



Investigating the CHPC archives

Remembering the Great Depression

“These three great objectives – the security of the home, the security of livelihood, and the security of social insurance – are, it seems to me, a minimum of the promise that we can offer to the American people.”
- President Franklin D. Roosevelt, addressing Congress, 1934

Citizens Housing & Planning Council

Founded in 1937, CHPC is a non-profit policy research organization dedicated to improving housing and neighborhood conditions through cooperative efforts of the public and private sectors.

As President Obama prepared to sign the stimulus bill this week, we decided to showcase a valuable part of our collection: original documents and reports from FDR's New Deal. Given the stimulus' emphasis on reducing housing loan payments for owners, investing in rental housing for low-income families and the need for bipartisan support for the sweeping changes, reading the actual documents of the New Deal housing programs provides a unique insight into the policy directions of 2009. The New Deal is a topic that is dear to CHPC's heart. We were established in 1937, in the era of the Public Works Administration, to fight for an accompanying public housing bill to sit alongside the other extraordinary housing policy responses to the Great Depression.

FDR - "A Fireside for Every Family"

One of the most astonishing discoveries in our archives has been the 1935 leather-bound, confidential report prepared for President Roosevelt entitled "Home Sweet Home: A Fireside for Every Family." It sets out the progress that had already been made by 1935, summarizes the concepts behind FDR's housing intervention and puts forward the next steps for the country. Excerpts from this document can be seen in the following pages.



By the time this report was written, the National Housing Act of 1934 was already in motion, restructuring and subsidizing the private housing market. As the report says, *"With the full cooperation of the Congress we have already made a serious attack upon the problems of housing in our great cities."* The Federal Housing Administration (FHA) was established to handle new mortgage insurance programs that would reduce the size of loans for family homes and multifamily mortgages, and the Act also authorized the FHA to create the Federal National Mortgage Association—Fannie Mae—to provide a secondary market where home mortgages could be sold.



In addition to this intensive federal effort to stimulate housing construction and make ownership easier, Senator Robert Wagner put forward a public housing bill that would continue in the same vein as the Public Works Administration programs to stimulate jobs and improve public welfare. From 1937, the United States Public Housing Authority began to directly subsidize local public housing agencies to construct publicly-owned, permanently affordable, low rent housing for low income households across the country.

CHPC's archives also contain a multitude of fascinating pamphlets related to the development of the national public housing program. Excerpts from *"What the Housing Act Can Do For Your City,"* published in 1938, can also be seen in the following pages.

The COMMITTEE for Economic Recovery

"HOME SWEET HOME"

