HOUSING, PEOPLE, AND SETTLEMENT IN THE UNITED STATES

This book describes and analyzes the housing portion of the U.S. settlement landscape during the early 1980s. The facilities that we as a nation construct to carry out our daily production and consumption of goods and services are dominant elements in the settlement patterns that portray how we live, at the same time that they regulate the way we live.¹

Like our language, our weather, our food, and other features of everyday life and experience, housing is such a fundamental, pervasive yet diverse element of the American scene that it is hard to discuss it in a systematic and comprehensive way. How can a decrepit apartment in the South Bronx be compared with a shack in a Louisiana bayou? Or a Montana ranch house with a Gold Coast condo in Chicago?

This book, based largely on data from the 1980 Census of Housing, provides one answer. This introductory chapter examines part of the recent history of U.S. housing, especially since 1960. Chapter 2 explores the meaning of housing in America—as shelter, as home, as store of wealth for households, as tax base for local governments, as status symbol for the middle class, and as an element of inclusion and weapon of exclusion in neighborhood and community life.

Chapter 3 describes the U.S. housing stock—its volume, composition, and geographical distribution. Chapter 4 treats the nature of housing demand, giving special attention to the ways that demographic changes affect housing demand and financial institutions help support the housing industry.

Chapter 5 explores how households of various types are matched with housing units throughout the United States. This national and regional treatment is followed by small-area analysis in Chapter 6, presenting tract-level portrayals of housing use patterns in selected central cities and urbanized areas across the country. Chapter 7 reviews some persistent contemporary housing policy questions and related governmental responses.

Housing in America

To the average adult American, the question “What do you do?” is an inquiry about the source of one’s livelihood. It means “Where do you work?” or “What kind of job do you hold to earn your living?”

¹See James E. Vance, Jr., This Scene of Man: The Role and Structure of the City in the Geography of Western Civilization (New York: Harper & Row, 1977), for perhaps the most original and thorough geographical treatment of the emergence of urban settlement form in Western civilization.
The emphasis is on the person’s role as an economic production unit within society.

The question “Where do you live?” is for some people a more personal query. It asks about one’s private life and private consumption at home in contrast to the employment question, which focuses on the public self.

During the first century and a half of our republic, private and publicly generated data systems focused on economic production and trade, but paid little attention to distribution and consumption. It is easy to find out how many barrels of salt pork passed through Cincinnati or New Orleans in 1850, but it is hard to learn what people in those places ate for lunch or how they spent their money on leisure time. It was not until the Great Depression of the 1930s, while the giant production machine known as the U.S. economy was flagging badly, that serious national attention turned to measuring spending habits, consumption patterns, and the American housing system.

To note that production statistics have received more attention than consumption and housing is not to say that the two areas of concern are unrelated. As a society, we build our houses in the vicinity of our jobs. But when mobility becomes cheaper and more convenient, the distance between home and work can widen. If we have the financial means to live without working at a paying job, we often can live in pleasant locations without regard to job considerations.

Unlike some parts of the world where housing is often built simply and only for temporary occupancy, or inexpensively for low-income occupants, new housing in the United States usually is built durably, rather expensively, and for middle- and upper-income households. It becomes available for low-income groups only after the initial occupants have moved on. This tradition means that American housing forms a relatively permanent feature of the U.S. settlement landscape. Once we build houses, we use them virtually indefinitely. They almost always outlast their builders and the householders who first occupy them. The large amount of real capital stored up in housing and the high real value of services provided annually by housing slow down the geographical adjustment to production demands elsewhere in the economy, thereby making regional economies and populations much more stable, inflexible, and immobile than they would otherwise be.

Housing provides an important clue to society at the local level. Households come and go from a neighborhood, but the social relationships that are fostered and nurtured by the design and spatial arrangements of the housing stock help to define the local societies that constitute the nation.

The history and geography of a people are revealed in its settlements. Within nucleated settlements—hamlets, villages, towns, and cities—housing forms the predominant land use element. Housing is seldom the most vivid feature of our settlement fabric, but socially and culturally it is one of the most fundamental in the services it provides for people and in the formative impact it has on them.

