

## Housing in the Broader Context in the United States

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### *Abstract*

Housing is central to participation in the economic mainstream, yet housing policy has been fragmented by competing, if not contradictory, goals. This article proposes an expanded policy that incorporates a stronger link between housing and economic inequality. Through examples, it argues that housing policy should be a tool for economic development, strengthening families, and building community.

Definitions of adequate housing must go beyond minimum physical standards to include issues that are central to people's ability to become successful members of society; housing can be an economic entity, a consumer item, or a spatial location. Going beyond bricks and mortar—making connections between housing policy and seemingly separate areas—allows policy to be more coherent. The article examines the links between housing and three vital areas: family life, community economic development, and social mobility. This analysis suggests that the most important housing problems are affordability, neighborhood underdevelopment, and spatial inequality.

**Keywords:** Housing; Policy; Community development/revitalization

### **Introduction**

Until the mid-1970s, U.S. housing policy defined decent housing largely in physical terms (Hartman 1983). Partly because of the multitude of problems accompanying rapid urbanization and industrialization, as well as high immigration rates, housing adequacy was conceived as the minimum tangible set of necessities required for people to lead healthy, if not productive, lives (Hartman 1975). These necessities included adequate plumbing, ventilation, light, and space, as well as the absence of faulty wiring and malfunctioning heating units. This connection between housing and health, though not tested empirically, was a fundamental impetus for the reform movement to regulate housing (Harloe 1995; Marcuse 1978).

The focus on the link between housing and health fostered a physically deterministic approach to housing (Glazer 1980).

Reflecting the moralistic quality associated with the housing reform movement, it was argued that if bad housing resulted in people becoming physically worse off, it could have other deleterious effects as well. Alvin Schorr (1963) gave form to early questions about the effects of poor housing by asking whether housing, particularly slum housing, was causally related to attitudes and behaviors including stress, self-esteem, and sexual behavior. Although empirical research failed to demonstrate a causal connection between housing conditions and families' social situations, the relationship between the physical characteristics of housing and social and mental well-being continued to be explored (Glazer 1980; Wilner 1962).

Research continued to examine this connection by highlighting a narrower dimension of housing: the effects of crowding (Baum and Epstein 1978). This direction was influenced in part by ethological research on crowding rats and mice that showed increased morbidity and social dysfunction with increasing population density (Calhoun 1969). Theoretically rooted in the early formulations of the Chicago School of Sociology, the research also explored housing density as a source of deviance (Baldassare 1979; Wirth 1938). Other research considered housing's potential role in an array of psychological, social, and behavioral characteristics (Baldassare 1979; Baum and Epstein 1978). The impact of density on social pathology was quickly dismissed with research that demonstrated no effect of aggregate density on the behavior of individual people (Baldassare 1979). Further work indicated that the previously assumed social correlates of density were artifacts of an ecological fallacy (Saunders 1981). The mixed effects of residential crowding on people suggested that human beings have different mechanisms for coping with stress than rats or mice do (Sundstrom 1978).

As the ideology that linked bad housing to social pathology was progressively challenged by empirical research, the politics of housing also changed. Post–World War II prosperity, combined with government transportation and lending policies, led to a suburban building boom and the rapid movement of central city dwellers to live in these new homes (Jackson 1985). For growing numbers of U.S. residents, especially in urban areas, crowding and lack of plumbing were remote, if not inconceivable, phenomena (Apgar 1989; Weicher 1989). With improved housing, the link between housing and social well-being was essentially dropped; housing was no longer considered a potential cause of good or bad behavior, or of health or illness. Rather, variations in people's housing situations reflected their social and economic

achievement—or lack thereof. In this sense, housing was an outcome, not a cause, of behavior.

In the early 1980s, the link between housing and family well-being began to be reintroduced with the emergence of initiatives designed to use housing policy to promote family self-sufficiency (Shlay 1993a). These were primarily designed to foster economic independence from welfare and to address problems of acute poverty (Newman and Schnare 1992). Some programs were designed to alter the services within public housing developments (National Association of Housing and Redevelopment Officials [NAHRO] and American Public Welfare Association [APWA] 1991; Shlay and Holupka 1992); others were supposed to encourage homeownership for public housing residents and other poor families (Rohe 1991; Rohe and Stegman 1990). To improve poor families' neighborhood situations, Chicago's Gautreaux experiment used housing subsidies to relocate poor, central-city households to middle-class white suburbs (Rosenbaum 1991). The movement to link housing to social welfare was accompanied by the initiation of joint work between social welfare professionals and housing and redevelopment officials (NAHRO and APWA 1991). In these ways, housing policy began its metamorphosis as a central element of federal social welfare policy.