A FIRESIDE FOR EVERY FAMILY

COPY OF
REPORT PREPARED FOR
HON. FRANKLIN D. ROOSEVELT
PRESIDENT

Extracts from
President Roosevelt's Message to Congress
June 8th, 1934

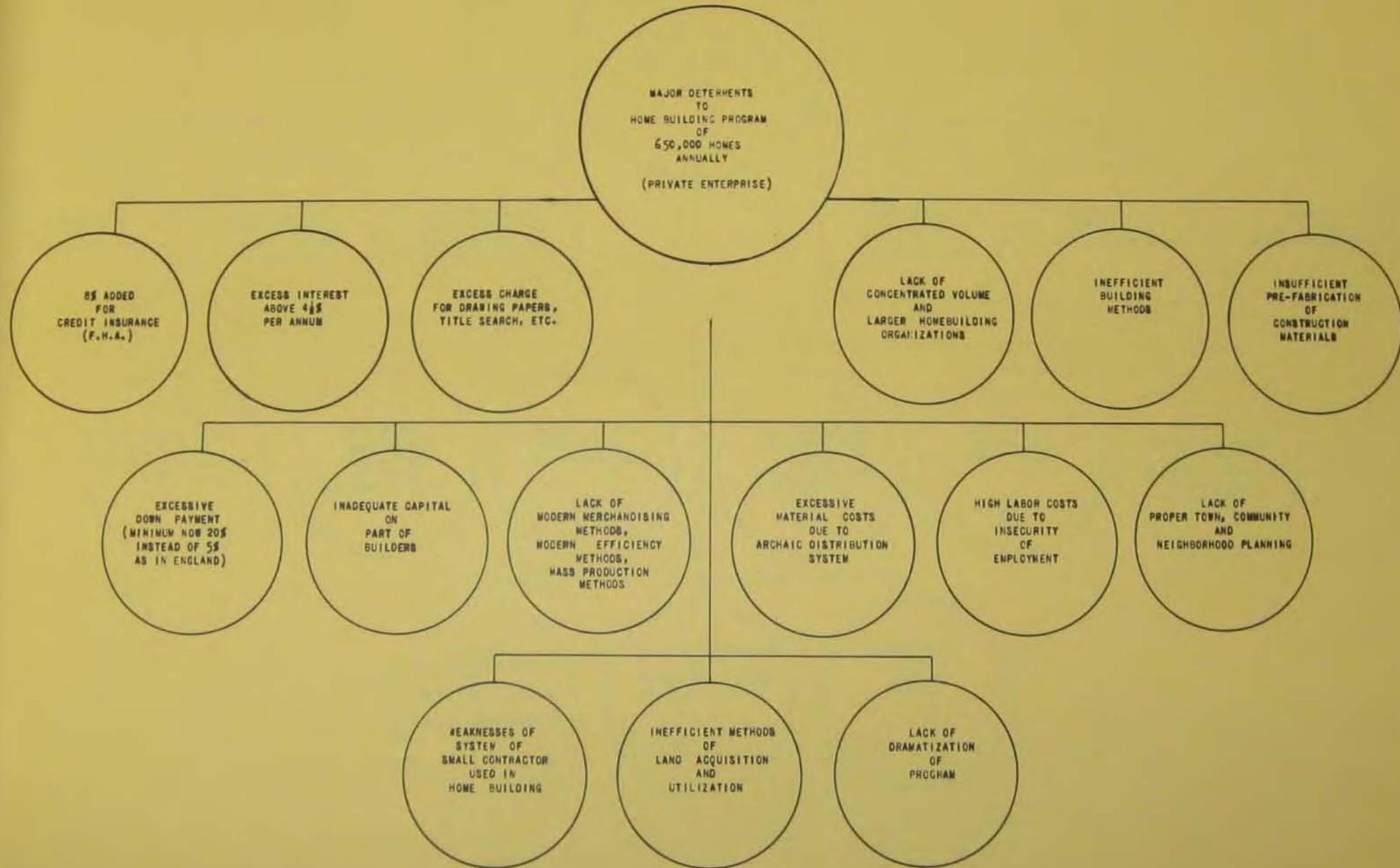
Problem of Housing

With the full co-operation of the Congress we have already made a serious attack upon the problem of housing in our great cities. Millions of dollars have been appropriated for housing projects by Federal and local authorities, often with the generous assistance of private owners. The task thus begun must be pursued for many years to come. There is ample private money for sound housing projects; and the Congress, in a measure now before you, can stimulate the lending of money in the modernization of existing homes and the building of new homes. In pursuing this policy we are working toward the ultimate objective of making it possible for American families to live as Americans should.

—oOo—

These three great objectives—the security of the home, the security of livelihood, and the security of social insurance—are, it seems to me, a minimum of the promise that we can offer to the American people. They constitute a right which belongs to every individual and every family willing to work. They are the essential fulfilment of measures already taken toward relief, recovery and reconstruction.

