affirmative measures to actively *integrate* American cities.

There are a number of reasons for this, but all revolve around the principle that segregation and inequality get worse unless the government actively intervenes to stop them. For example, American capitalism allows homeowners and the upper classes to continue growing their wealth through the appreciation in the value of their homes, while working class people who do not own homes are seldom able to build wealth over time. Moreover, property appreciates more slowly in African American neighborhoods (in part because wealthy buyers are more likely to be white and in part because decades of over-taxation, overcrowding, and selective neglect by the government have deteriorated the quality of housing in black neighborhoods), which further expands the racial wealth gap. In general, too, because government best hears the needs of those powerful enough to speak up, supposedly “race-neutral” policies ultimately continue to disproportionately serve the needs of white Americans and neglect those of black Americans, as the last half-century has shown.

## Chapter 12 Quotes

●● I hesitate to offer suggestions about desegregation policies and remedies because, imprecise and incomplete though they may be, remedies are inconceivable as long as citizens, whatever their political views, continue to accept the myth of *de facto* segregation. If segregation was created by accident or by undefined private prejudices, it is too easy to believe that it can only be reversed by accident or, in some mysterious way, by changes in people's hearts. But if we—the public and policy makers—acknowledge that the federal, state, and local governments segregated our metropolitan areas, we may open our minds to considering how those same federal, state, and local governments might adopt equally aggressive policies to desegregate.

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:** 

**Page Number:** 198

### Explanation and Analysis

Although Rothstein proposes a number of policy solutions to American *de jure* segregation in his final chapter, before doing so he explicitly notes that such policies are simply “inconceivable” until Americans learn their own history and give up “the myth of *de facto* segregation.” Then, they must “acknowledge” their collective responsibility for and obligation to reverse segregation. Just as movements against antiblack police violence and mass incarceration grew rapidly in the 2010s and began to have political effects by the end of the decade, Rothstein thinks that the United States needs a mass popular movement for integration, and this movement needs to be based on an accurate understanding of history. By making this point, he is not only putting forth a theory of how such political change gets made over time, but also justifying the purpose of his own book in particular, and the study of history in general.

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

[...]

With very rare exceptions, textbook after textbook adopts the same mythology. If middle and high school students are being taught a false history, is it any wonder that they come to believe that African Americans are segregated only because they don't want to marry or because they prefer to live only among themselves? Is it any wonder that they grow up inclined to think that programs to ameliorate ghetto conditions are simply undeserved handouts?

**Related Characters:** Richard Rothstein (speaker)

**Related Themes:**  

**Page Number:** 200

### Explanation and Analysis

In his last chapter, Rothstein runs through a number of policy solutions that could undo the *de jure* segregation of

American cities. But the first, simplest, and perhaps most consequential he discusses is starting to teach history accurately in American schools. He examines what popular high school textbooks say about segregation and notes that *none* of them recognizes the fact that it was *de jure*, the result of government policy, rather than *de facto*, the result of individual choices made without government interference. The textbook he quotes here, *United States History: Reconstruction to the Present*, is teaching “a false history” that trains students to assume that African American people chose segregation for themselves and oppose policies aimed at integration. It would be too simplistic to say that politics should be kept out of history, because the history that students learn always has political implications—but *this* version of history is clearly motivated by political and racial biases that end up doing an injustice to American youth by teaching them “mythology” rather than the facts. Like the myth of American progress, the myth of *de facto* segregation is ideology, not history. It encourages complacency and inaction, not the political engagement or investment in justice that are necessary to achieve the equality promised by the United States Constitution.



## SUMMARY AND ANALYSIS

The color-coded icons under each analysis entry make it easy to track where the themes occur most prominently throughout the work. Each icon corresponds to one of the themes explained in the Themes section of this LitChart.

## PREFACE

Rothstein begins by outlining how “most of us” think about the racial segregation of American society: people assume that white residents gradually leave a neighborhood when black families move in, that racist real estate agents and bank redlining help make neighborhoods more and more homogeneous, and that African American people’s general lack of education and income has prevented them from moving “up” to the suburbs. But Rothstein says that this is only “a small part of the truth.” Explicit government policies were a far more important and enduring cause of this segregation, which came not from the sum of “individual choices,” but rather from a “systematic and forceful” nation-wide policy enacted by government at all levels. Racial segregation in the United States is de jure, not de facto.

Systematic housing discrimination is also *illegal*: it violates not only the Fifth and Fourteenth Amendments to the Constitution, but also the Thirteenth, which both outlaws slavery and gives Congress the power to enforce this through legislation. One way Congress did so was the 1866 Civil Rights Act, which outlawed anything that “perpetuated the characteristics of slavery.” The Supreme Court decided this did not include fair housing, but from a contemporary perspective, this is plainly absurd: denying “decent housing” to African American people was a means of “perpetuat[ing] second-class citizenship,” a status that is clearly “a relic of slavery.” In fact, the Supreme Court changed its mind and endorsed this new interpretation in 1968, although the Fair Housing Act had just been passed by President Lyndon Johnson’s government and became the main basis for legal claims against discrimination in the United States.

*Rothstein immediately and unambiguously presents the central argument of his book: although most Americans believe in the myth of de facto segregation, they are wrong, and throughout this book he will provide extensive evidence that segregation is actually de jure. While the classes who are largely responsible for and benefit from segregation, like suburban white professionals, often consider it impolite to acknowledge the reality, virtually everyone who lives in (or has ever visited) the United States can clearly see that its cities are starkly divided between poor minority neighborhoods and wealthy white suburbs. The question is not whether the United States is segregated, but why. Rothstein does not mean to suggest that the factors usually associated with segregation—like differences in education and income—are not real contributors to it, but rather wants his readers to look at the causes behind these factors, which have often been government policies.*



*Although many assume that Americans have chosen segregation, so there is no reason to do anything about it, to Rothstein segregation clearly needs to be reversed because it is a way of “perpetuat[ing] second-class citizenship” for African American people. This status descends directly from slavery, and shows how racism—not only in terms of individuals’ beliefs, but also in terms of systematic biases in the economy and legal system—is still central to the workings of American society. Therefore, by showing (first) that segregation is caused by the government and (second) that it sustains “second-class citizenship,” Rothstein establishes that the courts should stop segregation and that Congress should pass laws to undo it. Although this book is largely written for a general audience, it is also explicitly aimed at lawyers and judges: his argument about the unconstitutionality of segregation is meant to be used, and hold up, in court. This is why Rothstein emphasizes how each specific form of de jure segregation specifically violates the Constitution’s promise of equal protection before the law.*



Rothstein explains that his book focuses on “consistent government policy that was employed in the mid-twentieth century to enforce residential racial segregations.” He believes that these policies always were and always will be unconstitutional, and while it would be very difficult to desegregate through the judiciary, it would be easy to do so through policy. Rothstein insists that such policy change is necessary from a moral standpoint as well as a constitutional one.

Rothstein emphasizes that segregation emerged from numerous laws, across jurisdictions, that “combined to create a nationwide system of urban ghettos, surrounded by white suburbs.” Courts recognized this through the 1970s, but then the Supreme Court decided in a 1974 case about Detroit that the city’s segregation was the result of “unknown and perhaps unknowable factors.” (They had evidence that this segregation was deliberate, but the narrow majority chose to ignore it.) This thinking has continued, with Supreme Court justices continuing to blame “private choices” for American segregation in the 21st century. Rothstein’s central motive is to show that this isn’t true; in reality, the state blocked African Americans from “integration in middle-class neighborhoods” and should therefore remedy this segregation. Some blame a more nebulous “structural racism,” which the government should still have to address. But for Rothstein, it is clear that “most segregation” was “open[ly] and explicit[ly] government-sponsored.”

*Since the different branches and levels of government have worked together to segregate the United States, Rothstein also thinks they must cooperate to integrate it. However, he also notes that the courts cannot create new laws, but rather only stop existing ones that prove unconstitutional, which means that legislative action is necessary in the specific case of residential segregation (which cannot be undone simply by a court ruling). This speaks to the broader question of how a government can protect minority groups’ rights: although a well-functioning judiciary can protect them from the worst excesses of legislative and executive actors, it can only do so after the fact.*



*The Court’s strange but enduring about-face on the question of segregation’s causes shows that even the judiciary is not apolitical, and even damning evidence is not always adequate to convince people who are not disposed to take it seriously. This also foreshadows how the nation as a whole has progressively forgotten that segregation is de jure. This is a notable change since the 1970s, when this was common knowledge. This reaffirms the importance of Rothstein’s book at this moment in American history and shows that simply speaking the truth is not sufficient to create social change: judges, politicians, and middle-class Americans have a vested interest in preserving segregation, so they all tend to look the other way instead of confronting it. Blaming “structural racism” is a way of doing this: Rothstein does not mean to deny that such racism exists, but rather to note that blaming something vague and unidentifiable is easier (and much less meaningful) than blaming and demanding change from the actors who actually caused segregation: federal, state, and local government agencies, in cooperation with the real estate industry and the American white middle class.*



Rothstein clarifies his terminology. He uses “we” to refer to all Americans. Instead of the euphemistic “inner city,” he uses “ghetto,” a technical term for “a neighborhood where [government has not only concentrated a minority but established barriers to its exit](#).” Talk about racism is full of similar euphemisms—people say “diversity” instead of “racial integration,” and use “people of color” in order “to pretend that the nation did not single out African Americans in a system of segregation specifically aimed at them.” Because racism pervades white America, words for African American people “eventually sound like terms of contempt,” which forces “African Americans [to] react and insist on new terminology,” in a repeating cycle. Rothstein will use “African American,” occasionally “black,” and, when historically appropriate, “Negroes.” While language changes, racial caste remains a constant structuring force in America’s history and present.

*Rothstein again emphasizes that American political correctness is often really a way for middle-class white people to avoid confronting the reality of racial caste and inequality in the United States; by refusing to speak the truth, they can avoid confronting it. In this sense, while the term “ghetto” is often seen as derogatory, Rothstein uses it in its literal, historical sense, which establishes a connection between the systematic oppression of African American people by the United States government and the long history of governments persecuting minorities by denying them rights and freedoms that are supposed to be widely shared. (His point about racial caste, a term popularized by legal scholar Michelle Alexander, has a similar purpose.) Although it is easy to see what was wrong with these historical examples, Rothstein challenges Americans admit that the same kinds of injustices are unfolding here and now. Truly recognizing this injustice requires taking substantive action to stop it—even if it requires personal sacrifice on the part of some people.*



## CHAPTER 1: IF SAN FRANCISCO, THEN EVERYWHERE?

Rothstein notes that the San Francisco Bay Area is generally considered “liberal and inclusive” compared to much of the United States, so if de jure segregation happened there, then chances are it happened in many other places, too. The historically industrial city of Richmond has the largest African American population in the Bay Area, and Rothstein tells its history through the experiences of resident Frank Stevenson.

*Rothstein carefully chooses to begin by writing about segregation in the San Francisco Bay Area because he knows that his audience is likely to live in similar “liberal and inclusive” enclaves and assume that they could not possibly be part of the problem. By pointing out that even the Bay Area is segregated, then, Rothstein not only suggests that the whole country is likely to be, but also forces his readers to confront their own complicity in segregation.*



In Part I of the chapter, Rothstein examines Mr. Stevenson’s life story in order to show how Richmond typifies American housing segregation. Born in a Louisiana town deemed “the poorest place in America,” Stevenson’s family did not have to sharecrop, since his father owned some land, but he still grew up farming. In fact, the school year was shorter for black children, so they could work on farms, and the New Deal’s Fair Labor Standards Act established minimum wage and anti-child labor protections for all sectors of the economy except agriculture and other “industries in which African Americans predominated.” Before high school, Stevenson and his brothers left for New Orleans, and then Richmond, to do heavy physical labor.

*Frank Stevenson’s life shows the clear connections between past and present racism in the United States: even though he was born after the end of slavery, African American people in the South were clearly still treated as second-class citizens by the government. Explicitly written out of the New Deal and given lower-quality education on purpose, African American people like Frank Stevenson were essentially blocked out of the middle-class lives available to white Americans until the Second Great Migration—the mass migration to Northern and Western industrial centers during World War II, when African American people could get factory jobs for the first time because of a shortage of white labor.*



During World War II, Richmond's shipyards had to hire women and African American people, and the city's population expanded rapidly its black population increased 50-fold. Stevenson's "seventh-grade education" was average among African American migrants to Richmond, who were "an elite" compared to "African Americans in the southern states they left behind."

The government built "officially and explicitly segregated" housing to accommodate Richmond's population boom. African American people lived in "poorly constructed" temporary housing in industrial areas, while white workers got "sturdily constructed and permanent" houses in suburban areas. This geographical segregation in Richmond remains even now. White workers could rent rooms in other families' homes and get loans to improve their houses—the government took out huge loans to build a suburb called Rollingwood, where African American people were prohibited from living and every house had an extra bedroom for rent to a "white war worker." Meanwhile, multiple black families were often forced into one apartment.

After the war, the government came up with a new strategy: by giving white people loans to move from public housing to the suburbs, it would free public apartments for African American people, who "became almost the only tenants of Richmond public housing." While most African American people lived in public housing, many—like Stevenson—lived without public services in unincorporated North Richmond, and thousands more "remained in cardboard shacks, barns, tents, or even open fields," often on land they legally owned. (Unlike white people, they could not get loans to build houses.) This de jure segregation was supported by private organizations like the USO (which segregated its clubs), and public institutions like the police (who jailed all black man who could not show evidence of their employment).

*African American people were blocked out of the labor market until economic necessity forced companies and the government to include them, which shows how both racial inclusion and exclusion often follow the demands of capital, profit, and production.*



*Richmond exemplifies the pattern of how governments impose and justify segregation without openly defending racist ideology. Although they were not motivated by a specific desire to deteriorate African American people's living conditions, Richmond's housing policies were racist because they dedicated disproportionate resources to white people's interests, leaving insufficient resources for African American people, and they constituted de jure segregation because they were imposed by the government and racially separate by law. The fact that this segregation persists to the present day shows how discriminatory housing policies from the past continue to shape people's lives and livelihoods even though segregation might no longer be on the books. This is one of the principal reasons that housing discrimination is harder to combat than civil rights violations like segregation in transportation or the denial of voting rights.*



*Ultimately, while white people were subsidized to buy homes, African American people who were financially capable of buying homes were not even able to construct them because the government would not provide them with public services. So again, in practice, the government explicitly prioritized the interests of white people over those of African American people, even though in theory it was providing more housing for everyone. In other words, discrimination was not written into the law, but rather resulted from how the government chose to apply laws that appeared to be neutral and nondiscriminatory. This is not to say that there were not also formal rules discriminating against African American people: for instance, as Rothstein discusses in the next chapter, their inability to get credit was a result of regulations by the Federal Housing Administration.*



When he arrived in Richmond during World War II, Frank Stevenson quickly found work at a Ford Motor auto manufacturing plant that was temporarily under government control. Although Ford refused to hire nonwhite workers before World War II, the United Auto Workers (UAW) union ensured that black workers hired during the war, including Frank Stevenson, could retain their jobs after it ended.

*While Stevenson and his fellow African American Ford employees were able to keep their jobs after the war due to advocacy from the UAW, this does not imply that unions were generally integrationist (they weren't). Moreover, without the UAW's interference, nonwhite workers would have been fired again after the war, which shows how industry—which was integrated only when economic and political circumstances demanded it—both played an important role in depressing African American people's wages over the 20th century and consistently put self-interest over equality.*



Car sales spiked in the 1950s, leading Ford to build a larger plant in Milpitas, which is an hour's drive southwest from Richmond. Suburbs began arising to house this plant's workers, and the government ensured that loans would be available for the construction and working-class families' mortgages—so long as *no* African American people would be allowed to buy homes in the area. Black Ford workers had to either quit their jobs, move to “a segregated neighborhood north of San Jose,” or stay in faraway Richmond. Stevenson chose this last option, so he had to commute “more than an hour each way” to Milpitas with a group of colleagues. He did this “daily for the next twenty years until he retired.” Over the next decades, as the government continued funding suburban construction and mortgages for white people, Richmond “became a predominantly black city.” Frank Stevenson managed to buy a house there in 1970.

*The construction of the new plant in Milpitas illuminates one way that residential segregation concretely disadvantages African American people: not only did they lose hours every day commuting and a large portion of their salaries on transportation, but they were also restricted to using Richmond's (inferior) government services and sending their children to its (inferior) schools—all this while Ford, the company employing them, was thriving. Again, while in public discourse it is often considered racist or impolite to suggest that schools in predominantly African American neighborhoods are inferior to those in white suburbs, Rothstein sees it as an obvious, empirically proven fact (one he has spent most of his career studying). Rothstein thinks that many white people gladly conflate recognizing that schools in black neighborhoods are generally inferior—which is a way of pointing out racist discrimination—with actually committing discrimination and racism, because this allows them to shut down talk about the ugly reality of American racism, and (most importantly) avoid considering their own participation in it.*



In Part II of this chapter, Rothstein notes that, just a few years after Frank Stevenson moved to Richmond, the renowned writer Wallace Stegner moved near Milpitas, to teach at Stanford University. Unable to find housing, he “joined and then helped to lead” a housing cooperative called the Peninsula Housing Association of Palo Alto, which bought a plot of land and tried to build several hundred houses for its members. But the Association's plan was unsuccessful: it could not get loans from a bank, because banks would not loan anyone (except the rich) money without insurance from the federal government, and the Federal Housing Administration (FHA) would not insure any construction for African American families. The Peninsula Housing Association included a few black members, so it could not get a loan.

*The Peninsula Housing Association's experience illustrates the severity of the FHA's discrimination: because no African American could ever get a loan insured, African American people were completely blocked from moving to the suburbs, even as part of this mostly white association. Again, the FHA is part of the federal government, which makes it clear that this is de jure discrimination, not de facto. By applying its policy to any group with even a single African American member, the FHA also discouraged white people from finding workarounds to its policies or trying to promote integration in any way.*



Ultimately, the Peninsula Housing Association narrowly voted to put a quota on African American membership. But the government still would not insure its loans, and “the cooperative was [soon] forced to disband.” A private company bought the Association’s land and built a whites-only suburb on it.

