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"Slum Clearance on Ruch's Hill," by Virginia I. Cuthbert.

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Nathan Straus Explodes Some Fallacies of Housing

THE SEVEN MYTHS OF HOUSING. By Nathan Straus. xvi+314+viii pp. New York: Alfred A. Knopf. \$2.75.

By R. L. DUFFUS

Nathan Straus learned about housing the hard way, first by trying to provide low-rent accommodations with private funds, then by administering the United States Public Housing Act between 1937 and 1942. The latter position was no bed of roses—or perhaps it was a bed of roses with thorns attached. Mr. Straus was attacked not only by those who did not believe in publicly subsidized housing but by fervent "housers" who disagreed with some of his policies. And no one can swear longer and louder than a good "houser" when a fellow-crusader goes at the job in what he believes to be the wrong way. But Mr. Straus emerged from his ordeal a wiser and by no means sadder man, respected for what he had achieved and for his ideals.

In the course of his work he had to make speeches, and in making speeches he learned that the public has some misconceptions about public housing. In attempting to remove these misconceptions he evolved first a new speech and then this book, the heart of which is the consecutive demolition of the seven "myths." The first of these is that "there

are no slums in my town." There always are—even when the town is spread over a few quarter sections and each unit called a farmhouse. The second is that "public housing does not clear slums." It ought not to clear them, Mr. Straus thinks, by "bailing out" owners of slum property. It is not called upon to sustain tax returns based on real estate valuations resting on the right to violate sanitary laws. It clears slums by providing better houses. Myth No. 3, that "the Government should buy up the slums," is pretty well disposed of by this argument. Mr. Straus would say that the Government might as well buy up all the spoiled meat in the market.

Thesis No. 4 in Mr. Straus' mythology is that "public housing is costly and extravagant." He asserts, with supporting figures, that "the cost of construction of public housing under the USHA program has been about one-quarter less than the average cost of similar housing produced by private enterprise." Notions about extravagance were nourished by some of the early PWA housing. They don't fit USHA. But Mr. Straus doesn't look for miracles. Prefabrication is no cure-all. Cut material costs in half and the annual cost comes down only 15 per cent. Cut wage costs in half and it comes down only 10 per cent. Cut financial charges in

half and the saving would be more than 25 per cent. There must be savings all along the line, including the 25 per cent of annual cost devoted to utilities.

Myth No. 5 is that "public housing does not rehouse families from the slums." USHA housing rehoused families with an average income of \$837 a year in average shelter rent of 44 cents a month. What these families had before can be imagined. Myth No. 6 is that "the slum dweller creates the slums"—the old coal-in-the-bathtub tradition. Briefly, the answer to this one is that nine out of ten rehoused slum families "immediately fit themselves to their new environment" and most of the others can learn. They are like other families, in fact, only not so lucky.

Myth No. 7 is that "public housing injures private business and threatens to bankrupt the country." This one is slightly out of date. Mr. Straus sets a subsidy program of 300,000 homes a year for the post-war period, or about 1,500,000 as a goal. This means homes to be rented for about half what private builders would have to charge. The "ultimate maximum of annual subsidies" for such a program would be about \$145,000,000 a year—enough to run our present war for ten hours or so. Or, to get down to cases, it would cost about \$50 a year to provide good housing for a child

on whose education the taxpayers now spend about \$75 a year.

Mr. Straus doesn't see any tragedy—either for the taxpayer or for private business. The taxpayer will get back some of his money on smaller expenditures for police and fire protection in former slum areas. Private enterprise which depends on slum revenues may lose, but private enterprise in the form of building labor and management is sure to gain by the building boom which would follow, as Mr. Straus thinks, an extensive subsidized program. For it can't be imagined that those just above the subsidy level, or even considerably above it, and thus able to pay for new houses, perhaps with Federal credit to help them, would continue to put up with sloppy and inadequate accommodations.

Mr. Straus has some suggestions. He would amend the Lanham war housing act to provide that such housing should "be turned over immediately to local housing authorities, wherever such exist, for administration during the war and for disposition after the war." He would set a post-war schedule of 5,000,000 new homes—the 1,500,000 subsidized dwellings plus additional ones for relatively higher income groups, with all sorts of facilities, financial and otherwise, to help carry the burden. He would amend the national hous-

ing act to make local housing authority bonds "an even higher investment security than they are at present," in hope that such bonds would provide as much as 90 per cent of the needed capital funds.

He would authorize a Federal loan of \$100,000,000 to enable local housing authorities to purchase sites for their projects; would have local ordinances to outlaw dangerous and unsanitary buildings after another five or six years; would permit American communities to buy and hold land for future uses, including housing; and would unite all Federal agencies concerned with public works, housing of course included, in a new department with Cabinet rank.

Such a program certainly involves changing some current ideas. It involves an actual expenditure of many millions of dollars, most of which will be repaid as the years go by. It assumes a continuance of low interest rates. Some "housers" and of course many "anti-housers" will quarrel with details of the Straus plan or with its whole thesis. It is up to those who do to suggest something better. In all seriousness this nation in a year or two will have to consider its responsibility to a vast returning army of heroes. It had better plan to provide as decent living conditions for them as are humanly possible.