

PUBLIC HOUSING TODAY -- AT HOME AND ABROAD

Round Table Discussion

held at the

New York World's Fair

on

National Public Housing Conference Day

Tuesday, September 19, 1939

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Five Cents

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New York World's Fair 1939

Tuesday, September 19

Discussion Leader

Miss Helen Alfred, Executive Director
National Public Housing Conference

Speakers

- Hon. Leon H. Keyserling, Deputy Administrator, United States Housing Authority
Hon. Edward Weinfeld, Superintendent, New York State Housing Authority
Hon. Alfred Rheinstein, Chairman, New York City Housing Authority
Hon. Irving Brant, Journalist and Author

Five Cents

National Public Housing Conference
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Trans. FROM FWA LHM

"Public Housing Today - At Home and Abroad" - a roundtable discussion, held on National Public Housing Conference Day, at the New York World's Fair 1939, Tuesday, September 19

ALFRED

We gather here at New York's beautiful World's Fair to consider the possibilities of a world of tomorrow in which there shall be no more slums. Ten years ago a public meeting for such a purpose as this could not have been held for, although most European governments had embarked on housing programs several decades before, in the United States the provision of healthful, low-rent housing for low-income wage workers had not yet been accepted as a public responsibility. During the past five years, however, our cities have taken their courage in hand and are now attacking America's slums, which foreign observers regard as the worst in the Western World. A progressive national government, recognizing the social and economic importance of such an undertaking, is now generously aiding the localities in their efforts.

Our plan this afternoon is to discuss the slum clearance and low-rent housing program as it is taking form in our country and then, all too briefly, we will refer to the splendid housing achievements in municipalities a cross the Atlantic.

Mr. Keyserling, as one who has been especially close to administration of the United States Housing Act since its passage in 1937, will you tell us of the current status of the national low-rent housing program?

KEYSERLING

With financial aid and technical advice provided by the United States Housing Authority, the number of local housing agencies has grown from 46 in 1937 to more than 250 today. Thirty-eight states have provided for this independent local machinery which symbolizes the permanence and drive of the nation wide housing program.

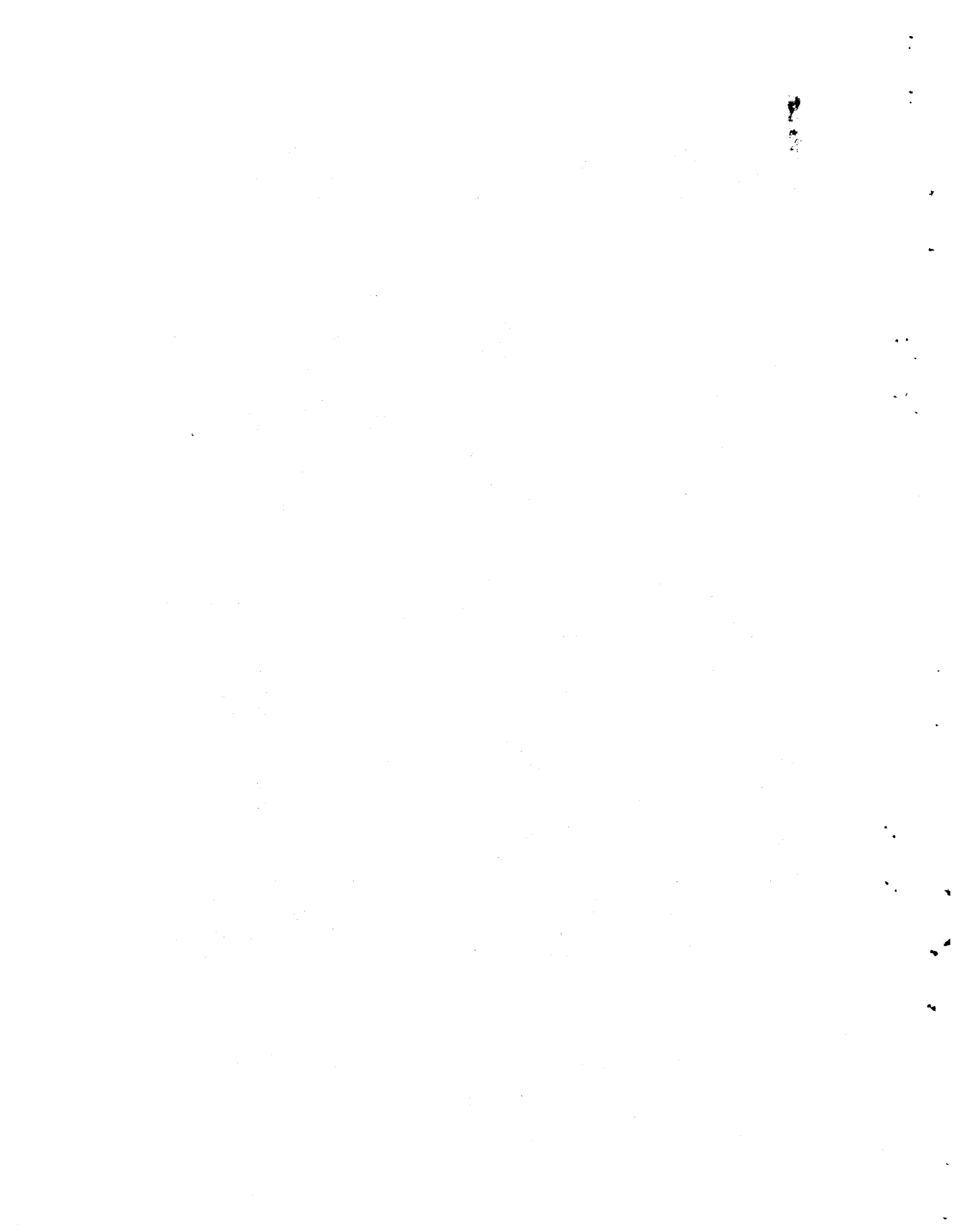
Here in New York, in the South and in the Southwest, projects have been opened and families rehoused. Additional buildings will be completed shortly on an even more representative geographic basis. By the end of this year, 80,000 family units in 200 projects will be under construction, bringing employment to labor and stimulation to industry. Within the next two years, 160,000 families under the present program will join the exodus from the slums into decent new homes - will enjoy better and happier lives.