What Housing Means in the United States

The activity that we call housing involves households using dwellings. Housing activity forms a central feature in the human occupancy of the earth. A house considered by itself is merely a structure. A home, on the other hand, is a household living in a house, the word “home” implies an experience (Figures 1.1–1.4).

Housing is an interactive process that carries meanings at several levels. It is a symbol of status in American society, a mark of social position, a store of household wealth, a statement of household aspirations, and an expression of identity for the household as a unit as well as for individual household members.

The familiar housing and neighborhood environments of one’s youth help shape later ideas of one’s place in society. In certain crucial respects one’s place in the housing landscape defines and channels one’s participation in social networks and social structures.

An urban household’s decision about where to live reflects social forces encouraging congregation and segregation within cities. The housing landscapes that we create help to make social and cultural categories of urban society visible, understandable, and somewhat stable. On the other hand, housing landscapes in American urban areas are constantly assaulted by the destabilizing effects of changing population age structures, the withdrawal of wealth and real estate values from one set of neighborhoods and their transfers elsewhere, domestic migration and residential mobility, foreign immigration, and interregional wealth shifts.

It was only after World War II that national housing concerns could be addressed using comprehensive and consistent national housing data. For a set of excellent representative writings on housing from the 1940s, 1950s, and 1960s, see William L. C. Whitney, Grace Malgren, and Margi Ellen Meyerson, eds., Urban Housing (New York: Free Press, 1966).

FIGURE 1.1 City-owned apartment houses on South State Street in Chicago, with neighborhood shopping facilities and parking lot in the foreground. Public housing serves the lowest-income households in the city.

FIGURE 1.2 Working-class single-family housing in the Brooklyn borough of New York City, built during the streetcar era, on narrow lots without alleys behind houses. Trash cans are carried by residents to the street for weekly pickup.

FIGURE 1.3 Comfortably spaced middle-class houses in Minneapolis, built in the 1920s on 40-foot lots, with alleys and garages behind.

FIGURE 1.4 Upper-middle-class houses on Russian Hill in San Francisco. Population pressure on the peninsula raises land prices, and sites on the hills are still more expensive, forcing builders to use small parcels for large, expensive houses.
Vigorous legal and social policy initiatives have been launched over the years to help break down neighborhood class barriers. Equal opportunity housing laws have been passed and enforced as efforts to create color-blind and class-neutral housing markets. Yet despite strong and persistent initiatives to erode neighborhood class barriers, strong zoning laws and firm court decisions have staunchly protected middle-class single-family housing areas by curtailing entry into them by low-income and nonfamily households. Certain kinds of neighborhoods are evidently understood by society as important means for nurturing and reproducing selected lifestyles. Attempts to disrupt these conservative strongholds are fought, perhaps as an expression of a basic instinct to protect and nurture human life itself.

Valiant efforts have been made in the United States to modify zoning laws and to expand the number of good-quality housing opportunities for the less affluent classes. But it has proved difficult to enhance the housing position of the poor without significantly undermining the tenuous sense of control that is shared by the working class and lower middle class. Trying to help the less fortunate classes without threatening the position of the better off is a social policy dilemma, but the American utopian tradition stimulates the nation’s continuing effort.

Social Meanings and Market Realities for Housing in the 1980s

In most years following World War II American builders put up over 1 million units of new housing per year. Some years production exceeded 2 million—an extraordinary volume of new high-quality housing. This construction boom extended through the 1960s and 1970s until a combination of forces driven by inflation, real estate speculation, and record-high mortgage interest rates ended it in the early 1980s.

The long, postwar building binge of cheap and high-quality housing went a long way toward eroding the importance of high-quality single-family housing as a symbol of social status in the United States. Because of what was readily available to the majority of postwar American families, and taken for granted by their children, belief developed among the middle class during the postwar years that a large share of them, perhaps a majority, were living a material existence well above average—at least when judged by the standards of the Depression and war years.