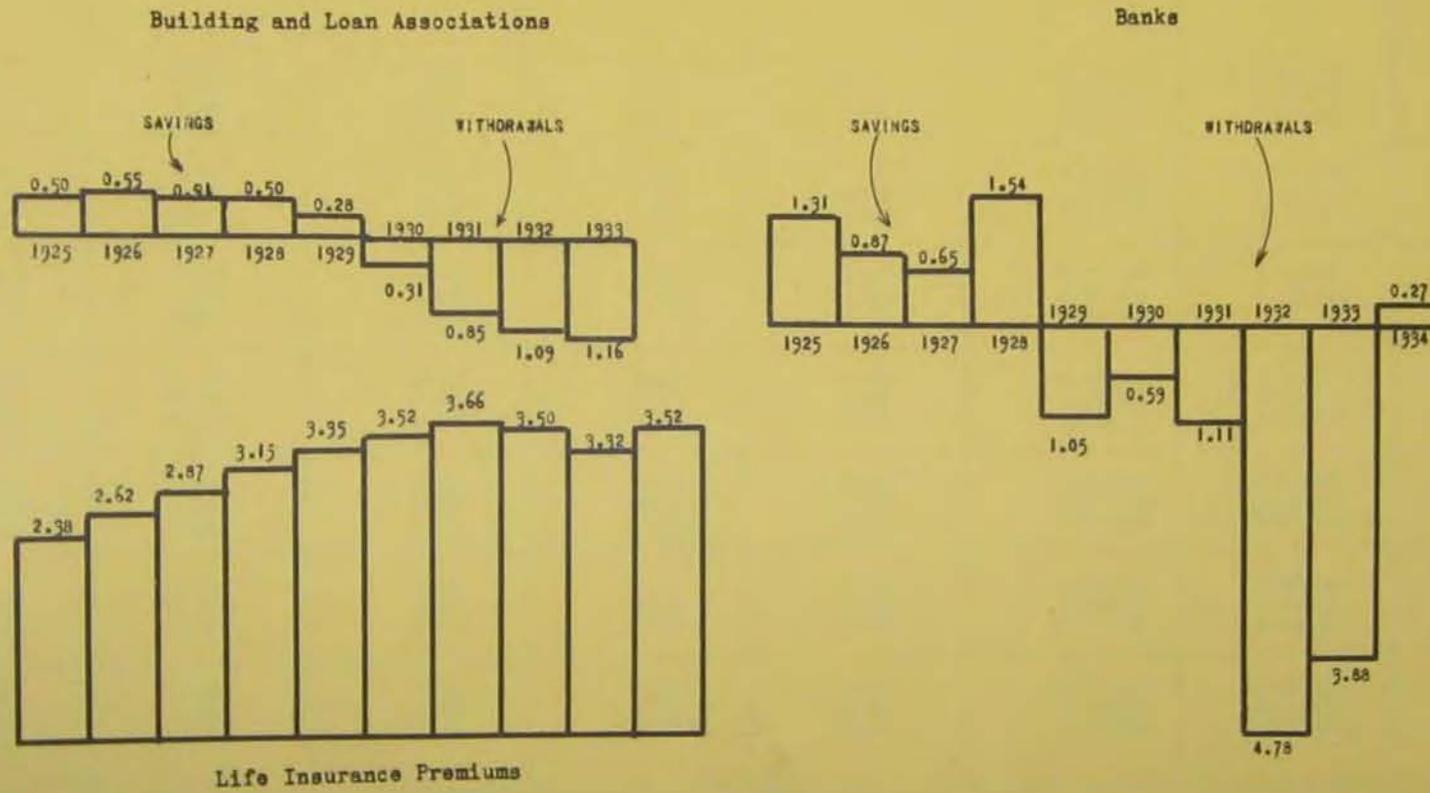
The real "forgotten man" is the potential or actual Home-owner.



