

Studying Social Inequality with Data Science

INFO 3370 / 5371
Spring 2023

Political Origins of Wealth Inequality

Learning goals for today

By the end of class, you will be able to

- ▶ conceptually trace the origins of racial wealth inequality to explicitly racist policies
- ▶ map racial segregation in a city of your choosing



Walker Evans, 1933. The Breadline.

Source: National Gallery of Art



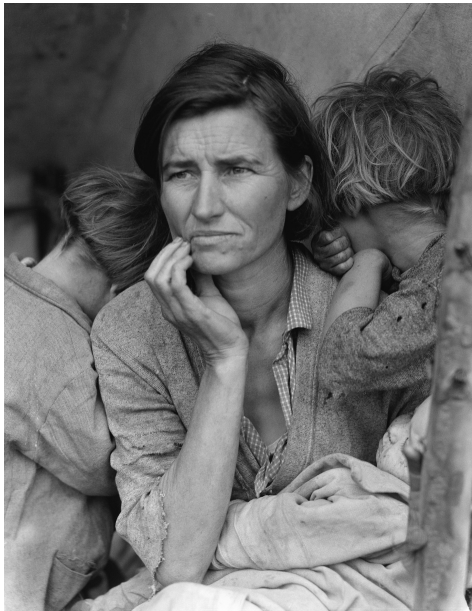
Lucienne Bloch, 1936. Land of Plenty.

Source: National Gallery of Art



Gordon Parks, 1942. Washington, D.C. Government Charwoman (American Gothic).

Source: National Gallery of Art



Dorothea Lange, 1936. Migrant Mother.
Source: Wikimedia, original in MOMA NY



Source: Wikimedia



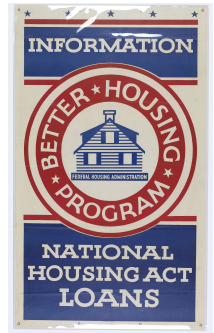
Source: Wikimedia



Source: Wikimedia



Source: Wikimedia



Source: Smithsonian

Home Owners Loan Corporation is tasked with backing mortgages

Home Owners Loan Corporation is tasked with backing mortgages

They decide to rate neighborhoods

- ▶ A (most desirable)
- ▶ B (less desirable)
- ▶ C (declining)
- ▶ D (undesirable)

Home Owners Loan Corporation is tasked with backing mortgages

They decide to rate neighborhoods

- ▶ A (most desirable)
- ▶ B (less desirable)
- ▶ C (declining)
- ▶ D (undesirable)

How?

Home Owners Loan Corporation is tasked with backing mortgages

They decide to rate neighborhoods

- ▶ A (most desirable)
- ▶ B (less desirable)
- ▶ C (declining)
- ▶ D (undesirable)

How?

(redlining)

Home Owners Loan Corporation is tasked with backing mortgages

They decide to rate neighborhoods

- ▶ A (most desirable)
- ▶ B (less desirable)
- ▶ C (declining)
- ▶ D (undesirable)

How?

(redlining)

- ▶ Low-income immigrants → D grade

Home Owners Loan Corporation is tasked with backing mortgages

They decide to rate neighborhoods

- ▶ A (most desirable)
- ▶ B (less desirable)
- ▶ C (declining)
- ▶ D (undesirable)

How?

(redlining)

- ▶ Low-income immigrants → D grade
- ▶ Black families → D grade

Home Owners Loan Corporation is tasked with backing mortgages

They decide to rate neighborhoods

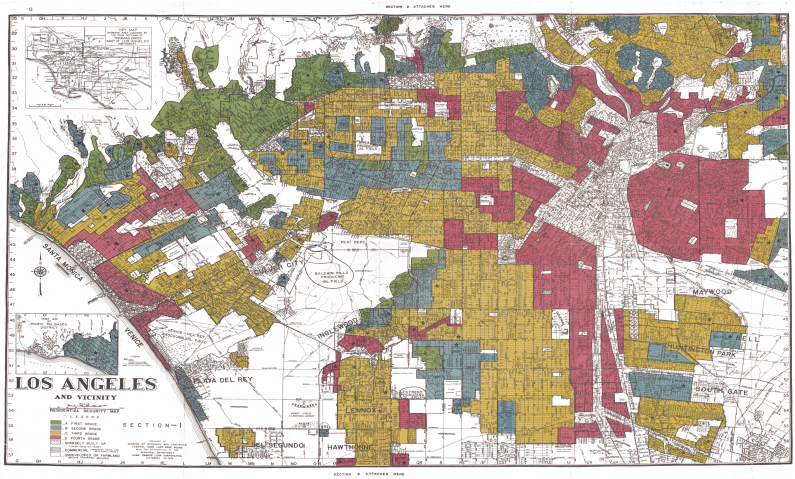
- ▶ A (most desirable)
- ▶ B (less desirable)
- ▶ C (declining)
- ▶ D (undesirable)

How?