It is important to examine what happens to a society [1] when its feelings of well-being are both supported and symbolized by housing achievements that are thought to be “above average.” [2] When it increasingly discovers that the definition of average has moved sharply upward, and [3] when its children discover that the residential environments they have been reared in are largely beyond their economic reach as they form their own households. In the face of harder economic times and necessarily diminished housing expectations, net new household formation in the 1980s became many fewer per year than the rates typical of earlier decades. We do not know exactly how all these trends are causally related, but we do know that during the 1980s ownership rates have risen and standard quality of housing has been higher than ever, even though housing has become more expensive, socioeconomic mobility seems harder, and real incomes of new households often have fallen far short of what is needed to match the sense of housing achievement realized by the new households of the 1950s, 1960s, and 1970s.

Tracking Our Housing Situation

Counting housing units and households and measuring their characteristics are the main tasks of decennial censuses and periodic housing surveys. Although important national housing surveys were carried out during the Roosevelt Administrations of the 1930s, the first U. S. housing census was taken only in 1940.6 It has been repeated decennially since 1940 and has been supplemented by the American Housing Survey and other sample surveys of housing finance, inventory change, and new construction.

The content and modes of presentation of the housing data series prepared by federal agencies are shaped by current and historical issues that demand public attention, as well as social science notions about the nature of society and about how and why people acquire,

3As Richard A. Easterlin has pointed out, large variations throughout the twentieth century in birthrates have yielded major consequences later in expectations and available economic opportunities for successive cohorts of young entrants into the economy. See his Birth and Fortune: The Impact of Numbers on Personal Welfare (New York: Basic Books, 1980).

4Heiner Hoyt, The Structure and Growth of Residential Neighborhoods in American Cities (Washington, DC: Federal Housing Administration, 1939). I consider this to be the most important and influential book ever published on the nature of urban housing markets in the United States.
furnish, and use housing as they do. Public health concerns provoke questions about crowding, household water and sewer service, and plumbing facilities. The energy crisis of recent years has triggered questions about types of fuel used to heat housing, insulation, and other energy-related topics. Concern about adequate housing for low-income households prompts such questions as how much household income is devoted to meeting housing expenses. Concern for minority groups and the nature of their housing arrangements has led to detailed inquiry about these topics and extensive reporting of the statistical results.

On the other hand, some housing and neighborhood topics that might well be important to household and to national well-being are not examined systematically in our housing surveys and censuses. For example, we do not measure and report small-area data on housing density—that is, number of housing units per unit area. We fail to examine and report on visual environments, on the use of color, the vegetation around our houses, street congestion, ambient noise levels, air quality, toxic substances, or the smells that are part of everyday neighborhood life.

When basic research discloses a widespread problem, such as large amounts of lead in many neighborhoods of our cities, pressure mounts to monitor all neighborhoods systematically in order to document the problem and to support efforts to solve it. When a known problem, such as burglary, rises to a sufficiently high position on the public’s list of concerns, households may be polled to assess the geographic incidence of crimes against property and against persons. Our data series are products of social theories, political agendas, economic interests, and scientific concerns. Every data series represents answers to questions thought to be important today or at some time in the past. Every classification system that is used to present the data represents an implicit theory.

U.S. Housing Stock in 1980: Paths to the Present

The decennial census of housing is the only comprehensive assessment of American housing that provides geographical details at the neighborhood and tract levels. The final results of the 1980 housing census became available in 1984, the accuracy and comprehensiveness of the census came at some cost in timeliness. The 1980 census counted 236.5 million persons and 88.4 million housing units. During the 1970s the housing stock of the United States increased 28.7 percent. There was a net increase of nearly 20 million housing units—the largest 10-year increase in the history of the nation. Housing increases occurred in all regions and states. Only the District of Columbia experienced a slight decline in housing units during the decade. Growth was greatest in the South and West (Figures 1.5 and 1.6).