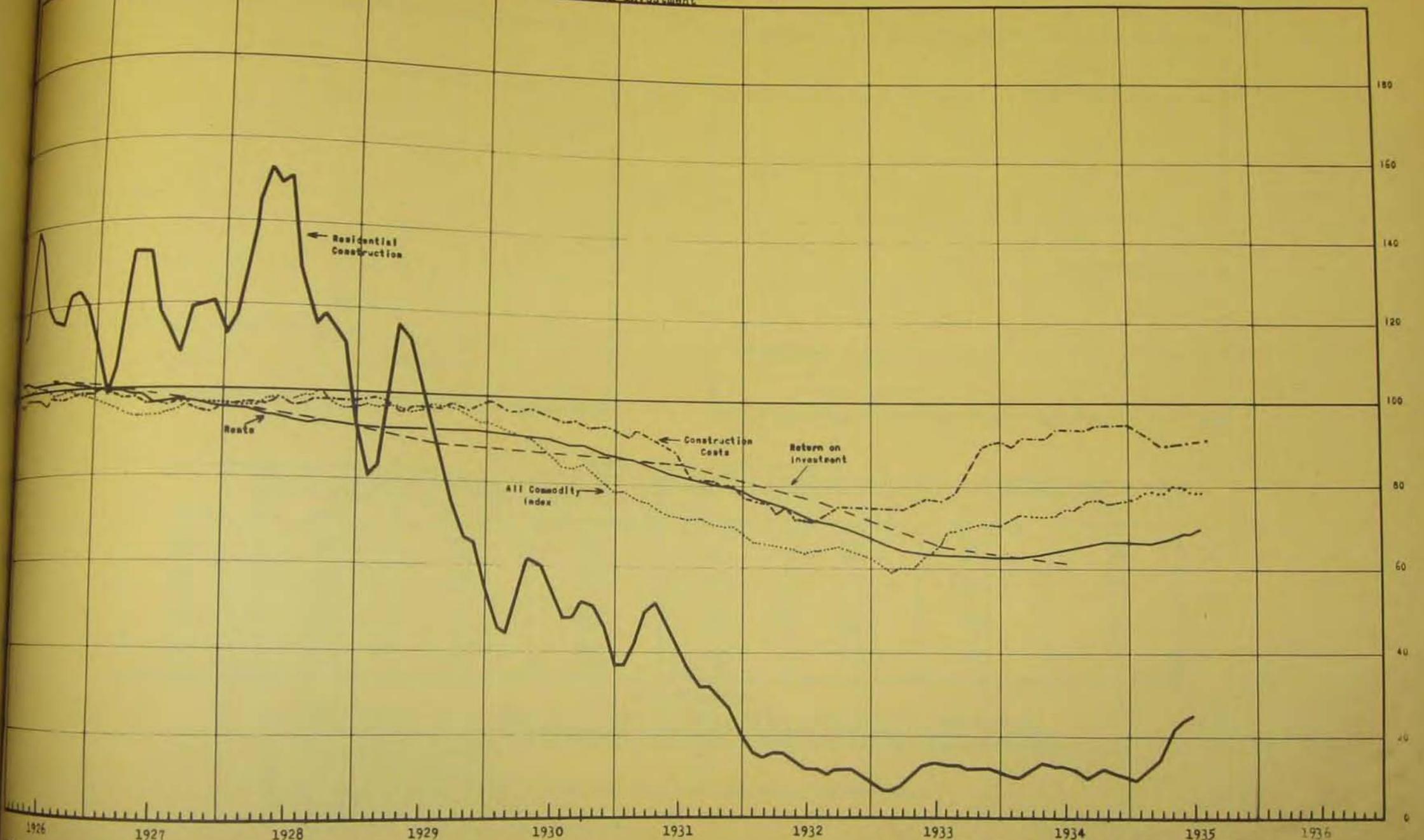
Major Items of Savings in the
United States

SOURCE: NAT'L INDUSTRIAL CONFERENCE BOARD

Indications of Net Annual Savings and Withdrawals
(Billion Dollars)



Indices of
 Construction Costs
 Housing Rentals
 All Commodity Prices
 Residential Construction Contracts Awarded
 Return on Investment



