P.S. to the NEWS
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FEDERAL HOUSING

Congress passed the Housing Act of 1949 to the accompaniment of high-flown phrases about government's duty to provide "a decent home and suitable living environment for every American family." The slogan "urban renewal" conjured up visions of beautiful modern cities replacing delapidated slums. The liberal propaganda apparatus suggested that anyone who opposed such projects must be against poor people having decent housing with indoor plumbing.

Now, 25 years and $8 billion later, a realistic assessment of Federal housing has been made by Richard Craswell, an economics scholar at Michigan State University. It reveals the total failure of Government to increase the amount of low-income housing. He presents figures which prove that Government has demolished 1.6 million housing units, but only constructed a half million.

This means that, all the time the liberals have been telling us that we must call on the Government to solve our housing problems, Government has been destroying more than a million low-income housing units. The net effect of Federal housing programs has been to reduce the amount of housing available to the poor, to drive up prices, and to push inhabitants into even worse housing.

When urban renewal demolished substandard housing, it was replaced by high-rise apartments, office buildings, schools, other

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impressive new buildings, and an occasional civic center or park. But the former residents of the blighted areas could not afford to move back into the renewed area, and were forced into other areas. So, while the program eliminated one slum, it did not improve the housing conditions of the slum-dwellers, and it usually created several new slums. It did nothing to ease the problem it was aimed at, and in several respects made it worse. It was a drain on the taxpayers and a cheat on the urban poor.

According to Mr. Craswell's study, there were other economic costs. During the first ten years of the projects, more than 100,000 businesses were displaced. Nearly all were of the small neighborhood type, many of which were run by blacks. A great percentage were not able to relocate at all and simply went out of business. Those which did find new locations had to pay at least double the square-foot rental they were paying before. In Detroit, for example, the failure rate was 50 percent.

It is impossible to assess the social costs of urban renewal and to know how much of the increase in delinquency and crime in new areas was caused by the very fact of displacement from existing patterns and relationships. In some cities, urban renewal became synonymous with Negro Removal. More than 70 percent of the families displaced by urban renewal were black, Puerto Rican, or members of other minorities.

Over the same period as this dismal housing failure, private-enterprise construction gave us a net increase of 32.4 million housing units. At the same time, the percentage of substandard housing units in our country dropped from 36 percent to only four percent. The lesson is clear. The best way to help provide more and better housing for everyone is for government to get out of the way so private enterprise can do the job.

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