

Rethinking the Social Role of Public Housing

Lewis H. Spence
City of Chelsea, Massachusetts

Abstract

Over the past decade, public housing has become the nation's "housing of last resort." This article examines the emergence of this social role and describes the conditions of resident economic and social distress that have accompanied it. In this context, the article also evaluates the problem assessment and recommendations of the National Commission on Severely Distressed Public Housing, which released its final report in August 1992. This evaluation is used as the basis for proposing a new social role for public housing defined around the concept of social capital.

The commission correctly identified concentrations of resident distress, such as high proportions of extremely poor and female-headed families, as a major problem facing distressed public housing. However, the recommendations of the commission were much less satisfying. Rather than confronting directly the tenant selection policies that have produced these aggregations of resident distress, the commission held to an unrealistic optimism that social services and economic development initiatives could relieve these conditions. For changes in public housing tenant selection policies to occur, an alternative social role for public housing must be defined. Under this alternative role, a primary objective of the public housing program would be to give residents access to social capital. Such an approach would ensure that families of the working poor are integrated with the nonworking poor in public housing developments, thereby fostering those sinews of community connection and trust the essential features of social capital and the sources of hope and opportunity.

Introduction

Over the course of this past decade, the nation's public housing system has been buffeted by public shock and outcry over the emergence of two grave symptoms of distress among the urban poor: homelessness and the crack epidemic. At all levels of government—local, state, and federal—public housing has been subjected to intense media and political pressure to house the homeless and resist the incursions of a burgeoning crack trade. In response, the unwieldy public housing bureaucracy has labored to accommodate its aging and ill-suited housing resource to the contradictory impulses and reactive initiatives of the body politic. The result has been neither sound housing policy nor

relief of human misery. Instead, sadly, the result has been more mess.

If we are to extract something useful out of the mess, we need to start with a sober and honest assessment of what the public housing program can and cannot do. Unfortunately, the intense public insistence that public housing relieve the most recent symptoms of an aggravated poverty and social disconnectedness has done nothing to revise the capacity of the institution to respond. No new institutional capabilities or resources have been granted to the public housing infrastructure, even as the demands on the system have escalated. Expectations that the public housing system in its current condition might ease acute outbreaks of a quickening desperation among the urban poor only give evidence of how superficial our understanding is of the dynamics of their misery. A confused public housing strategy—cobbled together to appease the media, advocates, and elected officials—has only further crippled the capacity of the public housing system to serve any useful social function.

And so we have the National Commission on Severely Distressed Public Housing. As an increasing portion of the public housing system falters under the pressure of conditions in urban poor communities, a commission of inquiry is assembled to assess and recommend. In this instance, blessedly, extremity has fostered candor. The commission in its final report has begun to speak truth about the limits and possibilities of public housing. After years of shying away from speaking clearly to the urban crisis out of its own experience, the public housing community has at long last begun to tell a convincing story of what it might, in fact, contribute to the housing needs of the poor. The story it tells will not satisfy everyone; in particular, it promises no short-term palliative to relieve homelessness. But it begins to sketch a vision of public housing that is credible and compelling.

The commission is modest in its claims, however. It was not invited and makes no claim to reinvent the whole of the public housing program; it was charged only with framing solutions for the most severely distressed housing projects. While it limits its recommendations to these extreme examples of distress, the commission's diagnosis of the etiology of that distress has implications for the whole of the public housing program. Since the commission refrained from enumerating those implications, I propose in this article to examine the commission's central prescriptions for severely distressed public housing and suggest what we might extrapolate from its analysis to the rest of public housing. If we listen carefully to what the commission has to say,

we might begin to reconstruct the mission of the public housing program to serve real human possibility and so engage the earnest support of the larger community.

Redefining the social function of public housing

The final report of the commission is explicitly presented as an action plan and offers no comprehensive explanation of the etiology of decline in severely distressed public housing projects. But the commission's action plan is clearly put forth as a set of correctives to the conditions that have led to the distress of these developments, and the commission's implicit thesis concerning the origins of the decline of much of the public housing stock is readily extracted from the recommendations.

It is interesting that the correctives the commission prescribes go well beyond the expected calls for increased capital and operating funding for distressed developments. As for the usual obligatory indictments of the high-rise public housing design of the 1950s and 1960s, these are largely consigned to an appendix at the back of the final report.