Some basic trends in housing growth have persisted in nearly every decade between 1940 and 1980. Pacific and southwestern states have had large increases in housing since the 1940s. States along the Atlantic seaboard and in the industrial Midwest experienced more moderate growth during this period. Great Plains states and states along the lower Mississippi River grew slowly. These trends continued during the 1950s and 1960s, although total growth in housing slowed during the 1960s across the United States. The huge jump in the housing stock during the 1970s highlighted a significant trend toward renewed growth in rural areas. States in New England, the South, and Rocky Mountain areas showed unusually rapid gains, along with the traditional fast-growth areas in the Pacific states and the Southwest. Florida was the only state east of the Mississippi River to experience very high growth in each decade since 1940.

Over the past 40 years, western states experienced large expansions of their housing inventories, although many of these states had relatively small numbers of housing units (Figure 1.7). Southern states had generally above-average growth, with states in the South Atlantic division and Texas growing more rapidly than Appalachia. Northeast and North Central states generally increased at a much slower pace than the nation.

Almost all of the 3,137 U.S. counties and county equivalents—about 98 percent—had increases in the number of housing units. Most of the counties with a net loss in housing were in a belt beginning in the Texas Panhandle and running north through Kansas and Nebraska to the Dakotas. A few counties along the Mississippi River also had housing losses. Many of these counties reached their maximum population early in the twentieth century. In contrast, most counties that doubled their housing stock in the 1970s were located in Florida, Texas, and western mountain states, demonstrating the strong attraction of these areas during the decade.

Recent Growth in Population and Changes in the Housing Stock

The 1980 census was the first in the twentieth century to show a divergence in the growth rates of population and housing. Although formerly the rates moved essentially in parallel, the growth rate for
FIGURE 1.6
Percentage Change in Total Housing Units, by State, 1970–1980

FIGURE 1.7
Percentage Change in Total Housing Units, by State, 1940–1980

housing increased between 1970 and 1980 while that for population declined. As a result, a greater supply of housing units relative to total population existed at the close of the decade than ever before in U.S. history.

The homeownership rate increased substantially, from 43.6 percent of households in 1940 to 61.9 percent in 1960. Since 1960 homeownership has increased at a much slower pace. Homeownership rates among white households were greater than homeownership rates among other racial and ethnic groups throughout the period.

Declines in the percentage of units with more than 1 person per room and increases in the percentage of units with 5 person or less per room have resulted in an overall decline in persons per room, reflecting improvements in housing conditions. One-to-3-room housing units make up a declining percentage of all units. The percentage of 4-to-6-room units has remained constant after reaching its peak in 1960. The share of units with 7 rooms or more has increased in recent decades.

The lack of complete plumbing facilities for exclusive use was no longer a major housing problem by 1980. In 1940 44.6 percent of U.S. households lacked complete plumbing, while in 1980 only 2.2 percent were so classified. The few counties where inadequate plumbing remained a significant problem in 1980 were mainly in the rural South.

The median value of owner-occupied single-family houses increased roughly $5,000 per decade between 1940 and 1970 and $30,000 between 1970 and 1980, or an increase of 178 percent during the 1970s. The increase was 45 percent during the 1960s, 61 percent during the 1950s, and 208 percent during the 1940s. Median monthly contract rent increased steadily between 1940 and 1980, but the percentage increase was lower than that for median value of owner-occupied houses. During the 1970s median rent increased $109, or 122 percent—the largest increase reported in any housing census.

Most of the states with the greatest increase in median value during the 1970s were also the states with the largest percentage increase in population. Conversely, the slower-growing states were among those with the smallest change in median value. States with the smallest percentage of increase in median monthly contract rent had high median rent initially in 1970. Large percentages of increase were most common in states with below-average rent in 1970 and rapidly increasing population during the decade.

Counties with the highest median value of owner-occupied single-family housing were found in metropolitan areas—primarily on the West Coast, the Rocky Mountain areas, the Boston–Washington, D.C., corridor, and in southern Florida. The median value in over 85 percent of the counties was below the national median of $47,200 because these counties generally had substantially fewer owner-occupied housing units than densely populated metropolitan counties with high median values.

Median contract rent was highest in metropolitan counties, with only approximately 10 percent of all counties having median rent higher than $90—the median contract rent for the United States. Low rent was still common outside large urban areas in 1980. Fifty percent of counties had median contract rent of $125 or less.