This article contends that housing is central to people's ability to participate in the economic mainstream and to be successful members of society. Yet housing policy has been fragmented by competing, if not contradictory, goals and objectives. The increasing concentration of poverty within cities, the seemingly irreversible suburbanization of the middle class, central-city population loss, the centralization of employment opportunities, and the ensuing uneven development are issues that call for creative and more comprehensive approaches to addressing the causes and consequences of economic inequality and acute poverty (Galster and Killen 1995; Kasarda 1993). Moreover, the increasing reluctance to use public dollars to solve social problems means that to be politically feasible, housing policy must be multidimensional. In addition, the growing recognition that housing problems are not independent of other problems suggests that a holistic approach to housing policy is required.

This article proposes expanding the development of an integrated housing policy from one that focuses exclusively on acute poverty and welfare reform to one that incorporates a broader link between housing and economic inequality. Although there is no consensus on the precise connection between housing and inequality, this article offers a conceptual framework to foster

more empirical research and policy debate around these issues. Through examples, the article proposes that housing policy should be viewed as a tool for economic development, for strengthening families, and for building community.

## **“Decent” housing**

The preamble to the Housing Act of 1949 proposed the goal of providing “a decent home and suitable living environment for every American family” (Hartman 1975). This was the initial articulation of a national housing goal, one that has been consistently reaffirmed in later policies and legislation (e.g., the Housing Act of 1968). Yet the failure of policy to uniformly fulfill this goal was routinely called into question (Marcuse 1978; Schwartz, Ferlauto, and Hoffman 1988; Stone 1980). At the same time, the definition of a decent home and suitable living environment was vague, making it difficult to evaluate progress toward national housing goals.

What is decent housing? The housing codes that regulate most local areas are defined as the minimum standards for human habitation, a reasonable set of indicators for decent housing. Yet with the exception of clear, life-threatening housing defects, many of the regulations contained within housing codes are not scientific or absolute principles, but reflect social norms. In this sense, the definition of housing adequacy is constantly changing, reflecting evolving standards for residential situations.

When decent housing was prescribed as the nation’s housing goal in 1949, “decency” referred to structural characteristics. The housing stock was old, and maintenance had been deferred during the war. Quite simply, “inadequate housing” referred to units without plumbing. But the spread of indoor plumbing was not trumpeted as the fulfillment of national goals of decent housing for all. Rather, the conception of inadequate housing shifted from single indicators such as the presence of indoor plumbing to an array of indicators associated with the physical condition of the unit.<sup>1</sup> Changing housing conditions changed the definition of housing standards.

Contemporary housing standards are much more complex for several reasons. First, rising income levels have dramatically

<sup>1</sup> The housing quality measure suggested for the American Housing Survey incorporates several indicators including the condition of plumbing and heating facilities, wiring, leaks and holes in walls and roofs, peeling paint, hallway lighting, and kitchen appliances (Hadden and Leger 1989).

increased the quality of the housing stock, simultaneously enlarging the understanding of what constitutes good housing, and expectations for housing have risen (Weicher 1989). Second, inequality in metropolitan areas has been increasing in terms of income, employment, and public service delivery systems; people who need the most from place-based amenities appear to have the least access (White 1987). Finally, economic restructuring and deindustrialization continue to transform the requisite skills and knowledge base for successful participation in the labor market (Kasarda 1985, 1993; Wolman et al. 1992). To be employable, people increasingly require sophisticated training previously unnecessary to participate in a manufacturing economy. At the same time, people want and need more from housing and place-based characteristics.

## **The many layers of housing**

This suggests that contemporary housing standards need to take into account the multidimensional nature of housing—the many layers of housing. These dimensions are broadly defined to illustrate housing as a physical commodity, as an economic entity, as an item tied to different forms of consumption, and as a location in space. The elements contained within each dimension, as well as their potential effects on both households and the larger society, are shown in table 1.

