

ASIDE from any aid that may be available from our federal and state governments, a real program of urban renewal calls for action by city governments and volunteer groups, together with a changed tax system that will not foster the neglect of houses and penalize the improvement of them, as does our present one.

New Programs for Old Slums

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THE American people have made a significant discovery. They once believed that slums were confined to big cities such as London, New York, and Chicago; they now realize that in their own home town, whatever its size, people are living in slums—unless that word is to be given a narrow and superficial meaning.

We are learning, too, that the physical condition of buildings may not be the major factor in producing slum conditions. Living quarters without adequate light, heat, running water, indoor plumbing, etc., are inconvenient, but they are not necessarily slums. Until recently most of our rural population lacked some of these amenities, but even the poorest of them—like Abraham Lincoln—who were housed in primitive log cabins with dirt floors did not live in what we call "slums."

The best living quarters are soon changed into slums if they were designed for families of three or four and then occupied by ten or twelve persons. Such overcrowding is not the result of any defect in the building, and it cannot be remedied by carpenters or plumbers. Overcrowding can be reported by inspectors and social workers, but for the evil itself there is no present remedy, nor will it be easy to devise one. The problem will be solved—if at all—only when the occupants of overcrowded houses develop a fiercer demand for more space and are enabled to get it.

A Modern Paradox

It is a paradox of our time that as we become more conscious of our "slums," the word itself is going out of use. We now speak of "urban rot," "blighted areas," the need for "urban renewal," etc. And this is important; cities that refused to admit the existence of local "slums" are now attacking an old problem, and the new ter-

minology has done much to make their programs acceptable.

The realists in all our cities now want to know what is to be done and who is to do it. To get our citizens aroused is obviously the first step—but it is far from being a program.

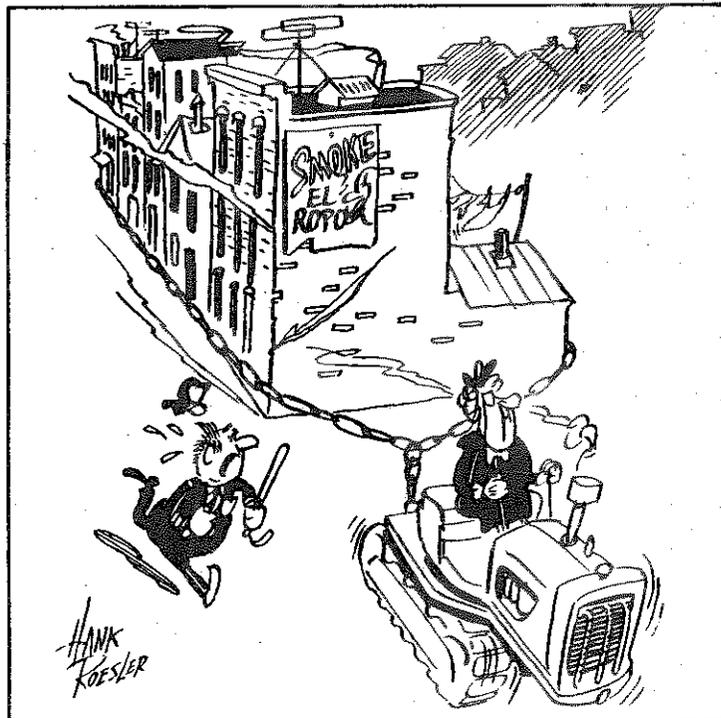
The desirability of "redevelopment" program is hotly discussed. Such programs have been defended as the only practical way to save some areas in our older cities from progressive deterioration. Opponents object to the possible condemnation

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of well-kept homes, the removal of property from the tax rolls, and the forced evacuation of residents in the areas. The argument that such programs involve "class legislation," "creeping socialism," etc., is rather vague, but it can stimulate violent opposition to any redevelopment program.

Role of the Taxpayer

Whatever the merits of such programs, the resistance of taxpayers will set limits on their use. The programs cost money, even if the money advanced may ultimately be returned to the city treasuries. Property acquired by condemnation must be paid for in cash, and the cities cannot "create" the money, nor, in most cases, can they borrow it, except per-



"I know how you feel about 'Slum' clearance, Mrs. Van Doop, but you must go through proper channels!"

haps with the approval of the voters. Except as federal grants are available, cities in which urban rot is particularly advanced will be the only ones to make much use of redevelopment programs.