Almost three fourths of America’s housing units in 1980 were in single-unit structures. The quality of the housing stock, measured in such terms as completeness of plumbing facilities, age of structures, structural quality, and equipment and furnishings available, improved in every major respect during the decade of the 1970s.

Urban housing contained better plumbing on the average than rural housing, but otherwise the condition of occupied units differed little by location (for example: urban, rural, central city, suburban) or by census region. The South and the West received a disproportionate share of new construction in the 1970s, thereby raising the measures of average housing quality in the areas where the new housing was built. In terms of sheer volume of new construction, nonmetropolitan housing stocks grew faster in the 1970s than metropolitan stocks.

The average number of rooms per housing unit rose during the 1960s and 1970s. The number of owner-occupied units grew at a faster rate than rental units. Thus, despite recessions, migration, disrupted financial markets, and unusual demographic trends during the decade, the U.S. housing stock expanded in size and quality essentially in all locations except inner cities and in all regions.

Housing Demand and the Forces Behind It

Population increase provides the principal impetus for additional housing demand. Between 1920 and 1950 the nation added almost 45 million people, and between 1950 and 1980 over 75 million more. Besides the expansions in sheer numbers, the American population changed in age composition as birthrates fluctuated and life expectancy rose. Living styles changed and housing preferences adjusted as average household sizes steadily dropped.

Obsolete houses have had to be replaced, adding to the demand for new units. And people have moved from city to suburb, from rural to metro regions and back again, and from long-settled areas of the
North and East into the boom regions of the West and South. Since it is physically and economically difficult to move housing units from places where they are unwanted to other locations where they are needed, housing left behind must be replaced at migration destinations, adding more demand for new units.

As life expectancy in the United States has been extended, the number of elderly households has abruptly enlarged. Single-parent families became increasingly common in the 1960s and 1970s, as did nonfamily households. A steadily increasing percentage of adult Americans choose to live alone. When these trends unfold across the United States, their initial consequence is to raise the demand for housing units even faster than the rate of increase in the overall population. But then these general trends are magnified in their impact by migration flows, and the consequences are severe for local housing markets.

Fast-growth areas have trouble responding to the housing wants and needs of an increasingly heterogeneous mix of additional households. Stagnant regions have trouble keeping their existing housing stock in good repair when real incomes drop and real deflation strikes a blow to the local base of real estate wealth.

Another major source of flux in housing demand has been the reorganization of the housing finance system. The continuous post-World War II housing boom had been nurtured by government-sponsored mortgage insurance and mortgage guarantee programs that protected mortgage lenders and by a highly regulated savings and loan system that ensured a steady supply of loanable funds for the construction and purchase of new housing. But this boom was abruptly terminated in 1978–1979 as a result of a series of government measures, backed by certain business interests, and aimed at curtailing the residential real estate speculation and the inflation excesses of the previous decade. Housing lost its sheltered credit market, construction of new housing became more expensive and lower in volume, and historically high housing ownership rates showed signs of dipping. Changes in the financial frameworks for housing brought about by federal legislation in 1980 had the effect of sharply raising mortgage interest rates, which raised the price of housing relative to other consumer goods and services and alternative investments. The upward adjustment in relative price levels cut into the effective demand for owned housing.

A final source of changing demand for housing is the introduction of new fashions, tastes, and outlooks. Americans like new things, and they generally prefer new housing to used housing. They are attracted not only to new design features, interior arrangements, appointments, and materials, they also like novel site plans and in-novative arrangements of housing on the land. In every period of city building, Americans have consistently expressed a preference for lower-density housing than they currently consume. Fashions in taste are heavily influenced by what the upper-income groups consume, with their superior mobility and greater discretionary time.

In housing, the wealthy were first to escape the high densities and congestion of the industrial-commercial city [Figures 1.8 and 1.9]. Until the streetcar and finally the automobile released the average family from its high-density neighborhood in the city, the high cost of

![Figure 1.8: Housing in large cities before the introduction of the electric streetcar in the late 1880s was built on small lots at high density. Most people moved only by foot, restricting the spatial extent of the city and promoting a compact form, as in central Baltimore.](image-url)
of urban land, plus the expense in time and money of long distance commuting, kept suburbia or small town and rural life beyond the reach of urban workers and their families. But when mobility did improve, new construction and new demand were stimulated at all the locations added to each urban housing market (Figures 1.10–1.12).