Instead, the commission uses its charter to address the central question of the social function of public housing. As the commission struggles with the symptoms and causes of severe distress in public housing communities, it fashions a vision of a way out of the current distress that is sharply at variance with the prevailing notions of the social function of public housing. How sharp a departure from the conventional conception of public housing the commission is willing to openly avow is sometimes uncertain, but there is no doubt that the direction the commission is pushing toward (would it only take ownership of it) would substantially transform the social function of public housing.

The revised vision of public housing that the commission takes as its own emerges by increments. Some propositions that the commission espouses are sufficiently mainstream to receive full-blown and explicit treatment in the final report. These tend to be showcased up front, while significant departures from conventional wisdom are more brusquely and obliquely discussed later in the body of the report. It is worth examining these propositions serially, taking the more mainstream first and moving through the report to those that suggest a more drastic revision of the function of public housing. In this way, we can assess the commission's central recommendations while progressively

developing a more concise statement of the alternative vision of public housing toward which the final report gropes.

The sources of severe distress: Occupancy and the drug epidemic

After an opening summary of its recommendations, the final report of the National Commission on Severely Distressed Public Housing focuses on resident initiatives and support services. The commission recognizes that this focus in itself is a departure from previous approaches to the issue, in its emphasis on the social rather than the physical sources of distress in public housing: “Severely distressed public housing is not simply a matter of deteriorating physical conditions; it is *more importantly* [emphasis mine] one of a deteriorating—severely distressed—population in need of a multitude of services and immediate attention” (National Commission 1992, 46).

The commission argues that the distress of the public housing population has accelerated most markedly during the 1980s, with an increase in the proportion of public housing households with incomes below 10 percent of area median income rising from 2.5 percent in 1981 to almost 20 percent a decade later. In particular, the commission emphasizes that female-headed families now constitute 85 percent of the families with dependent children in public housing, while exceeding 95 percent of such families in some cities (National Commission 1992).

The commission ascribes this demographic change in the composition of the public housing population to the requirement that public housing “bear the ‘special’ responsibility to shelter the poorest of the poor” (National Commission 1992, 48). The commission is correct in its history: The targeting of public housing benefits to the most desperately disinherited of the population was much intensified during the 1980s.

A brief historical overview of the emergence of public housing as “housing of last resort” is informative. Traditional concerns about public housing eligibility centered on the possibility that public housing would unfairly compete with existing privately owned housing and constituted a form of “creeping socialism.” A “20 percent gap” requirement was instituted by the 1949 Housing Act. This requirement mandated that public housing authorities prepare rental market studies to demonstrate that their locally established public housing rents were at least 20 percent below market rents to prevent an overlap between

public and private housing markets. Because public housing income limits were based on a multiple of rents, the 20 percent gap ensured that eligibility was limited to those unable to afford housing in the private market (Meehan 1979).

Competing with pressures to limit the incomes of public housing residents has been a concern that federal low-income housing residents not be uniformly destitute. As late as the mid-1970s, with the passage of the Housing and Community Development Act of 1974, Congress required that public housing authorities adopt tenant selection criteria that would ensure a broad income mix in assisted housing projects and avoid concentration of the most deprived families (Schill 1993).

However, with the passage in 1981 of the Omnibus Budget Reconciliation Act (OBRA), Congress departed substantially from the mixed-income policy of the 1974 act. OBRA set a generally applicable income limit for federal low-income rental housing assistance at 50 percent of area median, with a small set-aside of units for households in the 50 to 80 percent range (Nelson and Khadduri 1992). Another provision of OBRA, which increased the resident rent contribution from 25 to 30 percent of income, likely had an even greater effect on targeting assistance to poorer households by making subsidized housing less attractive than market-rate housing for many households earning between 50 and 80 percent of area median income (Struyk, Mayer, and Tuccillo 1983).