### *Physical*

Housing as a physical commodity includes a set of characteristics. The fundamental elements are structure type (single-family detached or attached, two family, multifamily), size (square feet, number of stories, number of rooms), lot size, amenities (e.g., dishwasher, air conditioning), the age and condition of the structure, its design, and the density of housing. Although there is no consistent evidence, the physical characteristics of housing have been alleged to influence people's levels of physical and psychological security, social and physical well-being, and satisfaction or happiness (Rossi and Weber 1995; Shlay 1985).

### *Economic*

The economic characteristics of housing reflect its complicated role in American society as a sizable regular household expense and as a form of investment for homeowners, landlords, and

*Table 1. The Many Layers of Housing*

Layer	Elements	Effects
Physical	Structure type Dwelling size Lot size Amenities Age Condition Design Density	Security Well-being Satisfaction
Economic	Cost/affordability Investment Tenure Taxes Value	Disposable income Wealth/savings Security Debt
Consumption	Building materials Furnishings Decorating Consumer durable goods Maintenance	Employment Economic stimulation Debt
Location	Neighborhood Political jurisdiction Accessibility Public services Community Infrastructure Economic development Crime/safety	Human capital Employment Social mobility Income Security Well-being

other investors. Elements within the economic dimension include housing costs, affordability, quality of investment, tenure (owning or renting), tax obligations, and value. The cost of housing affects households' disposable income and ability to save. As an investment, housing may provide varying levels of wealth and income. As a form of tenure, housing confers different amounts of security in the ability to retain housing. In addition, attaining homeownership through a mortgage places the household in debt for a long time.

### *Consumption*

A key layer of housing is its role as an item for consumption (Hayden 1981, 1984; Mills and Hamilton 1984) because construction requires the consumption of building materials and labor. And housing, both new and used, stimulates other forms of

consumption, including the purchase of furnishings, decorating, consumer durable goods (e.g., washing machines), and maintenance. The consumption elements associated with housing have important effects on many levels of the economy. Through consumption, housing may create employment and stimulate production, and the consumption elements of housing may fuel consumer debt (Wachter 1990).

### *Location*

Location is a political, social, and economic dimension of housing in the United States because housing is physically situated in a location—a neighborhood contained in a political jurisdiction (e.g., central city or suburb). It has various levels of accessibility to an array of goods and services, including employment, retail trade, entertainment, recreational activities, parks, public services, schools, and transportation. Through location, housing can provide the opportunity to create communities. Locations contain various types, quality, and amounts of infrastructure and, more important, various levels of economic development activity. Locations also vary by wealth, levels of public and private investment, and rates of property value appreciation. Crime and personal safety are also important features.

Because it determines access to goods and services, location is a key ingredient for human capital development. Although it is difficult to distinguish the effects of place from the effects of people (e.g., the impact of living in a poor neighborhood compared with the impact of living in a poor family), the unequal distribution of resources across space makes location an important concern for housing policy (Galster and Mincy 1993). A large debate exists over whether location restricts access to employment (Kain 1992), yet location appears to affect employment prospects through providing education and other services that may make future employment more or less possible (Galster and Killen 1995). In addition, a person's residential location may serve as a shorthand reference for employers in assessing future employees (Kirschenman and Neckerman 1991). Therefore housing, through location, affects social and economic mobility and future income streams. For this reason, location exacerbates inequality (Farley 1991; Schill and Wachter 1995; Shlay 1993b).

What are contemporary standards for decent housing along each dimension? At what level must housing be provided to ensure that people acquire the requisite skills, resources, and opportunities that permit them to live on a par with U.S. social norms?

How much does housing allow people to get a decent education, obtain and maintain employment, take care of their families, and live without dire fear of crime and violence? What is the rationale for political intervention at each layer of housing if government is to guarantee a decent home for every American?

Placed in contemporary terms, this analysis emphasizes the importance of the nonphysical dimensions of housing.<sup>2</sup> More attention must be paid to the layers of housing, which represent housing as an economic good, as a central feature of consumption, and as a location. Nonshelter elements are important to the social and economic well-being of residents. Minimally, decent housing is safe, secure, and affordable shelter. The provision of housing should be constructively and strategically targeted to aid local economies. Housing should provide access to human capital and income-generating activities that give people opportunities to compete in contemporary labor markets, to maintain healthy families, and to lead productive lives.

### **Policy and the many layers of housing: Making the connection**

By going beyond a “bricks-and-mortar” approach to housing, policy may be more strategically and coherently applied to pressing concerns. Such application requires rethinking the connections between housing policy and other seemingly distinct policy initiatives, including economic development, education, and welfare policies. To illustrate these connections, three vital areas are addressed: the linkages of housing to family life, to community economic development, and to social mobility.