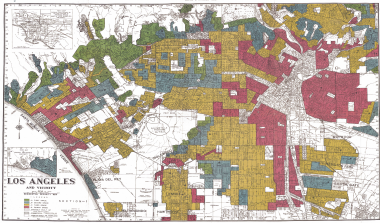
(redlining)

- ▶ Low-income immigrants → D grade
- ▶ Black families → D grade

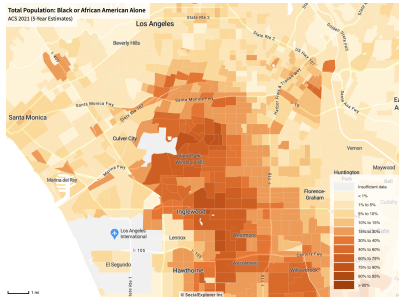
Jackson, Kenneth T. [Crabgrass frontier: The suburbanization of the United States](#). Oxford University Press, 1987.



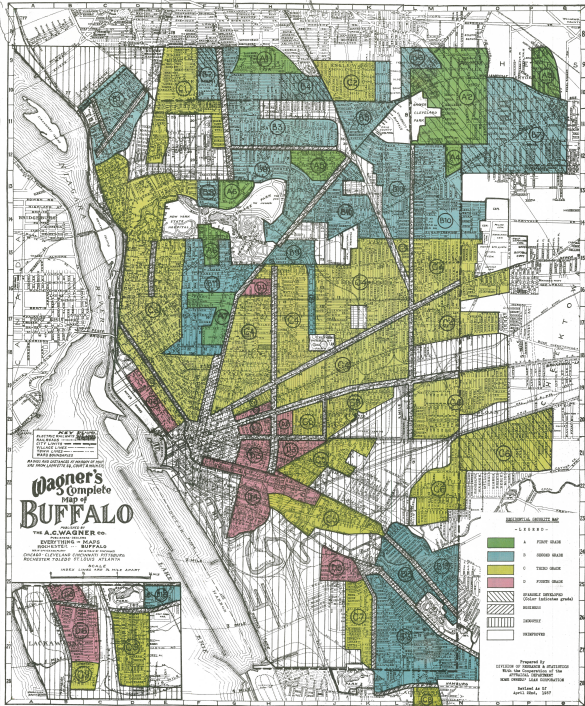
Source: Nelson and Ayers, [Mapping Inequality](#)



Source: Nelson and Ayers,
Mapping Inequality



Source: Social Explorer



NEW YORK
 105 NASSAU ST.
 CITY OFFICE
 105 NASSAU ST.
 BUREAU OF THE
 WESTERN DIVISION
 212 N. 1ST ST.
 SPOKANE, IDAHO

**Wagner's
 Complete
 Map of
 BUFFALO**

THE A.C. WAGNER CO.

EVERYTHING IN MAPS
 INDICATED BY BUFFALO
 CHURCH, CIVIL AND COMMON UTILITIES
 INCLUDING TOLLS, STREETS AND PARKS

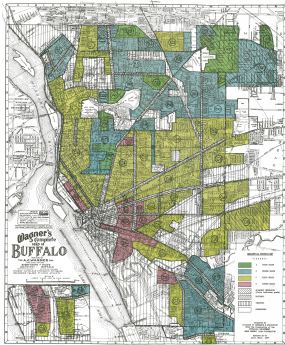
SCALE
 ONE INCH TO ONE MILE

LEGEND

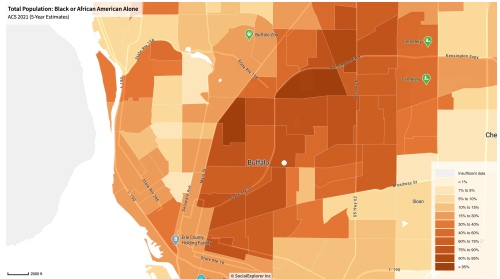
- A FIRE BRICK
- B HARD BRICK
- C TIERED BRICK
- D FIRE BRICK
- G FIRE BRICK
- SEWERAGE DRAINAGE
(Diagonal hatching)
- RAILROAD
- CANYON
- UNIMPROVED

Prepared by
 DIVISION OF TOURISM & RECREATION
 WITH THE COOPERATION OF THE
 OFFICIAL ENGINEERS
 AND SURVEYORS' CLUB ASSOCIATION

Buffalo, N. Y.
 April 1914.