*This example makes it clear that through FHA restrictions, the government mandated racism in localities across the country, regardless of the attitudes of local government, building companies, or the people moving into any given neighborhood. Although most local governments, companies, and white homeowners likely also wanted to keep African American people out, the government’s blanket restriction shows how official de jure policy made the things we usually think of as “racism” on an individual level—like prejudice, hatred, and stereotype—irrelevant to the actual implementation of discriminatory policies.*



In Part III of the chapter, Rothstein summarizes that African American people were shut out of places like Palo Alto because property developers could not get loans unless they promised the FHA that they would not sell to African American people, and because real estate agents, fearing for their jobs, would not even let black families see houses.

*Again, although many developers and real estate agents were racist at an individual level, this did not practically affect how they did their jobs, because all of them were legally required to discriminate against African American people, regardless of their personal beliefs.*



Accordingly, no African American people managed to move to Palo Alto until 1954, when a white man “sold his house to a black family” in East Palo Alto. Soon, an opportunistic real estate agent started “blockbusting”: first, he and his colleagues planted fears about a “[Negro invasion](#)”; then, they started buying white people’s houses for “discounted prices”; and finally, they put out newspaper ads targeting “Colored Buyers!” who ultimately “purchased the homes at inflated prices.” State regulators decided this practice did not count as “unethical.” They also did not object when the FHA, private insurance companies, and prominent banks stopped insuring mortgages to *white* families seeking to live anywhere that African American people also lived.

*The rapid and profound transformations in East Palo Alto show how racism is profitable for (some) white people but costly for African American people: blockbusters took advantage of white people’s prejudices to make huge profits, but black people had to overpay for quality housing, because they consistently had lesser access to it. The state regulators’ indifference to blockbusting shows that de jure segregation is often the result of government inaction when it has an obligation to act and prevent unconstitutional discrimination.*



As a result, “within six years [...] East Palo Alto was 82 percent black” and saw its property values plummet, forcing homeowners to seek “additional rental income.” Through these factors, enforced through federal policy, East Palo Alto became an overcrowded, poorly serviced “slum.” To cope with the population growth, the government de-integrated the city’s existing high school and opened a second one for only black students. Rothstein concludes that the history of the liberal Bay Area clearly shows how “federal, state, and local governments purposely created segregation in every metropolitan area of the nation.” This was not a response to “preexisting racial patterns,” but instead an intentional redrawing of boundaries to “impos[e] segregation where it hadn’t previously taken root.”

*The speed of East Palo Alto’s dramatic demographic change illustrates one reason that integrated neighborhoods are a rarity in the United States: once black people move into a neighborhood, white people no longer want to live there and leave as soon as possible. Many do this because they are racist and do not want to live around black people, and many others do so because they fear that their property values will fall. Ironically, as Rothstein later shows, property values only fall in such cases because of blockbusters who scare racist white people into selling their houses for cheap; when middle-class African American people subsequently buy those houses, the value of property in the neighborhood skyrockets, so white people who do not succumb to blockbusting stand to profit greatly from integration. East Palo Alto’s trajectory also shows how government actively creates slums by divesting resources and services from black neighborhoods.*



## CHAPTER 2: PUBLIC HOUSING, BLACK GHETTOS

Rothstein contrasts common stereotypes about public housing with “the reality” that it was built primarily “for working- and lower-middle-class white families,” “not heavily subsidized” by the government, and intended to fill housing shortages, not to house people who couldn’t afford housing. New York and Boston, for instance, vetted potential tenants for “undesirable” traits before giving them housing.

In Part I of this chapter, Rothstein notes that the first non-military government housing in the United States consisted of apartments for white defense workers (and not their black colleagues) during World War I. These were sold to private companies after the war. Then, from the 1930s-1950s, the United States “faced a serious housing shortage,” largely because housing construction froze during the Great Depression and the military took “all construction material” during World War II.

While “[the] New Deal created the nation’s first public housing for civilians,” it was explicitly segregated. For instance, the Tennessee Valley Authority created “a model village [...] open only to whites” and all of the labor camps at the Civilian Conservation Corps (CCC) work-relief program were segregated—when local governments tried to integrate some such camps, the federal government mandated that they be segregated. And “even segregated African American CCC camps” were too controversial for some localities to accept.

*Public housing is a natural topic for the first of Rothstein's many chapters that deal with specific government segregation techniques. Not only is it clearly an example of de jure government policy, but it is also inextricably associated with black poverty in the American popular imagination. It also shows how austerity and privatization over the 20th century—the same factors that have concentrated African American people in ghettos—have gradually turned public services into a last resort for the poor in the United States, whereas it is normal for everyone to use them in most other developed countries.*



*Again, this origin story for public housing runs contrary to most Americans' assumptions about it. World War I housing was explicitly segregated, de jure, and offers a good example of how government can provide quality housing to citizens if it so chooses. While today the problem is a lack of political will, in the 1930s-1950s the problem was literally a lack of material, resources, and labor to build sufficient housing.*



*The New Deal was incredibly significant in 20th-century American history because it was responsible for both keeping a generation out of poverty during the Great Depression and constructing much of the infrastructure that helped the United States develop economically over the following decades. However, because of both federal and local racism, its economic benefits were largely unavailable to African American people. Again, the federal government willfully and unconstitutionally neglected the needs of part of the American population, which constitutes de jure discrimination because the laws did not equally protect or benefit all.*



In Part II of the chapter, Rothstein reveals that non-New Deal public housing under Roosevelt was “even more rigid[ly]” segregated. In fact, Harold Ickes, the rather liberal head of the Public Works Administration (PWA) was controversial for giving “one-third of the units” to African American families, even though all his projects were segregated. Ickes developed the “neighborhood composition rule,” building projects in neighborhoods of the same race. Local governments “designated [areas] exclusively for black residents,” and the PWA built black-only projects there. Even in places where neighborhoods weren’t already segregated, the PWA built exclusively white or black public housing in order to change the composition of neighborhoods.

Rothstein offers some examples of how PWA projects intentionally segregated previously integrated areas. For its first project in 1935, the PWA destroyed an integrated Atlanta neighborhood to build whites-only public housing, which forced the neighborhood’s African American inhabitants to move to segregated, increasingly overpopulated African American areas that soon became “slums.” The year before in St. Louis, the city government demolished two integrated neighborhoods in order to build two new, segregated ones. The PWA did this again in Cleveland, constructing segregated housing projects in a historically integrated neighborhood. One representative project for white people had “a community center, playgrounds, and plentiful green space,” but black-only projects “rarely” had such amenities. Similar policies “also concentrated African Americans in low income neighborhoods in Detroit, Indianapolis, Toledo, and New York.”

*While President Franklin Roosevelt is often seen as a benevolent populist who prioritized the interests of normal working people in a time of need, he clearly did not do so for all working people. At the same time, it is clear that he was struggling against even more racist elements in the American government. But as Rothstein emphasizes at the end of his book, this does not mean Roosevelt’s racism and discriminatory policies can or should be forgiven. The “neighborhood composition rule” is an excellent example of how a program intended to discriminate and segregate can be disguised as objective and benevolent in order to win political support and/or avoid challenges in the courts. Still, the government’s racism lies in its assumptions: is there any good justification for segregating public housing or keeping neighborhoods homogeneous in the first place?*



*While public housing supported white communities, it impoverished African American ones, not because of an income or education difference between black and white residents—although there was such a gap, it did not cause segregation—but rather because it deliberately devoted resources to white communities, leaving African American people with inadequate housing and few government services relative to their population. This difference in services is one of the critical reasons that Rothstein considers segregation a way of keeping African American people as second-class citizens. The pattern of deliberate de-integration through public housing is different, and substantially worse, than simply exacerbating segregation according to the “neighborhood composition rule”—because it destroys integrated neighborhoods in the process too.*



But the PWA housing program was short-lived, and from 1937 onwards, localities had to apply for federal subsidies from the U.S. Housing Authority (USHA), which nevertheless continued to create “new racially homogeneous communities” while claiming outwardly to leave neighborhoods’ racial makeup untouched. Austin, Texas saw “the first USHA-funded projects,” in which the neighborhood-owned Emancipation Park was razed to make way for a blacks-only housing project. And when cities “already had distinct African American neighborhoods,” PWA and USHA projects reinforced segregation by constructing housing projects in these neighborhoods, for instance in Chicago. While “New Deal public housing” is not solely responsible for segregation in American cities, it was a very important contributor, as it essentially turned neighborhoods that housed both white people and black people into “the segregated ones that now seem so unexceptional.”

Rothstein begins Part III of this chapter by explaining how the 1940 Lanham Act provided funding to construct public housing for defense workers during World War II, but effectively only did so for white people. After the War, “local governments, with federal support,” pushed for segregation all around the United States. Rothstein focuses on three examples here, from Boston, Detroit, and San Francisco.

Boston’s early public housing projects were completely segregated—and five years after the city was ordered to desegregate them in 1962, virtually nothing changed. (For instance, one project remained 97% white, and the one across the street 98% black.) The university suburb of Cambridge built a similar pair of side-by-side segregated projects, on top of what used to be an integrated working-class area.

*These cases are even more egregious examples of how government used its power to construct public housing and segregate neighborhoods at the same time. While conducted by the government, this was a relatively informal process, in the sense that it relied on individual government agents’ discretion and willingness to stretch the law. As Rothstein later emphasizes, while there is nothing illegal about destroying a park to build a housing project, consistently destroying public land to develop low-quality housing in black neighborhoods, while also making an effort to construct high-quality housing with minimal adverse impacts in white neighborhoods, constitutes an unconstitutional pattern of discrimination. A good comparison is employment discrimination: while it is very difficult to rule that any individual instance of a nonwhite person being rejected from a job counts as racial discrimination, a pattern of such instances does clearly constitute discrimination. However, in the cases of both housing and employment discrimination, this becomes difficult to stop because the courts need to recognize such a pattern and find a way to legally block individual instances of it from occurring in the future.*



*During and after World War II, government still took responsibility for housing precisely because it conceived of housing the (white) population as one of its responsibilities. However, Americans living in the 21st century likely realize that this is no longer the case—this function has since been delegated entirely to the private real estate industry, with government left to provide housing only for those too poor to find their own housing. This, too, is a de jure form of second-class citizenship—but, like segregation in the past, it is legal and widely considered right, in the United States, for the poor to receive inferior services because they are poor.*



*Notably, in this case, a court order did little to provide justice, because the local government simply refused to obey it. Like the example of the San Francisco Bay Area, the example of Boston (and especially Cambridge, which is home to famous institutions like Harvard University and the Massachusetts Institute of Technology) also serves to remind Rothstein’s readers—many of whom may be upper- and middle-class white liberals living in these areas—that they, too, are partially responsible for segregation and obligated to reverse it.*



Detroit was already very segregated by World War II, and subsequent government policies enforced this arrangement. In one egregious case, a congressman with support from the Federal Housing Administration made the Federal Works Agency (FWA) fire its director and reassign a proposed blacks-only housing project located in his congressional district to all white people. The planned project for African American people was shifted to “an industrial area deemed unsuitable for whites,” which was also near “a white neighborhood,” so the First Lady made the president cancel it and the FWA returned to its original plans. Then, “whites in the neighborhood rioted,” and the vast majority of those arrested and injured were black. Detroit’s mayor won reelection in 1945 by “stirring up [white] fear of integration,” and the next mayor put a stop on most public housing construction in white areas because he feared “Negro invasions.”

San Francisco was also formally segregated. The city tried to build an integrated housing project during World War II, but “the navy objected” and made it whites-only. Soon, white housing projects had lots of vacancies, while black ones did not have enough. Nevertheless, of the city’s next five projects, “four were for whites only” and the only black project was built in a neighborhood mostly vacated by “Japanese-origin families [who were sent] to internment camps.” The city housing authority even unanimously declared its opposition to “the commingling of races” and defense of the neighborhood composition rule, but activists soon convinced it to stop discriminating at least officially. However, nothing changed. North of San Francisco, the only mixed housing project was integrated accidentally, to officials’ surprise. But white people soon moved out, making the project majority African American.

Rothstein notes that the back-and-forth about segregation in San Francisco and Boston shows that “officials knew that the segregation they imposed was wrong, if not unconstitutional.” When the San Francisco city government mandated “nonsegregation” and the “nondiscriminatory” assignment of units, however, the housing authority refused to implement the plan and simply stopped building housing. Although “a compromise was eventually reached,” to integrate future projects but maintain the segregation in existing ones, the NAACP soon sued the city government and won—but the city ignored the judge’s order to integrate housing and started building new all-black housing projects instead.

*In contrast to Boston, Detroit notoriously skews poor and industrial (although by no means less liberal), and many of Rothstein’s readers are likely familiar with its reputation for segregation, urban blight, and government neglect. This case shows how widespread and powerful racist and discriminatory attitudes were among white Americans—most importantly, those in government—during much of the 20th century. Discrimination was not always an individual decision by government actors, but also often an organizational mandate—in this case, at the federal (even presidential) level. Anyone who tried to fight the pattern of segregation, like the FWA director, would lose any power to fight it that they did have. So while segregation was technically against the law, every agent of the law was dedicated to enforcing it, and politicians were quick to harness white people’s racism for political gain. They had little interest in the (comparatively powerless) African American people who were harmed in the process.*



*This example again shows how local governments were less interested in performing their duty to provide required services to the population than in appeasing white people, even if this meant denying services to African American people. Notably, San Francisco’s discrimination was not based on taking any specific adverse action towards African American people—rather, it discriminated invisibly, by providing disproportionate benefits to white people. And the city’s refusal to follow its promise to stop discriminating again shows how executive agencies often remain free to ignore the laws if they so desire—which reinforces the need for strong judiciary systems and activist movements to hold government accountable. Finally, the construction of the all-black housing project in a neighborhood vacated by interned Japanese American people demonstrates how the government strategically makes concessions to minorities at the expense of other minority groups—which is a powerful way to maintain white supremacy without creating political tension.*



*Rothstein notes that officials were careful to stay inside the bounds of the law—not because this meant they were doing the right thing, but because this meant they could not be punished for doing something they “knew [...] was wrong, if not unconstitutional.” Accordingly, the NAACP, courts, and city government’s efforts to stop segregation were meaningless because the actors actually in charge of housing policy refused to consider integration as a solution. Rather, the city needed dedicated integrationists inside the housing authority.*



In 1949, President Harry Truman proposed building new public housing, which precipitated a political fight about whether to prohibit segregation or not. Ultimately, the 1949 Housing Act permitted segregation to continue, and the federal government started “demolish[ing] black neighborhoods and replac[ing] them with housing for whites,” leading to the construction of “massive segregated high-rise projects” that gave priority to white people, all over the United States. And in the few places that were open to integration, state-mandated “local referendums” led projects for the poor to be “systematically vetoed,” especially if they were integrated. (The Supreme Court eventually defended these “referendum provisions” even though they were clearly racist.)

Just before leaving office, Truman enacted “a new ‘racial equity formula’” that forced cities to build housing for the low-income black families who really needed it, but his successor, Dwight D. Eisenhower, reversed this policy. His administration decided that, although the Supreme Court had outlawed so-called “separate but equal” schools, this principle was still valid for housing. In fact, Eisenhower’s administration revoked the provision that said that separate housing for black and white people had to be “of equal quality,” even though it was never enforced in the first place.

The movement for building dispersed housing rather than “high-rise ghettos” began in the 1950s and won federal support in the 1970s, but very few cities ever tried this policy out. Instead, local governments continued “segregat[ing] existing projects where integration might have been tolerated” and conveniently justified building all-black projects by citing existing housing shortages. By 1984, essentially all American public housing was segregated and conditions were better in “every predominantly white-occupied project” than in African American-occupied ones.

*Rothstein again emphasizes that the government’s failure to integrate housing does not imply that nobody was fighting for integration; rather, people have always fought to protect minorities’ rights, just as others have fought to disenfranchise them—in 1949, the segregationists won yet again. Accordingly, the same high-rise projects that are today associated with black and Latinx poverty were actually built to help white people, even though they were not the group that most needed public housing. The fact that new construction inevitably burdened black communities (by destroying them) while benefiting white people (by giving them housing) demonstrates how those with the balance of power work in their own self-interest whenever possible. This happened not because local residents were necessarily virulent racists who wanted to deny black people housing altogether, but merely because they refused to let public housing be built in their neighborhoods.*



*Truman, who in Rothstein’s telling was the first president to pursue integration in any meaningful way, saw his efforts stymied by the pressure of subsequent governments and the Supreme Court’s apparent unwillingness to confront the harms of segregated housing. Rothstein points out that this happened at the same time as schools were being desegregated and the Civil Rights Movement was first emerging in the United States—and yet, in part because of opposition from the government, this movement completely failed to address residential segregation, one of the most consequential and enduring civil rights issues in the United States.*



*In yet another case, there is a complete disconnect between what experts decide should be done, on the one hand, and what the government actually chooses to do, on the other. This reflects the difficulty in turning integration into policy and points to the necessity of putting continued, consistent pressure on policymakers to take action—even though little has changed in public housing in more than three decades. Importantly, the obvious disparity in the quality of housing projects is clear evidence that segregation is not innocuous, despite what the white policymakers who implement it might say. Rather, it is a way to systematically deny rights and public services to African American people.*



In Part V of the chapter, Rothstein notes that public housing was all predominantly African American by the 1960s, and so activists switched to fighting the uniform construction of housing projects in neighborhoods that were already segregated. The Supreme Court ruled that the Chicago Housing Authority “unconstitutionally selected [public housing] sites to maintain the city’s segregated landscape”—until this ruling in 1976, the city had consistently rejected all integration, with support from the federal government. As in San Francisco, Chicago simply “cease[d] building public housing altogether” in response to the ruling. And it was too late to desegregate: the available land in white areas was gone, and white people were already moving out of cities and into suburban areas. This was a pattern throughout the country: for instance, a discriminatory voucher program in Miami, which subsidized only white residents to rent apartments, was not overturned until 1998, when it was “too late to reverse the city’s segregation.”