1926 1927 1928 1929 1930 1931 1932 1933 1934 1935 1936

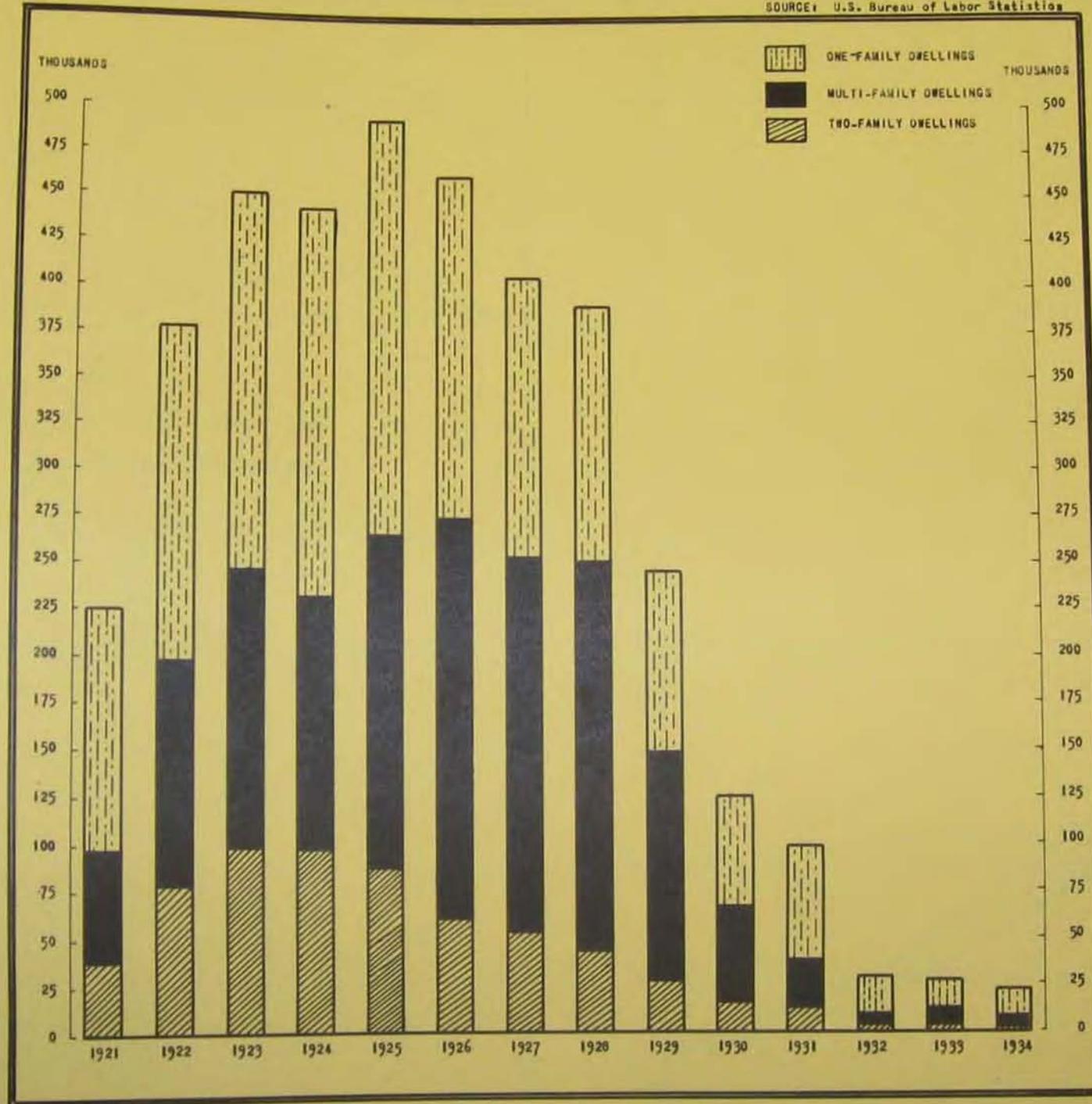
Res. Const. Contracts Awarded - 1923-25 = 100
 Construction Costs - 1913 Converted - 1923-25 = 100
 Housing Rentals - 1923 = 100
 Wholesale Commodity Prices - 1925 = 100
 Return on Investment - 1925 = 100

SOURCE: Res. Const. Contracts Awarded - Federal Reserve Bulletin
 Construction Costs - Engineering Record
 Housing Rentals - U.S. Bureau of Labor Statistics
 Commodity Prices - " " " " " "
 Return on Investment - National Industrial Conference Board