BRANT

What is the status of USHA loan contracts and earmarkings, Mr. Keyserling?

KEYSERLING

USHA earmarkings and loan contracts total approximately \$670,000,000, which constitute about all funds available at this time.



WEINFELD

What are the estimated direct Federal and indirect local subsidies per person rehoused per year?

KEYSERLING

The average net USHA annual contribution is about \$115 per family rehoused, or about \$29 per person. Contrasted with other public expenditures, this figure, representing the ultimate cost of the program to the Federal Government, is small in terms of benefits received. The local subsidies in the form of tax exemption average about half the Federal aid, if theoretically computed. But in fact, when we take account of the notorious tax delinquency of slum dwellings, and the excessive cost of ameliorating slum conditions - we see that municipal tax exemption for rehousing slum dwellers is a shrewd and profitable investment. In short, both Federal and local aid to public housing is modest in cost compared to huge expenditures for public roads, education, aviation, agriculture, shipping, and the hundred other objects of public assistance.

BRANT

What progress has been made in New York City, Mr. Rheinstein?

RHEINSTEIN

All of the \$53,000,000 earmarked for New York City by the USHA has been allocated to projects now under construction or in the draughting room. However, such handsome savings have so far been made in building that additional projects will be possible from available funds. Moreover, because the United States Housing Authority held amounts in reserve as insurance against costs running higher than estimates, even more loans may be obtained from the Federal source.

When completed, the projects will house about 37,000 people and additional units from savings may increase that by several thousand.

WEINFELD

Mr. Keyserling, are certain problems common to all cities, large and small, now constructing and operating housing projects?

KEYSERLING

By and large, yes. The basic principles and problems are the same throughout the country.

First of all, communities and local housing authorities proposing to erect housing projects must continually counteract the influence of uninformed or misinformed individuals and organizations, who groundlessly fear threats to their economic interests through the clearance of slums and the construction of low-rent dwellings. Even after construction begins, the battle rages in some communities. But more and more localities are discovering today that a continued open, and frank public information program, setting forth the issues, the actual costs and benefits, does "sell" public housing to the community. Or rather, public housing sells itself - if we let it tell its own story.

In some communities the natural desire for elaborate, ornate projects, as local show-places, has been difficult to overcome. The authorities and contractors alike have had to be convinced that the USHA must often recommend

the rejection of bids - for development cost must be cut and cut again if public housing is to live and prosper.

The acquisition of project sites at reasonable costs has been difficult in the larger cities, such as New York. To say that slums must be cleared at any cost is a good slogan but a poor working proposition. Slums must be cleared at reasonable cost in terms of the objective to be served, and this requires the constant vigilance of those administering the program.

The problem of tenant selection has been vexing in some communities. Middle-income groups, feeling they have no direct stake in housing benefits, and resenting favors supposedly given only to low-income groups, need to be "educated" to the view that slum clearance injects social and economic benefits into the blood stream of community life as a whole.

Finally, the dearth of trained personnel to staff ~~local~~ authorities and manage projects is in many places troublesome. The local housing authorities, and organizations such as the National Public Housing Conference, are helping to solve this problem by collecting, sifting, and disseminating their experiences. In the near future, this cumulative mass of information will open new paths to efficiency and usefulness for public housing. As time progresses, more and more educational institutions are offering housing management courses.

BRANT

What are the main difficulties you have encountered thus far, Mr. Rheinstein?