In Part VI, Rothstein explains how “the real estate industry bitterly fought public housing of any kind” from its inception during the post-World War II housing shortage. From 1950 onward, by suppressing public housing and ensuring it was reserved “for the poorest families,” the real estate industry recaptured its market share among the middle class, destroyed the possibility of integrated public housing, and helped precipitate the decline in public housing’s quality and reputation over the next half-century. Rothstein wonders “what our urban areas would look like today” had the government “pushed in the opposite direction” and integrated public housing instead of forcibly segregating it.

*Yet again, local governments appear doggedly committed to segregation, to the point that they choose not to build housing at all rather than to build integrated housing. While this certainly results in part from inexcusable racism among officials and city planners, it also simply reflects the difficulty in convincing (even well-meaning) white people to accept integration in their neighborhoods. In short, white people’s personal interest in preserving segregation and maintaining the United States’s white supremacist racial hierarchy has essentially prevented the government from doing what it knows to be right (and has known for several decades). The problem continues to get worse, because local governments continue to choose inaction rather than pro-integration action. This points to the need for new kinds of policies and new forms of accountability for city governments in the 21st century.*



*Segregation is not only in the personal interests of middle-class white people (a group that usually includes the majority of the city planners and government officials who control public housing policy). It is also in the economic interests of the real estate industry, which cares only about its own profits, and not at all about justice. Even though government is supposed to balance the interests of private individuals against those of the general public—and especially disempowered people whose voices are underrepresented—in the case of housing policy, the government has done the opposite and acquiesced to the real estate industry’s demands to privatize all decent housing in the United States. As a result, the government has allowed a two-tier structure of rights and benefits to develop and consistently taken action to consign African American people to the lower tier. In closing this chapter, Rothstein emphasizes the degree of control that government does have over whether American cities are segregated or integrated, which serves as a reminder that positive change is possible and within reach—it just requires changing the way government acts.*



## CHAPTER 3: RACIAL ZONING

Despite the comfortable narrative “of American history as a continuous march of progress,” in reality “sometimes we move backward.” For instance, integration actually peaked in 1880. In Part I of this chapter, Rothstein explains how the end of Reconstruction in 1877 led to widespread segregation in the South, in part through a variety of local laws (called Jim Crow laws), which enforced the segregation of goods and public services, denied basic rights to African American people, and replaced slavery with sharecropping. Before the 1876 election, white supremacists organized massacres and attempted to overthrow state and local governments to “prevent African American people from voting.”

A group called the Red Shirts conducted one such massacre in Hamburg, South Carolina. The group’s leader, Benjamin Tillman, exploited the fame it gave him to run for the Senate. (He won and served for 24 years.) Another terrorizing massacre two months later, which the state governor decided not to stop, promised white people an overwhelming victory in Tillman’s town in the election of 1876. Through these tactics, the state’s integrated government was replaced with an all-white one that [“instituted a system of segregation and exploitation that persisted for the next century.”](#) Tillman was never punished, but instead honored with a statue at the state capitol building in 1940.

Rothstein points out the “march of progress” narrative because it is one of many euphemistic ideas, primarily circulated within white communities, that allows people to conveniently forget that oppression continues and is reversible through political action, as well as resign any sense of personal responsibility for the provision of equality and justice in the United States. If things always get better no matter what, then equality is just a matter of time, and it is not worth fighting for justice, because justice is inevitable. Since things are better than they were in the past, this thinking continues, minorities should be grateful that their oppression is not as severe as their ancestors’. Like talk about “inner cities” rather than “ghettos,” this progress narrative is not truly about respecting minority groups, but rather about white people feeling better by relinquishing responsibility and covering up the truth. The backlash to Reconstruction is a crucial example of how things do not naturally get better over time and illustrates the dangers in assuming that they will, and therefore refusing to participate in politics.



Although the story of the Red Shirts massacre might seem horrifying and inhuman today, it is part of the unbroken chain of racism in American history, and its legacy stretches to the present. There is no clean break between then and now—this is one of the central points of Rothstein’s analysis of segregation, which is a problem precisely because it sustains the legacy of slavery and state-sponsored white terrorism. South Carolina’s white population happily chose Tillman, a proud white supremacist and mass murderer, to represent them in Congress, and then built a statue of him to express their pride almost a century later. Through this unsettling example, Rothstein shows that any American who thinks slavery’s impacts are fully in the past is utterly ignorant about their own country’s history and present.



In Part II, Rothstein explains that antiblack racism extended far past the South, leading to backlash in places as distant as Montana, where African American people “were systematically expelled” after 1900. In that year, the state capital, Helena, was completely integrated, with African American police, newspapers, and businesses. But this changed after 1906—as in many places, laws blocked “African Americans from residing or even from being within town borders after dark,” and numerous Montana towns announced new “Color Line” policies with public signs. In the 21st century, many Montana cities have fewer African American residents than they did in 1910.

The backlash to Reconstruction, Rothstein argues in Part III, did not even spare the federal government: the virulently racist Woodrow Wilson segregated everything in all federal offices in Washington, D.C. To carry it out, one of the men he hired was “the assistant secretary of the navy: Franklin Delano Roosevelt,” who never ultimately challenged segregation during his own presidency.

Along with the widespread segregation of government, Rothstein writes in Part IV, officials began trying to segregate American cities during this time period. This started from “the local level” through zoning laws. In 1910, Baltimore “prohibit[ed] African Americans from buying homes on blocks where whites were a majority and vice versa.” (This led to strange cases on integrated blocks, and eventually the city changed the law to “appl[y] only to blocks that were entirely white or black.”) Dozens of Southern cities followed suit, and white people everywhere supported these policies in principle.

*Rothstein continues identifying and busting common myths about racism in the United States: it was never confined to the South, and Northern cities explicitly wrote segregation into law throughout the 20th century. Rothstein does not mince words: in many places, Montana included, America was more integrated at the turn of the 20th century than it is today. He again wants to emphasize that things are getting worse, not better; that this is the result of policy; and that citizens have the power to stop it. Although Montana’s complete ban on African American residents seems uncommonly extreme, Rothstein will soon show how this happened on the scale of neighborhoods all around the United States through the 1960s, and has never been rectified.*



*Again, there is little question that things got worse rather than better after Reconstruction: segregation was federal law for many years, a fact often left out of history textbooks and popular narratives of American history. While Woodrow Wilson was an open white supremacist who defended the Ku Klux Klan, there is little data about Roosevelt’s personal beliefs. However, Roosevelt’s willingness to implement segregation means that he is guilty of racist discrimination even if he did not personally believe that African American people are inferior to white people. By focusing on the effects of Roosevelt’s actions, Rothstein forces readers to confront the fact that there is not much of a moral difference between his advancement of racist causes and Wilson’s overt, documented racism.*



*Like public housing, zoning laws show how local governments compromised with the federal government to implement segregation across the United States. Baltimore was de jure segregated through the coordinated efforts of multiple layers of government, and through explicitly racist rhetoric that the white majority sanctioned. Just as Roosevelt was responsible for segregation because he implemented Wilson’s racist policies, white people in cities like Baltimore supported segregation by sanctioning it in their own blocks and neighborhoods, even if they were not necessarily white supremacists.*



In the case *Buchanan v. Warley*, the Supreme Court blocked Louisville, Kentucky's segregation ordinance in 1917, deciding that the Fourteenth Amendment lets homeowners sell to whomever they want. But other cities continued imposing segregated zoning—Atlanta followed suit under the direction of a famous city planner, and although the Supreme Court declared its segregation unconstitutional too, the city ignored the decision and “use[d] the [same] racial zoning map [...] for decades.” Other cities—including Indianapolis, New Orleans, Birmingham, Kansas City, and numerous others—adopted variations on the same explicit segregation policies, and then used technicalities to justify their legality. The courts repeatedly rejected these cities' policies, but often only decades later. Other cities focused on protecting middle-class white neighborhoods from African American people.

*The Buchanan case is important because it demonstrates the Supreme Court's power to take concrete action against unconstitutional segregation, if it so desires and finds the right circumstances. However, cities' responses to the Court's decision illustrate the limits of its power, because it only operates in retrospect: it can stop unconstitutional laws that have already been passed, but its decisions only have validity going forward if the executive branch is willing to honor them. Unfortunately, both the federal government and local governments were essentially uninterested in enforcing this ruling, and so the Court's rulings were not as consequential as they should have been. Moreover, housing discrimination is a uniquely severe problem in this regard because declaring past segregation unconstitutional does not undo it—African American people are already living in the segregated neighborhoods that have been created for them and will not be able to integrate their cities unless specific provisions are made to help them afford housing in middle-class white areas.*



In Part V of the chapter, Rothstein reflects on the 2014 police killing of Michael Brown, an unarmed black teenager, and looks at the history of segregation in Brown's town of Ferguson and the broader St. Louis metropolitan area to which it belongs. First, during the 1910s, officials zoned neighborhoods economically, reserving them “for single-family homes that lower-income families of all races could not afford.” They did this to white neighborhoods first, in order to keep “colored people” out of “finer residential districts.” By never publicly naming race but constantly rezoning areas to keep African American people out, St. Louis avoided violating the *Buchanan v. Warley* ruling. It consistently segregated African American people into “industrial” zones—both the only zones where polluting factories, “taverns, liquor stores, nightclubs, and houses of prostitution” could open up, and the only zones where nobody could get a mortgage.

*By connecting Michael Brown's tragic death to the broader pattern of segregation and ghetto formation in the United States, Rothstein emphasizes the connection between de jure segregation and the criminalization and police abuse of minority youth—namely, both are ways of sustaining the racial caste system, or ensuring that African American people remain second-class citizens. Recognizing the legal danger in following Louisville's precedent, St. Louis's zoning laws were never explicitly racial, but any close analysis of them makes it clear that they were consistently motivated by racism and officials' desire to isolate African American people. However, because they did so through euphemistic language and policies that did not explicitly mention race, they maintained plausible deniability. Zoning African American neighborhoods for industrial development and seedy, exploitative industries was a triply oppressive strategy: it ensured that conditions would deteriorate and grow more dangerous, it provided white people with a further incentive to avoid living in area, and it helped reinforce associations between blackness and criminality.*



In Part VI, Rothstein explains that the St. Louis model—“economic zoning that could also accomplish racial segregation” without violating the *Buchanan v. Warley* decision—spread widely in the 1920s, with support from the federal government, prominent city planners, and “outspoken segregationists” like Commerce Secretary Herbert Hoover, who advocated for zoning laws everywhere to prevent conflict and protect the value of white people’s homes. And in 1926, the Supreme Court defended one such zoning law against building “apartment buildings in single-family neighborhoods,” contradicting its own principle of “freedom of contract” from the *Buchanan* case and overturning the decision of a lower-court judge who clearly saw the law’s “true racial purpose.”

These kinds of zoning restrictions are still used, and the Supreme Court has defended examples from the 1970s in which residents used openly racist appeals to fight the construction of apartment buildings in their neighborhoods. But Rothstein notes that he is less interested in “courtroom standards of proof” than the effects of these policies and the obviously racist intentions of those who implemented them, which allowed the government to enforce “the systematic racial segregation we find in metropolitan areas today.”

In Part VII, Rothstein notes that cities commonly zoned areas for “industrial” purposes or “even toxic waste” in order to relegate African American people to slums throughout the whole 20th century. There is no scientific doubt that minorities, and especially African American people, are exposed to a disproportionate amount of dangerous pollution because of where they live. Not only are they limited to “industrial” areas because of segregation laws, but city planners are more likely to build new industrial facilities in existing African American neighborhoods. And courts have almost never ruled against this practice, since “discriminatory impact” is not illegal unless the policy has “explicit racial intent.” Rothstein notes that, perversely, the fact that black neighborhoods house more “polluting industry and toxic waste plants” has added to “the image of [African American people as] slum dwellers in the eyes of whites” and thus exacerbated racism.

*Perhaps unsurprisingly, even the federal government dedicated its energies to circumventing the Supreme Court’s *Buchanan* ruling, which again shows both the advantages and disadvantages of the separation of powers: while the courts are charged with protecting the constitutional rights of minorities, their rulings are no more all-powerful than the racist whims of housing administrators with little interest in the Constitution or the rights of African American people. In the subsequent ruling described here, the Supreme Court essentially gave its blessing to indirect, euphemistic racial zoning strategies that hid laws’ “true racial purpose” with faulty economic logic. (Rothstein explains why this logic is incorrect in Chapter Six.)*



*By noting the disparity between “courtroom standards of proof” that apply to any given instance of discrimination and the pattern of discrimination that is clear to the naked eye, Rothstein also points to the necessity of pushing against segregation through forms of activism beyond and outside the legal system. Because all actors stopped just short of proclaiming racist intentions, they were allowed to develop a system that looks and works exactly like one developed with clearly racist intentions.*



*Although it is not Rothstein’s focus in this book, environmental racial injustice is another important consequence of segregation and helps illustrate why segregation constitutes an extension of the racial caste system. This section clearly demonstrates how neighborhoods with different levels of power and education systematically disadvantage the most powerless by fighting for their own self-interest. Essentially, even if nobody intended on building polluting industry in African American neighborhoods, it would still happen systematically because black neighborhoods are the least equipped to fight against industrial development. This shows why wide-ranging, equity-focused legislation that specifically attacks “discriminatory impact” (rather than just “explicit racial intent”) is necessary to combat the problem of residential segregation.*



In conclusion, Rothstein summarizes the two aspects of racial zoning he has outlined in this chapter. First, zoning tried to keep white neighborhoods white and expensive by limiting the construction of multifamily buildings to “keep African Americans out,” with private racist intent that was never formally written into the legislation. Secondly, planners located “industrial [and] environmentally unsafe businesses” in African American neighborhoods, protecting “exclusive white suburbs” by creating “urban African American slums.”

*Although he is just getting started, it is already clear why Rothstein thinks the common notion of de facto segregation is a harmful myth: African American people have not chosen to live in dilapidated, toxic, overcrowded urban neighborhoods—rather, policy has forced them there, both by diverting as many resources as possible to white populations (which leaves African American people behind, even if unintentionally) and by intentionally clustering everything undesirable—poverty, violence, and toxic waste—in the neighborhoods least capable of organized political resistance.*



## CHAPTER 4: “OWN YOUR OWN HOME”

Rothstein explains that “zoning solved only half the problem” for segregationists, because in white suburbs it didn’t stop African American people from moving in. In order to do this, the federal government threw the Constitution out the window, convinced white families to move to the suburbs, and then “with explicit racial intent, made it nearly impossible for African American people to follow.”

*In this chapter, Rothstein turns from cities to the suburbs, and also from local governments to the federal government—whose segregationist efforts were led by the Federal Housing Administration (FHA), which is perhaps the guiltiest actor Rothstein profiles in this entire book. Again, the government’s “explicit[ly] racial” segregationist policy was as blatant then as it is forgotten today.*



In Part I, Rothstein explains that Woodrow Wilson’s government started “an ‘Own-Your-Own-Home’ campaign” in 1917 to get white Americans to care about capitalism and repudiate communism. **Homeownership** became “a ‘patriotic duty.’” Herbert Hoover, then Secretary of Commerce, led a group called Better Homes in America, which aimed to convince white people they could “avoid ‘racial strife’” by moving to suburbs, far from African American people. When he was later elected president, Hoover maintained this explicitly racial message. His organization’s publications noted African American people’s “ignorant racial habit[s]” and implored white people to move to “restricted residential districts” where they could get “protection” against African American people moving in. Better Homes in America also organized a conference full of prominent segregationists, including the masterminds of “racial zoning” from the last chapter. At the conference, one committee focused on housing for African American people and pointed out all the problems that Rothstein cites here, but was paid little attention.

*Wilson and Hoover used the geopolitical and ideological tension between the capitalist United States and the communist Soviet Union to advance their racial segregationist agendas as well as their ideological ones, which shows how economics and racism are nearly always tied together (especially when it comes to housing discrimination). Namely, to be a “patriotic” American meant being white, legally employed, and middle-class or above. It also meant living in the suburbs, in a house with a mortgage, with a nuclear family made of heterosexual married parents who follow traditional gender roles and have biological children. This “American Dream” was racially exclusionary from the start, by design: it was founded on the government’s desire to build a homogeneous white nation. Unlike Southern plantation society, the systematic oppression of African American people was not explicitly part of the plan—but it was necessary for the plan to be implemented, because African American people inevitably wanted the same privileged suburban life that the government was guaranteeing to white people, and the government’s promise was based on the assumption of racial purity. As in all Rothstein’s examples, antiracist activists at the time knew what was happening—but they lacked the power and resources to stop it. This again speaks to the importance of getting involved in antiracist struggles in the present.*



In Part II, Rothstein explains that the government's promotion of **homeownership** was ineffective until 1933, since mortgage terms were too stringent for anyone but the wealthy to afford homes. Conditions only worsened during the Great Depression, but the New Deal created the Home Owners' Loan Corporation (HOLC), a government lender that offered struggling homeowners better, longer-term, amortized mortgages (in which homeowners gradually paid for their houses over time, instead of just paying interest). This opened up homeownership to the working and middle classes.

To evaluate neighborhoods and determine the risk of investing in them, the HOLC worked with real estate agents who helped the agency color-code neighborhoods: the best investments were green, and "the riskiest [were] colored red." All neighborhoods with African American residents were automatically colored red, no matter the kind or quality of houses in the area. The HOLC's policy was influential and made it clear that the federal government considered black homeowners to be risky investments, simply because they were black.