Publicly sponsored housing programs try to affect the demand for housing by adding to the purchasing power of low- and moderate-income households. But direct federal and state housing subsidy programs as a percentage of all housing market activity have had only modest impact in the United States during the past 50 years.

Households Using Housing

Almost every person in the United States has a place to live, and almost every housing unit is in use by a household (Figure 1.13). On the demand side are households of diverse tastes, needs, and ability to pay. On the supply side is the stock of housing units. The housing market in each community and neighborhood continuously mediates

FIGURE 1.9 As streetcar lines were extended away from downtowns in the decades after 1890, apartment houses were built on high-value sites along the lines, while single-unit houses were built on lots just half a block from the line.

FIGURE 1.10 Several blocks from streetcar lines, low land prices permitted generous use of land per house before World War I in Minneapolis.

FIGURE 1.11 During the 1920s and 1930s in fast-growing urban areas of the Midwest and West developers subdivided land using a 5-acre (2-hectare) rectangle of land, bisection lengthwise with an alley providing access to garages and divided into 30 (25-foot lots), 40 (30-foot lots), 50 (40-foot lots, shown here), or fewer lots, depending on the development pressure at the time.
the forces of housing supply and the elements of housing demand in that locale. As the market clears, patterns of housing use emerge and are altered.

The central questions in the investigation of the housing situation of Americans are which households obtain what kind of housing at what locations and under what terms? Type of household is considered with respect to race of household, income, age of members, household composition, ethnic origins, and so forth. Each household type presents a different array of wants, needs, tastes, and ability to achieve its goals.

The kind of housing that is obtained by a household can be described by the type of structure and the facilities available within it. The stock is dispersed into four census regions and smaller subareas and diverse locational settings ranging from the heart of the central city to the rural farms (Figure 1.14). The terms of housing use include the type of tenancy (whether renter or owner), the levels of rents, the prices of owned housing, and the monthly costs of occupancy.

![Figure 1.12](image)

**Figure 1.12** In the post-World War II era, with universal use of private cars in newly developing areas, low densities are constrained mainly by the cost of supplying roads, water, sewer, and other services, paid by the developer and added to the sale price of the new houses.

![Figure 1.13](image)

**Figure 1.13** Inexpensive rural housing in Washburn County, Wisconsin. An all-weather highway provides access to nearby towns. Discarded equipment is ignored by residents. There are no near neighbors to object to the unkempt appearance.

![Figure 1.14](image)

**Figure 1.14** Unpretentious but solidly constructed housing built for wartime factory workers in Maple Grove Park, near Ravenna, Ohio, in the early 1940s survives as privately owned but very low-rent (1-bedroom unit, $105 in 1963, 2-bedroom, $115; 4-bedroom, $120) housing in the 1980s. Recently some buildings containing three or four housing units have converted to condominium ownership.
Sources of Change in Housing Use Patterns

Patterns of housing use change constantly because of the dynamics underlying housing demand and housing supply. On the demand side the structure and performance of the U.S. economy are always changing. As they change, some households prosper and others are left behind. The adjustments in expectations, income, and wealth that flow from economic adjustments have direct consequences in the form of stepped-up or reduced housing demands and changes in patterns of housing use.

Migration and natural population change affect housing demand and housing use patterns. In addition, since each age group has different housing needs, patterns of housing use are disrupted when the average age of the population rises or falls because of migration and natural change.

Households attempt to translate their social and economic achievements into correspondingly better housing: the greater the degree of advance and consequent geographical mobility, the more flux in demand patterns and eventually in patterns of housing use.

