these questions are shaped, at least in part, by public administrators. As Stone also notes, "distributions do not happen by magic. They are carried out by real people taking real actions, not by invisible hands" (1997, 54). In terms of governmental policies, these real people are public administrators or their authorized private sector contractors.

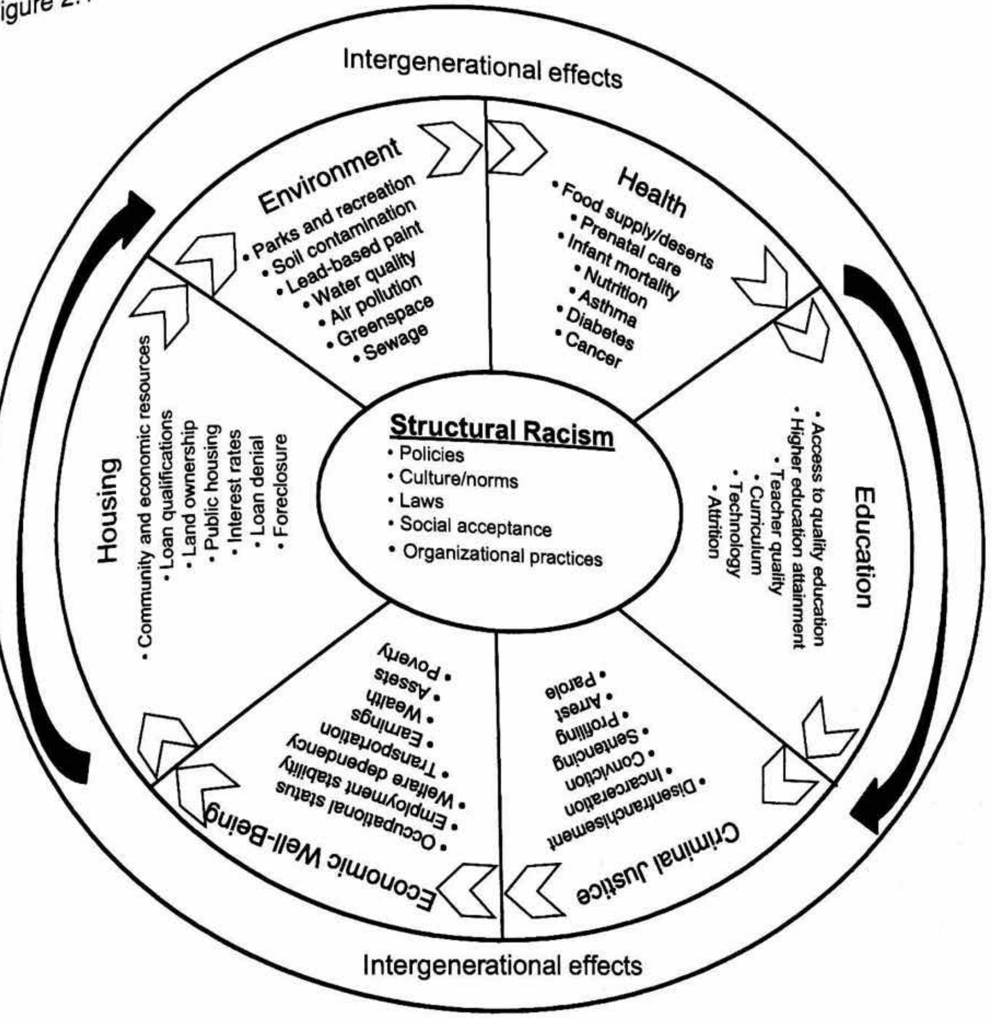
As Figure 2.1 depicts, racial inequities in the United States are saturated. This means the pattern of racial distribution is mutually compounding and permeates multiple aspects of public policies that significantly affect one's life chances. Environmental inequities affect health inequities, which affect educational inequities, and so forth. These inequities compound in predictable patterns and are maintained from generation to generation. Although their severity may decrease over time, as overall societal conditions improve, significant racial disparities are maintained. For example, although Jim Crow laws have ended, they are replaced by covert laws and practices that maintain racial disparities. Importantly, while pockets of a racial group, such as the very wealthy, may be minimally affected by these racial inequities, the general pattern holds for the racial group at large.

This chapter highlights three of the public policy areas depicted in Figure 2.1: housing, education, and the environment. The intent is not to provide a detailed history or analysis of each of these policy areas and their racial inequities, but rather to briefly highlight examples of the structural inequities that undergird present-day development and delivery of U.S. policy in each of these contexts. While these policy areas are often considered in isolation, there are important cumulative racial-inequity effects, resulting in a saturation of racial inequities across a myriad of public policies. This saturation permeates both within and across various policy contexts, resulting in a conditional structure of racial inequities. A conditional structure is particularly disconcerting because problems are solved; conditions are tolerated. Many of the racial inequities are so widespread that their existence is paradoxically viewed as normal. Because these trends constitute conditions, rather than problems, they often blend into the fabric of everyday life. These saturation conditions become accepted by elected officials, public administrators, researchers, and the public at large as a descriptive characteristic of American life, as opposed to a legitimate societal crisis.