#### *Housing and family life*

Housing is central to family life. Two fundamental features of family life may be addressed by policy: the family’s standard of living and the family’s ability to combine labor market and domestic responsibilities.

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<sup>2</sup> Appgar (1989) shows empirically that housing conditions have not improved uniformly in all groups. Lower income households and renter households continue to have less adequate housing than wealthier owner occupants. Therefore, he calls for demand-side as well as supply-side housing programs to replace the poorer quality housing stock. My argument is not that policy should simply cease attending to issues of housing quality and conditions, but that policy should be broadened to tackle other dimensions of the housing bundle.



Family living standards are directly linked to the economics of housing. The cost of housing, at a minimum, defines a family's living standard by determining its level of disposable income after the housing costs are paid. Over time, household rent burdens—the percentage of income spent on rent—have increased (Apgar 1989, 1990; Leonard and Lazere 1992). Between 1978 and 1985, 1.4 million additional U.S. families paid more than 60 percent of their income for rent—a 25 percent increase (Leonard, Dolbeare, and Lazere 1989). The number of “shelter-poor” families (those whose housing costs prevent them from spending minimal amounts for nonhousing necessities) increased from 18.7 million in 1970 to 26.5 million in 1986—an increase of 42 percent (Schwartz et al. 1992). Because families have less income to spend on other nondiscretionary goods and services, housing affordability is a central issue facing low-income families.

Increasing rent burdens have created residential instability for families. As the growing crisis of family homelessness illustrates, more families are becoming unable to afford housing under current market conditions (Rossi 1994). Of course, homelessness is not simply caused by problems with housing affordability; many people lack housing because of mental illness, substance abuse, domestic violence, or other personal problems (Shlay and Rossi 1992). But for many, homelessness is a result of the long-term unemployment that accompanies economic structural change and deindustrialization (Elliott and Krivo 1991). Moreover, homelessness has long-term consequences for the emotional and cognitive development of children of homeless adults, beyond the developmental problems of children with homes who are living in acute poverty (Molnar et al. 1991; Rescoria, Parker, and Stolley 1991; Schorr 1988; Whitman et al. 1990).

By addressing issues of housing affordability, policy may play a role in stabilizing families. Although not conclusive, research on a set of formerly homeless families who received Section 8 certificates reported that families were more satisfied with their lives after receiving their housing subsidy (Shlay 1994). Over time, they continued to remain oriented toward the goal of economic achievement. It appears that, by providing stable and secure housing, housing subsidies free up families to work on other problems that may economically stabilize their situation over the long term (Shlay 1993a). This observation appears to be part of the explanation for some of the promising findings from the Homeless Families Program of the Robert Wood Johnson Foundation and the U.S. Department of Housing and Urban

Development (HUD). Recent research indicates that formerly homeless families remained residentially stable 18 months after receiving “service-enriched housing”—a Section 8 certificate, case management, and services designed to promote family self-sufficiency (Rog, Holupka, and McCombs-Thorton forthcoming; Rog et al. forthcoming). Although the research cannot distinguish the effects of housing (i.e., receiving a Section 8 certificate) from the effects of services, it makes a strong case that housing policy can promote the residential stability and well-being of homeless families.

Note that in the context of family life, housing affordability is not simply an economic problem but one that has implications for families’ social and psychological well-being, labor market position, socioeconomic mobility prospects, and future income streams. Although it would appear that housing subsidies are critical tools for stabilizing families, federal funding is insufficient to cover even one-third of those in need (Newman and Schnare 1989, 1992).

In addition to housing affordability, other characteristics of housing may affect the ability of a household to combine labor market and domestic responsibilities, especially the issues of housing design, density, location, and neighborhood services. These concerns have been increasingly raised by feminist architects, planners, and social scientists who deal with urban development issues (Hayden 1984). The problem for housing is how to accommodate both employment and household responsibilities, given the physical constraints imposed by conventional housing designs and neighborhood. These issues are particularly important for single-parent households and dual-worker households with young children—descriptions of many U.S. families today.