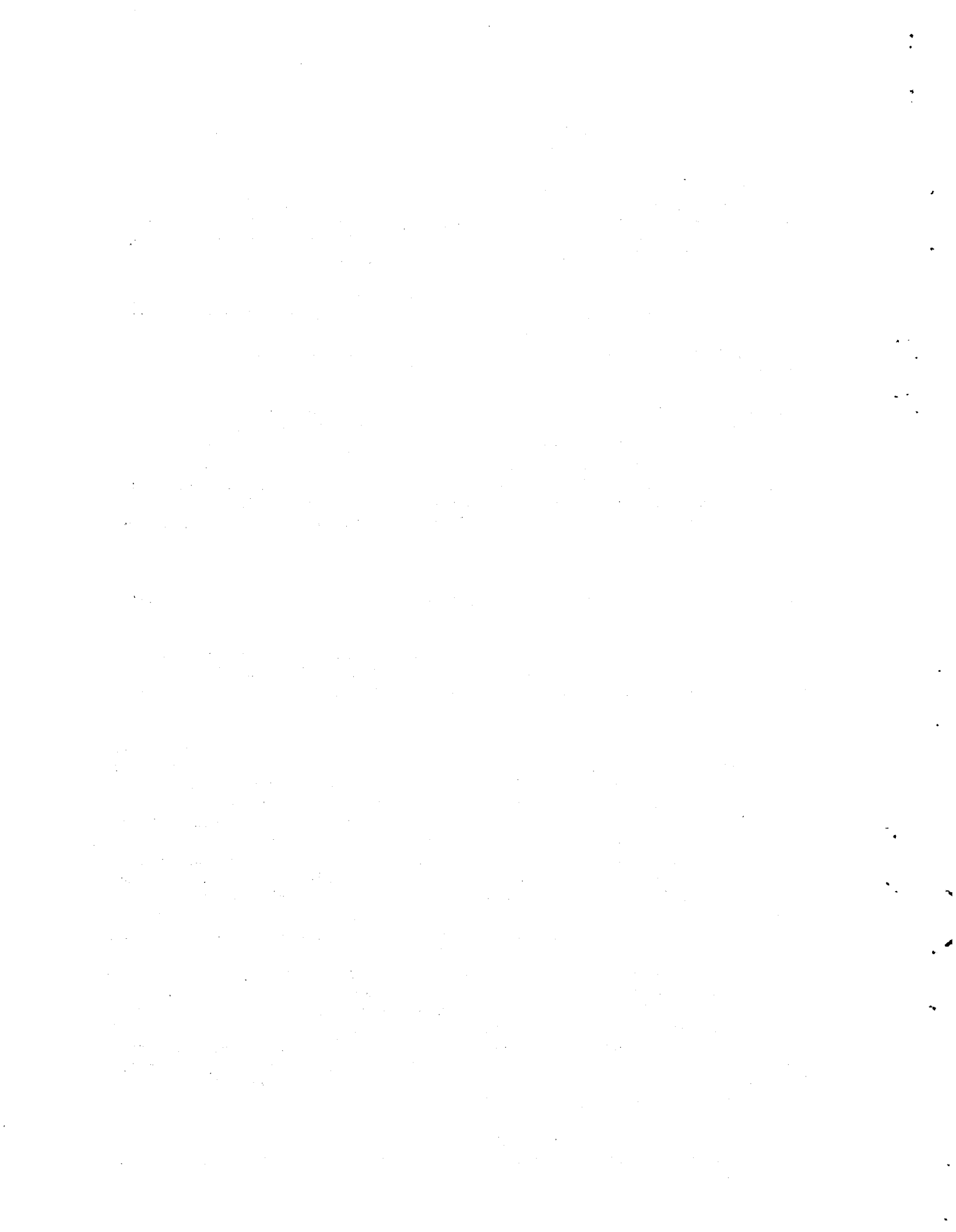
RHEINSTEIN

The main difficulties encountered have been obtaining slum property for less than \$1.50 per square foot - the limit set by USHA; selecting the most deserving tenants while restricted to income limits lower than those provided in the law; obtaining and training personnel in a new field.

Tenant selection inherently is a delicate subject. The main difference which we have had with the USHA is that we believe, and the law states, that those prospects are eligible who now live in substandard dwellings and cannot afford to live elsewhere. Those who cannot afford to live elsewhere are defined in the law as having incomes less than five times the rent. That approach definitely is an attack on substandard dwellings. As long as these dwellings remain they will be occupied, and this is a rare opportunity to eradicate slum areas and to replace insanitary dwellings with modern structures and so eliminate the possibility of anyone ever living in them again. When you delve into the lowest strata of the lowest income group, there are many people who must be taken care of by other agencies than housing. Family income, fortunately, is a changing condition. If we are diverted too far from the cause of housing to an attempt to eliminate poverty, neither objective will be attained. If the discussion on this matter had to come, it is better to have had it arise before the tenants were selected rather than after the projects were filled. Most of these problems are being solved, not by general formulae but by meeting individual situations. There are hard nuts to crack in administration, finance, land acquisition, design, construction and management but as precedents are established and the pioneer work completed, each becomes simpler and the labor less onerous.

ALFRED

What income levels have been reached by the local housing authorities, M. Keyserling?



KEYSERLING

The precise income group to be reached in a particular locality naturally involves a variety of concrete facts. The problem cannot be solved by general theoretical discussions. In each community, a careful analysis of income distribution, housing conditions, and rents in privately-owned dwellings point to the rent objectives of public housing. The income levels reached by public housing rise as demand for public housing increases, and the income levels reached by private housing fall as popular pressure for better housing offers an incentive for private enterprise to build homes which low-income families can afford.

At present, public housing in America must be conservative. Those with incomes too low must first improve their lot through the medium of social legislation. At the other extreme, it is significant to note that private industry, stimulated by the techniques of public housing, is already planning to reach down to the marginal group whose incomes are too high for public housing and too low for the better offerings in decent private housing. To date, income levels reached by housing authorities are often more a matter of geography than of population levels. Of course, price and wage levels tend to be higher in the larger cities everywhere, but sectional differences seem even stronger.

Perhaps this point can be made clearer by giving you the figures on the first five projects opened for occupancy.

In Austin, the average monthly shelter rent for a family dwelling is about \$6.50, and the project will serve families with average annual incomes estimated at \$400, with some as low as \$300.

In Jacksonville, Florida, the average monthly shelter rent for a family dwelling is about \$10.50, and the project will serve families with average annual incomes estimated at \$750, with some as low as \$500.