Housing

For most Americans, housing is an important asset. It is a key factor in the determination of wealth and overall family well-being. In addition to the benefits to housing in terms of individual assets and wealth, access to safe neighborhoods, social capital, health care, employment, public safety

Figure 2.1 **Saturation of Racial Inequities**



services, quality public schools, healthy foods, and transportation are all affected by the community in which one resides. Oliver and Shapiro (1995) argue that federal policies, including housing subsidy and finance programs, have promoted home ownership, land acquisition, and asset accumulation for whites but not for blacks. Other researchers have discussed racial inequities in the effects of public housing site selection and tenant selection (Bratt 1986; Keating 1994; Massey and Kanaiaupuni 1993), and government home mortgage programs of the Federal Housing Administration (FHA) and the Veterans Administration (Feagin 1994; Massey and Denton 1993). There is clear evidence, historically and in the research literature, that whites have been the overwhelming beneficiaries of federal housing programs compared to minorities, especially African Americans (Bonilla-Silva 1996; Galster 1999; Gotham 2000; Omi and Winant 1986; Quadagno 1994; Squires 2003; Winant 1994; Yinger 1995).

Government action in housing dates back to at least the early 1900s. With the goal of investigating and assisting in housing opportunities for the poor, by 1910 most large cities in the United States had implemented some sort of housing reform legislation (Axinn and Stern 2005). After the Great Depression, President Franklin Roosevelt's New Deal moved to preserve the concept of private property. "The one thousand homeowners threatened with foreclosure each month in 1933 were helped to refinance their mortgages through the Home Owners Loan Corporation, established in June 1933. The home construction industry, almost at a standstill in 1933, was revived through the Federal Housing Administration, which insured loans for home repairs and mortgages for new houses" (Axinn and Stern 2005, 178). The National Housing Act of 1934 authorized low down payments, set up extended loan maturities (with a maximum of 40 years), and regulated interest rates designed to ensure that working-class families could afford mortgage payments. This Act also established the Federal Housing Administration, designed to insure lending institutions against loan defaults. "The FHA was to behave like a conservative bank, only insuring mortgages that were 'economically sound.' In practice, economic soundness was translated into 'redlining': a red line was literally drawn around areas of cities considered risky for economic *or* racial reasons" (Quadagno 1994, 23, emphasis in original). FHA administrators were instructed per the agency's *Underwriting Manual* not to insure mortgages unless they were located in racially homogenous white neighborhoods (U.S. Federal Housing Administration 1936, 1938, 1946, 1952). "As late as 1977, private appraising manuals still contained listing of ethnic groups ranked in descending order from those who are most desirable to those who have the most adverse effect on property values. Whites were ranked at the top of the list while African Americans and Mexican Americans were ranked at the very bottom" (Missouri Housing Development Commission, August 1977, as cited in Gotham 2000, 19).

"Until 1949 the FHA also encouraged the use of restrictive covenants banning African Americans from given neighborhoods and refused to insure mortgages in integrated neighborhoods" (Quadagno 1994, 23–24). "Insurance is critical, or in the industry's term 'essential.' If a potential homebuyer cannot obtain a property insurance policy, no lender can provide a mortgage" (Squires 2003, 392). On the rental side, from the outset, public housing authorities located housing projects in racially segregated neighborhoods and selected tenants by race (Peel, Pickett, and Buehl 1970, 63–64). The governmentally supported housing patterns in the United States were intentionally designed to promote racial inequality. "From the New Deal to the 1960s, federal housing policy encouraged private home ownership for white families but not black families. Instead, federal policy reinforced barriers to residential choice erected by builders, money lenders, and realtors. Housing barriers not only relegated minorities to racially segregated housing but also virtually ensured that the quality of housing open to them was inferior" (Quadagno 1994, 89).

As part of civil rights legislation, beginning with the Fair Housing Act of 1968, there has been significant and important federal legislation related to fair housing. Table 2.1 provides an overview of such policies. As Galster summarized, the core fair housing goals include "the elimination of differential treatment, which discriminates on the basis of race; the creation of stable, racially diverse neighborhoods, and the reduction of ghettos occupied by poor minority households" (1999, 123).

Yet, discrimination in housing still actively persists. This includes differential treatment, where housing agents apply a different set of rules or practices when dealing with a minority, as well as adverse impacts, where a public policy or practice is applied evenhandedly to all races but results in disproportionately unjustifiable negative consequences for minorities (Schwemm 1992; Yinger 1995, 1998). This is particularly true in the area of Section 8 housing, mortgage loans, and racial profiling in insurance or insurance redlining.