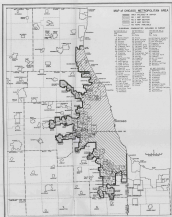


Source: Nelson and Ayers,
Mapping Inequality



Source: Social Explorer

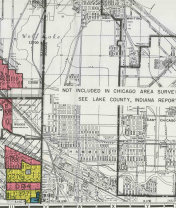
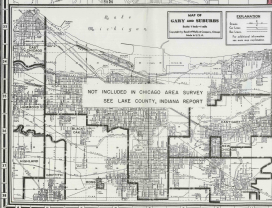
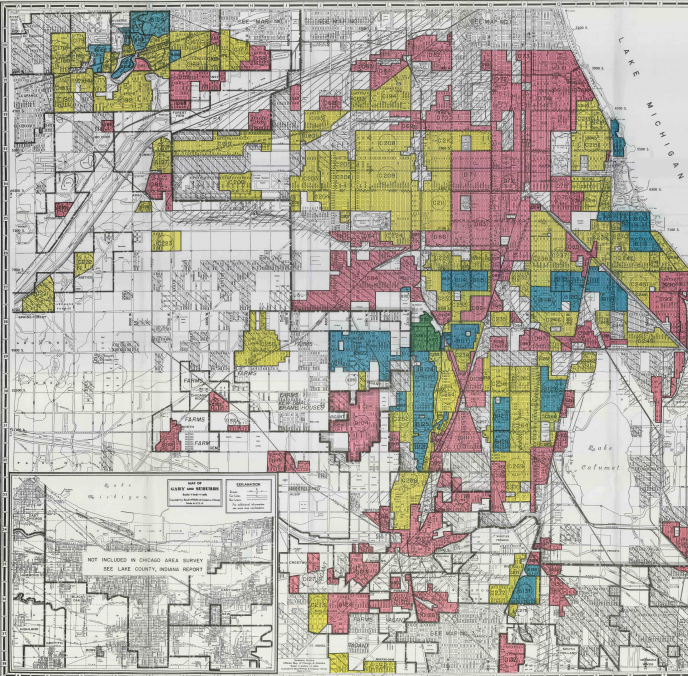
NO. 2 MAP SECTION

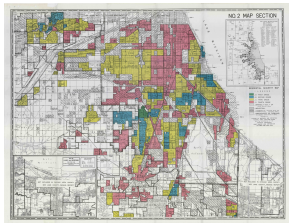


RESIDENTIAL SECURITY MAP

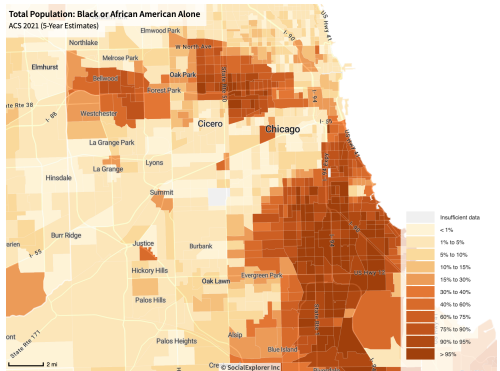
LEGEND

- A FIRST GRADE
 - B SECOND GRADE
 - C THIRD GRADE
 - D FOURTH GRADE
 - SPARSELY BUILT UP
 - INDUSTRIAL
 - COMMERCIAL
 - UNDEVELOPED OR FARMLAND
- PROPERTY OF FEDERAL BUREAU OF STATISTICS
 FEDERAL HOUSING ADMINISTRATION
 WASHINGTON, DISTRICT OF COLUMBIA
 COOK COUNTY PLANNING COMMISSION
 OCTOBER 1950 (REVISED APRIL 1951)





Source: Nelson and Ayers,
Mapping Inequality



Source: Social Explorer

Local organizations furthered racist policies

BLUE RIDGE

PIQUET SOUND
Elliott Bay
SEATTLE'S Distinctive RESIDENTIAL PARK

BLUE RIDGE

NOT A SUBDIVISION - BUT A COMMUNITY
View homesites in Blue Ridge are priced from \$1000.00 including city water in cast iron mains and complete sewer system to each tract. Conventional terms.

HUGH RUSSELL
Sales Agent
OFFICE: 9921 17th AVENUE N.W.
CORNER W. 100th AND 17th N.W.
TELEPHONE: BLUENT 9000, SEATTLE, WASH.

* SEATTLE'S DISTINCTIVE RESIDENTIAL PARK... EVERY HOMESITE A BEAUTY SPOT

BLUE RIDGE
A BEAUTIFUL PLACE TO BUILD AND OWN
YOUR HOME

Source: Blue Ridge Seattle

Local organizations furthered racist policies

16. **RACIAL RESTRICTIONS.** No property in said Addition shall at any time be sold, conveyed, rented or leased in whole or in part to any person or persons not of the White or Caucasian race. No person other than one of the White or Caucasian race shall be permitted to occupy any property in said Addition or portion thereof or building thereon except a domestic servant actually employed by a person of the White or Caucasian race where the latter is an occupant of such property.