Other legislative developments in 1979 and 1984 contributed to the growth in the number of extremely poor public housing residents by establishing admission preferences for households with severe housing problems. The Housing and Community Development Amendments of 1979 established preferences for families that are involuntarily displaced or living in substandard housing (Schill 1993). Homeless families and families living in homeless shelters were later deemed by U.S. Department of Housing and Urban Development (HUD) administrators to be living in “substandard” housing and thereby given preference. In the Supplemental Appropriations Act of 1984, preferences were extended to households paying more than 50 percent of their income for rent (Schill 1993). These preference rules effectively targeted assistance even further down the income distribution, because households with these severe housing problems often have incomes below 35 percent of area median (Nelson and Khadduri 1992).

Now, some 10 years after Congress began this movement toward deeper targeting of housing assistance, the commission reports that the resultant transformation of the social role of public housing was disastrous. While the final report notes that “there appears to be a relatively strong relationship between the income of the residents of a public housing development and the level of rehabilitation needs of the development” (National Commission 1992, 48), the commission, with its several tenant members, engages in no welfare bashing. The commission’s indictment of the quality of community forged by the policies of the past decade is more complex and thoughtful. It rests on two grounds:

1. These policies of the 1980s have created developments that “contain an aggregation of particularly vulnerable households”—vulnerable “both economically and physically” (National Commission 1992, 47, 48)—and
2. These communities have readily become “tremendously isolated” victims of “institutional abandonment in the areas of police protection, health care, employment and training, education, counseling, and youth programs” (National Commission 1992, 48).

In two paragraphs in the introduction that best summarize the commission’s diagnosis of the etiology of severely distressed public housing, the final report links this vulnerability and isolation fostered by public housing’s “last resort” function to the perpetuation of the other acknowledged crisis of poor communities—the drug crisis and its attendant epidemic of crime:

Understanding that the purpose of public housing is to provide homes and a safe living environment for those people most in need, the Commission emphasizes that distressed public housing has to do with *residents* living in severe distress as well as with the actual physical conditions of the sites, buildings, and units of the developments. Therefore, the Commission’s definition of severely distressed public housing encompasses a range of both *social and physical* characteristics that capture the conditions observed.

Many residents of severely distressed public housing are the most vulnerable members of our society, and they survive on very limited incomes. They are too often the victims of crime and drug abuse and are further demoralized by the very programs that the Federal Government established to assist them. For example, current rent regulations discourage work and savings, and increases in earned income trigger the loss

of public assistance benefits. Crime and drugs can flourish in severely distressed public housing just as they do in other settings with the same population characteristics, housing type, and other conditions resulting from public and private institutions abandoning or disengaging from a community. (National Commission 1992, 4)

Yet despite its willingness to link occupancy policies to crime and drugs, the commission shies away from recognizing the obvious policy implications of its argument. Strangest of all, it consigns a central finding of its research to a passing observation on the nature of severely distressed public housing late in the body of the report: "And, the prevalence of drug problems stands out as the biggest problem in severely distressed developments" (National Commission 1992, 76).

Recent accounts of drug abuse and drug-related violence in public housing are numerous and support the commission's assessment of the severity of the drug problem.¹ Michael Stegman, former chair of the Department of City and Regional Planning at the University of North Carolina and currently the Assistant Secretary for Policy Development and Research at HUD, has commented on the magnitude of the problem:

Despite high interest in doing something about the crime and drug play in central-city high-rise projects, it seems to me that we're still underestimating the staggering consequences of this problem. Before we will be able to see any light at the end of the tunnel, drug- and crime-induced destruction of public housing will exact an extraordinary physical cost in terms of increases in permanently abandoned projects, additional personnel, and greatly enhanced investments in substance abuse counseling and education, in addition to the full benefit of social services that we ought to be discussing. (U.S. General Accounting Office 1989)

If this assessment of the magnitude of the public housing drug problem is correct, it would not be hard to conclude on the evidence of the commission's own report that the focus on the poorest of the poor has fostered the spread of drug use and dealing in public housing and has surrendered many developments to the worst depredations of the drug crisis. No one, least of all public housing residents, is served by our averting our gaze from this obvious last link in the chain of the commission's analysis. It is a proposition that cries out to be considered.

¹ For accounts of drug problems and drug-related crime in public housing developments in New York City, Boston, San Francisco, Chicago, and Baltimore, see Keyes 1992, Newman 1992, McCormick 1991, and Craver and James 1992.