In 1934, Roosevelt also started the Federal Housing Administration, which insured bank mortgages but "included a whites-only requirement." It had real estate agents appraise properties according to the Underwriting Manual, which explicitly stated that "inharmonious racial or nationality groups" should lower the appraised value of homes. The FHA focused loans on new white suburbs (preferably those separated from black neighborhoods by "boulevards or highways"), and it emphasized "preventing school desegregation." Although its language changed slightly, the Underwriting Manual's principles and the FHA's refusal to give African American people loans did not change at least through the 1950s. Rothstein gives examples of a real estate agent being unable to sell to "creditworthy" middle-class black families and a white teacher being "blacklisted" by the FHA for temporarily renting his house to an African American colleague. There were "very few exceptions" to these rules.

*Here, Rothstein introduces one of the most important principles that underlies the rest of his book and helps explain the government's strategy for blocking African American people from owning homes: home financing is absolutely crucial to enabling homeownership. Houses cost much more than the vast majority of families can save in a short period of time, so if homeownership is to be accessible to the middle class, it has to be possible for them to pay for their homes over time. This is why the establishment of the HOLC by the federal government was so important: homeownership would have been impossible for the vast majority of Americans if it were not for government intervention.*



*The HOLC's color-coded maps of where to extend and withhold credit are the origin of the term "redlining," and the HOLC essentially legitimated this practice in the eyes of the federal government for half of the 20th century. While the notion that all African American people are unworthy of credit may seem obviously racist to contemporary readers, in the 1930s it was just as obviously seen as common sense. This does not make it any less racist, devastating, or reprehensible—rather, it shows how people can easily adopt reprehensible beliefs when they are considered socially acceptable.*



*The FHA's "whites-only requirement," perhaps the single most influential piece of racist legislation Rothstein addresses in this book, essentially defined African American people as poor investments. This created a self-fulfilling prophecy: nobody would invest in African American people, which increased the wealth gap between white people and African American people, which lenders then used as evidence that black people could not be trusted with credit. By turning racism into an economic decision rather than evidence of personal hatred, the FHA and the real estate industry managed to sanitize, institutionalize, and shamelessly promote racial discrimination policies so extreme that they likely seem absurd to contemporary readers. Not only African American people, but also anyone who dealt with or defended African American people, was completely shut out of the market for decades. There is little doubt that this two-tiered system of laws clearly counts as de jure discrimination—making the segregation it created de jure, as well.*



In Part III, Rothstein recalls an interview with Pam Harris, whose “great-uncle, Leroy Mereday, was born in Hamburg [South Carolina] fourteen years after the Red Shirt massacre.” Mereday ended up on Long Island, and most of his family followed him. During World War II, his brother Robert played the saxophone for defense plant workers in a USO band, which led him to a job in one of those defense plants. After the war, Robert started a trucking company.

With his “solid middle-class income” and his nephews as employees, Robert Mereday hoped to buy a house in a suburb, like the famous Levittown that his company helped build. But he knew that he could not because he was black. His nephew Vince tried, but failed, and had to buy in a nearby black suburb called Lakeview instead. Although he was a veteran, Vince could not get favorable Veterans Administration (VA) loans and was forced into a perilous, uninsured mortgage instead. Rothstein emphasizes that Levittown, like all the other cities he looks at in this book, was segregated *on purpose*.

In Part IV of this chapter, Rothstein notes that VA loans were also made in collaboration with the FHA’s Underwriting Manual, which meant they were unattainable for black Americans. The FHA and the VA systems not only allowed individual white families to get houses, but also encouraged “mass-production builders [who] created entire suburbs” that, to get loans, had to exclude black people. The “visionary” Levittowns, full of comfortable homes for war veterans, are a characteristic example of this. Levitt got his loans preapproved and his buyers got mortgages “almost automatically”—so long as they were white. But ironically, because Levittowns were so dependent on the federal government, New Jersey decided that its Levittown counted as “publicly assisted housing” and could not racially discriminate. However, all of the other Levittowns were all-white, as were numerous other housing developments built with FHA and VA support.

*Like Frank Stevenson, Leroy and Robert Mereday participated in the Second Great Migration during World War II, which was the result of necessity: wartime manufacturing plants needed workers. This Great Migration both led to an explosion in Northern cities’ African American populations and gave these migrants the opportunity to work middle-class jobs, on par with white people, for the first time. But this does not mean that their treatment was equal in every—even any—other respect.*



*There is no way to analyze this situation without concluding, first, that Robert Mereday was blocked from homeownership because of racial discrimination, and second, that this discrimination decreased his quality of life and access to opportunities moving forward. Mereday’s trajectory was identical to that of numerous white war workers and veterans, but he was barred from joining them in leading a middle class lifestyle simply because he was black. The fact that his company helped build Levittown only added insult to injury.*



*Rothstein clearly thinks that Levittown and other suburbs like it represented an important, largely democratizing transformation in American residential patterns—these suburbs were and remain the cornerstone of the American middle class (although this does not mean that they are the only way a middle class can emerge). To a significant extent, then, by blocking African American people out of homeownership, the FHA and VA also blocked them from joining the middle class. New Jersey’s determination that Levittown was “publicly assisted housing” is a clear reminder to the reader: white families did not rise into the middle class in 20th-century America because of simple “hard work” or smart financial sense. Many did have these qualities—so did many African American people—but the primary reason for white people’s success was that they were dependent on and supported by the government. This fact reveals the absurdity in common individualistic narratives about self-sufficiency and success, which attribute poverty (which is associated with reliance on the government) to a lack of personal responsibility, and contrast this with the supposed moral virtue of the wealthy. In fact, it is the opposite: the middle-class and wealthy get support from the government, and poverty is in large part the product of groups’ inability to access that same support.*



In his chapter's brief Part V, Rothstein tells the story of Charles Vatterott, who built two suburbs in St. Louis. The first was all-white and got funding from the FHA, but the second, which in theory was nearly identical, housed middle-class African American people. But Vatterott "could not get FHA financing" and his residents could not get mortgages, so he built "shoddier" and "skimpier" houses, offered his residents savings plans that did not let them "accumulate equity during the process," and did not build "the community facilities" that he did for the white neighborhood.

In Part VI, Rothstein makes it clear that the FHA was open about "the racial bases of its decisions." One builder got denied a loan for a white suburb next to a black neighborhood, then built "a half-mile concrete wall" between them and got his loan approved. When homeowners defaulted and the FHA foreclosed on their homes, it ensured that only "real estate brokers who refused to sell to African Americans" were involved. In a few unique cases, the FHA did fund housing developments specifically for African American people when locals urged them.

In conclusion, Rothstein summarizes the overall trajectory of housing discrimination, as he has analyzed it so far: after "the violent suppression of Reconstruction," explicit racial segregation was the norm until the Supreme Court outlawed it in 1917, and then governments at all scales started finding workarounds through zoning, pro-**homeownership** propaganda, loan discrimination, and the active sponsorship of suburb construction for white people.

*The story of Charles Vatterott's two suburbs shows how, for the FHA, race was the only difference between getting quality housing or not. This is just like the comparison between Robert Mereday and the white veterans and war workers who, after living nearly exactly the same life, were allowed to buy homes and join the middle class only because they were white. Although Vatterott's intentions were initially antiracist, even he ended up discriminating against African American people—by providing them worse quality housing—because the government mandated it by law (de jure).*



*Rothstein's examples continue to show how blatant and egregious the federal government's policy of de jure racist discrimination was throughout the 20th century: if building a wall to keep African American people out got developers FHA funding, they were perfectly willing to carry out the government's racist agenda, simply because this was necessary for them to earn their profits. In this way, by mandating that the entire system perpetuate racist discrimination, the federal government essentially made the individual attitudes of everyone involved in the system irrelevant to the outcomes that the system produced.*



*With every chapter, Rothstein's portrait of the causes behind present-day racial segregation in American cities becomes clearer and clearer: although the Supreme Court knew and pointed out that it was unconstitutional, the government consistently did everything possible to push white people toward homeownership in the suburbs and ensure that African American people remained second-class citizens living in segregated urban neighborhoods. Rothstein pushes readers who might be used to thinking of certain Southern state and local governments (but not the federal government) as racist and segregationist to reconsider their views and assumptions about the arc of American history.*



## CHAPTER 5: PRIVATE AGREEMENTS, GOVERNMENT ENFORCEMENT

Rothstein notes that “many urban neighborhoods were already racially exclusive” long before this became translated into government policy—rather, “property owners and builders” promised segregation in deeds to houses and neighborhood agreements to keep African American people out. Eventually, the FHA made these kinds of promises explicit, but the Supreme Court decided that they are unenforceable by the government in 1948—although the FHA ignored this ruling and continued promoting segregation.

In Part I of the chapter, Rothstein explains that property deeds frequently included “restrictive covenants” barring the resale of homes to African American people and mandating that all future residents (except housekeepers) be white. However, these contracts were hard to enforce, as they were between only buyers and sellers. To resolve the problem with restrictive covenants, neighborhoods began forcing families to sign contracts prohibiting resale to African American people. But, again, these contracts were only valid among those who signed them.

Next, developers started forcing buyers to join “community association[s]” whose rules “included a whites-only clause.” Such systems were incredibly widespread throughout the country: for example, more than half of New York City suburbs had them in the 1930s and 1940s. And they were enforceable: African American people were evicted from their homes and even jailed for buying homes in the wrong neighborhoods. One student organization required everyone to do chores, so its African American members legally met the definition of “domestic servant[s]” and were allowed to live in the organization’s house.

In Part II, Rothstein looks at how governments “promot[ed] and enforc[ed] the restrictive covenants” of neighborhood and community associations. More than a dozen state supreme courts affirmed these covenants’ legitimacy and “local governments aggressively promoted” them, sometimes even hiring officials to go door-to-door and convince residents to support racist clauses. The federal government determined that restrictive covenants were legal “voluntary private contracts” in 1926, and presidents like Hoover made them a cornerstone of housing policy. But it did not “turn [from a] recommendation into a requirement” until Franklin D. Roosevelt’s presidency.

*Rothstein’s argument has never been that government policy was the only cause of residential segregation—rather, he acknowledges that it always interacted with and reinforced other factors (like personal racism) to produce systematically unequal outcomes. While the FHA was responsible for making segregation an official, nationwide policy, the idea was actually pioneered by builders who saw the promise of racial homogeneity as a way to attract white buyers. In other words, they strategically used racism for its economic advantages.*



*Restrictive covenants are peculiar: both clear attempts at discrimination and legally unenforceable, they were more about creating a social expectation or “gentlemen’s agreement” among white homeowners than about actually creating a legal basis for discrimination. The exception for housekeepers again shows how racism is embedded in an economic context and often bends only when profit is involved.*



*With existing FHA regulations prohibiting African American people from buying homes with financing, this additional layer of neighborhood association restrictions ensured that African American people with accumulated wealth or white friends willing to help them out also could not get their own houses. This is clearly about race, not class—the African American people likely to try and buy in white suburbs were at least as wealthy as the people who lived there.*



*The debate over restrictive covenants shows the strange and delicate interplay between public and private forms of discrimination in the context of 20th-century housing: although restrictive covenants were ostensibly constitutional precisely because they were agreements among private individuals only, the government exploited this fact and used its power to actively mandate private discrimination, which Rothstein thinks clearly turns it into public (de jure) discrimination.*



In Part III, Rothstein explains that the FHA also gave better ratings to homes with restrictive covenants that banned selling to African American people, and explicitly supported such language in its Underwriting Manual. Sometimes it even required that prospective suburban developers write this into deeds before insuring their mortgages. This happened in Rollingwood, Levittown, and numerous other suburbs Rothstein has mentioned so far in his book, and the VA soon adopted the same policy.

In Part IV of this chapter, Rothstein explains that the Supreme Court finally declared restrictive covenants unconstitutional in the 1948 case *Shelley v. Kraemer*, because enforcing them required government involvement and therefore violates the Fourteenth Amendment. But the FHA responded with “massive resistance,” deciding not to make any changes whatsoever—residents would no longer be able to enforce their contracts through courts, but the FHA kept encouraging them to make these contracts discriminatory. The next year, its director publicly announced the search for another “objective” way to exclude people from mortgages “because of race.”

Ultimately, little changed after *Shelley v. Kraemer*. One integrated housing cooperative petitioned the FHA under the new law, but were told that their “interracial community” was ineligible for insurance. Two years after the decision, the solicitor general of the United States (the federal government’s top lawyer) formally ordered the FHA to stop including restrictive covenants on its mortgages, and the FHA publicly announced it would ignore these orders and privately planned new covenants that allowed neighbors and community associations to veto sales. Some “unnamed ‘FHA officers’” publicly declared they would stop insuring discriminatory real estate developers, but “this was plainly untrue,” because they continued to do so. In fact, the FHA did not really stop financing racist builders until 1962, when President Kennedy ordered them to do so.

Courts continued honoring old, racist restricted covenants for several years, and knowing that courts could no longer evict black families in violation of these covenants, the FHA changed the punishment to “exorbitant” fines often exceeding the price of the actual home. The Supreme Court blocked these fines in 1953, but the actual covenants remained legal until 1972. In fact, three of the justices in the *Shelley v. Kraemer* case even had these covenants on their own houses, so they recused themselves from the decision.

*As they did by redlining, the FHA and VA created powerful economic incentives for discrimination by requiring restrictive covenants. Notably, since these clauses stay on property deeds for generations and are difficult to remove, they remain on the deeds of numerous suburban homes well into the 21st century.*



*It is important to clarify that *Shelley v. Kraemer* only banned the government enforcement of restrictive covenants—it did nothing to erase the ones that already existed or prevent informal kinds of enforcement (like neighborly agreements or the kind of angry mobs Rothstein profiles in Chapter Nine) from stopping integration in American suburbs. Yet again,, this example shows why the judiciary is powerless if the rest of government considers its decisions illegitimate. The FHA’s director seemed unable to process (or simply did not care) that his agency’s policies were unconstitutional precisely due to their discrimination “because of race.”*



*The public battle between the segregationist FHA and the rest of the American government points to the troubling question of who determines if the government will follow the Constitution, and who can force actors who simply do not care about the Constitution to change their minds: it took more than a decade, and a direct order from the president, for the FHA to finally listen. The damage it did in that time period cannot ever be fully undone. In other words, while the courts play an important role in assuring the legality of government actions, they are not enough, and need to be supplemented by an active public and a legislative commitment to equality. If the government is dead-set on discriminating, it can pursue and institutionalize a pattern of criminal conduct, no matter how often the courts catch it.*



*The FHA’s unconscionable cruelty resulted in a pattern of unconstitutional de jure discrimination against African American people, particularly in localities whose courts had little interest in the legal legitimacy of what they were doing. Regardless of whether they actually held racist views, the fact that even Supreme Court justices had restrictive covenants on their homes shows both how pervasive these covenants were and how deeply structural white supremacy is baked into structures of power in the United States.*



## CHAPTER 6: WHITE FLIGHT

Rothstein recalls that the FHA's justification for denying financing to African American people was its belief that their presence "in or near" white neighborhoods "would cause the value of the white-owned properties to decline," and in turn threaten the FHA's own finances by making white people default on their mortgages. The FHA had no evidence for this—it could only site one anecdotal article from the 1930s, which argued that "racial segregation must be an obvious necessity because it [is] a worldwide phenomenon."

In Part I of this chapter, Rothstein explains that the FHA was simply wrong about black neighbors reducing white residents' property values. First, middle-class African American people were always forced to pay more than white people for the same housing, which would have "prevented property values from falling" in itself. In fact, a federal court ruled that restrictive covenants made property values fall by preventing African American people from paying *more* for the same houses and *increasing* neighborhoods' value. The FHA itself came to the same conclusion in 1948, as did a study of San Francisco neighborhoods in 1952.

In Part II, Rothstein notes that the FHA's failure to insure mortgages ultimately caused the same reduction in property prices it hoped to prevent: because black families could not get mortgages, blockbusting (buying at low prices from white people and selling at high prices to middle-class African American people) became a lucrative business. Blockbusters even paid African American people to walk around white neighborhoods or pretend to be interested in buying homes, just to scare white homeowners into selling at low prices. Unable to get mortgages, African American people bought their houses on a contract system, paying monthly without gaining equity. If they could make every payment for 15-20 years, the house was theirs; but if they missed just one, they would get evicted and blockbusters could resell the house. When the FHA saw African American residents move in and then property sale prices plummet, they were seeing the effects of blockbusting, which was itself a response to housing discrimination.

*Rothstein has already mentioned this argument, which continues to be frequently cited as an explanation for "white flight" (the phenomenon of white people leaving a neighborhood when African American people move in). If this argument were true, it might be possible to see the FHA's de jure racial discrimination as a product of its self-interest rather than because of systematic, institutionalized disdain toward African American people. But the FHA's argument is not true: it was simply an assumption that white administrators converted into an excuse.*



*The irony in the FHA's reasoning could not have been more brutal: had it allowed African American people to buy houses in the suburbs, everyone would have benefitted—these African American buyers would have secured wealth through their homes' appreciation, and white residents' home values would have appreciated even faster. In fact, this shows how white people ultimately hurt themselves by implementing racist segregationist policies—even though they justify these policies precisely by claiming them to be economic, not racist, in motive.*



*In fact, the FHA and white suburbanites were right about property prices (temporarily) dipping in integrating neighborhoods only because blockbusters took advantage of their racism and economic naivety: blockbusters created a phenomenon (declining property values), then cited that same phenomenon to profit from racism. They also profited from racism on the other end, both because they could overprice homes for desperate African American buyers and because the FHA's refusal to insure loans to African American people meant that blockbusters could profit off of the vicious contract buying system. Although they were perfectly willing to do business with black people, blockbusters were even happier to support the systematic de jure racial discrimination that multiplied their profit margins.*



In Part III, Rothstein explains how, beyond redlining, this contract sale system used by blockbusters also drove black neighborhoods to deteriorate. A historian whose attorney father defended evicted black residents explained that, since such residents “could [easily] lose their homes,” they did *anything* possible “to make their inflated monthly payments,” including renting out rooms and avoiding maintenance. The resulting population growth led to overcrowded schools, and in turn to crime, especially when school districts cut black students down to half days. As their neighborhoods worsened and suffered white flight, “black contract buyers did not have the option of leaving” because they needed to finish paying off their houses, lest they lose everything. To add insult to injury, the white blockbusters who sold these homes to black residents on contract often originally bought them through precisely the bank and government mortgages that African American people could not get.