Urban Renewal Involves More Than Slums

Urban renewal involves much more than the modernization of buildings in slum areas—however such areas may be defined. It calls for the preservation and improvement of every area that gives signs of decay. Any section of a city will soon “run down” if houses and fences are not promptly repaired and painted, or lawns and shrubbery are neglected. The police powers of city governments are quite inadequate to prevent the spread of such shabbiness.

To bring such areas up to the desired level is primarily the responsibility of the property owners and residents of those areas. Civic leaders can develop a system of community organizations so that the entire city is covered by them, every piece of property included in one of them, and each owner know the organization that functions in the area in which his property is located.

These local organizations can make the owners aware of the community interest in the way they maintain—or neglect—their properties, and can give advice and assistance to those who need it. Experience has shown that local funds can be raised for annual prizes to be given to the areas making greatest improvement; to high school students who make the best use of their back yards; to the areas with the best record for assisting needy owners in the improvement of their homes, etc.

To renew and beautify our cities we must stimulate neighborhood pride and, in the worst areas, recreate hope where now there is only despair. This is a task mainly for individuals and private organizations. As friends and neighbors they can get cooperation from the property owners in cases where city inspectors and policemen can get nothing more than a reluctant compliance with minimum standards. Most property owners will cooperate, and if some will not, they can be made to feel the disapproval of the community—and such penalties as the law may provide.

No owners should be embarrassed merely because their houses are smaller and less pretentious than the prevailing type in the surrounding area. Small houses and gardens are often better cared for than larger

ones, and the owners of modest homes who do their best with what they have should be rewarded by all the approval that their more fortunate neighbors can give them.

Neighborhood organizations can be useful, too, in raising the standards of families that are disorganized, debauched, or culturally backward. Slum areas are characterized not only by substandard buildings but by substandard people, or, if you will, standard people with substandard habits. There are, of course, many fine people who live in slum areas only because of some misfortune, and they need nothing but financial assistance. However, these apart, there is some truth in the claim that it is not the slums which produce the slum dwellers, but rather it is the slum dwellers who produce the slums.

An Age-Old Argument

How much can the character and habits of these unfortunates be transformed by providing them with normal living quarters? Some who stress the importance of heredity insist that they would soon make a slum of even the best housing, while those who stress the importance of physical environment believe that adequate housing is the best cure for criminality, juvenile delinquency, and a host of other human frailties. Leaving that question to the theorists, the fact remains that if any area is getting more than its share of ignorant, criminal, shiftless, and drunken people, then that area is deteriorating. Unless the neighborhood can be aroused and organized, it will suffer from urban rot in spite of anything that city officials can do.

Tax Policy and Slums

The success of urban renewal programs will depend in large part on the appeal they make to the self interest of property owners. Most owners will improve their properties if they believe they can profit by so doing, but if any program requires them to make investments that they believe would be unprofitable, then that program is in for trouble. To persuade owners to make improvements we can rely on the “carrot” of profitability or the “stick” of public disapproval—or even threats of fines and punishments. Except for extreme cases, it is my belief that more can be expected from the “carrot” than from the “stick.”

In nearly all American cities a chief deterrent to the improvement of property is the discredited general property tax. That tax furnishes

most of the tax revenues of our cities, and in all states except Pennsylvania, cities are compelled to tax improvements at the same rate as land. To tax improvements is to penalize the owner who makes them, not only for the year in which they are made, but every year for so long as the improvements last. No better way to discourage improvements and breed slums could be devised.

If improvements were exempted from taxation, in whole or in part, more owners would find it profitable to make them. Insofar as the exemption of improvements would result in increasing the tax on land, speculators would be penalized for holding land out of use, or inadequately improving it. Such a system would tend to make slum properties unprofitable where now, as any realtor knows, they may yield the highest return of any rental property in the market. Until we can make slum properties unprofitable, we are only trifling with the problem.

Since most of our states, by constitutions or by statutes, require their cities to tax improvements at the same rate as other forms of property, it follows that such cities cannot be condemned for levying taxes that discourage improvements and lowers the taxes of those who let their property deteriorate. However, our municipal governments can be criticized for not crusading more vigorously for fiscal “home rule,” including the right to levy such local taxes as their citizens believe to be just and proper. All our talk of urban renewal will have a hollow sound if we continue to tolerate a tax system which penalizes the improvers, rewards the owners of shabby and neglected properties, and thus invites the very evil we are trying to cure.

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