There is also the matter of housing fashions or styles (Figures 1.15 and 1.16). Since people generally prefer the new to the old, as new styles of housing are added to the stock, they are sought out and acquired. New housing use patterns result. When certain kinds of old-style houses return to favor, what had been scorned earlier can once again attract interest and premium prices (Figures 1.17 and 1.18). Expanded recognition of and tolerance for lifestyles that differ from traditional ones have added new sources of flux to housing demand and patterns of housing use.

Besides changes on the demand side there are continued adjustments to the housing stocks in each census region and at each type of location. New construction attracts households into newly developing areas and out of their old residences (Figures 1.19 and 1.20). Use patterns change in both places. Government intervention into the housing stock, aimed at specific locations and groups of households, produces significant changes in use patterns over the years.

It is hard to form a complete and accurate picture of housing use patterns in the United States, because there are so many diverse arrangements in thousands of separate local housing markets and submarkets. Each local situation is unique, to be sure, but using small-area data to view housing use patterns within each census region (see Chapter 6) helps to reveal what are fairly common patterns from

Figure 1.16 New mobile homes used as year-round residences near Shell Lake, Wisconsin.

Figure 1.15 Late nineteenth-century double houses in Quincy, Illinois. They were fine houses when built, but below average in quality and price a hundred years after construction.
Figure 1.17 Century-old frame houses in excellent repair in Millheim, Pennsylvania.

Figure 1.18 Early twentieth-century townhouses in the South Bronx, New York City. After passing through several generations of use, these houses are being refurbished and rehabilitated.

Figure 1.19 Apartment houses built in the late 1960s in St. Louis, Missouri, on old industrial land cleared in an urban renewal effort.

Figure 1.20 Farmhouse, barn, and outbuildings on dairy farm in Barren County, Wisconsin.
Housing as well. Most Americans believe that each household is entitled to some minimum amount and quality of living space. The national goal as articulated by the federal government has been "a decent home and a suitable living environment for every American family."

The interdependence of activities inside confined spaces and areas provides other reasons for government involvement in housing. Public health considerations demand attention to safety and sanitation in housing. Inside urban areas and in many nonurban jurisdictions the use of land for housing is closely regulated because the way a person uses or misuses property can affect the safety, livability, and value of neighboring properties. Thus, whenever people have established permanent nucleated settlements, they have turned to the governing authority to protect the housing of those who live close together. Zoning laws, building codes, housing codes, traffic regulations, and neighborhood or areawide approaches to renewal and rehabilitation of older housing have been directed by government authority.

Government uses housing as a means of redistributing wealth or capital through various tax and subsidy measures. It also acts through housing to affect local economies. Increases in housing production have major multiplier effects that percolate throughout other sectors and regions of the economy. When the economy becomes overheated, monetary policy is often used to curb inflation, but tight money and higher interest rates also put the brakes on housing production. Thus, housing policies in the United States have the goal of ensuring the provision of adequate shelter for all households. Meanwhile monetary policy, as it addresses macroeconomic issues such as stabilizing the business cycle, affects housing construction and the provision of mortgage credit to different classes of households and throughout various regions of the country.

Besides the use of its regulatory powers government housing policies intervene in the housing market through supply-side subsidies to encourage expansion of new construction, supplies of certain types of housing units at specific locations, and demand-side subsidies that make it easier for selected groups to buy the housing they otherwise would not be able to afford.

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Housing Policy at the Local Government Level

While federal housing policy is made at the national level, it is implemented at local levels. Federal policy in the late 1970s tried to induce the dispersal of the poor and minority households throughout metropolitan communities. But residents of many suburban communities do not want poor neighbors, so they erect restrictions to frustrate federal objectives. The tactics used take many forms: high and costly standards for residential development that screen out low- and moderate-income households, large minimum lot sizes and high minimum floor areas per housing unit, expensive street and utility requirements, or dedication by the developer or builder of land for public purposes, and low-growth or no-growth policies ostensibly to protect existing environments. Some communities decide to go it alone—foregoing participation in federal aid programs of various kinds in order to avoid the need to comply with federal rules that participation would require. There is a never-ending tug-of-war between national objectives centered on efficiency, equity, and equal opportunity as seen from Washington and the desire of local officials for local control and flexibility.

*See Milgram, "Housing the Urban Poor."