The commission's recommendations: Cautious prescriptions, bolder speculation

Unfortunately, the commission is reluctant to apply the logic of its own analysis when faced with the task of formulating prescriptions for severely distressed public housing. The final report resists attacking head-on the public housing occupancy policies that the commission suggests rest at the root of the increasing distress of public housing. Instead, to avoid confronting directly the tenant selection policies that define a disastrous social role for public housing, the commission holds to a naive optimism about the possibilities of altering the condition of community in distressed developments through social service and economic development initiatives.

The commission's recommendations for resident initiatives and support services are not wrongheaded; they are simply woefully insufficient. "A comprehensive, integrated, holistic system for delivering human services" (National Commission 1992, 55) to households living in distressed public housing is unquestionably needed. The commission is correct to emphasize that residents must be intimately involved in shaping and directing that delivery system. Additionally, the commission rightly points out that the system needs to link the life of the public housing community to the social fabric of the surrounding neighborhood to relieve the "institutional abandonment" that accelerates the decline of distressed developments. Similarly, programs to foster resident employment and entrepreneurship can offer alternatives to the drug use and other criminal activity that too easily ensnare a despairing and economically isolated community.

But the economic and social isolation of severely distressed public housing communities is in most instances far too advanced for us to suppose that such modest interventions can significantly alter the dynamics of distress. In our effort to serve those most in need we have created numerous public housing communities in which less than 10 percent of heads of households work. Children and adults in such communities have lost all effective links to mainstream economic activity. The only indigenous enterprises residents encounter are the criminal enterprises spawned by the drug industry. It beggars the imagination to assume that targeting existing social service programs (the final report explicitly rejects recommending a substantial increase in national funding for human and support service programs; see National Commission 1992, 49) and supporting local noncriminal entrepreneurship can possibly knit such desperate communities into the fabric of the mainstream economy.

The commission labors valiantly to be hopeful that such traditional palliatives might relieve the despair of these communities. Its modest recommendations are not, of course, the only recommendations of the commission; there is an array of recommendations to ease the physical reconstruction of public housing, to promote improved management of housing authorities, to increase funding for security, and to increase HUD's capacity to provide technical assistance and oversight in the renovation of severely distressed public housing.

Somehow, these pages of additional recommendations obscure the inadequacy of the commission's prescriptions for the crisis of distressed public housing. The array of recommendations suggests a comprehensive approach to the problem of severe distress and fosters an illusion that in concert these many tinkering with the system will produce a qualitative change in these distressed communities. The final report ultimately fails to be convincing, however.

It fails to be convincing because, for once, a group of thoughtful, progressive public housing experts acknowledges the root cause of the decline of public housing—but shies away from an equally powerful prescription for correcting that decline. The commission acknowledges directly that “severely distressed public housing is not simply a matter of deteriorating physical conditions; it is more importantly one of a deteriorating—severely distressed—population in need of a multitude of services and immediate attention” (National Commission 1992, 46). If severely distressed developments represent aggregations of severely distressed and isolated people, then two courses are open to us: We might alter our admissions policies to reduce the aggregations of severe distress and thereby relieve isolation, or we might focus interventions on these aggregations of human distress, in the hope of relieving it.

The commission chose the latter approach, however wanting in credibility, because the former is so politically daunting. Only once, almost in an aside, does the final report directly address the tenant selection side of the problem:

Families that live in public housing units tend to have very low incomes and to receive public assistance. It appears that public housing communities are less difficult to manage and that it is easier to provide greater benefits to all residents if there is a mix of incomes to include a greater number of households with members who are employed. Over the past decade, there has been an emphasis on having the program serve those who are very low income and more in need of

housing assistance. The reduction in the development of new public housing also appears to have resulted in a desire to be sure that the limited public housing units be available for those with the greatest need....

The Commission is concerned about the lack of flexibility that most [public housing authorities] have in selecting households for severely distressed public housing. There is a need to take steps to promote stable communities in severely distressed public housing and to promote the idea that this housing is a valuable community resource. The Commission recommends that Title VI of the Civil Rights Act and HUD rules governing Federal preferences be amended to allow greater flexibility in using local preferences in selecting households for severely distressed public housing as a part of an overall revitalization strategy. (National Commission 1992, 69–70)

This is certainly an excellent summary of the problem of our current definition of the social role of public housing. If the prescription proffered seems vague, the reasons for the vagueness are further revealed here. Not only does a challenge to the “housing of last resort” theory of public housing run up against the political claims of the poorest segments of society, it also runs afoul of existing civil rights law if it seeks to actively foster effective community ties. Civil rights law and HUD regulation both drastically limit screening and require random assignment to prevent the exercise of invidious discrimination. In the process, they also prevent consideration of family ties, family composition, source of income, and other factors that a tenant selection system aimed at creating a stable community would want to take into account.