In Buffalo, the average monthly shelter rent for a family dwelling in the two projects is about \$13.25. The project for white families will serve families with average annual incomes estimated at \$850 with some as low as \$600; and the project for Negro families will serve those with average annual incomes estimated at \$750 with some as low as \$500.

In the Red Hook project in Brooklyn, the average monthly shelter rent for a family dwelling is about \$17, and the project will serve families with average annual incomes estimated at around \$1000 - 1100, with some as low as \$700.

Thus, as to the first five projects for which actual rent schedules have been set, the average monthly shelter rent for a dwelling will range from a low - in Austin, Texas - of \$6.50, serving families with average annual incomes estimated at \$400, to a high - in New York City - of \$17, serving families with average annual incomes in the \$1000 group.

BRANT

What progress has been made by the localities in demolishing slum dwellings? Are families displaced from slum clearance sites given preference in tenancing the new housing projects?

KEYSERLING

For the first time in 50 years in many an American city, the slum line is

is receding, not advancing. Under the present authorization of USHA funds, an estimated 160,000 unsafe and insanitary dwellings will be eliminated in connection with the public housing program.

Whether new housing projects are built on slum sites or upon new or relatively vacant sites, the "equivalent elimination" of slums must proceed. As more than two-thirds of the new dwellings are now being built on slum sites, slum clearance usually precedes new construction. In some instances, this "equivalent elimination" may be deferred for a prescribed period in order not to aggravate overcrowded housing conditions.

While every effort must be made to relocate families displaced from slum sites in the new housing projects, considerations of income stability, and statutory restrictions on income levels, must be satisfied. In the ideal situation, of course, displaced families should have first option on the new homes. At present, many local authorities are keeping careful check of displaced families so that the most equitable arrangements may be made. Since any particular slum neighborhood may house a mixed group of low and high income families of a thousand and one shades of income stability and family composition, obviously it is impossible to rehouse these families en masse. Of course, the relocation of tenants may be the subject of reasonable expenditures by local authorities in conjunction with the aid of relief and welfare agencies, wherever such persons are indigent and incapable of moving without financial assistance.

ALFRED

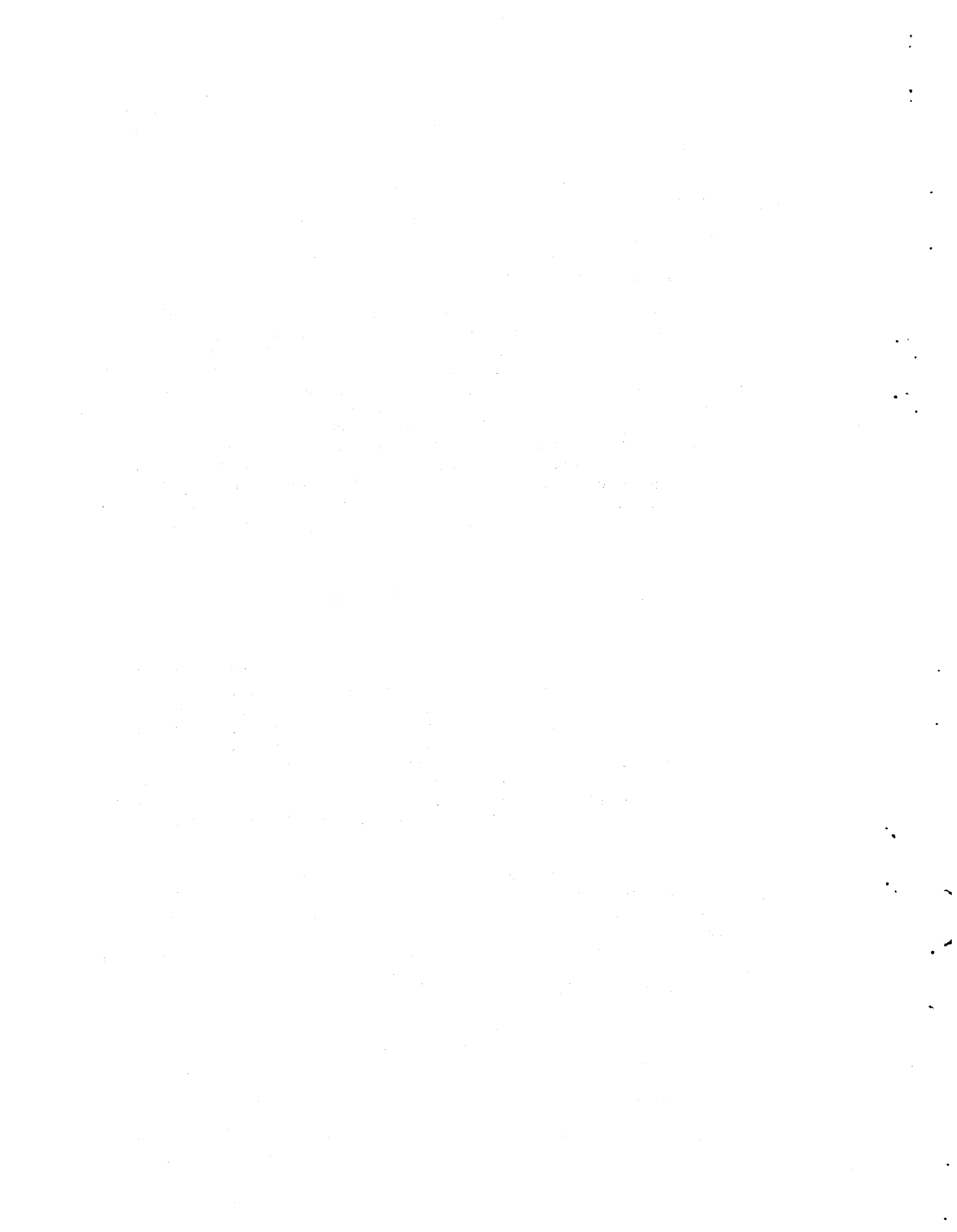
Do you think a closer coordination of slum clearance and the new dwellings erected can be effected, Mr. Rheinstein?

