

# 5-minute history lesson: suburban racial segregation & police racism

**New Deal  
(1933-1939):  
Homeowner loan  
requirements  
get easier**

Home Owners' Loan Corporation and Federal Housing Administration (FHA) established.

Requirements for bank loans to prospective homeowners drop significantly.

**Before New Deal:** Large down payment, 10 year full payback  
**After New Deal:** 10% down, 20-30 year amortization

**1940's: Massive  
suburbanization  
begins, racist  
policies continue**

While federally-subsidized loans propel white communities towards home ownership and social mobility, two racist policies continue to exclude Black people:

**1) The restrictive covenant:** Realtors and developers refused to sell homes in suburban areas to Black people. This was legal until the 1968 Fair Housing Act.

**2) Redlining:** The FHA refused to give loans to residents of "redlined" Black neighborhoods. Black neighborhoods, regardless of income level, were colored in red on FHA maps, meaning that these areas were "too hazardous" to give their residents loans to pursue home ownership. On the maps, green areas, rated "A," indicated "in demand" neighborhoods that, as one appraiser put it, lacked "a single foreigner or Negro." Here, we see how "stable" is used as a code-word for "white".

**1950's - :**

**Two different paths for Black and white**

Federal loans allow white people to move into suburbs.

Wealth becomes concentrated in white suburbs, which are able to ensure stability of future generations by funding good schools.

Because of restrictive covenants and redlining, Black people are denied federal loans and must remain in cities.

Tax bases in cities dwindle, leading to underfunded schools, housing, social services, and eventually to poverty.

**1990's-2000's: The War on Drugs & Police Militarization**

"Tough on crime" policies invest into policing as a solution to problems like poverty and drug addiction. While white and Black people smoke weed at equal rates, 10x as many Black people are incarcerated for marijuana possession (46% of all drug arrests in 2010). Police acquire military equipment from Iraq War surplus. Black communities are destabilized by police violence and mass incarceration.

**Today: Police held unaccountable for murders of Black people, enormous racial wealth gap, and geographic segregation**

**Also today: An opportunity for justice.**

We know that the federal government invested millions of dollars into the creation of wealthy suburban communities from which Black people (and some other racial minorities) were excluded. We also know that tax dollars can pay to militarize police departments. So surely they can fund public health and safety in Black communities.

**This is why modern-day abolitionists support taking money out of police budgets and reinvesting that money into public health and safety for communities of color.**

**So how  
can I  
help?**

Feelings of guilt, anger, sadness, or denial are common responses to understanding one's own complicity in something bad. How can you transform these feelings into a positive action that fights the problem at hand? The answer is to do something about it. Use your voice, your financial resources, and your capacity to educate others.

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