*The dangers of the contract sale system further illustrate why access to credit has always been essential to class mobility in the United States: while the availability of trustworthy loans to whites allowed them to pay off homes over time, predatory loans to African American people actually eroded their wealth and chances at class mobility. This differential access to credit was a direct result of government policy, and specifically of the disproportionate allocation of resources to white people and divestment of resources from African American people. This led to the conversion of formerly middle-class neighborhoods to slums, which is yet another reason to conclude that the ghettoization and deterioration of African American neighborhoods in the United States constitutes de jure segregation.*



## CHAPTER 7: IRS SUPPORT AND COMPLIANT REGULATORS

Rothstein notes that the IRS contributed to the segregation of American cities by selectively “grant[ing] tax-exempt status to churches, hospitals, universities, neighborhood associations, and other groups” and supporting discriminatory banks and insurers. While it would be wrong to say that the government is responsible for all actions of the business it regulates, especially in the context of racial segregation, it is nonetheless unconstitutional when regulators *mandate* “systematic racial exclusion”—this clearly counts as de jure segregation. Similarly, it is wrong for regulators to support racist and pro-segregation nonprofits, even if those organizations “cannot be considered state actors.”

*Although discretion about awarding tax-exempt status by the IRS may not intuitively sound like a form of de jure residential discrimination, Rothstein carefully explains how it is at least unconstitutional. In essence, his argument is that government support for de facto segregation makes that segregation de jure, and discriminatory organizations should not be able to disguise themselves as charity. IRS decisions about tax-exemption do not only confer financial benefits on organizations that claim to be charitable and religious: it also gives them a symbolic seal of approval as agents of the common public good.*



In Part I, Rothstein explains that the IRS has almost always failed to meet its “obligation to withhold tax favoritism from discriminatory organizations.” While its rules stipulate tax advantages for human rights organizations that seek to “eliminate prejudice and discrimination,” for many years it gave the same advantages to “private whites-only academies” in the South, even after *Brown v. Board of Education*. In an important 1983 case, the Supreme Court examined whether giving “tax-exempt status to racially discriminatory schools” violated the Fifth Amendment. The Court ultimately decided the case on other grounds, but Rothstein argues that government support for racist organizations is clearly unconstitutional.

*Rothstein recognizes that the legal argument for his position on this issue is not as well-established as in other cases (like government-mandated redlining and restrictive covenants), but this actually makes his own thinking on the topic even more consequential, because it implies that his research and conclusions might be relevant to future court cases. Concretely, the effect of the IRS’s decisions is to subsidize and give an air of legitimacy to segregationist groups, which helps promote white supremacy and shows that the government does not always uphold its mandate to pursue equal protection for all.*



Churches were particularly grievous offenders. They often sponsored neighborhood associations that wrote restrictive covenants into housing deeds, as in the Shelley v. Kraemer case first mentioned in Chapter Five, or openly pushed for segregation in their neighborhoods. Rothstein gives numerous examples from places like Philadelphia, Buffalo, Los Angeles, Detroit, and Chicago, in which pastors, priests, and even a rabbi sued black families for moving into the neighborhood or lobbied local governments to mandate segregation. Even universities like the University of Chicago actively promoted restrictive covenants and funded the eviction of black families from their neighborhoods. And all these organizations remained tax-exempt.

In Part II, Rothstein explains how insurance companies have contributed to de jure segregation. They often work closely with state governments, especially when they propose building housing, and have frequently promoted segregation in the process. For instance, the Metropolitan Life Insurance Company built the enormous Parkchester and Stuyvesant Town complexes in New York City, which were originally whites-only, even though the vast majority of the projects' funding and support were public. Later that same decade, the city finally mandated that such publicly-supported projects be integrated—but it was too late. Stuyvesant Town was already full and rent controlled, for instance, meaning apartment “turnover would be slow.” As of 2010, it remains almost completely segregated, even though it was built on top of what used to be an “integrated and stable” neighborhood whose African American and Latinx residents have long since moved to other, more segregated areas.

In Part III of the chapter, Rothstein looks at how banks and thrift institutions with government insurance and oversight also “contributed to de jure segregation” through redlining. These institutions “refuse[d] service to African Americans only because [...] regulators chose to allow it.” For instance, the [Federal Home Loan Bank Board](#) supported discrimination until 1961, when it officially adopted a “race-blind policy” that it then chose not to enforce—it reasoned that refusing credit to African American people “was not a racial judgment but an economic one.” When this and other similar agencies like the Federal Deposit Insurance Corporation and Federal Reserve Board were reviewed by the U.S. Commission on Civil Rights in 1961, all defended their support for bank discrimination. Rothstein concludes that regulators in all these agencies are directly responsible for “contribut[ing] to de jure discrimination.”

*There is no clear answer to the question of exactly how much a hypocritical religious organization's open racism and support for discriminatory policies detracts from its status as a benevolent pillar of community—it clearly does, and it clearly does enough to compromise these institutions' status as representatives of the common good. Universities, too, style themselves as public benefactors while pursuing discriminatory policies, ostensibly because of self-interest, behind closed doors. Such instances of nonprofit-sponsored discrimination are no less common today, and these examples are a stark reminder that such institutions are seldom purely good or bad.*



*Beyond clearly showing how government has supported intentionally discriminatory housing policies by private companies, the example of Metropolitan Life illustrates the way that the government subsidizes corporate profits by giving tax breaks and diverting public money to wealthy companies. This makes the public neglect of African American neighborhoods and public housing look even more egregiously unjust by comparison. Stuyvesant Town's continued segregation roughly 75 years after its construction also demonstrates how residential segregation is exceptionally hard to change over time, and often becomes locked in as soon as housing is filled. This example illustrates the need for active pro-integration policies, rather than isolated court decisions that point out how existing segregation is unconstitutional.*



*While these banks' policies are not surprising, as they essentially reflected the redlining standards set by the Federal Housing Administration and Veterans Administration, Rothstein emphasizes that the government's more egregious behavior elsewhere does not excuse its unconstitutional actions in this case. The Federal Home Loan Bank Board's decision to reclassify discrimination as “an economic [judgment]” reflects the ideas that the FHA used to justify redlining decades before—which, as Rothstein has now shown several times, are actually contrary to the facts. These examples are stark reminders that racists understand that their views cannot be aired publicly—and so find ways to disguise them, however thinly, and slip them into acceptable public discourse.*



In this chapter's Part IV, Rothstein notes that the government continues to discriminate against African American people "into the twenty-first century." Now, regulators support the "reverse redlining" that helped cause the 2008 economic collapse. Banks pressured African American people into predatory subprime loans, making them "victims of a market that was not transparent." Brokers paid on a now-illegal form of commission told borrowers that their homes would increase in value over time, leading these borrowers to believe that they would make money and be able to refinance their loans to avoid the sudden increases in interest rates that were built into them. But this was a lie: borrowers saw their homes' value stagnate, and were foreclosed upon instead.

Federal regulators knew that banks were doing this for a decade, and the federal government's own data are clear: "discrimination was based on race, not on economic status," as African American people nearly always took out several times more subprime loans than white people of the same income level. Many ended up living on the street or in overcrowded conditions after losing their homes. A government investigation has proven "that top bank officials must have been aware of the racial motivation," and lower-level employees specifically marketed subprime loans to African American people whom they decided were not "'savvy enough' to know they were being exploited." Cities' lawsuits against banks have mostly failed. For instance, one federal court determined that subprime loans *must have* been legal, because the government would have stopped "heavily regulated" banks if they had broken the law.

The housing market's collapse has hurt African American people much more than white people. Anyone with a previous foreclosure, even on a subprime mortgage, cannot get a mortgage ever again. Instead, they are forced back into "the contract buying system of the 1960s." And these contract buyers often get their new homes from the same lenders that foreclosed on them. Now, their "eviction [is] possible after a single missed payment." Rothstein concludes that "regulators shared responsibility [with banks] for [the] reverse redlining of African American communities" in the 1990s and 2000s, and thereby shirked their constitutional responsibilities.

*21st-century reverse redlining is not only an egregious violation of civil rights, but it is also an unconscionable form of exploitation, knowingly pursued by some of the most powerful financial institutions in the world, with the blessings of regulatory agencies that are supposed to protect consumers. Not only do the effects of de jure housing discrimination persist, this example shows, but de jure housing discrimination itself is still going strong in the 21st century. Because regulators are largely disinterested in the common good and the courts cannot act until it is too late, Rothstein's examination of reverse redlining is a reason for citizens and legislators to mobilize in favor of integration and stronger consumer protections.*



*Unequal access to financial services like home financing remains one of the primary tools industry and government use to perpetuate segregation, and specifically to ensure that African American people remain blocked out of the middle class. Whereas homeownership is a realistic goal for white people who are given mortgages on honest terms, banks use it as bait to lure prospective African American people into bankruptcy. Just like Rothstein pointed out that the FHA's supposedly economic explanation for redlining did not at all line up with the data, the government's sources show that banks used economics as an excuse for racism, because economic discrimination is considered legitimate and sound policy in the United States. The court's roundabout decision—the banks' actions were legal because the government would have stopped them otherwise—shows both how government must be held responsible for its failure to properly regulate banks, and how the courts are often impotent when it comes to identifying and stopping discrimination.*



*Because predatory mortgages were issued based on race and those who suffered from them were unable to access further credit, it is clear that the government's support for subprime lenders has systematically discriminated against African American people and deprived many of the equal protection they are guaranteed by the Fifth and Fourteenth Amendments. The resurgence of the contract buying system shows how little the United States has learned in the last half-century, and provides incontrovertible proof that systematic de jure housing discrimination continues in the 21st century. What's more, the government has done virtually nothing to compensate the victims of predatory loans, while none of the bank executives who coordinated the scam mortgages has been seriously punished.*



## CHAPTER 8: LOCAL TACTICS

Rothstein recalls the story of Frank Stevenson, who was unable to reduce his commute time because the “FHA- and VA-insured subdivisions” sprouting up near the Ford Motor plant where he worked were only open to white people. A major developer of these neighborhoods was a man named David Bohannon, who also built Rollingwood in Richmond. One of the neighborhoods where Stevenson was barred from moving was the enormous whites-only San Lorenzo Village, “the nation’s largest wartime government-insured project,” which Bohannon built nearby with the support of the FHA.

In Part I, Rothstein recounts how a pro-integration religious Quaker organization called the American Friends Service Committee (AFSC) sought to help black Ford workers find housing in all-white Milpitas. Since no existing neighborhood would accept African American people, the AFSC decided to build its own. Although FHA restrictions prevented the AFSC from getting a loan, it managed to get a favor from the Metropolitan Life Insurance Company through a “Quaker connection.” With financing secured and help from the UAW, the AFSC next looked for a building site. When it found one, the local government “rezoned the site from residential to industrial use,” and when it found another, the same government rejected its proposal. By changing regulations, another town stifled the AFSC’s third proposed site, and a landowner refused to sell the AFSC a fourth site when he realized “that the project would be integrated.” Defeated, “the [AFSC’s] builder gave up.”

Another builder was hired, but refused to create the integrated neighborhood the AFSC demanded. Finally a third builder signed on to the project, despite having “no previous experience” in real estate development. Finally, this third builder found a plot of land and began construction on the development, Agua Caliente. But Agua Caliente happened to sit next to David Bohannon’s project in-progress, a white neighborhood called Sunnyhills, and Bohannon soon convinced the city of Milpitas—whose mayor was a real estate agent—to hike the price of Agua Caliente’s sewer access tenfold. In protest, Ford workers refused to buy the new houses, and the AFSC’s builder and Bohannon both got tired of fighting and sold off their projects to “a new developer recruited by the UAW,” who combined the two projects into one and kept the name Sunnyhills.

*Rothstein again returns to the example of Richmond to emphasize how the different elements of segregation that he has outlined in his different chapters all work together to reinforce one another: Frank Stevenson and middle-class African American people like him had to overcome numerous layers of obstacles and discriminatory policies in order to have any chance at the same housing opportunities that were available to essentially all white people. David Bohannon’s prominent place in the Richmond property market reveals how the power to discriminate and decide who could live where was incredibly concentrated, held in the hands of a few individuals at the top of federal agencies and construction companies, which were irreparably shaped by their individual prejudices.*



*The AFSC’s exasperatingly convoluted uphill battle to build housing for black Ford workers reveals the incredible power of the 20th century’s system of interlocking, segregationist regulations and prejudices around housing. Whether they justified their actions through explicit racism or supposedly “economic” reasoning that was clearly racist anyway, essentially everyone involved in the process of constructing the AFSC’s subdivision found a way to avoid contributing to integration, even when it would not personally affect them in any way. Local governments (the subject of this chapter) were particularly egregious offenders. The AFSC’s breakthroughs were the product of extraordinary luck and exceptions to the normal order of things—without its lucky “Quaker connection” and white integrationist allies to help push for integration and negotiate with the establishment, for instance, it is very unlikely that the AFSC would have made any progress at all.*



*Bohannon’s influence over the Milpitas mayor again shows how private biases not only infiltrate, but largely run, local city planning processes. Although Rothstein never mentions the word, “NIMBY-ism” (with NIMBY meaning “Not In My Back-Yard”) is a common term for the kind of unfortunate city planning situations that result from well-meaning but self-interested people vetoing undesirable projects in their own neighborhoods. In turn, this often leads to these projects being built in the poorest, most disadvantaged, and least politically powerful neighborhoods (which are quite often majority-African American ghettos).*



By the time the UAW's builder found a workaround to get mortgages for its buyers, it was too late. First, most white Ford workers had already found homes in segregated neighborhoods, so they did not go to Sunnyhills. Secondly, all the ["delays, legal fees, and financing problems"](#) made Sunnyhills prohibitively expensive for most Ford workers. And finally, most African American workers already accepted that they would have to commute from Richmond and gave up on moving to Sunnyhills, although a few eventually did. Regardless, even today, Milpitas has almost no black residents. As new factories opened up in Milpitas over the last half-century, they justified only hiring white people by citing the area's demographics—one such factory simply refused to hire anyone who did not live nearby, in the "almost exclusively white" town.

In this chapter's Part II, Rothstein notes that Milpitas shows local governments' "extraordinary creativity" in promoting segregation. These examples are not "aberrations," but rather part of "a national system" that tried "to maintain the status of African Americans as a lower [racial] caste" and "preserv[e] the badges and incidents of slavery."

In Part III, Rothstein notes that Milpitas's local government was using "common segregation tactics" that were popular across the United States. In 1954 near Philadelphia, a city council demanded that a proposed integrated neighborhood meet a number of onerous conditions never imposed on white neighborhoods. Based on these conditions, white families in the area sued the developer with the city's support, and the new project was canceled. Similarly, in a Chicago suburb in 1959, the local government approved a planned project before finding out that it would be integrated. When it did, local white people held a protest and vandalized the houses under construction, and then the city government seized the land to stop construction. (A legal challenge failed, as the government had previously proposed seizing the same land but had been rejected by voters.)

*Even when they win, integrationists still lose: although the AFSC and UAW managed to actually get integrated Sunnyhills built against all odds, this did not make the project a success. Rather, the endless opposition they faced ultimately took its toll nevertheless and still prevented Milpitas from being integrated. This reflects a general trend throughout the 20th century: because of systematic discrimination, comparable housing is almost always more expensive for African American people buyers and renters than for white ones.*



*Rothstein's passage about "badges and incidents of slavery" is crucial because it has important legal consequences: this is the language that Congress has used to interpret the Thirteenth Amendment's prohibition against policies that "perpetuate[] the characteristics of slavery." So Rothstein is making a clear legal argument that local governments' systematic, discretionary favoritism toward white people constitutes a violation of the Constitution.*



*Remember that Rothstein has never suggested that government made people racist—as these examples show, in many cases white Americans were enthusiastic about enforcing segregation. This underhanded collaboration between the local government and private white neighborhood activists blurs the line between different forms of segregation—that is, the government made provisions to ensure that de jure segregation would look de facto. This kind of local discrimination is hard to combat, because in any specific instance it is impossible to prove that local governments acted on racially discriminatory grounds—and yet it is easy to see how the pattern, in its entirety, proves racial discrimination.*



In Part IV, Rothstein notes that local governments frequently turned proposed African American neighborhoods into parks, which was difficult to challenge in courts. He discusses the famous 1969 case of Black Jack, a white St. Louis suburb that organized to prevent African American people from moving in. This led to a legal battle, in which the court noted that the neighborhood's white people were motivated by racism and specifically blamed the alliance between government and the real estate industry as responsible for St. Louis's segregation. After five years, the proposed housing project was finally allowed to go ahead, but worsening economic conditions made the building impossible. When it comes to building integrated housing, Rothstein concludes, "justice delayed is justice denied."

In Part V, Rothstein explains that governments not only segregated suburbs to keep African American people out, but also segregated cities' downtowns to ensure "that white commuters, shoppers, and business elites would not be exposed to black people." To achieve this, they did what's known as "slum clearance." While urban African American neighborhoods "were indeed blighted," government responses usually involved relocating African American people to equally-impoverished neighborhoods elsewhere.