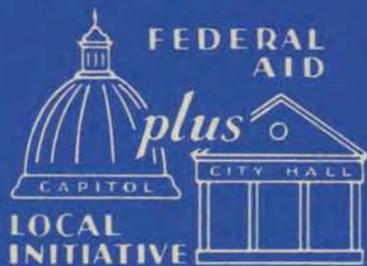
Family Dwelling Units Provided
as Indicated By Building Permits

257 Identical Cities

SOURCE: U.S. Bureau of Labor Statistics



WHAT THE
HOUSING ACT
CAN DO FOR
YOUR CITY



UNITED STATES HOUSING AUTHORITY

I. Why Did Congress Create The USHA?

In 1937 Congress passed the United States Housing Act. For 3 years before that, one of the most important committees of Congress had held extensive hearings to determine whether this law was necessary. This committee was the Senate Committee on Education and Labor, and its unanimous report in favor of the law, a report which everyone ought to read, said:

"There is no immediate aim of the American people . . . more widely supported and more insistently voiced than the desire to attack the social evils of the slums and to provide decent living quarters for . . . the underprivileged."

The broad objective of this law was to provide for American families who now live in slums the kind of homes worthy of the citizens of a free and wealthy Nation. This broad objective represented one of our oldest traditions as a people who have always put the home first. But in its details the law represented a new step, a new assumption of public responsibility, a new attitude. What are some of the *facts* which convinced Congress that housing has become a *national* problem? Why do slum clearance and decent housing for the lowest income groups require the highest cooperation of Federal, State, and local Governments, plus the intelligent support of the people themselves in their individual exercise of citizenship, just the same as defense, education, highways, health, and social security?

Slum conditions are nation-wide. Until a very few years ago the *facts* about housing conditions were so scattered and incomplete that no conclusions could be drawn from them. It was still generally assumed that every honest person willing to work would sooner or later be able to acquire one of the bright Dream Cottages of the advertising pages, and thus live happily ever after. But in 1933 the Department of Commerce made a Real Property Inventory, covering 64 cities in every State in the Union. A rural housing survey was made at the same time. The results of this painstaking effort shocked the country out of its easy optimism. It was conclusively shown that at least one-third of the homes of the Nation were definitely below any standard which could be accepted as "decent" or "American," and that at least one-tenth were dangerously unsafe. All of these substandard dwellings lacked the most elementary sanitary facilities and conveniences, or were so overcrowded as to threaten the treasured individuality of family life.

The interest aroused by this pioneer study caused a number of additional cities to undertake similar surveys with the aid of the WPA. Today figures are available for 204 localities, covering more than 5,000,000 residential buildings and more than 8,000,000 households, or more than half the urban families in the United States. Some of the more salient figures may be summarized as follows:

Structural condition.—About 1,100,000 homes (in 830,000 buildings) had such serious structural defects that they were unsafe or absolutely unfit for use.

Sanitary facilities.—1,661,000 homes, or about one-fifth of the total, had no private bathing facilities; 1,221,000 were without private indoor water closets.

Privacy and overcrowding.—About 850,000 families were "doubled up"—that is, shared their homes

with other families. Over 1,300,000 homes were "crowded"—that is, had more than one person per room.

It was disclosures such as these (which have since been reinforced by the National Health Survey, conducted by the United States Public Health Service in 83 typical cities) that quickened the public interest, long felt but never before fully expressed, in the social consequences of the slums. Cities made "spot maps" of cases of juvenile delinquency, crime, infant mortality, rickets, and T. B. and other communicable diseases. They compared the costs of police and health services in different areas. And the results were everywhere the same. The bad housing areas, the social problem areas, the areas of relatively high municipal costs and relatively low returns, were all practically identical. Proof became plentiful of what thoughtful people before had only guessed: That while the great majority of those who live in the slums are fine and desirable citizens, none the less when you plant an infant in sickening surroundings you make it harder for him to grow up strong. And when you lead children into a Dead End Street you increase the risk that some of them may not find a law-abiding way out.