The need to accommodate labor market and domestic responsibilities raises several concerns for housing policy. One concern is the design of typical single-family dwellings as unattached residential units. Single-family housing is criticized because it produces inefficiencies in housework (e.g., cooking, cleaning, and the general “reproduction of labor power”) (Hayden 1981). Constraining all housework to the single-family house removes any opportunities for collectivizing household responsibilities and for increasing economies of scale. Moreover, single-family zoning usually excludes single individuals from living together in large numbers and restricts single-family homes to heads of households and their children (Ritzdorf 1994).

A second concern is housing density, because land use intensification is accompanied by concentrations of stores, businesses, services, and people with increased accessibility. Men and women are able to save travel time, particularly if their jobs are close to their homes, and children gain independence from parents driving them to activities (Shlay 1985; Shlay and DiGregorio 1985).

Land use segregation is also a concern. Land use, particularly the intense protection of single-family homes, is believed to work against employed mothers (Spain 1992; Weisman 1992). By segregating housing, zoning excludes community-based facilities (day care, employment, shopping, etc.) from local neighborhoods. One price of aesthetically pleasing neighborhoods is limited access to the facilities that provide options for women.

To be sure, issues of housing design, density, and land use segregation affect men as well, but men do less housework and have fewer child care responsibilities than women (Berk and Berk 1979; Hochschild 1990; Strasser 1982). Moreover, single-family households with children tend to be headed by women, not men (Appleton 1995). Therefore, impediments to combining labor market and home-based responsibilities are more applicable to women than to men, although changes in men's activities, particularly in the home, could alter this situation.

This focus on the link between housing and family life is different from early concerns with housing's impact on social pathology. Instead, at every layer, housing should be analyzed in terms of its capacity to support or weaken family obligations.

### *Housing and community economic development*

Community economic development may be broadly defined as the mobilization of resources to enlarge the wealth base and economic well-being of local communities (Bingham and Mier 1993). This process involves creating wealth within a community by producing net economic gains within local areas, as well as retaining wealth within a community by reducing the flow of capital and resources out of it.

Housing policy may be viewed as part of a package of initiatives designed to increase wealth and build income within local communities, as housing plays a role in both creation and retention of community wealth. To be sure, housing per se should not be

viewed as the major vehicle for enhancing local economic well-being; rather, it should be seen as one ingredient among many for promoting community economic development.

Housing may be linked to community economic development in several ways. First, as a large investment typically requiring outside financing, housing is the object through which capital is reinvested in or disinvested from a community. Second, as a consumption item, housing may operate as a local economic stimulus. Third, as a location, housing provides or limits access to goods, services, and employment. Finally, housing may be used as a vehicle for community control.

The presence or absence of housing credit has economic consequences for individual households and the larger community. By obtaining a mortgage, people are able to become homeowners. Since homeownership is a principal form of savings and intergenerational wealth transfers in the United States, barriers to housing credit create barriers to wealth acquisition. Racial barriers in access to housing credit are purported to be part of the explanation for wealth differences between racial groups (Shlay and Goldstein 1993).

Housing credit flows are considered central to neighborhood health and stability. They are essential for financing property transfers, maintaining local housing markets, sustaining property values, and supporting maintenance and refurbishment (Shlay 1989). Reinvestment is essential for maintaining the value of local housing. Disinvestment—the absence of credit from communities—works to lower property values.<sup>3</sup>

As a consumer good that stimulates consumption, housing may play a role in economic development, but its ability to stimulate local economic development, particularly in lower income communities, should not be overstated. Housing policy cannot substitute for direct economic development policies that attract business and residential capital, create employment, and increase wages.

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<sup>3</sup> The importance of housing credit to community vitality was recognized long ago with the passage of the Community Reinvestment Act of 1977 (CRA). Regulator recalcitrance in enforcing this law impeded widespread recognition of the importance of housing credit by the public and policy makers. Recent attention on this issue has created a renewed focus on CRA. CRA regulations have been revamped to make them more effective. Regulators, policy makers, financial institutions, and community-based organizations appear to be taking issues of community reinvestment very seriously.

Housing is linked to community economic development by virtue of location. Proximity to goods, services, and employment is central to community wealth retention and acquisition. This includes access to resources that yield net gains in employment and income, as well as those that provide people with the necessary skills and education to participate in the labor market.