17. **ANIMALS.** No fowl or animal other than song birds, dogs or cats as household pets, shall at any time be kept upon land embraced in this Addition.

18. **AMENDMENTS.** The owner or owners of the legal title to not less than 300 residence lots in said Addition may at any time by an instrument in writing duly signed and acknowledged by said owner or owners, terminate or amend said Mutual Easements of Blue Ridge Addition, and such termination or amend-

Source: Civil Rights and Labor History Consortium, University of Washington

Explicitly racist policies had lasting consequences

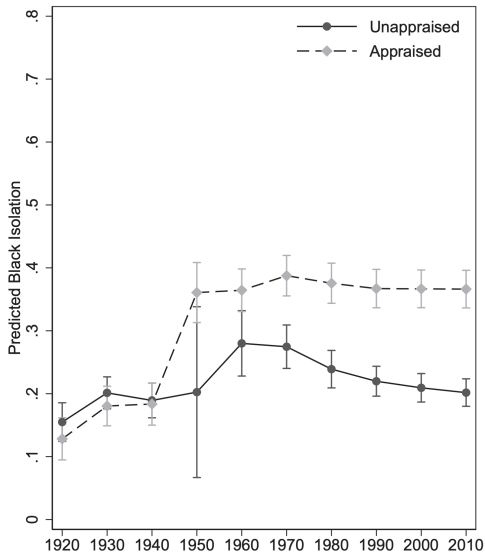


Figure 1 from Faber, J. W. 2020. [We built this: Consequences of New Deal era intervention in America's racial geography](#). *American Sociological Review*, 85(5), 739-775.

Wealth consequences of redlining

Wealth consequences of redlining

In redlined neighborhoods,

Wealth consequences of redlining

In redlined neighborhoods,

- ▶ Hard to sell your home

Wealth consequences of redlining

In redlined neighborhoods,

- ▶ Hard to sell your home
- ▶ Hard to buy a home

Wealth consequences of redlining

In redlined neighborhoods,

- ▶ Hard to sell your home
- ▶ Hard to buy a home
- ▶ Home prices do not rise

Wealth consequences of redlining

In redlined neighborhoods,

- ▶ Hard to sell your home
- ▶ Hard to buy a home
- ▶ Home prices do not rise

In the suburbs,

Wealth consequences of redlining

In redlined neighborhoods,

- ▶ Hard to sell your home
- ▶ Hard to buy a home
- ▶ Home prices do not rise

In the suburbs,

- ▶ Home ownership skyrockets
 - ▶ 44% owned their home in 1940
 - ▶ 62% in 1960

National estimates
from U.S. Census

Wealth consequences of redlining

In redlined neighborhoods,

- ▶ Hard to sell your home
- ▶ Hard to buy a home
- ▶ Home prices do not rise

In the suburbs,

- ▶ Home ownership skyrockets
 - ▶ 44% owned their home in 1940
 - ▶ 62% in 1960
- ▶ Home prices rise

National estimates
from U.S. Census

Wealth consequences of redlining

In redlined neighborhoods,

- ▶ Hard to sell your home
- ▶ Hard to buy a home
- ▶ Home prices do not rise

In the suburbs,

- ▶ Home ownership skyrockets
 - ▶ 44% owned their home in 1940
 - ▶ 62% in 1960
- ▶ Home prices rise
- ▶ Wealth grows

National estimates
from U.S. Census

Wealth consequences of redlining

In redlined neighborhoods,

- ▶ Hard to sell your home
- ▶ Hard to buy a home
- ▶ Home prices do not rise

In the suburbs,

- ▶ Home ownership skyrockets
 - ▶ 44% owned their home in 1940
 - ▶ 62% in 1960
- ▶ Home prices rise
- ▶ Wealth grows

National estimates
from U.S. Census

Oliver, M., & Shapiro, T. (2013). [Black wealth/white wealth: A new perspective on racial inequality](#). Routledge.

Additional resources

- ▶ Oliver, M., & Shapiro, T. 2013. [Black wealth / white wealth: A new perspective on racial inequality](#). Routledge.
- ▶ Faber, J. W. 2020. [We built this: Consequences of New Deal era intervention in America's racial geography](#). *American Sociological Review*, 85(5), 739-775.
- ▶ Massey, D. S., & Denton, N. A. 1993. [American apartheid: Segregation and the making of the underclass](#). Harvard University Press.
- ▶ Killewald, A., Pfeffer, F. T., & Schachner, J. N. 2017. [Wealth inequality and accumulation](#). *Annual Review of Sociology*, 43, 379.

What will we do next?

Over the next few classes,

1. Map racial segregation using [Social Explorer](#)
2. Document [racial wealth gaps](#) by coding in R
3. Discuss normatively should be done