Building interstate highways was a popular excuse to "destroy urban African American communities." Builders and lobbyists actually convinced cities to accept highway construction by *promising* to eliminate black residents. In one Michigan town, officials routed a highway through a neighborhood that was 87 percent black. The federal government did not care that the project was motivated by "overt [racial] prejudice," and by the time the courts pointed this out after more than a decade, the damage was already done—most of the black residents had "move[d] into the Detroit ghetto." Similar proposals in Miami, Camden, and Los Angeles were also approved not *despite* their racially discriminatory effects, but *because* of them. And displaced residents almost never got help "finding adequate and safe new housing," or paying the cost of moving. When the government finally mandated such assistance in 1965, "the interstate system was [already] nearly complete."

*The conclusion that "justice delayed is justice denied" in housing issues is central to Rothstein's argument in this book: because courts can only stop discrimination after it has happened, housing segregation has impacts for generations and perpetuates itself by entrenching disadvantaged communities further in poverty. Since even illegitimate challenges to integration can ultimately stymie it by creating delays and cost overruns, Rothstein contends that government must actively promote integration—in the same way that, for instance, colleges and universities have pursued integration through affirmative action—rather than simply legalizing it and expecting it to happen overnight.*



*Again, governments used a legitimate need—the dilapidation of urban, primarily African American neighborhoods—as an excuse to pursue a completely different agenda (the segregation of city centers) that left the original problem intact. This bait-and-switch strategy was clearly motivated by racism, and it resulted in de jure segregation.*



*In this case, as in those of cities constructing parks and clearing downtowns to keep black people away, racism is the cause of urban development, rather than merely its effect (which is what the "de facto segregation myth" purports). City planners built highways in order to displace black residents, connecting white suburbanites to the city center and disconnecting African American people from it in one fell swoop. Here, too, the court ruling does nothing to change or reverse the segregationist policy it declared unconstitutional—it rather just serves as a footnote reminding the public that what happened was illegal. But the message to local governments is clear: the steepest punishment they will get for segregation is a slap on the wrist that nonetheless allows this segregation to remain in place.*



In Part VI of this chapter, Rothstein explains one last segregation tactic, which was particularly popular in the South before the *Brown v. Board of Education* decision in 1954: local governments zoned school systems so that black students *had* to live in segregated ghetto neighborhoods to get an education. Unhappy that “all attempts at [segregation through zoning laws] have proven unconstitutional,” the Austin, Texas city government relocated all black schools and public services to one neighborhood, and African American people essentially had to vacate the rest of the city in order to access those services. Once they did, “municipal services in the neighborhood declined” in quality, and the city government welcomed “industrial facilities in[to] the area.” Even some northern cities like Indianapolis did this, too.

Raleigh, North Carolina, is today famous for its integrated schools, made possible by a busing system that brings African American, low-income students from the city’s southeast to its wealthier, whiter northwestern neighborhoods. In fact, schools also *caused* this geographical segregation: early in the 20th century, school boards relocated all black schools to the city’s southeast, destroying “two relatively prosperous African American neighborhoods” in the process. Atlanta did something similar: in integrated neighborhoods, it designated areas for white people and African American people, and closed schools that were in the wrong areas. By moving white schools to the suburbs, the city forced white families to move there too. And Houston did this, too, convincing black residents to move into ghettos by overwhelmingly locating black schools, services, and even hospitals in those areas.

*This example of racist social engineering is particularly notable because it is what motivated Rothstein to study residential segregation in the first place: he studied segregation and racial achievement gaps in public schools for many years, until he realized that American schools remained segregated because American neighborhoods were still segregated, too. School segregation and residential segregation are intimately tied, and this is one clear example of how residential segregation ensures inferior services for African American people.*



*Raleigh is now famous simply because it committed an egregious historical wrong (like many, if not all, American cities) and has been one of the very few places to take any affirmative action to remedy that wrong. Again, its example shows how government actively impoverished African American people, specifically by targeting integrated and middle-class black neighborhoods for destruction and relocation. This also helps explain the gap between black and white income and wealth, which in turn remains an important part of the reason that many African American families still cannot afford single-family homes. Raleigh and Houston’s strategy of simply locating all relevant services in poor neighborhoods explains why Rothstein continues to use the word “ghetto” for such areas: African American people were confined to certain neighborhoods by policy, and unable to move anywhere else.*



## CHAPTER 9: STATE-SANCTIONED VIOLENCE

Rothstein returns to Richmond, California, where African American World War II veteran Wilbur Gary wanted to buy a house in 1952. A white friend was leaving Rollingwood, and in the 1948 *Shelley v. Kraemer* case, the Supreme Court had already decided that restrictive covenants could not be enforced. So Gary bought his friend’s house and moved in, even though the neighborhood’s community association tried to enforce the invalid covenant and then, when that failed, offered to buy Gary’s house back for more than he had paid. Then the neighbors tried a more extreme tactic: they formed an angry mob on the Gary family’s lawn. The police “refused to step in, so the NAACP [...] organize[d] its own guards.” For more than a month, the mob waited outside the house and the police arrested nobody, even after the governor ordered them to protect the family.

*While horrifying, the racist mob violence Wilbur Gary suffered is not at all unusual or out-of-place in American history—white supremacist terrorist groups continue to function openly in the 21st century, and lynching was common all across the country well into the 1960s. Indeed, given the political climate, Gary would have legitimately feared meeting the same fate, and the police’s failure to protect him suggests discrimination. (Later in the chapter, Rothstein makes it clear that this was a pattern based on outright racism.) It is important to remember that Rollingwood was a neighborhood built specifically for World War II veterans, but black people like Wilbur Gary and his family were nonetheless blocked out of it simply because of racist FHA restrictions. In other words, by trying to move into Rollingwood, not only was Gary breaking no existing law, but he was actually claiming a benefit that should have been his all along.*



In this chapter's Part I, Rothstein tells a similar story in Pennsylvania, where Robert Mereday helped build a second Levittown. His son's girlfriend and her family tried to move there but could not, which Rothstein notes would have been a very common and demoralizing experience. But after learning that African American people would pay more for the same houses, white Levittown residents started selling to them.

In 1957, a middle-class black veteran named Bill Myers moved to Levittown, Pennsylvania with his family, supported by a private loan from "a New York City philanthropist." But the mailman saw them and began yelling racist slurs during his rounds, leading an angry mob to form outside their house, and even rent a "clubhouse" next door. This racist mob stayed for weeks, and the police did nothing. Although the state attorney general finally got the mob disbanded, the Myers family left Levittown after four years because they were "constantly under threat" there.

Rothstein asks whether, in the cases of Wilbur Gary and Bill Myers's families, the police's inaction counts as "government-sponsored, de jure segregation." He points out that "the government [is not always] accountable for every action of racially biased police," but in these cases, higher-ranking officials clearly "either encouraged [...] or took inadequate steps to restrain" the police's complicity in violence. Therefore, the police's actions should be considered as "state policy that violated the Fourteenth Amendment[]," and there is no question "that law enforcement officers conspired to violate the [Gary and Myers families'] civil rights."

*The strange circumstances surrounding Levittown's initial integration recall the ironic, circular relationship between racism and economics that Rothstein illuminated in Chapter Six: even though the FHA and VA used economic excuses to justify their discriminatory policies, integration was actually in white people's economic interests as well as African American people's, and so it is unsurprising that some white Levittown residents eventually took advantage of the profits integration could offer them.*



*Like Wilbur Gary, Myers was only able to move into a white suburb because of extraordinary circumstances—this is why he was a pioneer, but also why Levittown's white residents (who were also veterans, like Myers) were so offended. Again, although the angry mob was started by private individuals acting on a de facto discriminatory basis, the government has an obligation to stop even de facto racism and discrimination, and its willful failure to do so turns this case into an example of de jure discrimination. Similarly, Rothstein points out that the mailman is a federal employee on the job, which makes his racist parade around Levittown officially a form of government-sponsored racism.*



*Rothstein continues to recognize that the line between de facto and de jure discrimination is fine and even debatable, but he considers police support for white supremacist mobs a clear example of de jure discrimination because it constitutes the state government's failure to equally protect all groups under the law. Again, the crucial distinction is the difference between isolated acts of discrimination (say, by an individual police officer) and a clear, pervasive pattern of discrimination by the police department as a whole—in other words, the institution of the police supported the mob, which represents official policy, as opposed to an individual police officer doing so out of private feelings. It is also important to remember that, if discrimination is de facto, this does not make it any less unjust or harmful—it only changes the kind of role the government should take towards resolving it.*



In Part II, Rothstein declares that “what the Gary and the Myers families experienced was not an aberration” and offers numerous examples of similar “attacks on African American pioneers,” which were almost always “sanctioned by elected officials and law enforcement officers.” These “pioneers” were always middle-class or higher, and usually attempted to avoid creating conflict, which suggests that white people’s objections were definitely about race, and not about class or other personal conflicts.

Rothstein traces the history of such conflict in Chicago, which offers instructive examples. Angry white mobs successfully evicted African American people in 1897 and 1907, and countless arsons in 1917-1921 and 1944-1950 went unpunished. Police ignored a 1951 “mob of about 4,000” white people who destroyed a black family’s apartment—the only people charged with a crime were the real estate agent, attorney, and landlady who helped the family get the apartment. (This happened again, in the same neighborhood, in the 1980s.) In 1953, when the city government offered African American people public housing in a white neighborhood, white people rioted, police did nothing, and the city rolled back its decision and fired the official who made it. And in 1964, the police evicted black students who legally moved into an apartment they rented from “a white civil rights activist.”

After World War II, in the suburbs of Detroit, white people harassed black families in most of their attempts at integration. There were “213 violent incidents” in Philadelphia “in the first six months of 1955” alone. In Los Angeles, firebombing was common and prosecuted only *once*, among the “more than one hundred incidents [...] between 1950 and 1965.”

Although federally outlawed by the Fair Housing Act in 1968, arson and mob attacks remained common through the 1980s, and were only frequently prosecuted after 1985. While law enforcement focused on “infiltrat[ing] and disrupt[ing]” political activists and criminal organizations during the 20th century, Rothstein points out, they did nothing about the “nationwide terror campaign against African Americans who integrated previously white communities.” This makes the government, which failed to punish police inaction or prioritize the protection of African American people, partially responsible for the violence.

*Rothstein goes to great lengths to emphasize the fact that the only real difference between “African American pioneers” and the residents of the white neighborhoods they integrated was race: they had similar jobs, income levels, and families. The government was clearly not breaking ranks with the white public by supporting angry mobs—but, by succumbing to popular pressure, it not only entrenched segregation for generations to come, but also completely failed in its constitutional duty to protect all citizens’ rights.*



*Chicago’s police systematically supported anti-integration terrorism for decades, with cooperation rather than intervention from the state government. Although the Fourteenth Amendment had been on the books for several decades, the city government punished anyone who tried to follow it, whether an official or a private citizen. This history no doubt helps explain why Chicago remains so segregated today. While it was never written into official policy, then, support for segregation was clearly an unwritten rule in the city government, and its actions establish that the city’s segregation is de jure.*



*By taking up these other examples, Rothstein makes it clear that Chicago is not an outlier, and that violence against integrating African American people—as well as systematic police indifference to this violence—was common across the United States, not just in the South.*



*Rothstein emphasizes that the government’s focus on stopping leftist groups and civil rights activists, rather than racist mobs, constitutes a political decision that reflects the biases of law enforcement itself. He also points out that the incidents of arson and mob violence he cites are clearly acts of terrorism, and not merely riots or hate crimes, because they occurred systematically, targeted civilians, and sought to advance a political purpose—segregation—by striking up fear and apprehension in the minds of potential “pioneers” of integration.*



In Part III of this chapter, Rothstein tells the story of another African American veteran and middle-class professional, Andrew Wade, who managed to move his family into “an all-white suburb” in Louisville, Kentucky with the help of a white activist friend, Carl Braden, in 1954. Like the integration pioneers before them, the Wades faced an angry mob who shattered their windows with rocks and gunshots, and the police did nothing. Eventually, the mob blew up the Wade house, and the police arrested Andrew Wade and Carl Braden themselves. The police had a confession from the person who blew up the home, but did not arrest them, and ultimately “Carl Braden was sentenced to fifteen years in prison” (although he won an appeal and got his sentence overturned).

In 1985, after another black family’s house was blown up in Louisville, a police officer admitted in court that “half of the forty [Ku Klux] Klan members known to him were also in the police department,” and his superiors supported their membership. Despite all of this history, in 2007, the U.S. Supreme Court decided that Louisville was segregated “not of state action but of private choices”—and used this decision to reject “a racial integration plan” in the city’s schools. There is no question that what happened there was “state-sponsored violence,” which is one among many tools used by “all levels of government” to prevent integration. It worked primarily through fear, the impact of which is hard to measure, or overstate.

*Andrew Wade and his family’s story show how white terrorism layered different tactics to dissuade pioneers from integrating. When mob violence failed to dislodge the Wades, the white community—with the support of the state—turned to arson and then to prosecution. This story also illustrates how the police were not the only agents who enforced the laws on a racially discriminatory basis: so did the prosecutors that represented the government’s interests in court. This makes it even clearer that the state government as a whole was conspiring to sustain segregation, de jure.*



*While it may not be surprising to students of American history that many police officers are also members of a white supremacist terrorist group, the Louisville police’s explicit support for the racists among their ranks clearly shows why Andrew Wade and his family never received the police protection that they were legally due. The police’s approval of white supremacist officers is ostensibly based on the idea that officers’ private biases are separate from their responsibilities to the public as agents of the law, but the examples of police support for racist terror that Rothstein has presented throughout this chapter indicate that people’s private biases essentially always influence the decisions they make in public life. The historical amnesia represented by the Supreme Court’s decision only adds insult to injury and helps sanitize and erase the history of racial terror in the United States.*



## CHAPTER 10: SUPPRESSED INCOMES

Rothstein begins by noting that Americans often see segregation as the de facto result of generally poorer black families being unable to buy houses in more expensive, whiter neighborhoods. In addition to being just one among many causes of segregation, however, the income gap is also actually the product of intentional “government policies that purposely kept black incomes low throughout most of the twentieth century.” Because relative differences in income tend to pass from one generation to the next, these policies continue perpetuating inequality and, by extension, segregation. For example, local governments have placed higher tax rates on African American people, and forced them to spend more of their wages making up for the services they lost through segregation. This kind of inequality is largely responsible for black families’ current disadvantages in terms of income, wealth, and housing affordability. And it should be considered de jure segregation.

In Part I, Rothstein explains that, even after slavery, truly free work was not available to most African American people. Many were forced into sharecropping, which trapped them in cycles of unrepayable debt, and at least 100,000 people were sold into slavery by governments that issued astronomical fines for behaviors like “vagrancy,” then forced to work off their debts in “plantations, mines, and factories.” These labor conditions were common until the 1940s, although many African American people in the South managed to escape them by moving North during the two Great Migrations that roughly coincided with the two World Wars and their aftermaths, when northern manufacturing jobs needed filling. The recency of these migrations has contributed to African American people’s difficulty “accumulat[ing] capital for home purchases.”

*As with the mob violence covered in the previous chapter, it might initially seem confusing that Rothstein considers income differences between white and black Americans a form of de jure segregation. However, his argument is simple: income gaps cause segregation, government policy caused income gaps, and therefore the government caused segregation (which makes it de jure). This argument is particularly important because it directly undermines the “de facto segregation myth,” which holds that segregation is de facto precisely because it is a product of African American people’s lower income and wealth. However, in this chapter, Rothstein shows that these differences in income and wealth are actually results of (de jure) policy rather than (de facto) individual choices. Therefore, even if the “de facto segregation myth” were right that only economic factors keep African American people from integrating the suburbs (when, in reality, numerous factors contribute to this), the history of these economic factors would still make segregation de jure. Finally, “government policies that purposely kept black incomes low” of course have many negative consequences besides their contribution to residential segregation, and Rothstein does not mean to minimize these other consequences—they are simply outside the scope of his book.*



*Rothstein again emphasizes that African American people’s second-class status descends directly from their economic exploitation under slavery. While many Americans think that the end of slavery meant African American people could suddenly access the same opportunities as white people, this is far from the truth: rather, for decades, the government, white segregationists, and wealthy interests who benefitted from maintaining a pool of cheap, unfree labor found new, technically legal—but still discriminatory and unconstitutional—ways to replicate the conditions of slavery. Recall that Frank Stevenson, Robert Mereday, and other participants in the World War II-era Second Great Migration were only allowed to take middle-class jobs because there was a shortage of white workers—otherwise, they and their families were completely blocked out of middle-class work through segregation. Because children inherit their parents’ wealth, families in the (disproportionately white) middle class and up can generally accumulate more and more wealth from generation to generation, while the (disproportionately African American) families who live in poverty fall further and further behind their middle-class counterparts with every generation. Today, the disparity remains, both as a legacy of this long history and because it remains more difficult for African American people to get the same jobs as white people, even when they have the same qualifications.*



In Part II, Rothstein explains that, because Franklin D. Roosevelt had to cooperate with racist southern Democrats to get the New Deal passed, much of it excluded African American people. “Agriculture and domestic service” were generally excepted from all labor protections, and New Deal agencies like the Tennessee Valley Authority and Federal Emergency Relief Administration segregated their workforces, relegating African American people to the worst jobs. Beyond simply excluding “agriculture and domestic service,” the government ensured that primarily black *industries*—including things as specific as “canning, citrus packing, and cotton ginning”—were also excepted from labor protections. Similarly, pay increases in the textile industry bypassed African American workers, who saw their wages stagnate but “the cost of everything they had to buy” increase substantially. In the Civilian Conservation Corps, too, white people were consistently given preference over African American people, who were segregated (but commanded by white managers) or denied work altogether.

In Part III of this chapter, Rothstein notes that Franklin D. Roosevelt’s 1935 National Labor Relations Act originally specified that unions that discriminated against African American people could not be certified to bargain with employers, but a prominent union called the American Federation of Labor (AFL) got this specification removed. As a result, for more than three decades, the government not only unconstitutionally protected racist labor unions, but also supported unions that specifically lobbied companies to replace African American workers with white ones.