RHEINSTEIN

It is impossible in a short time to explain the principles of site selection and type of construction upon which the work has been developed. We have tried to acquire a point of view which will encompass a continuing program for the Greater City over a number of years. We hold that slum clearance is practically as important as new construction. The project should improve the neighborhood directly by its modern structures, open spaces, landscaping, and indirectly by stimulating neighboring owners to bring outmoded structures up to standard. It should be of such size and character as to foster neighborhood loyalties and spirit and fit in with a forward looking development of the area.

It is not enough for New York City to plan for elimination of obsolete structures and for the improvement of the neighborhood, but huge capital investments must be preserved and protected. Decent shelter and wholesome living conditions should be provided but the industry and commerce of the community must prosper before the individual can expect to make a good living. The location and construction of housing projects cannot effect that total result, but they can contribute substantially to it.

There is a scarcity of vacant low rent apartments in the city, due, to a large extent, to the great number of substandard dwellings which have been demolished and to the fact that private enterprise cannot profitably build for the lowest income group. As a result, no new dwellings have been built in slum areas for many years. Moreover, the USHA, from whom this Authority obtains financial aid, established a rule that land may not be purchased for more than \$1.50 a square foot without local contributions beyond the requirements of the Act. No property can be purchased in the worst slum areas for



that amount. It is not always possible, therefore, to satisfy every ideal requirement in the selection of a site; some of the aims may have to be compromised in order to obtain the most effective result.

It was deemed wise to start this city-wide program by building the first projects on cheap land between deteriorated residential districts and blighted industrial areas, so as to stimulate an improvement for both and fix a labor market for the latter. The initial developments built on sparsely populated areas take care of the thousands to be put out of their homes in substandard dwellings when slums are demolished preliminary to replacing them. It was essential that these projects be convenient to rapid transportation. The two locations which best fulfilled those requirements were the sites selected at Red Hook and Queensbridge. Having selected those sites and started their development, attention was promptly turned to the principal objectives of true slum clearance and rehabilitation of slum areas. After months of negotiation in obtaining options, an application was presented to Washington for the construction of Vlodeck Houses, in the lower East Side of Manhattan. Adjacent to this Federally aided project, Vlodeck City Houses will be erected with the aid of City financing. Thus, the Authority is now embarking on its true program of slum clearance.

The City's slum areas have been thoroughly studied and plans made for the construction of additional projects within these areas. Clearance of slum areas must accompany the construction of new housing, for, without their elimination, blight will spread, neighborhoods will gradually succumb to the enveloping decay, and the commercial life of these neighborhoods will suffer.

WEINFELD

Mr. Keyserling, what is the future outlook in terms of national need for rehousing low-income families?

KEYSERLING

Mr. Straus, Administrator of the United States Housing Authority, recently estimated before the Senate Committee, considering expansion of the housing program, that there are approximately 10,000,000 substandard homes in the country, and approximately 10,000,000 families in the lowest third income group. He also estimates that the potentially eligible tenants in USHA assisted projects would be about 7,500,000 families in the lowest income third.

Of course, the housing problem, in part, may be solved by the rehabilitation of a certain proportion of substandard homes by repair and modernization. Also, private enterprise will increasingly carry out its share of the total housing program. At present, it seems reasonable that the arrears in housing for low-income families will be well supplied if the local authorities, with the aid of USHA, will produce an average of about 300,000 units a year for the next 15 years, or about 4,500,000 units in all. In other words, this would mean a program for the rehousing by public initiative of 60% of the lowest third income group now living in substandard homes.

At the same time, I know that predictions are presumptuous. What is going to happen in the private building industry during the next 5, 10, or 15 years, and what is going to happen to the real wages of the lowest-income groups, no one can say with finality. At any rate, it is clear that the whole program must be restudied seriously each year from the point of view of current condi-

tions. It should be noted that the National Public Housing Conference last January recommended that Federal funds be made available to increase the program of local housing authorities to rehouse 1,000,000 families in the next 5 years.

ALFRED

Persons concerned with the housing problem, in every part of the country, have followed with considerable interest the recent action taken by the people of New York in making state and municipal aid available to the localities for slum clearance and low-rent housing. Mr. Weinfeld, won't you tell us what prompted passage of the New York Public Housing Law which went into effect on July 1st of this year?

WEINFELD

The housing problem throughout the State of New York, and not merely in the City of New York, is of such magnitude that it has been apparent for some years that no substantial progress could be made if we relied solely on funds supplied by the federal government. In order to avoid any doubt as to the legal right of the State to lend money and to give subsidies to municipalities for low-rent housing purposes, the housing committee of the Constitutional Convention, of which I was a member, presented an amendment to establish the State's authority beyond question. This amendment was overwhelmingly ratified in the November, 1938, election.