Access to employment is key for community economic development because it provides households and their communities with steady flows of income. Yet, in most U.S. metropolitan areas, net gains have occurred in the suburban fringe while the central cities have lost employment. Suburban exclusionary mechanisms, racial discrimination, and the higher cost of suburban housing, as well as the absence of flexible public transportation, create difficulties for people needing jobs. Although the evidence to support this proposition is mixed, this “spatial mismatch” is believed to be part of the explanation for the high unemployment rates within minority communities and central cities in general (Kain 1992).<sup>4</sup> Housing policy has a role in breaking down exclusionary barriers, enforcing fair housing laws, and promoting the movement of central-city residents to the suburbs (Hughes 1995).<sup>5</sup>

Promoting access to human-capital-generating activities is also a form of community economic development (Wiewel, Teitz, and Giloth 1993). In this sense, housing represents a concentrated set of people with similar needs for employment, training, and educational resources (e.g., a public housing development). Resources may be brought to communities to help residents acquire the skills and experience to become part of the labor market. Assuming that jobs are available, increased human capital should bring higher rates of employment and higher income levels.<sup>6</sup>

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<sup>4</sup> Note, however, that moving people to places with employment does not contribute to the economic development of the communities that they leave.

<sup>5</sup> Under President Clinton, HUD has made fair housing a central part of its agenda. One aspect of this is the Moving to Opportunity for Fair Housing demonstration that relocates central-city households receiving housing subsidies to the suburbs in several metropolitan areas. Modeled after Chicago's Gautreaux experiment, this demonstration was intended to break down discriminatory barriers and promote access to suburban resources, including education and employment. However, problems with obtaining the necessary appropriations from Congress have limited its scope.

<sup>6</sup> The need to bring human-capital-oriented services to poor communities is recognized in recent federal policy, reflecting a positive development in housing and welfare policy in which both are attempting to coordinate service delivery. Linking services to impoverished communities is the concept behind

Finally, housing policy may be used to promote local ownership and control of property. By reducing the number of absentee landlords, local ownership would keep rent revenues within the community and potentially build solidarity. Promoting local ownership is a form of community wealth retention.

Housing is a tool for community economic development by virtue of its role as an investment, a form of tenure, and a location. Housing policy may therefore be a part of a creative strategy for enhancing the economic well-being of individuals and communities.

### *Housing and social mobility*

Housing is typically conceived of as a vehicle for promoting social mobility through homeownership, which provides wealth and income from accumulated equity and appreciation in value. But in the context of this broader conception of housing, its role in promoting or impeding social mobility is greatly enlarged. Housing, by virtue of location, provides access to life-sustaining resources and opportunities for social and economic advancement. Housing is linked to social mobility by distributing people spatially around an urban opportunity structure. The unequal distribution of life-sustaining resources across metropolitan areas is the spatial component that works to sustain inequality (Shlay 1993b).

By locating people at a fixed address, housing has an important impact on people's life chances and mobility prospects by providing different levels of access to health care, police and fire protection, education, recreational activities, retail trade, transportation and other public infrastructure, and employment.

Education is the most important locally based public resource tied to social and economic achievement. Given current labor market conditions, there is a large, uniform need for high-quality educational facilities and instruction. But educational resources are distributed very unevenly, in part because public education is supported by local property taxes. Regardless of the causes of inequality in educational opportunities, the places where the need for quality instruction is the greatest are precisely (and perversely) those where it is least likely to be made available.

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federal policy on Family Investment Centers, which are part of recent legislation designed to set up education and employment services within public housing developments. Family Self-Sufficiency, another new federal policy, requires public housing authorities to provide similar services.

High-quality resources are made available in wealthy communities, where families have the resources that might compensate for low-caliber facilities. But where families have the fewest means, public educational facilities are typically the worst.

High levels of racial segregation compound the problems. Neighborhoods in U.S. metropolitan regions continue to be characterized by racial and ethnic segregation. Termed “American apartheid,” racial segregation persists in central cities as well as in the suburban fringe, and across income groups (Massey and Denton 1993). Therefore, racial barriers to housing, coupled with the uneven distribution of educational resources, help to increase both class and racial inequality.

To be sure, inequality across space is not entirely dependent on institutional mechanisms that bolster high levels of racial segregation (Vandell 1995). Market factors may themselves lead to concentrations of similar people, although it is difficult to discern this empirically because of the constraints on household mobility due to discrimination.

Providing access to high-quality services, particularly education, should be a key feature of housing policy. Housing policy should be targeted to make places better or to give people access to better places. As such, housing policy should be a part of a coordinated strategy designed to improve public service delivery, increase school financing, improve residential environments, and get people physically connected to the goods and services they require to be effective members of society.