*In the “Frequently Asked Questions” section at the end of his book, Rothstein clarifies that Roosevelt was probably something of a racist himself, and that his policies excluded black people because of a combination of his personal beliefs and political necessity. While it may be better to create programs for just white people than to create no programs at all, these programs still expanded the racial income and wealth gap, and Roosevelt could have actively pushed for the New Deal’s benefits to reach everyone equally, rather than giving in to the southern Democrats’ wishes. There is little doubt that the labor protection laws excluded specifically African American industries because workers in these industries had little power and policymakers had little interest in their wellbeing. By turning economic progress into a zero-sum game (that is, one in which white people only won if, when, and because African American people lost), the government limited the concessions industry would have to make to labor and ensured that nearly all improvements in pay and conditions were reserved for white people.*



*While labor unions play an essential part in protecting workers’ rights against the power of corporate executives, they do not necessarily represent all workers, and the conservative AFL’s successful lobbying meant that African American people were largely blocked out of the benefits that labor unions secured for their members throughout the 20th century, like better hours, conditions, and of course wages. As with racist white mobs and nonprofit organizations, while private groups are the ones discriminating, the government has a constitutional obligation to prevent their discrimination from having disparate effects on different racial groups—and when it fails to do this, it sanctions the actions of those private organizations as de jure.*



In Part IV, Rothstein notes how segregationist unions also suppressed black workers' wages. During World War II, the federal government temporarily ran private factories for defense manufacturing, but these factories were still subject to racist union laws that restricted African American people's access to work. The UAW was initially resistant to letting African American people work at the Ford Motor plant in Richmond, for example, but eventually agreed to let them take progressively better-paying and more skilled jobs. When he first moved to Richmond to work at the shipyard, Frank Stevenson couldn't join the all-white Boilermakers' union, so he joined the black "auxiliary union chapter[]" instead, and received no protection for the dues he paid. When the NAACP formally complained about the Boilermakers, the National Labor Relations Board did nothing. It finally banned segregationist unions in 1964, but never addressed the "decades of income suppression" that they created for African American people.

After the union of Pullman railroad car porters (who were always African American) threatened to march on Washington in 1941, Rothstein recounts in Part V, Franklin D. Roosevelt agreed to ban "racial discrimination by unions and management in government-controlled war industries," by creating a Fair Employment Practices Committee. But this Committee did nothing—it did not force any industries to integrate, its head was a segregationist, and its greatest victory was getting segregated unions "to create an exception" to admit individual African American people. During the 1940s, many city services and public utilities were segregated, and Rothstein offers numerous examples from the San Francisco Bay Area.

In the city of Sausalito, north of San Francisco, a group of black workers decided not to pay their union dues to the Boilermakers' African American branch, which offered them zero protection. They were laid off, but appealed to the Fair Employment Practices Committee (FEPC) and eventually won in the California Supreme Court after a long legal battle. It was too late, however, since with the end of the war "the shipyards shut down." Elsewhere in the United States, FEPC integration orders were similarly ineffectual, and Roosevelt's government did nothing to punish industries that refused to integrate—neither has any government tried to remedy this issue after the fact. In fact, the benefits given to veterans during the G.I. Bill were largely denied to African American people.

*As Rothstein first mentioned while telling Frank Stevenson's story in Chapter One, World War II was significant for African American workers because it marked the first time many could find reasonable middle-class work. They were included because of economic necessity, however, and not because of a desire to integrate on the part of government or industry—in other words, economic pressure forced some measure of integration, and the labor shortage naturally gave African American workers some of the bargaining power that was usually reserved for unions. Like other discriminatory organizations, these unions excluded black people because of a combination of individual bias and systemic self-interest—even white workers who did not personally oppose integration were likely to support the union's policies, whatever they were. As with public housing construction and local land-use decisions, in this case the government gave too little, too late: while it stopped further damage from being done, it could do nothing to undo the damage that accumulated for decades before its decision.*



*The extraordinary example of the Pullman porters' union shows how African American workers could have much more effectively defended their rights and improved their working conditions if they had had real union representation. Beyond emphasizing the importance of unions and the way their discriminatory practices contributed to the growth of the racial wage gap, this example offers a powerful model for antiracist popular activism in the future. The utter uselessness of the Fair Employment Practices Committee again recalls the crucial difference between the way laws are written and the way they are actually implemented—for integration to succeed, individual members of the government need to actually feel compelled to carry it out, which means a change in public discourse is necessary along with a change in laws.*



*While the black shipyard workers successfully made their political point by refusing to pay dues to a union that refused to represent them, the government's ambivalence about the law ultimately ended up undermining these workers' efforts, even though the courts recognized that they were correct about their legal rights. Once again, this court decision actually did nothing to restore the workers the rights they were illegally denied, which suggests that the government's procedures for compensating victims of discrimination are inadequate at best.*



In Part VI of this chapter, Rothstein notes that the U.S. Employment Service was one of the primary ways Americans found work after World War II, but it generally excluded and gave substantial disadvantages to African American people—many of whom were left without work, even though jobs were widely available. Although a presidential executive order mandated that all “federally funded construction projects” hire African American people, Rothstein finds numerous examples of firms that ignored this order, and he notes that, “even today,” unions routinely and systematically discriminate against African American workers.

*As with nearly every other government-sponsored program for citizens during and after World War II, the U.S. Employment Service eagerly pursued segregation and provided inadequate services to African American people. As with Roosevelt’s other programs, a lack of enforcement substituted for formal discrimination, but it produced the same effect. Notably, after several decades the government still has not figured out how—or put in the effort necessary—to make unions truly racially inclusive, which shows that this is yet another important part of the present-day battle for racial equality before the law.*



In Part VII, Rothstein explains how “discriminatory property assessments” have disproportionately increased the tax burden on black families. “By overassessing properties in black neighborhoods and underassessing them in white ones,” governments force black neighborhoods to cover a disproportionately larger portion of a city’s overall budget. This is systematic, and not the product of individual assessors’ biases. While seeing their houses assessed highly “makes [people] feel wealthier,” the tax assessment has no impact on “the potential sale price of a home.” Rothstein cites studies of more than ten different cities, which all show that in many American cities black residents pay several times more property taxes than white ones, in relation to the value of their homes. This means that “fewer funds [are] left for maintenance” in black neighborhoods, and African American people who have not paid their high property taxes are more likely to have their homes repossessed.

*Like numerous other forms of discrimination that Rothstein covers in this book, discriminatory tax assessment is an incredibly difficult claim to prove in court—which is, in part, why it continues unfettered. The evidence he presents clearly proves that African American neighborhoods are systematically overtaxed, and because tax assessments are zero-sum (the total revenue needed for a locality is divided up by properties based on their value), the overtaxing of African American people not only deprives them of some of their rightful income, but also substantially increases the disposable income available to white people. Rothstein emphasizes how huge the effect actually is: owners pay several times more in taxes, for the same property, in an African American neighborhood versus a white one—even though, when it comes to sale prices, the effect is the opposite. This convenient reversal makes it clear that tax assessors’ economics are based on racism, and not the other way around (as agencies like the FHA long claimed). As with reverse redlining, the promise of wealth through homeownership actually becomes a tool to deprive African American people of the wealth they are able to accumulate.*



In Part VIII, Rothstein explains how, since African American people were forced into ghettos, it has become harder and harder for them to leave, in part because housing is more expensive there, which lowers their incomes even further. There is and has always been “greater demand, relative to supply, for African American housing.” In the 1920s in Chicago, for instance, when white residents left an apartment and African American people moved in, they paid “50 to 225 percent” more in rent. It was not uncommon for six or more families to live in small, subdivided apartments. Because this pattern persisted throughout the entire 20th century, African American people consistently spent more of their income on rent and were less likely to save or build household wealth than white people.

*Between higher rent prices and outrageous property tax assessments, African American people suffer an overall much higher cost of housing, which makes it even more difficult for them to save money when combined with their relatively worse chances of getting stable, middle-class work. Rothstein repeatedly emphasizes the gradual and long-term effects of these differences because the wealth gap is so pronounced now precisely because savings and wealth accumulate over time, within families. Because the government is responsible for setting these tax burdens and constraining the supply of housing for African American people (leading to higher rent prices), this wealth gap is a direct result of government policy.*



In this chapter's Part IX, Rothstein tells the story of Mahwah, New Jersey. Just as Ford moved from Richmond to Milpitas in California, it moved from a small site near New York City to the more distant suburb of Mahwah. White people could easily move there, but African American people were largely unable to move to the area, and therefore had to commute "sixty to seventy miles each way," which cost them "about 10 percent" of their salaries and made it more likely for them to get fired for missing work. Rothstein concludes that segregation simply makes daily life costlier for African American people.

*The stories of Richmond and Mahwah are significant because they illustrate the concrete harms that the relative inaccessibility of housing inflicts upon African American people. It makes them less able to adapt to changes in the economy and labor market, like the sudden relocation of a factory, as well as less able to cope with emergencies because of their relative lack of disposable income. And while many people consider commuting "seventy miles each way" normal, it is costly in terms of time as well as money. Moreover, because they are forced to live in relatively more impoverished and underserved neighborhoods, middle-class African American people do not receive the same quality services (schools, hospitals, food accessibility, etc.) as whites of the same income level, which also systematically deteriorates their quality of life.*



## CHAPTER 11: LOOKING FORWARD, LOOKING BACK

Rothstein notes that the series of civil rights laws passed by Congress in the 1950s and 1960s were "not without challenges," but overall "effective," in part because they involved only "modifying future behavior." This contrasts with ending de jure housing segregation, which is comparatively more difficult because it "requires undoing past actions." Through an executive order, President Kennedy ended federal support for discriminatory home financing, and the Fair Housing Act passed in 1968 "by the narrowest of margins," meaning that for the first time, "government endorsed the rights of African American people to reside wherever they chose and could afford." However, much has remained the same more than 50 years later.

*Rothstein's attitude towards the Civil Rights Movement of the 1950s and 1960s reveals both his optimism and his pessimism: he believes that popular mobilization can change laws and create a more just future for the United States, but also that these laws are generally inadequate and need to be designed in a particular, forward-thinking way in order to resolve residential segregation. This is why the Fair Housing Act, which ended discrimination, has done nothing to change segregation—the segregation of the present is the result of the discrimination of the past, and so stopping future discrimination will not stop segregation (only affirmative action to integrate cities will do so).*



Rothstein declares that some forms of discrimination are "straightforward" to roll back: unequal voting rights, hiring discrimination, and segregation in transport can be solved through the passing and equal enforcement of new laws. School segregation is more complex, but it is still clear how to fix it: provide schools of comparable quality and ensure that schools are integrated. In contrast, desegregating housing requires "undoing the discrimination that previous generations received," which is much harder. In fact, housing segregation is getting worse over time, and as a result "schools are more segregated today [in 2017] than they were forty years ago." (Given this segregation, busing between neighborhoods is the only remaining way to ensure schools remain integrated.)

*Rothstein is clear: justice requires the redistribution of resources, not just the provision of legal rights. There is no such thing as theoretical "equality of opportunity" when it comes to housing because everyone's opportunities depend on things firmly lodged in the past, which are outside of individuals' control—intergenerational wealth, access to education and job markets, and the color of one's skin. So the only way to create an equitable housing system is to actually manipulate where and how people live—but in the opposite direction than the government did throughout the 20th century. This does not mean Rothstein advocates coercing or forcibly displacing anyone—only that the government can use incentives, punishments, and regulations to promote integration as much as possible.*



Housing segregation is comparatively harder to fix simply because “moving from an urban apartment to a suburban home is incomparably more difficult than registering to vote, applying for a job,” and so on. Rothstein lists a number of specific reasons that “residential segregation is so hard to undo.” Children often replicate their parents’ class status, white people’s suburban homes have increased in value and turned into inheritance for their children, it is too late for middle-class African American people to afford “homes outside urban black neighborhoods,” tax benefits for homeowners disproportionately help white people despite being “seemingly race-neutral,” and government public housing and housing subsidy policies continue to “promote [segregation] implicitly.”

In Part I, Rothstein notes that African American people’s incomes grew more rapidly than white people’s during the 1960s, largely because they were finally able to find progressively better jobs. However, “working- and middle-class Americans of all races and ethnicities” have seen their wages stagnate or decline since 1973—the period during which “single-family home prices began to soar.” In short, “the window of opportunity for an integrated nation had mostly closed” by the time African American people could access the same housing and employment opportunities as white people.

Rothstein illustrates this with an example: in 1948, Levittown homes cost the equivalent of \$75,000 (in 2017 dollars), and Vince Mereday’s home in the African American neighborhood of Lakeview would have cost at least as much. Today, Levittown homes are worth more than \$350,000, and Mereday’s is worth around \$100,000. In general, this pattern holds: white people earn much more from the appreciation in their homes’ value, and after the Fair Housing Act of 1968, “unaffordability” was more important than discrimination in preventing African American people from moving to the suburbs.

*The difference between housing discrimination and other forms of discrimination reflects how essential housing is to every human being’s way and quality of life. In fact, its relevance is often overlooked precisely because it is so fundamental, and because it is considered part of the private rather than the public sphere. But segregation gets more acute over time: because wealth begets more wealth and income gaps widen over time under unfettered capitalism, simply leaving housing up to the market only leads wealth gaps to widen and single-family homes to grow more and more inaccessible for working families.*



*The faster growth in African American incomes during the 1960s does not mean that African American people had opportunities not available to white people—rather, they were finally able to start catching up to white workers because their civil rights were more clearly protected. Although not by design, the fact that the sudden opening of the job market to African American people essentially coincided with the end of wage growth in the 1970s meant that the easiest way to achieve social mobility became through property ownership, rather than work. During and after World War II, a middle-class job essentially guaranteed a middle-class life for white people, but since the 1970s this has not been the case, and homeownership is a stretch for anyone without inherited wealth. As a result, the rate of homeownership has not grown, and those blocked out of it—a group that disproportionately includes African American people—generally remain so for most or all of their lives, which means they never get the chance to accumulate and pass down wealth or property.*



*Although the difference in appreciation between Levittown and Lakeview homes cannot be traced to or blamed on any specific government policy, it is clearly a result of the overall bias of the housing market in favor of white people and neighborhoods. Therefore, homeownership itself also gradually increases the wealth gap, as whiteness quite literally pays dividends to white families lucky enough to own a home.*



In Part II, Rothstein explains how the passage of civil rights legislation “did not translate easily into African Americans’ upward mobility,” because entering the middle class “has always been difficult for all Americans.” In fact, class mobility is harder in the United States than in most “other industrialized societies”—about half of the children of the poorest fifth of Americans remain in that category, and segregation makes mobility even harder for African American people.

In Part III of this chapter, Rothstein notes that, while the median black family’s *income* is 60 percent of the median white family’s, their *household wealth* is less than 10 percent of the median white family’s. This directly reflects residential segregation because “equity that families have in their homes is the main source of wealth for middle-class Americans.” The statistics for wealth mobility are similar—but slightly worse—to those for income mobility. And the disparity between general statistics and those for African American people is even higher. This has profound effects, as families can “borrow from their home equity, if necessary, to weather medical emergencies, send their children to college, retire,” and so on. Four times as many white people inherit wealth from their parents, and they inherit about three times as much as black people.

In this chapter’s Part IV, Rothstein explains that neighborhood composition plays a large role in African American people’s lack of upward mobility. He cites sociologist Patrick Sharkey’s book *Stuck in Place*, in which Sharkey finds that African American youth are not only “ten times more likely to live in poor neighborhoods,” but also much more likely to “continue to live in such neighborhoods” in the next generation. Leaving a poor neighborhood “is typical for whites but an aberration for African Americans.” And being around “neighborhood poverty” is worse than actually “being poor,” for several reasons ranging from the lack of “adult role models” and job opportunities to environmental and nutritional factors, exposure to violence, and disadvantages in education and healthcare. “Aggressive” policy solutions are the only way to undo this cycle of poverty in American ghettos.

*There is a vast body of literature exploring why and how social mobility is so exceptionally difficult in the United States—a fact made even more paradoxical by the centrality of social mobility to the “American Dream” narrative that so many American workers define themselves and their aspirations through. Racial caste is a compounding factor because historical policies specifically targeting African American people have resulted in a society where black people have even less access to social mobility—indeed, race is a caste rather than a class in the United States because it is (virtually) impossible for individuals to change their race, whereas it is possible (though difficult) to move up or down in class. Therefore, racial caste and class inequality are mutually reinforcing.*



*The enormous disparity between the racial income gap, which reflects earning power in any given year, and the racial wealth gap, which reflects cumulative earning power over decades and generations, shows the severe consequences of African American people’s historical disadvantage in the labor market: they have only recently won reasonable legal protections and continue to fight widespread discrimination, in addition to 21st-century economic conditions that make accumulating wealth much harder than it used to be (for all but the already wealthy). Homeownership remains the defining characteristic of middle-class status in the United States, and it is both a result of and contributor to wealth rather than income. Therefore, Rothstein indicates that it would not be a stretch to say that many African American people are blocked out of the middle class today precisely because they (and their parents and grandparents) were blocked out of homeownership for most of the 20th century.*



*Rothstein continues to emphasize that inequality naturally grows over time in a capitalist market economy, unless the government redistributes resources more equitably. The market specifically uses racial and social difference to perpetuate this inequality: essentially, whereas most white people have built-in safety nets—through family, social networks, and government support—most African American people do not. A certain turn of events (like, say, a bankruptcy or medical emergency) could be inconsequential in a white person’s life, but spell disaster in an African American person’s, simply because segregation means that white people are more likely to be surrounded by people with the resources necessary to help. While even middle-class African American people often have to fight the effects of “neighborhood poverty,” even poor white people usually avoid them.*



In Part V of this chapter, Rothstein emphasizes that the same policy can “affect different Americans differently,” and notes that such “disparate impacts” have continued adversely affecting African American people even long after the Fair Housing Act outlawed housing-related programs with disparate impacts. One example is the overinvestment in highways at the expense of public transit, on which African American people disproportionately rely. For instance, Baltimore refused to build “rail lines or even a highway to connect African American neighborhoods to better opportunities,” and instead spent the money on “building expressways to serve suburbanites.” This fight has gone on for more than 40 years and remains ongoing in the courts, as the NAACP has filed a discrimination lawsuit against the city.