These are some of the facts which led the Senate committee to say:

"It is now a matter of general agreement that even before the depression commenced over 10,000,000 families in America, or more than 40,000,000 people, were subjected to housing conditions that did not adequately protect their health and safety."

Private builders alone are not able to supply decent homes for those who live in the slums. Here we get to the heart of the "housing problem." Careful ex-

SUPPLY & DEMAND

THE RECORD, 1930-1938



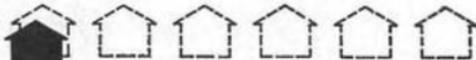
3,000,000 DWELLINGS NEEDED TO HOUSE ADDITIONAL FAMILIES
SINCE 1930 AT 1930 OCCUPANCY STANDARDS



3,000,000 DWELLINGS NEEDED TO REPLACE THE 10% OF ALL
DWELLINGS ABSOLUTELY UNFIT FOR HABITATION



1,000,000 DWELLINGS
BUILT SINCE 1930



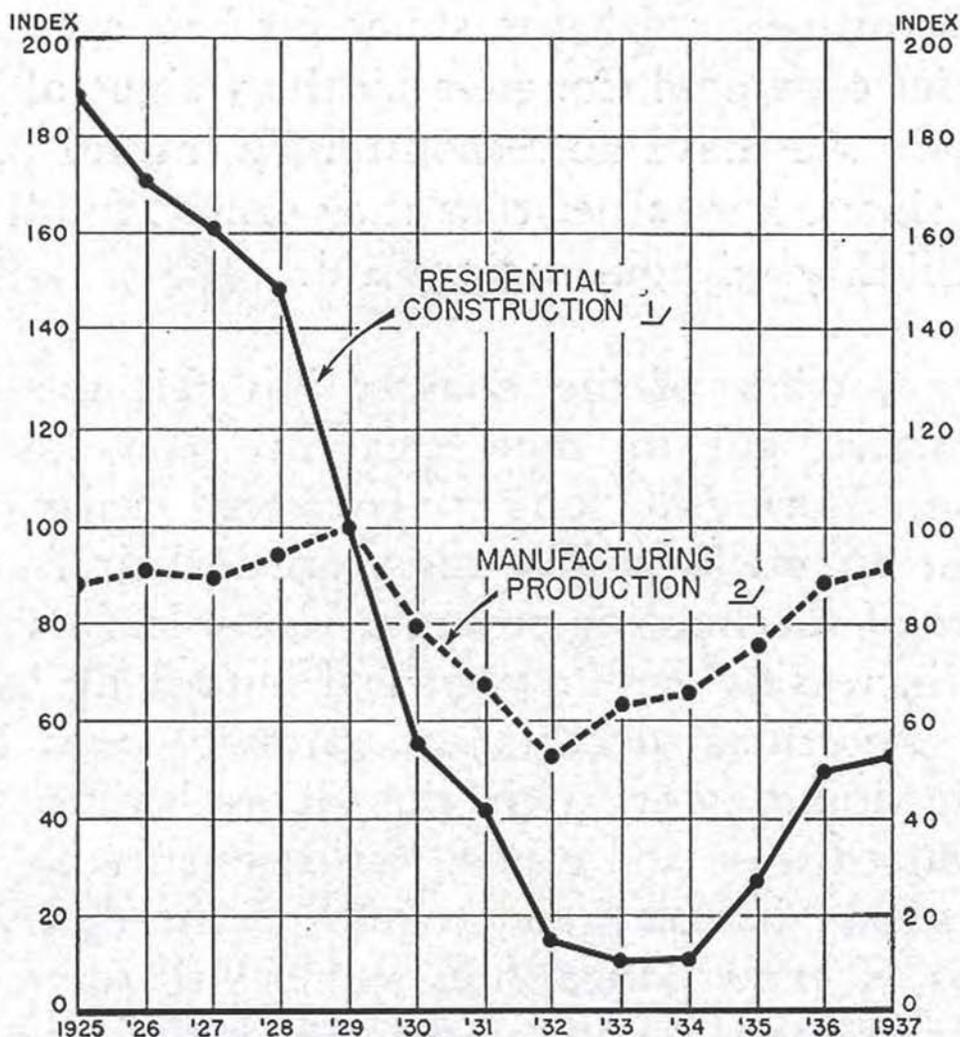
THE NUMBER OF NEW DWELLINGS NEEDED COMPARED WITH THE
NUMBER ACTUALLY BUILT

NOTE.—1 *black* house indicates 1,000,000 dwellings built.