A good example of how access to education may be enhanced is the Chicago Gautreaux experiment, which relocated low-income, single-parent families from the central city to the suburbs. Research showed dramatic effects on the well-being of the children, who were more likely to graduate from high school and attend college than those in a control group (Rosenbaum 1991). Clearly, the residential shift improved families’ life chances.

A decent home is one that provides the necessary resources for participating in the economic mainstream. Without this type of access, providing equal opportunities for people is futile.

## **The political context for housing**

A contemporary perspective on what constitutes decent housing must also address the political realities that help to sustain

large-scale metropolitan inequality. Expanding the policy scope on what constitutes decent housing will require steps toward breaking down long-standing barriers that impede residential mobility and economic redistribution across space. Spatial economic redistribution—the process of providing equal access to income-generating goods and services across space—is necessary to give families the opportunity to lead healthy, productive lives and to participate in the economic mainstream. Without it, metropolitan regions will continue to face the decline of valuable housing and infrastructure, the loss of public revenue and economic productivity, and the denigration of generations of unemployable workers. Some of the most important contextual issues are briefly described below:

1. U.S. federal housing policy is framed around a set of principles designed not to interfere with the free market. Overall, policy is intended to support the market by stimulating demand for homeownership, to regulate the market, and to protect the public from market failure (Achtenberg and Marcuse 1986). Despite investment by the federal government, public housing remains a small proportion of the overall housing stock, and politically, public housing has become a “fully residualized sector” (Harloe 1995, 446).
2. U.S. metropolitan regions are politically fragmented into competing political jurisdictions. Each competes for growth in a zero-sum environment (Bowman, McManus, and Mikesell 1992).
3. Public service delivery systems are fragmented because of metropolitan fragmentation. They lack the capacity to provide services where need is the greatest (Bowman, McManus, and Mikesell 1992).
4. Central cities are characterized by fiscal crises. Central cities have declining fiscal capacity to deliver, while the need for services, infrastructure improvements, and economic development activities is increasing (Bowman, McManus, and Mikesell 1992).
5. Land use is regulated locally. Metropolitan areas are characterized by exclusion and parochialism (Downs 1991).
6. Public education relies mainly, though not exclusively, on local sources of revenue, particularly local property taxes. This results in great inequities in school financing and



quality, particularly between central cities and the suburban fringe (Raffel et al. 1992).

7. U.S. housing markets are segmented by race. A dual housing market exists: one for whites and one for minorities. Dual housing market principles govern the distribution of housing and neighborhoods among different racial groups. Segregation levels remain high, largely because of the failure to break down barriers constructed by housing market actors (Farley and Frey 1994; Massey and Denton 1993).
8. Broad-based support for federal low-income housing programs does not exist. Despite the clear divergence between the goal of a decent home and suitable living environment for every American family and the federal resources to achieve this goal, an enlarged federal presence in low-income housing markets is not likely to appear on the political agenda soon.

This political context constrains broadening the scope of housing policy by working to maintain and even increase inequality rather than reduce it. The policy prescription to leave the market alone works as an ideological rationale for the lack of sustained federal intervention. Political fragmentation limits the capacity for redistributing income, wealth, services, and people across space. Urban fiscal crises constrain cities' abilities to deliver services, and they affect people's expectations about what government can do. Local land-use regulations perpetuate economic exclusion and class-based segregation. Reliance on local sources of revenue for public education helps to maintain lower quality education in poorer areas. The failure to break down barriers to racial integration preserves racial inequality across space, compounding problems of economic disparities. These political and economic realities represent a set of constraints on what any urban policy, either broad or narrow, can accomplish.

The greatest challenge for redefining housing policy will be determining how the structural realities that shape metropolitan spatial inequality may be altered. Given these political obstacles, is it reasonable to hope that the policy space around housing may be enlarged? Clearly, broadening the scope of housing policy will not be easy. Political difficulties aside, these issues will ultimately have to be addressed because of the costs accompanying inequality, acute poverty, and the failure to invest in human capital—problems rooted in spatial inequality, inequitable service delivery systems, and low-quality residential environments. The political obstacles, although difficult to confront, remain the

centerpiece for any debate on reducing metropolitan inequality across space. As noted by Henri Lefebvre (1977, 349), "There are no ideas without a utopia. Otherwise, a person is content to state what he sees before his eyes; he doesn't go too far, he keeps his eyes fixed on reality; as he says: he is a realist . . . but he doesn't think!" Realistically, it is unreasonable not to think about broadening the scope of U.S. housing policy.