The wisdom of this step has become even more apparent particularly during the last few months. Appropriations for the federal housing program and the broad policies of the program itself are determined largely by Congress which, of course, is made up of representatives from all of the forty-eight states. Conditions in New York State and City differ widely from those prevailing in other sections of the country. Our income levels are different; our need for decent dwellings for our low-income families is different; our housing habits and traditions are different. For Congress to determine these questions on the basis of the general level of experience of the entire country presents many difficulties and problems to the Federal Administrator and more particularly to the local officials. I think we may hope that our State program can be geared more nearly to fit the conditions as we know them to exist in the various municipalities of the State.

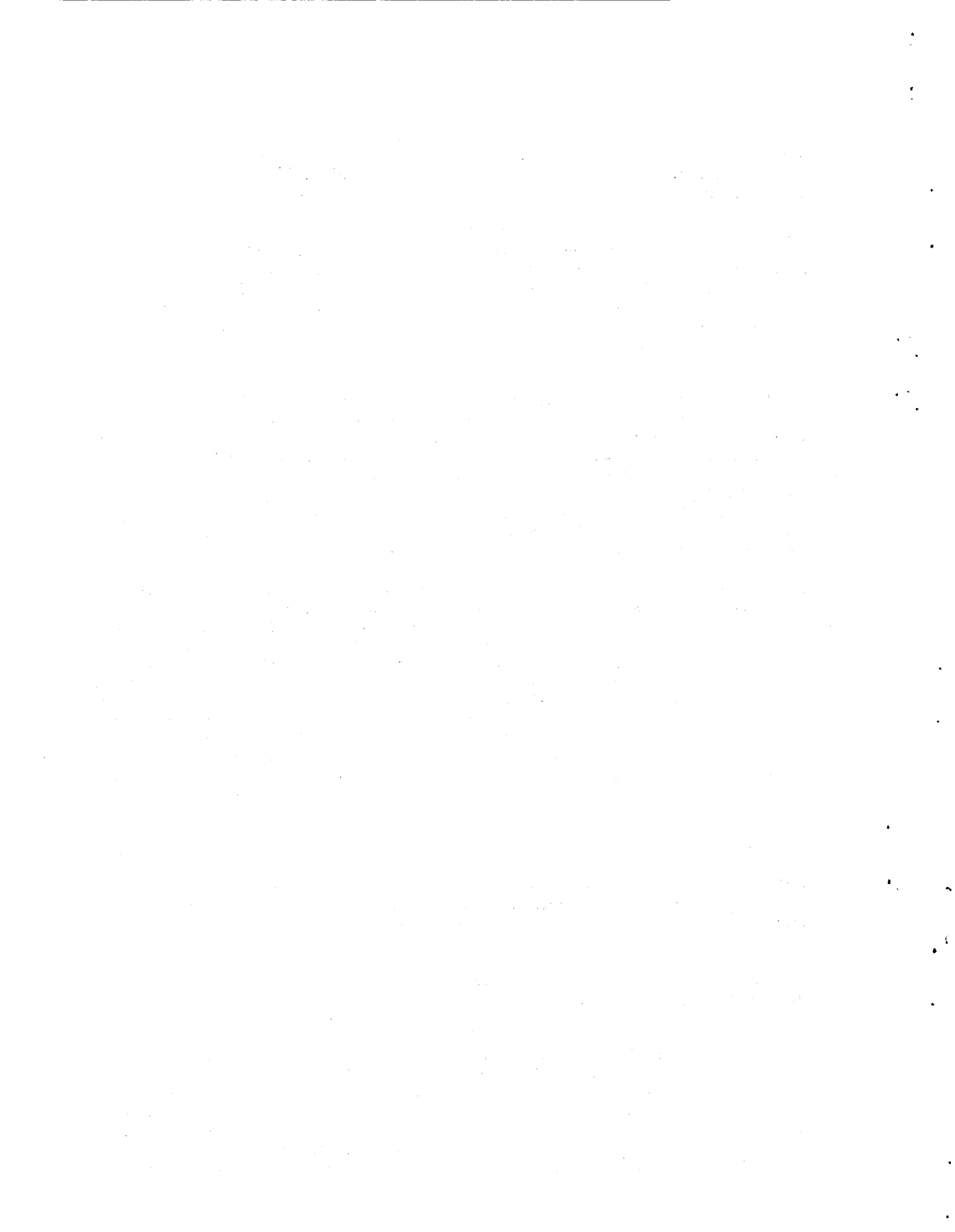
Furthermore, Congress at its last session failed to pass the bill which would have authorized additional loans and grants by the United States Housing Authority. Unless the next Congress makes the necessary appropriation, the housing program in forty-seven states will come to a stop while New York State will be in a position to keep right on.

BRANT

How much money has the State made available to the municipalities for loans and subsidies, Mr. Weinfeld?

WEINFELD

The Legislature authorized the State to float a special bond issue in the sum of 150 million dollars which may be used for loans to municipalities or to their authorities for the construction of low-rent housing projects. At the same time, it authorized the superintendent to enter into contracts to pay annual subsidies totaling one million dollars a year to insure the low rent character of the projects. Since the program cannot actually get under way until late in the fiscal year, the Legislature stipulated that only 50



million dollars in loans and 250 thousand dollars in subsidies can be expended before July 1, 1940. Under the statute, New York City is entitled to two-thirds of the total amount authorized for loans and subsidies and the balance of one-third is available to the rest of the State.

ALFRED

What machinery is being set up to put the State program into effect?