As detailed by the U.S. Department of Housing and Urban Development's website, "The housing choice voucher program [Section 8] is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects." Beck's analysis of Section 8 housing found blatant, open discrimination revealed by landlords. "Landlords blatantly discriminate against Section 8. They told me plain and simple they don't take Section 8; that's their policy" (1996, 3). Beck concludes, "As experience with the FHA demonstrates, the reality of enforcement is often far from ideal. The source of the well-documented ineffectiveness of the FHA in alleviating housing discrimination lies in its enforcement provisions and the lack of vigilance with which those provisions have been employed, not in the classes it protects or the types of discrimination it prohibits . . . even though an estimated two million incidents of housing discrimination occur each year, only about 400 fair housing cases were decided between 1986 and 1993" (13). Ultimately, Beck concludes, "A statute that affects only selected actors cannot accomplish the 'shaping [of] collected behavior' essential to eliminating discrimination" (13). In essence, landlords continue to discriminate because they recognize there is little risk associated with doing so.

Table 2.1

Fair Housing Laws and Presidential Executive Orders

The Fair Housing Laws	
Fair Housing Act	Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability).
Title VI of the Civil Rights Act of 1964	Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.
Section 504 of the Rehabilitation Act of 1973	Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.
Section 109 of Title I of the Housing and Community Development Act of 1974	Section 109 prohibits discrimination on the basis of race, color, national origin, sex, or religion in programs and activities receiving financial assistance from HUD's Community Development and Bloc Grant Program.
Title II of the Americans with Disabilities Act of 1990	Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public hous housing assistance, and housing referrals.
Architectural Barriers Act of 1968	The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and usable by handicapped persons.
Age Discrimination Act of 1975	The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.
Title IX of the Education Amendments Act of 1972	Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.
Fair Housing–Related Presidential Executive Orders	
Executive Order 11063	Executive Order 11063 prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.
Executive Order 11246	Executive Order 11246, as amended, bars discrimination in federal employment because of race, color, religion, sex, or national origin.
Executive Order 12892	Executive Order 12892, as amended, requires federal agencies to affirmatively further fair housing in their programs and activities, and provides that the secretary of HUD will be responsible for coordinating the effort. The order also establishes the President's Fair Housing Council, which will be chaired by the secretary of HUD.
Executive Order 12898	Executive Order 12898 requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.
Executive Order 13166	Executive Order 13166 eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally assisted and federally conducted programs and activities.
Executive Order 13217	Executive Order 13217 requires federal agencies to evaluate their policies and programs to determine if any can be revised or modified to improve the availability of community-based living arrangements for persons with disabilities.

Source: U.S. Department of Housing and Urban Development 2012.

In regard to mortgage loans for the middle class, statistical research found that high minority denial rates across the United States persist, even when legitimate financial factors were controlled (Schafer and Ladd 1981). These findings were reaffirmed by the Federal Reserve Bank of Boston's analysis of more than 3,000 mortgage loan underwriting decisions by 131 Boston-area banks, savings and loans, mortgage companies, and credit unions in 1991. Their analysis found that African Americans and Hispanics were 60 percent more likely to be denied, even after controlling for differences in down payments and credit histories (Munnell et al. 1996).

Gotham concludes, "the various economic and political dimensions of housing-related activities have been conducted through an organized and interconnected system of racial discrimination." He further explains, "As decades of research on housing and real estate have revealed, racial discrimination has been, and continues to be, an institutionalized and persistent feature of the housing industry that cuts across a variety of public agencies, private firms, and includes landlords, homeowners, bankers, real estate agents and government officials . . . informal patterns and institutional mechanisms of housing discrimination remain a persistent and undeniable characteristic of American society" (Gotham 2000, 17).

As Figure 2.2 reports, there are significant and enduring differences in home ownership rates by race and ethnicity. In 1996, 69.1 percent of whites owned a home; compared with 44.1 percent of blacks, 51.6 percent of American Indians, 50.8 percent of Asians, and 42.8 percent of Hispanics. In 2010, a similar pattern remains with 71 percent of whites owning a home, compared with 45.4 percent of blacks, 52.3 percent of American Indians, 58.9 percent of Asians, and 47.5 percent of Hispanics.

Education

Education is a very important factor in understanding social inequities. There is a consistently positive association between education and economic well-being. As Frederickson notes, "American public education has always been about educational achievement on the one hand, and educational opportunity, on the other. Educational achievement has to do with student and teacher merit, quality, grades, advancement, capability, performance, and work. Educational opportunity has to do with justice, fairness, and an equal chance for students and their families" (2010, 113).

In many ways, higher educational achievement is viewed as the most promising investment to counter racial discrimination. Much has been written about racial inequities, segregation, and resegregation in the United States. Access to education is deeply rooted in structural racial disparities created