The criterion for good policy is not its political feasibility.<sup>7</sup> Nonetheless, there are several directions that appear useful in overcoming some of the impediments to broadening the scope of housing policy.

First and foremost, breaking down segregative barriers will require continued efforts to enforce fair housing laws. Under the Clinton administration, HUD renewed its effort to strengthen fair housing and fair lending enforcement. These efforts to attack discriminatory institutional mechanisms that are barriers to integration must not succumb to political pressure.

Second, policy makers and regulators should continue to foster more responsible private sector investment activities as required by the Community Reinvestment Act (CRA). This is the primary mechanism for redirecting private sector investment capital into lower income urban neighborhoods. Any effort to weaken or eliminate CRA should be vigorously fought.

Third, the political participation of minority households should be more heavily encouraged; the perception that minority households have no stake in the system needs to be addressed. Broadening the scope of housing policy will require demonstrating to politicians that they are accountable to minority political interests. This will not happen without increased voting and political organization among minority groups (Winant 1995).

Fourth, strong federal leadership will be required to overcome local parochialism. The federal government cannot eliminate metropolitan fragmentation, but it can work to diminish the role of political fragmentation through greater incentives for

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<sup>7</sup> In the middle 1980s, when research on bank lending practices was initiated, bankers and regulators scoffed at the idea that lenders were engaged in unfair lending practices. Ten years later, community reinvestment and fair lending are front and center in public policy debates, and rigorous efforts are being made to promote the enforcement of these laws. Although these seeming victories for community reinvestment may be episodic and short-lived, the recent success of these initiatives demonstrates that many ideas may not be politically feasible over the short term.

cooperation among localities. In this line, a national policy on education would be useful.

Finally, renewed attention must be paid to the political value system of U.S. citizens. Broadening the scope of policy in a way that permits households to participate more fully in the economic mainstream will require reassessing the criteria that define civic interest, public responsibility, political rights, and citizenship. The presumption that the economic rationality of individuals will optimally solve problems needs to be counteracted with a strong dose of social concepts, including community and equal access to opportunity.

## Conclusion

Contemporary definitions of adequate housing need to incorporate a broader vision for housing that goes beyond minimum physical standards for inhabitants. Delineations of housing quality need to account for the multiple dimensions of housing and how each affects the social and economic well-being of the residents. If the goal of housing policy remains one of providing a decent home for every American, standards of decency must include those nonshelter elements that affect social mobility.

This article has focused on the connection of housing to three important arenas: family life, community economic development, and social mobility. Family stability is affected by the cost of housing, emphasizing the need to focus on issues of housing affordability. Housing design, location, and neighborhood composition affect families'—and particularly women's—ability to handle both domestic and labor market responsibilities. Variations in residential credit flows have consequences for homeownership opportunities, households' ability to save, intergenerational wealth transmissions, and neighborhood vitality and stability; community ownership of property may keep wealth from flowing out of the neighborhood. The location of housing links people to employment and other economic opportunities and is central to residents' ability to acquire the necessary skills and human capital to become participants in the postindustrial economy of the future.

An analysis of these various connections suggests that the most important contemporary housing problems are housing affordability, neighborhood underdevelopment, and spatial inequality. This analysis also suggests that housing's role in the maintenance and reproduction of inequality is enormous.

A more coherent and integrated housing policy may be developed that incorporates a broader view of housing. In that enlarged context, the major goal of housing policy is to equalize opportunities across space and social groups. This will require federal leadership to mitigate serious local constraints such as political fragmentation, fiscal crisis, exclusionary land-use regulations, unequal public expenditures for education, and the dual housing market. Each works to limit local capacity to redistribute wealth, income, services, and people across space by creating barriers to mobility, increasing fiscal inequities, and maintaining racial and economic divisions. If housing policy is to equalize opportunities across space, the political agenda will require addressing these political realities.

Peter Marcuse (1978) argued that housing policy was actually an ideological artifact. According to him, government's position on housing was actually embodied in a set of policies that was internally contradictory and even self-defeating in particulars—a policy lacking in focus, philosophy, clarity of goals, and priorities.

By incorporating a broader conception of what people should be able to expect from housing and community in contemporary society, housing policy can work toward eliminating contradictory features and establishing a set of principles that make “equal opportunity” a meaningful goal.

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