In the end, to its credit, the commission cannot resist this one outburst of candor. The recommendation is not highlighted; it is buried deep in the text. It does not receive the attention and prominence that the social service and economic development recommendations receive, and it is isolated from the description of the causes of distress in public housing. But it is the only recommendation that suggests changes in the social role of public housing profound enough to hold out the hope of halting the decline of much of the public housing stock into irreversible distress. It goes to the heart of the public housing crisis.

A language for the social role of public housing

In the policy debates of the past decade and a half, responsible advocates of affordable housing have been severely hampered by

the absence of a compelling language to describe the grounds of their resistance to targeting exclusively “those most in need.” The rhetoric of the “social safety net,” “serving those most in need,” and “housing of last resort” has a compelling moral simplicity that has overwhelmed arguments for a “broad range of incomes policy.”

The commission seeks to define a conceptual basis for its objections to the social role of public housing as defined in the past decade. It speaks of “aggregations of the most vulnerable” and “institutional abandonment” as the unintended consequences of current national policy and marshals compelling statistical evidence of the impact of national policy on public housing. But these concepts do not represent a comprehensive theory to underpin an argument for redefining the social role of public housing. They define the failure of the current policy but describe no alternative vision on which public housing policy might be built.

Unless housing advocates can develop or adopt a compelling language for the benefits to the poor to be derived from an alternative social role for public housing, the program will remain hostage to policies that ensure its continued failure. Only a persuasive positive vision of public housing can release the program from the dead hand of a policy grounded in deficit thinking. The concept of housing of last resort is defined around the assumption of housing deficit. It makes no attempt to define assets the public housing program might seek to foster to assist poor people in their struggle for betterment.

In recent years, a small group of social scientists has begun to develop a concept that offers powerful promise to reshape our thinking about social welfare programs: the concept of “social capital.” The concept has been most accessibly and succinctly defined by Professor Robert Putnam of Harvard University’s Department of Government in an article that appeared in *The American Prospect*:

By analogy with notions of physical capital and human capital—tools and training that enhance individual productivity—“social capital” refers to features of social organization, such as networks, norms, and trust, that facilitate coordination and cooperation for mutual benefit. Social capital enhances the benefits of investment in physical and human capital. (Putnam 1993)

Research by Putnam and others has begun to demonstrate the importance of social capital in the development of both effective

government and economic progress. Putnam notes three ways that social capital undergirds these desired effects:

First, networks of civic engagement foster sturdy norms of generalized reciprocity: I'll do this for you now, in the expectation that down the road you or someone else will return the favor....Networks of civic engagement also facilitate coordination and communication and amplify information about the trustworthiness of other individuals....Finally, networks of civic engagement embody past success at collaboration, which can serve as a cultural template for future collaboration. (Putnam 1993)

As Putnam suggests in his article, the social and economic isolation of those most deprived and distressed in the community ensures the accelerating depletion of their access to social capital. Putnam cites a study by labor economists Anne Case and Lawrence Katz that demonstrates that

regardless of race, inner city youth living in neighborhoods blessed with high levels of civic engagement, such as church attendance, are more likely to finish school, have a job, and avoid drugs and crime, *controlling for the individual characteristics of the youth*. That is, of two identical youths, the one unfortunate enough to live in a neighborhood whose social capital has eroded is more likely to end up hooked, booked, or dead. Several researchers seem to have found similar "neighborhood effects" on the incidence of teen pregnancy, among both blacks and whites, again controlling for personal characteristics. *Where you live and whom you know—the social capital you can draw on—helps to define who you are and thus to determine your fate*. (Putnam 1993, emphasis added)

In discussing the implications of social capital for inner cities, Putnam also cites the widely noted work of William Julius Wilson. In his book, *The Truly Disadvantaged*, Wilson comments