In Part VI, Rothstein concludes that government “will either or exacerbate or reverse” segregation—it has to choose one. If it tries to do nothing, “exacerbation is more likely.” For instance, current antipoverty programs actually worsen segregation. The [Low-Income Housing Tax Credit program benefits builders who construct housing for low-income families, but they nearly always do so in already-segregated neighborhoods. Similarly, Section 8 Housing Choice Vouchers](#) are insufficient to cover residents’ costs in anywhere but the poorest neighborhoods. A Dallas civil rights organization recently won a Supreme Court case establishing “the disproportionate placement of subsidized housing in [segregated] neighborhoods” as unconstitutional, but the results of this decision are not yet measurable as of 2017. Finally, the gentrification and redevelopment of city centers is now forcing African American residents to leave for poor, segregated neighborhoods like St. Louis’s Ferguson.

*Although the Fair Housing Act has done nothing to mandate the active integration of American cities, Rothstein points out that it does include useful provisions for more effectively combatting the politically convenient segregationist policies that continue to proliferate in city planning. This changes the grounds on which court cases about discriminatory housing policies can be fought: before, it was necessary to prove discriminatory intent, but now it is sufficient to prove discriminatory impacts—which is far easier. However, as always, merely stopping discrimination in the courts, after the fact, is only a way of preventing the problem from getting worse than it already is—what is sorely missing is legislation that forces the government to undo the de jure segregation it has created.*



*The battle is far from over: Rothstein emphasizes that, although the Fair Housing Act transformed the landscape of residential discrimination, it did not eliminate it, and residential segregation continues to get worse on its own. Rothstein leaves no uncertainty about the government’s obligation: inaction is not neutral, but rather a way of sanctioning segregation and allowing it to worsen. And because current programs are ineffective, they are forms of de jure discrimination that contribute to de jure segregation, too. Clearly, Rothstein’s book is intended as ammunition for political activists, attorneys, and policymakers who hope to reverse these policies and take active steps toward integration.*



## CHAPTER 12: CONSIDERING FIXES

Rothstein declares that “unconstitutional segregation” in the United States has not only devastated African American people, but also negatively affected white people by isolating them from their “fellow citizens of different racial backgrounds,” which has contributed to the racialization and “corrupt[ion of] our politics.” Low-income white and black Americans fail to see the political interests they share, and white people either try to avoid thinking about America’s “inequalities and history,” or fall into “a dysfunctional cynicism” about the contradiction between America’s “values of justice” and the “racial inequalities that belie those values.” Besides, diverse teams consistently produce better results in the workplace, which means that segregation is also harmful to economic productivity.

In Part I of this chapter, Rothstein explains how segregation is harmful to children. Not only does it deprive all children of exposure to diversity, but it also puts significant “handicaps” on black children at school. Because students share these disadvantages, teachers cannot remedy them by giving “special attention” to individual students, and all students’ learning is negatively impacted.

In Part II, Rothstein admits that it is simply too late to “provide adequate justice” to make up for the unconstitutional segregation imposed upon several generations of African American people by the government. Instead, policies should pursue integration and equality, while realizing that both are “impossible to fully” achieve. For one, integration requires giving many African American people the chance to build wealth and live middle-class lives, which requires changing policy to improve the working and living conditions of all low-income workers in the United States. Rothstein notes that he “hesitate[s] to offer” specific desegregation policy ideas because no such policy will ever pass so long as people “continue to accept [the myth of de facto segregation](#).”

*Rothstein’s argument that segregation also harms white people is powerful, but should not be taken too far: while it is true that integration clearly makes for a more harmonious and just society, Rothstein does not mean to say that white people’s fears about integration are completely unfounded. Rather, he emphasizes that the demands of racial justice trump these fears because African American people have a right to equal, integrated housing, and white Americans have no corresponding right to live in segregated bubbles or gain from the unfair distribution of property, as they do now. The institution of slavery offers a good comparison: slaveowners refused to give it up without a fight, but that fight was not justified, because the demands of justice outweighed slave owners’ (non-existent) right to own human beings. Rothstein thinks that white people must confront the fact that they have no choice but to integrate: it is a moral obligation, whether they like it or not. Rothstein suggests that lying to white people and promising that they will benefit in every way from integration is likely to invite a backlash that would reestablish segregation even more forcefully.*



*Inequalities in the education system were what drove Rothstein to begin studying housing inequality in the first place—the educational “handicaps” created by attending lower-quality schools in poor minority neighborhoods in turn lead to a lack of income and economic mobility later in life, which is another element of the self-perpetuating cycle of inequality.*



*This analysis explains why Rothstein warned against the white luxury of “dysfunctional cynicism” at the beginning of this chapter: by saying that segregation is a done deal and can never be reversed, people make the perfect the enemy of the good and dissuade themselves from taking action. As within the government, for bystanders, inaction is equivalent to complicity. Because full integration and restitution are impossible, pro-integration activists and lawmakers must do everything possible and imaginable to pursue them—not give up because their goals are unachievable in principle. In this passage, Rothstein also clearly explains where his book fits into the necessary pro-integration activism: in order to build a movement for housing justice, people first need to unlearn “the myth of de facto segregation,” and the central purpose of his book is to make them do so.*



In Part III, Rothstein does look at some “promising programs” currently under way and concrete steps that can be taken to combat segregation. For instance, a number of history textbooks completely fail to mention the government's role in producing segregation or the discrimination written into the New Deal, and one falsely calls segregation “de facto” and blames it on “unwritten custom or tradition.” It makes sense that everyone believes in the myth of de facto segregation, then, because “students are being taught a false history.”

*Rothstein identifies these misleading textbooks as the most influential and dangerous perpetrators of “the myth of de facto segregation.” To simply get these sentences changed in major high school textbooks would be a huge victory, and probably a relatively straightforward one to achieve. Even Rothstein’s readers can write to their schools and state boards of education to campaign for these changes; textbook writers and publishers have no excuse for peddling “false history” to future voters.*



In Part IV of this final chapter, Rothstein notes that President Barack Obama’s administration planned to truly enforce the Fair Housing Act’s mandate that local governments “affirmatively further’ the purposes of the law.” But the government never got around to specifying how they would enforce it, and as of 2017, Republicans have tried “to prohibit enforcement of the ‘affirmatively furthering’ rule.”

*Obama’s mandate represents a landmark shift in housing law because it changes the responsibility of government from not discriminating (which allows segregation and inequality to gradually worsen over time) to actively fighting discrimination and segregation (which Rothstein considers the only legitimate course of action for the government to take).*



In Part V, Rothstein notes that the strongest push for integration happened in 1970, after a string of riots across the country. George Romney, then Housing and Urban Development secretary, planned to withdraw government funding support from segregationist suburbs—but his Republican colleagues were so outraged that he was forced to resign. Rothstein notes that Romney’s proposal would probably win even less support today, since people have largely forgotten “the extent of de jure segregation.”

*The case of George Romney demonstrates that a broader, collective movement is needed to truly change policy, because so long as executive agencies maintain an institutional culture that promotes discrimination and segregation, individuals who fight for integration are likely to be silenced. But Rothstein again emphasizes that “the myth of de facto segregation” has not always been so prominent—rather, it has grown rapidly over the last half-century, largely as a way to resolve the cognitive dissonance between recognizing segregation as unjust and knowing that it was put in place intentionally. (Before the 1970s, when Americans widely knew that segregation was official government policy, many simply considered it acceptable.)*



In Part VI, Rothstein explains that he has a few ideas for how “to rectify the legacy of de jure segregation,” although none are “politically possible” yet. His first, most just, and least realistic is that the government should buy a proportion of suburban homes equal to the percentage of African American people in the population, and then sell them to African American people at the rates they would have paid when those suburbs were first built (but segregated). For instance, the government would buy “the next 15 percent of houses that come up in Levittown” and “resell [them] to qualified African American borrowers for \$75,000.” Rothstein notes that this would be constitutional, legal, and correct—but impossible to do now, since most Americans believe in “the de facto segregation myth.”

*Rothstein’s hopes for policy change lie far in the future—first, “the myth of de facto segregation” must be broken and the public and lawmakers must prioritize affirmative integration on their policy agendas. Still, his proposals can provide crucial guidance for these earlier-stage efforts. Crucially, they follow the model of what’s known as reparations: African American people must be actively given the opportunities that their parents and grandparents were unconstitutionally denied. Taken in isolation, this policy would seem to give unfair priority to African American people—but its purpose is precisely to balance the scales of historical justice by correcting past discrimination.*



In Part VII, Rothstein emphasizes that “black middle-class town[s]” need desegregation, too. Such neighborhoods are often near ghettos, and their youth must struggle to “resist the lure of gangs and of alienated behavior,” as well as learning how to deal with America’s “predominantly white professional culture.” An easy way to promote this integration would be “federal subsidies for middle-class African Americans to purchase homes in suburbs that have [historically] been racially exclusive.” But this would not happen either in the current political climate. One way that individual neighborhoods can start to help is to ensure African American people feel welcome there—that the police are trained properly, and that real estate agents will show houses in the area to black buyers.

*Federal subsidies would be a less heavy-handed way for the government to explicitly champion and promote integration, but Rothstein also emphasizes how local governments and even individuals can pursue the same values on a smaller scale. While these programs would be more palatable to policymakers and those still invested in “the myth of de facto segregation,” however, Rothstein emphasizes that it is crucial to remember the direct, reciprocal link between discrimination and integration: the same neighborhoods that blocked African American people from homeownership should be the ones where they are encouraged to live, for instance. Pro-integration policy, in other words, should directly target historical sites of segregation.*



In Part VIII of this chapter, Rothstein proposes banning zoning laws that limit areas to relatively large single-family houses, or that deny mortgage-related tax breaks to people who live in such neighborhoods. Either policy must be accompanied by “a requirement for inclusionary zoning.” Massachusetts and New Jersey already do this, forcing affluent suburbs to build or reserve housing for low-income families, but these states base their calculations entirely on income and ignore race. Evidence from these states shows that new low-income residents do not deteriorate the quality of life in such neighborhoods. Certain municipalities elsewhere have similar laws, but they are ineffective unless “implemented on a metropolitan-wide basis.” One Maryland county does this, and low-income children who benefit from this subsidized housing show “measurably higher achievement” in school.

*While these proposals only address one element of the multifaceted problem of housing discrimination, they also cleverly turn the technique of segregation around, converting it into a technique for integration. Massachusetts, New Jersey, and Maryland offer promising evidence for the efficacy of such strategies—however, they require coordinated, local campaigns for integration, rather than sweeping federal policy. The “measurably higher achievement” of Maryland children attending integrated schools points to how the effects of poverty and the effects of “neighborhood poverty” are independent and separable.*



In Part IX, Rothstein summarizes law professor John Boger’s proposal for “a national ‘Fare Share Act’” to mandate that localities be racially and economically diverse, and revoke their tax deductions when they are not. This “would give citizens a powerful economic incentive to press their local officials to take reasonable steps toward integration,” and the additional revenue could go directly to subsidizing anti-segregation programs.

*Like the plan to use zoning laws for integration, Boger’s proposal also turns one of the most crucial motivators behind segregation—“powerful economic incentive[s]”—into a strategy for promoting integration. Rothstein recognizes that citizens respond to their economic self-interest and politicians respond to political pressure from citizens, so this policy can organically make change without forcing white people to accept integration in all cases (so long as they are willing to take the financial loss involved in maintaining segregation in their neighborhoods).*



In Part X, Rothstein mentions some “innovative programs” that have arisen through lawsuits and pushed for integration. After losing a lawsuit, Baltimore’s local government started giving a comparatively higher Section 8 subsidy to African American people who rent in integrated, middle-class neighborhoods, and it also provides them with “intensive counseling [...] to help them adjust to” these new neighborhoods. Dallas and a small number of other cities have similar programs, but few reach any significant percentage of people with public housing support.

Rothstein also proposes that the rest of the country should follow some model cities and states that ban landlords from discriminating against families with Section 8 vouchers. He also notes that only a small portion of the people who qualify for vouchers are actually given them, and argues that this is unjust and that the program should be expanded. In a parallel example, Rothstein points out that no middle-class family qualifies for **homeownership**-related tax deductions, but does not receive them. In short, the Section 8 program needs more funding, to ensure that recipients can afford apartments outside poor neighborhoods and expand the reach of the program. Builders and landlords should also be rewarded for promoting integration, rather than for building housing that only “reinforce[s] segregation.” Revitalization must happen without displacing local communities and must involve “surrounding community improvements,” rather than gentrification that displaces poor residents to “newly segregated inner-ring suburbs.”

In Part XI of the final chapter, Rothstein returns to the story of Frank Stevenson and his wife Rosa Lee, who ultimately raised their children in Richmond’s segregated school system. Their daughters went to an overcrowded, all-black school that was nearly integrated by a court ruling—but Richmond then “elected an anti-integration majority to the school board” that changed very little. To this day, the elementary school that Stevenson’s daughters attended remains under-resourced. The area’s high schools were segregated in a more complicated way that required students to make long commutes, but this still had the same effect: Stevenson’s daughter Terry never finished college, and all of his grandchildren work relatively low-wage jobs. Rothstein asks “what might have become of” them if they had grown up in an integrated suburb, and what obligation “the American community” has to them and families like them.

*Adding to Section 8 subsidies is advantageous because it does not require governments to create a totally new program, but rather only to devote more resources to one that already exists. While this still would not be viable without a strong public push for integration, it shows that meaningful change truly is within reach—even if it would be far from sufficient.*



*Unfortunately, as throughout the 20th century, programs intended to promote equality and legal provisions against discrimination are on the books, but not adequately funded, supported, or followed to achieve their intended effects. Rothstein points out that the government continues to disproportionately provide these promised benefits to the (disproportionately white) middle class, while denying them to most of the poor (who both need them more and are more likely to be racial minorities). So even though it has theoretically committed itself to providing benefits to all members of both groups, the government continues to discriminate in the provision of services, and private interests in the real estate industry continue to take advantage of loopholes to capture benefits that are intended to serve the poor.*



*By coming full circle, Rothstein forces the reader to consider the layers of discrimination that have structured not only Frank and Rosa Lee Stevenson’s lives, but also those of their daughters. Stevenson worked the same job, with the same pay, as numerous white Ford employees who got to live in comfortable, better-served suburbs like Milpitas. Despite being middle-class, Stevenson and his family had to deal with the effects of “neighborhood poverty,” which are still highly visible two generations down the line. Rothstein makes it clear: when all else is held equal, even income, residential segregation frequently makes the difference between who grows up to be middle-class and who grows up to be poor. And because that segregation has primarily been imposed by the government along racial lines, it is clearly a way of ensuring that the comforts of middle-class life are reserved as much as possible for white people, while perpetuating the second-class status that African American people have continually fought since long before the United States won its independence.*



## EPILOGUE

[Rothstein notes that John Roberts, the Chief Justice of the Supreme Court, wrongly declared segregation “a product not of state action but of private choices.” Roberts said that this meant segregation had no “constitutional implications,” but Rothstein argues that the fact that segregation is de jure means that it clearly \*should\* have these implications. Rothstein chalks America’s inaction on segregation up to the nation’s “comfortable delusion” that segregation is de facto, which is “the easiest” course of action. Certainly, \*de facto\* racist views have worsened segregation and discrimination, but the government’s job is to resist this racism, rather doing what it has too often done so far: “endors\[ing\] and reinforce\[ing\] it.”](#)

Rothstein revisits the themes of his chapters to show all the numerous ways that government has worsened segregation. It has used public housing to segregate rather than integrate cities. It has promoted “exclusionary zoning laws” that led to white flight. It has supported builders, lenders, and tax-exempt organizations in their successful discrimination against African American people. It has encouraged white mob violence and segregated schools. It has destroyed integrated and African American neighborhoods to build highways for suburbanites. It has discriminated against African American people in the labor market, and it has given white people and homeowners tax advantages over black people and renters. It continues contributing to segregation through housing assistance programs that force African American people into ghettos. While “undoing the effects of de jure segregation will be incomparably difficult,” the first step is understanding what has happened and “accept[ing] responsibility” for addressing and remedying all dimensions of the problem.

*Roberts’s decision clearly outlines the mistaken, “delusion[al]” thinking that Rothstein’s book is dedicated to correcting. There are two explanations for why Roberts might have so egregiously misinterpreted history in his Supreme Court decision: perhaps he was simply ignorant about the true origins of American segregation, or perhaps he has a vested interest in sustaining the residential segregation of American cities. While the former explanation, the “comfortable delusion,” is perhaps easier to accept, the rest of Rothstein’s book has given good reason to believe that private racist prejudices frequently find their way into official legal decisions, and so the second explanation cannot be ruled out.*



*Rothstein has structured his book to clearly present the evidence rather than tell a single, cleanly-packaged narrative through time. By focusing on a different aspect or technique of discrimination in each chapter, he shows how American residential segregation is not the direct result of any single factor, but rather the result of several layers of racist and exclusionary practices, implemented by every kind of actor involved in the process of building, maintaining, and apportioning quality housing: private citizens and corporations, local and state governments, federal executive agencies, and courts and lawmakers themselves. The total effect of this system is to consistently deprive African American people of equal social, economic, political, and educational opportunities and maintain their status as second-class citizens, which stretches back to slavery in an unbroken line. Reversing each of segregation’s various causes individually does little to affect the existing whole, and even undoing them all will leave the United States segregated. The only real solution is for the federal government to affirmatively integrate American cities and take positive action to promote the legal equality promised in the Constitution. Since the government has failed over and over to meet this charge, Rothstein notes in conclusion, it is largely citizens’ responsibility to keep it accountable through activism.*





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