WEINFELD

The State Board of Housing which was the head of the Division of Housing under the old State Housing Law went out of existence on July 1st when the Public Housing Law became effective. In the place of an unsalaried board of five members, the Division is now headed by a salaried Superintendent of Housing. The most important administrative change which the new law involves has to do with the responsibilities and powers of the reconstituted division. Under the old law, the State's interest in housing was concerned primarily with the promotion and supervision of limited dividend projects. It had only nominal jurisdiction over the housing authorities established by various municipalities in the State. The Superintendent is now charged with the responsibility of passing on applications from municipalities and housing authorities for loans and subsidies which necessarily involves careful scrutiny of all of the details of each individual project. This means that site plans, construction plans and materials, design, layout, rents to be charged, and income groups to be served must all meet with the approval of the Division. This is the first requirement for the granting of a State loan. After the project is approved by the Superintendent, the loan and subsidy contracts must be approved by the State Comptroller and must also be approved, as to form, by the Attorney General.

BRANT

What procedure must a municipality follow in order to obtain a loan and subsidy contract from the State?

WEINFELD

First let me make clear the new law permits the municipalities as well as housing authorities to apply for State assistance. In either case the steps are the same. The authority or municipality files a detailed application with the Superintendent of Housing. Before that application can be approved the City Planning Commission, local legislative body and the authority must adopt a plan for the clearance, replanning and reconstruction of one or more sub-standard areas in the locality, and the application must show that the particular low-rent housing project is part of such a plan. After the application has been tentatively approved by the Superintendent of Housing and before it can be finally approved by him, the project must receive the approval of the local Planning Commission and the local legislative body. After the Superintendent has given his final approval, loan and subsidy contracts are prepared. These must be signed, not only by the appropriate officials of the municipality or authority, but also by the Municipal Comptroller.

BRANT

How many families do you estimate can be rehoused by the localities under the appropriations that have been authorized to date, Mr. Weinfeld?

WEINFELD

I can only give you a very rough estimate because the costs vary to a consider-

able degree in various communities in the State and may vary still further in the next year due to economic conditions. It is extremely unlikely that the full 150 million dollars will be borrowed. This is due to the fact that the amount provided for subsidies is sufficient only to insure the low rent character of housing projects costing about 30 million dollars. So as a practical matter the subsidy appropriation serves to limit the amount of building. In New York City the present subsidy appropriation would allow the construction of about 3200 family dwelling units and upstate about 2,000.

ALFRED

There is another feature of the N. Y. Public Housing Law which Mr. Weinfeld has not mentioned, and which seems to me worthy of reference at this time. I refer to the provision permitting a municipality to make loans for local housing projects, and also subsidies, the latter by excluding from the city's debt limit any indebtedness in aid of such projects. Obviously, this will enable the local authority to broaden the base of its program.

BRANT

How many more houses can you provide with this additional aid in New York City, Mr. Rheinstein?

RHEINSTEIN

Loans from the City will make possible housing for about 7,000 additional people, or about 1,700 families; State loans for possibly twice that number, as Mr. Weinfeld has said.

KEYSERLING

What did you find European cities doing in housing?

BRANT

That sounds like a simple question, but actually it is a very complicated one. I suppose you really mean to ask, what were the various nations of Europe doing in public housing before September 1st, when they started to blow each other to pieces?

The European housing survey, which I led this summer for the National Public Housing Conference, covered ten countries -- practically all of northern Europe, including all the countries now at war. Outside of Scandinavia and Russia, the coming war already was exercising a paralyzing influence upon housing programs. So you really have to consider, not only what Europe was doing when the war came along and stopped it, but what Europe was trying to do before the threat of war interfered.

Let me run quickly over the European public housing situation as it appeared in July and August.

Germany practically abandoned public housing as a broad-gauged social undertaking, when Hitler came into power. The Nazi housing policy has had special objects, such as to scatter the munitions industry over the country, to build "company towns" in order to anchor factory workers to the factory, and to nail down the unemployed on subsistence homesteads. I heard wonderful things about the new German housing for industrial workers. One of Mr. Hitler's personal interpreters was assigned to show us some of it, but the nearest he came to it was a collection of new apartment houses built for the officers of the Schutz-Staffel, the houses being connected by glassed-in corridors so that the SS officers could visit back and forth without getting their daggers wet. However, let me remark that Germany has no slums.

France, in recent housing activity, presents an almost tragic figure. Paris is dotted with magnificently conceived, partly built apartment house projects, begun by the Blum government and abandoned by its successors because the coming war absorbed all financial resources. Some of the suburban cities surrounding Paris had undertaken reconstruction programs which form an object lesson in what can be done for humanity when men have the vision, the will and the opportunity. Today the opportunity is gone, the will is thwarted, and only the vision and the object lesson remain.

In the city of London, last July, I was told by an English housing official that in that entire city of 6,000,000 people there remained only 23,000 families living in slums. Great Britain, under both Labor and Tory governments, has carried out the greatest public housing program of any country in the world. The government has built houses for millions of people. I think it is no exaggeration to say that an English workman earning \$15 per week can rent a government-built house for \$15 a month, which could not be rented in New York City for less than \$50 a month.