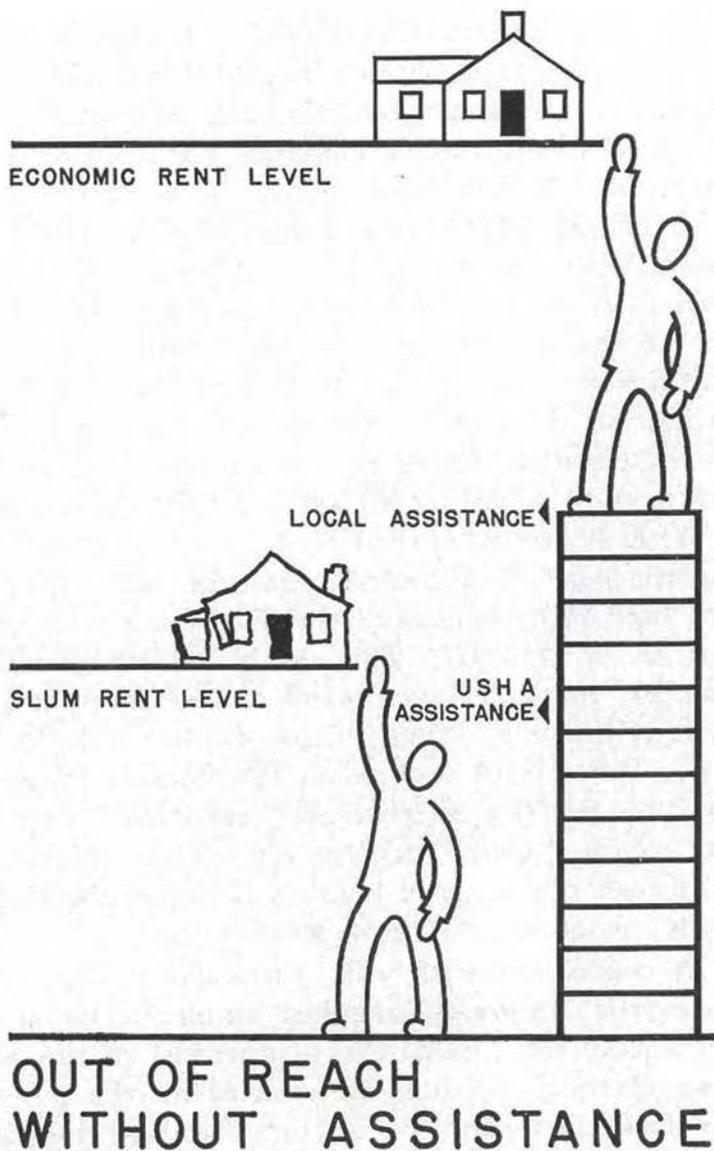
1 *outline* house indicates 1,000,000 dwellings needed.

SOURCES.—Estimates of need derived from report of the Senate Committee on Education and Labor, on the U. S. Housing Bill of 1937.
Estimates of new construction derived from Building Permit Data, Bureau of Labor Statistics.

COMPARISON OF RESIDENTIAL CONSTRUCTION AND MANUFACTURING PRODUCTION INDICES, 1929=100



SOURCES.—(1) "Volume of Residential Construction, 1920-37," Bureau of Labor Statistics, 1938. (2) "Survey of Current Business," Federal Reserve Board Index.



HOW THE FEDERAL AND LOCAL
CONTRIBUTIONS WORK