The significance of changes embodied in the social transformation of the inner city is perhaps best captured by the concepts *concentration effects* and *social buffer*. The former refers to the constraints and opportunities associated with living in a neighborhood in which the population is overwhelmingly socially disadvantaged—constraints and opportunities that include the kinds of ecological niches that the residents of these communities occupy in terms of access to jobs, availability of marriageable partners, and exposure to conventional role models. The latter refers to the presence of a sufficient number of working- and middle-class professional families to absorb the shock or cushion the effect of uneven economic growth and periodic recessions on inner-city

neighborhoods. The basic thesis is...that the removal of these [higher income] families made it more difficult to sustain the basic institutions in the inner city (including churches, stores, schools, recreational facilities, etc.) in the face of prolonged joblessness. And as the basic institutions declined, the social organization of inner-city neighborhoods (defined here to include a sense of community, positive neighborhood identification, and explicit norms and sanctions against aberrant behavior) likewise declined...It is true that the presence of stable working- and middle-class families in the ghetto provides mainstream role models that reinforce mainstream values pertaining to employment, education, and family structures. But, in the final analysis, a far more important effect is the institutional stability that these families are able to provide in their neighborhoods because of their greater economic and educational resources, especially during periods of an economic downturn—periods in which joblessness in poor urban areas tends to substantially increase. (Wilson 1987, 144)

For the past decade, the nation's public housing policy has systematically set about creating public housing neighborhoods that are utterly devoid of social capital. The consequence is precisely what the theory of social capital would predict: an accelerating social alienation and distress. The report of the National Commission on Severely Distressed Public Housing only documents the dramatic acceleration of the devastating conditions that our obliviousness to the maintenance of social capital has wrought.

Advocates of a meaningful social role for public housing need to speak forcefully and directly about the public housing experience of the past decade. They need to be clear that there is nothing inherent in public ownership that ensures the devastating outcome we are witnessing. They need to argue for a public housing program that provides meaningful access for the homeless and dispossessed to the critical resource of social capital.

Such a program would ensure that families of the nonworking poor are integrated with the working poor to foster those sinews of connection and trust out of which hope and opportunity grow. But as the commission's report amply documents, the time is late. We have laid waste together to housing, community, and human resources. We have little time to redeem what remains.

Author

Lewis H. Spence is the State-Appointed Receiver for the City of Chelsea, Massachusetts. He formerly served on the faculty of the John F. Kennedy

School of Government, Harvard University, as Director of the Somerville and Cambridge, Massachusetts, Housing Authorities, and as Court-Appointed Receiver for the Boston Housing Authority.

References

- Craver, Alan J., and Michael James. 1992. Two Projects Are “Swept” by Officers. *Sun* (Baltimore) (August 22).
- Keyes, Langley C. 1992. *Strategies and Saints: Fighting Drugs in Subsidized Housing*. Washington, DC: Urban Institute Press.
- McCormick, John. 1991. Chicago Housecleaning. *Newsweek* (August 19).
- Meehan, Eugene J. 1979. *The Quality of Federal Policymaking: Programmed Failure in Public Housing*. Columbia, MO: University of Missouri Press.
- National Commission on Severely Distressed Public Housing. 1992. *Final Report*. Washington, DC: U.S. Government Printing Office.
- Nelson, Kathryn P. and Jill Khadduri. 1992. To Whom Should Limited Housing Resources Be Directed? *Housing Policy Debate* 3(1):1–55.
- Newman, Maria. 1992. Need and Crime Haunt Even Elite “Projects.” *New York Times* (March 19).
- Putnam, Robert D. 1993. The Prosperous Community: Social Capital and Public Life. *American Prospect* (Spring): 35–42.
- Schill, Michael H. 1993. Distressed Public Housing: Where Do We Go From Here? *University of Chicago Law Review* 60(2).
- Struyk, Raymond J., Neil Mayer, and John A. Tuccillo. 1983. *Federal Housing Policy at President Reagan’s Midterm*. Washington, DC: Urban Institute Press.
- U.S. General Accounting Office. 1989. *Housing Conference: National Housing Policy Issues*. Washington, DC. GAO/RCED–89–174.
- Wilson, William Julius. 1987. *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. Chicago: University of Chicago Press.