I wish that every American citizen could go to the Scandinavian countries, and see what they are doing in housing the people. We talk about the American standard of living. Why, you put the United States up alongside Denmark, Sweden and Finland, and the whole United States will rank as one vast slum. You should see the houses built for working people in Scandinavia. You drive along a street and come to a huge series of apartment houses, separated by beautiful gardens and parkways, and every apartment flaming with bright colored balconies and porch canopies. This, you think, is one of the show places of the town, inhabited by the highest income groups. Then you find that it is a city housing project built for workingmen with public funds -- and all this on a scale, in proportion to population, that makes the public housing program of the United States look about as big as a telephone booth. I would be willing to wager ten cents that you could take the fifty worst enemies of public housing in the Congress of the United States, send them to Scandinavia, and they would come back ready to vote for twice as big a housing appropriation as the one they defeated last summer.

Now, what about Russia? The Russians are probably the worst-housed people among the great nations of the world. They also have the largest housing program, and it is going forward the fastest of any program in the world. The Russians of the ^{new} regime worship size, so they build enormous apartment houses covering vast areas, and they build them fast. I saw one project in Moscow where a seven-story apartment house was being finished every two weeks, and the total time of construction for each unit was only five months. An American architect in our party said it was sound construction, though a bit rough. The point I would make is that even with the terrific burden of military preparation in Russia during the past few years, housing has been recognized as a major need, and has been tackled on a gigantic scale.

ALFRED

Mr. Brant, you led our housing study party from Great Britain, where the housing program was started by the Labor Government, to Scandinavia, where there are Socialist governments, to Russia, where the government is communistic. Would you say that there is a direct relationship between public housing and the leaning of a country toward socialism?

BRANT

No. I suppose that in the pioneer stage there was such a relationship, but

not now. The most strongly capitalistic country that we visited in our study this summer was Holland. Holland has probably gone farther than any other country, in proportion to population, in the use of government funds for housing. Holland also has gone farther than any other country in Europe in social control over the occupants of public housing projects.

Finland also is a conservative capitalist country. It has co-operative housing on a large scale, built by combined loans from the cities and from life insurance companies, with government control of rents. In Helsingfors, 60,000 people live in co-operative housing put up by societies whose members are Socialists, and more than 60,000 in non-Socialist co-operatives. A French Socialist told me that public housing in Paris received stronger support from conservatives than from Socialists, and that the Communist party was opposed to it. I think he exaggerated, out of a feeling of disappointment in the Blum government, but it illustrated the fact that public housing in Europe is practically universally accepted by all parties.

ALFRED

You would say, then, that Russia merely adopted the housing program already developed in capitalist countries?

BRANT

Fundamentally, yes, because all these governments recognize that it takes public action to get rid of slums. But there is a decided difference in administration due to the fact that in Russia both land and the construction industry are publicly owned. The result is that Russia escapes land speculation, and is able to establish rents which bear absolutely no relation to the cost of the project. Rents in Russia are limited by law to less than 4% of the tenant's income. In Finland they rise to as much as 35%. That should not be taken as a comparison of standards of living, however, because food and clothing are cheaper in Finland than in Russia.

KEYSERLING

What is the general attitude in Europe toward land speculation, in relation to housing?

BRANT

If an American land owner had to deal with European housing authorities, he would die of heart failure. In Holland they have the same complaint that we do in the United States, that the courts help land speculators to gouge the government. Practically everywhere else, land prices are fixed by expert appraisers in government employ, from whose decision no appeal can be made to the courts except on points of law.

When slums are cleared in England, the government does not buy the slum dwelling and tear it down, as we do in the United States. It issues an order through the health authorities, condemning the building and requiring the owner to tear it down at his own expense. The land is then bought, by appraisal, agreement or arbitration. In Belgium, the government orders slum property vacated by tenants. That causes it to lose value. Afterwards, the price is fixed by appraisal. In Germany, only a few weeks ago, an order was issued that all speculative value should be omitted from land bought for public purposes.

RHEINSTEIN

Did you form any impression, in Europe, about the possibility of public housing as a substitute for the business of building armaments and killing people?

BRANT

Well, the fact that they had to stop the housing program in order to carry on the fighting is prima facie evidence that they could stop the fighting in order to carry on the housing program. As a matter of fact, I heard the matter discussed a number of times in England and France. In France, a gigantic housing program was looked upon as the only feasible method of shifting from war industries to peace industries without a breakdown of employment. In England, the public housing program has been looked upon for years as the sparkplug of national prosperity, partly because public housing stimulated private housing, but chiefly because of its general effect upon business. In America, there is no doubt that a real attack on bad housing would solve our unemployment problem for years to come. We are twenty years behind Europe in housing policies. If we really started to build houses, while Europe is blowing up those already built, we would have a period of prosperity in this country lasting until the job was done, and it is a job that would last well into the latter half of the twentieth century.

ALFRED

What are the prospects for an additional appropriation for housing in the next session of the 76th Congress, in your opinion, Mr. Keyserling?

KEYSERLING

As most of this audience is aware, Senate Bill 591, introduced by Senator Robert F. Wagner of New York, was passed by the Senate. The House of Representatives rejected immediate consideration of the bill, but a shift of 10 votes would have changed the verdict, and the bill still remains on the House Calendar. There are good prospects for its consideration in the Second Regular Session of this Congress. Whether the bill will pass or not, of course, is beyond the realm of my prophetic powers. One thing remains certain: The increasing demands of local communities for the benefits of public housing cannot help but be transmitted to the Nation's legislators. Housing will speak for itself in terms of results. Whether the program actually will be expanded depends upon the will of the people, not the so-called housing experts like me. But if American democracy is to survive, a more equitable distribution of the necessary things of life, of such necessities as adequate shelter, must be made.

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Aim--To promote Slum Clearance and Low
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